

Pecyn Dogfennau Cyhoeddus

Pwyllgor Archwilio

Man Cyfarfod
**Ystafell Bwyllgor A - Neuadd y Sir,
Llandrindod, Powys**

Dyddiad y Cyfarfod
Dydd Gwener, 4 Medi 2020

Amser y Cyfarfod
10.00 am

I gael rhagor o wybodaeth cysylltwch â
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Dyddiad Cyhoeddi

Mae croeso i'r rhai sy'n cymryd rhan ddefnyddio'r Gymraeg. Os hoffech chi siarad Cymraeg yn y cyfarfod, gofynnwn i chi roi gwybod i ni erbyn hanner dydd ddau ddiwrnod cyn y cyfarfod

AGENDA

1.	YMDDIHEURIADAU
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Derbyn ymddiheuriadau am absenoldeb.

2.	DATGANIADAU O DDIDDORDEB
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Derbyn datganiadau o ddiddordeb gan Aelodau.

3.	ARCHWILIO CYMRU - CYNLLUNIO'R GWEITHLU
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Ystyried adroddiad y Pennaeth Datblygu'r Gweithlu a'r Sefydliad.
(Tudalennau 1 - 24)

4.	ADRODDIAD GWELLA CORFFORAETHOL A THYSTYSGRIF PERFFORMIAD
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Ystyried adroddiad y Pennaeth Trawsnewid a Chyfathrebu.
(Tudalennau 25 - 34)

5.	ARCHWILIO MEWNOL - ADRODDIAD BLYNYDDOL
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Ystyried Adroddiad Archwilio Mewnol Blynyddol.

(I Ddilyn)

6.	COFRESTRAU STRATEGOL A RISG COVID
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Ystyried adroddiad y Pennaeth Cyllid.

(Tudalennau 35 - 94)

7.	RHEOLI'R TRYSORLYS - ADOLYGIAD BLYNYDDOL 2019/20
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Ystyried adroddiad yr Aelod Portffolio ar faterion Cyllid.

(Tudalennau 95 - 104)

8.	RHEOLI'R TRYSORLYS - ADRODDIAD CHWARTEROL
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Ystyried adroddiad yr Aelod Portffolio ar faterion Cyllid.

(Tudalennau 105 - 126)

9.	RHAGLEN WAITH
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Mae'r cyfarfod nesaf wedi'i drefnu ar gyfer dydd Mawrth 29 Medi 2020 i ystyried y Datganiad Cyfrifon terfynol.

CYNGOR SIR POWYS COUNTY COUNCIL**AUDIT COMMITTEE****DATE – 4th September 2020****REPORT AUTHOR: Paul Bradshaw, Head of Workforce and Organisational Development****SUBJECT: Audit Wales Report on Workforce Planning**

REPORT FOR: Noting Contents of Report

1. Background

- 1.1 Over the past two years the Workforce and OD team have been supporting services in improving how the Council can plan to have the right workforce in the right place at the right time and how this ultimately can be best integrated within and can best support the Council's business planning process. During 2018 workforce planning was implemented in a number of services and as part of the business planning round last year for 2020/23, a consistent approach for workforce planning was introduced across all services.
- 1.2 During this time, Audit Wales had undertaken audit work in relation to the Council's wider transformation programme to deliver Vision 2025, and indicated that they wanted to review the Council's workforce planning arrangements as part of this.
- 1.3 Recognising that a new Head of Workforce and Organisational Development (WOD) was due to start during January 2019, it was agreed that the audit be arranged for the latter part of 2019/20.
- 1.4 From August 2019 a new integrated approach to business planning was implemented (i.e. Integrated Business Planning or IBP), which incorporated a new workforce planning process as a key component. As part of this, all service areas were required to complete an IBP, which identified; their service changes, the resulting workforce changes/needs and to produce a workforce plan to address their future workforce needs. Each service area was offered facilitated sessions by the Organisational Development Team, with many making good use of this offer and providing complimentary feedback. The majority of service areas completed workforce plans by late November 2019, with 3 service areas still in the process of completing their plans at the time of the audit.
- 1.5 During October 2019, the Head of WOD met with the senior auditor and his team to discuss the scope of the audit, along with the requirements and support required. As part of the scope, the audit team set out how the audit would be conducted, mainly through interviews with the CEO, Portfolio Holder, Director of Transformation, Head of Strategy and Communication, Head of WOD, the OD Manager and the Workforce Planning Manager in PTHB. In addition, focus groups were held with Heads of Service, selected service managers who had been involved in the workforce planning process, and HR and OD staff who had supported the process. Relevant documentation was also examined.

2. Purpose of the Audit

- 2.1 The purpose of the audit was confirmed as being to identify whether:

- The Council developed a robust and effective workforce plan?
- The Council developed a robust workforce plan at the strategic level?
- The Council developed a robust workforce plan at the operational level?
- The Council embedded workforce planning as part of its business planning cycle/process?

3. Key Points to Note

3.1 In summary Audit Wales found:

In relation to the question they were seeking assurance on (Has the Council developed a robust and effective workforce plan?) found that overall stronger workforce planning means the Council is better placed to support its transformation objectives.

And confirmed that they had reached this conclusion, because:

- through its new approach the Council has improved its understanding of its current and future workforces;
- comprehensive workforce plans for all services are now in place, however quality is variable; and
- The Council intends to review its workforce plans and has identified areas to improve the overall process.

3.2 In their review (copy attached), Audit Wales made 2 proposals for improvement, as laid out below and pleasingly the second one (P2) reinforced and supported the actions already identified and planned by the service, to further develop the Council's workforce planning practices for the future.

3.3 The first area for improvement is also helpful, as it will build upon the communication with and engagement of the wider workforce and services in workforce planning.

Proposals for improvement:

P1: For the Council to consider improvements to the communication aspects of the workforce planning including:

- clarify how the three strategic-level documents will be communicated to the wider organisation;
- continue ongoing engagement with the wider workforce to communicate both the corporate and the service level vision for the workforce; and
- increase the engagement from services with the facilitated sessions.

P2: The Council should action the improvement areas it has identified:

- ensure all 12 service level workforce plans are consistent and comprehensive;
- complete the analysis of the local labour market;
- complete a formal lesson learnt exercise;
- confirm the succession planning arrangements;
- improve workforce planning tools; and
- further integrate workforce planning with the Integrated Business Plans

- 3.4 Audit Wales identified areas of good practice, and highlighted the nature of the ongoing support provided to service areas by the WOD team and recognised that where Heads of Service and managers engaged in the process, they had developed robust plans for this year. All of which will clearly benefit the services in recruiting retaining and developing staff in line with their future service needs.
- 3.5 The service would wish to thank Audit Wales for undertaking the review and for their findings, which help to recognise the progress made by the Council over recent years, recognises the plans the Council already had in place to improve the process further and proposes an area of further improvement, which the Council can build upon.
- 3.6 The report by Audit Wales clearly acknowledges the progress the Council has made, in that they recognised that the new approach represents a significant improvement on the previous process.
- 3.7 Taking all of this together, the Council now has a stronger workforce planning process in place, which places it in a better state of preparedness to deliver its transformation plans.
- 3.8 The Workforce and OD team is continuing to develop the workforce planning process for the 2021/24 IBP cycle in line with the proposed improvements, and will continue to support managers in developing robust workforce plans, which underpin service business plans and hence the Council's ongoing transformation programme.

Recommendation	Reason for Recommendation
That the committee note the findings of Audit Wales's report and the future plans.	To advise the committee about the report / findings of Audit Wales and the Council's future plans for workforce planning.

Relevant Policy (ies) :	No specific policy.		
Within Policy	N/A	Within Budget	N/A

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Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

Review of workforce planning at **Powys County Council**

Audit year: 2018-19

Date issued: May 2020

Document reference: 1865A2020-21

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

The team who delivered the work comprised under the direction of Lisa Williams, Gareth W. Lewis, and Sara Leahy, under the direction of Huw Rees.

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The Council intends to review its workforce plans and has identified areas to improve the overall process 8

Summary report

Summary

What we reviewed and why

- 1 Powys County Council (the Council) have set out their aspirations for the future in their corporate transformation document: 'Vision 2025'. The Council has further aimed to transform their workforce and ensure the workforce has the right skills, behaviours and structures to support the delivery of Vision 2025.
- 2 Previous audit work undertaken at the Council considered the wider transformation programme. In a previous review we concluded that 'The Council is making transformation a higher priority, but it needs to better define and communicate its vision and programme for transformation and ensure that planned actions are of sufficient scale and pace.' Our review will build on this work by looking at the workforce aspect of the Council's transformation programme in more detail.
- 3 We undertook this review to seek assurance about the Council's workforce planning approach including whether the Council has:
 - a. introduced workforce planning at strategic and operational levels;
 - b. embedded workforce planning as part of the Council's business planning process; and
 - c. created a robust workforce plan that clarifies the direction it needs to take to transform the structure, behaviours and capabilities of its staff for the long-term to have a lean, focussed and agile organisation.
- 4 The project was undertaken through a combination of document reviews, observations, focus groups and interviews with officers and councillors. The focus groups included separate sessions with heads of services, a selection of managers with responsibility for implementing and using workforce planning and a focus group with a selection of the Council's Workforce and Organisational Development (WOD) team members involved in workforce planning.
- 5 We undertook the review between October 2019 to March 2020.

What we found

- 6 Our review sought to answer the question: **Has the Council developed a robust and effective workforce plan?**
- 7 Overall, we found that stronger workforce planning means the Council is better placed to support its transformation objectives.
- 8 We reached this conclusion because:
 - a. through its new approach the Council has improved its understanding of its current and future workforces;
 - b. comprehensive workforce plans for all services are now in place, however quality is variable; and

- c. the Council intends to review its workforce plans and has identified areas to improve the overall process.

Proposals for Improvement

Exhibit 1: proposals for improvement

The table below sets out the proposals for improvement we have identified following this review.

Proposals for improvement	
P1	<p>For the Council to consider improvements to the communication aspects of the workforce planning including:</p> <ul style="list-style-type: none">• clarify how the three strategic-level documents will be communicated to the wider organisation;• continue ongoing engagement with the wider workforce to communicate both the corporate and the service level vision for the workforce; and• increase the engagement from services with the facilitated sessions.
P2	<p>The Council should action the improvement areas it has identified:</p> <ul style="list-style-type: none">• ensure all 12 service level workforce plans are consistent and comprehensive;• complete the analysis of the local labour market;• complete a formal lesson learnt exercise;• confirm the succession planning arrangements;• improve workforce planning tools; and• further integrate workforce planning with the Integrated Business Plans.

Detailed report

Stronger workforce planning means the Council is better placed to support its transformation objectives

Through its new approach the Council has improved its understanding of its current and future workforces

9 In reaching this conclusion we found that:

- transforming the future workforce is one of nine projects within the Council's Vision 2025 transformation programme. Within the Council's project on transforming its future workforce, workforce planning is one of the key pillars. This illustrates the importance the Council has assigned to workforce planning in helping to deliver transformation.
- the Council has shown an understanding of workforce planning's importance and assessed workforce as a high risk on its Strategic Risk Register. The Council sees the significant long-term changes in the working-age population impacting on its ability to recruit and retain employees. The mitigating actions within the risk register and the longer-term focus of workforce planning shows the Council is taking appropriate steps to help address this risk.
- the Council developed a new seven-step approach to workforce planning for 2019-20. The Council recognises that this was the first round of workforce planning using the new format. The Council's new approach has allowed it to gain an understanding of its workforce and environment, including analysing the wider context of changes that will impact on the workforce as well as data analyses of its current and future workforce profile.
- as part of the new approach, the Workforce and Organisation Development (WOD) team offered facilitated sessions to support services through the new process. However, not all services engaged with the facilitated sessions as fully as they could have.
- from the information contained in the 12 service level plans, the Council has developed three key strategic documents:
 - the Strategic Workforce Plan – sets out the Council's vision for its people, outlines the composition of its current workforce and discusses its plans;
 - the Corporate Workforce Resourcing Plan – details the service level and corporate level actions identified from the workforce planning process to be monitored by the workforce futures board; and
 - the Corporate Workforce Development Plan – outlines the Council's plans for meeting the development areas it identified in the service level Training Needs Analyses (TNA).

- a joint strategic workforce planning manager post exists to facilitate collaborative working between Powys Teaching Health Board and Powys County Council. The aim of the post is to address the longer-term challenges facing the health and social care workforces in Powys including recruitment, retention, training and education of the workforce. There is clear alignment between the Council and the Health Board on planning the health and social care workforce.

Comprehensive workforce plans for all services are now in place, however quality is variable

10 In reaching this conclusion we found that:

- the Council has acted at pace to produce 12 service level plans in the first year of its new workforce planning approach. This new approach represents a significant improvement on the previous process, which included nearly 40 different plans across services and was described by the people we spoke to as 'a tick box exercise'.
- The seven-step approach to workforce planning has included a thorough process with the following elements and steps:
 - understand the business or service areas and its direction;
 - analyse the workforce;
 - identify the gap;
 - design the model / requirements to meet demand and match gap;
 - recruit, retain and succession plan;
 - produce a training and development plan; and
 - develop the workforce plan and monitor.
- part of the role of the WOD team is to support the process of workforce planning, the team assess each plan against a quality assurance checklist, provide tools for workforce planning, and facilitate sessions to guide managers. The facilitated sessions enable staff to understand workforce planning, help them analyse their current and future workforces, and provide challenge to their views and thinking. While engagement from services was variable for the first year, the WOD team plan to offer further facilitated sessions for the next round of workforce planning in 2020-21.
- the new workforce planning process has allowed service areas to take actions to fill identified gaps. The new approach has enabled services to identify 'hard to fill' posts and develop strategies to recruit and retain employees, for example through 'grow our own' initiatives. The Council has also developed an apprenticeship pool as a method of recruiting new employees.
- the people we spoke were aware of the need to succession plan. However, the Council has not yet developed a formal method for capturing these

actions. It intends to develop wide-ranging succession planning arrangements in the next round of workforce planning during 2020-21.

- the Council recognises that not all 12 service level workforce plans from the first year are fully robust. The 12 plans include variable levels of information and understanding about respective service areas. The Council has identified a small number of plans that require further work and intends to ensure that all 12 plans contain a more consistent level of information going forward.
- the WOD team has completed a comprehensive Training Needs Analysis (TNA) exercise at service level. The service level TNAs have allowed the Council to draw together and articulate its corporate development needs in one, overall summary.
- the workforce planning process runs alongside the Council's new Integrated Business Planning (IBP) process. The Council has identified the need to further strengthen the link between workforce planning and the IBP process for the second round of planning using the new approach during 2020-21.

The Council intends to review its workforce plans and has identified areas to improve the overall process

11 In reaching this conclusion we found that:

- the Council's seven step workforce planning approach included a step on 'developing the plans and monitoring'. The workforce plans included actions for service areas to take to review and progress the workforce planning outcomes.
- staff recognise the new workforce approach enables workforce planning to be discussed regularly through the year. We were told that the services will hold meetings to monitor the implementation of their operational workforce plans. Services also noted that support was available from HR business partners at these service level meetings.
- the Council has a clear intention to repeat the workforce planning process. We spoke Council staff across the organisation who were aware that the process would be repeated for 2020-21.
- while the Council has not yet completed a formal lesson learnt exercise on workforce planning, it has reviewed and revised its 2019-20 approach and has changed the workforce planning process from seven-steps to four-steps for 2020-21. The Council also recognises there were issues with the workforce planning templates. However, it has plans to improve the tools and to deliver a more user-friendly format. This demonstrates the WOD team has listened to feedback from services.
- the Council has not yet analysed its current local labour markets but has plans to complete this work during 2020 in association with the Joint Strategic Workforce Planning Manager.

- both the Council and the Health Board have identified the need to simplify their joint strategic workforce planning approach for the forthcoming year. Both have plans to move towards a four-step process, which will further help improve alignment of the two organisation's workforce approach.
- the Workforce Futures Board monitors the delivery of the corporate actions arising from the workforce plans through six-weekly meetings. In turn, the Workforce Futures Board reports quarterly to the overall Vision 2025 transformation board.



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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Adolygiad o gynllunio'r gweithlu yng **Nghyngor Sir Powys**

Blwyddyn archwilio: 2018-19

Dyddiad cyhoeddi: Gorffennaf 2020

Cyfeirnod y ddogfen: 1865A2020-21

Paratowyd y ddogfen hon i'w defnyddio'n fewnol gan Gyngor Sir Powys fel rhan o'r gwaith a gyflawnir yn unol ag Adrannau 17 Deddf Archwilio Cyhoeddus (Cymru) 2004, Adran 18 Mesur Llywodraeth Leol Cymru 2009 ac Adran 15 Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015.

Nid yw'r Archwilydd Cyffredinol na staff Archwilio Cymru yn cymryd unrhyw gyfrifoldeb mewn perthynas ag unrhyw aelod, cyfarwyddwr, swyddog na chyflogai arall yn unigol nac unrhyw drydydd parti.

Os ceir cais am wybodaeth y gallai'r ddogfen hon fod yn berthnasol iddi, tynnir sylw at y cod ymarfer a gyhoeddwyd o dan adran 45 Deddf Rhyddid Gwybodaeth 2000.

Mae'r Cod Adran 45 yn nodi'r arferion a ddisgwyllir gan awdurdodau cyhoeddus wrth ymdrin â cheisiadau, gan gynnwys ymgynghori â thrydydd partïon perthnasol. Mewn perthynas â'r ddogfen hon, mae Archwilydd Cyffredinol Cymru ac Archwilio Cymru yn drydydd partïon perthnasol. Dylid anfon unrhyw ymholiadau ynghylch datgelu neu aildefnyddio'r ddogfen hon at Archwilio Cymru trwy e-bostio swyddog.gwybodaeth@archwilio.cymru.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg ac yn Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi. We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay.

Roedd y tîm a gyflwynodd y gwaith yn cynnwys o dan gyfarwyddyd Lisa Williams, Gareth W. Lewis, a Sara Leahy, o dan gyfarwyddyd Huw Rees.

Cynnwys

Mae cynllunio gweithlu cryfach yn golygu bod y Cyngor mewn sefyllfa well i gefnogi ei amcanion trawsnewid.

Adroddiad cryno

Crynodeb 4

Adroddiad manwl

Mae cynllunio gweithlu cryfach yn golygu bod y Cyngor mewn sefyllfa well i gefnogi ei amcanion trawsnewid. 6

Drwy ei ddull gweithredu newydd mae'r Cyngor wedi gwella ei ddealltwriaeth o'i weithluoedd presennol a gweithluoedd y dyfodol 6

Mae cynlluniau cynhwysfawr ar gyfer y gweithlu yn eu lle erbyn hyn, ond mae eu hansawdd yn amrywio 7

Mae'r Cyngor yn bwriadu adolygu ei gynlluniau gweithlu ac mae wedi nodi meysydd i wella'r broses gyffredinol 8

Adroddiad cryno

Crynodeb

Yr hyn a adolygwyd gennym a pham

- 1 Mae Cyngor Sir Powys (y Cyngor) wedi nodi ei ddyheadau ar gyfer y dyfodol yn ei ddogfen trawsnewid corfforaethol: 'Gweledigaeth 2025'. Mae'r Cyngor wedi anelu ymhellach at weddnewid ei weithlu a sicrhau bod gan y gweithlu'r sgiliau, yr ymddygiadau a'r strwythurau cywir i gefnogi'r gwaith o gyflawni gweledigaeth 2025.
- 2 Roedd y gwaith archwilio blaenorol a wnaed yn y Cyngor yn ystyried y rhaglen drawsnewid ehangach. Mewn adolygiad blaenorol, daethom i'r casgliad bod 'Y Cyngor yn gwneud trawsnewid yn flaenoriaeth uwch, ond mae angen iddo ddiffinio a chyfleu ei weledigaeth a'i raglen ar gyfer trawsnewid yn well a sicrhau bod y camau gweithredu a gynllunnir o raddfa a chyflymder digonol.' Bydd ein hadolygiad yn adeiladu ar y gwaith hwn drwy edrych yn fanylach ar agwedd gweithlu rhaglen drawsnewid y Cyngor.
- 3 Cynhaliwyd yr adolygiad hwn i geisio sicrwydd ynghylch dull cynllunio gweithlu'r Cyngor, gan gynnwys a yw'r Cyngor wedi:
 - a. cyflwyno cynllunio'r gweithlu ar lefelau strategol a gweithredol;
 - b. ymgorffori cynllunio'r gweithlu fel rhan o broses cynllunio busnes y Cyngor; ac wedi
 - c. creu cynllun gweithlu cadarn sy'n egluro'r cyfeiriad y mae angen iddo ei gymryd i drawsnewid strwythur, ymddygiadau a galluoedd ei staff yn yr hirdymor i gael sefydliad darbodus, clir a hyblyg.
- 4 Cynhaliwyd y prosiect drwy gyfuniad o adolygiadau o'r dogfennau, arsylwadau, grwpiau ffocws a chyfweiliadau â swyddogion a chynghorwyr. Roedd y grwpiau ffocws yn cynnwys sesiynau ar wahân gyda phenaethiaid gwasanaethau, detholiad o reolwyr â chyfrifoldeb am weithredu a defnyddio cynllunio'r gweithlu a grŵp ffocws gyda detholiad o aelodau tîm Gweithlu a Datblygu Sefydliadol (WOD) y Cyngor sy'n ymwneud â chynllunio'r gweithlu.
- 5 Cynhaliwyd yr adolygiad rhwng Hydref 2019 a Mawrth 2020.

Yr hyn a welsom

- 6 Ceisiodd ein hadolygiad ateb y cwestiwn: **A yw'r Cyngor wedi datblygu cynllun gweithlu cadarn ac effeithiol?**
- 7 Yn gyffredinol, canfuwyd bod cynllunio gweithlu cryfach yn golygu bod y Cyngor mewn gwell sefyllfa i gefnogi ei amcanion trawsnewid.
- 8 Daethom i'r casgliad hwn am y rhesymau canlynol:
 - a. drwy ei dull gweithredu newydd mae'r Cyngor wedi gwella ei ddealltwriaeth o'i weithluoedd presennol a gweithluoedd y dyfodol;

- b. mae cynlluniau cynhwysfawr ar gyfer y gweithlu yn eu lle erbyn hyn, ond mae eu hansawdd yn amrywio; ac
- c. mae'r Cyngor yn bwriadu adolygu ei gynlluniau gweithlu ac mae wedi nodi meysydd i wella'r broses gyffredinol.

Cynigion ar gyfer Gwella

Arddangosyn 1: cynigion ar gyfer gwella

Mae'r tabl isod yn nodi'r cynigion ar gyfer gwella a nodwyd gennym yn dilyn yr adolygiad hwn.

