

**SUBJECT: Self-Assessment Process**  
**MEETING: Governance and Audit Committee**  
**DATE: 20<sup>th</sup> June 2022**  
**DIVISION/WARDS AFFECTED: All**

**1 PURPOSE:**

- 1.1 To provide the committee with an overview of the council's self-assessment process to meet the requirements of the Local Government and Elections (Wales) Act 2021

**2 RECOMMENDATIONS:**

- 2.1 That members review the self-assessment process to inform their understanding of the arrangements the council has in place.

**3. KEY ISSUES:**

- 3.1 The past five years have been a challenging time for public services throughout the UK. Monmouthshire has been no exception. The self-assessment will evaluate what we have done during this time and how we have done it. Our direction was set by a five-year corporate plan which set a clear purpose and a series of objectives to achieve this. These were underpinned by our core values of teamwork, openness, fairness and flexibility. We recently added a fifth value of kindness, which was central to how we, and the communities in our county, have worked over the recent period. During the past two and a half years some of our plans had to take a back-seat while we adjusted to the challenges of the pandemic. This period was covered by five interim strategies, covering different phases from full lockdowns, through re-openings and finally learning to live with the virus. The self-assessment is a new requirement for Welsh local authorities and helpfully, comes at the start of a new council term allowing newly elected councillors to evaluate our recent history and use this to inform the direction we will chart, and the way we will work over the next five years.
- 3.2 The new requirement is created as part of the Local Government and Elections (Wales) Act 2021 which provides reformed legislative framework for local government elections, democracy, governance and performance. The Act replaces the previous improvement duty for councils set out in the Local Government (Wales) Measure 2009. The Act requires each local authority in Wales to keep under review the extent to which it is meeting the 'performance requirements', that is the extent to which; it is exercising its functions effectively; it is using its resources economically, efficiently and effectively and its governance is effective for securing these.
- 3.3 Under the Act, the mechanism for a council to keep its performance under review is self-assessment, with a duty to publish a report setting out the conclusions of the self-assessment once in respect of every financial year. Self-assessment is a way of evaluating, critically and honestly, the current position to make decisions on how to secure improvement for the future. It needs to be embedded across the organisation to help the council continually learn and achieve sustainable improvement and better outcomes for citizens, service users and its own workforce. The council needs to have an evaluative culture and mindset embedded in all it does, rather than see the self-assessment as a standalone process to be completed once a year.
- 3.4 The Corporate Plan 2017-22 set the organisation's five-year programme of activity aligned to a clear purpose. The plan was informed by a range of evidence and was focused on improving the

economic, social, environmental, and cultural well-being of Monmouthshire in line with the Well-being of Future Generations Act. The council has faced considerable challenges during the period of the Corporate Plan, in particular the Coronavirus pandemic. Through the pandemic, the plan has been supplemented by a series of shorter-term strategies, sometimes referred to as the 'plan on a page' that contain a purpose, strategic aims and associated actions. This has helped ensure clarity and accountability during the different stages of the pandemic.

