

Governance and Audit Committee

Meeting Venue

By Zoom

Meeting Date

Friday, 29 September 2023

Meeting Time

10.00 am

For further information please contact

Connor Farmer

Democratic and Scrutiny Support Officer

connor.farmer1@powys.gov.uk



County Hall
Llandrindod Wells
Powys
LD1 5LG

22/09/2023

Mae croeso i chi siarad yn Gymraeg neu yn Saesneg yn y cyfarfod.
Rhowch wybod pa iaith rydych am ei defnyddio erbyn hanner dydd, ddau ddiwrnod
gwaith cyn y cyfarfod.

You are welcome to speak Welsh or English in the meeting.

Please inform us of which language you wish to use by noon, two working days
before the meeting.

AGENDA

1.	APOLOGIES	10.00 AM
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To receive apologies for absence.

2.	DISCLOSURES OF INTEREST	
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To receive any disclosures of interest by Members relating to items to be considered
at the meeting.

3.	MINUTES AND ACTION LOG	
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(i) To authorise the Chair to sign the minutes of the previous meeting held as
follows as a correct record:

- 23-06-2023
- 28-07-2023

(ii) To receive and consider the Action Log.

(Pages 5 - 68)

Audit Wales Items

4.	DRAFT WELLBEING OBJECTIVES EXAMINATION REPORT	10.10 AM
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To receive and note the Audit Wales – Draft Wellbeing Objectives Examination Report.

(Pages 69 - 86)

Corporate Items		
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5.	Q2 FRAUD REPORT	10.20 AM
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To receive a report on fraud from the Head of Finance.

(Pages 87 - 96)

6.	CORPORATE SAFEGUARDING BOARD ACTIVITY UPDATE	10.30 AM
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To receive and consider a report of the Director of Social Services and Housing.

(Pages 97 - 102)

7.	COMMERCIAL UPDATE	10.45 AM
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To receive an update from the Professional Lead - Procurement and Commercial Services and the Head of Finance.

8.	FLEXIBLE WORKING ARRANGEMENTS PRESENTATION	11.05 AM
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To receive and consider a presentation of the Head of Workforce and Organisational Development.

(Pages 103 - 112)

9.	GOVERNANCE AND AUDIT COMMITTEE TOR/CONSTITUTION UPDATE	11.25 AM
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To receive an update regarding the Governance and Audit Committee Terms of Reference (ToR) from the Head of Finance.

SWAP Items		
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10.	SWAP PROGRESS REPORT	11.30 AM
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To receive and consider a report from the Assistant Director (Powys) - SWAP.

(Pages 113 - 128)

Risk Deep Dive

11.	FIN0001 - DELIVER FINANCIALLY SUSTAINABLE BUDGET	11.40 AM
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To receive and consider a Risk Deep Dive presentation from the Deputy-Head of Finance.

N.B. The attached FIN0001 Risk Report is provided for background information to support the Risk Deep Dive item.

(Pages 129 - 134)

12.	WORKING GROUPS	12.10 PM
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(i) To note the following reports from the Governance and Audit Committee Working Groups:

- 16-08-2023 Internal Audit Working Group Report.
- 15-09-2023 HoWPS Working Group Report

(ii) To receive an update from the representative to Finance Panel.

(Pages 135 - 138)

13.	WORK PROGRAMME	
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To consider the forward work programme (attached) and consider whether any additional items should be included.

(Pages 139 - 140)

14.	PCC TECHNOLOGY ASSURANCE FRAMEWORK REVIEW - SENIOR OFFICER RESPONSE	12.25 PM
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To receive the response from the Head of Economy and Digital in relation to the Technology Assurance Framework Review.

15.	Q1 STRATEGIC RISK REPORT	12.45 PM
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To receive and consider the report of the Cabinet Member for Finance and Corporate Transformation.

(Pages 141 - 174)

16.	EXEMPT ITEM	
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To consider passing the following Resolution:

RESOLVED to exclude the public for the following item of business on the grounds that there would be disclosure to them of exempt information under category 3 of The Local Authorities (Access to Information) (Variation) (Wales) Order 2007).

The Monitoring Officer has determined that category 3 of the Access to Information Procedure Rules applies to the following item. His view on the public interest test (having taken account of the provisions of Rule 14.8 of the Council's Access to Information Rules) was that to make this information public would disclose information relating to the financial or business affairs of any particular person (including the authority holding that information).

These factors in his view outweigh the public interest in disclosing this information. Members are asked to consider these factors when determining the public interest test, which they must decide when considering excluding the public from this part of the meeting.

17.	Q1 STRATEGIC RISK CLOSED REPORT	
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To receive and consider a closed report of the Cabinet Member for Finance and Corporate Transformation.

Committee Reflection

Following the close of the meeting, the Committee is asked to take 5 to 10 minutes to reflect on today's meeting.

MINUTES OF A MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE HELD AT HYBRID MEETING - ZOOM - COUNTY HALL ON FRIDAY, 23 JUNE 2023

PRESENT

Lay Member, L Hamilton – Chair

Lay Members:
J Brautigam, G Hall.

Cabinet Portfolio Holders in attendance:
D A Thomas, S C Davies and R Church

County Councillors:
G Breeze, P Lewington, WD Powell, G W Ratcliffe, C Walsh, A Williams

Officers:
Gwilym Davies (Head of PPPP), Helen Dolman (Senior Manager Customer Services and Information Governance), Jo Harris (Senior Strategic Commissioning Manager), Bets Ingram (Strategic Qualities and Risk Officer), Catherine James (Head of Transformation and Democratic Services), Lynette Lovell (Director of Education and Children), Emma Palmer (Director of Corporate Services), Sharon Powell (Head of Children's Services), Wyn Richards (Head of Democratic Services), Jane Thomas (Head of Finance), Andy Thompson (Head of Housing)

In attendance:
Ian Halstead (Assistant Director – SWAP); Phil Pugh, Non Jenkins, Bethan Hopkins (Audit Wales)

1.	ELECTION OF CHAIR
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RESOLVED that Lynne Hamilton be elected Chair for the ensuing year.

2.	ELECTION OF VICE-CHAIR
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RESOLVED that John Brautigam be elected Vice-Chair for the ensuing year.

3.	APOLOGIES
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Apologies for absence were received Nigel Brinn Executive Director Economy and Environment.

4.	DISCLOSURES OF INTEREST
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There were no declarations of interests by Members relating to items to be considered on the agenda.

5.	MINUTES AND ACTION LOG
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The Chair was authorised to sign the minutes of the previous meeting, held on 5 May 2023, as a correct record.

6.	AUDIT WALES REVIEW - POWYS PLANNING SERVICE
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Documents Considered:

- Audit Wales Review – Powys Planning Service

Background:

- Audit Wales provided a background of the Planning Services report to the Committee.
- The report provides recommendations on how to improve on the service, although it was noted that these were not exhaustive.
- The purpose for this review was to note the action plan. Audit Wales explained that they would return in 12 months to review improvements made.
- The Chair noted that there were some challenging points raised in the report, and stressed the point that discussion and debate should remain professional, between members and officers.
- The Head of Property, Planning and Public Protection (PPPP) accepted the recommendations made in the Audit Wales report. He noted that the action plan was a working document, with additional measures to be actioned such as a new IT system, a review of customer feedback, guide for residents and businesses, exit interviews by Human Resources , identifying and defining success. The Agents' Protocol timeline had been extended to ensure it is robust.
- Outstanding planning applications and enforcement matters were reducing. The Planning Team return to the office had a significant positive impact on the Service. This had improved the learning environment for officers, especially officers new to the Service. Communication had also improved both within the Service and with other Services within the Council such as Highways.
- The Head of PPPP noted that returning to the office had allowed officers to discuss planning applications more robustly as communication was easier.
- The Head of PPPP also noted the recruitment of a dedicated Enforcement Planning Officer, who will be supported by the Planning Team to drive forward enforcement action.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
Was there any further support needed by the Planning Service which the Council could provide, including Political/Member support, but also operational support from Service Areas such as Human Resources?	Head of PPPP noted that from a Councillor perspective, to reduce timeframes, a harder approach would need to be taken against planning applications which lack information, this would be implemented at the end of the calendar year following

<p>N.B. This question was further developed by the Chair regarding corporate oversight.</p>	<p>scheduled training. It was noted that Councillors would need to be understanding of this hardened approach to planning applications. To remedy this problem, a protocol is being developed in consultation with Planning Agents, which will not allow multiple amendments to planning applications. Positive outcomes are being sought by following this approach.</p> <p>Support from other Service Areas such as Finance and Highways will be important, and this support is in place. The Head of PPPP reassured the Committee that any further resources required would be sought if necessary. Within the Planning Service, workloads were high, and it would take time to embed the new culture of working to address these high workloads. The return to office working would help kickstart this new culture of working.</p>
<p>Do you think that the Audit Wales recommendations will make a positive impact on the Service?</p>	<p>Head of PPPP agreed with the recommendations and stressed the importance of a dedicated officer to lead on management, which should reduce the pressure and workload on the Professional Lead for Planning.</p> <p>The Head of Finance noted that the Finance Service are also re-evaluating their ways of working, as were other Services within the Council.</p>
<p>Do we check that our pay is competitive enough to attract the best people? Do we also have any statistics for staff who are leaving?</p>	<p>The Planning Service reviews pay scales in collaboration with other PCC colleagues, although it was noted that the Planning Inspectorate for Wales, for example, can offer around £10,000 more for Principal Planning Officers; similarly, this is the case for the Private Sector.</p> <p>The Head of PPPP noted that many of the officers recruited over the Covid pandemic period were living outside of</p>

	<p>the County. High workload issues were raised by one officer who had left the Service.</p>
<p>What percentage of major applications are normally determined within the agreed timeframe? Can you also tell me how this compares with Welsh Government performance targets for major applications. And can you also tell me what percentage of all applications are determined within timeframes agreed with Powys applicants, and how this compares with other Welsh authorities?</p>	<p>Addressing the time taken to decide on major applications is imperative to avoid any economic disadvantage. Last year, the target set by Welsh Government to reach a decision on major applications within the agreed timescale was 60%. The Planning Service achieved 80.8% of applications being determined within the agreed timescale.</p> <p>In relation to all applications determined within the timeframes required, last year's performance was 91.4%, Welsh Government's efficiency target was 80%. For quarter 3 of 2022/23, Powys was the 8th best authority in Wales for performance at 93%. The Head of PPPP felt that these statistics show that the Service was performing well in terms of determination of planning applications within the timeframe, when compared with other Welsh Planning Authorities.</p>
<p>What does success look like? I would like to see that documented within the Action Plan. Please could success be defined in the Action Plan, to be able to share with Audit Wales in 12 months' time?. This could also show whether the Service is on a sustainable trajectory, drawing out value from the improvement.</p>	<p>The Head of PPPP welcomed the comments and will take forward everything stated by the Member.</p>
<p>One of the recommendations is about improving probity between elected Members, Officers and Applicants. Could one of the strands of this be some form of clear mechanism of accreditation/scheme for Planning Officers, especially those who are acting-up in more senior roles.</p>	<p>The Head of PPPP has not enquired into an accreditation scheme, specifically. There are accreditation schemes available for Planning Officers, although the Head of PPPP will need to review this with officers within the Service to see what would meet the Service Area's needs.</p> <p>In relation to planning officer interaction with Agents, during the Covid period there had been a breakdown in relations, and building such relations takes time. It is vitally</p>

	<p>important that the first point of contact relating to the application is the case officer, then raising any points/concerns up to the principal planning officer and finally at appeal if necessary.</p> <p>It was noted that after two Principal Planning Officers left during the Covid period, the Head of PPPP had to step-in on some planning matters which is not a standard practice. Use of the Planning Service website is important as many of the FAQs and planning guides are freely available on the website.</p>
<p>What importance would you accord to stability and commitment at the political level in terms of supporting this process?</p>	<p>It was noted that the Portfolio Holder, Councillor Berriman wanted to see outcome-based results, especially relating to addressing the backlog of planning applications.</p>
<p>Prior to Audit Wales undertaking this audit, was performance better? Were the timelines being hit, and are the findings in this report mainly due to Covid? Did we have recruitment issues prior to that? Did the Covid period impact on isolation of staff?</p>	<p>In relation to Covid, there has been a large impact on the Service due to Covid issues. The time taken to determine applications before the audit was historically low; this had been accepted as long as there were outcomes. One of the main reasons for this was due to the number of major applications received by the Authority and is one of the highest in Wales. These major applications were complex and were usually applications for the erection of chicken sheds. Due to these being significant investments, some extensions of time were granted for applicants to make amendments, which increases the time taken overall to determine the application.</p> <p>Prior to that, there had been five-year housing supply issues, which resulted in a number of major applications. As a result, the Head of PPPP set up a Working Group to look at the time taken to determine major applications, including service culture and staff retention. These issues were highlighted in the Audit Wales Review, so the plans are in place, for example</p>

	<p>on training being provided to Officers.</p>
<p>What are our current vacancies in relation to the Planning Service workforce?</p>	<p>Regarding workforce, there are 25 people in the Development Management Team, 7 people in the Policy Team and a Professional Lead. There were currently three vacancies, one vacancy of which is for the Development Manager Team Leader. One recently recruited Enforcement Officer had resigned. There are low sickness levels and low grievance issues across the Planning workforce.</p> <p>Regarding resources, the Head of PPPP would welcome more resources. The number of major applications such as for poultry units have decreased, so Officers now have availability for enforcement and determining other applications. As a result of fewer applications for poultry units, income had reduced by around £400,000. It was noted that poultry units can cost up to £50,000 per application. Cabinet had supported reducing the income target for the Service Area accordingly.</p>
<p>In relation to Audit Wales, do you flag up concerns during the process, or at the end of the process when giving feedback. For example, if a problem is emerging, this should be addressed at the time rather than waiting which may allow deterioration.</p>	<p>Bethan Hopkins noted in terms of early engagement, where possible, during interviews, evidence will be triangulated which has been picked up during the process. Feedback sessions were also arranged as part of the review process. It was noted that it was not the intention of Audit Wales to give a report with many surprises unknown to the Service before its publication. It should be the case that the Action Plan from the Service was already underway.</p>
<p>Has the Action Plan been accepted by the Portfolio Holder?</p>	<p>Councillor Berriman noted that as soon as the CEO and himself were informed, the Planning Improvement Board had been convened to discuss and drive the necessary improvement. The opportunities for change had been identified and were being actioned. The ambition of the Service was not just about improving the</p>

	<p>performance statistics specifically, as many of the areas were operating favourably when compared to other Authorities. The service had a poor reputation regarding housekeeping, internal and external communication and enforcement action. It was noted that there may also be frustration from Agents due to delays to the planning determination process. The quality and timeliness of determining planning applications was most important, as this is what is mainly perceived by applicants, agents and member of the public.</p> <p>It was noted that there are isolated examples of excellence which needed to become more embedded corporately. Officers from other Service Areas had been very helpful to the Planning Service. Councillor Berriman confirmed that in a year's time, it should be possible to measure success and give stakeholders assurance of progress.</p>
<p>Relating to data integrity, point 27, Audit Wales had concerns around performance data, data integrity and quality assurance, and whether Planning was accurately report information to Welsh Government and the public. It was noted that it was not the first time GAC have seen this comment when compared to the other Service Areas. Could Audit Wales expand on the point relating to concerns around data integrity? Please could the Head of PPPP also expand?</p>	<p>Audit Wales noted that this point refers to when the first draft of the report was sent to bodies for factual clearance, to check if there were any factual errors. Some of the statistics reported from the Planning Service were not fully accurate. It was noted that it is for the Service to ensure they have assurance processes in place.</p> <p>In relation to the data, the Head of PPPP had asked Officers in the Service to explain the errors. The issue had been identified and steps taken to resolve and ensure that the error would not occur in future.</p> <p>Training and guidance notes were now in place specifically relating to reporting on enforcement. The BI team and the IT Service would assist the Planning Service with ensuring robustness of data capture and in terms of the robustness of the IT system.</p>

<p>With regards to the procedures for inputting data, what are the checks involved with data input?</p>	<p>It was noted that liaison with Welsh Government allowed the Service to ensure that the correct information was being submitted. The Lead Planning Technician was required to undertake a review of all the dates which are extreme, i.e., very quick or a very long determination. Welsh Government had highlighted these data issues, however now that the indicators were more established and embedded, these issues should no longer occur.</p>
<p>Could the Strategic Equalities and Risk Officer also comment on any risk considerations?</p>	<p>The Chair recommended that this question be addressed under the Risk Management Policy and agenda item.</p>
<p>Is the process for bringing staff back into the office now complete? Are there any aspects that are impeding the return to office working?</p>	<p>Staff were initially asked to ensure they work from the office on certain days. Now Officers were returning to the office to work within a hybrid approach, to allow some home working where appropriate. The staff were coming into the office more having realised the benefits in terms of team communication, for example.</p> <p>The Head of Finance noted that office working/remote working approaches work differently within each Service Area. For the Finance Service, a hybrid and flexible working model works very well especially as Officers are spread throughout the County. Performance monitoring can still be undertaken by using the routine processes, so the flexible working model does allow people to come into the office when needed.</p>

Observations and Recommendations:

- Definition of Success to be embedded within the Action Plan to address the Audit Wales recommendations.

