

SUBJECT	Audit Wales Work Programme: Council Progress Update
MEETING:	Governance and Audit Committee
DATE:	30th March 2023
DIVISION/WARDS AFFECTED:	All

1. PURPOSE

- 1.1 To provide the committee with an update on the council's progress against the Audit Wales Work Programme up to March 2023 so that the committee can assure itself of the progress of the council's response.

2. RECOMMENDATIONS

- 2.1 That members scrutinise the council's response to the Audit Wales work programme, seeking assurance that adequate progress is being made.
- 2.2 That members refer any issues contained within Audit Wales national studies to other committees for consideration where they identify there are findings of particular relevance to the council that need further scrutiny.

3. KEY ISSUES

- 3.1 Each year, Audit Wales produces an Audit Plan, which sets out the work they intend to undertake to discharge their duties, and this is presented to Governance and Audit Committee upon publication. The performance audit work programme set by Audit Wales focusses on discharging duties in relation to value for money and sustainable development:
- Value for money - The Council has to put in place arrangements to get value for money for the resources it uses
 - Sustainable development principle - The Council needs to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives.
- 3.2 This report provides an update on the progress being made by the council implementing the findings of Audit Wales reviews. This includes an update on progress against existing proposals for improvement/recommendations, followed by the latest local audit work carried out since the last review, with an accompanying management response. Recommendations that require further attention are marked as 'open'. Where a recommendation has been assessed as being adequately addressed, it is 'closed' and explanation why included. Some of the forward-looking actions committed to by the authority are likely to be reflected within other council strategic documents such as the Community and Corporate Plan, enabling strategies, the Whole Authority Strategic Risk Assessment and the Medium-Term Financial Plan.
- 3.3 As well as local work at each council, Audit Wales carries out national studies across the local government sector to make recommendations for improving value for money, and all of these reports are published on www.audit.wales/publications. Whilst the findings of these studies are not necessarily specific to Monmouthshire County Council, those of greatest relevance are shared with the most appropriate service area to consider their findings and recommendations and to respond accordingly. Appendix 2 identifies the studies most applicable to the council since the last iteration of this report, along with a management response outlining service area's actions in response to the study.
- 3.4 Governance and Audit Committee has a role in ensuring the council is responding to the findings from national Studies and can also refer them to another scrutiny committee if they feel the report requires further in-depth consideration beyond the response already

provided by the service area. The committee may also refer issues to Democratic Services Committee who are able to perform a coordinating function.

- 3.5 The council works closely with regulators and inspectors to quality-assure activities as this is vital to ensuring improvement. Their feedback is valued, and their assessments are used to help us focus on the things we need to improve. Their findings have informed the council's own self-assessment of its performance in 2021/22. Findings from Estyn and Care Inspectorate Wales have their own monitoring arrangements in place. Consideration will be given to incorporating further oversight of these, where they relate to the council's performance arrangements, in future updates of this progress report to Governance & Audit Committee.
- 3.6 Audit Wales, as part of their ongoing annual audit work programme, may follow up progress in any of the open or recently closed proposal areas.

4. REASONS

To ensure the authority responds appropriately to Audit Wales proposals and recommendations to secure the improvements required.

5. RESOURCE IMPLICATIONS

Finance and any other resource implications of activity related to responses to the proposals will need to be considered by the relevant responsibility holders.

6. CONSULTEES

Individual Audit Report Responsible Officers
Deputy Chief Executive/Chief Officer, Resources

