

# Finance Service






## End of year Review 21/22



**Leader of Newport City Council, Councillor Jane Mudd**  
**Cabinet Member for Community Well-being – Councillor Debbie Harvey**  
**Director- Rhys Cornwall**  
**Head of Service- Meirion Rushworth**

# Introduction

This is the **Finance** update on the progress being made against the objectives, actions, performance, and risk for the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022. Service plans have been designed to support the delivery of the [Council's Corporate Plan 2017-22](#). As one of the 44 public bodies, Newport Council must consider the Well-being of Future Generations Act in the delivery of its plans and the sustainable development principle of meeting our duty under the Act.

Long term		The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.
Prevention		How acting to prevent problems occurring or getting worse, may help public bodies meet their objectives.
Integration		Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.
Collaboration		Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives.
Involvement		The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area, which the body serves.

The Local Government and Elections (Wales) Act 2021 requires Newport Council to Self-Assess:

- The effectiveness of its functions.
- Consider if it is using its resources, economically, efficiently and effectively.
- Whether the governance arrangements are effective for securing these areas.

This report will be used to support the Council's Self-Assessment and will be integrated into the Council's Annual Well-being / Corporate Self-Assessment Report published in 2022. Any recommendations raised by the Council's Scrutiny Committee(s) and service area will be considered as part of the Council's assessment.

## Finance Service Plan 2021/22

The Finance service plan focuses on the delivery of the following Wellbeing Objective(s) in the Corporate Plan 2017-22:

- **Well-being Objective 1-** To improve skills, education and employment opportunities
- **Well-being Objective 2-** To promote economic growth and regeneration whilst protecting the environment
- **Well-being Objective 3-** To enable people to be healthy, independent and resilient
- **Well-being Objective 4-** To build cohesive and sustainable communities

The 2021/22 Service Plan has 10 objectives that are focused on:

**Objective 1** – Internal Audit to provide assurance on the adequacy of the Council's systems of Governance, Risk Management and Internal Control to ensure the proper use of public funds and to minimise fraud and corruption within the Authority.

**Objective 2** – The Income Collection team will increase the options available for customers to transact digitally.

**Objective 3** – We will support the organisation by developing good financial management practices including:

1. Robust medium term financial projections to ensure key priorities have funding and the organisation understands its financial challenge. We will support the delivery of efficiency and change plans.
2. Enabling robust financial management by budget managers through effective systems, processes and business partnering.

**Objective 4** – To achieve earlier closedown of accounts and as minimum, meet statutory deadlines and requirements

**Objective 5** - Implement and embed the revised operating model for strategic procurement. Seek improvements in full P2P cycle process.

**Objective 6** - Embed principles of Fair and Local Procurement and Ethical Supply Chains into Procurement Gateway Process

**Objective 7** - In collaboration with Her Majesty Revenues and Customs (HMRC), identify financially vulnerable households and signpost them to specialist partners to provide support, financial advice and guidance.

**Objective 8** - Administer and deliver post Covid-19 Debt Recovery Protocols and various Welsh Government Covid-19 related schemes including Eligible Business Rate Covid-19 Grants, and Business Rate retail, Leisure and Hospitality Relief Scheme.

**Objective 9** – Upgrade and replace the existing financial systems to a fully supported and integrated Cloud based system including the exploration for replacing the existing Revenues IT (Council Tax, NDR and benefits) systems with Cloud based infrastructure

**Objective 10** - Implement - New Breathing Space Legislation

## NCC Restructure

From 2022/23 Newport City Council has implemented a new structure that will support the Council's new Corporate Plan 2022-27 and deliver the manifesto aims of the Council's Cabinet. The below provides an overview of the teams and functions that will be moving to and from Finance service area:

<b>Service Area Team / Function</b>	<b>Moving To / From</b>
Customer Contact Centre	From City Services
Benefits team	From City Services

# Cabinet Member(s) / Head of Service Executive Summary

2021/22 was another challenging year for the Finance service as we continued to work predominantly remotely and deal with Covid support and issues for our communities and businesses. As one might expect going into the second year of this situation, the staff within the Finance service, like others, responded very well, and we functioned well and focused on the key challenges that the continued Covid-19 pandemic brought with it and I want to acknowledge this first and foremost again.

It has not been easy for some colleagues, for different reasons, and we continued to support these where needed as best we could. The response from our teams carried on being outstanding. In the main for 2021/22, it was the revenues and accountancy teams which continued to work with specific Covid issues. These included:

- Claiming over £24m in Covid related financial support from the WG Hardship Fund. Our arrangements to identify and then validate and claim these costs continued throughout 2021/22 and was crucial to supporting the Council's financial resilience.
- We continued to administer business rates relief to the leisure, retail, and hospitality sector, amounting to c£20m and made over 700 Covid grants to businesses of £1.8m.

In addition to the above, the revenues team worked with residents to help them catch up with Council Tax arrears which had inevitably increased over 'normal' levels and within accountancy, they continued their work on in year financial management reporting and support and closed the 2020/21 accounts in good time and which the external auditors certified in the early Autumn.

Other parts of Finance were also impacted in their work as the commentary below shows, such as the challenges in carrying out internal audits and paying suppliers in good time for example but again, the teams responded well, and the service made good progress on some key objectives and achieved most of their PI's.

## Performance Measures

With the exception of Council Tax/business rates collection and completion of the internal audit programme, the service met its performance targets. The Internal Audit targets were predominantly missed due to resourcing challenges with unexpected long-term sickness and a vacancy impacting significantly. We would normally have access to outside external resources to help here but the organisation that does this could not assist in 2021/22 due to their own contractual work pressures. In saying this, the coverage of the work was sufficient in order for the Chief Internal Auditor to provide an overall assessment on the Council's Internal Control environment.