7.	ANNUAL GOVERNANCE STATEMENT ASSURANCE
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Documents Considered:

- Annual Governance Statement

Background:

- GAC’s role under the constitution is to ‘oversee the production of the annual governance statement, recommend its adoption to the County Council and ensure the appropriate action is taken to address the issues raised.’.
- An update on the draft Annual Governance Statement (AGS) was presented to the Committee by the Head of Transformation and Democratic Services.
- A full presentation of the AGS and associated self-assessment would be provided to the Committee in July.
- It was noted that that the AGS is a draft document, therefore not currently for approval.
- The report shows how the Council is supporting the seven CIPFA principles.
- Recent impacts on governance within the Council include:
 - The 2022 Local Government Elections
 - Interim leadership arrangements
 - Audit Wales review of the Planning Service
 - Audit Wales review of Safeguarding
- Ongoing impacts on governance within the Council:
 - Financial Management Code of Practice
- The AGS will be updated to reflect the more recent impacts on governance.
- The finalised AGS and accounts will be brought to Governance and Audit Committee on 24 November 2023, with the public release of the documentation by the end of November 2023.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
<p>Looking at the criteria for assurance levels, who decides and scores whether it is substantial or reasonable? What detailed work is done to reach that level of assurance? What does substantial, reasonable and partial mean?</p>	<p>It was explained that the process was an iterative one which would take GAC’s views into account in finalising the AGS. Cabinet/EMT would prepare their assessments and the AGS based on evidence. The scores were derived from a wide variety of sources, such as the Complaints report, Audit and Information Compliance report, the self-assessment workbooks completed by Services, Panels with Cabinet/EMT in attendance. The Cabinet and EMT welcomes AGS views at this stage of preparation of the AGS.</p>
<p>By going through each of the seven principles, albeit some of the principles</p>	<p>It was confirmed that this was the task.</p>

<p>are of more interest to the Committee than others, on the basis of what we have seen over the course of the year and looking at the definitions of substantial/reasonable/partial – do I think I have evidence to say to you, on the basis of this Committee’s consideration, it is substantial. Is that what you are looking for?</p>	
<p>In terms of subjectivity and objectivity, I am assuming you will be receiving information from many sources, which will include subjective information which will then be amalgamated alongside the views of the Cabinet/EMT to form an opinion of substantial/reasonable/partial. There is obviously an element of evidence-based subjectivity to that.</p>	<p>It was confirmed that it was hoped that a consensus would emerge through this process.</p>
<p>Regarding the blank BRAG spaces on pages 14-15 of the report, I wonder when these will be complete, as the asset review has been going on for some considerable time.</p> <p>On-track means it will be complete by when?</p>	<p>It was noted that it would be helpful to have GAC comments. In terms of gaps in the report, the outcome-based budgeting item was on-track: green.</p> <p>The Head of Finance noted that the way in which we are approaching Sustainable Powys would require outcome-based assessment.</p> <p>The Director of Corporate Services noted that it would not be possible to set an end-date for some of the objectives within the report. Regarding benchmarking, a template had been developed, however it was recognised that the effectiveness of this is in how such tools are populated, used and taken forward.</p> <p>Similarly, the overarching asset strategy had been developed, although the application and implementation would require a work programme over a number of years, due to the volume of assets. There would be elements of the asset review which would</p>

	<p>require immediate focus, in addition to actions which would be embedded into business-as-usual activities.</p> <p>Officers reminded the Committee that there were a range of views and assessments feeding into the AGS. The finalised AGS would make an assessment in respect of the CIPFA principles, together with the views of the Scrutiny Committees, Cabinet, EMT and GAC.</p>
<p>As the Sustainable Powys exercise may be quite profound, I would ask that the Governance and Audit Committee be updated regularly. Especially regarding the asset report which will move forward over time, but it will be very much in the direction depending on the conclusion of Sustainable Powys.</p>	<p>The Director of Corporate Services suggested that Members read through the full documentation, including the updated report after discussion with Cabinet/EMT, to fully draw upon all aspects including subjective views held by Members.</p>

Actions:

- The Head of Transformation and Democratic Services asked for any formal feedback relating to the Annual Governance Statement to be provided by Friday 30th June 2023.

Observations and Recommendations:

- The Chair noted that this was the first review of the document, as the Head of Transformation and Democratic Services has asked the Committee to focus on the seven CIPFA assurance principles on activity over the past year. For now, the focus was on the seven principles.
- The Director of Corporate Services further noted that it may be helpful to add to the points made by the Head of Transformation and Democratic Services. Assurance levels were set as substantial throughout, except for the final CIPFA principle, which was reasonable as there were some elements yet to be completed.
- Each year the Council must set out what it plans to do within the year, and explain how the Council delivered on those objectives, for example. Although the Committee had experienced issues in receiving reports for this meeting, the Director of Corporate Services asked that this does not distort the overall position and the work completed together between Committee Members and Officers.

- Audit Wales noted that the Committee's role for scrutinising the finalised AGS would be best suited to challenge where Members believe that the ratings/assurance levels are different to what the Member's understanding would be.

Comments made by the Chair

The Chair noted that the Committee has experienced delay and uncertainty over receiving the final agenda and papers for this meeting. It was important to ensure that the agenda is published on-time.

The Chair also highlighted the responsibility of the Governance and Audit Committee to making recommendations to Cabinet on draft policies/reports. Likewise, the Committee is responsible for approving the Annual Audit Plan.

[Roles of the Governance and Audit Committee](#)

County Councillor P Lewington agreed with the Chair's comments and further noted that it was difficult to fully read and appreciate the content of reports when they are submitted late, especially the night before the meeting date.

J Brautigam proposed that even when papers are not available, there needs to be at least a weekend between the agenda being published and the meeting date to allow Committee Members to read the reports properly.

8. RISK MANAGEMENT POLICY AND GUIDANCE

Documents Considered:

- Risk Management Policy and Guidance

Background:

- The Strategic Equalities and Risk Officer noted that the report was being presented at Governance and Audit Committee for consideration prior to Cabinet for decision.
- The document sets out best practice measures to help mitigate risk across the Council. It was noted that the intention is that the guidance will help Officers and Services, but also Members and stakeholders to capture and manage risk within the Council. The process of policy revision and document refresh would be undertaken every 3 years, unless there was a change in legislation affecting risk management, in which case an update would take place to ensure the guidance is robust.
- It was reported that there were no significant changes as whole, although the guidance had been strengthened, to include the risk escalation process and programme/partnership risk management.

Key points of the three phases in the guidance include:

- Section 3-6 provides definitions, outline of the risk management landscape and relevant risk management standards and guidance.

- Section 7-12 contains documentation relating to governance and infrastructure, processes, integration of risk management, risk management culture and continuous improvement.

It was noted that:

- JCAD software can be shared with third parties where relevant.
- Powys County Council must maintain their risk registers with consideration for the risks associated with partnerships and third-party relationships.
- The risk registers must be open to scrutiny and Governance and Audit Committee where they are within the remit of the Committee.
- Executive Management Team may raise a risk to the Strategic Risk Register.
- Risk Management training video is available on the Council website. There were also plans to deliver training available through Trent.
 - Appendix B: Matrix is broken down by organisation activities. Aids Officers/Services and Members with the moderation of risks.
 - Appendix C: Includes a section on Programme and Partnership Risks

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
<p>Have there been any further conversations regarding mandatory training relating to risk?</p>	<p>Conversations have started with Workforce and Organisational Development, to try to strengthen the risk management training with regards to employee induction, and training for new managers. A balance is required as there are other pertinent mandatory training requirements. Advice from Officers was to provide reasoning behind why risk management training should become mandatory. This could entail a formal request to EMT from Governance and Audit Committee.</p> <p>The Head of Finance noted that mandatory training must be limited to training that is relevant to every officer across the Council. Officers who are involved in risk management and policy need to be aware of the risk management policy, so risk is effectively managed accordingly. The</p>

	<p>Head of Finance felt that there was not a need for risk management to be mandatory training, as there are processes in place for officers to access training relating to risk.</p> <p>The Chair accepted that there is adequate risk training in place, although questioned whether this was having a sufficient impact. A recent survey conducted by SWAP had a poor response rate.</p>
<p>How will the policy be 'brought to life' with the assurance that Officers will read the report? I share the concern noted by the Chair of the non-response rate from previous risk-relate surveys.</p>	<p>The Strategic Equalities and Risk Officer is working with the Communications Team to raise awareness around risk within the Authority, to inform staff that the guidance exists and is available. Lessons learned from the fraud risk communication campaign appeared to be effective. Bookable training via Trent on risk management should embed the contents of the risk management policy and guidance using scenarios.</p> <p>Conversations with Officers in Workforce and Organisational Development are underway to ensure staff are aware of the risk management guidance. It is further hoped that continual engagement with the Senior Leadership Team and the support of EMT and professional Officers will allow the guidance to filter through teams for all Officers to become aware.</p> <p>The Strategic Equalities and Risk Officer noted that although the response rate for the SWAP survey was low, there were issues around completion for example some Officers were not aware of the legitimacy of SWAP and disregarded the email.</p> <p>The Director of Corporate Services explained how she felt that discussions around risk for officers is much greater now compared to in recent years. There was a need to understand risk which would then inform risk management. The Director did not agree that SWAP</p>

	<p>survey completion had any correlation to Officers understanding risk.</p>
<p>Should the training on offer be included in the report as an appendix, as it may not be considered that risk training should become mandatory training for all officers in the Authority? Training requirements relating to risk for Officers could be checked as part of the performance review, including risk training for Councillors for example through Member Development sessions.</p>	<p>Training is mentioned in parts of the report, however the Strategic Equalities and Risk Officer would review the report with the Head of Finance to see if the training opportunities can be drawn out and included as an appendix to the report.</p>
<p>Gareth Hall asked whether an issues log exists, as some of the previous risks were now issues? How have they been dealt with? I would want the same rigour around dealing with issues as is the case with risk management as set out in the guidance. Are there any plans for the creation of an issues log?</p>	<p>The CEO (Dr Caroline Turner) had asked for an issues log to be developed and implemented. It was explained that there is functionality within the JCAD software for managing issues. Discussions were undertaken at SLT and EMT, and a report was drafted outlining the support of SLT regarding the recording of issues. As issues were often operational, there were concerns around duplication of work where Officers manage their own operational issues. The issues log recorded in JCAD was therefore used for audit purposes only.</p> <p>The Head of Finance added that it is very difficult to include absolutely everything across an organisation in a report for Committee, which then makes it difficult for the Committee to gain the assurance needed. From the perspective of Committee Members, looking at the policy and processes in place, when a policy is updated, Officers are looking for the guidance of Members on the appropriateness of the guidance, reliance of management team oversight, receiving the feedback and being able to deliver through the risk reporting process.</p> <p>It was noted the authority is currently in a good place in terms of managing identified risks. It was not proposed that an issues log be implemented, because of the diverse nature of the</p>

	<p>organisation. Each Service Area would look at what issues were affecting them daily. Every management team looked at their issues and when necessary, escalated them to be addressed on a corporate level. It was essential to have a balance. If the Committee feels that the policy and process in place, is appropriate, that would be the starting point. The oversight given by the management team should give Members the assurance that the policy is working.</p> <p>The Chair noted that if we see evidence through external and internal audit, that the framework/protocol/policy is not being implemented and acted on sufficiently, that would be the point of the Committee's intervention to seek assurance from management of improvement action.</p>
<p>I look forward to the guidance going to Cabinet and hope that the recommendations are acceptable, the risk management approach should help us achieve our strategic objectives set out in the corporate plan. Section 2.3 and 2.4 is clear as to where we need to be aiming the risk training, and where we can gain the understanding of risk as there is a need to distinguish between a strategic and operational risk. The strategic risk is about the policy and programme, identifying the risks which could arise when attempting to implement a policy or programme. Operational risks relate to an active programme, the policy has been applied, which could develop similarly to health and safety, which is now mandatory training.</p>	<p>I think the Committee would still like to take a proposal to EMT regarding mandatory training for the right cohort of people, which would be at managers' discretion. This is how we would look for ongoing assurance, specifically the impact of this risk management framework on our business, including communications, engagement and training.</p>

Observations and Recommendations:

- To support the Risk Management Policy and Guidance for Cabinet approval.

- To propose to Cabinet/EMT a recommendation that risk management training should be mandatory, where it is relevant to the Officers' roles.

9.	CORPORATE COMPLAINTS ANNUAL REPORT
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Documents Considered:

- Corporate Complaints Report

Background:

- The Director of Corporate Services noted the Governance and Audit Committee had not yet been updated on the Corporate Complaints Report since the Covid Pandemic period which had delayed the report.
- The Local Government (Wales) Measure 2011 (Section 81) as amended by Section 115 of the Local Government and Elections (Wales) Act 2021 requires that a local authority's Governance and Audit Committee make reports and recommendations in relation to the authority's ability to handle complaints effectively.
- The report covers the two reporting years of,
 - 1st November 2020 to 31st October 2021
 - 1st November 2021 to 31st October 2022
- The information provided referred to corporate complaints and did not include those complaints made in relation to Social Care or Information Rights regimes.
- It was explained that complaints were managed on the basis of being a stage 1 or stage 2 complaint.
- Currently the outcome of a complaint was reported upon as being upheld or not upheld, with any information as to "lessons learnt" being captured within the response, and so not easily reported upon.
- There were various themes drawn out from information relating to corporate complaints from Heads of Service.
- There had been a 38% increase in complaints 1st November 2021 to 31st October 2022 against 1st November 2020 to 31st October 2021.
- Complaints in respect of housing maintenance that were previously addressed by HOWPS, were now included within the corporate complaints data.
- In the majority, complaints made to the Council were managed effectively and in line with Council policy.
- The administration of the Council's corporate complaints is undertaken by several staff within the customer services team, in addition to other customer services duties. The staffing costs of their proportionate duties spent on the administration of corporate complaints is approximately £30,804 per annum. No exact recordings were maintained as to time spent on these duties.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
As part of the process in capturing the lessons learnt, can there be mention of	The Director and Author of the report noted the recommendation.

liaising with the Risk Officer, to see if there are any crossovers between the lessons learnt and risk.	
The figures around HTR appear alarming, however it is likely high due to the interface with constituents. The Working Group had scrutinised these complaints and the change in system may have increased the level of complain, nevertheless this should help to improve the Service for the people of Powys, as the complaints will be managed far better in future.	

Actions:

None

Observations and Recommendations:

- To consider liaison between the lessons learnt from corporate complaints with the Strategic Risk Officer, to identify any links to strategic risks.
- The Chair and Lay Member J Brautigam noted the positive engagement between the HTR Working Group and the HTR Service Area.
- The Committee was assured by the Heads of Service undertaking a lessons learnt process regarding complaints received.

10.	SWAP - INTERNAL AUDIT PLAN 2023-24
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- Request for Committee to consider and approve the Annual Plan and the Internal Audit Charter.
- To seek the views of the Committee on whether the areas of coverage were sufficient and appropriate, and whether the plan covered the key risks and priorities of the Council.