Cynigion ar gyfer gwella

- | | |
|----|---|
| C1 | <p>Bod y Cyngor ystyried gwelliannau i'r agweddau cyfathrebu ar gynllunio'r gweithlu, gan gynnwys:</p> <ul style="list-style-type: none">• egluro sut y bydd y tair dogfen lefel strategol yn cael eu cyfleu i'r sefydliad ehangach;• parhau i ymgysylltu'n barhaus â'r gweithlu ehangach i gyfathrebu gweledigaeth gorfforaethol a lefel gwasanaeth y gweithlu; a• chynyddu'r ymgysylltiad gan wasanaethau gyda'r sesiynau a hwylusir. |
| C2 | <p>Dylai'r Cyngor weithredu'r meysydd gwella y mae wedi'u nodi:</p> <ul style="list-style-type: none">• sicrhau bod pob un o'r 12 cynllun gweithlu lefel gwasanaeth yn gyson ac yn gynhwysfawr;• cwblhau'r dadansoddiad o'r farchnad lafur leol;• cwblhau ymarfer ffurfiol o'r gwersi a ddysgwyd;• cadarnhau'r trefniadau cynllunio olyniaeth;• gwella adnoddau cynllunio'r gweithlu; ac• integreiddio'r cynllunio gweithlu ymhellach gyda'r Cynlluniau Busnes Integredig. |

Adroddiad manwl

Mae cynllunio gweithlu cryfach yn golygu bod y Cyngor mewn sefyllfa well i gefnogi ei amcanion trawsnewid

Drwy ei ddull gweithredu newydd mae'r Cyngor wedi gwella ei dealltwriaeth o'i weithluoedd presennol a gweithluoedd y dyfodol

9 Wrth ddod i'r casgliad hwn, nodwyd y canlynol:

- Mae trawsnewid gweithlu'r dyfodol yn un o naw prosiect o fewn rhaglen gweddnewid Gweledigaeth 2025 y Cyngor. O fewn prosiect y Cyngor i weddnewid ei weithlu yn y dyfodol, mae cynllunio'r gweithlu yn un o'r colofnau allweddol. Mae hyn yn dangos y pwysigrwydd y mae'r Cyngor wedi'i roi i gynllunio'r gweithlu wrth helpu i drawsnewid.
- Mae'r Cyngor wedi dangos dealltwriaeth o bwysigrwydd cynllunio'r gweithlu ac wedi asesu'r gweithlu fel risg uchel ar ei Gofrestr Risg Strategol. Mae'r Cyngor yn gweld y newidiadau hirdymor sylweddol yn y boblogaeth o oedran gweithio yn effeithio ar ei allu i recriwtio a chadw cyflogaeth. Mae'r camau lliniaru o fewn y gofrestr risg a ffocws tymor hwy cynllunio'r gweithlu yn dangos bod y Cyngor yn cymryd camau priodol i helpu i fynd i'r afael â'r risg hwn.
- Datblygodd y Cyngor dull newydd saith cam o gynllunio'r gweithlu ar gyfer 2019-20. Mae'r Cyngor yn cydnabod mai hon oedd y cylch cyntaf o gynllunio'r gweithlu gan ddefnyddio'r fformat newydd. Mae dull newydd y Cyngor wedi ei alluogi i feithrin dealltwriaeth o'i weithlu a'i amgylchedd, gan gynnwys dadansoddi cyd-destun ehangach newidiadau a fydd yn effeithio ar y gweithlu yn ogystal â dadansoddiadau data o broffil ei weithlu presennol ac yn y dyfodol.
- fel rhan o'r dull newydd, cynigiodd y tîm Gweithlu a Datblygu Sefydliadol (WOD) sesiynau wedi'u hwyluso i gefnogi gwasanaethau drwy'r broses newydd. Fodd bynnag, nid oedd pob gwasanaeth wedi ymgysylltu â'r sesiynau wedi'u hwyluso cymaint ag y gallent.
- o'r wybodaeth a gynhwyswyd yn y 12 cynllun lefel gwasanaeth, mae'r Cyngor wedi datblygu tair dogfen strategol allweddol:
 - Y Cynllun Gweithlu Strategol – sy'n nodi gweledigaeth y Cyngor ar gyfer ei phobl, yn amlinellu cyfansoddiad ei weithlu presennol ac yn trafod ei gynlluniau;
 - Y Cynllun Corfforaethol ar gyfer Adnoddau'r Gweithlu – sy'n rhoi manylion y lefel gwasanaeth a'r camau gweithredu ar lefel gorfforaethol a nodir yn y broses cynllunio gweithlu a gaiff eu monitro gan fwrdd gweithlu'r dyfodol; a'r

- Cynllun Datblygu Gweithlu Corfforaethol - sy'n amlinellu cynlluniau'r Cyngor ar gyfer bodloni'r meysydd datblygu a nodwyd ganddo yn y Dadansoddiadau o Anghenion Hyfforddiant lefel gwasanaeth (TNA).
- Mae swydd rheolwr cynllunio gweithlu strategol ar y cyd yn bodoli i hwyluso cydweithio rhwng Bwrdd Addysgu Iechyd Powys a Chyngor Sir Powys. Nod y swydd yw mynd i'r afael â'r heriau tymor hwy sy'n wynebu gweithluoedd iechyd a gofal cymdeithasol ym Mhowys gan gynnwys recriwtio, cadw, hyfforddiant ac addysg y gweithlu. Mae aliniad clir rhwng y cyngor a'r Bwrdd Iechyd o ran cynllunio'r gweithlu iechyd a gofal cymdeithasol.

Mae cynlluniau cynhwysfawr ar gyfer y gweithlu yn eu lle erbyn hyn, ond mae eu hansawdd yn amrywio

10 Wrth ddod i'r casgliad hwn, nodwyd y canlynol:

- Mae'r Cyngor wedi gweithredu'n gyflym i gynhyrchu 12 o gynlluniau lefel gwasanaeth yn ystod blwyddyn gyntaf ei ddull cynllunio gweithlu newydd. Mae'r dull newydd hwn yn welliant sylweddol ar y broses flaenorol, a oedd yn cynnwys bron 40 o gynlluniau gwahanol ar draws gwasanaethau ac fe'i disgrifiwyd gan y bobl y siaradwyd â hwy fel 'ymarfer ticio bocsys'.
- Mae'r dull saith cam o gynllunio'r gweithlu wedi cynnwys proses drylwyr gyda'r elfennau a'r camau canlynol:
 - deall y meysydd busnes neu wasanaeth a'u cyfeiriad;
 - dadansoddi'r gweithlu;
 - nodi'r bwlch;
 - cynllunio'r model / gofynion i ateb y galw a llenwi bylchau;
 - recriwtio, cadw a chynllunio olyniaeth;
 - llunio cynllun hyfforddi a datblygu; a
 - datblygu cynllun y gweithlu a'i fonitro.
- Rhan o rôl y tîm Gweithlu a Datblygu Sefydliadol (WOD) yw cefnogi'r broses o gynllunio'r gweithlu; mae'r tîm yn asesu pob cynllun yn erbyn rhestr wirio sicrhau ansawdd, yn darparu offer ar gyfer cynllunio'r gweithlu, ac yn hwyluso sesiynau i gynig arweiniad i reolwyr. Mae'r sesiynau wedi'u hwyluso yn galluogi staff i ddeall cynllunio'r gweithlu, eu helpu i ddadansoddi eu gweithluoedd presennol a rhai'r dyfodol, a herio eu barn a'u syniadau. Er bod ymgysylltiad gan wasanaethau yn amrywio ar gyfer y flwyddyn gyntaf, mae'r tîm Gweithlu a Datblygu Sefydliadol yn bwriadu cynnig sesiynau wedi'u hwyluso ymhellach ar gyfer y cylch nesaf o gynllunio gweithlu yn 2020-21.
- Mae'r broses cynllunio gweithlu newydd wedi caniatáu i feysydd gwasanaeth gymryd camau i llenwi'r bylchau a nodwyd. Mae'r dull newydd wedi galluogi gwasanaethau i nodi swyddi 'anodd eu llenwi' a datblygu strategaethau i recriwtio a chadw gweithwyr, er enghraifft drwy fentrau 'tyfu ein hunain'.

Mae'r Cyngor hefyd wedi datblygu cronfa brentisiaeth fel dull o recriwtio gweithwyr newydd.

- Roedd y bobl y siaradasom â hwy yn ymwybodol o'r angen i gynllunio ar gyfer olyniaeth. Fodd bynnag, nid yw'r Cyngor wedi datblygu dull ffurfiol eto o gofnodi'r camau hyn. Mae'n bwriadu datblygu trefniadau cynllunio olyniaeth eang yn ystod y cylch nesaf o gynllunio gweithlu yn ystod 2020-21.
- Mae'r Cyngor yn cydnabod nad yw pob un o'r 12 cynllun gweithlu lefel gwasanaeth o'r flwyddyn gyntaf yn gwbl gadarn. Mae'r 12 cynllun yn cynnwys lefelau amrywiol o wybodaeth a dealltwriaeth am y meysydd gwasanaeth perthnasol. Mae'r Cyngor wedi nodi nifer fach o gynlluniau sy'n gofyn am waith pellach ac mae'n bwriadu sicrhau bod pob un o'r 12 cynllun yn cynnwys lefel fwy cyson o wybodaeth yn y dyfodol.
- Mae tîm Gweithlu a Datblygu Sefydliadol wedi cwblhau ymarfer Dadansoddi Anghenion Hyfforddi cynhwysfawr ar lefel gwasanaeth. Mae'r Dadansoddiadau Anghenion Hyfforddi lefel gwasanaeth wedi caniatáu i'r Cyngor ddwyn ynghyd a mynegi ei anghenion datblygu corfforaethol mewn un crynodeb cyffredinol.
- Mae'r broses cynllunio gweithlu yn cydreded â phroses Cynllunio Busnes Integredig (IBP) newydd y Cyngor. Mae'r Cyngor wedi nodi'r angen i gryfhau ymhellach y cysylltiad rhwng cynllunio'r gweithlu a'r broses Cynllunio Busnes Integredig ar gyfer yr ail gylch cynllunio gan ddefnyddio'r dull newydd yn ystod 2020-21.

Mae'r Cyngor yn bwriadu adolygu ei gynlluniau gweithlu ac mae wedi nodi meysydd i wella'r broses gyffredinol

11 Wrth ddod i'r casgliad hwn, nodwyd y canlynol:

- Roedd dull cynllunio gweithlu saith cam y Cyngor yn cynnwys cam ar 'ddatblygu'r cynlluniau a monitro'. Roedd cynlluniau'r gweithlu yn cynnwys camau i'r meysydd gwasanaeth eu cymryd i adolygu a datblygu canlyniadau cynllunio'r gweithlu.
- Mae staff yn cydnabod bod y dull gweithlu newydd yn golygu y gellir trafod cynllunio'r gweithlu yn rheolaidd drwy gydol y flwyddyn. Dywedwyd wrthym y bydd y gwasanaethau'n cynnal cyfarfodydd i fonitro datblygiad eu cynlluniau gweithlu gweithredol. Nododd y gwasanaethau hefyd fod cymorth ar gael gan bartneriaid busnes adnoddau dynol yn y cyfarfodydd lefel gwasanaeth hyn.
- Mae gan y Cyngor fwriad clir i ailadrodd y broses o gynllunio'r gweithlu. Buom yn siarad â staff y Cyngor ar draws y sefydliad a oedd yn ymwybodol y byddai'r broses yn cael ei hailadrodd ar gyfer 2020-21.
- Er nad yw'r Cyngor wedi cwblhau ymarfer dysgu gwersi ffurfiol ar gynllunio'r gweithlu eto, mae wedi adolygu a diwygio ei ddull 2019-20 ac wedi newid y broses cynllunio gweithlu o saith cam i bedwar cam ar gyfer 2020-21. Mae'r

Cyngor hefyd yn cydnabod bod problemau gyda thempledi cynllunio'r gweithlu. Fodd bynnag, mae ganddi gynlluniau i wella'r adnoddau ac i ddarparu fformat sy'n haws ei ddefnyddio. Mae hyn yn dangos bod y tîm Gweithlu a Datblygu Sefydliadol wedi gwrandao ar yr adborth gan y gwasanaethau.

- Nid yw'r Cyngor wedi dadansoddi ei farchnadoedd llafur lleol cyfredol eto ond mae ganddo gynlluniau i gwblhau'r gwaith hwn yn ystod 2020 mewn cydweithrediad â'r Rheolwr Cynllunio Gweithlu Strategol ar y Cyd.
- Mae'r Cyngor a'r Bwrdd Iechyd wedi nodi'r angen i symleiddio eu dull strategol o gynllunio'r gweithlu ar y cyd ar gyfer y flwyddyn sydd i ddod. Mae gan y ddau gynlluniau i symud tuag at broses pedwar cam, a fydd yn helpu ymhellach i gysoni dull y ddau sefydliad o weithio.
- Mae Bwrdd Dyfodol y Gweithlu yn monitro'r modd y cyflawnir y camau gweithredu corfforaethol sy'n deillio o'r cynlluniau gweithlu drwy gyfarfodydd bob chwe wythnos. Yn ei dro, mae Bwrdd Dyfodol y Gweithlu yn adrodd yn chwarterol i fwrdd trawsnewid cyffredinol Gweledigaeth 2025.



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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg ac yn Saesneg. We welcome correspondence and telephone calls in Welsh and English.

CYNGOR SIR POWYS COUNTY COUNCIL

Audit Committee
Date 4th September 2020

REPORT AUTHOR: Emma Palmer, Head of Transformation and Communications

REPORT TITLE: Audit Wales - Audit of Powys County Council's assessment of 2019-20 performance (Vision 2025: Our Corporate Improvement Plan Annual Performance Report 2019-2020)

REPORT FOR: Information

1. Purpose

- 1.1 This report provides assurance to Audit Committee that Powys County Council published its Vision 2025: Corporate Improvement Plan (CIP) **Annual Performance Report 2019-2020** on 31st July 2020, in line with statutory reporting duties under the Well-being of Future Generations Wales Act and Local Government Wales Measure 2009.
- 1.2 Please see Appendix A to view the certificate from the Auditor General for Wales which states:
- “As a result of my audit, I believe that the Council has discharged its duties under sections 15(2), (3), (8) and (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties”.
- 1.3 The Annual Performance Report was considered at a Joint Scrutiny Working Group on 9th July, where it was positively received, and minor recommendations proposed. Amendments were made to the report to reflect Scrutiny recommendations and it was subsequently considered at a Cabinet Meeting on 14th July. County Council approved the report for publication on 30th July 2020.
- 1.4 The Full Report was published on the council's website (<https://en.powys.gov.uk/Vision2025/>) on 31st July, together with an 'easy read' version and one-page infographic, to ensure the council's performance is communicated effectively. The Council's Communications Team issued a News Release on 24th July (<https://en.powys.gov.uk/article/9435/Corporate-Improvement-Plan>).
- 1.5 The report provides a balanced and open account of performance and was developed using information from the following reports to ensure clear alignment and consistency:
- Quarterly Corporate Performance Reports
 - Quarterly Transformation Programme highlight reports
 - Assurance and Improvement Board Reports
 - Revenue and Capital outturn reports.
 - Annual Governance Statement 2019-20

- 1.6 The report is also consistent with the Strategic Equality Plan Annual Monitoring Report 2019-2020 and Welsh Language Standards Report 2019-202, which were approved for publication by County Council on 30th July.
- 1.7 Please see Appendix B to view the Audit Wales certificate of compliance for the Council's Corporate Improvement Plan (2020 Update) that was published back in March 2020.

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Corporate Director: Ness Young, Resources and Transformation.

Appendix A

[Audit Wales - Powys Performance Cert 2019-20.pdf](#)

Appendix B

[Audit Wales - Powys Improvement Plan Cert 2020-21.pdf](#)

Reference: 1979A2020-21

Date issued: August 2020

Audit of Powys County Council's 2020-21 Improvement Plan

Certificate

I certify that, following publication on 5 March 2020, I have audited Powys County Council's Improvement Plan in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Council has discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

Respective responsibilities of the Council and the Auditor General

Under the Measure, the Council is required to prepare and publish an Improvement Plan describing its plans to discharge its duties to:

- make arrangements to secure continuous improvement in the exercise of its functions;
- make arrangements to secure achievement of its improvement objectives; and
- make arrangements to exercise its functions so that any performance standard specified by Welsh Ministers is met.

The Measure requires the Council to publish its Improvement Plan as soon as is reasonably practicable after the start of the financial year to which it relates, or after such other date as Welsh Ministers may specify by order.

The Council is responsible for preparing the Improvement Plan and for the information set out within it. The Measure requires that the Council has regard to guidance issued by Welsh Ministers in preparing and publishing its plan.

As the Council's auditor, I am required under sections 17 and 19 of the Measure to carry out an audit of the Improvement Plan, to certify that I have done so, and to report whether I believe that the Council has discharged its duties to prepare and publish an Improvement Plan in accordance with statutory requirements set out in section 15 and statutory guidance.

Scope of the Improvement Plan audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information, or whether the Improvement Plan published by the Council can be achieved. Other assessment work that I will undertake under section 18 of the Measure will examine these issues. My audit of the Council's Improvement Plan, therefore, comprised a review of the plan to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the plan complied with the requirements of the legislation, and that the Council had regard to statutory guidance in preparing and publishing its plan.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.



Adrian Crompton
Auditor General for Wales

CC: Julie James MS – Minister for Housing and Local Government
Lisa Williams, Manager
Sara Leahy, Senior Auditor

Cyfeirnod: 1979A2020-21

Dyddiad cyhoeddi: Awst 2020

Archwiliad o Gynllun Gwella Cyngor Sir Powys 2020-2021

Tystysgrif

Ardystiaf, yn dilyn cyhoeddiad ar 5 Mawrth 2020, fy mod wedi archwilio cynllun gwella Cyngor Sir Powys (y Cyngor) yn unol ag adran 17 o Fesur Llywodraeth Leol (Cymru) 2009 (y Mesur) a'm Cod Ymarfer Archwilio.

O ganlyniad i'm harchwiliad, credaf fod y Cyngor wedi cyflawni ei ddyletswyddau o dan adrannau 15(6) i (9) o'r Mesur ac wedi gweithredu'n unol â chanllawiau Llywodraeth Cymru yn ddigonol i gyflawni ei ddyletswyddau.

Priod gyfrifoldebau'r Cyngor a'r Archwilydd Cyffredinol

O dan y Mesur, mae'n ofynnol i'r Cyngor baratoi a chyhoeddi Cynllun Gwella, sy'n amlinellu ei gynlluniau i gyflawni ei ddyletswyddau:

- i wneud trefniadau i sicrhau gwelliant parhaus wrth gyflawni ei swyddogaethau;
- i wneud trefniadau i sicrhau bod ei amcanion gwella yn cael eu cyflawni; ac
- i wneud trefniadau i gyflawni ei swyddogaethau i fodloni unrhyw safonau perfformiad a bennir gan Weinidogion Cymru.

Mae'r Mesur yn ei gwneud yn ofynnol i'r Cyngor gyhoeddi ei Gynllun Gwella cyn gynted ag y bo hynny'n rhesymol ymarferol ar ôl dechrau'r flwyddyn ariannol y mae'r cynllun yn berthnasol iddi, neu ar ôl dyddiad arall a bennir dan orchymyn Gweinidogion Cymru.

Y Cyngor sy'n gyfrifol am baratoi'r Cynllun Gwella, yn ogystal â'r wybodaeth a nodir ynddo. Mae'r Mesur yn ei gwneud yn ofynnol i'r Cyngor ystyried canllawiau a gyhoeddir gan Weinidogion Cymru wrth baratoi a chyhoeddi ei gynllun.

O dan adrannau 17 ac 19 o'r Mesur, mae'n ofynnol i mi, archwilydd y Cyngor, gynnal archwiliad o'r Cynllun Gwella, ac archwiliad i benderfynu a yw'r Cyngor wedi cyflawni ei ddyletswydd i gyhoeddi asesiad o berfformiad, ardystio fy mod wedi gwneud hynny, ac adrodd a wyf o'r farn bod y Cyngor wedi cyflawni ei ddyletswyddau i baratoi a chyhoeddi Cynllun Gwella yn unol â'r gofynion statudol a nodir yn adran 15 a'r canllawiau statudol.

Cwmpas yr archwiliad o'r Cynllun Gwella

I ddibenion fy ngwaith archwilio, ac ar yr amod bod awdurdod wedi bodloni ei ofynion statudol, byddaf yn derbyn bod yr awdurdod wedi cydymffurfio'n ddigonol â chanllawiau statudol Llywodraeth Cymru i gyflawni ei ddyletswyddau.

Ar gyfer yr archwiliad hwn, nid yw'n ofynnol i mi lunio barn ar gyflawnder na chywirdeb yr wybodaeth, na ph'un a ellir cyflawni Cynllun Gwella'r Cyngor ai peidio. Bydd gwaith asesu arall y byddaf yn ymgymryd ag ef o dan adran 18 o'r Mesur yn archwilio'r materion hyn. Felly, roedd fy archwiliad o Gynllun Gwella'r Cyngor yn cynnwys adolygiad o'r cynllun i ganfod a oedd yn cynnwys elfennau a ragnodir mewn deddfwriaeth. Euthum ati hefyd i asesu a oedd y trefniadau ar gyfer cyhoeddi'r cynllun yn cydymffurfio â gofynion y ddeddfwriaeth, ac a oedd y Cyngor wedi ystyried y canllawiau statudol wrth baratoi a chyhoeddi ei gynllun.

Ni ellir dibynnu'n unig ar y gwaith a wnaed gennyf er mwyn llunio adroddiad a gwneud argymhellion yn unol ag adrannau 17 ac 19 o'r Mesur, i nodi'r holl wendidau neu gyfleoedd ar gyfer gwella.



Adrian Crompton

Archwilydd Cyffredinol Cymru

CC: Julie James AS – Y Gweinidog Tai a Llywodraeth Leol

Lisa Williams, Rheolwr

Sara Leahy, Uwch Archwilydd

Reference: 1978A2020-21

Date issued: August 2020

Audit of Powys County Council's assessment of 2019-20 performance

Certificate

I certify that I have audited Powys County Council's (the Council) assessment of its performance in 2019-20 in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Council has discharged its duties under sections 15(2), (3), (8) and (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

Respective responsibilities of the Council and the Auditor General

Under the Measure, the Council is required to annually publish an assessment which describes its performance:

- in discharging its duty to make arrangements to secure continuous improvement in the exercise of its functions;
- in meeting the improvement objectives it has set itself;
- by reference to performance indicators specified by Welsh Ministers, and self-imposed performance indicators; and
- in meeting any performance standards specified by Welsh Ministers, and self-imposed performance standards.

The Measure requires the Council to publish its assessment before 31 October in the financial year following that to which the information relates, or by any other such date as Welsh Ministers may specify by order.

The Measure requires that the Council has regard to guidance issued by Welsh Ministers in publishing its assessment.

As the Council's auditor, I am required under sections 17 and 19 of the Measure to carry out an audit to determine whether the Council has discharged its duty to publish an assessment of performance, to certify that I have done so, and to report whether I believe that the Council has discharged its duties in accordance with statutory requirements set out in section 15 and statutory guidance.