The challenges of the revenues section were significant, given the backlog of work within the courts, which is integral to the collection of arrears, the higher amount of arrears coming out of the first year of Covid and the continued challenges it still brought in 2021/22. In saying this, targets were marginally missed only and crucially, achieved the budgeted incomes levels required in the crucial area of Council Tax.

Overall, whilst some important PI's were missed, they were marginal and did not impact on the organisation as explained above.

## Objectives

Objectives have been progressed well across nearly all areas as the detail within the report shows below. We have 'completed' or 'substantially completed' a number of projects, including:

- Council Tax arrears and HMRC pilot - Just awaiting HMRC data now and that will form basis of the last stage of the pilot.

- Year-end / accounts – completed on time.
- Implement TOMS within the Council. The Cabinet agreed this back in January 2022, and we are recruiting a resource to implement it now
- New 'breathing space' legislation – this was implemented and is now embedded within our processes
- Oracle financial replacement – we have achieved the key milestone of identifying a replacement system and are implementing it over the rest of the current financial year.

A couple of key objectives continue to challenge the service. The integration of the self-service revenues portal into the Council's CRM has been technically challenging and some further work is required. Only when completed and bedded in can we then look at the potential for changing working processes as we transition residents into self-service in certain areas. Within accountancy, a re-structure of a mainly transactional small team of accountancy assistants has been delayed whilst we implement the new financial system as that in itself may flag up further potential for streamlined and different working practices.

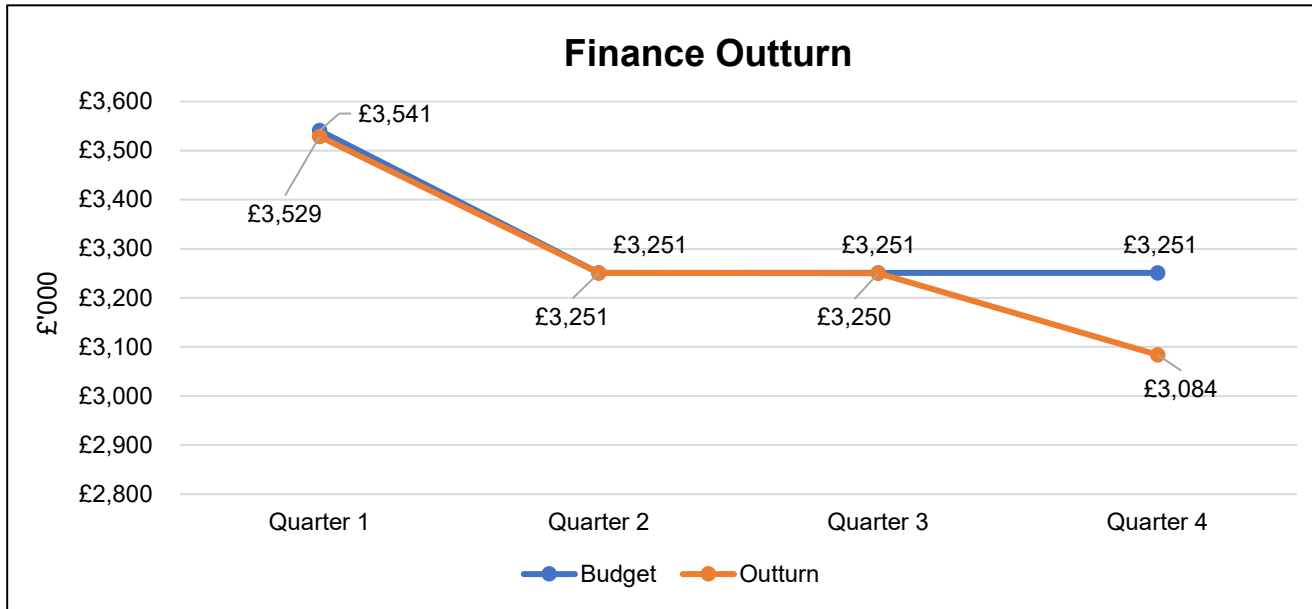
We will take forward a small number of these existing objectives into the new service plan from this October but pleasing to note that a few have been substantially completed and embedded into business as normal.

## **Moving forward**

As we move forward into the current 2022/23 year, key issues for the service are:

- To 'bed in' the new services transferring into it and re-structure as appropriate / needed.
- To support the Council with development of its new corporate plan and ensure financial plans support that, including its transformation plans.
- To keep a watching brief and be ready to administer any further business and household support grants e.g. cost of living grants, self-isolation payments, winter fuel payments etc.
- Complete and bed in the revenues self-service aspiration and the HMRC debt collection pilot.
- To deliver a 'normal level' of internal audit work as far as possible and continue to look to adjust working practices there to facilitate and work around remote working around the Council

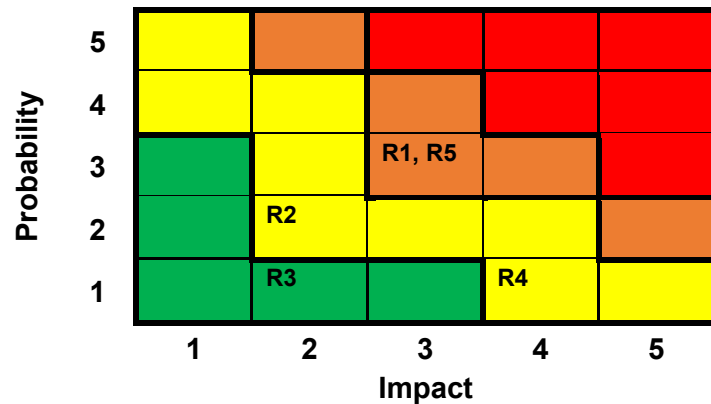
# Finance Revenue Outturn 2021/22



This provides an overview of the service area outturn revenue position at the end of the financial year.