7. BACKGROUND PAPERS

Audit Wales Audit Plan 2022
Audit Wales Annual Audit Summary 2021

8. AUTHORS

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Appendix 1

Open Audit Wales Proposals for Improvement

Finance Proposals

Report	Financial Sustainability Assessment – June 2021		
Audit Wales Proposal	To ensure its Medium-Term Financial Plan predicts future funding requirements as accurately as possible, the Council should regularly review its future cost pressure estimates to ensure they are reasonable and reflect recent levels of cost pressures.	Status	Open
	To bridge its estimated future funding gap and contribute to strengthening its financial sustainability, the Council should develop and deliver a programme of sustainable planned savings over the medium-term.		
What progress have we made	<p>After several years of taking significant resource out of the budget, the means of achieving further savings is increasingly more challenging. Pressures on the budget have remained and continue to increase in terms of demographic growth, demand on services and expectations, and pay and pension increases. Specific areas with pressures include children with additional learning needs, children’s services and specifically looked after children, adult social care, homelessness passenger transport and MonLife activities.</p>		
	<p>Councils are facing financial challenges on an unprecedented scale. Costs and demand have increased significantly in recent years and local authority budgets have not kept pace. The size of the budget challenge for Monmouthshire, prior to any intervention for financial year 2023/24 was £26.642m. This grew by circa £3.5m between Cabinet’s November 2022 budget update and budget proposals in March 2023. The Council is accustomed to dealing with financial challenges in the order of £5m - £10m in an annual planning cycle. The size and speed of the 2023/24 challenge is out of all proportion to earlier years and is largely driven by factors that residents are experiencing in their domestic and employed lives. Price rises on goods and services, soaring energy costs, and increased borrowing costs predominate. Added to these are significant cost increases attributable to pay awards, and increased demand on service areas such as social care, homelessness, additional learning needs and home to school transport</p>		
	<p>The pandemic and the resultant Cost of Living Crisis has significantly affected the council’s medium-term financial planning. The most recent update to the MTFP model predicts a continuously increasing budget deficit as a result of updated budget assumptions, with a shortfall of over £23m predicted by 2026/27 and that will need to be addressed by way of savings and increased income.</p>		
<p>There is not a consistent picture of schools’ balances. There has been a fluctuating trend with some schools showing a continuing reduction in schools balances, which is of concern, and others a more stable trend. However, grants awarded to schools at 2020/21- and 2021/22-year ends have resulted in a large increase in overall school balances. Schools have developed investment plans and the balances are expected to reduce during 2022-23. The increase in school balances has resulted in a reduction in the number of schools in deficit. Inherent structural budget deficits that led to a situation of 17 schools being in deficit prior to the pandemic may in certain cases still remain, and the Authority will look to work with</p>			

those schools in particular to look to develop a sustainable medium term budget structure irrespective of the additional Welsh Government funding received.

The 23/24 budget has recently been approved by Council, led by commitments set in the draft Community and Corporate Plan 2023-27. Contained within this budget is an updated MTFP model, which has been revised and updated to align with the new budget. Though the budget has been finalised, the Council still faces further financial risks that will need to be addressed throughout the year, including the depletion of reserve and capital receipt balances. Budgetary discipline will be paramount throughout this financial year and over the medium-term.

	Desired Result	Action	Responsible Officer & Timescale	Progress so far
Further action planned	A medium-term financial plan which is based on realistic evidence and planned scenarios to allow a structured and planned approach to service delivery in the medium term in line with community and corporate plan priorities.	Develop a Medium-Term Financial Plan that is based on realistic evidence and planned scenarios, to guide budget setting in line with agreed strategic objectives	Chief Officer Resources July 2023	The 2023/24 budget was recently approved by Council in March and that included an update of the Council's MTFP. The MTFP will be reviewed and updated and such as to inform the financial strategy that will be developed subsequent to the Community and Corporate Plan being approved by Council.
	In parallel with the above, to develop and deliver a programme of sustainable planned savings over the medium-term to allow a balanced budget to be set that delivers on agreed community and corporate plan priorities.	A robust and detailed review of planned savings brought forward that ensure that the impact on service delivery is mitigated where possible and that contributes to an overall sustainable budget position in the medium term.	Chief Officer Resources July 2023	The 2023/24 budget proposals were recently approved by Council in March. These proposals set out the savings that will be made over the next year and outlines how the budget deficit has been managed. A cumulative impact assessment of the budget has been completed, which describes the possible negative, and positive, impact on residents and service delivery and what actions have been put in place to mitigate any negative effects. Further to the savings plans for 2023/24 the aforementioned development of the financial strategy and update of the MTFP will require a more comprehensive assessment and review

				of budget assumptions, pressures and savings plans over the medium term and to ensure that the Council has updated plans in place to ensure that the Council can continue to move forward on a sustainable financial footing and to allow it to deliver against its priorities and as outlined in the Community and Corporate Plan.
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Workforce & Asset Management proposals