Scope of the audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information. Other assessment work that I will undertake under section 18 of the Measure may examine these issues. My audit of the Council's assessment of performance, therefore, comprised a review of the Council's publication to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the assessment complied with the requirements of the legislation, and that the Council had regard to statutory guidance in preparing and publishing it.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.



Adrian Crompton

Auditor General for Wales

CC: Julie James MS – Minister for Housing and Local Government

Lisa Williams, Manager

Sara Leahy, Senior Auditor

Cyfeirnod: 1978A2020-21

Dyddiad cyhoeddi: Awst 2020

Archwiliad o Berfformiad Cyngor Sir Powys 2019-20

Tystysgrif

Rwy'n ardystio fy mod wedi archwilio asesiad Cyngor Sir Powys (y Cyngor) o'i berfformiad yn 2019-20, a hynny yn unol ag adran 17 o Fesur Llywodraeth Leol (Cymru) 2009 (y Mesur) a'm Cod Ymarfer Archwilio.

O ganlyniad i'm harchwiliad, rwyf o'r farn bod y Cyngor wedi cyflawni ei ddyletswyddau o dan adran 15(2), (3), (8) a (9) o'r Mesur, ac wedi gweithredu'n ddigonol, yn unol â chanllawiau Llywodraeth Cymru, i gyflawni ei ddyletswyddau.

Priod gyfrifoldebau'r Cyngor a'r Archwilydd Cyffredinol

O dan y Mesur, mae'n ofynnol i'r Cyngor baratoi a chyhoeddi Cynllun Gwella, sy'n amlinellu ei gynlluniau i gyflawni ei ddyletswyddau:

- wrth gyflawni ei ddyletswydd i wneud trefniadau i sicrhau gwelliant parhaus wrth arfer ei swyddogaethau;
- o ran cyflawni'r amcanion gwella y mae wedi'u pennu iddo'i hun;
- drwy gyfeirio at ddangosyddion perfformiad a nodir gan Weinidogion Cymru, a dangosyddion perfformiad hunanosodedig; ac
- o ran bodloni unrhyw safonau perfformiad a bennir gan Weinidogion Cymru, a safonau perfformiad hunanosodedig.

Mae'r Mesur yn ei gwneud yn ofynnol i'r Cyngor gyhoeddi ei Gynllun Gwella cyn gynted ag y bo hynny'n rhesymol ymarferol ar ôl dechrau'r flwyddyn ariannol y mae'r cynllun yn berthnasol iddi, neu ar ôl dyddiad arall a bennir dan orchymyn Gweinidogion Cymru.

Y Cyngor sy'n gyfrifol am baratoi'r Cynllun Gwella, yn ogystal â'r wybodaeth a nodir ynddo. Mae'r Mesur yn ei gwneud yn ofynnol i'r Cyngor ystyried canllawiau a gyhoeddir gan Weinidogion Cymru wrth baratoi a chyhoeddi ei gynllun.

O dan adrannau 17 ac 19 o'r Mesur, mae'n ofynnol i mi, archwilydd y Cyngor, gynnal archwiliad o'r Cynllun Gwella, ardystio fy mod wedi gwneud hynny, ac adrodd a wyf o'r farn bod y Cyngor wedi cyflawni ei ddyletswyddau i baratoi a chyhoeddi Cynllun Gwella yn unol â'r gofynion statudol a nodir yn adran 15 a'r canllawiau statudol.

Cwmpas yr archwiliad

I ddibenion fy ngwaith archwilio, ac ar yr amod bod awdurdod wedi bodloni ei ofynion statudol, byddaf yn derbyn bod yr awdurdod wedi cydymffurfio'n ddigonol â chanllawiau statudol Llywodraeth Cymru i gyflawni ei ddyletswyddau.

Ar gyfer yr archwiliad hwn, nid yw'n ofynnol i mi lunio barn ar gyflawnder na chywirdeb yr wybodaeth, na ph'un a ellir cyflawni Cynllun Gwella'r Cyngor ai peidio. Bydd gwaith asesu arall y byddaf yn ymgymryd ag ef o dan adran 18 o'r Mesur yn archwilio'r materion hyn. Felly, roedd fy archwiliad o Gynllun Gwella'r Cyngor yn cynnwys adolygiad o'r cynllun i ganfod a oedd yn cynnwys elfennau a ragnodir mewn deddfwriaeth. Euthum ati hefyd i asesu a oedd y trefniadau ar gyfer cyhoeddi'r cynllun yn cydymffurfio â gofynion y ddeddfwriaeth, ac a oedd y Cyngor wedi ystyried y canllawiau statudol wrth baratoi a chyhoeddi ei gynllun.

Ni ellir dibynnu'n unig ar y gwaith a wnaed gennyf er mwyn llunio adroddiad a gwneud argymhellion yn unol ag adrannau 17 ac 19 o'r Mesur, i nodi'r holl wendidau neu gyfleoedd ar gyfer gwella.



Adrian Crompton

Arwchilydd Cyffredinol Cymru

CC: Julie James AS – Y Gweinidog Tai a Llywodraeth Leol
Lisa Williams, Rheolwr
Sara Leahy, Uwch Archwilydd

CYNGOR SIR POWYS COUNTY COUNCIL.**AUDIT COMMITTEE
4TH September 2020****REPORT AUTHOR: Jane Thomas, Head of Finance****REPORT TITLE: Strategic Risk Register Report Quarter 1 2020/2021**

REPORT FOR: Decision / Discussion / Information

1. Purpose

- 1.1 The Audit Committee's role is to seek assurance on the effectiveness of the arrangements in place by the Council to manage risk. The purpose of this report enables the Committee to fulfil this role by considering the report submitted to Cabinet at their meeting of the 28th July.
- 1.2 The report sets out the council's latest position on managing its key risks, contained in the Strategic Risk Register (SRR). It also outlines the arrangements put in place by the Council for managing the key risks relating to the Covid-19 pandemic.
- 1.3 Audit committee are asked to review the report and the arrangements in place to ensure that there is an appropriate understanding and management of risk and that these and the actions in place to mitigate the risks are monitored and regularly reviewed.

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Head of Service:

Corporate Director: Ness Young, Corporate Director (Resources and Transformation)

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

CYNGOR SIR POWYS COUNTY COUNCIL.

**CABINET EXECUTIVE
Tuesday, 28th July 2020**

**REPORT AUTHOR: County Councillor Aled Davies
Portfolio Holder for Finance**

REPORT TITLE: Strategic Risk Register Report Quarter 1 2020/2021

REPORT FOR: Decision

1. Purpose

- 1.1 The purpose of this report is to set out the council's latest position on managing its key risks, contained in the Strategic Risk Register (SRR). It also outlines the arrangements put in place by the Council for managing the key risks relating to the Covid-19 pandemic.

1. Background

- 2.1 Our Strategic Risk Register is key to safeguarding the organisation and building resilience into our services. At a time when the Council is facing unprecedented challenges, the effective management of risk is needed more than ever. A risk-managed approach to decision making will help us to achieve the well-being objectives in Vision 2025, deliver services more efficiently and using innovative and cost-effective means, and help the Council manage its Covid-19 response.

2. Advice

- 3.1 To ensure a risk managed approach to decision making and good governance of the Council, it is proposed that Cabinet:
- Review progress to mitigate strategic risks
 - Continue to note the new Covid-19 risk register introduced by Silver Command on 24th March 2020.

Review of progress to mitigate Strategic Risks

- 3.2 As at the end of quarter 1 2020-2021, there are 12 risks on the strategic risk register. Following the decision made by Silver Command to proceed with risk monitoring (where work priorities allow), all strategic risk owners have provided a short summary of progress since quarter 4 2019-2020, to give assurance that mitigating actions are being actioned and monitored.
- 3.3 Please see appendix A for full details of the 12 strategic risks, and progress against the mitigating actions identified to control them.

- 3.4 Please see appendix B to view a heat map which presents the results of the quarter 1 risk assessment process visually. It highlights that two out of the twelve risks are placed within the 'major' impact category with a probability of almost certain and one is placed within the 'major' impact category with a probability of likely.

Escalation of risks to the Strategic Risk Register

- 3.5 During quarter 1 2020/2021 no risks have been escalated to the Strategic Risk Register.

Covid-19 risk register

- 3.6 In order to effectively identify and manage risks relating specifically to the Covid-19 pandemic, a separate risk register was created to provide clarity and oversight for Gold and Silver Command. These risks are reviewed and monitored regularly and have been separated into response and recovery risks, using a new matrix developed specifically for assessing Covid-19 related risks.
- 3.7 Currently there are 64 risks recorded, 4 of the 64 risks are placed within the 'major' impact category 3 with a probability of likely and 1 almost certain, and another 1 placed within the 'catastrophic' impact category with a probability of possible. The register is still monitored by Gold and Silver Command on a weekly basis.

4. Resource Implications

- 4.1 There are no direct resource implications in relation to this report however all risk owners need to consider the resource implications of managing the risk and decide if the best course of action is to tolerate or treat.
- 4.2 The Strategic Risk Register outlines the key risks to the Council's activities, as well as risk to delivery of objectives contained within the Corporate Improvement Plan. There are no direct financial implications from the report although these may arise as new risks are identified on an on-going basis.

The Head of Finance (Section 151 Officer) notes the comment above, financial implications are identified through the relevant service and are considered through the financial management processes in line with the authorities' financial regulations.

5. Legal implications

- 5.1 Legal: The recommendation can be supported from a legal point of view.

5.2 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: "I note the legal comment and have nothing to add to the report".

6. Data Protection

6.1 N/A

7. Comment from local member(s)

7.1 N/A

8. Integrated Impact Assessment

8.1 N/A. The Service Risk Register is not setting out any changes or proposals to service delivery.

9. Recommendation

It is recommended that Cabinet notes the current Strategic Risk Register and is satisfied with progress against mitigating actions for quarter 1.

The recommendation above will ensure:

- **Appropriate understanding and management of strategic risks which could prevent us from achieving our objectives**
- **A risk managed approach to decision making and good governance of the Council**
- **The risk related to Powys residents, services and Council staff as a result of a COVID-19 (Coronavirus) epidemic is monitored and reviewed regularly.**

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Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

Strategic Risk Register

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
CS0009 Jan Coles Escalated From :- Children's Services Tudalen 41	Ability to meet the requirements of the MTFs / Retaining grant funding around posts within Children's Services	<ul style="list-style-type: none"> - Budget overspend / efficiencies not achieved - Loss of funding leading to an impact on budget and potentially reducing Early Help and Intervention and Prevention, which could increase costs of statutory services - Financial implications for the Authority - budget will suffer an overspend - Impact on other services/functions- Significant budget overspend - Reconfiguration of anti-poverty grants likely to have an impact 	<p>05/07/2020</p> <p>1st Qtr 20/21. Review Summary: Continue to maximise access to and use of grants. Work with RPB is extending. Startwell review taking place.</p> <p>10/05/2020</p> <p>Review Summary: The COVID-19 pandemic has created significant uncertainty however grants which WG use to fund Children's Services are expected to continue.</p> <p>19/01/2020</p> <p>Qtr 3 19/20 Review Summary: . To date this year we have achieved savings however there is an increase in pressures, we continue to monitor this.</p> <p>Children looked after is currently sat at 239 following large sibling group coming in to the Care of the LA in November (5). Demand for the service can be unpredictable and the LA has a statutory duty to safeguard Children. However, this is significant work going on in the Service to shape the Market in Powys to ensure that we are able to provide high quality, cost effective provisions in County to meet the needs of our local population and support Children and Young People in our care to achieve the best possible outcomes.</p> <p>In addition to the pressure on our placement budget as described above, we also continue to have continued challenges in recruiting and filling our vacant posts and therefore have a continued reliance on agency staff.</p> <p>Funding by Welsh Government through</p>	Cllr Rachel Powell Alison Bulman	9	9	<ul style="list-style-type: none"> • Budget challenge in respect of placement Budget overspend. • Increase number of foster carers. • Improvement to Edge of Care services. • Reporting to Assurance Board, FSP, and Audit Committee • Early help hub • All other opportunities for grant funding being reviewed, managed and approached • Core funding to be aligned to EI&P and not just to rely on Welsh Government grants • Future shape of service review • Decrease use of agency staff • Head of Service and Senior Managers routinely monitor with finance. • Head of Service and Senior Manager control significant spend and staffing • Budget challenge and scrutiny • Budget plan in place to address pressures • Opportunities for grant funding is continually explored with WG and all other bodies. • The RPB has a key priority for EI&P across all ages • Re-structure of Children's Services implemented to develop more locality working and enable resilience • Development of transformation plan • Review of residential placements 	Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Control In Place Control In Place Control In Place Control In Place Control In Place Control In Place Control In Place Control In Place

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 42			<p>grants is an aspect of delivering Children's Services. We have worked hard to make the most of the income and use on reducing demand and delivering channel shift. We are at the beginning of a programme of transformation, the benefits of which will not be fully felt for a number of years. Grants can be removed by Welsh Government. Work under way with the RPB to deliver big projects that will deliver big impact changes, e.g. multi agency funding of the early help hubs.</p> <p>The following wording 'Addressing the deficit in the FRM (£1.1million) for 2018/19' has been taken out of the risk title as it refers to 18/19 and is out of date. The current risk in relation to the FRM will still be addressed this risk as it is covered by the ability to meet the requirements of the MTFS. 13/10/2019</p> <hr/> <p>2nd Qtr 19/20 Review Summary: To date this year we have achieved savings however there is an increase in pressures, we continue to monitor this. Looked after children numbers have reduced from 250 in December 2018, to 236 at end of September 2019. This demonstrates that the investment in intervention and prevention and early help services is taking effect.</p> <p>New process in place for reviewing high cost placement, being led by Senior Manager Corporate Parenting. 07/04/2019</p> <hr/> <p>31/03/2019</p> <hr/>					

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
ED0022 Lynette Lovell Escalated From :- Education Tudalen 43	The council will be unable to manage the schools' budget without ongoing adjustments to the distribution formula and improving financial management. If they are unable to manage the budget, there will be a significant compromise to the quality of education for Powys learners.	Some schools will have spiralling deficits which will have a financial impact on the rest of the Council and the learners in their care.	28/06/2020 1st Qtr 20/21. Review Summary: All Schools have submitted budgets approved by their Governing Bodies. These are being reviewed by the Schools finance team and finance surgeries with Schools are continuing. The interim Chief Education Officer and SSMT in conjunction with the Head of Finance will consider a report setting out individual schools' budget plans and agree any actions required in relation to deficits or clawback. The Schools finance team are working with Schools to update budgets for the impact of the Covid-19 lockdown, both in terms of cost reductions due to closure of schools and delayed savings realisation as a result of the temporary withdrawal of the Management of Change process. Schools service and Schools finance team will continue to work with Schools to produce balanced budgets / deficit recovery plans, providing support, challenge and scrutiny as required. A limited review of part of the Schools' funding formula during 2020 is proposed to consider the ALN element. Ongoing work on school transformation needs to be delivered to provide long term sustainable school finances. 26/04/2020 4th Qtr 19/20 Review Summary: In Quarter 4 Cabinet and, subsequently in February, Full Council agreed the additional funding for the schools delegated budget as part of their budget proposals for 2020/2021. This funding would be used for the funding of pay awards, increased teachers pension costs, some items of non-staffing funding and the creation of a TLR allowance for the secondary sector. Schools were issued in February with their 2020/21 funding allocation including the	Cllr Phyl Davies Lynette Lovell	12	9	• PIAP Action Plan	Action In Progress

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 44			<p>above additional funding commitments, and were also provided with estimated funding for 2021/22 onwards.</p> <p>Ongoing work between the Schools Service, Finance, HR and the individual schools to look at the budget which is anticipated for 2020/21 and the setting of a balanced budget by each school continues to take place. Prior to the lockdown, budget meetings had taken place with the majority of the schools. However, due to Co-VID-19 the management of change has been temporarily stopped. Final budget plans from all schools are due by 1st May 2020, schools were given an extension until the 22nd May. However, due to the current COVID 19 lockdown in respect of schools, we have not received further guidance on schools delegated budgets and will continue to assess the impact on the budgets of schools being closed.</p> <p>12/01/2020</p> <p>3rd Qtr 19/20 Review Summary: The authority issued an additional 11 warning notices in September 2019 to schools and meetings have been held with those schools with the Head of Service and Section 151 officer. These meetings were to discuss the actions required by the respective schools to halt the deficit and to look at how these deficits could be clawed back. As part of the budget process for 2020/2021 the Cabinet will be considering the funding pay awards, pensions and the creation of a teaching and learning responsibility (TLR) allowance. The TLR Allowance would be for the secondary schools and would be within the funding formula.</p>					

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
ED0023 Lynette Lovell Escalated From :- Education Tudalen 45	The council fails to make the necessary improvements in response to Estyn recommendations.	Failure to implement these recommendations would have a negative impact on Powys learners' experience. This could also result in the Welsh Government taking over the responsibility of education in Powys.	28/06/2020 1st Qtr 20/21 Review Summary: All staff and pupils have access to the national learning platform (Hwb). All Schools were committed to providing online learning experiences for their pupils, including significant interaction across schools to share effective practice. There are 16,000 learners in Powys and 881 have been provided with digital devices and 532 have received mobile Wi-fi devices for use at their home address. This was achieved through effective collaboration between the schools and the Local Authority. Following the WG guidance 'Stay safe, stay learning' and the new advice around live streaming of lessons, all of the Powys schools have now engaged effectively in providing learning experiences for Powys learners. This is monitored weekly by the Challenge Advisers and fortnightly by the Interim Chief Education Officer. However, there is always concern that some learners will find it hard to engage without face to face support from teachers and staff. The School Transformation Board has considered papers which were taken to Cabinet and Scrutiny, and the Leader approved the Strategy for Transforming Education in Powys in Quarter 1. The strategy is currently being implemented and the governance has been approved. The Home to School Transport Policy, is currently in consultation. Following extensive discussions with headteachers, an engagement paper outlining the broad vision for ALN reform has been agreed by Cabinet and is subject to public engagement which finishes in Quarter 2. In Quarter 1, collaborative and robust decision making by leaders was taken at pace. Officers produced clear guidance for schools and parents. Learners' wellbeing	Cllr Phyl Davies Lynette Lovell	12	9	• Implementation of the PIAP	Action In Progress

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 46			<p>underpinned all strategic decision making.</p> <p>26/04/2020</p> <hr/> <p>4th Qtr 19/20 Review summary. Following an HMI visit, which took place on 11 February 2020, it was recognised that there is a clear direction of change, with effective prioritising of work and the Local Authority was moving at pace. The Improvement and Assurance Board have received monthly thematic reports, which detail progress made on all recommendations, both at a strategic and an operational level. The Improvement and Assurance board recognised in their February 2020 update that 'the authority has appropriate plans to push forward with improvements in education and is seeking to address these with energy.' It should be noted that the Improvement and Assurance Board is temporarily suspended due to COVID-19, however contact remains in place and progress against the Post Inspection Actions Plan is monitored by Schools Service, the Chief Executive and the Chair of the Board, Jack Straw.</p> <p>12/01/2020</p> <hr/> <p>3rd Qtr 19/20 Review Summary: The Post Inspection Action Plan is monitored weekly at the Schools SMT. It is also monitored monthly by the Improvement and Assurance Board with key themes being developed. These themes are Vision, ALN and Leadership. Estyn improvement conference has taken place on 28 November and as a result the PIAP has been approved. The PIAP reports to the Transformation Board within the Council and there is a monthly leader's meeting to monitor progress.</p> <p>The Post Inspection Action Plan is monitored weekly at the Schools SMT. It is also</p>					

Strategic Risk Register				Portfolio	Inherent	Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 47			<p>monitored monthly by the Improvement and Assurance Board with key themes being developed. These themes are Vision, ALN and Leadership. Estyn improvement conference has taken place on 28 November and as a result the PIAP has been approved.</p> <p>The PIAP reports to the Transformation Board within the Council and there is a monthly leader's meeting to monitor progress.</p> <p>01/12/2019</p> <hr/> <p>2nd Qtr 19/20 Review Summary: The post inspection action plan has been drafted and was presented to Estyn on 28/29th November 2019.</p>					

Strategic Risk Register				Portfolio	Inherent	Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
FIN0001 Jane Thomas Escalated From :- Financial Services Tudalen 48	The Council is unable to deliver a financially sustainable budget over the sort and medium term. The probability of this risk is heightened due to the impact of the Covid-19 pandemic and its impact on Welsh Government funding and subsequent settlements to the Council.	<ul style="list-style-type: none"> - The Council is unable to fulfil its legal obligation in setting a balanced budget - The Council will not be financially resilient or sustainable - Council reputation damaged - Inability to fulfil our statutory requirements 	<p>05/07/2020</p> <p>1st Qtr 20/21. Review Summary: The Outturn for 2019/20 reported an underspend against budget of £1.4 million, however there were significant variances against budget for some service areas, and delivery of costs reductions were not fully achieved. These budget gaps were resolved at budget setting for 2020/21. Although delayed, due to the pandemic, work is now underway to assess each service area and the activity within in it in preparation for budgeting for next financial year and over the longer term. We do not yet have any indication of the funding levels that can be expected from WG, but we will update our financial modelling within the MTFS for potential funding scenarios and the revised budget gaps this creates. Ongoing discussion through Welsh Treasurers with WLGA and WG is fundamental raising awareness of the impact of changes in funding on the service the Council is able to deliver.</p> <p>03/05/2020</p> <p>4th Qtr 19/20 Review Summary: The outturn position for 2019/20 is not yet completed however it is still anticipated that there will be an underspend again budget. The impact of Covid-19 pandemic is likely to have a significant impact on the councils budget and the situation is under constant review as we moved through the next weeks and months. The council will undoubtedly have to review its medium term financial plan in response to the emerging financial position.</p> <p>05/01/2020</p> <p>3rd Qtr 19/20 Review Summary: Cabinet are finalising a balanced budget proposal for 2020/2021 with a 5 year medium term plan which identifies the projected budget gaps for the 5 year period. Integrated business</p>	Cllr Aled Davies Jane Thomas	<div style="background-color: #ff0000; color: white; padding: 2px;">25</div>	<div style="background-color: #ff0000; color: white; padding: 2px;">12</div>	<ul style="list-style-type: none"> • Revise the Medium Term Financial Strategy • Ongoing discussion with WG and WLGA through Society of Welsh Treasurers for Future Funding of Local Government • Reassessment of the activities of the Council through the Recovery Coordination Group • Review budget position at end of first quarter and consider changes to the 2020/21 budget • Cost Recovery work • 3rd party spend reduction • Income Generation • Monthly reports to cabinet and Management Team on budget progress and progress on savings • Budget Challenge Events • Moved to a 3 year balanced budget 	<ul style="list-style-type: none"> Action In Progress Action In Progress Action In Progress Control In Place Withdrawn Withdrawn Withdrawn Withdrawn Withdrawn Withdrawn