Background:

- SWAP’s approach to planning.
- The Audit Plan was based upon the following driving key factors:
 - Corporate Objectives – Stronger, Fairer and Greener
 - Strategic and Operational risks
 - Wider SWAP Universe – comparisons with other Authorities’ Risk Registers
 - Risks across the Sector
 - Healthy Organisation Core Principles – Councils core systems in place to deliver services.
 - Other Assurance providers – Wales Audit Office, Estyn, CIW.
 - Questionnaires to officers and Committee Members for areas to be considered adding to the Audit Plan

- Fraud and IT Risk Assessment – work programmes in place for higher risk areas
- Knowledge and experience within Internal Audit of the Local Authority
- Summary of relevant key areas in the Risk Assessment:
 - Summary of issues affecting Powys, Regionally and Nationally
 - Powys risks were often duplicated across other Regions & Nationally, which adds credibility to the Assessment.
- Reflection on coverage
 - Under the Corporate Priorities of Stronger, Fairer, Greener, being Awareness, Access, Employment, Equality and Poverty.
 - Awaiting further information and detail from the Corporate Plan, when available would ensure reflected within the Audit Plan.
 - It was reported that the Core Assurance areas had reasonable coverage, extending into the forthcoming year.
- Key risks that are not covered in Audit Plan include:
 - Strategic Risks – no direct work undertaken on the Nature Emergency and the Covid Pandemic.
 - Resources – plan is to deliver 675 days of resource by SWAP during the year.
- Plan details:
 - Basic information, assignment, sponsor and work type, colour coded list of reasons chosen Audits, narrative of work to be covered.
 - In progress - 197 days of work, to go live works -162 days, Pipeline works - 406 days which allows for flexibility and resilience on the programme.
- Internal Audit Charter:
 - Professional Standards to be approved annually.
 - Defines relationship between the Council and SWAP.
 - Sets out the Reporting Framework – promoting and supporting SWAP’s independence and objectivity.

Points raised by the Panel:	Responses received from Officers or Cabinet Members.
<p>Chair had expected to have had more confidence in the Plan. Unsure of the appropriateness of the 2023/24 Audit Plans introduction regarding the Councils response and adaptiveness to the COVID Pandemic.</p> <p>Chair requested wording to be removed from Pg 2 of the document referencing Committees more traditional approach to audit planning. The Constitution requires an Annual Audit Plan for the Governance and Audit Committee to consider and approve.</p> <p>It was noted that the draft Charter also</p>	<p>The plan was late to be finalised, EMT have had sight of the plan but not discussed in great detail to allow for sign off. Senior Officers would take and include the comments from Committee, to update the Plan and provide feedback to EMT when reviewing the plan.</p> <p>We propose to review the revised and updated Audit plan, Charter and Protocols at the next G&A meeting, ensuring the plan is appropriate and covers all aspects the Chair has raised.</p>

<p>states the Committee ‘oversees the scope’, the Committee approves the Annual Plan.</p> <p>It was noted that the draft Charter also states the Committee ‘oversees the scope,’ the Committee approves the Annual Plan. It feels imprecise not to fully recognise the Committee’s role in determining or approving the plan, which is determined ultimately by Executive Management Team (EMT). The Committee has a particular role to play according to the Charter, however this is not clear in the plan presented.</p> <p>Chair raised that there are no dates in the plan, understand the adaptive and agile approach for flexibility, however Committee needs assurance what work will be done, by when, and with a clear scheduled pipeline of work explained. Currently the pipeline given does not have any resource allocation.</p> <p>The report states (pg 152) “the Committee is responsible for approving the scope of audit work”. The report states (pg. 152) “the Committee is responsible for approving the scope of audit work”. However, the Committee is responsible for approving the Annual Plan. Noted that there is a difference between ‘assurance’ and ‘reassurance.’</p> <p>The Charter should reflect the protocol between the Council and SWAP. Senior officers sign off on remits, respond to draft plans, and deliver the manager actions. There should be listed within the Charter SWAP’s obligations to the Council, and the Council’s obligations to SWAP.</p>	
<p>The rigour in the principles of how the plan is formulated incorporating the Corporate Objectives and Risk Assessments, it is not explicitly explained how the Audit Works are identified and how these link to Corporate Objectives and Risk Assessments.</p>	<p>The Head of Audit role would work with the Committee to formulate the Audit Plan required. In terms of the structure, it was in line with the SWAP approach, SWAP would continue to work with the Committee to provide understanding and background information to enable the Committee to approve the plan.</p>

	<p>Feedback welcomed on the Charter. The plan of works is to provide Committee with assurance, whilst there may be elements that appear random, they do come from a place of deep analysis, which is difficult to reflect on one page to give necessary structure required by Committee.</p>
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Actions

- Chair, Head of Audit and Head of Finance to finalise the Plan, Protocol and Charter ready for formal approval at the next meeting of the Governance and Audit Committee.

Observations:

The Committee made the following observations:

- The Committee requested that:
 - Wording be altered to reflect the Constitution and the role of the Committee to approve an Annual Audit Plan
 - An explanation be provided of Audit works link to the Corporate Objectives and Risk Assessments.
- The Committee expressed concern:
 - That they do not have adequate confidence or assurance in the current Audit Plan in its present state.
 - Of the lack of dates and resources for the scheduled pipeline of works.

11.	SWAP - ANNUAL AUDIT OPINION REPORT 2022- 2023
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Background

- It was reported that the purpose of the report: -
 - Is to outline work undertaken throughout the year.
 - Raise and concerns or issues.
 - Assess if mitigations have been employed successfully by the Council.
 - Risk of fraud and impact of risk management in that process.
- The 3 Lines Model shows where Internal Audit was positioned in the Assurance Framework.
 - There were potential changes in the standards for Internal Audit and Professional Practices, which may impact on how reporting and the Charter going forward.
- Corporate Risks —
- Assessed that there were no high Corporate risks.
 - Statutory compliance has been downgraded on the Strategic Risk Register.
- Areas of concern
 - Highways operations, control frameworks and performance, cultural issues within the service.

- In light of concerns the Council Management Board and Audit Committee Working group, have considered reports and the outputs. There would be a further Internal Audit update in all 7 areas.
- Offer assurance to Committee that mitigations were being tracked and will provide further opinion on whether this has been embedded following the next audit.
- Adult Social Care
 - Continuing Health Care (CHC) Framework issues identified regarding disputes on the resolution process.
 - Deprivation of Liberty Safeguarding (DoLS) where the Council were failing to statutory requirements and assessment under the framework, aware of potential changes in legal framework which may impact from October 2023.
 - Follow-up Internal Audit would be undertaken in both of these areas.
- Housing services –
 - Regarding Voids, there has been a transition from HOWPS to internal delivery of service within the last year.
 - Though bordering on a high risk, Internal Audit deems as a significant concern the Services ability to turn around social housing and of statutory compliance in terms of potential risks to public health.
 - Follow-up process would be undertaken to provide further assurance in these areas.
- Recognised the work of the Care Inspectorate Wales (CIW), Estyn and Audit Wales to ensure work was aligned.
- In general, follow up had been positive, in terms of recommendations and implementation of actions.
- Fraud Risk, during the year a baseline maturity framework undertaken, to review where the Council was positioned against a number of key indicators. Some improvement noted, work would progress closely with Fraud Team to address remaining issues.
- Risk Management system noted at a reasonable assurance level. Committee referenced some work required to embed further.
- Value for money picked up on 4 main areas; analytics, process, project and benchmarking, indicting some work in these areas which cover VFM.
- Outcomes noted as 85% audit opinion are positive, 15% recorded as limited assurance opinion, which is in line with other Local Authorities.
- Quality feedback reported at 100% met or exceeded expectation in terms of value added.
- Headlines: -
 - 62 reviews completed in year,
 - 3 areas of concern, but no high Corporate Risks that would indicate significant failure within the Authority.
 - Reasonable coverage across Strategic Risks.

- Comfortable position with Fraud and Risk Management.
- Overall Reasonable Opinion reported as sound systems of Governance, risk management is under control, but some issues require mitigation.

Points raised by the Panel:	Responses received from Officers or Cabinet Members.
	<p>Report sets out all areas for the Internal Auditor to form opinion. It has to be noted this is the opinion of the Internal Auditor not the Council.</p> <p>It is important that the Opinion is recognised, and the Assessment is fair based on coverage and information included in the report. The opinion of Reasonable is appropriate for where we are as an organisation.</p> <p>Chief Executive and S151 Officer are comfortable with the report as stands. Report will be scheduled for EMT for further comment.</p>

12.	SWAP - REVIEW OF HOUSING VOIDS (HOUSING SERVICE)
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Background

Follow-up review from work completed in 2020 noted:

- Fundamental failure to turn void properties round promptly, which was important due to the requirement for social housing.
- The above may have been in part due to the transfer of the housing repairs and maintenance operation, and data, from HOWPS / KIER to the Council. There were numerous sets of data that were slightly conflicting.

Head of Service comment:

- The Report relates to 2019/2020 when void works were being undertaken in their entirety by HOWPS private sector company, controlled by Kier. Which included the sub commissioning of any sub-contracts to undertake void works.
- Since July 2022, all void works were now managed and increasingly delivered by PCC Housing Services.
- There was a recommendation that more void work be carried out with contractors to ensure works are completed on target. Since July 2022, an increasing proportion of works had been undertaken directly and target dates for both in-house teams and external contractors were managed by area maintenance leads.
- From July 2022 the average time of void works had reduced and improved from 165 days to 84 days.
- Void rent loss for each void property equated to £1248 per void, with 450 voids per annum on average. As progress was made void rent loss will reduce and Housing Services are confident further savings will be delivered.

- Currently there were 4800 people registered for social housing in Powys.
- No targets were in place for void works prior to 2019/2020 for Housing surveyors.
- Re-inspections were improving from the reported position, currently at 95% of void pre-inspections carried out within 10 working days from receipt of keys from the outgoing tenant.
- Recruitment process ongoing to further increase the capacity and capability of the Housing Quality team.
- The documented Business Continuity plan was produced in the event of a sudden failure of a major contractor. The Council no longer had nor relied upon a major contractor for void works. These were now primarily completed by internal teams works, with some works contracted out to small companies.

Points raised by the Panel:	Responses received from Officers or Cabinet Members.
<p>Requesting clarification on sentence follow up audit majority actions are still in progress how many actions are there.</p>	<p>There were only 3 actions in the original report. The follow up report carried out on the transitional period. 1 action completed, 2 remain in progress, in respect of the improvement of void turnaround time and pre-inspections.</p>
<p>Report states issues with data provided not being accurate.</p>	<p>In the plan there is a data maturity assessment which looks at the work of the insurance providers and at engaging the Authority and how they regard and treat data.</p>
	<p>Deputy Leader noted that the SWAP report highlighted where there was need to improve. It was noted that the Council's housing stock consist mostly of older properties which have deteriorated, and which require increasing amounts of work to make them fit to let and keep them in a liveable condition.</p> <p>The service was now more aware of the returning condition of some properties, some of which require substantial works to be fit for habitation.</p> <p>Significant progress had been made on reducing void times and had been set as a service priority with introduced measures on rent loss into quarterly performance meetings. Reduction since July in voids of 81 days, with an increase in rent to the Council of £575k.</p>

Actions:

Seek assurance from Risk Management if there are any wider Corporate implications in respect of data integrity and data accuracy.

13.	SWAP - REVIEW OF STATUTORY COMPLIANCE (HOUSING SERVICE)
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Background

- The Council has statutory compliance obligation to ensure that all burning appliances and smoke alarms are inspected regularly.
- The Internal Audit found that from the 5500 properties due to be inspected as part of the Compliance programme, with approximately 10% of properties which had failed to be inspected. This was potentially a risk to human health.
- Underlying data quality issues were found where systems and processes do not support the production of the data and the information that the service require to have a proper understanding of the position.

Points raised by the Panel:	Responses received from Officers or Cabinet Members.
	<p>The Head of Housing reported that the Housing Repairs Maintenance Policy was due for review. The policy required renewal especially due to the implementation of the Renting Homes (Wales) Act 2016, which introduced changes for landlords in respect of asset management and maintenance.</p> <p>The anticipated new Welsh Housing Quality Standard (WHQS2) would also likely impact and require further fundamental changes to the Council's maintenance policy.</p> <p>It was further reported that processes and service delivery had been reviewed previously in July 2022 and are expected to be complete by September 2023, although it was noted that WHQS2 may require internal policy changes.</p> <p>The Internal Audit Report identified a risk in respect of individual working without guidance, the risk had been addressed by undertaking maintenance/repairs work in-house, moving away from HoWPS and</p>

	<p>external contractors.</p> <p>There were concerns reported around data management, as there was no specific software used to store all statutory compliance details, and a backlog of data yet to be recorded. To remedy this, a review of the compliance system would be undertaken. It is anticipated that a new ICT system would be in place by 2025/26. The Head of Housing noted a Housing Ombudsman report from May 2023, which highlighted the need to manage data effectively.</p> <p>Prior to July 2022, HoWPS undertook compliance work on behalf of the Council. Going forward, the Council would utilise a dedicated software module to log repairs, maintenance and compliance data. It was anticipated that a new ICT system would be procured from March 2024, with a planned introduction for 2025/26.</p> <p>It was noted that HoWPS and Kier used different IT systems, and on transferring the data to the PCC system, a number of anomalies were identified. Data cleansing was underway to improve the accuracy of the compliance data.</p> <p>Housing Services was restructured and from March 2022, a Quality Assurance and Compliance Team were in place. The Head of Housing admitted compliance had in the past been less than required but since 2019-20 the position had improved. Quality Assurance of housing compliance was maintained by inspections undertaken by the Housing Quality Network, with monthly reports to Welsh Government.</p> <p>Regarding data quality, there were inconsistencies in the number of properties in asset registers and servicing schedules. To action these, a heating servicing contractor was put in place, and the service was considering</p>
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	<p>weekend working to deal with non-access issues.</p> <p>It was reported that a stock condition survey was to be undertaken from March 2024, which had never been completed in Powys. This was to be brought forward and commissioned for Autumn/Winter 2023, as an updated register was required to account for all assets including kitchens and heating systems.</p> <p>Further updates included:</p> <ul style="list-style-type: none">• The planned recruitment of a Project Officer and a Data Analyst.• A heating servicing contract was due to go to tender in Summer 2023.• Reduction in non-access cases requiring legal involvement to gain consent to enter homes lawfully by one-third. <p>It was noted that overdue inspections had reduced from 522 to 256 by May 2023. Statutory inspections were required for properties using gas, 83 of which were out-of-date due to non-access issues. It was noted that these figures were the lowest recorded in the past 15 years.</p> <p>It was reported that whilst properties with other heating sources were serviced, there is no statutory requirement to do so. The number of other heating systems yet to be serviced due to non-access include:</p> <ul style="list-style-type: none">• 48 air source heat pumps,• 7 unvented cylinders,• 8 oil systems. <p>It was further noted that there were outstanding solid fuel inspections, 46 of these had appointments booked over the summer months. 28 solar systems were not inspected due to health and safety reasons, although checks were undertaken to ensure they operate properly.</p>
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	It was reported that 74 smoke alarms and carbon monoxide detectors were out-of-date, with the majority due to non-access issues; the overall compliance as of 31 st May 2023 was 99%.
The new system scheduled for implementation 2025/26, would there be a process mapping exercise undertaken linked to the new system, so that process improvements are made to manual processes to identify efficiencies prior to digitisation?	During the preparations to bring the service back in-house, work was undertaken to make processes more efficient. There would probably be 2 or 3 ICT systems need however to cover all areas, tenancy management and income recovery, repairs maintenance and asset management.
What are the reasons for the statutory compliance downgrade on the Corporate risk register?	Improvements had been made reflected that on top of the risks, minutes of those meeting and the rationale for this can be shared.

14. CORPORATE SAFEGUARDING BOARD ACTIVITY REPORT

Background

- Report was a high-level summary of the meeting held on the 16/03/23.
 - The Safeguarding Board met on 8 June 2023. The information within the report shared at this meeting therefore may be slightly out of date, the more recent report would be presented at the next meeting.
 - The report had been presented to Cabinet on 23 May 2023, and at the Health and Care Scrutiny Committee on the 2 June 2023.
 - Committee comments made on the report would be fed back to the Corporate Safeguarding Board at the next meeting as an agenda item.

- Key responsibility of the Board was to oversee and monitor the action plan and recommendations, these actions had been built into the Regulatory Tracker and would be monitored through the quarterly performance meetings.
- Good progress noted against agreed actions.
- Work was ongoing by Services in undertaking a safeguarding audit as part of their self-assessment work and would be considered and reported at a future Board meeting.
- New four-tiered approach to contract management framework, work around child performance and employment discussed, young people’s housing, elective home education, adult and children’s social care safeguarding performance and mandatory training.
- The Board noted the compliance with mandatory training, from 44.3% in July 2022 to 81.1% at the time of the March Board meeting. VAWDASV training compliance at 82.1%.
- Future items for discussion agreed:
 - Planning for the national safeguarding week in November

- Safeguarding theme of the month
- Annual private fostering report
- Service safeguarding audits
- Contract management update
- Child performance licenses
- Child employment permit update
- Leaflet developed in collaboration with the Tenant Scrutiny Panel on reporting damp and mould in PCC housing stock.
- Young people's safeguarding animation

15. APPOINTMENTS BY THE COMMITTEE
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Background:

- Rule 7.37.1 of the Constitution requires that an Independent "Lay" Member be appointed by the Governance and Audit Committee to the Finance Panel.
- The Governance and Audit Committee were required to appoint or amend the Membership of the Committee's Working Groups.