Revenue and Capital Finance reporting can also be found in Cabinet reports for 2021/22 using the link [here](#).

## Service Area Risks at 31<sup>st</sup> March 2022



Service Area Risk Heat Map Key (Quarter 4 2021/22)
R1- ICT- Key Systems (Oracle)
R2- ICT- Self-service within Council Tax
R3- In Year Financial Management
R4- Post Covid Income Reduction
R5- Balancing the Council's Medium Term Finance Plan (Corporate Risk)

Corporate and Service Risks are reported to the Council's [Governance and Audit Committee](#) and [Cabinet](#) every quarter.

## Glossary

### Actions (Red / Amber / Green)

C	Green RAG – Completed
%	Green RAG – Action is on course to be completed within timescale
%	Amber RAG – There are potential issues which unless addressed the action might not be achieved within agreed timescales.
%	Red RAG – The action requires immediate action to achieve delivery within agreed timescales.
?	Unknown RAG (Data missing)

## Programmes and Projects

This provides an update on the delivery of key programmes and projects that contribute towards the delivery of the Corporate Plan 2017-22. This covers the progress of delivery from 1<sup>st</sup> April to 31<sup>st</sup> March 2022.

Programme / Project Title	Brief Programme / Project Overview	Anticipated Programme / Project Completion Date	Q2 % of Project Completed	Q4 % Project Completed	Commentary
<b>Digital Transactions for Council Tax Payers</b>	To provide the means for customers to carry out routine transactions digitally. To enable citizens to access their council tax records and carry out routine transactions digitally which will improve efficiency, reduce costs and reduce unnecessary contact. It will also allow the Revenues Team to focus more on recovery of debts and not deal with low level transactional matters.	Quarter 1 2021/22	60%	90%	The digital portal still has some minor technical issues that need to be resolved, as soon as this is done by our ICT partners the online services will be made available via the Council's website using the My Council Services portal
<b>Council Tax &amp; HMRC arrears project</b>	This is a pilot and HMRC data will be used to enable the Council to improve council tax collection and reduce significantly the cases that are sent to bailiffs each year. We will identify those households that are in Council Tax arrears and look to	Quarter 4 2021/22	C	C	The timetable for this project is set by the Cabinet Office and was delayed by around 18 months due to Covid.  The data for the project was submitted to the Cabinet Office in September in



Programme / Project Title	Brief Programme / Project Overview	Anticipated Programme / Project Completion Date	Q2 % of Project Completed	Q4 % Project Completed	Commentary
	<p>signpost them to specialist support which will provide advice, guidance, and measures to help them reduce their Council Tax arrears and other household's debts. This will enable vulnerable households to better manage their finances and provide long term resilience and provide wellbeing and economic opportunities.</p>				<p>line with the revised timetable, it is anticipated that matched data will be returned from around the beginning of November 2021</p>
<p><b>Upgrade to a new financial system</b></p>	<p>The current financial system is on an unstable platform and consists of a number of different modular systems that feed into the ledger. It is important that a move is made to a more stable platform, preferably in the Cloud, and have a more integrated financial system. This should allow employees to access the systems on a remote basis more readily therefore supporting the Modernised Council and Strategic Recovery Aims linked into a healthier and more productive workforce.</p>	<p>Quarter 1 2023/24</p>	<p><b>25%</b></p>	<p><b>35%</b></p>	<p>An overarching implementation plan has been agreed with Technology One, with an intended go-live date of 1<sup>st</sup> April 2023 being aimed for. Design workshops have commenced, and internal resources are being engaged with and utilised as required.</p>

## Workforce Planning

To support the delivery of the Service Plan and Corporate Plan objectives, service areas in collaboration with the Council's Human Resources team have identified three key actions to improve the capacity and capability of its workforce in 2021/22

Action	Outcome(s) of Action	Action Start Date	Anticipated Completion Date	% of Action completed	Commentary
Review and identify key areas of transactional processes within the Finance teams which could be automated.	Improve the efficiency of transactional processes and reduce resources.	1 <sup>st</sup> April 2021	31 <sup>st</sup> March 2023	10%	This is linked to the delivery of the digital services project and once embedded within the 'My Council Services' will enable some services to be carried out by customers using the self-serve facility.
Introduce succession planning practices and strengthen resilience in teams.	Develop and promote career progression and resilience across Finance teams, specifically Accountancy, Income & Collection.	1 <sup>st</sup> April 2021	31 <sup>st</sup> March 2023	50%	Key posts have been identified and junior staff encouraged to participate in professional training and management development programs to provide training and development opportunities which will be needed to step into future leadership roles.  Work will be undertaken during 2022-23 to revise the structure of teams to further strengthen the team.