Report	Audit Wales Springing Forward – August 2022		
Audit Wales Recommendations	Status	Open	<p>In developing its new asset management and workforce strategies, the Council should build on its experience of the pandemic and place the sustainable development principle at the heart of its considerations, and specifically ensure it:</p> <ul style="list-style-type: none"> • takes account of longer-term trends that may affect service provision and the efficient use of assets and workforce. • sets out its intended outcomes over the short, medium and longer term. • takes account of how the strategies impact on the objectives of other organisations in the county and regionally. • takes account of the views and needs of staff, service users and partners. In doing so the Council should seek to understand how, where and when users want to access services post-COVID-19 and how that might influence future asset needs and workforce planning. • collaborates with public sector partners across Gwent to evaluate the potential benefits of developing a strategic long-term approach to a single public estate
			As the Council begins to implement its new strategies, it should seek to build on existing examples of working with partners by developing a more systematic approach to considering opportunities for collaboration.
			To support regular scrutiny and decision-making by elected members and help provide assurance over value for money, the Council should ensure that the outcomes set out in its workforce and asset management strategies are supported by SMART performance measures, and that benchmarking is used where appropriate.

	Desired Result	Action	Responsible Officer & Timescale	Progress so far
Further action planned	To place the sustainable development principle at the heart of considerations.	To develop a new set of wellbeing objectives for the Council, which will inform our enabling strategies.	Deputy Chief Executive & Chief Officer, People & Governance July 2023	The Community and Corporate Plan will go to Council on April 20 th . Once approved, our enabling strategies, the Asset Management Plan and People Strategy, will be reviewed to ensure they are fit for purpose and support the new policy aims and objectives set out in the revised Community and Corporate Plan. The development of the Community and Corporate Plan, Asset Management Plan and People Strategy will embed the contribution to the delivery of the seven national well-being goals and the five ways of working of the sustainable development principle (from the Future Generation Act) in its development.
	To build on existing examples of working with partners by developing a more systematic approach to considering opportunities for collaboration.	To review the Asset Management Plan and People strategy, including considering opportunities for collaboration	Deputy Chief Executive & Chief Officer, People & Governance July 2023	The Asset Management Plan and People Strategy will be reviewed following the approval of the new Community and Corporate Plan. This will ensure they are fit for purpose and support the new policy aims and objectives set out in the new plan. This will consider any further opportunities for collaboration or partnership working.
	To support regular scrutiny and decision-making by elected members and help provide assurance over value for money.	To review the Asset Management Plan and People Strategy, including establishing mechanisms to evaluate delivery of the plans.	Deputy Chief Executive & Chief Officer, People & Governance July 2023	The Asset Management Plan and People Strategy will be reviewed following the approval of the Community and Corporate Plan. This will ensure they are fit for purpose and support the new policy aims and objectives set out in the

				revised plan. The development of the Asset Management Plan and People Strategy will set the outcomes planned and actions to deliver these. Mechanism to evaluate delivery of these outcomes will be established, including performance measures where relevant.
	Clarity over the Council's approach to the use of its assets to support robust decision making.	Replace the IT system with a system that incorporates the Financial Asset Register as well as providing a comprehensive solution for the effective management of property data	Head of Commercial and Integrated Landlord Services March 2024	Work in ongoing to replace the current IT system in place. A Project Team has been created to agree the specification for a new, more effective Asset Management System which will also incorporate a Financial Asset Register. Implementation is due to commence by March 2024.

Appendix 2

Audit Wales national studies published since last update

Report	Time for Change - Poverty in Wales (November 2022)
Outline of the Review	Poverty is not a new phenomenon, and addressing and tackling poverty, especially child poverty, has been a longstanding priority for the Welsh Government and councils in Wales. The effect of poverty can be far reaching and can prevent a person from fully participating in society and from benefitting from education and life opportunities that most of us take for granted. Often people experiencing poverty will face a crisis, and it is in these times that they turn to government and council for assistance. However, the cost of living crisis means that more and more people are experiencing hardship; families who before could live comfortably are being plunged into poverty. The consequence of this is a need for government to do much more to help those struggling.