Observations and Recommendations:

- Appointment to the Finance Panel:
 - The Chair invited Members to submit nominations to appoint an Independent Lay Member of the Committee to the Finance Panel.
 - J Brautigam nominated G Hall, which was seconded by County Councillor W Powell.
 - G Hall accepted the appointment to the Finance Panel.

RESOLVED that Lay Member G Hall be appointed as a Member of the Finance Panel.

- Appoint/amend the Membership of the Committee's Working Groups:
 - The Chair recommended that the membership remain the same.
 - It was agreed by the Committee that Working Group membership remain under the current arrangements, to allow Members to carry on with their work.
 - No comments were raised by Members against this proposal.

RESOLVED that the Governance and Audit Committee Working Group Membership remain as the current arrangements.

Working Groups

16. HOWPS WORKING GROUP - 24-05-2023

The report of the HoWPS Working Group dated 24 May 2023 was received and accepted by Members of the Governance and Audit Committee.

17. CAPITAL WORKING GROUP - 24-05-2023

The report of the Capital Working Group dated 24 May 2023 was received and accepted by Members of the Governance and Audit Committee.

18. HTR WORKING GROUP 30-05-2023

The report of the HTR Working Group dated 30 May 2023 was received and accepted by Members of the Governance and Audit Committee.

19. INTERNAL AUDIT WORKING GROUP 24-05-2023

The report of the Internal Audit Working Group dated 24 May 2023 was received and accepted by Members of the Governance and Audit Committee.

20. WORK PROGRAMME

Documents Considered:

- Governance and Audit Committee Forward Work Programme.

Background:

- The Forward Work Programme details the Committee’s future meeting dates, times and agenda items.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
We had a very enlightening presentation on the Global Centre for Rail Excellence (GCRE), where the Council was involved both as the Local Planning Authority and in coordinating community engagement. I believe there were differing levels of risk associated with the Council’s involvement. I would like this topic to be brought back to the Committee for discussion.	The Chair agreed and will think about how the Council’s involvement with the GCRE could be included as an agenda item in the Forward Work Plan.

Actions:

- Chair to consider the addition of an agenda item relating to the Council’s involvement with the GCRE.
- No further additions were made to the Forward Work Plan.

21. DEMAND IN CHILDREN’S SERVICES

Background

Presentation received and considered by Children’s Services in relation to the Risk “If there is insufficient capacity to respond to the longer-term demand in Children’s Services in a timely manner”.

Chair commented that was pleasing to note within the presentation the strong theme of the amount of work, effort, innovation, and determination in the workforce space to develop the team.

Points raised by the Panel:	Responses received from Officers or Cabinet Members.
<p>Children’s Services had been a perennial issue particularly around resource. What are the future plans on Grown Our Own, also if you could give insight on the current status of the budget?</p>	<p>The trajectory of Grow our Own was noted within the presentation, however, need to carefully manage transition from agency to permanent staff, as we may not be able to offer our Newly Qualified Social Workers (NQSW) positions. The predictions must reflect a realistic growth.</p> <p>Children’s Services were in partnership with Cardiff Uni for Master’s courses. Reviewing a progression framework for our NQSW trajectory for development through to senior positions. The Grow our Own numbers are projected against the vacancy rates, what can be realistically achieved, to manage and navigate student social work placements, ensuring the best learning opportunity possible.</p> <p>In terms of the budget in April and May a slight overspend of approximately £50k, looking to save further monies going forward in different ways. Aware that last September budget was forecast at a £9m overspend, therefore focus had been on reviewing, what and where spend was and were there complicating factors behind the spend. There had been a drive for a culture change, for everyone within the service to be responsible for the spend. End of March 2023 deficit noted at £2m, which was still not acceptable and the team continue to strive to reduce this further.</p> <p>From a Director perspective can offer assurance that the Senior Leadership Team are keeping a high profile on every line of the budget.</p>
<p>Are there any other partnership Universities in the pipeline and is there any obligation factored in for the Grow</p>	<p>It was reported Children’s Services had a long-term partnership with the Open University, who are also looking at a</p>

<p>our Own Newly Qualified Social Work Students or those undertaking Master's degrees to remain with PCC for a period of time, do we open the degree option to the wider council staff if wish to change their career pathways.</p>	<p>Master degree option. We were aware that Aberystwyth University were also commencing a Social Work programme and would be looking to offer placements to students in Powys. The commitment requested by Powys for supporting the degree qualification was 3 years. A number of those already live in Powys and invest their time and energy in the county.</p>
<p>Is the underlying complexity of cases increasing having an effect of the delivery of services</p>	<p>The impact of the pandemic had resulted in families finding it much more difficult to manage, be that accessing service provision, transitioning back into school face-to-face, or from competing demands on a multitude of fronts, cost of living, energy, and poverty in certain areas of Powys, which had led to more complexities coming to the fore.</p> <p>It was noted that the Service attempted to intervene at the earliest opportunity, utilising the Early Help hubs which needed to develop across Powys. Preventative work would reduce the likelihood of cases presented to Children's Services that had reached crisis point.</p>
<p>If could intervene at an earlier stage, that would impact by driving down the front door referrals.</p>	<p>Front Door deal with information, advice and assistance, SWAP had assisted by reviewing if the Front Door could become more digitally smart by delivering information in a different way.</p> <p>The goal was to deal with as much of the signposting, advice, and assistance at the Front Door to prevent and lessen future referrals to the Assessment Team.</p>

L Hamilton (Chair)

Public Document Pack

Governance and Audit Committee Friday, 28 July 2023

MINUTES OF A MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE HELD BY ZOOM ON FRIDAY, 28 JULY 2023

PRESENT

Lay Member, L Hamilton – Chair

Lay Members:

J Brautigam

Cabinet Portfolio Holders in attendance:

J Berriman, J Charlton and D A Thomas

County Councillors:

P Lewington, WD Powell, G W Ratcliffe, C Walsh

Officers:

Catherine James (Head of Transformation and Democratic Services), Yvette Kottaun (Senior Investigator), James Langridge-Thomas (Deputy-Head of Transformation and Communications), Dan Paley (Financial Reporting and Policy Accountant), Emma Palmer (Director of Corporate Services), Wyn Richards (Scrutiny Manager and Head of Democratic Services).

In attendance:

Ian Halstead (Assistant Director – SWAP), David Hill (CEO – SWAP), Darren Roberts (Assistant Director – Technology and Digital Audit - SWAP), Bethan Hopkins (Audit Lead – Performance Audit), Derwyn Owen (Audit Director – Financial Audit), Emma Woodcock (Audit Manager – Financial Audit) (Audit Wales).

1.	APOLOGIES
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Apologies for absence were received from County Councillors Graham Breeze, Ange Williams, James Gibson-Watt, Sian Cox and Lay Member Gareth Hall.

2.	DISCLOSURES OF INTEREST
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There were no declarations of interests by Members relating to items to be considered on the agenda.

Comments from the Chair

The Chair of Governance and Audit Committee paid tribute to Wyn Richards, Scrutiny Manager and Head of Democratic Services, who was retiring after 37 years of service to Powys County Council.

3.	MINUTES AND ACTION LOG
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There were no draft minutes available to be approved. The draft minutes of the Governance and Audit Committee (GAC) meeting held on 23 June 2023 were to be formally approved at the 29 September 2023 meeting.

4.	AUDIT WALES - AUDIT PLAN
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Documents Considered:

- Powys County Council – Detailed Audit Plan 2023

Background:

- The Audit Wales Audit Director (Financial Audit) presented the Detailed Audit Plan for 2023 to the GAC.
- It was noted that the Detailed Audit Plan covered the three primary responsibilities of the Auditor General:
 - To provide an opinion on the Council’s financial statements.
 - To make an assessment as to whether the Council had proper arrangements in place to achieve value for resources spent.
 - To consider whether the Council utilised the sustainable development principle.
 - The Auditor General also assessed the Council’s responsibility to receive public opinion of the Statement of Accounts, which may include objections.
 - Certification of grant claims.
- It was noted that Audit Wales could not provide absolute assurance as to the accuracy of the Council’s Accounts. The industry standard of materiality was used, which for Powys County Council (PCC) was estimated to be around £5.5 million for the coming year.
- The Audit Director noted key risks which included:
 - No particularly large issues predicted to arise from the accounts.
 - Testing would be undertaken to ensure the risk of management override was not present.
 - Areas of the accounts which were based on estimates, such as the large buildings and land portfolio and the pension fund liability.
 - Accounting arrangements between PCC and the Global Centre for Rail Excellence (GCRE) (financial transactions only).
- The Audit Lead (Performance Audit) reported that the following performance audit projects would be undertaken:
 - Local Performance Audit delivered by a combination of performance and risk projects.
 - Bespoke local projects specific to PCC.
 - Thematic projects focused on risks common to all Councils in Wales.
- Progress was to be reported through regular quarterly updates to GAC, and via regular contact with Officers.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
Regarding Exhibit 2 - Valuation of land and buildings, there had been comments in the past around inadequate asset records, would part of this audit check the asset registers	The Audit Director (Financial Audit) confirmed there was an element of physical verification, although this was small when compared to the Council’s property portfolio. A level of substantive

<p>and the associated physical stock?</p> <p>Was there a particular reason why only a small amount of physical verification was undertaken?</p>	<p>testing was undertaken to confirm the existence of the assets listed in the register.</p> <p>The Audit Programme was based on the risk of a material misstatement, the assessment of the risk that the Council had a property listed on the balance sheet with a value of many millions in value, which did not exist, is low. The understanding of the asset register, specifically the key assets, was built up over several years through repeated audit activity. Much of the verification work could be undertaken at the desk using various technologies.</p>
<p>Could we have more explanation regarding the Materiality statement?</p> <p>Regarding the thematic review on unscheduled care, there were no timelines referenced for feedback, where would that go to, and whom. Finally, was there any liaison with Health Board colleagues?</p> <p>Another thematic review focuses on digital, I did not see details of a 'Team Powys' and cross-organisational working. This work could benefit the Local Authority but also the Health Board.</p> <p>N.B. These questions were responded to at the beginning of Item 6's questions and answers section.</p>	<p>Materiality was an issue on which no auditor can ever provide absolute assurance that the accounts are 100% correct. The time and resource required to undertake such an audit would not be sustainable. Therefore, the materiality was set at 1% of the Council's 2022/23 gross expenditure, which was equivalent to around £5.5 million.</p> <p>It was noted that some aspects of the accounts were reviewed in greater detail, and therefore had a lower level of materiality. For example, senior officer pay disclosure materiality was set at £1000.</p>
<p>Page 19 referred to the cost of the accounts increasing from £215,000 to £246,000. Was this increase due to the new accounting standards, or another reason?</p>	<p>The accounts and performance audits were going up by an inflationary amount of just under 5%. The accounts fees increased by around 10%. ISA 315 required the auditor to do significantly more work, particularly at the planning stage around the processes and risks of the accounts. Noted that the figure was a predicted cost.</p> <p>Audit Wales ensured the fees were always kept to the minimum required.</p>

	Audit Wales was not able to make a profit, therefore if the actual costs are less than the estimate, refunds would be made, although the opposite was also possible.
Were you satisfied that you had appropriate resources to manage the audit plan and timetable?	Auditors were in demand, however the Audit Director (Financial Audit) felt confident that delivery by November 2023 was scheduled to occur.
Was materiality cumulative or singular? Would you accept multiple misstatements over £5.5 million.	Materiality was cumulative.
Page 13 mentioned related parties' transactions, could someone comment on that section?	<p>The Audit Director (Financial Audit) believed that the statement referred to where the Council must declare in the Accounts where it had interested parties, for example where Members or Senior Officers had interests in other organisations, whether private or public. For Powys County Council and another Council, the system which produces the report for these interests were not always robust.</p> <p>The Head of Finance noted that with the change of the Council's administration in 2022, there were issues with gaining declarations of interests from Members who were leaving the Council. There was also an issue with the previous system, which prevented reports being drawn down. This issue had now been addressed for 2023, and every Member of the Council in addition to relevant Officers, were disclosing appropriately.</p>
Page 15 referred to Exhibit 4, Corporate governance review. What was the timescale for this review now?	The Audit Lead (Performance Audit) felt that sufficient time needed to be given to the Council before a corporate governance review could take place, as the recommendations may not be implemented fully. It was anticipated that this would be undertaken in the next calendar year, near the end of the financial year.
Could colleagues expand further on the new ISA 315 standard? It appears	The Audit Manager (Financial Audit) noted that the new ISA 315 standard

<p>that there would be more overlap between internal and external audit work.</p> <p>The Chair noted that SWAP had undertaken an internal audit of the Council's IT arrangements, and questioned whether there would be overlap with the Audit Wales reviews.</p>	<p>required an intensive assessment of any audit work carried out by other people. Previously, reliance on others' work would take longer due to the assessment required. The Audit Manager also noted that the focus would be different, as Audit Wales were focusing on the input of data into the Accounts, whilst SWAP was focusing on internal controls.</p> <p>The internal reports are used by Audit Wales to inform judgement, rather than taking all the elements of the internal audit reports.</p> <p>The SWAP Assistant Director noted that both SWAP and Audit Wales looked at slightly different areas, however collaboration would be required between internal and external audit.</p>
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Observations:

- The Committee received and considered the Audit Wales Audit Plan for 2023.

5.	AUDIT WALES - WORK PROGRAMME AND TIMETABLE - 31 MARCH 2023
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Documents Considered:

- Audit Wales – Work Programme and Timetable – 31 March 2023

Background:

- Quarterly update of Audit Wales' Work Programme and Timetable for PCC, as at 31 March 2023.

Observations and Recommendations:

- The Chair noted that the Quarter 4 update had been superseded by the Quarter 1 update which was contained in the following agenda item.

6.	AUDIT WALES - WORK PROGRAMME AND TIMETABLE - 30 JUNE 2023
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Documents Considered:

- Audit Wales – Work Programme and Timetable – 30 June 2023.

Background:

- Outlined the current Audit Wales projects and the status of the project.

- 2021/22 year was completed, the only outstanding item was the Asset Report which was due to be presented to GAC once the Service had reviewed the report for factual accuracy.
- Audit Year 2022/23 included thematic projects which had already started. The Capital Programme Management thematic had not yet started.
- Audit year 2023/24 incorporated the Scrutiny Follow-up follow-on review into the Corporate Governance review.
- Page 8 outlined the national Local Government studies which were planned.
- Page 13 outlined the national reporting outputs.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
	<p>The Audit Lead (Performance Audit) noted the unscheduled care work by Audit Wales and noted the input from both Local Government (due to the social care provision) and Health. Despite the crossover, unscheduled care was within the Health remit. The fieldwork was complete, and the report was now being drafted. The aim was to publish the report in September/October 2023. The work was significant as there would be national, regional and local outputs.</p> <p>It was noted that the digital thematic listed in the Quarter 1 plan was a Local Government digital thematic. However, there was also a digital thematic which sat within the Health Plan. There was no single digital review, however the findings of both reports could be share between Audit Wales teams, such as integrated risks and positive joint working examples.</p> <p>The Audit Lead (Performance Audit) noted that the cyber security review was considered confidentially due to the nature of the report.</p>
<p>How does Audit Wales select the areas of focus for the upcoming audit period? There was scrutiny currently regarding the topic of emergency mental health, with recent announcements that the police would no longer be willing to cover</p>	<p>The Audit Lead (Performance Audit) noted that planning work was undertaken before reviews, alongside risk assessment. A combination of factors was utilised to influence which work is undertaken when. Performance reports, conversations</p>

<p>emergency mental health provision. Would this topic be likely to move up the agenda for the forward work programme?</p>	<p>with relevant parties.</p> <p>Local audit work was determined by considering performance reports, having local conversations with the Local Authority, and understanding what areas had not been audited recently.</p> <p>Mental Health had been a topic discussed at Audit Wales. It was noted that there were a number of high-level risks at the moment.</p> <p>The forward work programme for Health would include mental health.</p> <p>When scoping the work, feedback would be provided in terms of police not responding to mental health calls for example. With capacity limited at times, these topics may be planned over a number of years.</p>
<p>After the report had been issued by Audit Wales, what work is then done to ensure that any recommendations had been actioned?</p>	<p>Audit Wales noted that audit reviews of services, for example the Planning Service, would be fed into the GAC and relevant scrutiny committees. A follow up review would then be undertaken, which may be within 6 months, or more time may be given to allow the recommendations to be actioned. The follow-up review would then look at each recommendation, and would identify areas of both good practice and the areas which still require improvement.</p> <p>The follow-up process would use the same procedure of reporting to Committees.</p> <p>The Cabinet Member for a Connected Powys noted that internal assurance could be provided quarterly throughout the year before Audit Wales return to undertake a follow-up review. Audit Wales affirmed this statement.</p> <p>The Audit Manager (Financial Audit) reported the upcoming audit work for the next quarter. It was noted that the audit of the Council's Accounts was due which was previously discussed. The</p>

	<p>Audit Manager also noted the upcoming audit of the Powys Pension Fund, and that the associated Audit Plan should be ready to receive at the next meeting of the GAC.</p>
<p>The Chair noted the Springing Forward – Examining the Building Blocks for a Sustainable Future report, and asked would there be a potential contribution to the implementation plan for Sustainable Powys.</p>	<p>The Audit Lead (Performance Audit) noted the scope of Springing Forward, which had been split into two sections – Workforce Management which had already been received by GAC, and the Assets Report which was exploring asset management across the Local Authority. Audit Wales then looked at the strategic and operational plans of the Council relating to these areas, and how that would link in with the sustainable development principle. It was noted that the Assets Report was with Officers for factual accuracy.</p> <p>The Head of Finance confirmed that Sustainable Powys would contain those elements of work.</p>

Observations and Recommendations:

- The Committee noted the contents of the work programme and timetable.