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 49			<p>planning will continue to be embedded and improved across the organisation to ensure that the council can deliver its vision outcomes and objectives whilst maintaining a balanced budget and financial stability over the medium and longer term.</p> <p>29/09/2019</p> <hr/> <p>2nd Qtr 19/20 Review Summary: Integrated Business Planning in place, Service proposals submitted, Cabinet continue to develop a draft budget plan. Engagement with the wider Council membership, and consultation with the public commencing and development of the budget simulator.</p> <p>07/04/2019</p> <hr/>					

Strategic Risk Register				Portfolio	Inherent	Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
HO0018 Andy Thompson Escalated From :- Housing Tudalen 50	Compliance in Powys County Council Housing Stock	Risk of Injury or loss of life - Reputational damage - Loss of grants (including Major Repairs Allowance circa £3.63m) - Risk of legal action and significant fines	<p>21/06/2020</p> <p>1st Qtr 20/21. Review Summary: Compliance One Hundred project extended to December 2020. Work continues apace to achieve 100% compliance by the end of 2020 and to have in place all necessary policies and procedures to maintain that status thereafter. Water systems management has already been improved, with a specialist contractor undertaking water monitoring and a Seven-day-flush regime introduced for all vacant municipal homes. Heating servicing has regained momentum after a hiatus during the Covid-19 event but concerns remain about the quality and administration of work, which have being addressed by the introduction of formal Quality Assurance checking by the Compliance One Hundred team. Asbestos management is being reinforced by a detailed review of all asbestos liabilities in the municipal housing assets. Tenders are being prepared for specialist providers to undertake fire safety work.</p> <p>29/03/2020</p> <p>4th Qtr 19/20 Review Summary: Compliance One Hundred project has completed analysis of liabilities and responsibilities. Funds allocated in Housing Revenue Account Business Plan, approved by cabinet March 2020.</p> <p>01/03/2020</p> <p>4th Qtr 19/20 Review Summary: The Compliance One Hundred Project Team, reporting to the Housing Compliance Board, continues to make good progress. An assessment of six primary areas for compliance has been completed, the first stage of which is to make sure that there is a full and common understanding by both the Council and relevant contractors, including</p>	Cllr James Evans Nina Davies	16	9	• Compliance One Hundred	Action In Progress

Strategic Risk Register				Portfolio	Inherent	Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 51			<p>HoWPS, of all assets and systems which need to be included in compliance inspection, servicing and maintenance regimes. In the case of domestic heating systems, a Step-in has been issued to allow the Council to directly manage inspection and servicing for two months (March and April) to allow HoWPS the opportunity to brings its service up to the standard required.</p> <p>02/02/2020</p>					
			<p>3rd Qtr 19/20. Review Summary: The Compliance One Hundred Project Team, reporting to the Housing Compliance Board, continues to make good progress. An assessment of six primary areas for compliance has been completed, the first stage of which is to make sure that there is a full and common understanding by both the Council and relevant contractors, including HoWPS, of all assets and systems which need to be included in compliance inspection, servicing and maintenance regimes. In the case of domestic heating systems, a Step-in has been issued to allow the Council to directly manage inspection and servicing for two months (March and April) to allow HoWPS the opportunity to brings its service up to the standard required.</p> <p>22.04.20: Covid-19 has impacted adversely on the work of the Compliance One Hundred project, primarily through the difficulties contractors are experiencing in gaining access to properties for safety checks on heating systems and smoke alarms and to undertake fixed electrical testing (FET) of each home's electrical system. Three out of four electrical contractors, working on behalf of the Council through HoWPS, have withdrawn labour as part of their approaches to managing Covid-19 risks to</p>					

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 52			<p>the safety of their teams. It may be necessary to review the current requirement for all FETs to be complete by July 2020.</p> <p>FET work was suspended for just under three weeks but w/c 13.04.20 HoWPS was instructed to recommence this work to try and reduce the risk of adding to the backlog of FETs still to be done. Housing officers are continuing to work hard to try and persuade tenants to allow access for this important work.</p> <p>A decision is pending on the current Step-in for heating servicing - whether or not the Step-in should end April 30th and the work returned to HoWPS. There remain concerns about the ability of HoWPS to effectively and efficiently manage this work competently but there are also concerns about the impact of Covid-19 on alternative contractors be able to continue to undertake the work.</p> <p>The failure of HoWPS to undertake water system testing and monitoring within municipal housing properties has prompted a decision to prepare a Step-in Notice and to commission alternative providers for this service, to minimise the risks of water contamination and the occurrence of legionella.</p> <p>19/01/2020</p>					

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
ICT0010 Helen Dolman Escalated From :- Digital Services <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold; font-size: 1.2em;">Tudalen 53</div>	Non compliance with data protection legislation (General Data Protection Regulations (GDPR) and UK Data Protection Act (DPA) 2018	<ul style="list-style-type: none"> - Potential fine of up to £17,000,000 or 4% of annual turnover - The Council is subject to regulatory data protection audits - Reputational damage - Regulatory enforcement action - Detriment to the data subjects - Civil action and associated consequences 	<p>05/07/2020</p> <hr/> <p>1st Qtr 20/21 Review Summary: Consideration of measures required continue, based on new processes to be introduced, Data Protection Impact Assessments, new IT systems, new ways of working, new reasons to process personal data, outcome of breach investigations etc. The Corporate Information Governance Group agreed to revisit the Council's Information Management Assurance and Governance plan following COVID to consider whether processes, practices and risks may have changed.</p> <p>29/03/2020</p> <hr/> <p>4th Qtr 19/20 Review Summary: A breach of data protection legislation can occur in many different ways, and whilst the Council can put in place many technical and operational measures to ensure compliance, an instance of staff not adhering to those measures can result in very serious breaches of personal data, for which the regulator is able to take action against the Council as a Controller. The Council is not always able to control the errors caused by staff.</p> <p>The more robust the controls and measures the Council has in place to ensure compliance, then the more effectively it is able to argue cases of human error, when staff don't follow those measures or meet those controls put in place.</p> <p>05/01/2020</p> <hr/> <p>3rd Qtr 19/20 Review Summary: A breach of the GDPR and or Data Protection Act 2018 can occur not just through the disclosure of information, but by failing to comply with many aspects of the legislation. For example no provision of privacy notices, technical and organisational measures not being in</p>	Cllr <i>Graham Breeze</i> Diane Reynolds	12	12	<ul style="list-style-type: none"> • - Information Asset Register • - Development of internal records of processing • - Ensure signed agreements are appropriately stored • - Develop data controller vs data Processor check list for services • Review of postal checking regimes in place • Personal Data Breach Management • Data Protection Impact Assessments • Provision of information to EMT, HoS, and Team Meetings • - Presentations to schools • GDPR Surgeries • - Review current ISP in line with revised versions • Staff training • Communication Plan • - Policies and Procedures • - Review existing Data Processing agreements • Cyber Security Action Plan • DPO considerations on reports to Cabinet • - Information sharing protocols • - Data sharing agreements • - Identify where information sharing takes place 	<ul style="list-style-type: none"> Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Action Completed Action Completed Action Completed Action Completed Control In Place Control In Place Control In Place Control In Place Control In Place Control In Place Withdrawn Withdrawn Withdrawn

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 54			place, data processing agreements not in place when personal data is being transferred to organisation processing our personal data, failing to meet timescales in the undertaking of subject access requests, failing to enable the public to exercise their rights of rectification, erasure etc.				• - Implement revised WASPI Accord and templates	Withdrawn
			The Information Management Assurance and Governance plan (IMAG), planning overseen by Corporate Information Governance Group (CIGG), and the work of the Corporate Information Operational Governance Group (CIOG) support the Council's plans to reduce the potential to fail to meet the above obligations. 13/10/2019				• - Revised centralised ISP register to link to information Asset and Record of Processing Activities (ROPA)	Withdrawn
			2nd Qtr 19/20. Review Summary: Work continues on the IMAG plan with CIGG, which has been cancelled in September and October. Monthly discussions with Senior Information Risk Owner (SIRO) ensure issues raised to EMT level. 07/04/2019				• - Create policy on services undertaking due diligence potential processors	Withdrawn
			31/03/2019 03/03/2019				• - Create log of data processors and agreements linking to information asset and ROPA	Withdrawn

Strategic Risk Register				Portfolio	Inherent	Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
ICT0029 Julie Davies Escalated From :- Digital Services Tudalen 55	Cyber Security Threat. Risk of financial loss, disruption or damage to the reputation of Powys County Council from a failure of its information technology systems and or/loss of Data due to a cyber attack or Incident.	Loss of Information systems until they can be successfully restored. Loss of data, inability to access data or public disclosure of Personal Data. Cyber risk could materialize in a variety of ways, such as: <ul style="list-style-type: none"> Deliberate and unauthorized breaches of security to gain access to information systems. Unintentional or accidental breaches of security. Operational IT risks due to factors such as poor system integrity. 	28/06/2020 1st Qtr 20/21. Review Summary: Control actions in place and work continues on continual improvements identified in the Security Work plan in progress. It remains possible that a cyber attack can happen despite the many controls and procedures in place to prevent this. 22/03/2020 4th Qtr 19/20 Review Summary 30/3/2020: Continuing to work on actions identified in Cyber Security Plan and to conduct reviews into further improvements to add to plan. Capital investment has been used to strengthen process for vulnerability management and incident detection, which enables prompt corrective action on identified risks. Cyber Essentials + accreditation achieved during this financial year along with IASME Governance (Information Assurance for Small and Medium Enterprises Consortium). Progress made in Cyber Security Training for all staff and Council members. 29/12/2019 3rd Qtr 19/20 Review Summary: Continued improvements to Patching and compliance monitoring procedures. Continuing to work on actions identified in the Cyber Security Improvement plan. Continuing to develop Advanced Threat detection and Security improvements using O365 tools 15/12/2019 07/07/2019 07/04/2019	Cllr Graham Breeze Diane Reynolds	12	9	<ul style="list-style-type: none"> Capital Investment End Point AntiVirus in place detecting known threats Security Operations Procedures Policy Major Incident response processes Disaster Recovery Procedures Capital investment in Security Operations Management Tools Cloud Security controls in place to detect and prevent malicious content in Office365 Device Encryprion Annual Penetration testing Cyber Security Improvement Plan Cyber Security Certification Staff Training 	Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Control In Place Control In Place Control In Place Control In Place Control In Place

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
PCC0002 Greg Thomas	The impact on the Council as a result of Brexit.	<ul style="list-style-type: none"> - Increased service demand; - Relocation from the EU to Powys of families - estimated at 500; - Fuel shortages; - Loss of access to external (EU) funding programmes; - Reduced income to Powys County Council; - External market factors; - GDPR compliance; - Potential financial crash; - Unable to recruit/retain staff (EU Nationals); - Employee workload; - Delays/disruption to food and/or essential supplies. 	<p>28/06/2020</p> <p>1st Qtr 20/21. Review Summary: Due to the impact of the COVID-19 outbreak UK Government preparations for Brexit have advanced at a slower pace. There is currently a lack of clarity over what, if any, trade deal might emerge from negotiations, as well as the measures the UK Government will take to mitigate disruption. This combined with the wider impact and current unknowns associated with COVID-19 has seen both the inherent and residual rating of this risk increase. The Strategic Brexit Risk Register and associated contingency plans are still in place. Powys County Council continue to work with our partner agencies, Welsh Local Government Association, and Welsh Government to ensure that we are aware of, and acting to the latest advice and guidance.</p> <p>12/04/2020</p> <p>4th Qtr 19/20 Review Summary: No change to risk rating. The Strategic Brexit Risk Register is still in place, and Powys County Council continue to work with our partner agencies, Welsh Local Government Association, and Welsh Government to ensure that we are aware of, and acting to the latest advice and guidance.</p> <p>12/01/2020</p> <p>3rd Qtr 19/20 Review Summary: Following the successful vote on the 2nd reading of the Withdrawal Agreement Bill, the Prime Minister confirmed that Operation Yellowhammer should be halted with immediate effect due to the decreased likelihood of the UK leaving the EU without a deal on 31 January 2020. This means that the operational phase of Yellowhammer will not now be stood up in January 2020 and no further preparation is needed for a no deal</p>	<p>Cllr Rosemaire Harris Nigel Brinn</p>	16	12	<ul style="list-style-type: none"> • Close monitoring • Continue to monitor economic indicators • Ongoing dialogue with external advisers • Cabinet briefed • Advice from pension advisers • Continue to work with WEFO • Brexit Continuity Plan • Brexit Risk Register 	<ul style="list-style-type: none"> Action In Progress Action In Progress Action In Progress Control In Place Control In Place Control In Place Control In Place Control In Place

Tudalen 56

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 57			<p>exit on 31 January 2020.</p> <p>However, whilst we are standing down no deal preparations, Powys County Council are continuing to work to ensure that any adverse impacts of Brexit are mitigated as far as possible. Powys County Council are also working to identify opportunities to the organisation that may arise from Brexit. Work has been done to ensure that citizens are best placed to understand the changes that Brexit will bring.</p> <p>At this stage we are now awaiting guidance from the Welsh Local Government Association (WLGA) and Welsh Government, to ensure that we are best placed for the transition period. A Strategic Brexit Risk Register is held, and reviewed by the Strategic Brexit Coordination Group.</p> <p>06/10/2019</p> <hr/> <p>2nd Qtr 19/20 Review Summary: The Strategic Brexit Coordination Group (BCG) has conducted impact assessments, and where appropriate controls and monitoring are in place. PCC is prepared as far as practicable for any Brexit scenario, and we wait further guidance for UK and Welsh Government. A Strategic Brexit Risk Register is held, and reviewed on a monthly basis. Further explanation is provided in the risk report.</p> <p>07/07/2019</p> <hr/> <p>07/04/2019</p> <hr/> <p>31/03/2019</p> <hr/> <p>03/03/2019</p> <hr/>					

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 59			<p>Monthly Group Leaders meetings, and Scrutiny Committee arrangements. We are also ensuring that improvements in Housing are prioritised so that we can quickly demonstrate compliance with regulatory requirements. Whilst progress is being made in all areas this will continue to be a key focus for the Council for the rest of 2020.</p> <p>08/09/2019</p> <p>2nd Qtr 19/20 Review Summary: Estyn undertook an inspection of education services in July 2019, and their report was published in Sept. Estyn noted that they had significant concerns about the education services and made five recommendations for the council to address, which the council accepts in full. A post-inspection action plan is being prepared and will be discussed with Estyn at a post-inspection meeting in November 2019. The Schools Transformation Board has been re-established, regular reports will be submitted to Learning and Skills Scrutiny Committee and the Leader is establishing a Group Leaders' meeting that will meet monthly to consider progress in implementing the recommendations.</p> <p>CIW continue to monitor Social Services and we expected full inspections of Children Services and Adult Services over the 12 months.</p> <p>1st Qtr 19/20 Risk Review Summary: During the quarter we received notification by Estyn of their intention to inspect PCC's Education Service week 1st July. The Education Service prepared thoroughly for the inspection by updating the Self-evaluation, gathering evidence and briefing partners in advance of the inspection. A small corporate Project Team</p>					

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 60			met weekly from mid-April to ensure that the Service was well prepared for the Inspection. This highlighted some processes that needed to be strengthened and embedded over the summer, in advance of the publication of the Inspection report in September					

Strategic Risk Register				Portfolio	Inherent	Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
PCC0004 Ness Young	Significant long term decrease in the working age population impacts on Council's ability to recruit and retain or commission the workforce it requires	Council is unable to secure the services needed by the local population, including care and assessment provision, education, waste, highways, housing culture and support services.	<p>12/07/2020</p> <p>Review Summary: 1st Qtr 20/21. On behalf of Paul Bradshaw. The Council continues to respond to the current coronavirus pandemic by invoking its business continuity plans which means that we continue to focus on delivering business critical activities. As part of this response we continue to redeploy employees to business critical services.</p> <p>The implementation of the council's workforce strategy and the RPB Workforce Futures Strategic Framework will resume when we return to business as usual.</p> <p>03/05/2020</p> <p>4th Qtr 19/20 Review Summary: In quarter 4 the Powys Regional Health Board published its Strategic Framework for the Health and Care workforce in Powys.</p> <p>The Council responded to the current coronavirus pandemic by invoking its business continuity plans which means that we are focused on delivering business critical activities. As part of this response we are redeploying employees to business critical services.</p> <p>The implementation of the council's workforce strategy and the RPB Workforce Futures Strategic Framework will resume when we return to business as usual.</p> <p>19/01/2020</p> <p>3rd Qtr 19/20. Review Summary: In Quarter 3 the Council published its workforce strategy and as part of the RPB we have produced a final draft of the Workforce Futures Strategic Framework for the Powys health and social care workforce.</p>	Cllr Graham Breeze Ness Young	25	20	<ul style="list-style-type: none"> Formal partnership with the Open University and secondment of students Improving skills and supporting people to get good quality jobs Improving education attainment of all pupils Improving the skills and employability of young people and adults Build better connections with Powys schools & universities within Wales & just across the border in order to attract students Promoting Powys as a place to live, visit and do business Developing a health and care workforce for the future Support communities to be able to do more for themselves and reduce demand on public services Developing a workforce strategy which ensures Council is an excellent employer increase use of direct payments and the dynamic purchasing system are intended to secure more creative approaches Develop an Adults' Service recruitment and retention strategy, based on a strong brand promoting positive values and working/l Growing our own workforce, including the scoping of a rural academy of learning which would offer social care qualifications t Consideration of a joint bank of staff available to maintain staffing levels and reduce risk Investigation of the Apprenticeship framework to see what can be offered to younger people to attract them into social care ro Conduct research to understand the workforce profile in health and social care Developing digital solutions and services Telehealth and telecare 	<p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p>

Tudalen 61

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 62			<p>The Council has mapped current activity around skills development across the county and has recently met colleagues from Ceredigion Council and agreed to develop a skills strategy for the Mid Wales Region, aligned to the Mid Wales Growth Deal.</p> <p>The Council has launched an apprenticeship talent pool and a joint apprenticeship programme with Powys Teaching Health Board.</p> <p>An action plan has also been develop to improve the recruitment and retention of Qualified Social Workers in Children's Services. 29/09/2019</p> <p>2nd Qtr 19/20 Review Summary: Draft health and social care strategic framework has been developed. Overall risk progress: Draft health and social care strategic framework has been developed</p> <p>2nd Quarter progress of supporting mitigating actions are as follows:</p> <p>Developing digital solutions and services -A Digital First Executive Group has been established under the Health and Care Strategy and a Strategic Framework is in development</p> <p>Improving education attainment of all pupils -In secondary schools, new qualifications have been introduced during the past three years. Welsh Government have also introduced interim key stage 4 performance measurement arrangements with a change from Level 2 qualifications (A*- C) to Capped 9 Average Point Score. Key stage 4 and 5 data within the report remains provisional as we await the verified data available in December 2019.</p>					

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 63			<ul style="list-style-type: none"> In Powys, there was an improvement of 6.1 points in the average Capped 9 points score for individual pupils. The average Capped 9 point score has increased in 7 out of 11 Powys secondary schools. Across ERW, the average Capped 9 point score increased by 10.9 points. Powys is ranked 3rd across the ERW local authorities. <p>Developing a workforce strategy which ensures Council is an excellent employer -Draft Council workforce strategy has been produced</p> <p>Growing our own workforce, including the scoping of a rural academy of learning which would offer social care qualifications -Rural academy proposal is being developed by the Workforce Futures Board as part of the Workforce Futures Strategic Framework</p> <p>Consideration of a joint bank of staff available to maintain staffing levels and reduce risk -Proposal being developed</p> <p>Investigation of the Apprenticeship framework to see what can be offered to younger people to attract them into social care roles -Joint apprenticeship scheme now in place</p> <p>Conduct research to understand the workforce profile in health and social care -Research complete and underpins draft Workforce Futures Strategic Framework</p> <p>-All other mitigating actions that support this risk have nothing to report this quarter. 08/09/2019</p>					

Strategic Risk Register				Portfolio	Inherent	Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 64			<u>05/05/2019</u> <u>03/02/2019</u>					

Strategic Risk Register				Portfolio	Inherent	Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
PCC0005 Ness Young	The impact to Powys residents, services and Council staff as a result of a COVID-19 (Coronavirus) epidemic	Increased staff absenteeism; Increase demand for services from residents Increased workload for council staff as a result of staff absence and increased service demand Closure of Council premises resulting in reduced services to residents and office accommodation	<p>12/07/2020</p> <p>Admin: amended review date from auto system setting it.</p> <p>21/06/2020</p> <p>Review Summary: The Council has developed a separate risk register for the Coronavirus pandemic. The risks captured in this assessment include:</p> <p>Increase in services demands Financial impact on the council Availability of Personal Protective Equipment Distance learning for pupils Childcare provision Safeguarding Workforce absence</p> <p>There are mitigating actions in place for all the risks identified and the risk register is reviewed weekly by the Council's internal GOLD Command Group (part of the Council's Emergency Response arrangements)</p> <p>03/05/2020</p> <p>4th Qtr 19/20. Review Summary: The Council has developed a separate risk register for the Coronavirus pandemic. The risks captured in this assessment include:</p> <p>Increase in services demands Financial impact on the council Availability of Personal Protective Equipment Distance learning for pupils Childcare provision Safeguarding Workforce absence</p> <p>There are mitigating actions in place for all the risks identified and the risk register is reviewed weekly by the Council's internal GOLD Command Group (part of the Council's Emergency Response arrangements)</p>	Cllr Rosemaire Harris Ness Young	25	20	<ul style="list-style-type: none"> Update Business Continuity Plans (at Service and Corporate Level); Establishment of an Internal Silver Command Powys County Council Representation on Powys Teaching Health Board Gold and Silver Command; Liaison with all Local Resilience Forum (LRF) Partners; PCC Liaison with Welsh Government and Public Health Wales; Communication and engagement with schools. Communications to residents, staff and members 	<p>Action Completed</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p>