	<p>This report looks at poverty in Wales and how the government is responding. This is the first of three reviews on the challenge of alleviating and tackling poverty; the following two reports will focus on two different solutions, the first being growing and expanding social enterprises and the second being equipping people to be less reliant on the state. The full report can be found here.</p>	
<p>Audit Wales Summary</p>	<p>The first part of this report highlights how poverty is a complex, multidimensional and growing issue. People throughout Wales continue to live in poverty and the number is estimated to be rising. Our analysis shows that poverty is the single major challenge facing all tiers of government.</p> <p>The second part of this report finds that councils and work partners have prioritised work on poverty, but the mix of approaches and a complicated partnership landscape mean that ambitions, focus, actions and prioritisation vary widely. In particular, understanding need and drawing on a wide range of data to shape responses remain an area for improvement. Because the agenda is so broad, it is understandable that no council has a comprehensive anti-poverty team, and activity cuts across a range of services which can reinforce silo working. Given the complex nature of the issue, no council knows the full extent of its spending on tackling poverty. All councils are dependent on grant funding but the short-term nature of grant programmes, complex administration, weakness in guidance, grant restrictions and difficulties spending mean that funding is not having the impact it could. Also, councils find it harder to deliver preventative work because of the sheer scale of demand from people in crisis.</p> <p>Finally, this report found that only one council is formally undertaking experience mapping with service users to shape how they provide all services to help people in poverty. Despite this, councils are changing how they deliver services as a result of the pandemic and ongoing budget pressures. But the new models of delivery are not always helping people in poverty and those struggling with the cost-of-living crisis. Digital exclusion remains a challenge and data shows that those in poverty find it difficult to access online services. Community hubs offer an opportunity for councils to help people at the point of crisis. Comprehensive and integrated publicity, advice and information services can significantly help people who are struggling. All councils undertake some form of assessment to determine the likely socio-economic impact of policy choices and decisions, but the approach varies and is not always effective, and most councils struggle to demonstrate the value of their work in alleviating and tackling poverty.</p>	
<p>Management Response</p>	<p>Recommendations</p> <p>We recommend that councils use their Wellbeing Plans to provide a comprehensive focus on tackling poverty to co-ordinate their</p>	<p>Response</p> <p>The Council is currently in the process of reviewing its wellbeing objectives. These will include a focus on tackling poverty and inequality along with a measurement framework to track progress.</p>

	<p>efforts, meet local needs and support the revised national plan targets and actions. This should:</p> <ul style="list-style-type: none"> • include SMART local actions with a greater emphasis on prevention • include a detailed resourcing plan for the length of the strategy • be developed with involvement from other public sector partners, the third sector, and those with experience of poverty • include a robust set of consistent outcome indicators and measures to increase understanding of poverty locally • be subject to annual public reporting to enable a whole system view of poverty locally to help improve delivery and support. 	<p>In addition to the measurement framework contained within the draft Community and Corporate Plan, work is ongoing in developing a poverty dashboard to track and present up to date information on poverty and inequality in the county.</p> <p>There is a Cabinet approved tackling poverty and inequality plan in place which includes SMART local actions and preventative work currently ongoing. These actions also span across a number of different partners that the Council are working with to tackle poverty and inequality. Producing a fully costed plan was considered however, as noted in this report, it was found to be unrealistic given the complex nature of the issue and difficulties in setting a boundary to actions taken.</p> <p>The Council recognise the importance of involvement and listening to our residents; we have hosted a series of cabinet member led workshops and also hold an annual whole county poverty network event, where anyone in the community who has an interest can be involved.</p> <p>The evaluation of our progress on tackling poverty and inequality is included in our annual Well-being Assessment which can be found here.</p>
	<p>We recommend that each council designate a cabinet member as the council’s poverty champion and designate a senior officer to lead and be accountable for the anti-poverty agenda.</p>	<p>The Council has a designated equalities Cabinet member, Councillor Fookes, whose areas of responsibility include poverty and social inequality and the cost of living crisis. Further information can be found here. The Council also has already designated a senior officer, Ryan Coleman, who is accountable for the anti-poverty agenda.</p>
	<p>We recommend that councils improve their understanding of their residents’ ‘lived experience’ through meaningful involvement in decision-making using ‘experience mapping’ and/or ‘Poverty Truth Commissions’ to review and improve accessibility to and use of council services.</p>	<p>A cost of living citizens panel is currently being established as part of our draft Community and Corporate Plan. Research has previously been conducted on the lived experience of our citizens including data analysis to improve our understanding of poverty in Monmouthshire and also experience mapping to show areas of poverty. As a Council we recognise the importance of research and</p>