## Objectives and Action Update (31<sup>st</sup> March 2022)

This is an update on the progress against service objectives and actions to the end of quarter 4 (31<sup>st</sup> March 2022). The tables below also include the RAG status and % completion reported at the Mid-Year Review point. A link to the report can be found [here](#)

Objective 1- Internal Audit to provide assurance on the adequacy of the Council's systems of Governance, Risk Management and Internal Control to ensure the proper use of public funds and to minimise fraud and corruption within the Authority							
Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
1	Undertake audit work in line with the agreed Internal Audit Plan 2021/22	As a result of Covid 19 we will work with Heads of Service to prioritise audit workload in order to provide appropriate assurance in key areas. IA will make greater use of Control Risk Self Assessments; will work with service managers to gain folder access to their specific systems to work remotely where possible and practical; will work with the Council's Intelligence Hub to develop data analytics to strengthen counter fraud work; will use assurance from third parties where possible. IA will maximise the level of assurance provided by prioritising key controls within each audit job and look to increase the number of jobs undertaken across the service areas. As always IA will maintain a reserve list of audit jobs to replace any jobs which may not be possible to undertake due to Covid – 19 restrictions.	1 <sup>st</sup> April 2021	31 <sup>st</sup> March 2022	30%	71%	Although the target for completion of the IA plan was 85%, 71% of the plan was achieved, which given the reduced resources within the team for the year is a really good outcome. There was sufficient and appropriate audit coverage across most service areas to give assurance on the adequacy of the internal control environment, governance arrangements and risk management processes in place. The number of audit opinions issued within the audit reports delivered is sufficient to enable the Chief Internal Auditor to give an appropriate overall audit opinion in his annual report. Resources were reduced due to a long term sickness within the team which was covered internally and unfortunately had no backfill.

**Objective 1- Internal Audit to provide assurance on the adequacy of the Council's systems of Governance, Risk Management and Internal Control to ensure the proper use of public funds and to minimise fraud and corruption within the Authority**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
		Sufficient audit work is undertaken to provide appropriate assurance on the effectiveness of governance, risk management and internal control. Maximise audit work and related assurance in context of on-going working patterns restrictions due to Covid.					
2	Review and report on how many of the agreed management actions (from previously completed audits) have been implemented within service areas to improve service delivery, controls and governance in 2021/22.	Service areas are implementing agreed management actions within the timescales agreed to improve service delivery, controls and governance. Where actions are not completed these are escalated accordingly.	1 <sup>st</sup> April 2021	31 <sup>st</sup> March 2022	30%	80%	Agreed management actions from 20/21 audit reports have been followed up. The conclusions have not yet been reported through to senior management or to Governance and Audit Committee. From the work IA have been able to follow up, 80% of agreed management actions have been implemented which gives further assurance and demonstrates improvements around the adequacy of the internal controls, governance arrangements and risk management processes in place.
3	Submit data returns to NFI for data matching. Co-ordination of the review of returned data matches from NFI. Respond and then investigate allegations of fraud / corruption.	Liaise with other organisations where appropriate. Identification of Fraud and appropriate action taken. Report results of exercise to Head of Finance, CMT and Audit Committee	1 <sup>st</sup> October 2020	31 <sup>st</sup> March 2022	90%	95%	IA have successfully co-ordinated the NFI within the Council and have reviewed all matches it is responsible for. Some services within the Council have not yet reviewed the matches which they have responsibility for and these have been chased by IA. IA will continue to monitor this situation.
4	Include the training on the corporate training programme.	Raise awareness of the Council's Anti-fraud, Bribery & Corruption Policy. Members and Officers are	1 <sup>st</sup> April 2020	31 <sup>st</sup> March 2022	0%	0%	Specific Fraud Training has not been included within the Corporate Training Programme although this is partially covered within the Financial

<b>Objective 1- Internal Audit to provide assurance on the adequacy of the Council's systems of Governance, Risk Management and Internal Control to ensure the proper use of public funds and to minimise fraud and corruption within the Authority</b>							
<b>Action No.</b>	<b>Action Description</b>	<b>Action Outcome(s)</b>	<b>Start Date</b>	<b>Anticipated Completion Date</b>	<b>Q2 % Action Completed</b>	<b>Q4 % Action Completed</b>	<b>Action Commentary</b>
	Provide a link on NCC intranet to digital training package	aware of their role and responsibilities to report any incidents where fraud and corruption occur in the Council.					Regulations Training the IA team deliver on a regular basis which is part of the Corporate Training Programme. Training package to be completed when sufficient resources in the IA team allow. Ideally this will done by September 2022.

<b>Objective 2 - The income Collection team will increase the options available for customers to transact digitally</b>							
<b>Action No.</b>	<b>Action Description</b>	<b>Action Outcome(s)</b>	<b>Start Date</b>	<b>Anticipated Completion Date</b>	<b>Q2 % Action Completed</b>	<b>Q4 % Action Completed</b>	<b>Action Commentary</b>
1	Project plan and delivery of the project	We will have delivered a system that will enable residents and businesses to transact digitally and to have a self-service functionality. The outcomes of this work will improve the efficiency revenue transactions and provide greater options for users to monitor and pay their bills.	1 <sup>st</sup> December 2019	31 <sup>st</sup> March 2022	90%	90%	This project to provide digital services is in the final stages and as soon as the few remaining technical issues are resolved will be finally complete.
2	The facility to transact digitally has been installed and tested and is working. The next step involves imbedding the facility into the Newport City Council website as part of 'my council services' to offer a seamless experience for the customer.	Integration of self-service system functionality into the Council's web service software partner into the main council website	1 <sup>st</sup> March 2020	31 <sup>st</sup> March 2022	75%	90%	As soon as the remaining technical issues have been resolved the portal for customers will be embedded into the Council's online services to be accessed via 'My Council Services'.