7.	PCC - TECHNOLOGY ASSURANCE FRAMEWORK REVIEW
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Documents Considered:

- SWAP PCC – Technology Assurance Framework Review

Background:

- The Chair noted that the SWAP Technology Assurance Framework Review was not providing an audit opinion.
- The Chair had requested that this item be included on the agenda for the next meeting of GAC, for Senior Officers within the ICT and Digital Service Area to respond.
- The SWAP Assistant Director (Specialist Technology and Digital) noted that the purpose of the Framework Review was to enable a value-added and fully resourced internal audit plan for technology and digital going forward.
- An end-to-end framework review was therefore necessary.
- An opinion was not formed due to no detailed testing being undertaken.
- It was noted that the audience of the report were the GAC Members and the Senior Leadership Team, rather than the Head of Economy and Digital, who was already working with the SWAP Assistant Director.

- The SWAP IT Team were already liaising with PCC’s ICT/Digital Team to address the first audit derived from the Framework Review, specifically around the Council’s ICT strategy. The audit would provide a level of assurance to the Head of Economy and Digital, who would then be able to respond.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
<p>The report does not mention artificial intelligence, will this be included in future reviews/audits?</p>	<p>Artificial intelligence was considered an emerging technology. SWAP would not prevent the Council from using artificial intelligence, however SWAP would consider the risks involved with the technology and application, and the technology must be assessed carefully.</p> <p>The SWAP Assistant Director reported that no Local Authority within the SWAP partnership had yet to adopt a policy on artificial intelligence.</p> <p>Work was ongoing within government and industry which could see artificial intelligence solutions specifically for local authorities.</p>
<p>Page 70 referred to the technical area around the policies. There did not appear to be clarification on how the responses would be relayed to staff, and how the adherence to the policies would be monitored.</p> <p>Page 73 referred to a timescale of 31st October 2023. It was not exactly clear in what needed to be undertaken by the 31st of October.</p> <p>Page 82 – The management response was ‘we will support any further work required to provide further assurance’. The timescale given was 30th September. Would this further work be complete by 30th September?</p>	<p>For Officer response in September meeting.</p>
<p>Regarding the details of missing mobile phones and tablets listed on page 7, are you confident that the data that has been provided reflects an accurate position?</p>	<p>For Officer response in September meeting.</p> <p>The SWAP Assistant Director noted that the review was based upon the</p>

	data provided by the Service.
<p>In other organisations, there was still a reliance on machines using Windows 7 operating systems which were no longer provided security updates; some software does not run on more modern versions of the Windows operating system. Were you aware of these instances occurring when undertaking the review?</p> <p>Do you benchmark the digital infrastructure against other Authorities to compare where PCC stands against other Local Authorities?</p>	<p>It was noted that a specific question was asked of the Service to confirm which operating systems were used across the Authority. There were circumstances with legacy systems, where the system could not be updated to a newer version of the operating system. The framework review found no evidence of Windows 7 machinery still in use within Powys County Council, based on the information provided by the Service.</p> <p>Regarding benchmarking, the added benefit of the framework review was the same as was done across the SWAP Partner Local Authorities. For these reasons, an assurance opinion was not given. Overall, SWAP noted that the findings of the review were very similar to the findings from other Authorities.</p>
<p>Page 3 – Point 3 referred to data centre and hosting arrangements. The Council and the GAC had relied upon external assurance that there were adequate safeguards relating to the Gold ISME Standard. Were you suggesting that relying on the Gold Standards were insufficient, and how could assurance be enhanced in this area?</p> <p>Should these framework reviews therefore be undertaken more regularly, for example on an annual basis?</p>	<p>The Gold Standard relates to the operation of the data centre. SWAP was interested in how the operation of the data centre interreacts with other elements of the business. Reliance on the data centre, including its resilience, is paramount if the Council was impacted by a cyber-attack, for example. SWAP was not only interested in the technical specification of the Gold Standard, but also other configuration items, such as contracts for fire management, the air conditioning and deep cleans for example.</p> <p>It would depend on the level of assurance provided, and the level of assurance expected by the GAC, which may feel that more regular reviews were necessary.</p>
<p>What was the opinion of EMT regarding the Framework Review?</p>	<p>The Director of Corporate Services noted that detailed work had been undertaken between the IT/Digital</p>

<p>The Chair also noted interest around work with the Health Board; would this be by a service-level agreement where the Health Board pays the Council to provide the services? Would Powys Teaching Health Board (PTHB) receive any of the work completed around resilience?</p>	<p>Service Area and SWAP. The Director requested that the Service be allowed to respond to questions about the Review at the next meeting of GAC.</p> <p>EMT had considered the priorities, categorised by A, B, C, D, and dealt with by priority. Resources had been aligned to the programme, with the commitment, subject to budget, that the programme was taken forward.</p> <p>The Head of Finance confirmed that a Section 33 Agreement was used to essentially pay for services provided by the Council on behalf of the Health Board.</p> <p>The Director of Corporate Services noted that findings would be fed back to the Joint Partnership Board (between PTHB and PCC) on a regular basis. The Section 33 Agreement was currently under review, with additional discussions to be had regarding the work of the Regional Partnership Board.</p>
<p>The benefits of not working in isolation with other stakeholders was noted, to reduce duplication of work.</p>	

Actions:

- The Chair requested that the item be included on the agenda for the next meeting of GAC, for Senior Officers within the ICT and Digital Service Area to respond.

8.	SWAP - INTERNAL AUDIT PLAN 2023-24
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Documents Considered:

- SWAP Internal Audit Plan 2023-24

Background:

- The SWAP Assistant Director (Powys) noted that the Internal Audit Plan had previously been presented to Committee for feedback, with the amended report being presented again to GAC.
- The Internal Audit Plan was produced according to a number of factors, such as risk assessments, corporate objectives, systems, input from managers, elected Members and previous work undertaken by SWAP.

- The risk assessment was contained in page 92 of the agenda pack, split into four areas:
 - Local, regional, national and core areas of a healthy organisation.
 - Coverage across the healthy organisation spectrum, which were deemed satisfactory.
- Internal Audit Plan was contained within Appendix 1.
- It was noted that the dates listed were indicative, due to the unknowns involved in auditing and would be defined as the scope progresses.
- The Report also listed the timeframes and resources required to undertake the audit activities.
- Members were reminded that the Charter was the formal document which outlined the purpose, authority and responsibilities of the relationship between Internal Audit and the Council. The Charter also defined the framework of how Internal Audit operated.
- The SWAP Assistant Director (Powys) asked Members to note and approve the Internal Audit Plan and Charter.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
<p>Regarding the two Levelling-Up planned assignments listed in Appendix 1, it was noted there were 20 days for each. Were governance and project management processes in place that could be applied to every project, therefore, to only require one audit? Was each project deemed to be so unique that it would require separate governance and project management processes?</p>	<p>The SWAP Assistant Director (Powys) reported that general learning resulting from project management and governance internal audit would be shared where relevant.</p> <p>It was noted that the planned assignments related to Theatr Brycheiniog and the Montgomeryshire Canal Project, and the planned audit approach was slightly different for this year. Audit could be undertaken at the end of the project, whereas for the planned assignments in question, time had been allocated within the Plan to support the Council through all aspects of the delivery of the project. It was noted that the process was more agile. Information which could be relevant to other areas would be shared by the SWAP Assistant Director (Powys).</p>
<p>Regarding Page 4 of the Report relating to employment, there were several bullet points relating to audit coverage over the period. Should it be considered that another bullet point is added regarding an assessment of the New Ways of Working hybrid-working approach? There were comments made by the Head of</p>	<p>The Cabinet Member for a Connected Powys noted the need for a cautious approach when deciding on the range or boundaries of a specific element of the audit plan. It was further noted that Service Areas should not be restricted due to the findings of one Service Area regarding New Ways of Working. There were examples of good practice where a</p>

<p>PPPP at the previous GAC meeting relating to the issues of home working for the Service, whilst other Services reported working well via the fully virtual-working approach.</p>	<p>hybrid-working approach worked well for Services.</p> <p>The Chair noted that the Audit Plan was risk-driven.</p> <p>The SWAP Assistant Director (Powys) noted that it was important for internal auditors to listen to Members' views and risks. Responding to the question specifically regarding employment, it was noted that the points were taken from the Corporate Objectives.</p> <p>Whilst there was no specific Objective relating to New Ways of Working, the mobilisation of the workforce was important, and there were issues which would need to be considered as part of Internal Audit. The SWAP Assistant Director (Powys) reported that staff wellbeing was to be considered, and would discuss workforce mobilisation with Officers alongside the framework to report back to GAC.</p>
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Actions:

- The motion to approve the Audit Plan was moved by Cllr W Powell and seconded by J Brautigam.

RESOLVED that the Governance and Audit Committee approved the Audit Plan.

Observations and Recommendations:

- The Chair noted that the next meeting of the Internal Audit Working Group was for Members to understand the planning process and to make continuous improvements to the work.
- The SWAP Assistant Director (Powys) reported that there would be an opportunity to present the new audit system to Members at the next Internal Audit Working Group meeting, noted that real-time information would be more agile for consideration.
- The SWAP CEO noted that the Internal Audit Working Group would be a more dynamic and transparent process for Members.

9.	FRAUD REPORT
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Documents Considered:

- Quarter 1 Fraud Report.

Background:

- The Report highlighted the ongoing areas of investigation and review, including the rebills and overpayments raised which were recoverable.
- Projected gains and savings which would have been made by stopping the progression of applications.
- The Senior Investigator noted that improvements had been made to the report following previous Members’ comments, regarding fraud overpayments.
- Review of NDR, alongside Welsh Government grants.
- Council Tax review undertaken.
- A Fraud module had been prepared following translation, the Whistleblowing Policy which was to be mandatory for all staff was finalised and awaiting translation.
- Codes of Conduct to be finalised by Legal Services.
- Work was ongoing with Recruitment regarding vetting of candidates.
- The Chair noted that the Fraud Team asked for comments and suggestions for areas of focus.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
<p>Regarding the Council Tax reduction scheme, there were 9 ongoing investigations. Were the Fraud Team reviewing whether the paperwork and systems were correct, as there were a number of possible fraud investigations with no outcome.</p>	<p>The Senior Investigator noted that as the public could report fraud, the Fraud Team were required to investigate all referrals despite the possibility that no fraud had occurred. The Fraud Team ensured that cases could be reviewed using data already held in the Council’s information systems, to ascertain whether the referral had substance and thus required progression.</p>
<p>How were vexatious complaints handled and monitored? Was there a system in place to deal with these issues?</p>	<p>The Senior Investigator reported that Powys County Council had not experienced issues with repeated complaints. Often referrers would contact the Fraud Team expecting a response to their referral, despite Data Protection laws forbidding the disclosure of the information.</p> <p>If there were internal vexatious referrals, this would be highlighted to the Human Resources Service Area.</p> <p>The Head of Finance noted that where processes reveal findings, reflection on such processes would be undertaken to drive improvement. It was reported that Income and Awards Officers met with</p>

	<p>Senior Officers to discuss potential issues with the view to change processes.</p> <p>Complaints were dealt with according to the Complaints Procedure, which were logged.</p>
<p>How much time did Officers spend responding to reported incidences of fraud, versus the time spent by the Fraud Team investigating fraud proactively?</p> <p>Point 2.2 of the Report mentioned promoting and raising awareness of the Fraud and Money Laundering Policies. An update on how the exercise went, including feedback from staff using the policies would be helpful.</p>	<p>The Senior Investigator noted that it was difficult to understand and quantify the time taken during proactive and reactive fraud investigation. Prior to 2014, for example, most of the Council’s work was reactive especially around areas such as benefits. It was reported that half of the work undertaken by the Fraud Team was used to gain a greater understanding of how proactive work could be increased.</p> <p>A series of proactive reviews and data matching were undertaken, which was repeated cyclically. The findings of these investigations could then be used to inform the frequency of reviews required. Proactive work was also undertaken to understand emerging frauds.</p> <p>The Senior Investigator noted two previous incidences of Council employees who had approached agencies first, and then came to work for the Council, which could not be identified using data matching from the Cabinet Office. It was reported that proactive work was required to build relationships with the agencies who may support the Council’s Services, to identify potential fraud. The Fraud Team had worked with the Human Resources Service Area to ensure that agency staff were not working for other employers in addition to PCC, unless shifts did not align, and hours worked did not exceed the Working Time Regulations for example.</p> <p>The Senior investigator noted that she would think about how time spent on proactive and reactive work could be quantified better, and to promote the relevant policies. It was further noted that Council staff could report potential fraud, however a ‘report fraud’ button</p>

	<p>which featured on the staff intranet had been removed and was not available on the new staff intranet page. This meant that staff would have to either visit the public website, or contact the Fraud Team directly.</p>
<p>Referring to Section 6 and the table listed, there were four actions with a red statement, which required GAC input. Please could the Senior Investigator expand on those statements?</p>	<p>The Senior Investigator noted the first point regarding Net Consent which allowed staff to acknowledge and accept policies. It was reported that information from the Business Intelligence Team was still awaited, to gain understanding of the 650 employees who may no longer work for the Authority or were temporary workers. This was a concern due to the potential of employees who had not accepted the Council's policies. Once identified, work would be undertaken to ensure those employees do accept the relevant policies.</p> <p>Regarding the second point around the lack of a "report fraud" button functionality on the staff intranet, the Senior Investigator believed that fraud referrals were decreasing and would continue to do so.</p> <p>The Code of Conduct was due to be strengthened both for Officers and Members. Direct anti-fraud references were to be included to strengthen the Codes of Conduct. The Head of Legal Services advised that these additions were not possible for Members, due to the Member's Code of Conduct being set nationally by the Public Services Ombudsman for Wales. It was reported that the Head of Legal Services suggested that an email to all Members could be undertaken, however the Senior Investigator wanted to seek the views of GAC Members relating to this matter.</p> <p>John Brautigam noted that he would not be content with an email sent to all Members, and that it would require a more strengthened approach.</p>
<p>Did the Senior Investigator feel that there was sufficient protection</p>	<p>The Senior Investigator noted that not all members of staff working for the Council</p>

<p>regarding third parties, contractors or departing Officers who may work in the capacity of a fixed-term consultant to the Authority.</p>	<p>were directly employed by the Council and may be contracted via a third-party or working on a consultancy basis. The Senior Investigator felt that the due diligence around these appointments needed strengthening, and was liaising with Services such as Employment Services, Recruitment and Human Resources.</p> <p>It was further reported that individuals could legally purchase false documentation such as bank statements and qualifications. Therefore, the Senior Investigator noted that stringent checks should be in place where individuals work for the Council or have access to the Council's data.</p>
<p>Have you contacted any other Authorities regarding how they deal with Code of Conduct issues?</p>	<p>The Senior Investigator reported that colleagues from other Authorities involved in the Wales Fraud Officer Group were not aware of these issues relating to amending the Member's Code of Conduct.</p> <p>The Senior Investigator noted that this could be an opportunity to report the issue of amending the Member's Code of Conduct with the Public Services Ombudsman for Wales. The Senior Investigator reported that she was able to contact the Head of Legal Services/Monitoring Officer to seek his opinion on whether she should contact the Ombudsman directly, or whether he would prefer to do so.</p> <p>The Chair noted an action that the Committee should write to the Head of Legal Services/Monitoring Officer noting the discussions with the Senior Investigator, with the Committee's preference being that there should be an amendment to the Member's Code of Conduct to include anti-fraud references.</p> <p>The Senior Investigator also noted that regarding the vetting of candidates relating to financial fraud risk. The work had started around this issue, although the Senior Investigator was waiting for</p>

	Human Resources and Recruitment colleagues to respond to suggestions of improvements that other Authorities had already implemented.
Was further information going to be sought regarding the inability to implement a “report fraud” button on the staff intranet?	<p>The Senior Investigator agreed with the Member’s point and noted that the previous Income and Awards Manager pushed for the change, however, was told that there was not a place for this function.</p> <p>The Head of Finance noted to the Director of Corporate Services that this issue should be reviewed. The Chair noted an action point to seek further advice on the implementation of a fraud referral button on the staff intranet.</p>
Before the Committee receive a response from the Monitoring Officer, was there something that needed to be done for Councillors in the meantime, for example recirculating the fraud policy to all Members?	The Senior Investigator agreed that the policy would include the anti-fraud references and noted that if the Committee felt this was necessary then it could be arranged. It was further noted however that a more robust measure was required.