		<p>data analysis however this must be done only where it can add value and actions are taken as a result of information collected.</p>
	<p>To ensure people are able to get the information and advice they need, we recommend that councils optimise their digital services by creating a single landing page on their website that:</p> <ul style="list-style-type: none"> • is directly accessible on the home page • provides links to all services provided by the council that relate to poverty • provides information on the work of partners that can assist people in poverty. 	<p>All information regarding services provided by the Council that relates to poverty and information on the work of partners that can assist people in poverty can be found here.</p>
	<p>We recommend that councils:</p> <ul style="list-style-type: none"> • establish corporate data standards and coding that all services use for their core data • undertake an audit to determine what data is held by services and identify any duplicated records and information requests • create a central integrated customer account as a gateway to services • undertake a data audit to provide refresher training to service managers to ensure they know when and what data they can and cannot share • review and update data sharing protocols to ensure they support services to deliver their data sharing responsibilities. 	<p>We recognise the value of this work and have tested the feasibility within our Council however given budget pressures and limited resources we are not in a position to be a market leader at this time. We will continue to watch with interest to see how others undertake this task and will consider the possibility of replicating with our available resources.</p>
	<p>We recommend that councils review their integrated impact assessments or equivalent to:</p> <ul style="list-style-type: none"> • ensure that they draw on relevant, comprehensive and current data (nothing over 12 months old) to support analysis • ensure integrated impact assessments capture information on: 	<p>The poverty dashboard will provide up to date and relevant information on poverty and inequality in the county. A census dashboard has been developed which provides recently collected and published information at a county level.</p> <p>The Council's integrated impact assessments have recently been reviewed and updated to incorporate the effect on social justice</p>

	<ul style="list-style-type: none"> - involvement activity setting out those the service has engaged with in determining its strategic policy such as partners, service users and those it is co-producing with - the cumulative impact/mitigation to ensure the assessment considers issues in the round and how it links across services provided across the council - how the council will monitor and evaluate impact and will take corrective action - an action plan setting out the activities the Council will take as a result of the Integrated Impact Assessment. 	<p>and the socio-economic effect. Relevant data is also used within these assessments when appropriate.</p> <p>As a council we recognise the importance of strengthening our integrated impact assessment to ensure that challenges on actions that will have a negative socio-economic effect are brought sooner. We also recognise a need to improve how we monitor any impact on those with protected characteristics or those experiencing the effects of poverty or inequality. Better monitoring would allow us to ensure any negative effect has been successfully mitigating or that any positive actions have had the desired effect.</p>
Report	<p>'A Missed Opportunity' – Social Enterprises (December 2022)</p>	
Outline of the Review	<p>Overall, local authorities are not effectively working with Social Enterprises to maximise their impact, make better use of resources and improve services for people and communities. The first part of the report found that, while local authorities claim they value Social Enterprises, few have mapped their activity. Less than a third of local authorities consider themselves to have a proactive and supportive relationship with Social Enterprises and none have a dedicated strategy or policy that charts how they intend to promote and grow the sector. The report also found that Local Authorities have adopted a passive approach to Social Enterprises, responding to those that approach them but not proactively seeking to work with or help stimulate new ones.</p> <p>The second part of this report found that, while most local authorities provide grants for businesses and the third sector, they are not using them to specifically support Social Enterprises. Overly bureaucratic approaches and a lack of capacity and resources within local government limits the potential to grow the role of Social Enterprises in delivering services. Social value – the added value that commissioning processes can deliver – does not feature as a key driver for many local authorities.</p> <p>The final part of this report finds that most local authorities are not delivering their responsibilities under the Social Services and Wellbeing (Wales) Act 2014 and effectively promoting Social Enterprises. No Director of Social Services Annual Report sets out how their authority is delivering the Section 16 duty and the majority of reports make little reference to Social Enterprises. Positively, a number of authorities are working to develop micro social enterprise businesses and Regional Partnership Boards have a growing role to drive positive change. Taken together, these represent good opportunities for the future. Despite this, over three-quarters of local authorities do not have robust performance management, reporting and evaluation systems in place to be able to judge the impact and value of the work of Social Enterprises. The full report can be found here.</p>	
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	Recommendations	Response
Management Response	<p>To get the best from their work with and funding of Social Enterprises, local authorities need to ensure they have the right arrangements and systems in place. We recommend that local authority officers use the checklist in Appendix 2 to:</p> <ul style="list-style-type: none"> • self-evaluate current Social Enterprise engagement, management, performance and practice • identify opportunities to improve joint working • jointly draft and implement an action plan with timeframes and responsibilities clearly set out to address the gaps and weaknesses identified through the self-evaluation. 	<p>A light touch self-evaluation will be undertaken during 2023/24 (using the checklist in Appendix 2) to identify opportunities for working more closely with social enterprises. Actions which can be progressed within current organisational capacity will be incorporated into an action plan that includes timeframes and responsibilities for implementation.</p>
	<p>To drive improvement, we recommend that the local authority:</p> <ul style="list-style-type: none"> • formally approve the completed Action Plan • regularly report, monitor and evaluate performance at relevant scrutiny committees • revise actions and targets in light of the authority's evaluation and assessment of its performance. 	<p>The above action plan will be incorporated within the Service Business Plan for Economy, Employment & Skills. Performance will be monitored and reported quarterly, and actions and targets will be revised accordingly.</p>