**Objective 2 - The income Collection team will increase the options available for customers to transact digitally**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
3	Publicity campaign to inform residents of online services and encourage uptake. Following an initial soft launch of the online services a coordinated campaign will be run. This will include promotion on social media, council website and flyers included with council tax correspondence such as bills etc.	Raise awareness of the online services and encourage/maximise residents to transact digitally for routine council tax transactions.	1 <sup>st</sup> April 2021	31 <sup>st</sup> March 2022	N/A	N/A	This action is dependent on the online services going live, so until we are able to 'switch on' online this action will not be started.
4	Review of working practices and staffing requirements around routine transactions	Maximise the impact of self-service capability on effectiveness and efficiency of revenues team	1 <sup>st</sup> October 2021	31 <sup>st</sup> March 2022	N/A	10%	The review of working practices is still in progress due to the fact that the full implementation of digital services has been delayed and will feature as part of the 2022-23 business plan.
5	Further expansion of online self-service provision.	Maximise potential and impact of self-service to both tax- payers and revenues team	1 <sup>st</sup> October 2021	31 <sup>st</sup> March 2022	N/A	N/A	This action is dependent on the online services going live, so until we are able to 'switch on' online this action will not be started.

<b>Objective 3- We will support the organisation by developing good financial management practices including:</b>							
<b>i. Robust medium term financial projections to ensure key priorities have funding and the organisation understands its financial challenge. We will support the delivery of efficiency and change plans</b>							
<b>ii. Enabling robust financial management by budget managers through effective systems, processes and business partnering</b>							
<b>Action No.</b>	<b>Action Description</b>	<b>Action Outcome(s)</b>	<b>Start Date</b>	<b>Anticipated Completion Date</b>	<b>Q2 % Action Completed</b>	<b>Q4 % Action Completed</b>	<b>Action Commentary</b>
<b>1</b>	Review the centralised accountancy assistant's team structure to allow for greater exposure to Finance Business Partners for development and succession planning and improve resilience and processes. Implement and conclusions from review.	Review accountancy structure to allow for development and succession planning.	1 <sup>st</sup> April 2021	31 <sup>st</sup> March 2023	<b>10%</b>	<b>90%</b>	Since the last update, discussions have taken place regarding the structure of the service, to align with the new management structure. As part of this, it has been decided to disaggregate the current team of Accountancy Assistants and distribute them across the three business partnering teams. However, this won't be enacted until the new financial system has been implemented. This is because it is necessary to review the scope of the Accountancy Assistants' roles in light of the efficiencies that the system should deliver. This may result in a need for fewer Accountancy Assistants.
<b>2</b>	Continued improvement of transactional processes undertaken by the Centralised Accountancy Team.	Further standardised and automated processes by the centralised accountancy team including linking the manpower with the new HR system.	1 <sup>st</sup> April 2020	31 <sup>st</sup> December 2022	<b>15%</b>	<b>15%</b>	The focus of this action will be reframed in line with the ongoing implementation of the new financial system, rather than focussing on processes as they are undertaken now. However, it is unlikely that there will be capacity to review existing processes, unless it proves possible to temporarily increase capacity within the team, which is currently being explored.
<b>3</b>	Bring schools finance systems in line with the Council finance systems including BMS.	This will allow for more efficient working practices and avoid duplication of work carried out by school's business managers and accountancy's schools finance team.	1 <sup>st</sup> April 2020	30 <sup>th</sup> September 2022	<b>95%</b>	<b>97%</b>	A further 10 primary schools have closed their petty cash accounts since the last update, leaving a further 11 to close their accounts. Going forward, the intention is for all schools to transition using the Council's new financial system, including the remaining three

**Objective 3- We will support the organisation by developing good financial management practices including:**  
i. Robust medium term financial projections to ensure key priorities have funding and the organisation understands its financial challenge. We will support the delivery of efficiency and change plans  
ii. Enabling robust financial management by budget managers through effective systems, processes and business partnering

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
							chequebook schools. This will coincide with the rollout of the new system on 1 <sup>st</sup> April 2023.
4	Upgrade the financial system which includes the integration of other systems, including the main ledger, procurement, debtors and asset register.	A financial system on a more sustainable platform, preferably on the Cloud. Greater efficiency of working practices due to less down time and speed of processing.  Far greater level of support and business continuity.  Ability to access systems on multiple platforms such as mobile phones and tablets i.e. to authorise orders on the go.	1 <sup>st</sup> April 2020	30 <sup>th</sup> June 2023	25%	35%	An overarching implementation plan has been agreed with Technology One, with an intended go-live date of 1st April 2023 being aimed for. Design workshops have commenced, and internal resources are being engaged with and utilised as required.

**Objective 4- To achieve earlier closedown of accounts and as a minimum, meet statutory deadlines and requirements**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
1	Update of closing timetable to reflect the	Clear timetable and deadlines to follow to achieve earlier closedown.	1 <sup>st</sup> April 2019	30 <sup>th</sup> July 2021	C	N/A	An updated closing timetable was implemented, although it proved challenging to adhere, for various