Actions:

- The Committee requested that a “report fraud” button be implemented into the Staff Intranet as was previously available. Further advice was to be sought from Officers to explain the reasoning as to why this would not be possible.
- The Committee did not agree with the Monitoring Officer’s suggestion, and requested the Monitoring Officer to write to the Public Services Ombudsman for Wales, to ask for the Member’s Code of Conduct to be strengthened and updated with anti-fraud references.

Observations and Recommendations:

- The Senior Investigator was to share the Fraud policy with all Councillors.

10. TREASURY MANAGEMENT - YEAR END REPORT
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Documents Considered:

- Treasury Management – Year End Report 2022/23

Background:

- The Head of Finance noted that there was not much change since reporting the previous quarters.

- The Authority aimed to achieve the optimum return on its investments, whilst being mindful of the security, liquidity and low risk appetite regarding security of investments.
- Interest rates for investments remained lower than borrowing rates.
- The use of cash reserves as opposed to borrowing remained a prudent and cost-effective means of managing treasury activity.
- The Head of Finance noted that bank interest rates had increased.
- The Council continued to hold some surplus funds in deposit accounts which had this year attracted a level of interest not seen in recent years.
- Investment returns on inter-Authority lending had increased.
- It was noted there were no changes to the credit rating for the Authority's position in the last quarter.
- Section 3.9 outlined the Capital position, which had also been reported via the Capital Report.
- Inflation was continuing to severely impact the cost of schemes, particularly the material and construction costs which were still significantly higher than in previous years. Mitigations included cutting back on certain schemes to reduce costs.
- The Finance Team had continued work with the Council's treasury advisors to reschedule borrowing where possible.
- It was reported that with the increase in gilt rates, the last two LOBO loans were redeemed. Whilst there was a slight increase in costs until financial year 2023/24 as a result, it was anticipated that a discounted saving of around £1 million over the period of the loans could be made.
- Debt rescheduling opportunities had been limited due to the current economic climate, as existing borrowing rates remained lower than current rates.
- Finance costs related to the revenue stream (Section 3.32) were still within reasonable limits. The Head of Finance noted that this would likely be further challenged by future Audit Wales work. It was noted that some English Authorities could not balance their budgets, therefore requiring Section 114 Notices to be issued, which the Council were mindful of.
- Sundry Debt was still high, although the figure had reduced from £16.13 million at the previous quarter, to £11.64 million at year-end.
- Deep dive into Adult Social Care debt was ongoing, once completed the report would be presented to Cabinet and shared with GAC.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
<p>The Cabinet Member for Finance noted Appendix A regarding the economic background and the forecasts, and further noted that 2022/23 was an incredibly difficult year due to the economic situation. It was noted that 2023/24 would likely be as or more difficult, due to high levels of wage and general inflation relating to food costs, despite energy inflation reducing.</p>	

<p>The Cabinet Member for Finance also highlighted the interest rates table for 2023/24, which showed an interest rate of 4.5% for June which was already out-of-date. It was further noted that the Cabinet Member felt that the Treasury Management team and function worked effectively for the 22/23 period.</p>	
<p>Regarding the Sundry Debts section of the Report, there was reference to a significant number of aged debts with respect to the Health Board due to social care matters. Did the Head of Finance or Cabinet Member feel reassured that these debts were able to be resolved.</p>	<p>The Head of Finance noted that at the end of a financial year, many of the outstanding invoices were raised, so there was usually an increase in debt reported. Similarly, the time taken to settle debt was longer.</p> <p>The Head of Finance reported that Officers had developed a good working relationship with colleagues in the Health Board, where both the Head of Finance and Accountants within the Service Area worked together with their equivalents in the Health Board. This eased the dialogue regarding open disputes and aided information sharing, therefore the Head of Finance felt that debt reporting would improve through the new financial year.</p>
<p>Regarding internal debts, there were large figures relating to HTR and Adult Services. How would the Service Areas be able to manage these debts, particularly the aged debts over 30 and 90 days, especially when winter pressures begin later in the year?</p> <p>Did the Cabinet Member for Finance feel confident that the other Portfolio Holders were aware of what was within their budgets, and where budget deficits existed, were they liaising with the Cabinet Member for Finance?</p>	<p>The Head of Finance explained that when an invoice was raised, the Service Area would receive the income to the relevant accounts. The debt was held on the balance sheet rather than individual Services having the debt not shown on their records. It was therefore important for the Finance Teams to work with the Services who needed to recover debt.</p> <p>It was further noted regarding Social Care debts that the levels of what was charged were significant. The Deep dive information should allow the Service to identify how to improve, which could be fed into practices across the Council.</p> <p>The Cabinet Member for Finance and Corporate Transformation reported that</p>

	<p>he would be concerned if other Portfolio Holders were not aware of the issues ongoing within their own Service Areas. The Quarter 1 outturn would be reviewed to gain a greater understanding of the financial situation. The Cabinet Member for Finance and Corporate Transformation was fairly confident that all Portfolio Holders were abreast of the developments within their relevant Service Areas.</p>
<p>Regarding the table contained within the Sundry Debt section of the Report, how did that compare with other Authorities if a comparison was possible? The opening paragraph of the section (3.41) explained the cash flow and the need for short-term borrowing to cover the level of debt, was there a figure showing how much that was costing the Council?</p>	<p>The Head of Finance noted that short-term borrowing now would be more beneficial as interest rates are likely to fall.</p> <p>The Head of Finance noted that she did not have the figure to hand, however it was possible to obtain and provide to GAC. The current stance was reconfirmed that borrowing in the short-term was more beneficial than longer-term borrowing, due to interest rates being higher currently.</p> <p>The Head of Finance explained that it was difficult to compare levels of debt as there were different delivery models used across other Authorities. There were ratios that would allow comparison, and these data did exist which can be shared with GAC, however it was noted that it was only useful to an extent, as Authorities can be very different in what they deliver and charge for.</p>
<p>Capital was budgeted for good reasons and not spending capital was not a virtue. Progress on capital budget was very slow.</p>	<p>In the previous year, Services were asked to spend only where they could, provided that it would not cause concerns for the Authority.</p> <p>Any underspend in a budget was ringfenced due to the level of capital spend being lower than anticipated. Therefore, funds would be available to deliver on the capital programmes in the new financial year. Reprofile and gaining a greater understanding of when capital needed to be spent was not yet fully satisfactory. Improvement</p>

	was being made across Service Areas alongside the Capital Oversight Board.
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Observations and Recommendations:

- The Committee received and noted the Treasury Management Year-End Report for 2022/23.

11.	ANNUAL SELF-ASSESSMENT REPORT AND ANNUAL GOVERNANCE STATEMENT
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Observations and Recommendations:

- The Committee endorsed the Annual Self-Assessment Report and AGS.

12.	ANNUAL SELF-ASSESSMENT REPORT
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Documents Considered:

- Annual Self-Assessment Report

Background:

- Reports prepared to support the requirements of the Council under Part 6 of the Local Government and Elections (Wales) Act 2021.
 - Necessity to review that the Council was exercising its functions effectively,
 - Using resources economically, efficiently and effectively,
 - And the extent to which its governance was effective for securing the above.
- GAC input was received during a private seminar session held on 21st July 2023.
- The Self-Assessment Report provided an overview of the Council’s performance against the 2022/23 Corporate Improvement Plan and Strategic Equality Plan (Vision 2025).
- Cabinet considered the degrees of ambition, defined using the Future Generations Journey Tracker. The four objectives were:
 - Being more adventurous,
 - Making simple changes,
 - Being more adventurous but moving towards owning our ambition,
 - Making simple changes as well as being more adventurous.
- SWOT (Strengths, Weaknesses, Opportunities and Threats) document aligned to the Well-being Goals, based on information provided by Services from their own self-assessments.
 - Highlighted both opportunities and threats to the Council for the future.
- Performance measures and public engagement.
- The Report was presented to GAC to seek endorsement of the Annual Self-Assessment.

Observations and Recommendations:

- The Committee endorsed the Annual Self-Assessment Report, which was to be considered by the Cabinet on 1 August 2023.

13.	ANNUAL GOVERNANCE STATEMENT
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Documents Considered:

- Annual Governance Statement

Background:

Annual Governance Statement

- Demonstrated the extent to which governance was effective.
- Provided an overall assessment of the Council's assurance.
- The AGS also rated assurance against the seven CIPFA principles and SOLACE.
- The finalised assurance ratings were set at:
 - Principle A – Substantial,
 - Principle B – Reasonable,
 - Principle C – Reasonable,
 - Principle D – Substantial,
 - Principle E – Substantial,
 - Principle F – Reasonable,
 - Principle G – Reasonable.
- Report presented to GAC to seek endorsement of the AGS before it was formally approved at the September meeting of GAC.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
Was there an update on the recommendation to make risk management training mandatory for all Officers across the Council?	The Director of Corporate Services updated Members regarding the recommendation to require all staff to undertake risk management training. The Executive Management Team considered the recommendation, and concluded to identify specific Officer roles which would require risk management training to be made mandatory.
Following on from the previous question, when were training requirements reviewed by the Senior Leadership Team (SLT) for staff roles?	The Director of Corporate Services explained that performance was monitored quarterly against the mandatory training requirements, similarly to appraisals and sickness reviews. Wider workforce planning, training needs and analysis for roles, this was undertaken annually as part of integrated business planning. Workshops were set-up for September/October with each Service

	<p>Area.</p> <p>The Director of Corporate Services also noted that the draft People Strategy was recently shared with SLT, which aimed to strengthen organisational development across the Council.</p>
<p>The Committee previously discussed the volume of work involved in preparing these annual Reports. Could Audit Wales reduce the burden and cost involved in producing these Reports?</p>	<p>The Director of Corporate Services agreed that there was significant work required to undertake which included the AGS, Corporate Self-Assessment, Annual Council Reporting Framework, the Area Report for the Regional Partnership Board, Annual Reports for the Wellbeing objectives under the Public Service Board in addition to the Corporate Joint Committee.</p> <p>It was noted that the Council was undertaking one piece of work which could serve multiple purposes to condense the volume of work involved. The Corporate Plan included the Corporate and Strategic Equality Plan which was inclusive rather than separate.</p> <p>The Director of Corporate Services noted the Corporate Self-Assessment had been condensed by providing links to evidence, which was available for people who wanted to drill down to an even greater level of detail. This learning was to be implemented into the next AGS.</p> <p>It was further noted that the process undertaken to prepare the AGS using a seminar session of GAC to scrutinise Cabinet/EMT's initial assurance ratings was helpful.</p>

Actions:

- The Committee endorsed the AGS, which was to be considered by the Cabinet on 1 August 2023 and would be presented again to GAC for formal approval alongside the Authority Accounts on completion of the audit.

14. SUSTAINABLE POWYS - UPDATE

Documents Considered:

- A verbal update was provided by the Head of Finance.

Background:

- Sessions with Senior Managers undertaken.
- Information shared based on what options other Authorities were exploring.
- Sessions undertaken on the organisational culture, to help Heads of Service and Managers to involve and support Officers in moving towards new models of working.
- Communications work and support to be sourced externally, messages sent to residents regarding Sustainable Powys were noted as being fundamental for its success.
- Roadmap developed with timescales.
- Member briefing in July undertaken and further workshops planned.
- Analysis and collation of data, identified 'quick wins', established sprints to action these.
- Assessment of the Integrated Business Plans.
- Into Spring 2024, to bridge the £10 million gap in the budget.
- Budget model to be updated.
- To refresh the Medium-Term Financial Strategy alongside the other work of Sustainable Powys.
- The Head of Finance noted the earlier comments around digital exclusion, investment had been made over a number of years, to ensure future generations were served effectively regarding access to digital services.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
<p>The Cabinet Member for Finance and Corporate Transformation noted that the public perception was highly important relating to Sustainable Powys, and how the Council provided services to residents.</p>	
<p>It was noted that artificial intelligence (AI) could be useful for residents and in improving the financial sustainability of Council services when used correctly. It was reported that Durham County Council used self-service portals utilising AI. How could the Council ensure that all generations of people were not excluded, to be able to access digital services going forward?</p>	<p>The Director of Corporate Services noted that many households across Powys had already signed up to digital services, around 66,000 registered accounts out of a population of 133,000. It was noted that there were areas where services could be improved or changed to maximise the use of AI tools, whilst retaining the value of human involvement in good customer service, for example.</p>

	<p>The Director of Corporate Services also noted the draft People Strategy which would be presented to Members once staff were consulted. The Strategy could help equip the workforce to adopt and utilise new technologies.</p> <p>The Director further noted the recent Sustainable Powys workshop with Members, which discussed the challenges of housing, especially for young people, the outward migration from Powys, apprenticeships and graduate schemes. Although the Council would have less money to spend on the redesigned services which may look different to before, the services could provide a better service.</p>
<p>The Chair asked the Head of Finance how benefits of Sustainable Powys would be tracked, specifically the quantitative and qualitative benefits? Was there a methodology for tracking the benefits?</p>	<p>The Head of Finance responded that previous challenge of the Council on reviewing the impact of previous cost-saving measures had already provided learning. As options were developed, the Council must be clear from the outset what would be recorded and monitored to effectively report on the benefits realisation moving forward.</p> <p>The Head of Finance noted that transformation bids were required to be aligned with Sustainable Powys, however, expectations also needed to be set based on that investment.</p> <p>The Chair recommended that a methodology be used that could be described to all stakeholders, including the Council’s individual Services and Officers but also the public. A methodology would assist in outlining the qualitative and financial benefits of Sustainable Powys, which may include longer-term investment plans before benefit realisation occurred. It was noted that a balance would need to be struck between delivering the financial savings, whilst not distorting the overall programme to enable an outcome- and services-driven, sustainable improvement programme.</p>

	<p>The Director of Corporate Services noted invest to save proposals, for example to remedy homelessness and poverty in Powys. The invest to save proposals could be measured and evaluated as part of Sustainable Powys.</p>
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Observations and Recommendations:

- The Chair recommended that a methodology be developed to enable qualitative and quantitative benefits of Sustainable Powys to be tracked and communicated to all stakeholders.

15. WORKING GROUPS

Documents Considered:

- Governance and Audit Committee – Capital Working Group Report 29-06-2023.

Observations and Recommendations:

- The Committee received and noted the report of the Capital Working Group held 29 June 2023.

16. SELF-ASSESSMENT ACTION PLAN UPDATE

Documents Considered:

- Governance and Audit Committee Self-Assessment Action Plan.

Background:

- A verbal update on the Governance and Audit Committee’s Self-Assessment Action Plan was provided by the Head of Democratic Services and Head of Finance.