	To ensure the local authority delivers its S.16 responsibilities to promote Social Enterprises we recommend that it reports on current activity and future priorities following the evaluation of its Action Plan including the Annual Report of the Director of Social Services.	To be completed by Social Services/Performance team.
Report	A picture of flood risk management (December 2022)	
Outline of the Review	<p>In recent years, Wales has suffered devastating impacts from flooding. Despite continued investment, flooding continues to present significant risk and management costs, both of which are likely to increase as the effects of climate change become more prevalent. Extreme weather events like the storms in winter 2019-20 are likely to become more frequent but it is impossible to predict exactly where and when they will occur.</p> <p>This Picture of Flood Risk Management report explains how flood risk management works in Wales, including expenditure trends. Flood risk management is a complex area, and this report is not intended to be comprehensive. It also focuses on the management of flood risk rather than the emergency response when floods do happen. It sets out what Audit Wales consider to be some of the key issues, recognising that other commentators and review bodies will have their own perspective. The full report can be found here.</p>	
Audit Wales Summary	<p>This report found five key issues affecting flood risk management in Wales:</p> <ul style="list-style-type: none"> • Significant long-term investment will likely be needed to tackle the increasing flood risks associated with climate change. Tough decisions on funding will need to be made around how to invest finite resources, especially in the face of rising costs. • Increasing workforce capacity is the most immediate priority for the flooding sector. Without investment in the future flood risk management workforce, it will be difficult to achieve the ambitions in the National Strategy. A long-term, system-wide approach is needed. • There are gaps in collective leadership and policy integration. There is no Wales-wide forum for senior leaders to discuss flood risk management and drive strategic change. There are also opportunities to better integrate policy and funding arrangements across public services to improve flood risk management. • There are gaps in flood risk data and the risks themselves keep changing with climate change. Understanding the impact of flood risk management activity is difficult. Firstly, the condition of Wales's flood defences is not clear because there is currently no complete single source of information on the condition of defences owned by all parties. Secondly, climate change is changing the risks. Building developments or new flood defences can also move flood risk from one place to another. • Building development in high flood risk areas could be exposing households and businesses to avoidable flood risk. National data on planning consents shows significantly higher levels of development in high flood risk areas in 2016-17 to 2018-19 compared to 2015-16. However, beyond 2018-19 there is no national data to judge new risks resulting from development. 	
Management Response	We at Monmouthshire County Council (MCC) welcome this report and its findings. We agree with the statement that significant long-term investment will be needed, and have recently welcomed a significant increase in our revenue grant, which funds our core and	

statutory Lead Local Flood Authority (LLFA) duties. The increase in the revenue grant from £65k in 2018/19 to £225k in 23/24 recognises the investment needed to deliver effective flood risk management and is also in response to additional statutory duties being placed upon local authorities following the establishment of SuDS Approving Bodies in 2019. Work is currently underway to identify the work schedule for the next year, and an opportunity assessment is currently being undertaken to identify future projects to ensure that when funding becomes available, we are able to implement projects quickly and efficiently. Though this report focuses on investment in existing and new flood defences, significant investment in aging and failing highway surface water drainage infrastructure, culverts and bridges will also be needed. The decline in these assets will overtime increase flood risk.

With the effects of climate change likely to result in wetter winters and more intensive rainfall, MCC's response to flooding and our work as the LLFA will certainly increase. We have seen emergency responses to main river flooding become an annual event in recent years. In 2020 alone, 185 residential properties and over 50 commercial properties are known to have flooded internally in Monmouthshire. This followed devastating flooding just months before in October 2019 which badly affected areas such as Skenfrith and Forge Road, Monmouth. In response to those events hundreds of flood inspections have been undertaken by the LLFA team, along with the publication of twelve flood reports in line with Section 19 of the Flood and Water Management Act 2010. Community meetings were also held in the worst affected areas such as Skenfrith, Monmouth, Caldicot, Llanbadoc, Llanwenarth and Magor, with further community level discussions held as required. In addition, specific multi-agency flood response plans have been developed for the highest risk areas of Skenfrith and Forge Road, Monmouth and an existing plan updated for Riverside Park, Monmouth. Since the aforementioned, further flood events have occurred during the subsequent winters and most recently in January 2023 when emergency arrangements were again activated for the evacuation of Riverside Park, Monmouth.