**Objective 4- To achieve earlier closedown of accounts and as a minimum, meet statutory deadlines and requirements**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
	critical deadlines to be achieved in 2021/22	Allow time for quality assurance to take place at the draft stage.					reasons, some of which were beyond the control of the team. Quality assurance took place, although this was later than planned.
2	Work with Audit Wales to agree which tasks can be undertaken and audited earlier in the year.	Early assessment of notes by Audit Wales will save time on auditing the draft Statement of Accounts during the main audit period and reduce number of amendments required between draft and final accounts.	1 <sup>st</sup> April 2019	30 <sup>th</sup> September 2021	C	N/A	Whilst progress has been made, the length of time Audit Wales require to complete the 2020/21 audit suggests there is further work to be done
3	Attend CMT to get buy-in from service areas for earlier deadlines and emphasise importance of robust closedown processes within the service areas.	Heads of Service communicate to service managers the importance of meeting closedown deadlines. More robust closedown processes by service areas leading to less audit queries and amendments	1 <sup>st</sup> April 2021	31 <sup>st</sup> March 2022	C	N/A	Year end in terms of CMT/services involvement predominantly completed. Audit now in progress which may highlight issues we need service help on but completed in the main.
4	Ongoing challenge of existing processes and timetables. Requires 'buy-in' from senior management and service areas. Timetable updated with processes completed in shorter timescales with some year-end tasks being completed in year.	Enable Service areas and senior management to become more efficient and effective in their monthly forecasting. This will also enable the Finance teams to provide more specialist support, advice and guidance to the high risk areas of the Council throughout the year.	1 <sup>st</sup> April 2019	31 <sup>st</sup> December 2021	90%	C	The intention for the 2020/21 financial accounts was to have a draft set of accounts ready by 30th June 2021. This target was missed by a matter of days. The external audit process was significantly delayed due to resource issues within Audit Wales with final accounts not presented to Governance & Audit Committee until November 2021.

**Objective 5- Implement and embed the revised operating model for strategic procurement. Seek improvements in full P2P cycle process**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
1	To develop and embed new electronic Gateway Forms into procurement process for greater self-service and automation	Easier, more automated Gateway Process	1 <sup>st</sup> April 2021	30 <sup>th</sup> September 2021	20%	N/A	<p>As at the end of September 2021, one form has been developed, and the process of using this form through the 'My Council Services' portal has been tested. The result of this testing is that it is felt this way of trying to adopt a fully electronic method of writing and approving Procurement Gateway documentation is not appropriate, and would create a more challenging and elongated process that would not be in the interests of the Council. This alternative way of managing forms feels clunky and restrictive, and would not be the right way forward.</p> <p>Therefore this action has been cancelled and review in the new year once the ne Finance System is being integrated within the Council, and explore the option of using the new finance system to streamline the Gateway process and the relevant forms.</p>

**Objective 6- Embed principles of Fair and Local Procurement and Ethical Supply Chains into Procurement Gateway Process**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
1	To adopt the Welsh TOM's (themes, opportunities, measurements) around Social Value	The Welsh TOM's will be embedded into NCC procurement process as part of NCC's overall Social Value Agenda	1 <sup>st</sup> April 2021	31 <sup>st</sup> March 2022	50%	C	Cabinet in January 2022 agreed to adopt the Welsh National TOMs as the framework for monitoring and reporting on Social Value derived from our procurement of goods, works and

<b>Objective 6- Embed principles of Fair and Local Procurement and Ethical Supply Chains into Procurement Gateway Process</b>							
<b>Action No.</b>	<b>Action Description</b>	<b>Action Outcome(s)</b>	<b>Start Date</b>	<b>Anticipated Completion Date</b>	<b>Q2 % Action Completed</b>	<b>Q4 % Action Completed</b>	<b>Action Commentary</b>
	into procurement processes						services. The process of embedding this throughout the Council and how this will be resourced has now commenced, and a number of options identified.
<b>2</b>	To monitor any new Procurement Policy Notes (PPN's) in relation to Supplier Support for 'at risk' suppliers	At risk suppliers are financially supported in line with Government advice	1 <sup>st</sup> April 2021	31 <sup>st</sup> October 2021	<b>90%</b>	<b>C</b>	This action is to monitor any new Welsh PPN's in respect of financially supporting any suppliers identified as 'at risk' due to the ongoing COVID pandemic. In this regard, there have been no new PPN's issued. Procurement will continue to work with service areas and suppliers, and provide guidance and support as required.

<b>Objective 7- In collaboration with Her Majesty Revenues and Customs (HMRC), identify financially vulnerable households and signpost them to specialist partners to provide support, financial advice and guidance</b>							
<b>Action No.</b>	<b>Action Description</b>	<b>Action Outcome(s)</b>	<b>Start Date</b>	<b>Anticipated Completion Date</b>	<b>Q2 % Action Completed</b>	<b>Q4 % Action Completed</b>	<b>Action Commentary</b>
<b>1</b>	Collate Data for submission to HMRC	Comprehensive data collection and cleansing exercise to be undertaken	1 <sup>st</sup> April 2021	31 <sup>st</sup> October 2021	<b>C</b>	<b>N/A</b>	The Data for submission to HMRC is ready to be submitted in early august in line with the timescale set by the Cabinet Office.
<b>2</b>	Submit data to HMRC.	Data submitted in the correct format	30 <sup>th</sup> April 2021	31 <sup>st</sup> October 2021	<b>0%</b>	<b>C</b>	Data is ready to be shared with HMRC, this will be done in august 2021 in line with the project timescale. This has been a major piece of work and over 6500 records have had to be collated, analysed and put into the required format.
<b>3</b>	Data returned from HMRC with updated information	Financially vulnerable households identified and offered support via specialist partners.	31 <sup>st</sup> July 2021	31 <sup>st</sup> March 2023	<b>N/A</b>	<b>0%</b>	HMRC has again delayed the return of the data, this has now been rescheduled and is due to be returned in May 2022.

**Objective 7- In collaboration with Her Majesty Revenues and Customs (HMRC), identify financially vulnerable households and signpost them to specialist partners to provide support, financial advice and guidance**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
		Households with debt offered pathway to resolve and support to maintain payments.					