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
<p>The Chair noted Item 1.2 which related to public engagement and how the Committee could involve the public in future meetings. The Chair felt that it would be difficult to find ways in which the public could be engaged on governance and audit business, and sought suggestions.</p>	<p>The Head of Democratic Services noted that the Council’s Communications Team were able to provide support with GAC communications, such as sharing meeting recordings and to highlight the work of the Committee.</p>

<p>The Chair also noted the skills audit of GAC Members needed to be reviewed, specifically around digital and scrutiny questioning skills.</p>	
<p>It was noted that the Self-Assessment Action Plan mentioned GAC Member training. Was a training log or training plan available which could list each Member and the training received?</p>	<p>The Head of Democratic Services confirmed that a training log was kept which outlined the training received by Members.</p>
<p>Member training was noted as being an element of the Annual Report for individual Councillors. It was understood that each Councillor's online profile recorded their training.</p>	
<p>The Director of Corporate Services noted that the Council had already attempted to increase the awareness of public participation in local democracy and scrutiny, such as the "make a suggestion" function for Scrutiny Committees. It was noted that GAC could be more difficult to follow compared to the items considered by Learning and Skills or Health and Care Scrutiny Committee.</p> <p>The Director of Corporate Services asked the Audit Lead (Performance Audit) whether there were any specific Local Authorities that had best practice examples.</p>	<p>The Audit Lead (Performance Audit) agreed that much of the information discussed at GAC could be quite technical, which may be a barrier to public participation. However, it was noted that the accessibility of the meeting, rather than its contents, would be more relevant for the people who wanted to attend GAC anyway. The content of the meeting was a separate issue which resulted from agenda development.</p> <p>There were no specific example Local Authorities, however earlier work by Audit Wales on scrutiny arrangements were transferrable, such as ease of access to live meetings and recordings, advertisement via social media channels and accessing agendas. Indicators for wider public participation could be drawn from both the number of viewers watching the live meetings and the recordings.</p>
<p>Page 386 (of the agenda pack) noted internal audit reporting was agile which resulted in reports being received slightly quicker. However, there were occasions when internal audit reports were slow to be presented to GAC, after which time the subject had lost relevance.</p>	<p>The Chair agreed with the comments made by the Member, and noted that it would be helpful to improve the pattern and timeliness of reporting, including responses from Officers.</p> <p>The SWAP Assistant Director (Powys) agreed with the comments, and noted that an effective internal audit process required actions to be communicated</p>

	<p>immediately to the client to address. It was further noted that the Internal Audit Working Group could review the metrics.</p> <p>It was noted the new internal audit system could allow live oversight of Officer's reporting on actions, providing a real-time view of each action which should increase assurance. The SWAP Assistant Director (Powys) noted that the risk still existed whilst internal audits were not actioned.</p>
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Observations and Recommendations:

- Recommended that the Chair and Democratic and Scrutiny Support Officer review:
 - the approach to public engagement with GAC,
 - the skills audit, training needs and log for GAC Members.

17.	WORK PROGRAMME
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Documents Considered:

- Governance and Audit Committee Work Programme

Issues Raised by the Committee and Responses Received:

Issues Raised by the Committee:	Responses Received:
<p>Due to the high workload of the GAC currently, could more sessions be scheduled so that that the regular items and quarterly reports be received and considered, with a supplementary meeting to receive items such as updates on Sustainable Powys, Working Group reports and action plans?</p>	<p>The Chair noted that she was unsure whether the Member's proposal would be feasible, however was open to discussion on the issue of workload. The Chair noted further whether a meeting was required for October due to the length of meetings, and the volume of agendas.</p> <p>The Head of Democratic Services reported that the number of GAC meetings had increased to eight per year. There were regular agenda items such as quarterly reports, however there were also additional reports from Audit Wales and SWAP which needed to be received and considered by the GAC.</p> <p>The Head of Democratic Services also noted that a review of the frequency of agenda items being considered by</p>

	<p>GAC may be helpful. There were other methods to consider reports which could be explored, rather than scheduling more meetings which can become difficult with conflicting meetings.</p>
<p>The notion of reducing the number of agenda items by increasing meetings was welcomed, however it was noted that this would be challenging for Members to balance with other commitments.</p>	<p>The Chair agreed with the Member's comments and noted that a way forward without increasing meeting frequency would be needed.</p>
<p>The difficulty in attending all meetings and other Committee commitments, employment and personal life, whilst contributing effectively was noted.</p> <p>Increasing meeting frequency may be suitable for some Members. However, for those Members that had other employment, attending additional meetings would be challenging, and risked omitting Members who relied on employment alongside their elected Councillor duties.</p> <p>It was acknowledged that when Officers were required to produce reports for the Committee, this in-turn would reduce their capacity to undertake the other duties of their role. Shorter meetings that were more focused were more productive.</p>	<p>The Chair agreed and noted the Member's comments.</p>

Actions:

- To move the Statement of Accounts item from the September to November meeting.
- To add an item to the agenda to receive the presentation from the Head of Workforce and Organisational Development.
- Noted that the Committee had discussed the issues relating to large agendas, and that the Chair would explore alternative arrangements with Scrutiny Service Officers to reduce agenda and report volume.

Observations and Recommendations:

- It was noted that a presentation from the Head of Workforce and Organisational Development was to be received by GAC.

L Hamilton (Chair)

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Powys County Council Governance and Audit Committee

Committee:	Governance and Audit Committee
Date:	Friday 29 th September 2023
Subject:	Audit Wales Report – Powys County Council Setting of Well-being Objectives

1. Who will be the Lead Officer(s) / Lead Cabinet Member(s) presenting the report?

Name:	Role:
Emma Palmer	Director of Corporate Services
Cllr. James Gibson-Watt	Leader and Cabinet Member for an Open and Transparent Powys

2. Why is the Committee being asked to consider the subject?

This item is for information only.

As part of the Council's statutory duties when preparing well-being objectives, presented via the Corporate and Strategic Equality Plan "[Stronger, Fairer, Greener](#)", Audit Wales has a responsibility to ensure that the Council has acted in accordance with the [sustainable development principle](#) and is maximising its contribution to the [Wales Well-being goals](#), as required by the Well-being of Future Generations (Wales) Act.

This audit activity was undertaken in Spring 2023, with the final report now published and available [here](#).

The findings of the Audit was, "The Council has applied the Sustainable Development Principle in setting its Well-being Objectives (WBOs). However, it should draw on more diverse citizen views and fully embed its new monitoring arrangements", which has led to the below recommendation:

The Council should continue to build on the progress it has made in applying the sustainable development principle in the setting and delivery of its wellbeing objectives by:

- improving how it draws on the views of the full diversity of its citizens in designing of its future WBOs and in delivering its current WBOs;

- ensuring the future iterations of its MTFP clearly show how the Council's resources will be prioritised to deliver its WBO's and also how current and future savings targets or known future financial risks might impact the delivery of its WBOs; and
- ensuring that its new Performance Management and Quality Assurance Framework and Corporate Reporting Dashboard are embedded quickly to enable it to effectively monitor progress on its WBOs.

3. Role of the Committee:

- To be aware of Audit Wales findings surrounding this review of the Corporate and Strategic Equality Plan's Well-being objectives
- To be assured that the appropriate improvement activity has been identified to address this recommendation (whilst noting there are wider contextual challenges, particularly surrounding public engagement with democracy)

Key Feeders (tick all that apply)

Strategic Risk		Cabinet Work Plan	
Director / Head of Service Key Issue		External / Internal Inspection	X
Existing Commitment / Annual Report		Performance / Finance Issue	
Suggestion from Public		Referral from Council / Committee	
Corporate Improvement Plan	X	Impacting Public / other services	
Service Integrated Business Plan	X		
Suggestion from Members			
Partnerships			

Key Impact (tick all that apply)

Policy Review	X	Performance	X
Informing Policy Development	X	Evidence Gathering	X
Risk	X	Corporate Improvement Plan	X
Service Integrated Business Plan	X	Partnerships	
Pre-Decision Scrutiny		Finance / Budget	

Setting of well-being objectives – Powys County Council

Audit year: 2022-2023

Date issued: July 2023

Document reference: 3704A2023

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

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

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Background: Our examinations of the setting of well-being objectives

- 1 The Well-being of Future Generations (Wales) Act 2015 (the Act) places a ‘well-being duty’ on 48 public bodies. The duty requires those bodies to set and publish ‘well-being objectives’ that are designed to maximise their contribution to achieving each of the Act’s seven national well-being goals.¹ They must also take all reasonable steps, in exercising their functions, to meet those objectives.
- 2 The Auditor General must carry out examinations to assess the extent to which public bodies have acted in accordance with the sustainable development principle when setting their well-being objectives.² We are carrying out a rolling programme of these examinations, up to early 2025.³
- 3 To do something in accordance with the sustainable development principle means acting ‘in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs’. To achieve this, a public body must take account of the five ways of working: long term, integration, involvement, collaboration, and prevention.⁴
- 4 We designed an assessment framework to enable us to assess the extent to which public bodies have applied the sustainable development principle when setting their well-being objectives. **Appendix 1** sets out further information on our approach, including a set of ‘positive indicators’ that illustrate what good could look like.
- 5 In designing our approach, we considered what we could reasonably expect from public bodies at this point in time. Public bodies should now be familiar with the sustainable development principle and ways of working and be seeking to apply them in a meaningful way. At the same time, we appreciate that public bodies are still developing their experience in applying the sustainable development principle when setting well-being objectives. Therefore, the examinations include consideration of how public bodies are applying their learning and how they can improve in future.

¹ The seven national well-being goals are; a prosperous Wales, a resilient Wales, a healthier Wales, a more equal Wales, a Wales of cohesive communities, a Wales of vibrant culture and thriving Welsh language, and a globally responsible Wales.

² Section 15 (1) (a) Well-being of Future Generations (Wales) Act 2015

³ The Auditor General must carry out examinations over the period set out in the Act, which begins one year before a Senedd election and ends one year and one day before the following Senedd election.

⁴ Section 5 Well-being of Future Generations (Wales) Act 2015

Carrying out our examination at Powys County Council

- 6 The aim of this examination was to:
 - explain how Powys County Council (the Council) applied the sustainable development principle throughout in the process of setting its well-being objectives;
 - provide assurance on the extent that the Council applied the sustainable development principle when setting its well-being objectives; and
 - identify opportunities for the Council to further embed the sustainable development principle when setting well-being objectives in future.
- 7 We set out to answer the question ‘to what extent has the Council acted in accordance with the sustainable development principle when setting its new well-being objectives’. We did this by exploring the following questions:
 - Was the process the Council put in place to set its well-being objectives underpinned by the sustainable development principle?
 - Has the Council considered how it will make sure it can deliver its well-being objectives in line with the sustainable development principle?
 - Has the Council put in place arrangements to monitor progress and improve how it applies the sustainable development principle when setting its well-being objectives?
- 8 We discussed the timing of the examination with the Council, and we tailored the delivery to reflect its specific circumstances.
- 9 We gathered our evidence in the following ways:
 - reviewing key documents;
 - running a workshop with key officers and Members who were involved with setting the well-being objectives; and
 - carrying out a final clarification meeting on outstanding issues with key individuals in addition to the above.
- 10 We also provided some informal feedback to officers on the key findings from our work prior to sharing this report.

How and when the Council set its well-being objectives

- 11 The Council's new ‘Stronger, Fairer, Greener Corporate and Strategic Equality Plan 2023-2027’ (the Corporate Plan), was adopted by the Council in February 2023. The Corporate Plan is structured around its three new Well-being Objectives, these being:

- we will improve people’s awareness of services, and how to access them, so that they can make informed choices;
 - we will support good quality, sustainable, employment and training opportunities, whilst pursuing real living wage employer accreditation;
 - we will work to tackle poverty and inequality to support the well-being of the people of Powys.
- 12 Whilst there is not a specific Well-being statement in the new Corporate Plan, it does include the respective elements of the Well-being statement as required by the Well-being of Future Generations Act. An interactive version of the Corporate Plan was published on the Council’s website on 1st April 2023. The Council’s web pages hosting the interactive version of the Corporate Plan also include a link to an accessible version of the Corporate Plan.
- 13 In setting its new Well-being Objectives (WBOs) the Council has applied lessons learned from the previous setting of WBOs. These key lessons included:
- ensuring that the new Corporate Plan was less complex and introduced fewer broad, cross-cutting objectives with an aim to encourage a whole Council approach to ownership and delivery;
 - greater emphasis on ensuring that there was alignment between the Corporate Plan and the administrations political ambitions;
 - improving the corporate ownership of the Corporate Plan through better communication and engagement between officer and councillors; and
 - simplifying its strategic planning landscape by discharging its reporting duties under the Equalities Act and Well-being of Future Generations Act into one combined Plan.

What we found

The Council has applied the Sustainable Development Principle in setting its Well-being Objectives. However, it should draw on more diverse citizen views and fully embed its new monitoring arrangements.

The process for setting well-being objectives

Evidence Base

- 14 The Council has drawn on an extensive set of evidence and data to support the development of its new WBOs. Such as:
- the Annual Performance report 2021-22, which included a clear process for assessing performance against its prior WBOs;

- Service Self-Assessment workbooks and final report 2021-22;
 - the Well-being Information bank – which includes metrics on areas of Well-being such as Demographics, environment, health and the economy;
 - seven key priorities within the Progressive Partnership Agreement;
 - the Public Service Board (PSB) Well-being Assessment and resultant PSB Well-being Plan;
 - the Regional Partnership Boards, Population Needs Assessment.
- 15 The Council used a summary of the evidence to describe why each of the WBOs had been selected and this has been included within the ‘What we already know’ section of the Corporate Plan. The Corporate Plan also captures data on long term trends and issues and needs.
- 16 Members and Officers were engaged in a clear process to develop the new WBO’s. This included running a series of workshops around key themes, such as; Poverty, Housing, Climate Change and Young People. There was an analysis on current situation, challenges and also historical and future trends for each theme.

Consultation and Involvement

- 17 As part of the Council’s internal engagement on its new Corporate Plan, Members and Officers were actively engaged in workshops to prioritise the steps the Council might take to deliver its WBOs using the Future Generations Commissioner’s Office (FGCO) self-reflection maturity framework. During these workshops they identified options for what steps would need to be taken if they were to achieve the different levels of maturity as outline in the FGCO framework.
- 18 The Council has engaged with citizens in the WBOs setting process both specifically through a survey and an online suggestions board and by using other existing consultations such as those undertaken for the PSB Well-being Assessment and Well-Being Plan. Whilst the Council has used this information to help shape the Corporate Plan it recognises that more could be done to ensure that it is able to draw on the views of the full diversity of the population, such as young people, in how it defined its WBOs.
- 19 The Council recently launched a Participation Strategy and its investment in a dedicated Participation Officer could help it set the framework and provide additional capacity for improving how it engages and involves the full diversity of citizens in Council initiatives. One area that the Council has suggested it will be looking to develop to support its participation and involvement ambitions is better engagement between the Council and local communities is through Town and Community Councils.
- 20 The Council’s ‘Aim’ within the Corporate Plan describes how individuals will be key to supporting the delivery of the WBO. For example, within the ‘Stronger’ element of the Aim the Council is committed to ‘...become a county that succeeds together, with communities and people’ and within the ‘Fairer’ element of the Aim the Council commits to being a ‘Council where people’s voices are heard and help to shape

our work and priorities'. Whilst there is this overall commitment, how individuals will do this, it is not specifically defined within the Corporate Plan. Therefore, as the Council rolls out its new Integrated Business Plans (IBPs) it will be important that these IBPs include more detail on how and when individuals will support this delivery.

Planning to improve well-being

- 21 The Council has mapped the connections between its own objectives and the national well-being goals within its new Corporate Plan. This contribution to the Goals is also considered in more detail within the Council's Integrated Impact Assessment for its new Corporate Plan.
- 22 The Council's WBOs and the steps to deliver these show a broad range of priorities that focus on both long- and short-term need. However, its plans to improve well-being through its WBOs also have an element of uncertainty as significant issues such as the cost-of-living and the refugee crisis may impact on fully delivering its WBO ambitions.
- 23 The WBO that is focused on tackling poverty clearly describes how delivering the WBO will also deliver multiple benefits and improve citizen well-being. Whilst the WBO around employment also includes some examples of delivering multiple benefits, identifying other examples of where it's WBO can deliver multiple benefits would help the Council to identify further opportunities to improve well-being across Powys.
- 24 Planning for Well-Being in Powys has been supported by there being good alignment between the PSB WBOs and the Council's WBOs. The Council has also established several positive collaborative initiatives with internal and external stakeholders in support of its WBOs. A good example of this is the Child Poverty Task Force which brings together a wide range of internal and external stakeholders to work in partnership to support the delivery of the Council's WBOs and is focused on reducing poverty.
- 25 Whilst the engagement with partners such as the Health Board continues to evolve and improve, more could be done to ensure that the priorities and WBOs of these partners are specifically considered in the setting of future Council WBOs.
- 26 There are some good examples of where the Council has set out steps to apply the preventative approach in helping to deliver its WBOs, such as:
 - its initiative to address the homeless crisis and offer more affordable homes;
 - using the Council's farm estate to help build food resilience and energy resilience whilst encouraging young families to enter the farming sector.