- 3.5 The council has adapted, innovated and established new ways of delivering services that supported residents and businesses, assisted community activity and supported staff well-being through the ever-changing environment of the pandemic. Safeguarding the most vulnerable residents, working alongside the incredible volunteers within the county, providing vital contact tracing services to minimise the spread of the vaccine, and supporting local businesses have been at the core of council activity. These, and other activities, have run concurrently with the Corporate Plan aspirations and, with limited resources, there has been a conscious trade-off between these two plans. The pandemic has also resulted in a range of learning that needs to be evaluated to ensure it is embedded and built upon.
- 3.6 Appendix 1 provides the committee with an overview of the process that is being followed to complete the draft self-assessment report. The self-assessment will evaluate progress under each of the five priority goals in the Corporate Plan, which also serve as the council's well-being objectives, and the programmes of work, twenty-two in total, that support their delivery. It will also evaluate the key activity delivered as part of the interim Coronavirus strategies. To support the delivery of the goals, the council has to make sure that all of its areas are working efficiently and effectively. The report will assess the effectiveness of the 'enabling functions' that support council services to meet changing demands and ensure their sustainability. These include corporate planning, performance and risk management, financial planning, workforce planning, procurement, assets, digital and data.
- 3.7 The self-assessment process has been embedded as part of the council's performance management framework (Appendix 2). Developing and embedding an evaluative mindset throughout the performance framework is a key area of development. The self-assessment report will be integrated with the annual assessment of performance, aligned with the reporting requirements of the Well-being of Future Generations Act and also needs to dovetail with the Annual Governance Statement produced by the Chief Internal Auditor.
- 3.8 The assessment has been facilitated through a focus on answering three key questions about the effectiveness of the council's arrangements: how well are we doing? How do we know? And, what and how can we do better? These will inform the draft report, which is being constructed around:
- How well do we understand our local context and place and has this informed our purpose and priorities? (understanding well-being in the county)
  - How well are we achieving our agreed outcomes? (five goals in the council's Corporate Plan)
  - How do we know? (evidence)
  - How effectively are resources being used to deliver our priorities? (enabling functions/services)
  - How effectively does the council work with stakeholders and partners on agreed outcomes? (Partnership and collaborative working)
  - What could we do better? (actions)
- 3.9 Governance and Audit Committee have an important role in contributing to the self-assessment report and a draft must be provided to the committee to review. The self-assessment report should be used to inform the committee's role of seeking assurance of the effectiveness of the council's governance and performance management arrangements. The committee should focus its review of the report on the effectiveness of these arrangements. Scrutiny of the council's performance, which

will be contained in the report, is the remit of the Performance and Overview Scrutiny Committee, and it will be presented to that committee on the 7<sup>th</sup> July.

- 3.10 Governance and Audit Committee can also make any recommendations for changes to the conclusions or actions the council intends to take. If the council does not make a change recommended by the Governance and Audit Committee, it must set out the recommendation and the reasons why. The completed assessment will be brought to the next meeting of this committee on 14<sup>th</sup> July before being presented to Council on 22<sup>nd</sup> September.
- 3.11 The annual self-assessment report will be complemented by a panel performance assessment once in an electoral cycle, providing an opportunity to seek external insights (other than from auditors, regulators or inspectors) on how the council is meeting the performance requirements.

#### **4. RESOURCE IMPLICATIONS:**

- 4.1 There are no additional resource implications as a result of this report. However, there may be resource implications in undertaking further actions identified in the self-assessment report. These would be subject to the usual council decision-making processes.

#### **5. BACKGROUND PAPERS:**

[Local Government and Elections \(Wales\) Act 2021](#)

[Performance and governance of local authorities: statutory guidance](#)

[WLGA Corporate Governance & Performance](#)

[Corporate Plan 2017/22](#)

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## Appendix 1 – Self-assessment process

### Legislation

The Local Government and Elections (Wales) Act 2021 (“the Act”) provides for a new and reformed legislative framework for local government elections, democracy, governance and performance. The Act replaces the previous improvement duty for councils set out in the Local Government (Wales) Measure 2009. The Act requires each council in Wales to keep under review the extent to which it is meeting the ‘performance requirements’, that is the extent to which it is exercising its functions effectively; it is using its resources economically, efficiently and effectively; its governance is effective for securing these.

The performance and governance provisions in the Act are framed within the context of the well-being duty in the Well-being of Future Generations (Wales) Act 2015, which sets out a legally binding common purpose for public bodies to improve the social, economic, environmental and cultural well-being of Wales.

The mechanism for a council to keep its performance under review is self-assessment, with a duty to publish a report setting out the conclusions of the self-assessment once in respect of every financial year. Self-assessment will be complemented by a panel performance assessment once in an electoral cycle, providing an opportunity to seek external insights (other than from auditors, regulators or inspectors) on how the council is meeting the performance requirements.

### Why

Self-assessment is a way of evaluating, critically and honestly, the current position in order to make decisions on how to secure improvement for the future. It is about the council being self-aware, understanding whether it is delivering the right outcomes, and challenging itself to continuously improve. It needs to be embedded as effective self-assessment helps the council to continually learn and achieve sustainable improvement and better outcomes for citizens, service users and its own workforce.