Tudalen 65

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
PPPP0007 Gwilym Davies Escalated From :- Property, Planning, and Public Protection Tudalen 66	Heart of Wales Property Services (HOWPS) being unable to undertake contracted work in a timely and cost effective manner.	<ul style="list-style-type: none"> - Failure of statutory functions - Compliance. - Failure to perform repairs and maintenance. - Failure to achieve projected savings. - Reputational damage to PCC. - Cost to PCC for poor performance. - Officer time costs (due to additional workload). - Financial Risk to HRA and wider Authority. - Critical Wales Audit Office Report. - Non-delivery of key projects due to lack of resources. 	<p>12/07/2020</p> <p>1st Qtr. 20/21: Review Summary:</p> <ul style="list-style-type: none"> • Continued monitoring of HOWPS performance via monthly Contract Management Forums and Compliance Boards. • Additional monitoring now in place of HOWPS performance with service-specific meetings to monitor various issues including statutory testing, complaints, asbestos tracking, void management and the inspection and servicing of domestic heating systems. • A Rectification Plan has been received from HOWPS for services, provided for both Corporate and Housing. <p>03/05/2020</p> <p>4th Qtr. 19/20: Review Summary:</p> <p>The performance of HOWPS is continued to be monitored closely via the monthly Contract Management Forums and additional monitoring mechanisms with HOWPS such as 1) Weekly compliance meetings 2) Weekly legionella meetings 3) Monthly/Weekly asbestos monitoring. Also additional monitoring meetings within PCC have been set up.</p> <p>The Corporate Compliance rectification plan is being monitored and at the end March, HOWPS are broadly on track with the rectification plan, but supply chain issues due to COVID – 19 has meant that targets within the Rectification plan has been narrowly missed.</p> <p>HOWPS are now utilising a new Compliance Tracker which is much easier to use and compliance can be easily identified across buildings and across tests.</p> <p>PCC have had to audit the information within the Tracker to ensure that the information is</p>	Cllr Phyl Davies Nigel Brinn	12	12	<ul style="list-style-type: none"> • Performance monitoring • Utilisation of contract document to escalate issues. • Potential to invoke step in clauses for specific parts of the contract in line with contract • Development of evidence and fall-back systems • Introduced weekly officer level meetings • Development of contingency plans for contract failure • Head of Service on HOWPS Board of Directors. • Portfolio Holder on HOWPS Board of Directors. • Escalation of risk and concerns to Chief Executive and Strategic Directors. • Recovery plan submitted by Kier on behalf of HOWPS. • Additional resources allocated by Kier (3.5 FTE Change Managers). • Close monitoring by Directors/Portfolio Holder/Chief Executive/Strategic Directors. • Awaiting consultation resource plan. 	Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Action In Progress Control In Place Control In Place Control In Place Control In Place Control In Place Control In Place Control In Place Control In Place Withdrawn

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 67			<p>correct – This is putting extra pressure on the Strategic Property, but is necessary to ensure that the information being given to PCC is correct.</p> <p>Additional monitoring has been put in place to audit the access of the Alpha Tracker Database (asbestos information) to ensure that Alpha Tracker is accessed before every job is started. Our monthly audit has identified gaps in this access procedure, therefore this has been increased to weekly monitoring.</p> <p>Issues with Legionella Monitoring, information has not been sent to PCC by HOWPS. Clarification over roles and responsibilities is underway to ensure that risks are assessed and actioned. 12/01/2020</p> <p>3rd Qtr. 19/20: Review Summary:</p> <ul style="list-style-type: none"> Continued monitoring of HOWPS performance via monthly Contract Management Forums. Additional monitoring now in place of HOWPS performance with service-specific meetings to monitor various issues including statutory testing, complaints, asbestos tracking, void management and the inspection and servicing of domestic heating systems. A Rectification Plan has been received from HOWPS for services, provided for both Corporate and Housing, which are falling below the acceptable performance level. The Rectification Plan in its original form was rejected by the Council. A revised Rectification Plan is now awaited from HOWPS. 06/10/2019 <p>2nd Qtr 19/20: Review Summary: - Performance monitoring in place.</p>					

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
Tudalen 68			<ul style="list-style-type: none"> - Pre-Board meetings attended by key internal stakeholders have been set up to discuss high level issues. Actions from meeting escalated to HOWPS Board. - Communication plan reviewed monthly. <p>07/07/2019</p> <hr/> <p>07/04/2019</p> <hr/>					

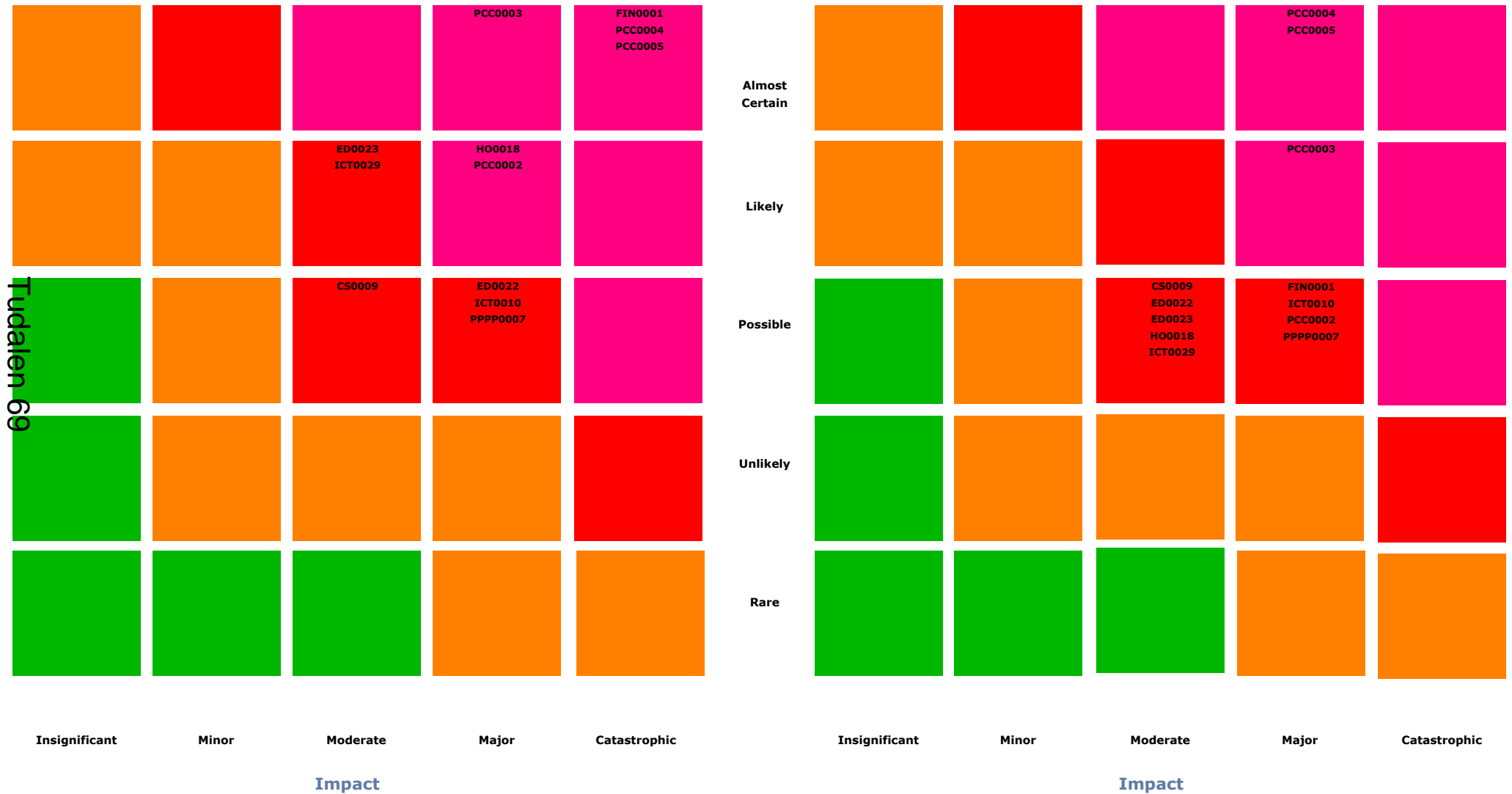
Heatmap Inherent and Current



Inherent Ratings Summary Heatmap

Residual Ratings Summary Heatmap

Probability



Tudalen 69

Detailed Risk Information

Residual and Target Rating Changes since 23/01/2020

Risk Ref	Risk Identified	Owner	Service Area	Prev Inherent Rating	->	Inherent Rating	Prev Residual Rating	->	Residual Rating
PCC0004	Significant long term decrease in the working age population impacts on Council's ability to recruit and retain or commission the workforce it requires	Ness Young	Powys County Council	25	→	25	20	→	20
PCC0005	The impact to Powys residents, services and Council staff as a result of a COVID-19 (Coronavirus) epidemic	Ness Young	Powys County Council	No Previous		25	No Previous		20
PCC0003	The council receives a negative regulatory / inspection report	Caroline Turner	Powys County Council	20	→	20	20	↘ -4	16
FIN0001	The Council is unable to deliver a financially sustainable budget over the sort and medium term. The probability of this risk is heightened due to the impact of the Covid-19 pandemic and its impact on Welsh Government funding and subsequent settlements to the Council.	Jane Thomas	Financial Services	16	↗ 9	25	9	↗ 3	12
PCC0002	The impact on the Council as a result of Brexit.	Greg Thomas	Powys County Council	12	↗ 4	16	9	↗ 3	12
ICT0010	Non compliance with data protection legislation (General Data Protection Regulations (GDPR) and UK Data Protection Act (DPA) 2018	Helen Dolman	Digital Services	12	→	12	12	→	12
PPPP0007	Heart of Wales Property Services (HOWPS) being unable to undertake contracted work in a timely and cost effective manner.	Gwilym Davies	Property, Planning, and Public Protection	9	↗ 3	12	9	↗ 3	12
HO0001	Compliance in Powys County Council Housing Stock	Andy Thompson	Housing	16	→	16	16	↘ -7	9
ED0021	The council will be unable to manage the schools' budget without ongoing adjustments to the distribution formula and improving financial management. If they are unable to manage the budget, there will be a significant compromise to the quality of education for Powys learners.	Lynette Lovell	Education	9	↗ 3	12	12	↘ -3	9
ED0023	The council fails to make the necessary improvements in response to Estyn recommendations.	Lynette Lovell	Education	12	→	12	12	↘ -3	9
ICT0029	Cyber Security Threat. Risk of financial loss, disruption or damage to the reputation of Powys County Council from a failure of its information technology systems and or/loss of Data due to a cyber attack or Incident.	Julie Davies	Digital Services	12	→	12	9	→	9
CS0009	Ability to meet the requirements of the MTFS / Retaining grant funding around posts within Children's Services	Jan Coles	Children's Services	9	→	9	9	→	9

Report Selection Criteria

(REP_RECORD_CROSSCUT.Business Unit Code = @StrategicBusinessUnitCode AND (REP_RECORD_CROSSCUT.Status Flag <> "WITHDRAWN"))
and REP_RECORD_CROSSCUT.Record Type=1

COVID19 - Risk Register

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0093	Recovery - Precarious public service finances, with significant short and medium-term pressures faced particularly by local authorities along with future uncertainty around the UK Government's budgetary response to the economic fallout of COVID 19 and the impact of Brexit.	If the Council is unable to balance its 2020-21 budget due to loss of income, increased demand for services and associated costs and a delay in delivery of planned budget reductions, this will result in the council having to reduce services and staffing numbers to bring expenditure in line with income.	Cllr Aled Davies Jane Thomas	25	20	<ul style="list-style-type: none"> Revise the Medium Term Financial Strategy 	Action In Progress	22/09/2020
						<ul style="list-style-type: none"> Reassessment of the activities of the Council through the Recovery Coordination Group 	Action In Progress	04/09/2020
						<p>04/08/2020 The work is being progressed in different ways across Directorates and this week the IBP process has been strengthened to accommodate and capture the outcomes required for both recovery of the budget position in 20/21 but also for developing the budget for future years. Key milestones have been included to progress this work through August, September and beyond.</p>		
						<ul style="list-style-type: none"> Ongoing discussion with WG and WLGA through Society of Welsh Treasurers for Future Funding of Local Government 	Action In Progress	31/08/2020
						<p>22/07/2020 Discussions continue with confirmation of some initial support for quarter 1 income loss.</p>		
						<ul style="list-style-type: none"> Review budget position at end of first quarter and consider changes to the 2020/21 budget 	Control In Place	
COVID0029	Response Revenue Budget Risk	Unable to deliver a balanced budget for 2020/21 Undelivery of Cost Reductions Increased costs across the organisation Impact on the Councils Reserves Impact on Medium Term Financial Strategy	Cllr Aled Davies Jane Thomas	25	16	<ul style="list-style-type: none"> Ongoing discussion with WG 	Action In Progress	17/10/2020
						<p>17/08/2020 Further funding of £260m announced on the 17th August to assist Local Authorities with pressures and loss of income for the remainder of the financial year, support will continue to be accessed via monthly claims.</p>		
						<ul style="list-style-type: none"> better understanding of all cost pressures, income losses, savings risks and cost savings 	Action In Progress	07/10/2020
						<p>07/07/2020 the quarter 1 position is being finalised and will be reported to Cabinet at the end of July. The report will assess the updated position and propose the actions now required to address the budget deficit.</p>		
						<ul style="list-style-type: none"> Reassess Budget Position monthly, Report and review mitigating action 	Action In Progress	04/09/2020
						<p>04/08/2020 Quarter 1 report considered by Cabinet on the 28th July. Actions approved to identify proposals to limit the deficit projected. Work commissioned for completion by Heads of Service by the 4th September.</p>		
						<ul style="list-style-type: none"> Ensure appropriate recording of additional costs to enable claim through WG COVID hardship fund 	Action In Progress	31/08/2020

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
						<ul style="list-style-type: none"> Budget Management and virement reg's reinforced, decisions at service level that exceed service budgets must be escalated to EMT 	Control In Place	
						04/08/2020 No change		
COVID0044	Response Impact of COVID-19, including: Service User Illness and death; Unpaid Carer Illness; Staff Resource (further and unmanageable reduction through illness and self-isolation); Service provision volatility;	Unable to fulfil statutory obligations; Inability to provide care to service users; Service users are unsafe; Unpaid carers are unsafe; Staff are unsafe; Provider failure risk (residential, supported living, domiciliary care); Children's providers' failure – leading to vulnerable children at risk.	Cllr Myfanwy Alexander Dylan Owen	25	15	<ul style="list-style-type: none"> Ongoing staff redeployment (from within Adult Social Care and other Council service areas) 	Action In Progress	29/10/2020
						29/07/2020 This continues during the period of business continuity		
						<ul style="list-style-type: none"> Provision of appropriate Personal Protective Equipment 	Action In Progress	29/10/2020
						29/07/2020 PPE availability is now sufficient and is ongoing.		
						<ul style="list-style-type: none"> Testing for front-line staff 	Action In Progress	13/10/2020
						13/07/2020 Mass testing now available for front-line staff. Move from local approach to requesting tests through NHS.		
						<ul style="list-style-type: none"> Rapid recruitment for care staff 	Action In Progress	
						29/07/2020 Recruitment was undertaken and staff are now in place. Recruitment continues.		
						<ul style="list-style-type: none"> Block booked residential care beds to lock-in step down capacity 	Action Completed	
						<ul style="list-style-type: none"> Work with providers to ensure flexibility and sustainability (pay on planned care) 	Control In Place	
						<ul style="list-style-type: none"> Prioritise care calls – priority 1 	Control In Place	
						<ul style="list-style-type: none"> Work with C-SERT to support priority 2 calls 	Control In Place	
						<ul style="list-style-type: none"> Adult services daily sitreps 	Control In Place	
COVID0065	Response If there is a lack of appropriate equipment to mitigate the impact of COVID-19	Staff and carers left without protection Risk of further infection and spread - leading to possible illness and death Reduced faith in the Council - reputational damage	Cllr Myfanwy Alexander Dylan Owen	25	10	<ul style="list-style-type: none"> Expecting receipt of some PPE Control/action 	Action In Progress	29/09/2020
						29/06/2020 There is now sufficient supply of PPE.		
						<ul style="list-style-type: none"> Attempts at procuring own supplies 	Control In Place	
						<ul style="list-style-type: none"> Escalation to Welsh Government 	Control In Place	
						<ul style="list-style-type: none"> Creation of systems to ensure prioritisation and provision on demand 	Control In Place	

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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0041	Response People Handling Training Provision	There is a risk associated with stopping face to face training events as well as appointing people without prior knowledge/Training specifically in "People Handling"	Cllr Graham Breeze Paul Bradshaw	25	6	<ul style="list-style-type: none"> Current trainer capacity identified and increased capacity through upskilling or revalidating other trainers Further Adjustments to Safeguard the training provision in line with HSE Guidance 	Control In Place Control In Place	
COVID0094	Recovery The effects of COVID19 reduce the Council's ability to deliver the commitments contained in Vision 2025, Towards 2040, the Health and Care Strategy.	The financial impact on the council and the economic and social impact of COVID19 on the county results in the council being unable to achieve its planned outcomes, within a reduced financial envelope. The commitments in our plans therefore need to be reviewed and may need to be reduced.	Cllr Graham Breeze Emma Palmer	20	16	<ul style="list-style-type: none"> Complete sprint two - planning post-pandemic and analysis of current council activities <i>06/07/2020 On track</i> Complete sprint one -well-being assessment of COVID-19 Complete Sprint Three: Adjust 2020-21 content of Integrated Business Plans to include short term recovery action Complete Sprint Four - Produce 2021-24 Integrated Business Plans to include medium term recovery action Support PSB to review step delivery plans 	Action In Progress Action Completed Control In Place Control In Place Control In Place	06/10/2020
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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0068	Response Children's Service Placement Availability	<p>Unable to support placements and children and young people are required to move</p> <p>Foster carers have no capacity to accept new placements.</p> <p>Children remaining in unsuitable accommodation.</p> <p>Disruption to children and negative impact on their emotional wellbeing and mental health.</p> <p>Unable to place Powys CLA in regulated placements in or out of county</p> <p>Increase in number of children in unregulated arrangements</p> <p>Risk of harm to children</p> <p>Unable to comply with regulations</p> <p>Financial risk to the local authority as demand for placements increases</p> <p>Reputational risk – criticism from regulators.</p> <p>Litigation risk – non-compliance with court orders and statutory expectations leading to harm.</p>	<p>Owner</p> <p><i>Cllr Rachel Powell</i> Jan Coles</p>	20	12	<ul style="list-style-type: none"> Prioritisation of work. Redeployment of workforce. Maximisation of available resources. Widen pool of placements. 	Action In Progress	07/09/2020
Tudalen 74						<p>09/07/2020 Continue to prioritise assessments for foster carers and supported lodgings providers. 17 foster care assessments underway and 10 SL host assessments. Team for the new children's home recruited to. Placements for children with complex needs continue to be a challenge to find.</p>		

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0049	Response HOUSING - Increase in homelessness - Additional duties to accommodate extra groups and enable self isolation in accordance with COVID19.	People coming to Powys from urban areas for sanctuary; relationship disruption caused by self-isolation (increased domestic violence); street homeless requesting safe accommodation. (Longer term – loss of home due to inability to make mortgage or rent payments following loss of employment income) Additional demand for temporary accommodation (TA) – primarily from homelessness households and social care clients - may reduce ability of the Council to provide general needs accommodation to other client groups, increasing risks of overcrowding, people living in unsuitable accommodation and additional void losses to the HRA. Welsh Government issued guidance to develop Homeless Co-ordination Cell to house all rough sleepers and provide suitable temporary accommodation that allows for effective self isolation.	Cllr James Evans Dafydd Evans	20	12	<ul style="list-style-type: none"> Move on from temporary accommodation 	Action In Progress	17/09/2020
						<p>17/08/2020 Additional support and additional accommodation progressing enabling move on from temporary accommodation. Community Connector Service agreed to provide support co-ordination additional support to be provided by existing providers in Powys, agreed in principle. Additional properties being acquired, three properties currently progressing.</p>		
						<ul style="list-style-type: none"> Additional support and accommodation to be made available 	Action In Progress	17/09/2020
						<p>17/08/2020 Support provisions in development in accordance with phase 2 revenue funding and acquisitions progressing in accordance with capital funding secured. Presentations remain high and higher than last year. 3 Acquisitions of additional accommodation in process. in accordance with phase 2 capital funding secured. Agreement in principle with community connector service to act as support co-coordinators for persons in temporary accommodation, other support agencies, Mind, Cab, Ponthafren etc agreed in principle to provide additional support in accordance with revenue funding secured.</p>		
						<ul style="list-style-type: none"> Homeless Co-ordination Cell 	Action In Progress	31/08/2020
						<p>24/08/2020 Large number of households in temporary accommodation requiring support and lack of move on options. Homeless Cell update 19th August: • Number of live homeless cases now at 320 • Number of homeless households in temporary accommodation excluding B&B's 112 • Number of households now in B&B 18 • Number of new properties identified to boost temporary accommodation 70 • Number of known rough sleepers 5 • Number of homeless presentations during the last two weeks 39 (compared to 35 for same period last year) • Number of homeless presentations since 1st March 362 (compared to 265 for same period last year) Top reasons: - 1. Non-violent breakdown of relationships 2. Parent/family no longer willing to accommodate 3. 25 – 35 and 36 – 59 highest presenting age ranges 4. 16-24 now higher than this time last year Number of presentations still high but comparable to last year. Last years presentations were a significant increase on the previous year. Large number of households in temporary accommodation requiring additional support and lack of suitable move on accommodation.</p>		

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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0067	Response Health and wellbeing of children and young people	<p>Children may be at increased risk if they are not accessing universal and community services which form part of safety and support plans for children.</p> <p>Families refusing access to children subject to CP plans Some children may become unwell and require hospitalisation.</p> <p>Children not able to see their family members</p> <p>Negative impact on emotional wellbeing and mental health Increase in children meeting the eligibility criteria for statutory assessment or threshold for child protection investigation.</p> <p>Use of PPE to offer care causes distress and fear for the child.</p> <p>Limits to intervention/assessment leaves children at risk of significant harm/abuse/neglect.</p> <p>Increase in poor family functioning, domestic abuse, domestic violence.</p> <p>Negative impact on emotional wellbeing and mental health of individuals</p> <p>Children may not have regular meals and could have their health and wellbeing affected.</p> <p>Isolation of care leavers impacting on their emotional wellbeing and mental health at a time when access to support is limited</p> <p>Increase in incidents of self-harm and suicide.</p>	Cllr Rachel Powell Jan Coles	16	16	<ul style="list-style-type: none"> Stock Monitoring - Additional temporary accommodation from social housing stock and Homeless Coordination Cell established 	Control In Place	
				<ul style="list-style-type: none"> Increase support for children who are/ may be at risk of harm in the light of continued schol closures 	Action In Progress	09/10/2020		
						<p>09/07/2020 <i>Business critical work has been extended as the workforce has remained very resilient and the planned for absence levels did not emerge in CS. Service has adapted to the new circumstances in which we need to work with procedures and protocols, and training in place. Some redeployed staff returning to their teams Thresholds have been maintained All statutory duties being delivered Review will be needed when plans for school return are clearer</i></p> <ul style="list-style-type: none"> Risk assessment and prioritisation of all cases. Redeployment of staff. Maximise use of available resources. <p>09/07/2020 <i>Business critical work has been extended as the workforce has remained very resilient and the planned for absence levels did not emerge in CS. Service has adapted to the new circumstances in which we need to work with procedures and protocols, and training in place. Some redeployed staff returning to their teams</i></p> <ul style="list-style-type: none"> Childcare Hubs are available for vulnerable children to attend Available services have been reviewed and the Early Help service has been reinstated 	Action In Progress	07/09/2020