**Objective 8 – Administer and deliver post Covid-19 Debt Recovery Protocols and various Welsh Government Covid-19 related schemes including Eligible Business Rate Covid-19 Grants; Business Rate retail, Leisure and Hospitality Relief Scheme**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
1	Distribute further business grants	Distribute any further covid-19 business rate grants to eligible businesses in line with the criteria set out by Welsh Government	1 <sup>st</sup> April 2021	31 <sup>st</sup> March 2022	C	N/A	No new grants have been announced.
2	Implement and Administer the Business Rate Retail, Leisure and Hospitality Relief Scheme 2021-22	Once details of the 2021-22 scheme are known seek approval from Council to adopt the scheme and ensure that qualifying businesses are identified and the rate relief applied to the individuals rate accounts	1 <sup>st</sup> April 2021	30 <sup>th</sup> April 2021	C	N/A	This action was completed and administered.
3	Work with partner agencies and third sector to provide advice and assistance to those with debts and financial problems.	Hold regular liaison meetings with partner organisations such as CAB to establish a joined-up approach to assisting those with arrears to find a sympathetic and sustainable way collect the debt.	1 <sup>st</sup> September 2020	1 <sup>st</sup> March 2022	44%	C	Meetings have taken place with partner organisations and will continue to do so throughout 2022-23. We will work with partners to ensure an equitable recovery process is in place.
4	Submit business case and recruit additional	Catch up on debt recovery work	1 <sup>st</sup> April 2021	31 <sup>st</sup> March 2023	C	N/A	Fixed term staff have been recruited, trained and are now working to help

**Objective 8 – Administer and deliver post Covid-19 Debt Recovery Protocols and various Welsh Government Covid-19 related schemes including Eligible Business Rate Covid-19 Grants; Business Rate retail, Leisure and Hospitality Relief Scheme**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
	staff to work in a post covid debt recovery team. The team will be part of the Recovery Team and will work with customers with arrears and experiencing payment difficulties to recover the outstanding council tax due to the Council.						reduce the arrears backlog from 2020-21.

**Objective 9 – Upgrade and replace the existing financial systems to a fully supported and integrated Cloud based system including the exploration for replacing the existing Revenues IT (Council Tax, NDR and benefits) systems with Cloud based Infrastructure**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
1	Explore the options for ICT provision of Revenues & Benefits system, to include a managed cloud based service.	Establish whether a managed cloud based ICT solution could provide a more robust platform and cost effective solution to deliver council tax, benefits and NNDR services	1 <sup>st</sup> November 2021	31 <sup>st</sup> March 2022	N/A	10%	Early discussions have started with ICT partners about the feasibility and potential costs associated with a change of ICT supplier and will be explored further in the coming year.
2	Complete PQQ tender documents to allow for invitation to tender of potential suppliers to deliver new financial system.	Tender specification complete for initial PQQ to evaluate potential suppliers	1 <sup>st</sup> April 2021	30 <sup>th</sup> April 2021	C	N/A	The Pre-Qualification Questionnaire stage was completed with four suppliers shortlisted for the ITT stage.
3	Issue and evaluate PQQ submissions for new financial system	Choose preferred suppliers to take to next stage.	1 <sup>st</sup> April	30 <sup>th</sup> June 2021	C	N/A	

**Objective 9 – Upgrade and replace the existing financial systems to a fully supported and integrated Cloud based system including the exploration for replacing the existing Revenues IT (Council Tax, NDR and benefits) systems with Cloud based Infrastructure**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
4	Evaluate preferred suppliers through ITT and award contract to preferred provider.	Preferred provider chosen to deliver the new financial system.	1 <sup>st</sup> November 2021	31 <sup>st</sup> October 2021	76%	C	A preferred supplier (Technology One) has been chosen and the contract has been signed. Preparation for the implementation phase is now underway.
5	Bring together an implementation team to deliver the project	Identify appropriate officers required to deliver the project Develop job descriptions and finalise with HR Appoint project implementation team and any back filling required Appoint external project manager to support the project.	1 <sup>st</sup> April 2021	30 <sup>th</sup> November 2021	76%	C	The four implementation roles have been filled, with occupants having started in December 2021. Backfill arrangements are also in place. There has been a change in the project management arrangements, with the agreed PM having stepped aside. The Assistant Head of Finance will fulfil that role with potentially some external support.
6	Undertake the implementation of the project and complete for 'Go Live'	A new fully integrated system ready for 'Go Live' prior to closing period.	1 <sup>st</sup> November 2021	30 <sup>th</sup> June 2023	N/A	5%	The implementation schedule is nearing completion and a go-live date of 1st April 2023 is still being aimed for. Design workshops have commenced and, currently, the project remains in line with the overarching project plan.

**Objective 10- Implement- New Breathing Space Legislation**

Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
1	Work with other departments to establish where debt information is held, draw up an implementation	Identify key staff and draw up implementation timetable	1 <sup>st</sup> April 2021	4 <sup>th</sup> May 2021	C	N/A	As part of the Breathing space Initiative this work was undertaken to identify all areas across the Council where debt is managed or collected, this was necessary to ensure that the records were accurate and ensure that the

Objective 10- Implement- New Breathing Space Legislation							
Action No.	Action Description	Action Outcome(s)	Start Date	Anticipated Completion Date	Q2 % Action Completed	Q4 % Action Completed	Action Commentary
	timetable and identify key staff.						single point of contact required under the scheme was properly managed.
2	Devise on-line training course for staff and members to raise awareness of the Breathing Space initiative.	All members and front line staff receive training	1 <sup>st</sup> May 2021	31 <sup>st</sup> May 2021	C	N/A	Training for members and staff completed in July 2021.
3	Review impact of Breathing Space requests on workload and staff resources.	Report to Head of Finance on impact of introduction of Breathing Space.	1 <sup>st</sup> September 2021	31 <sup>st</sup> December 2022	30%	C	The Breathing space legislation has been integrated in working practices and is now part of the normal business of the team.
4	Work with partner agencies and third sector to provide advice and assistance to those with debts and financial problems.	Hold regular liaison meetings with partner organisations such as CAB to establish a joined-up approach to assisting those with arrears to find a sympathetic and sustainable way collect the debt.	1 <sup>st</sup> September 2020	31 <sup>st</sup> March 2022	C	N/A	As part of the Breathing space Initiative this work was undertaken to identify all areas across the Council where debt is managed or collected, this was necessary to ensure that the records were accurate and ensure that the single point of contact required under the scheme was properly managed.