The WLGA have identified draft principles for self-assessment for councils to ensure that they have arrangements in place that:

- demonstrate self-awareness derived from evidence-based analysis that focuses on outcomes;
- are owned and led at a strategic level and are not an exercise in compliance;
- further develop a culture of challenge to facilitate improvement as part of an ongoing process;
- are integrated as part of the council’s corporate planning, performance and governance processes; and
- enable an organisation-wide assessment rather than an assessment of individual services.

Further developing this culture and embedding an evaluative mindset will be a key development point through the first few iterations of the self- assessment report.

### Process

The council has developed a process to undertake its first self-assessment under the Act, assessing performance in the 2021/22 financial year. The main component parts of the process and timeline are:

<b>Feb – April</b> Desk-based evidence gathering	<b>April - May</b> Directorate self- assessment Workshops	<b>May – June</b> Council self- assessment report drafted	<b>July</b> Draft report to Scrutiny and Governance & Audit Committee	<b>September</b> Self-assessment agreed in line with council process.
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This timeline ensures that the self-assessment can inform and be informed by the policy direction of the council and how it uses its resources efficiently and effectively, particularly the budget setting process.

Evaluative evidence to inform the assessment has been compiled at a directorate level. Most of the evidence has been collated by using intelligence already held corporately in an insightful way; this includes, for example, the Annual Governance Statement, audit and inspection reports, and service level business plans.



The evidence gathered has been explored further, and challenged where necessary, at directorate and enabling function based self-assessment workshops, to determine if the objectives (outcomes) of the council are being achieved.

#### Self-assessment workshops

Directorate workshops	Enabling functions workshops
Children & Young People	Policy & Governance – Workforce planning
Social Care & Health	Resources – Financial planning
Communities & Place	Resources – Assets
	Communities & Place – Procurement
	Resources and Policy Performance & Scrutiny – Digital and Data
	Policy Performance & Scrutiny - Corporate planning, Performance and Risk Management

The workshops were facilitated through the following questions:

- How well do we understand our local context and place and has this informed our purpose and priorities? (Need)
- How well are we achieving our agreed outcomes? (From the Corporate Plan)
- How do we know? (Evidence)
- How effectively are resources being used to deliver our priorities? (Enablers)
- How effectively does the council work with stakeholders and partners on agreed outcomes? (Partnership working)
- What could we do better? (Actions)

The full evidence and conclusions from workshops have been collated and will be used by directorates and enabling functions to inform their services business plans.

Following the workshops, the evidence is being reviewed, further challenged, and collated into a corporate level evaluative self-assessment. This will be integrated with the council's requirement to report on the progress it has made in meeting its well-being objectives for the preceding financial year (2021/22) under the Well-being of Future Generations Act. The report will be structured under these headings:

- Understanding our local place
- Outcomes (progress against Corporate Plan goals):
  - How well are we achieving our agreed outcomes?
  - How do we know?
  - Areas for development
- Enabling functions
  - Corporate planning, performance and risk management
  - Financial planning
  - Workforce planning
  - Procurement
  - Assets
  - Digital and data
- Our work with partners
- Our Actions

The self-assessment report will be scrutinised by the council's Performance and Overview Scrutiny Committee. A draft of the self-assessment report will be made available to Governance and Audit committee, who must review the draft report and make recommendations for changes to the conclusions or action the council intends to take. The self-assessment will be approved in accordance with the council's agreed processes at Council.

## Appendix 2

### Performance Management Framework

Our performance management framework makes sure that everyone is pulling in the same direction to deliver real and tangible outcomes.

Building sustainable and resilient communities is the unifying purpose of the diverse range of services for which we are responsible. We are a partner in the Public Service Board, which is responsible for setting well-being objectives for the county. The council's own well-being objectives are set by Council and form the backbone of our Corporate Plan. Each of our teams has a service business plan that aligns to these objectives. We have a range of performance measures that we use to keep track of our progress. Our risk management policy enables us to manage strategic risks to our delivery. Our employee aims and objectives show the contributions that individual colleagues make to these objectives and delivering our vision in accordance with our values.