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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0069	Response	<p>Delay in response leaving children and adults at risk of significant harm/ abuse/ neglect. Unable to perform statutory functions. Unable to meet statutory requirements including qualifications of staff and timescales. Insufficient staff with suitable qualifications experience. Unable to respond within statutory timescales. Unable to undertake Section 47s Assessments. Increase in CLA population Financial implications for PCC having to intervene later with higher level of intervention. Reputational risk - criticism from regulators. Litigation risk – non-compliance with statutory expectations leading to harm. Unable to keep children safe. Shortened assessment for individuals (including staff members) to be approved as foster carers in the case of emergency, now approved and assessments are underway. 3 QSW who have previously worked for the authority are completing application forms as sessional workers to enable them to undertake face to face visits and work on a sessional basis if they are required. Procedures developed and shared with regional colleagues. Regional consensus being achieved.</p>	<p>Cllr Rachel Powell Jan Coles</p>	16	12	<ul style="list-style-type: none"> Redeploy staff, training, triage referrals and assessments, recruitment, temporary reg with SCW. 	Action In Progress	09/09/2020
	Increased demand on Children's Services			<p>26/08/2020 Since the last review on 7th July, Children's Services have seen another increase in demand for services, thereby escalating this risk further. Contacts to the service front door in July (at 618) were the largest number in 12 months and a 20% increase on the previous year's figures. Data from previous years tells us that August is usually a quieter month for the service, primarily due to school holidays, with an expected increase in September and October. However, figures currently available for August (as at 24/8) are at 453, indicating another circa 20% increase when compared to 387 for the full month of August 2019. Assessment figures recorded to date for August 2020 also indicate 145 children currently undergoing an Assessment (an increase from 118 in July). All service areas continue to function with all activity taking place to a greater or lesser degree in line with government guidance. Considerable changes, considerations and expectations of the workforce are in place to ensure that we continue to meet our statutory duties.</p> <ul style="list-style-type: none"> Staff have been identified to support Children's Services Front Door to meet an increase in demand 	Control In Place			
COVID0018	Response	Increased pressure on budgets, Capital costs could also increase.	<p>Cllr Aled Davies Vincent Hanly</p>	16	12	<ul style="list-style-type: none"> Identify potential issues 	Action In Progress	30/09/2020
	Additional costs arising from Contract obligations							

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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
						<p>17/08/2020 Legal view have been obtained for all contracts and for construction contracts new clauses drafted for any new contracts. For existing running contracts these have been dealt with via the Governments guidance which expires end of September</p> <ul style="list-style-type: none"> Review of all contracts to assess impact 	Action In Progress	04/09/2020
						<p>04/08/2020 No change</p> <ul style="list-style-type: none"> Discussions with WG with regard to impact on Grant Funded Projects - delayed spend, unable to draw down of grant in time 	Action In Progress	04/09/2020
						<p>04/08/2020 No change</p>		
COVID0092	<p>Recovery</p> <p>Socio-economic challenges given the immediate economic impact and likely recession, including increased unemployment and take-up of universal credit and other benefits</p>	<p>The economic and social wellbeing of the population is expected to be negatively impacted by the COVID19 pandemic effects, increasing demand on council services</p>	<p>Cllr James Evans Nigel Brinn</p>	16	9	<ul style="list-style-type: none"> Ongoing impact assessments <p>28/08/2020 Impact assessments to be reviewed alongside business survey.</p> <ul style="list-style-type: none"> Vibrant and Resourceful Communities Recovery Group <p>28/08/2020 Group continues to meet weekly.</p> <ul style="list-style-type: none"> Thriving and Sustainable Economy Recovery Group <p>28/08/2020 Group continues to meet weekly.</p> <ul style="list-style-type: none"> Powys County Council Business Survey <p>27/07/2020 Business survey has closed. Data to be analysed alongside impact assessments.</p> <ul style="list-style-type: none"> Business and Economic Recovery Cell established as part of response Welsh Government Business Support Grants 	Action In Progress	28/09/2020
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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0073	Response If pupils do not or are not able to engage effectively in the Continuity of learning plan, there is a risk that due to COVID-19 there could be an effect on Wellbeing and self-confidence of pupils. There is a risk of inconsistency in the quality of distance learning.	There may be an increase of pupils needing additional support and a continued increase in referrals to counselling services. There will need to be a significant focus on re-integration of all pupils into school, however, there may be variation in the engagement and progress of pupils upon their return.	<i>Cllr Phyl Davies</i> Lynette Lovell	16	4	<ul style="list-style-type: none"> Continuity of Learning Plan 	Action In Progress	05/11/2020
						<p>05/08/2020 A full review of the controls and actions was agreed by SSMT 05.09.20</p> <ul style="list-style-type: none"> Blended Learning Effective systems to support vulnerable learners and their families 	Control In Place	
COVID0028	Response Insurance Risk – increase in claims and more undefendable at court, higher cost	Services unable to maintain provision, increase in claims Temporary staff & Volunteers inadequately trained to fulfil roles Greater risks taken and inadequate records maintained	<i>Cllr Aled Davies</i> Anne Phillips	15	9	<ul style="list-style-type: none"> Communications, Training, risk appetite considered. 	Action In Progress	31/08/2020
						<p>04/08/2020 No change</p> <ul style="list-style-type: none"> Provide DBS and necessary training before staff volunteers commence 	Control In Place	
COVID0023	Response Companies liquidating	Companies unable to sustain loss of business or reduced working/clients etc	<i>Cllr Aled Davies</i> Vincent Hanly	15	9	<ul style="list-style-type: none"> Business relief approach clarified so some provision will be given to support our main contractors and try to remain viable 	Action In Progress	22/09/2020
Tudalen 79						<p>22/06/2020 Continuing to work with at risk suppliers</p> <ul style="list-style-type: none"> Government Support for Business clarified through grants / NNDR etc 	Action In Progress	04/09/2020
						<p>04/08/2020 More business now starting to operate again and some still drawing on support from the Job Retention Scheme and other support mechanisms.</p> <ul style="list-style-type: none"> Residual risk being assessed 	Action In Progress	31/08/2020
						<p>04/08/2020 no change continual review</p>		
COVID0096	Response Effective communications and messaging, particularly managing any differences and divergence of approach between England and Wales.	Lack of clear communications or failure to reach the population with messages will lead to confusion about the different rules in place in England and Wales, especially on the borders.	<i>Cllr Graham Breeze</i> Emma Palmer	15	6	<ul style="list-style-type: none"> Share WG social media content 	Action In Progress	25/09/2020
						<p>25/08/2020 Ongoing action</p> <ul style="list-style-type: none"> New releases references WG regulations. 	Action In Progress	25/09/2020
						<p>25/08/2020 Ongoing regular releases issued</p> <ul style="list-style-type: none"> Regular Cabient vlogs that references WG guidance 	Action In Progress	25/09/2020

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
						<p>25/08/2020 Continuing but frequency reducing in response to restriction changes</p> <ul style="list-style-type: none"> Staff daily bulletins which shares up to date WG guidance Dedicated Covid-19 Staff Intranet Page Dedicated Covid-19 Public webpage on Council website 	Control In Place	
COVID0025	<p>Response</p> <p>Treasury Management -Maintaining the Authorities Cash flow to meet liabilities</p> <p>Reduced Levels of income coming into the Council</p>	<p>Treasury Management Function Staff reductions</p> <p>Potential loss of Grant funding</p> <p>Fee earning services disrupted or ceased</p> <p>Services not raising raising Debtor invoices or invoices not sent out (post issues)</p> <p>Reduction in Collection Rate for Council Tax</p> <p>Increase in Bad debt levels or bad debt enforcement</p>	<p>Cllr Aled Davies</p> <p>Anne Phillips</p>	15	6	<ul style="list-style-type: none"> Additional Borrowing <p>17/08/2020 No change</p> <ul style="list-style-type: none"> reduced outgoings will mitigate reduced income <p>22/06/2020 no change</p> <ul style="list-style-type: none"> WG identified grant to fund C19 additional costs, and may fund other pressures & reductions <p>22/06/2020 ongoing discussions with WG continue support</p> <ul style="list-style-type: none"> Discussion with other funding bodies, Internal comms Welsh Government open to discussions with individual authorities if problems arise Identify service income at risk and model impact of reductions Business Continuity Plan in place to maintain Treasury Management Function <p>22/06/2020 no change</p>	Action In Progress	17/10/2020
						<p>22/09/2020</p>	Action In Progress	22/09/2020
						<p>04/09/2020</p>	Action In Progress	04/09/2020
						<p>04/08/2020 No change</p>	Action In Progress	04/09/2020
						<p>04/08/2020 No change</p>	Action In Progress	31/08/2020
						<p>04/08/2020 No change</p>	Control In Place	
						<p>22/06/2020 no change</p>		
COVID0006	<p>Response</p> <p>Delay in the delivery of Vision 2025 Transformation programme due to COVID-19</p>	Impact on all Stakeholders	<p>Cllr Graham Breeze</p> <p>Emma Palmer</p>	15	4	<ul style="list-style-type: none"> The Transformation Programme with the exception of Schools Transformation and the Growth Deal is temporarily suspended 	Action In Progress	02/09/2020

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
						26/08/2020 A meeting of the TDB took place on the 7th July and some actions were agreed following updates on the Projects from SRO's. Although the Programme is still officially on hold with the exception of the Growth Deal and Transforming Education.		
COVID0045	Response Impact of Covid-19 restrictions and redeployment on the capacity of the Planning & Public Protection Service.	-Failure to deliver statutory services. -Income loss. -Failure to achieve savings targets. -Impact on the economy. -Health and safety risks.	Cllr James Evans Gwilym Davies	12	12	<ul style="list-style-type: none"> Keep up-to-date with Welsh Government & Regulator advice and legislation. 	Action In Progress	09/10/2020
						09/07/2020 No change proposed,		
						<ul style="list-style-type: none"> Recruitment to vacant Planning posts to recommence. Monitor Environmental Health staff resource requirements. Secure additional staff capacity where appropriate. Keep service customers up-to-date on service delivery. Implement alternative service delivery methods, where appropriate. Secure the return of staff from redeployment where appropriate. 	Action In Progress	01/09/2020
						<ul style="list-style-type: none"> Residual risk being explored. Consider future of capital and planned services contracts and assess against type of contract 	Action In Progress	30/09/2020
COVID0022	Response Contract Award/ Development Delays in procurement process	Companies unable to price/ or unable to provide documentation internally to tender etc Delays in delivery of funded projects eg 21st Century Schools Housing	Cllr Aled Davies Vincent Hanly	12	12	17/08/2020 Planned contract register has been drafted and is with Head of Finance for approval so it can be published. Legal clauses drafted for any construction contracts. Similar clauses to be drafted for any other service contracts.		
COVID0079	Response National data modelling and reporting does not reflect what is happening on the ground	Media reporting uses national data giving residents an incomplete picture of what is happening in Powys. If data modelling on the trajectory of the pandemic is not consistent with actual figures and it is used it could lead to poor decision making about service provision. Residents behaviour is influenced by national data reporting which could lead to an increase in spread of the virus if actual figures of cases and deaths is higher than nationally reported figures.	Cllr Graham Breeze Ness Young	12	9	<ul style="list-style-type: none"> Weekly BI report to GOLD comparing national modelling with actual data from various sources. PCC Communications focus on local data to set national data in context. GOLD and SILVER use BI report and local intelligence to determine service provision required in response to the pandemic 	Control In Place	

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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0083	Recovery Possible second surge of COVID19 cases and deaths.	If there is a second surge, the council will need to pause any recovery work and resume focus on Business Critical Areas only.	Cllr Rosemaire Harris Ness Young	12	9	<ul style="list-style-type: none"> GOLD is monitoring COVID19 case/death data closely Service areas Business Continuity Plans Redeployment pool arrangements 	Control In Place	
COVID0086	Recovery The supply of PPE for public services, particularly as public consumption of PPE is likely to increase as lock-down eases and in line with Government guidance.	A shortage of PPE for public services would put staff and the population at risk from coming into contact with the virus.	Cllr Graham Breeze Clive Pinney	12	9	<ul style="list-style-type: none"> Monitor ability to procure PPE 	Control In Place	
COVID0007	Response LEISURE/SPORT Leisure Contractor significantly affected by COVID-19 situation	Freedom Leisure - (i) Significant loss of income, (ii) inability to meet contract requirements, (iii) potential redundancies though lack of funds, (v) depleted / reduced reserves, inability to pay costs, staff or suppliers, (vi) reduced ability to ensure statutory compliance, (vii) inability to complete repairs, maintenance or capital programmes, projects or works which may result in longer term loss / reduction of facilities when normal business resumes, (viii) inability to recoup sufficient funds (i.e. management fees, external funding, staffing costs) either from clients through contracts, or through Central Government support Powys CC - (i) ensure advance payments do not conflict with Government support to Freedom (ii) the leisure centres could transfer back into the Council if Freedom Leisure become insolvent (iv) the Council do not have the resources to support leisure services transferring back to an in-house model	Cllr Rachel Powell Jenny Ashton	12	9	<ul style="list-style-type: none"> Ongoing discussions between Powys CC & Freedom Leisure in order to address this risk <p>21/08/2020 Outdoor Sports facilities, pitches and rinks (bowling) were allowed to open from 20th July, however there was further clarification required from regulations and guidance. All sports are required to obtain guidance from their NGB's. All outdoor sport groups need an 'organiser' who will be responsible for the risk assessment and track and trace documents and processes. An announcement was then made by Welsh Government on 31st July to enable indoor sports facilities to reopen from 10th August 2020. Further guidance and clarification is required from Welsh Govt. Freedom Leisure reopened five leisure centres (Welshpool, Newtown, Rhayader, Brecon & Ystradgynlais) 'dry side' only i.e. sports halls, fitness suites and studios. Capacity is reduced, cleaning has been increased and all sessions are by prior booking only. The regulations allow up to 30 people in each area of the centre or as much as the space allows with social distancing measures in place. No contact sports are allowed at this time. All sports (groups) that wish to return must have additional guidance provided by their NGB's and must take responsibility for Risk Assessments and Track & Trace. Three swimming pools (Welshpool, Newtown & Ystradgynlais) opened on 17th August with Rhayader pool slightly later due to necessary works being completed first. It was thought that Brecon pool would reopen but may not for a number of weeks due to necessary survey work as part of the wider building project being undertaken. These surveys have only been completed recently due to COVID shut-down, contractors being unavailable (during shut-down) and Freedom Leisure staff being on furlough.</p>	Action In Progress	21/09/2020

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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0051	Response HOUSING - Failure to adhere to repair and maintenance responsibilities to municipal homes, which could include statutory testing and structural maintenance, due to difficulties in arranging for technicians to attend properties and/or access to materials.	Increased repair costs in the future. Dissatisfaction from tenants. Rise in disrepair claims. Damage to fabric of properties.	Cllr James Evans Andy Thompson	12	9	• Work focus on repairs & maintenance, compliance, voids and major works	Control In Place	
COVID0053	Recovery HOUSING Loss of, or disruption to, income of tenants may reduce income to the HRA.	A drop in income could impact on HRA work programmes	Cllr James Evans Andy Thompson	12	9	• Income Recovery Activity	Control In Place	
COVID0089	Recovery Organisational capacity to manage responses to easing of lockdown, notably enforcement.	Insufficient enforcement staff resources to manage easing of lockdown rules will make enforcement more difficult and could lead to an increase in infection spread	Cllr James Evans Gwilym Davies	12	9	• Monitor Public Protection staff resource. Secure additional staff capacity where appropriate. • Implement alternative service delivery methods, where appropriate.	Action In Progress Action In Progress	19/09/2020 19/09/2020
COVID0058	Response Post Inspection Action Plan (PIAP) for Estyn - Coronavirus may impact on the ability of the service to maintain the level of progress against the PIAP. In particular Recommendation 1 of the PIAP - 'Improve standards in secondary schools and more able learners' as schools are currently closed. Also, Recommendation 4 (the School Transformation/Reorganisation programme) could be affected by the Council's ability to conduct strategy consultations relating to Schools Organisation.	Progress against the PIAP may be affected due to the Covid-19 pandemic. Due to distance learning, secondary schools will not be able to utilise the full range of teaching experiences and assessment strategies. Consultations for Recommendation 4 may not be able to be conducted during the lockdown.	Cllr Phyl Davies Lynette Lovell	12	9	• Control • Ongoing progress / service improvement as specified in the PIAP <i>18/08/2020 The review date has been extended to 5/9/2020</i>	Action In Progress Action In Progress	22/10/2020 18/09/2020
COVID0099	Increased visits to hospital sites and homes in the community by social workers. The plan is to increase the presence of social workers on hospital sites and where appropriate support hospital discharges, attend MDTs and increase visits to those with sensory loss and business critical needs in the community.	Increased risk of exposure to COVID -19	Cllr Myfanwy Alexander Adam Greenow	12	8			

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0021	Response Contract Cessation/ Suspension	Certain contracts will not be delivered in accordance with planned requirements Impact on Service provision due to project delays e.g. Schools	Cllr Aled Davies Vincent Hanly	12	8	• Review contracts - not award new 04/08/2020 no change	Action In Progress	31/08/2020
COVID0082	Recovery As all school buildings have now reopened and pupils are attending school, there is an increased risk of infection for school staff and pupils. From September 2020, with the return of all pupils to school, this may increase the risk of infection.	There may be an increased risk of infection of COVID-19 for staff and pupils, which could result in the closure of a school, a cluster or full lockdown of the county.	Cllr Phyl Davies Lynette Lovell	12	8	• Guidance, Planning and Review 26/08/2020 It was agreed to extend review date to 5/9/2020 after the school summer break • Guidance	Action In Progress Control In Place	05/09/2020
COVID0017	Response Supply Chain Risk Shortages of staff to maintain processing of orders and payments	Failure to be able to provide an adequate service for the residents of Powys. esp Social Care Disruption to other services e.g. Software Support	Cllr Aled Davies Jane Thomas	12	6	• Contact key suppliers and providers & put in place alerts & review the business continuity arrangements for suppliers. 04/08/2020 No change • PPN 20 Supplier Relief considered for at risk suppliers • Alternative Supply explored	Action In Progress Action In Progress Action In Progress	31/08/2020 31/08/2020 31/08/2020
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COVID0026	Response Unable to maintain Creditor Payments	Potential failure of suppliers Supply put on "Stop" Financial Hardship – Foster Carers, Purchase card approval not undertaken	Cllr Aled Davies Anne Phillips	12	6	• Other Actions 04/08/2020 No change • Business Continuity Plan 03/06/2020 no change • Communications internal and external 03/06/2020 no change • scanning being maintained and if reduced being input manually • invoices now being paid within 10 days	Action In Progress Action Completed Action Completed Control In Place Control In Place	31/08/2020

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0090	Recovery Workforce health and wellbeing	Staff are demonstrating signs of fatigue from three months in emergency response mode and may not have the capacity / resilience to undertake recovery concurrently with response.	Cllr Graham Breeze Paul Bradshaw	12	6	• Recovery activity to reduce employee fatigue and promote positive return to office working where appropriate	Action In Progress	19/09/2020
COVID0057	Recovery EXTRA CARE - HOUSING - Lack of demand for extra care resulting from COVID-19 (Coronavirus) pandemic Crosslinked with Social Services+ Adult Social Care	If the worst case scenario for the COVID-19 (Coronavirus) pandemic becomes a reality this could impact upon the demand for extra care in Powys. This could lead to an unused development This risk is cross linked to Extra Care Risks (see HO0022)	Cllr Myfanwy Alexander Rosalyn Murphy	12	6	• Planned work - Autumn/Winter 2020 27/07/2020 No change. Works currently expected to start on site in Dec/Jan2021 • Social Services implemented business continuity plan	Action In Progress Action In Progress	27/10/2020 27/10/2020
COVID0047	Response Waste and Recycling not collected from households.	Cause health and environmental hazards and panic	Cllr Heulwen Hulme Brent Campbell	12	6	• Recruitment of additional staff 28/08/2020 Continuing risk, although service has been maintained to date through re-deployment and other safety measures - in line with government & industry guidelines • Redeployment of staff from other areas of service.	Action In Progress Control In Place	28/09/2020
COVID0010	Response Failure to provide accurate and timely information to inform decision making	Lack of corporate oversight Lack of oversight on vulnerable individuals Impact on public health Reactive at a time of crisis	Cllr Graham Breeze Emma Palmer	12	4	• Prioritise resources to support the intelligence of COVID-19 24/08/2020 No change.	Action In Progress	24/09/2020
COVID0019	Response Exemptions to keep exiting contracts	Costs rise due to no re-procurement	Cllr Aled Davies Vincent Hanly	10	10	• Negotiate with suppliers well before contract end dates to negotiate better rates. Contracts reviewed individually for decision 04/08/2020 Some contracts extended due to service capacity to re tender.	Action In Progress	31/08/2020
COVID0031	Response CATERING Significant Loss of Income from school meals.	With school closures, very limited number of pupils attending hubs and having school meals resulting in a significant loss of income. Staff will continue to support and be paid.	Cllr Phyl Davies Jason Rawbone	10	8	• Reduce spend with suppliers.	Control In Place	

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0040	Response General recruitment across council ceasing/reducing	Unable to conduct face to face interviews. Candidates cant access the digital platform of Skype/Teams. Best candidate not appointed Reputational damage if excluding applicants without Skype/Teams access	Cllr Graham Breeze Paul Bradshaw	10	8	<ul style="list-style-type: none"> Where Skype is available to all candidates, continue, where not, process put on hold 	Action In Progress	08/09/2020
						<p>25/08/2020 <i>The Council continues to be able to recruit staff externally, by for instance using skype and teams for interviews. Additional staff for social care and HTR have been successfully recruited in recent months, along with the recruitment of two Heads of Service and to other senior roles such as a Head Teacher. The Council also successfully recruited a significant number of staff for contact tracing, who will commence as the teams are rolled out in line with demand. The arrangements nationally for undertaking DBS checks were amended to ensure that checks could still be made virtually.</i></p> <ul style="list-style-type: none"> COVID Recruitment process updated 	Control In Place	
COVID0043	Response New Starters not having an appropriate induction process.	Staff are not corporately inducted until ICT access is provided.	Cllr Graham Breeze Paul Bradshaw	10	8	<ul style="list-style-type: none"> Service Managers have a responsibility to conduct an appropriate service induction as reasonably practical Corporate Inductions will be undertaken at a later date when practical to do so 	Control In Place Control In Place	
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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0098	<p>Response</p> <p>Risk of legal challenge from providers on interpretation and implementation of eligibility for access to the Welsh Government Hardship Fund for social care providers.</p> <p>The concern is about the guidance provided on the hardship fund and the recent confusion from receiving slightly different guidance via the ADSS Cymru. PCC has worked closely with care providers to support them and to enable them to access the hardship fund.</p> <p>The original WG guidance set out that the fund could be used to pay for: "...loss of income and double running costs that arise because a care home has experienced a death or deaths as a result of Covid-19". The WG clarification shared a few days later advised that the fund could be used to pay: "...where additional costs, including double commissioning costs, arise because a care home has experienced a death or deaths as a result of Covid-19 thereby creating a vacancy or void. Therefore funding could be used in this instance to cover that void, or to commission a placement elsewhere were it was not possible to do so with that home." We have worked accordingly.</p> <p>The new guidance by the ADSS suggests that the hardship fund can pay for voids in care homes that were not created by COVID-19: "Taking account of your local decision making and discretion in relation to claims, we will remove the bullet on p7 of the guidance which details that the Hardship Fund does not cover "lost income other than where it relates directly from a COVID-19 death". Further clarification</p>	<p>This could damage relations with the provider market and could leave the Council, and possibly the Welsh Government, open to challenge and/or legal proceedings, as some providers in Wales will have received preferential options.</p>	<p>Owner</p> <p>Cllr Myfanwy Alexander Dylan Owen</p>	9	9	<p>Control or Action</p> <ul style="list-style-type: none"> Further clarification sought from Welsh Government 	Action In Progress	03/09/2020
						<p>03/08/2020 Clarification received and utilised. No further communication received. If no further challenge is received by the date of the next review the risk rating may be lowered.</p>		