## Performance Measures (31<sup>st</sup> March 2022)

This is an update on the quarterly, half-yearly and annual performance measures for the service area to 31<sup>st</sup> March 2022. The Performance reported in the table below is also compared to the last four years (where data is available). Commentary is provided for all red and amber measures and discretionary for Green measures.

### Key

	Green – Performance is above Target
	Amber RAG – Performance is below Target (0-15%)
	Red RAG – Performance is Under achieving (+15%)
?	Unknown RAG (Data missing)

Performance Measure	2021/22 Actual Performance	Target 2021/22	2020/21 Actual Performance	2019/20 Actual Performance	2018/19 Actual Performance	2017/18 Actual Performance	Commentary
<b>National</b> Percentage Non-Domestic Rates Collected	<b>96.3%</b>	<b>97%</b>	94.4%	97.59%	97.07%	Not available	Collection has again been disrupted by Covid and the impact on businesses trading as they used to, overall, the collection for 2021-22 was slightly lower than in previous years possibly due to the fact most businesses in the retail. leisure and hospitality sectors did not have to pay rates in 2021-22
<b>National</b> Percentage Council Tax Collection	<b>96.1%</b>	<b>96.5%</b>	95.4%	96.4%	96.64%	Not available	Collection has again been disrupted by Covid and the impact on businesses trading as they used to, overall, the collection for 2021-22 was slightly lower than in previous years possibly due to the fact most businesses in the retail. leisure and hospitality sectors did not have to pay rates in 2021-22.
<b>Local</b> Percentage total Council Tax Collected as a percentage of annual budgeted amount.	<b>100.53%</b>	<b>100%</b>	101%	102.66%	101.35%	Not available	In 2021-22 nearly all direct debits were completed online which is very promising for the roll out of digital services. More transactions will be coming on stream as the year progresses.



Performance Measure	2021/22 Actual Performance	Target 2021/22	2020/21 Actual Performance	2019/20 Actual Performance	2018/19 Actual Performance	2017/18 Actual Performance	Commentary
<b>Local</b> Increased Council Tax paid by Direct Debit	65.35%	63%	62.4%	60.87%	60.03%	Not available	The overall numbers of direct debit has seen a huge increase partially due to the cost of living payment scheme, this will be beneficial for both the Council and the council taxpayers.
<b>Management Information</b> Percentage of Council Tax arrears collected	32.71%	30%	25.4%	35.3%	100%	Not available	Not applicable
<b>Management Information</b> Percentage of NDDR arrears collected	42.51%	30%	22.8%	24.35%	52.42%	Not available	Not applicable
<b>Local</b> Percentage of Internal Audit Plan completed	71%	85%	78%	76%	83%	Not available	Although the target for completion of the IA plan for 21/22 was 85%, 71% was completed, this was a really good outcome given the reduced resources within the team for the year. A long term sickness within the team was covered internally with no backfill and the team carried a vacancy throughout the year. 71% completion of the plan shows sufficient audit coverage across most service areas which gives appropriate assurance on the adequacy of the internal control environment, governance arrangements and risk management process in place to ensure efficient, effective and economic service delivery safeguarding the public pound and minimising fraud and error. The audit opinions issued will enable the Chief Internal Auditor to give an appropriate overall opinion in his annual report
<b>Local</b> Percentage agreed management actions- implemented within 6 months of	80%	90%	71%	86%	87.5%	Not available	Draft IA reports are issued to service managers which include strengths and weaknesses identified from the audit undertaken. The report contains an action plan of what needs to be addressed to improve the overall control environment. The service manager is

Performance Measure	2021/22 Actual Performance	Target 2021/22	2020/21 Actual Performance	2019/20 Actual Performance	2018/19 Actual Performance	2017/18 Actual Performance	Commentary
receipt of final Internal Audit Report.							responsible for recording a management action in the action plan in order to move the weakness to a strength and is then responsible for implementing that action. During the year IA check the implementation status of all agreed management actions within the action plans of the reports. This PI is therefore the percentage of agreed management actions which have actually been implemented by service managers, so this is a measure of how well service managers are doing in terms of accepting their responsibilities for improving the control framework in their respective areas.
<b>Management Information</b> Number of days to issue a draft report	<b>5 days</b>	<b>10 days</b>	8 days	5 days	11 days	Not available	The IA team are getting draft reports out to service managers within 5 days against an agreed target of 10 days
<b>Management Information</b> Number of days to issue a final report	<b>3 days</b>	<b>5 days</b>	3 days	2 days	3 days	Not available	The IA team are getting final reports out to service managers and Heads of Service within 3 days against a target of 5 days
<b>Local</b> Percentage Payment of Invoices within timescales	<b>92.61%</b>	<b>90%</b>	91.9%	92.46%	88.88%	Not available	Not applicable
<b>Local</b> Value of spend through the procurement card	<b>£5.649M</b>	<b>£4.800M</b>	£5,285,000	£6,307,000	Not available	Not available	Not applicable