We at MCC agree that increasing workforce capacity is vital but recognise the difficulty in doing so. It is currently very challenging to recruit suitable candidates to vacancies and to create the time and resource to train new members of the team as there is currently very limited industry experience relating to flood risk management. In addition to this, there has been immense pressure on resources due to local authorities taking on new statutory duties and becoming the Sustainable Drainage Systems (SuDS) approving body. This has been detrimental to our operation of other schemes and projects. In MCC, we have had to advertise vacant posts numerous times during recent years but have been successful in recruiting two new members of staff in the past 12 months (part funded through the increased revenue grant) and are currently fully staffed. Resourcing is regular discussed at a national level and within regional flood groups made up of LLFA's & NRW etc. It is a recognised issue with key focus points being around promoting new university courses and training in-house and junior staff to develop the necessary skill set within flood risk management.

Much of Monmouthshire's flood risk comes from the main rivers, Usk, Monnow and Wye, for which Natural Resources Wales are the Risk Management Authority. Their own limited resource impacts on the deliverability of schemes within our county which are of significant importance to local communities. The Section 19 flood reports contain many recommendations for NRW to consider, progress of which has been very limited to date, partly due to their limited resource and partly due to there being greater risks that they need to consider to other more densely populated communities across Wales.

Current governance of flood risk management is set out in Welsh Government’s National Flood Strategy 2020. MCC sits on various local and national groups including the Severn Estuary Coastal Group, South East Wales Flood Risk Management Group, National SuDS Implementation Group, Gwent Internal Drainage District Advisory Group and meets regularly with the WLGA and other LLFA’s. We also feed into various consultations on flood risk policies, studies and reports, such as the work undertaken on resourcing and legislation by the Flood and Coastal Erosion Committee in May 2022 and September 2022 respectively. Following publication of the National Flood Strategy in October 2020, Monmouthshire’s own Local Flood Risk Management Strategy (2013) and Flood Risk Management Plan (2016) are due to be updated, with a draft due by October 2023 and publication in March 2024. The relative consultation process will give elected members and senior officers with MCC opportunities to feed into MCC’s new Strategy and Plan. In addition to MCC’s Local Flood Strategy and Flood Risk management Plan, flood risk and climate change impacts are also considered in various other policies and directives such as Motion for the Rivers and Ocean, Local Development Plan, Well-being Plan and the declaration of a climate emergency. A briefing session on our flood risk management activities for all members will be held soon.

As LLFA, MCC holds records of our own drainage and flood defence assets and well as 3rd party and privately owned assets. These records are held on a bespoke database with each asset mapped. Although records of highway drainage systems are still limited, a significant amount of work has been undertaken to develop the database and to record flood defence assets and culverts. This work will be ongoing over many years funded through the revenue grant. Significant asset information is supplied to Natural Resources Wales for inclusion on the National Flood Asset Database which can be found on their website.

In terms of planning decisions, the data referred to by Audit Wales reflects figures collated for a crude WG performance indicator that does not reflect decision making at MCC. Our data shows that 164 dwellings were approved for development in flood risk areas between 2015 and 2022, however 140 of those dwellings were not themselves in the flood plain, rather a corner of the development site or a small area of, for example, the garden, was. This is due to the way the performance indicator is measures. Moreover, an additional 20 dwellings were fully compliant with strict Welsh Government planning policy on development and flood risk. The remaining 4 were granted under individual circumstances, for example the individual had the ability to re-model land to reduce the risk of flooding. No new dwellings have been put at heightened risk of flooding. Clearly looking at crude figures does not explain the fuller picture.

Report	‘Together we can’ – Community resilience and self-reliance (January 2023)
Outline of the Review	The cost of living crisis has meant that local authorities are facing more significant challenges, and again are being challenged to support people where demand for services is likely to increase alongside a decrease in capacity. This is also set against a backdrop of public spending not keeping pace with inflation. Given this situation, local authorities are showing increasing interest in encouraging and growing community resilience, i.e. equipping people to do more for themselves and be less reliant on the state. Resilience is not a new concept and has been central to how local authorities have traditionally responded to local emergencies such as flooding, natural disasters and, indeed, the pandemic.