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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
Tudalen 88	<p>sought has not helped understanding.</p> <p>We have already received a further claim from a provider who advise that they have seen the further guidance and wish to claim for a significantly more money. To change the interpretation of the guidance in any way at this point would require that we prepare a new pro-forma for providers to complete and submit; make contact with all service providers in order to request their consideration, amended calculation and submission for the past 4 months; to receive, scrutinise and pay them; and to submit our claim in 3 working days.</p> <p>The chosen option (following a discussion with WG Civil Servants) is to refuse the application received and to not offer the opportunity to other providers.</p>							
	<p>COV00070</p> <p>Response</p> <p>HOUSING _ COMPLIANCE</p> <p>This requires access into our tenant's homes to carry out inspections and servicing. Some tenants are in self isolation and do want engineers and tradesmen coming into their homes.</p>	<p>The risk is not being able to access the properties to carry out the remedial works or servicing as tenants or families are self-isolating. The risk of not being compliant with statutory testing against the risk of the spread of COVID 19 needs to be considered on a case by case basis. The elderly and vulnerable are most at risk as they are isolating for 12 weeks minimum.</p> <p>Dwellings out of statutory compliance due to access being refused and the lack of available contractors/engineers. Potential increased risk from out of date checks.</p>	<p>Cllr James Evans Mark Davies</p>	9	9	<ul style="list-style-type: none"> Monitoring Contractors Tenant engagement 	<p>Action In Progress</p> <p>08/04/2020 . as above</p> <p>Action In Progress</p> <p>08/04/2020 .</p>	

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0050	Response HOUSING: Lockdown restrictions (commencing 24.03.20) may lead to an increase in domestic violence and anti-social behaviour with a potential for civil unrest. (This may also increase demand for temporary accommodation) Crosslinked with Social Services+ Adult Social Care (Please refer to COVID0049 for matters relating to homelessness).	Increased demand and need for temporary accommodation and support services (including Adult Social Care and Children's Services). Increased demand and need for social rented homes both immediately and in the future. Potential for civil unrest/community tensions. Increase in mental health issues. Increase in domestic violence. Reduction in safeguarding reporting.	Cllr James Evans Andy Thompson	9	9	<ul style="list-style-type: none"> Monitor and control situation Work with C-SERT to support the community 	Control In Place Control In Place	
COVID0085	Recovery The continued compliance with social distancing as lockdown is gradually eased or is re-introduced, if necessary	If social distancing measures are not complied with by the population the virus may spread more quickly. The R rate rise will lead to more infections and possibly deaths	Cllr James Evans Gwilym Davies	9	9	<ul style="list-style-type: none"> Appropriate enforcement of breaches of restrictions. On going monitoring of compliance 	Action In Progress Control In Place	19/09/2020
COVID0059	Response Reduced reputation for the council if communications with stakeholders is poor	Reputation damage Inaccurate information being shared within the community Stakeholders loss of confidence in the council	Cllr Graham Breeze Emma Palmer	9	6	<ul style="list-style-type: none"> Service areas to work with corporate communications team to ensure clear messages. <i>30/06/2020 Continued</i> Communication manager sits on Gold and Silver Command <i>30/06/2020 Confirmed</i> Service areas to work with corporate communications team to ensure clear messages. 	Action In Progress Action In Progress Withdrawn	30/09/2020 30/09/2020
COVID0027	Response Unable to Maintain Imprest Accounts	Vulnerable priority areas unable to make payments eg Social Care Clients	Cllr Aled Davies Anne Phillips	9	6	<ul style="list-style-type: none"> not all services will carry on as before post covid Weekly printing and signing of cheques at County Hall Corporate Purchase Cards to make payments scanned and emailed evidence – being explored. <i>31/05/2020 No change</i> exploring food vouchers and use of Pay Point 	Action In Progress Action In Progress Action Completed Action Completed	21/10/2020 31/08/2020

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0091	Recovery Ability to maintain remote working and social distancing in Council buildings for staff and visitors	If staff return to office based working and social distancing measures are not adhered to then this could lead to an increase in the spread of infection.	<i>Cllr Phyl Davies</i> Gwilym Davies	9	6	• Develop a plan for the safe return staff and visitors to council properties.	Action In Progress	19/09/2020
COVID0074	Response WCCIS availability impacting services areas ability to carry out work during Covid 19 Pandemic	Service Areas unable to carry out essential work during out of hours and weekends. WCCIS availability is required 7 days a week at the moment.	<i>Cllr Graham Breeze</i> Diane Reynolds	9	6	• Performance issues raised to Welsh Government through SBAR 27/08/2020 <i>No Change, Issues still being raised with supplier</i> • Response to unplanned outages 02/06/2020 <i>No further feedback from Service area in regards to additional Out of hours support required</i> • Steer change management	Action In Progress Action Completed Control In Place	27/09/2020
COVID0060	Response Reduced reputation for the council if pandemic is not managed well	Reputation damage Stakeholders loss of confidence in the council	<i>Cllr Graham Breeze</i> Ness Young	9	4	• Business Continuity Plans invoked in response to pandemic 21/07/2020 <i>Business continuity plan in place</i> • The Council established strategic Gold and operational Silver coordination groups to manage pandemic response. 21/07/2020 <i>Gold and Silver Command groups still operational</i> • Leader is doing weekly letter to Members, and frequent meetings are taking place with MP's / AM's 25/08/2020 <i>Maintained but frequency reduced to monthly</i>	Action In Progress Action In Progress Action In Progress	21/10/2020 21/10/2020 25/09/2020
COVID0030	Response Closing of Accounts and Statutory publication of Statement of Accounts and Whole of Government Accounts Pension Fund Accounts - Failure to complete	unable to meet deadlines and qualified accounts	<i>Cllr Aled Davies</i> Jane Thomas	9	4	• Provision in place to enable formal notification if unable to meet deadlines 04/08/2020 <i>Audit work continuing as planned.</i> • Regular discussions with WAO and WG 04/08/2020 <i>Work ongoing as planned</i> • Business Continuity Plan 24/06/2020 <i>Still on timetable</i>	Action In Progress Action In Progress Control In Place	04/09/2020 31/08/2020

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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0046	Response Public highways become unsafe.	Injury to the public. Need to assess winter gritting requirements	Cllr Heulwen Hulme Brent Campbell	9	4	<ul style="list-style-type: none"> Review resource daily 	Action In Progress	28/09/2020
						<p>28/08/2020 Introduction of Track & Trace system may give rise to potential further impact on resource availability.</p>		
COVID0077	Response There is a risk that not all learners are able to access digital devices and have reliable remote connectivity in the event of a school closure or a local lockdown.	This may have a negative effect on learners' education and wellbeing.	Cllr Phyl Davies Lynette Lovell	9	3	<ul style="list-style-type: none"> Digital Learning - Access to Devices 	Action In Progress	05/11/2020
						<p>05/08/2020 The devices have been collected in and will be redistributed should the need arise in the new academic year</p>		
COVID0052	Recovery HOUSING Failure to progress major works, including construction of new homes, may lead to financial losses to contractors and to the Council.	Increased repair costs in the future. Dissatisfaction from tenants and people registered with 'Homes in Powys'. Rise in disrepair claims. Damage to fabric of properties. Insufficient provision of new homes to meet rising demand for social and affordable housing, increasing risk of rising levels of homelessness and social consequences arising from people living in poor quality and insecure accommodation.	Cllr James Evans Andy Thompson	8	8	<ul style="list-style-type: none"> Local Authority New Build 	Action In Progress	23/10/2020
						<p>20/07/2020 20.07.20: Eight new Council homes have been, constructed up to and including roof structure. Contracts have been awarded to build another 68 new homes. Planning approval has been secured for a further 18 homes and contracts are now out to tender.</p> <ul style="list-style-type: none"> Capital and Project Works Materials Finance 	Control In Place	
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COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0008	Response LEISURE/SPORT As a result of the COVID-19 outbreak, residents and communities become sedentary, participation and activity levels decrease, people's health & well-being deteriorates (physical, mental, social & emotional). Sport & Active Development Team unable to deliver face to face activities, programmes, events, advice (including funding) and schemes	(i) Individuals, groups, pupils, communities, targeted provision, schools, clubs and athletes will experience a reduction / loss of service, physical activity and learning opportunities. (ii) Unless people are motivated, encouraged and engaged the levels of physical activity throughout the County will reduce. (iii) A reduction in physical activity may have a long-term impact on mental health. (iv) Social isolation will have a profound impact on communication, engagement and social interaction for many people. (v) Funding applications will be delayed causing recipients unable to re-start or initiate schemes, projects and activities when delivery returns to normal (vi) if people are inactive they may become sedentary long-term which would have a negative impact on the health and well-being of individuals, communities and groups.	Cllr Rachel Powell Jenny Ashton	8	6	<ul style="list-style-type: none"> Virtual & remote resources to be made available 	Action In Progress	03/09/2020
Tudalen 92						<p>03/08/2020 <i>The 'recovery' of the service post-COVID is still in planning stages. Further conversations with schools and Sport Wales will be needed during the next month in order to prioritise engagement and delivery methods. However, if the schools do not return in September due to further COVID restrictions, the delivery programme will be reviewed and amended. Other schemes that can be delivered remotely will then take priority.</i></p> <ul style="list-style-type: none"> Sport Wales funding for 2020-21 can be utilised flexibly during Covid-19 Sport Development Team deployed to support Childcare Hubs 	Control In Place	

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0080	Response/Recovery Inability to provide an effective and efficient Contact Tracing service by PCC / PTHB to prevent the spread of Covid 19	1.Failure of Powys CC and Powys THB in partnership to deliver on the production of a fully functioning and suitable contact tracing system. Unable to fulfil obligations 2.Failure to control the spread of COVID-19 in Powys resulting in need for further lockdown, knock on effect on economy, mental health, council resource etc.. 3.No funding made available from WG to support the delivery. 4. Impact on services if large number of staff have to self isolate due to the spread of Covid 19	Cllr James Evans Nigel Brinn	6	6	<ul style="list-style-type: none"> Need to prioritise the resources to support this project. Rapid recruitment and training required. <i>11/08/2020 As previous review</i> At a strategic level need to ensure adequate systems are in place to agree actions between PTHB and PCC. <i>11/08/2020 This agreement will be reviewed every 3 months by SOG</i> Agree TOR actions and processes with PTHB and monitor and review the service provided. <i>11/08/2020 An agreement is now in place between PTHB and PCC which will be reviewed every 3 months by SOG</i> Lobby Welsh Gov for Funding <i>11/08/2020 WGOV have confirmed in writing that they will meet all costs of TTP in Powys as there may be addition funding required to the £1.4m</i> Implement an effective contact tracing service to assist preventing the spread of Covid 19 <i>11/08/2020 An efficient and effective contact tracing service is in place in Powys with 100% of cases successfully traced</i> 	Action In Progress	11/09/2020
COVID0024	Response Potential Insolvency of participating Pension Fund Employers	Where Powys County Council acts as the "Guarantor" via risk sharing then the liabilities fall back onto the Powys part of the Fund. Where there is no risk sharing, then the liabilities will fall onto the rest of the participating employers within the Fund, but Powys are 91% of the Fund, so it will fall mainly onto Powys, with the remaining 9% spread over the other 22 Employers.	Cllr Aled Davies Chris Hurst	6	6	<ul style="list-style-type: none"> Risk Sharing Agreements and Bonds in place with the majority of Employers. 	Control In Place	
COVID0088	Recovery Protracted civil restrictions (lockdown and social distancing measures)	Protracted restrictions could lead to an increased risk of community tensions and public disorder	Cllr James Evans Gwilym Davies	6	6	<ul style="list-style-type: none"> Regular monitoring of the situation by Community Safety team. 	Action In Progress	19/09/2020

COVID-19			Portfolio	Inherent	Residual	Controls and Actions		
Risk Ref	Risk Identified	Potential Consequence	Owner			Control or Action	Status	Review Date
COVID0042	Response First Aid Training Provision - ability and safety of front line staff to keep themselves and others safe following a first aid incident.	Ability to work safely and treat an incident or accident is diminished.	Cllr Graham Breeze Paul Bradshaw	6	6	• Alternative Renewal pathways in development - Elearning and bespoke in house course	Control In Place	
COVID0087	Recovery Effective communications and messaging, particularly managing any differences and divergence of approach between England and Wales.	Lack of clear communications or failure to reach the population with messages will lead to confusion about the different rules in place in England and Wales, especially on the borders	Cllr Graham Breeze Emma Palmer	6	4	• Daily Media Briefings 25/08/2020 three bulletins issued currently review September • Dedicated Covid-19 Public and internal Webpages 25/08/2020 complete and regularly updated	Action In Progress	25/09/2020
COVID0020	Response Logistics problems	Food deliveries to homes & schools (if still open) Increased expense/security of supply	Cllr Aled Davies Vincent Hanly	6	4	• Source food locally 04/08/2020 no issues currently. With Schools reopening in September, supply chains need to be reviewed in line with service planning	Action In Progress	31/08/2020

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CYNGOR SIR POWYS COUNTY COUNCIL

AUDIT COMMITTEE
4th September 2020

CABINET
15th September 2020

REPORT BY: Cllr. Aled Davies
Portfolio Holder for Finance
SUBJECT: Treasury Management Review 2019/20

REPORT FOR: Approval

1. Introduction:

- 1.1 The Council's Treasury Management Policy, as per the CIPFA Code of Practice, requires an annual report on Treasury Management activity to be approved by Cabinet by 30th September each year.
- 1.2 Treasury Management in this context is defined as:
"The management of the authority's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

2. The Council's Overall Borrowing Need:

- 2.1 The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the current year's unfinanced capital expenditure and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Reducing the CFR – the Council's underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP) to reduce the CFR. This is effectively a repayment of the borrowing need. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- the application of additional capital financing resources, (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a

Voluntary Revenue Provision (VRP).

- 2.2 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This can be sourced through external borrowing or utilising temporary cash resources within the Council.

3. Strategy for 2019/20:

- 3.1 At the start of 2019/20 the Authority had an estimated Capital Financing Requirement of £401.6m, projected to rise by £89.3m during the course of the following five years to £490.9m. The Authority's external borrowing at 1st April 2019 stood at £299.2m. In relation to the CFR figure of £401.6m, this equated to the Authority being under borrowed by £102.4m.
- 3.2 During 2019-20, the Council maintained an under-borrowed position. This meant that the capital borrowing need (CFR) was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were low.

However, based on this position, a potential cost of carry remained during the year in respect of any new long-term borrowing that was not going to be immediately used to finance capital expenditure. This is because any new borrowing would cause a temporary increase in cash balances and would have incurred a revenue cost of the difference between (higher) borrowing costs and (lower) investment returns.

The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

- 3.3 Investment returns remained low during 2019/20. The expectation for interest rates within the treasury management strategy for 2019/20 was that Bank Rate would stay at 0.75% as it was not expected that the Monetary Policy Committee (MPC) would be able to deliver on an increase until the Brexit issue was finally settled. However, there was an expectation that Bank Rate would rise after that issue was settled but that it would only rise to 1.00% during 2020. This situation changed when the coronavirus outbreak hit the UK in February/March with Bank Rate decreasing to 0.25% and then 0.10% a week later. Investment returns on deposit accounts fell alongside Bank Rate to the extent that no interest was being paid on these accounts.
- 3.4 The Capital Programme for 2019/20 incorporated £42.3m of prudential borrowing at the start of year so there was the possibility the Authority would need to externally borrow during the year. The agreed strategy for this at the start of the year, based on interest rate forecasts and discussions with Link (the Authority's advisors), was to set a benchmark of 1.9% for 5 year borrowing, 2.3% for 10 year borrowing, 2.7%

for 25 year borrowing and 2.5% for 50 year borrowing. These rates were reviewed at various times during the year as the market changed.

Further to this, HM Treasury imposed two changes in the margins over gilt yields for PWLB rates in 2019-20 without any prior warning; the first, on 9th October 2019, added an additional 1% margin over gilts to all PWLB rates. That increase was then partially reversed for some forms of borrowing on 11 March 2020, at the same time as the Government announced in the Budget a programme of increased spending on infrastructure expenditure. It also announced that there would be a consultation with local authorities on possibly further amending these margins. It is clear that the Treasury intends to put a stop to local authorities borrowing money from the PWLB to purchase commercial property if the aim is solely to generate an income stream.

- 3.5 In light of the continuing stress on the world banking system, enhanced priority was given to the security and liquidity of investments.

The strategy for investments therefore was:

- a) to ensure the security of the Authority's funds
- b) to ensure the Authority had sufficient liquidity to meet its cashflow requirements
- c) to achieve the optimum yield after ensuring a) and b) above.

4. Treasury Position:

- 4.1 The major issue for Treasury Management in 2019/20, alongside reducing cash balances, was the continuing challenging environment of previous years i.e. low investment returns and continuing counterparty risk which meant giving heightened preference to security and liquidity of investments. This resulted in the investment portfolio being in short-term investment instruments with lower rates of return but higher security and liquidity.
- 4.2 In order to balance the impact of the loss in investment income the Authority was mindful of the possibility of making premature repayments of debt if circumstances were conducive to this.

Net borrowing increased by £18.532M in the year. This increase arose as follows:

	£000s
Increase in PWLB debt	18,977
Increase in Market debt	10,000
Increase in Investments	(10,445)
	18,532

4.3 The table below summarises the borrowing and investment transactions during the year:

	Balance 01-04-19	Borrowing	Investments	Repayments	Balance 31-03-20
	£000's	£000's	£000's	£000's	£000's
PWLB *	229,238	20,000	N/A	(1,023)	248,215
LOBOs *	25,000	Nil	N/A	Nil	25,000
Market Loans	45,000	10,000	N/A	Nil	55,000
Temporary Borrowing	Nil	2,665	N/A	(2,665)	Nil
Total	299,238	32,665	N/A	(3,688)	328,215
Temporary Investments (other LA's/Deposit accts)	(8,960)	N/A	(313,510)	303,065	(19,405)
Long Term Investments	Nil	N/A	Nil	Nil	Nil
Net Borrowing	290,278	32,665	(313,510)	299,377	308,810

Note: * Public Works Loan Board / Lender's Option Borrower's Option

4.4 A summary of the economy for 2019/20 is at Appendix A.

5. Debt Rescheduling/Repayment:

5.1 No rescheduling was carried out during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

6. Performance Measurement:

6.1 Whilst investment performance criteria have been well developed and universally accepted, debt performance indicators continue to be a more problematic area with the traditional average portfolio rate of interest acting as the main guide. In this context, the overall average rate of interest on all debt in 2019/20 was 3.39%.

	31.03.20 £000's	Average rate for year	31.03.19 £000's	Average rate for year
Total debt	328,215	3.39%	299,238	4.02%

6.2 The Treasury Management Policy stipulates that the Average Rate on External Investments should be compared with the 3-month un compounded LIBID rate. This is in preference to the 7-day un compounded LIBID rate and is in line with Link's advice. It reflects a more realistic neutral investment position for core investments with a medium-term horizon and a rate which is more stable with less fluctuations

caused by market liquidity. Historically, the 3-month rate has been slightly higher than the 7-day rate and is, therefore, more challenging for the cash manager.

Average investments held during 2019/20 £000's	Average rate achieved	3 month LIBID	Average investments held during 2017/18 £000's	Average rate achieved	3 month LIBID
22,350	0.58%	0.63%	13,355	0.31%	0.67%

In 2019/20 the average rate on external investments achieved was an under performance of 0.58% compared with the 3 month un compounded LIBID rate of 0.63%. This was expected, due to the reduced and short-term nature of the Council's cash balances available for investment.

7. Summary Statement of Accounts

- 7.1 The Treasury Management Policy Statement stipulates that a summary Statement of Accounts for Treasury Management be produced at the year end and reported as part of the annual review (see Appendix B).

8. Prudential/Treasury Indicators

- 8.1 During the year the Authority operated within the treasury limits as approved by Council.

9. Member Training

- 9.1 The CIPFA Code of Practice states that members charged with governance (all members as the annual strategy requires approval by Full Council) have a personal responsibility to ensure that they have the appropriate skills and training for their role. As such, the Authority provided two members' briefing sessions for treasury management in 2019/20.

10. Treasury Management Policy Statement

- 10.1 Any major changes to the Treasury Management Policy Statement are reported to Cabinet whilst any minor changes are circulated to members via the members' portal.

Advice

N/A

Resource Implications

N/A

Legal implications

N/A

Comment from local member(s)

N/A

Integrated Impact Assessment

N/A

Recommendation

It is recommended that the Treasury Management Review Report is approved.

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Corporate Director: Ness Young

Appendix A:

UK:

The main issue in 2019 was the repeated battles in the House of Commons to agree on one way forward for the UK over the issue of Brexit. This resulted in the resignation of Theresa May as the leader of the Conservative minority Government and the election of Boris Johnson as the new leader, on a platform of taking the UK out of the EU on 31 October 2019. The House of Commons duly frustrated that renewed effort and so a general election in December settled the matter once and for all by a decisive victory for the Conservative Party: that then enabled the UK to leave the EU on 31 January 2020. However, this still leaves much uncertainty as to whether there will be a reasonable trade deal achieved by the target deadline of the end of 2020. It is also unclear as to whether the coronavirus outbreak may yet impact on this deadline; however, the second and third rounds of negotiations have already had to be cancelled due to the virus.

Economic growth in 2019 was very volatile with quarter 1 unexpectedly strong at 0.5%, quarter 2 dire at -0.2%, quarter 3 bouncing back up to +0.5% and quarter 4 flat at 0.0%, +1.1% y/y. 2020 started with optimistic business surveys pointing to an upswing in growth, after the ending of political uncertainty as a result of the decisive result of the general election in December settled the Brexit issue. However, the three monthly GDP statistics in January were disappointing, being stuck at 0.0% growth. Since then, the whole world has changed as a result of the coronavirus outbreak. It now looks likely that the closedown of whole sections of the economy will result in a fall in GDP of at least 15% in quarter two. What is uncertain, however, is the extent of the damage that will be done to businesses by the end of the lock down period, when the end of the lock down will occur, whether there could be a second wave of the outbreak, how soon a vaccine will be created and then how quickly it can be administered to the population. This leaves huge uncertainties as to how quickly the economy will recover.

