

**Financial Resilience Action Plan**

Our Ref	WAO Ref	Key Task	Actions necessary to complete the task	Deliverable(s) (What do we want to achieve?)	Who is taking forward	Start date	Completion date	Are there any dependencies?	Notes on actions taken	Progress expressed as BRAG status
01	15.	Last year we highlighted that the Council needed to be clear about how it would resource its identified corporate priorities (set out in the Statement of Intent and One Powys Plan). Also that it should be clear how it would ensure its corporate and strategic financial plans were sufficiently aligned. The Council acknowledged that its financial planning should begin earlier and the initial work for the 2015-16 budget began in May 2014. Budget planning followed an approach which aimed to provide greater clarity on the budget process and timing for Members than previously.	Establish monthly budget planning group	Corporate priorities are resourced effectively to ensure delivery of objectives	David Powell	31/03/2016	Ongoing	n/a	Action complete	
02			Resource / Savings Delivery Plan for Corporate Priorities (set out in Statement of Intent (SOI) and Powys One Plan)		Jason Lewis	01/04/2016	28/06/2016	n/a	Resources / Savings Delivery Plan to be available for the Strategic Overview Board	
03	26.	There are, however, capacity issues within the Finance Department. Major restructuring has taken place in the last few years and the Finance Department has seen an approximate 20 per cent reduction in its staff numbers, which has affected the capacity of the team. Some vacancies remain but the Council has experienced difficulties in recruiting to all but the junior accountant positions.	Action Plan to deliver new Finance Operating Model	Fit for purpose finance department which supports delivery of the Council's priorities	Jane Thomas	07/05/2016	TBC		Currently in development	
04			Strategic Overview Board established		Jeremy Patterson	01/03/2016	Ongoing	n/a	Action complete	
05	31.	Over previous years, the Council has had a variable track record of delivering its overall budget. Its budget was underspent in both 2011-12 and 2012-13. The budget for 2013-14 was overspent by £0.8 million, which the Council met by utilising its reserves.	Resource / Savings Delivery Plan for Corporate Priorities (set out in Statement of Intent (SOI) and Powys One Plan)	Savings proposals are resourced and managed to ensure targets are achieved	Jason Lewis	01/04/2016	28/06/2016		Resources / Savings Delivery Plan to be available for the Strategic Overview Board	
06			Budget Challenge Events							
07			Monthly savings reporting (Efficiencies Tracker)		Jane Thomas	Monthly ongoing	Monthly ongoing	n/a	Action complete	
08	38.	The Council recognises that further work is needed to optimise its income and deliver the Council's policy of full cost recovery as outlined in the Statement of Intent 2014-17. Cabinet recently approved a new Income Management and Service Cost Recovery Policy, and the Council has set a target of generating an additional £1.5 million of income over future years. The Charges Register is in its infancy and initial targets have been set for additional income generation from 2016-17. The Council's project, initially supported by PwC, to look at income generation/charging and cost recovery has raised the profile of income generation as a Council-wide response to the financial challenge. This project has identified a number of opportunities, some of which have been acted upon by the Council. For example, in relation to highways and cemetery service charges. In November 2015, the Council increased its Cemetery Fees by 65 per cent moving them from the lowest quartile in Wales into the highest quartile. The Council recognises that such an increase in fees will only achieve the targeted saving/cost recovery if demand for its services remains at the current levels, and that demand will need continued monitoring.	Income will be incorporated into the budget challenge process and will hold services to account on income commitments in the same way as Third Party Spend reduction and savings	The Council is able to optimise identified income generation and meet the identified targets	Jason Lewis	13/04/2016	Ongoing on a quarterly basis	n/a	Action complete	
09	41.	The Council has actively sought to increase Member involvement in the budget process. It has run a series of budget seminars with Councillors through the year. The seminars were held to explain the updated FRM to members and present the proposed savings drawn up by each service area. The aim was to inform broad proposals for setting the three-year budget, and to receive guidance from members	Resource / Savings Delivery Plan for Corporate Priorities (set out in Statement of Intent (SOI) and Powys One Plan)	Identify projects as an efficiency / improvement / compliance initiative; Savings proposals are resourced and	Jason Lewis	01/04/2016	28/06/2016		Resources / Savings Delivery Plan to be available for the Strategic Overview Board	

