



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2022/23

OVERVIEW AND SCRUTINY COMMITTEE

25TH JANUARY 2023

AUDIT WALES:

PUBLIC SECTOR READINESS FOR NET ZERO CARBON BY 2030

**REPORT OF THE DIRECTOR OF DEMOCRATIC SERVICES AND
COMMUNICATION**

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1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to provide Members with the latest Audit Wales (AW) National report and to provide the opportunity for Members to review the recommendations in the context our work and the Council's response. Also, to note the position of the report in the wider context of Audit Wales 2021/22 work programme, which will be reflected in its Audit Summary published in March 2023.

2. RECOMMENDATIONS

It is recommended that Members of the Climate Change, Prosperity and Frontline Services Scrutiny Committee:

- 2.1 Consider the report of Audit Wales in respect of, '[Public Sector Readiness for Net Zero Carbon by 2030](#)' seen at Appendix 1.
- 2.2 Review and agree the response to the 'Calls for Action' as set out in the Action Plan at Appendix 2, determine whether further information and/or further progress updates are required.
- 2.3 Consider whether there are any matters of a governance, internal control or risk management nature that require referral to the Council's Governance and Audit Committee

3. BACKGROUND INFORMATION



- 3.1 The Council has taken significant steps to reduce its Carbon Footprint and also contribute to the wider reduction in carbon emissions across the County Borough which have been described in numerous reports to the [Climate Change Cabinet Steering Group](#) and more recently the Climate Change Cabinet Sub Committee, the most recent meeting was held on [3 December 2022](#). *The Steering Group was redesignated as a Cabinet Sub Committee following the 2022 Local Government Elections.*
- 3.2 In June 2022, Cabinet agreed the Council's Tackling Climate Change Strategy – '[Think Climate RCT](#)'. This strategy is a framework for our work and sets the overall direction up to 2025. In agreeing the strategy, Members also recognised that 'the speed and urgency of the need to take local action to contribute to the national and global response to tackle Climate Change has never been greater'.
- 3.3. Two Strategic Risks in respect of Climate Change have been included in the Strategic Risk Register since 2019. Strategic Risks are monitored by Cabinet as part of the quarterly Performance Report. In summary the response to the Climate Risks comprises:
- (24) Engaging with residents and businesses to ensure active participation in reducing energy consumption, reducing plastic and travelling sustainably so that full benefits will materialise, added to Strategic Risk Register in [Quarter 1 2019/20](#).
 - (26) Mitigating the physical impacts of climate change, added to Strategic Risk Register [in Q1 2020/21](#)
- The most recent update of the [Strategic Risk Register](#) was considered as part of the Quarter 2 Report to Cabinet on [21 November 2022](#).
- 3.4 A review of Climate Change and energy efficiency was also included in the 2022/23 Internal Audit Plan considered by [Audit Committee on 18 July 2022](#). This review has recently been completed and the findings are imminent.
- 4. AUDIT WALES REPORT – 'Public Sector Readiness for Net Zero Carbon by 2030'**
- 4.1 In November 2021, Audit Wales commenced a Baseline Review of Decarbonisation across the Public Sector. The Review focussed on organisations' actions and arrangements for meeting the Welsh Government's 2030 decarbonisation targets and aspirations. These targets were most recently crystallised in the Welsh Government's first all Wales Plan: [Working together to reach Net Zero](#) and the [Net Zero Carbon Budget 2 \(2021-25\)](#), both of which were launched in October 2021.
- 4.2 Audit Wales published the resulting National report in June 2022, see Appendix 1.



- 4.3 The report conclusions included ‘*There is clear uncertainty about whether the public sector will meet its 2030 collective ambition.....The Auditor General will not criticise organisations for taking well-managed risks to address this unprecedented challenge*’.
- 4.4 The Audit Wales report featured five Calls for Action i.e.
- Strengthen your leadership and demonstrate your collective responsibility through effective collaboration
 - Clarify your strategic direction and increase your pace of implementation £
 - Get to grips with the finances you need
 - Know your skills gaps and increase your capacity
 - Improve data quality and monitoring to support your decision making
- 4.5 The Council’s Tackling Climate Change Strategy ‘[Think Climate RCT](#)’ contains actions and targets that demonstrate that the Council is well placed to respond to these Calls for Action. It also acknowledges that we need to do more, and at pace to make sure that all our services and all our staff are contributing to reducing carbon emissions across all aspects of the Council’s business and in partnership so that our work contributes to the reductions in the Council’s Carbon Footprint and the County Borough more widely. We will use the Audit Wales report to further challenge our work and progress and plans.
- 4.6 Appendix 2 sets out how the Council is undertaking actions that will address the Calls for Action.

5 EQUALITY AND DIVERSITY IMPLICATIONS/SOCIO-ECONOMIC DUTY

- 5.1 This report provides an update on the work being taken by the Council to progress recommendations reported by Audit Wales; therefore, an Equality and Socio-Economic Impact Assessment is not required.

6 WELSH LANGUAGE IMPLICATIONS

- 6.1 There are no Welsh language implications as a result of the recommendations set out in this report.

7 CONSULTATION/ENGAGEMENT/INVOLVEMENT

- 7.1 There is no direct requirement for Consultation/Engagement/Involvement in this report. However, this engagement with residents, communities, partners and businesses is key to success of delivering the Council’s Tackling Climate



Change Strategy – ‘Think Climate RCT’ and meeting the Council’s Carbon Reduction targets.

8 FINANCIAL IMPLICATION(S)

- 8.1 There are no financial implications aligned to this report.
- 8.2 Moving forward, the agreed programme of work to deliver the Council’s Climate Change Strategy will be incorporated into Medium Term Financial Planning arrangements to ensure resource requirements are reviewed, challenged and planned for.

9 LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 9.1 There are no legal implications aligned to this report.

10 LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

- 10.1 The Council has committed to becoming a Carbon Neutral organisation by 2030 and to work with residents and businesses to ensure the whole County Borough is Carbon Neutral as close as possible to the 2030 target. This supports the priorities of the Council’s Corporate Plan [‘Making a Difference’ – 2020-24](#).
- 10.2 The work outlined within the Strategy reflects the Sustainable Development principles of the Well-being of Future Generations Act, and its work contributes to all seven National Well-being Goals which can be seen in Appendix A within the Climate Change Strategy.

11 CONCLUSION

- 11.1 Audit Wales reports play an important role in supporting on-going improvement to the Council’s governance and service delivery arrangements, and as part of this process, the Council utilises its Scrutiny Committees and Governance and Audit Committee in line with their Terms of Reference, to oversee the arrangements and the monitoring of progress.
- 11.2 In line with the Overview and Scrutiny Committee’s Terms of Reference, the Committee has responsibility for reviewing and challenging the progress the Council is making toward implementing agreed actions and forming a view on the adequacy of progress being made.



- 11:3 Where the Overview and Scrutiny Committee consider there are matters of a 'governance', 'internal control' or 'risk management' nature that require further review, these can be referred back to Governance and Audit Committee for consideration.
- 11:4 The Council has set the ambitious target to become a Carbon Neutral Council by 2030, and for the County Borough to be as near to Carbon Neutral as possible by the same date. The content of the report and the responses to the Calls for Action demonstrate the Council's strong foundations and preparedness to address the challenges faced to tackle and respond to the impacts of Climate Change and the self-awareness of where we need to do better.



LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE – 25 January 2023

REPORT OF THE SERVICE DIRECTOR OF DEMOCRATIC SERVICES AND COMMUNICATION

Item: Audit Wales Report: Public Sector Readiness for Net Zero Carbon by 2030

Background Papers

None.

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