	<p>At a time of reductions in budgets and uncertainty in public finances, the idea of equipping people to do more for themselves on a more sustained basis, is increasingly appealing. The application of resilience thinking is not, however, without its risks and challenges. While promoting resilience can be seen as a pragmatic response by local authorities faced with difficult decisions about how to use their reducing resources, it is important to recognise the limits of what might be achieved; resilience might serve as a strategy for helping communities to cope with adversity, but it cannot overturn structural inequalities and deliver solutions to generational issues like poverty alone.</p> <p>This is the final report in a series of three looking at how local government is alleviating and tackling poverty. This report focuses on the priority placed on community resilience and self-reliance in local authority plans, and how local authorities are equipping people to be less reliant on often over stretched local authority services. The full report can be found here.</p>	
<p>Audit Wales Summary</p>	<p>Overall, the report finds that local authorities face a challenging and uncertain financial future but find it difficult to empower people and communities to be more self-reliant and less dependent on services. Part 1 of this report finds that much of the current narrative on community resilience is framed by the need to respond to emergencies and civil contingency requirements. This narrow focus can lead to local authorities missing opportunities to make a broader impact and, in some cases, even unintentionally encouraging dependency. Recent Welsh Parliament legislation such as the Well-being of Future Generations (Wales) Act 2015 is mapping a new direction for public service delivery. However, the report found that this has not translated into the fundamental shift with people being encouraged to do more for themselves and being less reliant on local authority services. While 19 of the 22 local authorities are prioritising community resilience, too often the work is poorly defined and the actions that underpin plans are narrowly focussed.</p> <p>Part 2 of this report notes the need to scale and speed up activity around volunteering, community asset transfers, community hubs, community empowerment and community navigators. Audit Wales acknowledges that the shift in emphasis from local authorities doing less and requiring others to do more is not easy to achieve, and notes that there are also significant barriers to overcome, within both local authorities and communities. Capacity, resources and skills are scarce, people are facing tougher choices and struggling to cope with the cost-of-living crisis. Communities and local authorities themselves also have different abilities and are starting from different places with their own unique challenges to overcome. Positively, as a result of COVID-19, there is a huge amount of goodwill and commitment within communities that local authorities can build on and use. However, the view of partners and stakeholders spoken to for the report suggests that some local authority services are returning to their pre-pandemic ways of working and the opportunity to shift to being an ‘influencer’ and ‘enabler’ rather than ‘direct provider’ is potentially being wasted.</p>	
<p>Management Response</p>	<p>Recommendations</p> <p>To strengthen community resilience and support people to be more self-reliant, local authorities need to ensure they have the right arrangements and systems in place. We recommend that local authorities use the evaluation tool in Appendix 2 to:</p>	<p>Response</p> <p>As a Council we recognise the importance of community resilience and self-reliance and encouraging it among communities. However, matters such as these are complex, and we are continually developing our understanding of these which will go beyond the use of the evaluation tool.</p>

	<ul style="list-style-type: none"> • self-evaluate current engagement, management, performance and practice; • identify where improvement is needed; and • draft and implement an action plan with timeframes and responsibilities clearly set out to address the gaps and weaknesses identified in completing the evaluation tool. 	<p>A Communities and Social Justice Team action plan is currently being drafted and is due to be completed in April. This sets out the team’s purpose and how we work, from building and sharing knowledge to creating healthy conditions for communities to thrive. It will also set out our actions for the next financial year, with responsibility holders and timescales.</p>
	<p>To help local authorities address the gaps they identify following their self-evaluation, we recommend that they:</p> <ul style="list-style-type: none"> • formally approve the completed Action Plan arising from the evaluation exercise; • regularly report, monitor and evaluate performance at relevant scrutiny committees; and • revise actions and targets in light of the authority’s evaluation and assessment of its performance. 	<p>The action plan will be clearly aligned with relevant council plans, e.g. the draft Community and Corporate Plan and Well-being Plan. This will form part of the council’s service business plan process for monitoring and evaluation.</p> <p>The action plan will be updated quarterly with updates on planned actions, key performance indicators and a self-evaluation completed each financial year.</p>