After the Monetary Policy Committee raised Bank Rate from 0.5% to 0.75% in August 2018, Brexit uncertainty caused the MPC to sit on its hands and to do nothing until March 2020; at this point it was abundantly clear that the coronavirus outbreak posed a huge threat to the economy of the UK. Two emergency cuts in Bank Rate from 0.75% occurred in March, first to 0.25% and then to 0.10%. These cuts were accompanied by an increase of £200bn in quantitative easing (QE), essentially the purchases of gilts (mainly) by the Bank of England. The Government and the Bank were also very concerned to stop people losing their jobs during this lock down period. Accordingly, the Government introduced various schemes to subsidise both employed and self-employed jobs for three months while the country is locked down. It also put in place a raft of other measures to help businesses access loans from their banks, (with the Government providing guarantees to the banks against losses), to tide them over the lock down period when some firms may have little or no income. However, at the time of writing, this leaves open a question as to whether some firms will be solvent, even if they take out such loans, and some may also choose to close as there is, and will be, insufficient demand for their services. At the time of writing, this is a rapidly evolving situation so there may be further measures to come from the Bank and the Government. The measures to support jobs and businesses already taken by the Government will result in a huge increase in the annual budget deficit in 2020/21 from 2%, to nearly 11%. The ratio of debt to GDP is also likely to increase from 80% to around 105%. In the Budget in March, the Government also announced a large increase in spending on infrastructure; this will also help the economy to recover once the

lock down is ended.

Inflation has posed little concern for the MPC during the last year, being mainly between 1.5 – 2.0%. It is also not going to be an issue for the near future as the world economy will be heading into a recession which has already caused a glut in the supply of oil which has fallen sharply in price. Other prices will also be under downward pressure while wage inflation has also been on a downward path over the last half year and is likely to continue that trend in the current environment. While inflation could even turn negative in the Eurozone, this is currently not likely in the UK.

Employment had been growing healthily through the last year but it has obviously taken a big hit as a result of the coronavirus situation and lockdown. The good news over the last year is that wage inflation has been significantly higher than CPI inflation which means that consumer real spending power had been increasing and so will have provided support to GDP growth. However, while people have not been able to leave their homes to do non-food shopping, retail sales have taken a big hit.

Appendix B:

Statement of Accounts
Treasury Management

		2019/20	2019/20	2018/19
		Actual	Budget	Actual
		£	£	£
Employees		174,123	165,000	175,513
Transport	*1	2,742,214	1,250,450	2,140,679
Supplies & Services	*2	249,464	200,000	201,750
Interest Paid		11,337,593	14,845,370	10,711,281
Debt Management Expenses		43,005	6,000	23,710
Gross Expenditure		14,546,399	16,466,820	13,226,081
Interest Received		129,141	0	51,310
Gross Income		129,141	0	51,310
Net Expenditure		14,417,258	16,466,820	13,174,771

Note 1: Transport relates to the cost of leasing/hire across the Authority and is included in the Treasury Management Statement of Accounts as leasing is classed as a Treasury Management activity.

Note 2: Supplies & Services: includes £169k dr/cr card charges, £38k bank charges

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

CYNGOR SIR POWYS COUNTY COUNCIL.

PORTFOLIO HOLDER DELEGATED DECISION

by

COUNTY COUNCILLOR ALED DAVIES
PORTFOLIO HOLDER FOR FINANCE

10th July 2020

REPORT AUTHOR: Ann Owen
Treasury Manager

REPORT TITLE: Treasury Management Qtr 1 Report

REPORT FOR: Information

1. Purpose

- 1.1 CIPFA's 2009 Treasury Management Bulletin suggested:
"In order to enshrine best practice it is suggested that authorities report formally on treasury management activities at least twice a year and preferably quarterly."

The CIPFA Code of Practice on Treasury Management emphasises a number of key areas including the following:-

- xi. Treasury management performance and policy setting should be subject to scrutiny prior to implementation.

- 1.2 In line with the above, this report is providing information on the activities for the quarter ending 30th June 2020.

2. Economic Background and Forecasts

- 2.1 The economic background is attached at Appendix B.
- 2.2 The most recent forecast of interest rates by the Authority's advisor is as follows:

	Sep 20	Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22
Bank rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
5yr PWLB	1.90%	1.90%	2.00%	2.00%	2.00%	2.10%	2.10%
10yr PWLB	2.10%	2.10%	2.20%	2.20%	2.20%	2.30%	2.30%
25yr PWLB	2.50%	2.50%	2.60%	2.60%	2.60%	2.70%	2.70%
50yr PWLB	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%

3. Treasury Management Strategy

3.1 The Treasury Management Strategy approved by Full Council on 7th March 2019 is at Appendix A.

3.2 The Authority's investment priorities within the Strategy are: -

- (a) the security of capital and
- (b) the liquidity of its investments.

3.3 The Authority aims to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The risk appetite has been low in order to give priority to security of investments.

4. Current Investments

4.1 The current investment market is difficult as rates are very low and in line with the 0.10% Bank Rate.

4.2 The Authority had the following investments at 30th June 2020:-

Invested with:	Principal £000's	Interest Rate	Start Date	Maturity Date
Kirklees Council	5,000	0.06%	19.06.20	03.07.20
Dorset Police	1,500	0.08%	25.06.20	03.07.20
Dorset Police	2,500	0.08%	29.06.20	03.07.20
Total	19,405			

The Authority's deposit accounts are not paying interest since bank rate was reduced to 0.10%. Lending to other local authorities for short periods of time was halted during April/May while further assessment of the receipt of income to the Authority and the Authority's future cashflow position was reviewed. This type of lending was re-instated in June. Fixed term deposits with BOS are currently being enabled in lieu of the deposit account paying nil interest.

4.3 Higher return rates have been difficult to achieve as the Authority is not in a position to invest its cash for more than a short period of time. However, lending rates across all periods are particularly low in the current climate.

4.4 Investment returns in future years:
Our advisors' are not currently suggesting earning rates for investments for budgeting purposes. Previous suggested rates were per below:-

2019/20	0.75%
2020/21	0.75%
2021/22	1.00%

These were based on investments for up to three months duration.

5. **Credit Rating Changes**

- 5.1 There have been no credit rating changes relevant to this Authority's position during the last quarter.
- 5.2 The credit rating list for end of June is attached as a separate file to this report.

6. **Borrowing / Re-scheduling**

- 6.1 Effective management of the Authority's debt is essential to ensure that the impact of interest payable is minimised against our revenue accounts whilst maintaining prudent borrowing policies.
- 6.2 The Authority's Capital Position:

The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the current year's unfinanced capital expenditure and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through external borrowing or utilising temporary cash resources within the Council.

Net external borrowing (borrowings less investments) should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for the current year and next two financial years. This allows some flexibility for limited early borrowing for future years.

Original CFR Position (per original approved budget):

	As at 31.03.20 Actual	2020/21 Original Estimate	2021/22 Original Estimate	2022/23 Original Estimate
	£M	£M	£M	£M
Capital Financing Requirement	378,461	447,468	497,194	517,289

Updated CFR position as at 30.06.20:

	As at 31.03.20 Actual	2020/2021 Current Estimate	2021/22 Current Estimate	2022/23 Current Estimate
	£M	£M	£M	£M
Capital Financing Requirement	378,461	443,373	495,164	524,420

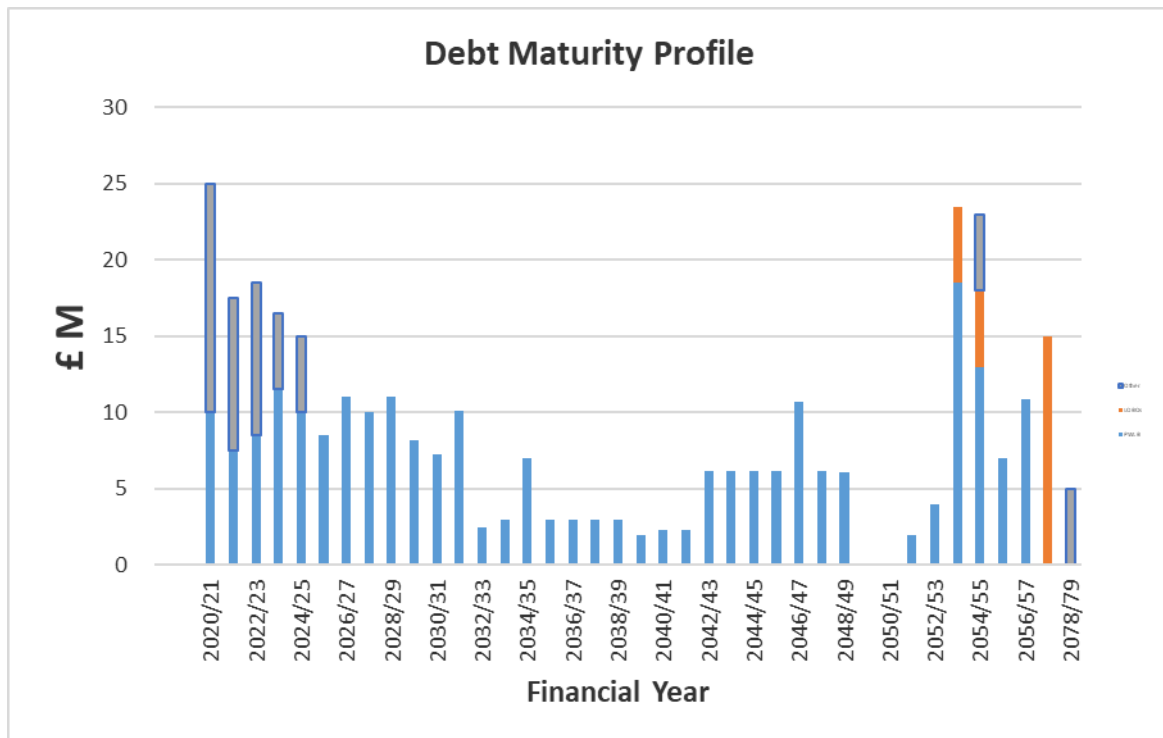
- 6.3 The Authority had outstanding long-term external debt of £328.2m at 31st March 2020. In relation to the CFR figure for 31st March 2020, this equated to the Authority being under borrowed by £50.3m. Using cash reserves as opposed to borrowing has been a prudent and cost-effective approach over the last few years. However, members will be aware that internal borrowing is only a temporary situation and officers have advised that, based on capital estimates, it will be necessary for the Authority to borrow at stages over the next few years.
- 6.4 On 9th October 2019 HM Treasury increased the margin that applies to new PWLB loans by 100bps with no prior discussion. This led to increased borrowing rates for local authorities.
- 6.5 Capital Budget/Spend per efinancials:

Capital:	Original Approved Budget £	Working Budget £	Actual Capital Spend (not including commitments) £	%age Actual Spend
	132,872,000			
Qtr 1 end of June		123,678,035	7,908,465	6.40%

The financing of the approved capital budget includes £56.7m of Prudential Borrowing.

It remains a significant challenge to manage the Authority's cashflow and its need to borrow when the Capital working budget increases/decreases significantly during the financial year and, despite this, actual spend continues to be significantly below the working budget. This challenge is currently further magnified by the Covid 19 situation resulting in some Capital projects on hold.

- 6.5 *Debt Maturity Profile as at 30.06.20:*



6.6 PWLB Loans Rescheduling:

The Public Works Loans Board released a circular regarding rates on 20th October 2010. As a result of this, rates immediately increased by 0.87-0.88 basis points across the board. The overall impact of this circular was that it is far more difficult for authorities to reschedule debt. PWLB interest rates in the last quarter have not been conducive towards any rescheduling.

7. Prudential Indicators

7.1 All TM Prudential Indicators were complied with in the quarter ending 30th June 2020.

8. VAT

8.1 The Technical Section of Finance act as the authority's VAT section. VAT can pose a risk to the authority hence the Treasury Manager has been asked to include VAT information in these quarterly reports.

8.2 The monthly VAT returns were submitted within the required deadlines during the quarter ending 30th June 2020.

8.3 Key Performance Indicators:

The VAT KPI's for 2020/21 are attached at Appendix C.

Advice

N/A

Resource Implications

N/A

Legal implications

N/A

Comment from local member(s)

N/A

Integrated Impact Assessment

N/A

Recommendation

It is recommended that this report be accepted.

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Corporate Director: Ness Young

Appendix A:

Approved Treasury Management Strategy 2020/21:

Group/Institutions - Counterparty Criteria/Limits:

Specified Investments:

Institution	Maximum Investment per Group/Institution £M	Maximum Length	Credit Rating/Other Assessment of Risk
UK Banks	30	Up to 364 days	As per Link's matrices
Foreign Banks	5	Up to 364 days	As per Link's matrices
Other Local Authorities	25	Up to 5 years	N/A

Non-Specified Investments:

Institution	Maximum Investment per Group/Institution £M	Maximum Length	Credit Rating/Other Assessment of Risk
UK Banks	10 (£5M limit with any one institution)	Up to 2 years	As per Link's matrices
Foreign Banks	2	Up to 2 years	As per Link's matrices
Money Market Funds (max. of 5)	10	N/A	All are AAA rated
Other Local Authorities	10	Up to 5 years	N/A

Note: Limits for Specified and Non-Specified are combined limits. The maximum limit will also apply to a banking group as a whole.

Appendix B

Economic Background

This economic overview reflects data and surveys released through May but the full extent of the impact of the pandemic has still to be fully reflected. The longer-term effects could be quite significant if the “V” shaped recovery, that markets have been hoping for, turns out to be rather slower. It is quite clear that, in the short-term, there has been a severe global downturn with mass job losses and declines in output, etc. The enormous amounts of central bank and government support has eased some of the strife through this time but is not a cure all and will not prevent some businesses going to the wall or permanent job losses. There will be a slow, fragmented global recovery as the different economies and different sectors emerge from this crisis at different times. This will almost certainly ensure that a “V” shape recovery does not occur.

The worst of lockdown is hopefully now over in the UK with the enforced closure of businesses and social distancing measures being gradually eased. The Office of National Statistics published its “Business Impact of Coronavirus Survey” which reported that the number of firms ceasing trading has slowed from 25% in early April to 18% in the first half of May. The expectation is that GDP will only make moderate progress in repairing the damage done in April while, despite the Government’s worthy efforts, there are still businesses and individuals that did not meet the criteria of its schemes. The furlough scheme will be pared back in August which will then put businesses into a position as to whether to retain staff or release them, with decisions clearly having implications for unemployment. Analysts suggest that recovery will not meet with the current levels of optimism. This could force the Bank of England to loosen policy further, in order to generate demand and push inflation in the direction of the 2% target.

The initial easing of the lockdown on May 13th generated only modest recovery in activity. Data shows that GDP declined by 5.8% m/m in March, even though lockdown was only in place for nine days. Worst hit sectors were those where social distancing was a fundamental problem such as hotels/restaurants, education and transport/leisure. A full month of lockdown in April saw an even larger decline in GDP as some sectors will have generated no activity at all. Around 20% of all firms stopped trading for the month. As an example, only 197 cars were produced in April, a 99.7% y/y decline. April should, though, be the low point for the economy, with lockdown easing now under way and workers being encouraged to return. That optimism is reflected by the improved May composite Purchasing Manufacturers Index, but there is a suggestion that the index has not factored in the full extent of the drop in economic activity.

Consumer spending will be helped by the lifting of restrictions, but it will take time to recover. Retail sales dropped by a record 18.1% m/m in April, pulling sales to 2005 levels. Online sales benefited but clothing and petrol sales were badly hit, both falling by more than 50% m/m, and even food and drink spending suffered, but to a far lesser degree. With hotels/restaurants/car sales falling outside of retail sales, overall consumption contraction will be even sharper over Q2, possibly up to 25%. On the plus side, with nothing to spend on, household debt was reduced

by a record £7.4bn. The mid-May commencement of easing of restrictions does not appear to have resulted in anything other than a patchy improvement, with car sales still massively down. Consumers remain pessimistic about their financial position, indicating that a return to normality remains a way off, even though shops are starting to open. Trade will only recover very gradually, with global economies re-opening at a different pace. The March trade figures underlined the impact of the epidemic, with the trade deficit surging to a one year high of £6.7bn. Export volumes dived by 14.5% m/m, and imports by 8.1%, which exceeded those seen ahead of the initial Brexit deadline. Both exports and imports look to have fallen again in April, while tourism will have been all but non-existent and will barely improve through Q2. The lockdown has undermined demand, which will be the main driver of trade, rather than disruptions to supplies. The UK will only benefit marginally by improved conditions in China as it is not a major trading partner in the way that Europe and the US are. Exports are forecast to drop by around 15% in Q2, but imports will be hit far harder, up to 40% down, as the economy remained largely closed and will only re-open gradually.

The Coronavirus Job Retention Scheme should ensure that the rate of unemployment has not run away during the pandemic. However, there are concerns that once “furlough” starts to wind down, a pickup in job losses could occur. Prior to COVID 19, employment was healthy and rose by 210,000 in Q1, but PAYE numbers crashed by 500,000 in April, indicating that some firms were laying off employees rather than furloughing them. The claimant count unemployment rate increased to 5.8%, but with Universal Credit claims having fallen back, the rate of joblessness might peak at around 9%, which would be lower than had been initially feared. Average earnings growth fell to 2.4% in March but was set to fall further in April.

Consumer price inflation has fallen and will remain subdued as it will likely take demand some time to fully recover. April saw CPI ease to 0.8%, after the largest monthly decline since December 2008. The Governor of the Bank of England is set to be having regular correspondence with the Chancellor on why the rate has fallen outside of the 1% band of tolerance from the 2% target. This is hardly a great concern as much of this is down to lower energy prices caused by the slump in crude oil price and Ofgem’s reduced utility price cap. Fuel prices should not fall too much further as oil prices have stabilised. However, underlying core inflation has also dipped, while output price inflation is in negative territory for the first time in nearly four years. With demand having collapsed, core deflation will deepen, particularly in the hardest hit industries. Analysts do not see CPI inflation getting too close to the 2% target in the next 18 months.

Equity markets have continued to reverse losses and are expected to gradually climb over the coming years. At the end of May, the FTSE 100 had recovered 25% from the March crash. The UK pick up has been broader based than in the US, where large tech companies have been to the fore. There has also been a pickup in the value of Sterling, but this was more reflective of Dollar weakness. The exchange rate against the Euro was little changed but with Brexit talks ongoing that is not such a surprise. Analysts believe that an agreement will be cobbled together to avoid a dramatic relationship change at year end, which should help currency stability.

Monetary Policy:

Nothing has really changed or is likely to in the short term. The coronavirus pandemic and its economic impact has been the sole focus of governments and central banks. Policy has been defined by their need and desire to underpin their economies and financial markets. They have gone an extra mile or more, in adding support of the workforce whose income streams have been wiped out by the lockdown, which would thus have compromised their ability to meet financial commitments. As a result, governments have increased levels of debt to unprecedented levels, which will likely take some time after the pandemic clears to bring down to more manageable levels. Central banks are maintaining stability and viability of their financial markets with massive asset purchasing programmes. These also help to suppress upside rate pressures, having followed interest rate policies that have seen all major central banks slash interest rates to, or almost zero percent.

Policies are unlikely to change before the pandemic has died down and is in retreat, and economic activity and confidence level have started to normalise. Such a combination is unlikely until 2021 at the earliest. The risk to that scenario could be the evident urgency that some governments seem to be putting on re-opening their economies as early as possible. The risk they run is moving too swiftly, resulting in a second wave of infections, something that appears to be a growing concern in China and the US (as this report is being written). Support packages from central banks and governments may prove insufficient to get national and global economies out of the deep recession that is likely to hit most areas. As such, analysts expect more money to be pumped into the system, one way or another, to give recoveries whatever boost is required. The long and short of the current situation is that interest rates are unlikely to rise in the immediate future, but more stimulus seems inevitable.

Appendix C

VAT - Key Performance Indicators:

Creditor Invoices

VAT return for	No of high value Creditor invoices checked	No of Creditor invoices highlighted as requiring "proper" document for VAT recovery	%age of creditor invoices checked requiring "proper" document for VAT recovery
Apr-20	171	3	1.75%
May-20	132	0	0.00%
Jun-20	172	1	0.58%
Jul-20			
Aug-20			
Sep-20			
Oct-20			
Nov-20			
Dec-20			
Jan-21			
Feb-21			
Mar-21			

Income Management Entries

VAT return for	No of entries checked by formula per the ledger account code used	No of entries needing follow up check (but not necessarily incorrect)	%age of entries needing follow up check
Apr-20	648	1	0.15%
May-20	555	6	1.08%
Jun-20	Not yet completed		
Jul-20			
Aug-20			
Sep-20			
Oct-20			
Nov-20			
Dec-20			
Jan-21			
Feb-21			
Mar-21			

Debtor Invoices

VAT return for	No of Debtor invoices checked	No of checked debtor invoices with incorrect VAT code used	%age of debtor invoices with incorrect VAT code
Apr-20	49	6	12.24%
May-20	41	10	0.00%
Jun-20	Not yet completed		
Jul-20			
Aug-20			
Sep-20			
Oct-20			
Nov-20			
Dec-20			
Jan-21			
Feb-21			
Mar-21			

Purchase Cards

VAT return for	No of transactions for which paperwork requested for checking	Resolvable errors discovered	Value of VAT potentially claimable but recharged to budget due to non- response	No of transactions where VAT claimed incorrectly	%age of transactions available to be checked where VAT was claimed incorrectly	Value of VAT incorrectly claimed hence recharged to budget
Apr-20	128	9	£2,314.57	7	5.47%	£418.08
May-20	89	0	0	5	5.62%	£268.05
Jun-20	99	2	£812.00	4	4.04%	£357.51
Jul-20						
Aug-20						
Sep-20						
Oct-20						
Nov-20						
Dec-20						
Jan-21						
Feb-21						
Mar-21						

Chargebacks to service areas

The upload of appropriate documents to the Barclaycard purchase card system to enable vat recovery was made mandatory in September 2017 as a result of the lack of response from service areas/establishments to provide documents when requested. Where no document has been uploaded, any VAT amount input against the transaction is charged to the service area as there is no evidence to support the vat recovery.

Any other VAT errors that come to light as a result of the various checks are also charged to the relevant service areas.

Budget holders are able to see this clearly as chargebacks are coded to account code EX400600 and the activity code used alongside this gives the reason why this chargeback has occurred.

The total amount charged back to service areas in 2020/21 to end of June is £11,838.52. The breakdown of this is as follows:-

Reason	£
Not a tax invoice	5,803.07
Not a tax invoice – no response from service area	0
PCC not the named customer	0
No VAT registration number on invoice	0
No invoice uploaded to Barclaycard system	4,162.47
Invoices uploaded do not match the payment	325.92
No evidence supplied to enable vat recovery	0
Foreign VAT (not recoverable)	28.31
No VAT amount on invoice in first place	874.11
Supplier not vat registered	0
Supply not to PCC	503.42
Overaccounting for VAT	141.22
PCC Internal payment	0
Document spoilt	0
Total	11,838.52

Of the above £9,965.54 was potentially recoverable.

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

Trwy rinwedd paragraff(au) 14 Rhan 1 Atodlen 12A
Deddf Llywodraeth Leol 1972.

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