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10		on policy direction so that proposals could be turned into agreed action plans. In its progress report to Audit Committee in November 2015, the FSP recognised that the budget setting process in Powys is evolving. Whilst welcoming the earlier and more detailed involvement of Members, the FSP expressed some concerns that there were still too many elements of 'salami' slicing rather than transformational change and that some of the savings proposals may not be deliverable.	Monthly savings reporting (Efficiencies Tracker);	managed to ensure targets are achieved; Corporate Improvement Plan priorities supported by the budget process; A transformational approach to achieving savings.	Jane Thomas	Monthly ongoing	Monthly ongoing	n/a	Action complete	
11	Three year budget planning process (MTFS)		David Powell		25/02/2016	Ongoing	n/a	Action complete		
12	42.	In the current period of austerity, it is vital for the Council to subject its savings proposals to scrutiny and challenge. It must obtain an objective evaluation of their achievability, and of their potential impact on quality of service and the achievement of corporate priorities.	Budget and Scrutiny challenge events of savings proposals	Savings are achievable with minimum impact to service delivery and achievement of corporate priorities	Jason Lewis	01/04/2016	28/06/2016			
13	FSP Work Programme		Wyn Richards		2014/15	Ongoing	n/a	Action complete		
14	Impact Assessments of each savings proposal		Caroline Evans		30/09/2015	Ongoing	n/a	Action complete		
15	44.	In the majority of cases, the Council expects that savings proposals, and their appropriate scrutiny and challenge can be developed internally. However, the Council recognises that in some cases, it will need additional capacity and expertise to help it reduce its operating costs.	Resource / Savings Delivery Plan for Corporate Priorities (set out in Statement of Intent (SOI) and Powys One Plan)	Savings proposals are resourced and managed to ensure targets are achieved	Jane Thomas	01/04/2016	28/06/2016		Resources / Savings Delivery Plan to be available for the Strategic Overview Board	
16	Monthly savings reporting (Efficiencies Tracker);		Jane Thomas		Monthly ongoing	Monthly ongoing	n/a	Action complete		
17	46.	The FSP, at a recent joint meeting with Cabinet (14 December 2015) presented a report with a number of observations and suggestions to further improve the budget setting process for Cabinet to consider. The work undertaken so far, building upon the support from the external specialists, has enabled some positive benefits to be derived although some arrangements are clearly developing and have yet to be fully embedded.	Budget setting report to Cabinet outlining timetable for the 2017/18 budget setting process.	Improved budget setting process and a strengthened approach to financial scrutiny	Jane Thomas	10/05/2016	16/02/2017			
18	47.	In circumstances where timescales are compressed, it is particularly important to ensure that risk is effectively managed and proper accountability arrangements are in place. We recently published a report of our <b>Review of the Letting of a Domiciliary Care Contract to Alpha Care Limited</b> . It expresses our view that in its haste to introduce the new domiciliary care service as quickly as possible, the Council compromised the integrity of its established governance arrangements. In consequence, the Council and users of the domiciliary care service were exposed to unnecessary risk.	Action Plan in response to WAO Review of Domiciliary Care	The Council ensures that weaknesses in its arrangements are not replicated in future commissioning activities.	David Powell	01/06/2015	30/04/2017		Action Plan reported to Audit Committee	
19	48.	To meet the challenge of transforming service delivery with reduced financial resources and increasing demand, the Council has adopted a clearly defined commissioning and procurement strategy. Our report on the letting of the domiciliary care contract recommended that the Council consider whether the issues we have identified have wider relevance for the successful delivery of its commissioning and procurement strategy. It also recommends that the Council undertake a review of its processes for developing and letting major contracts. We emphasise the need to ensure that the governance arrangements for developing, scrutinising and approving contracting exercises are appropriate and are working.	Action Plan in response to WAO Review of Domiciliary Care	The Council ensures that weaknesses in its arrangements are not replicated in future commissioning activities.	David Powell	01/06/2015	30/04/2017		Action Plan reported to Audit Committee	