Delivering the well-being objectives

- 27 The key mechanism for delivering the Council's WBOs and steps will be through its new Integrated Business Planning Process (IBP) and Transformation Portfolio. The

Council now requires the new WBOs to be central to its evolving IBP process. Having this more explicit link should provide a clearer framework for the identification of actions and resources to deliver its WBO's. However, it will be important for the Council to evaluate the new IBP process and to assess if it is having the expected impact in delivering on the new WBOs.

- 28 The Council's WBOs have been designed to reflect the short, medium and longer-term, and whilst the Council's Medium-Term Financial Plan (MTFP) identifies its new WBOs as a key driver for its resource allocation, a clearer description of how the Council's resources will be prioritised to deliver on its WBOs would strengthen its arrangements. It will also be important that its future resourcing/financial plans identify how current and future savings targets or known future financial risks might impact the delivery of its WBOs.

Monitoring the well-being objectives

- 29 The Corporate Plan clearly outlines the governance framework for how the Council will monitor progress of its new WBOs. Whilst the Council has a clear process for monitoring its former WBOs, at the time of our fieldwork it was in the process of refreshing its existing Performance Management and Quality Assurance Framework with a new Assurance Framework and Corporate Reporting Dashboard. The aim of its Framework and Dashboard will be to ensure there is a consistent approach to monitoring and measuring progress on its WBOs. It will be important that this new framework is embedded quickly if the Council is to effectively assess the progress it is making against its WBOs.
- 30 For each WBO within the Corporate Plan there is set of measures/metrics that focus on gathering evidence on 'How much', 'How well', and 'What Difference' is being made by the Council in achieving its WBOs. The suite of measures under the 'What Difference' section include several broad measures focused on well-being such as: 'The percentage of people accessing leisure facilities who report positive well-being' and 'The percentage of people satisfied with the local area as a place to live'. These types of measures will be helpful in determining the progress being made on improving well-being for the citizens and place of Powys.

Recommendations

- R1 The Council should continue to build on the progress it has made in applying the sustainable development principle in the setting and delivery of its well-being objectives by:
- improving how it draws on the views of the full diversity of its citizens in designing of its future WBOs and in delivering its current WBOs;
 - ensuring the future iterations of its MTFP clearly show how the Council's resources will be prioritised to deliver its WBO's and also how current and future savings targets or known future financial risks might impact the delivery of its WBOs; and
 - ensuring that its new Performance Management and Quality Assurance Framework and Corporate Reporting Dashboard are embedded quickly to enable it to effectively monitor progress on its WBOs.

Appendix 1

Key questions and what we looked for

The table below sets out the question we sought to answer in carrying out this examination, along with some sub-questions to guide our evidence gathering. It also includes some 'positive indicators' that have been tailored to this examination, adapted from those we have previously used to inform our sustainable development principle examinations. This list is not a checklist, but rather an illustrative set of characteristics that describe what good could look like.

To what extent has the body acted in accordance with the sustainable development principle when setting its new well-being objectives?	
Planning: Was the process the body put in place to set its well-being objectives underpinned by the sustainable development principle?	
	Positive indicators

To what extent has the body acted in accordance with the sustainable development principle when setting its new well-being objectives?

<p>Has the body used data and other intelligence to understand need, risks and opportunities and how they might change over time?</p>	<ul style="list-style-type: none"> • The body has a clear and balanced assessment of progress against previous well-being objectives that has been used to inform the body’s understanding of the ‘as is’/ short-term need. • The body has set well-being objectives based on a good understanding of current and future need, risk and opportunities, including analysis of future trends. This is likely to be drawn from a range of local and national sources, such as: <ul style="list-style-type: none"> – Public Services Boards’ well-being assessments – Regional Partnership Boards’ population assessments – The results of local involvement/ consultation exercises – Service monitoring and complaints – Future Trends report – Natural Resources Wales’ State of Natural Resources Report (SoNaRR) for Wales and Area Based Assessments • The body has sought to understand the root causes of problems so that it can address negative cycles and intergenerational challenges through its well-being objectives.
<p>Has the body involved others in developing its well-being objectives?</p>	<ul style="list-style-type: none"> • The body uses the results of involvement to help select its well-being objectives. That involvement – whether primary, secondary or a combination – reflects the full diversity of the population. • Involvement reflects good practice and advice from the Future Generations Commissioner.

To what extent has the body acted in accordance with the sustainable development principle when setting its new well-being objectives?

<p>Has the body considered how the objectives can improve well-being and have a broad impact?</p>	<ul style="list-style-type: none"> • The well-being objectives have been designed to improve well-being in the broadest sense and make a contribution across the seven national well-being goals. • The well-being objectives have been designed to reflect and capitalise on the connections between different areas of work. • There is a well-developed understanding of how the well-being objectives impact on/ relate to what other public bodies are trying to achieve and opportunities to work together.
<p>Has the body designed the objectives to deliver longer-term benefits, balanced with meeting short-term needs?</p>	<ul style="list-style-type: none"> • The body has set objectives that are sufficiently ambitious and have been designed to drive activity across the organisation. • The objectives are designed to meet short and longer-term need. Where objectives are set over a short to medium timeframe, they are set in the context of longer-term considerations or ambitions.
<p>Resourcing and delivery: Has the body considered how it will make sure it can deliver its well-being objectives in line with the sustainable development principle?</p>	
<p>Has the body considered how it can resource the well-being objectives?</p>	<ul style="list-style-type: none"> • Resources have been allocated to ensure the objectives can be delivered over the short and medium-term, but the body has also considered longer-term resources, risks and/or how it can resource longer-term objectives.

To what extent has the body acted in accordance with the sustainable development principle when setting its new well-being objectives?	
	<ul style="list-style-type: none"> The body has allocated resources to deliver preventative benefits, where these are described in its well-being objectives.
Has the body considered how it can work with others to deliver their objectives?	<ul style="list-style-type: none"> The body is drawing on its knowledge of partners objectives/ activity, its relationships and collaborative arrangements to make sure it can deliver on cross-cutting ambitions.
Monitor and review: Has the body put in place arrangements to monitor progress and improve how it applies the sustainable development principle when setting its well-being objectives?	
Has the body developed appropriate measures and monitoring arrangements?	<ul style="list-style-type: none"> Performance measures are designed to reflect the sustainable development principle, e.g., by focusing on outcomes that cut across departmental/ organisational boundaries and deliver multiple (including preventative) benefits over the longer term. There is a 'golden thread' that will allow the body to clearly and transparently report on progress to meeting the objectives.
Is the body seeking to learn from and improve how it has applied the sustainable	<ul style="list-style-type: none"> The body shows self-awareness and a commitment to improving how it applies the sustainable development principle so that it can do so in a meaningful and impactful way.

To what extent has the body acted in accordance with the sustainable development principle when setting its new well-being objectives?

development principle to setting its well-being objectives?

- The body has learnt from setting previous well-being objectives and from applying the sustainable development principle more generally and has improved the process for setting its new well-being objectives.
- The body has or plans to reflect on how it has applied the sustainable development principle in this round of setting well-being objectives.



Audit Wales

1 Capital Quarter

Cardiff CF10 4BZ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

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

5

Powys County Council Governance and Audit Committee Template

Committee:	Governance and Audit Committee
Date:	29 th September 2023
Subject:	Corporate Fraud and Error Quarter 2 2023 Report

1. Who will be the Lead Officer(s) / Lead Cabinet Member(s) presenting the report?

Name:	Role:
Jane Thomas	Head of Finance
Yvette Kottaun	Senior Investigation Officer

2. Why is the Committee being asked to consider the subject?

It is part of their remit to have overview of position of corporate fraud activities within the Council.

3. Role of the Committee:

The role of the Committee in considering the subject is to:

Receive quarterly updates on current work activities and performance.

Raise any significant concerns around opportunities for fraud revealed during the course of fraud and error work.

Seek Governance and Audit Committee's input on the Fraud Team's any future work plans.

Support delivery of recommendations raised in audit work by Audit Wales and SWAP and to advise the Governance and Audit Committee on the progress made against the actions identified.

4. Key Questions:

What Key areas should the Committee focus on:

Note the proactive work undertaken by the corporate fraud team and its results.

Note audit recommendations that need to be addressed, including an action for the Members code of conduct.

Key Feeders (tick all that apply)

Strategic Risk	<input checked="" type="checkbox"/>	Cabinet Work Plan	
Director / Head of Service Key Issue		External / Internal Inspection	<input checked="" type="checkbox"/>
Existing Commitment / Annual Report		Performance / Finance Issue	<input checked="" type="checkbox"/>
Suggestion from Public		Referral from Council / Committee	
Corporate Improvement Plan		Impacting Public / other services	
Service Integrated Business Plan			

Suggestion from Members			
Partnerships			

Key Impact (tick all that apply)

Policy Review		Performance	
Informing Policy Development		Evidence Gathering	
Risk	x	Corporate Improvement Plan	
Service Integrated Business Plan		Partnerships	
Pre-Decision Scrutiny		Finance / Budget	x

CYNGOR SIR POWYS COUNTY COUNCIL.

GOVERNANCE AND AUDIT COMMITTEE

29th September 2023

REPORT AUTHOR: Jane Thomas Head of Financial Services

REPORT TITLE: Corporate Fraud and Error Quarter 2 2023 Report

REPORT FOR: Information & Discussion

1. Purpose

- 1.1 To provide a quarterly update to the Governance and Audit Committee on current work activities and performance.
- 1.2 To raise any significant concerns around opportunities for fraud revealed during the course of fraud and error work.
- 1.3 Seek Governance and Audit Committee's input on the Fraud Team's future work plans.
- 1.4 To provide a response to the recommendations raised in audit work by Audit Wales and SWAP and to advise the Governance and Audit Committee on the progress made against the actions identified.

2. Fraud and Money Laundering Policies

2.1 The policies set out below were approved in July 2020 and can be found in the HR policies areas of the corporate handbook. *The Anti-Fraud Policy has been reviewed and is on way to GAC and the others are being reviewed.

- Anti-Fraud Policy
- Anti-Money Laundering Policy
- Fraud, Sanctions and Prosecutions Policy

2.2 Further promotion and awareness raising that will happen this year.

- In this quarter, the roll out of the mandatory fraud awareness training package will be implemented and rolled out across the Council. All officers and councillors will be required to undertake the training every 2 years.

3. Quarter 2 2023 Activity Report

- 3.1 The Fraud and Intel team continue to undertake a series of proactive review exercises that seek to verify eligibility to reliefs, discounts, disregards and exemptions and awards across the Council in key areas, then correct any that are error and identify any that may warrant fraud investigation.
- 3.2 The team are currently working on 3 joint working cases with the Dept of Work and Pensions Fraud team around living together, capital, and undeclared income situations. There are no outcomes as yet on any of these cases to report. An invitation for joint working on a new case has recently been sent across a response is awaited.
- 3.3 The Fraud team have had 92 investigations in 2023/24 so far. (Some of these cases may be ongoing from 2022/2023)

At the end of Q2, the accumulative figures and outcomes are:

Current Status	Number	Areas Investigated (Can be more than the number of cases)	Number	Value (Overpayment, Rebill and/or Gains)
Current (fraud) cases ongoing	46	Employee cases	11	*In progress
		Council Tax	2	
		Council Tax Exemptions	2	
		Council Tax Discounts	7	
		Council Tax Premiums	6	
		Business Rates	3	
		Council Tax Reduction Scheme	13	
		Housing Benefit	2	
		Social Care	2	
		Tenancy	4	
		Employment & Support Allowance	1	
		Personal Independence Payment	3	
		Universal Credit	9	
		Discretionary Housing Payment	1	
		Carers Allowance	1	
		No Further Action (for example circumstances were already corrected or not as reported)	4	
Council Tax Discounts	1			
Housing Benefit	1			
Council Tax	1			

Insufficient or no evidence	8	Council Tax Reduction Scheme Council Tax Discounts Tenancy	2 5 1	N/A
Cases Closed but with Recommendations	4	Council Tax Premiums Tenancy Council Tax Reduction scheme	2 1 1	N/A
Case Closed with an application closed, stopped or withdrawn	0		0	
Closed with no overpayment	0		0	
Fraud Detected	3	Council Tax Premiums Council Tax Exemptions Social Care Payments		£4,935 R +£2,904 G £632 R £132,277 R

3.4 The Team welcomes the Committee's views on any areas of focus for the fraud and error work this year, that it feels may be relevant. This can then help inform our work plans for the rest of 2023/24.

4. **Gains and Outcomes of fraud and error work to where we are in Q1 to date (accumulative 2023/2024 figures) are:**

Current Status	Number	Value
----------------	--------	-------

Prosecutions Administration Penalties Civil Penalties Other Sanctions: -	1	£50
Overpayments/Rebills: - This is the value of recoverable overpayments and re-bills for Powys Council from the work of the team around fraud and error		£255,739
Income Gains: - This is the value of potential income saved or potential revenue gained by Powys Council over the course of 52 weeks from the work of the team around fraud and error.		£541,923

5. System and Process Recommendations

- 5.1 No serious fraud risk management recommendations were made in Q2 following conclusion of the Fraud team's investigation and error work that the Committee need to be made aware of.

6. Response to the recommendations raised in audit work by Audit Wales and SWAP and the progress made against the actions identified (*Continued from 2022/2023)

- 6.1 The table below sets out the current actions to address the shortfalls and the timetable to achieve them.

Action	Date	Completed	Notes	Issue
Work with service areas will be undertaken to have staff who don't sign in via Net Consent to understand the policies and agree to them	Q2 23		Work continuing by BI team on identifying and matching the 650 users who have not signed, then need to work with services to get actuals to complete . ICT also involved and believe numbers may be much less than 650, update awaited.	1/3
Encourage take up of fraud e-learning module across staff and Councillors	Q2 23		Fraud Policies were re-circulated to Councillors post Q1 G&A meeting as requested, E-Learning Module release imminent	6/8

Offer specific Fraud Training to service teams and Councillors as required	Q4 23		Date moved as appropriate to offer at end of process of roll out of fraud awareness module, also after risk assessment process and any necessary workshops complete	6/8
SWAP to undertake further fraud risk assessment for Powys	Q1- Q4 2023		SWAP have a plan of work and Fraud Team assisting/supporting	4/5/7/ 9/11
Following the fraud risk assessments, develop risk registers and consider if a fraud risk plan for services and strategy needed.	Q4 22 To Q3 23		<p>Corporate fraud risk going through approval process.</p> <p>As the risk assessment doesn't show specific issues not able to develop service risks without individual service discussion.</p> <p>SWAP and CAFT working together to revisit the previously completed SWAP Baseline fraud risk assessment for a deeper dive and SWAP carrying out testing.</p> <p>Timings for this work element moved to accommodate new approach</p>	
Build in key competency for Powys managers training for Financial Services around fraud awareness and ability to review systems and procedures and new service modules	Q4 23		Moved date as applicable to do this once all other aspects known and up and running	1/5/6/8
External website 'report fraud' and fraud Hotline (+ leave message facility) all working fine and steady referrals received.	Q4 22		Issue with not being able to add fraud icon to intranet to link to form on website. **Reduction in internal referrals now increased an risk due to the above.	1
Fraud intelligence report for S151 Officer	Q3		Report will be completed and	4/5/7/ 9/11

			available to S151 Officer to review	
Update staff and Member codes of conduct to include direct anti-fraud references	Q2 22		<p>HR advised that Wyn Richards is responsible for updating the Section 20 Code of Conduct and fraud references to be included. Confirmation awaited.</p> <p>Clive Pinney's advice re Councillors was that a change to the Member Code of Conduct is more difficult as this Code of Conduct is a national one issued by the Public service Ombudsman for Wales</p> <p>Clive suggests that this can be dealt with by an email to all Members.</p> <p>GAC not content with this as per Q1 meeting, the following advice has been sought from the Ombudsman Wales and the response as follows: The Model Code is in legislation it's not possible to add to it. There has been a recent consultation on it and in essence it was determined that it is pretty much doing what it needs to do. When Council's agree the Code of Conduct there is an opportunity to add to it but most don't and it is unlikely the Ombudsman would investigate anything that wasn't set out in the model code.</p>	10
Implement a process for vetting candidates in respect of fraud and financial fraud risk	Q3 22		<p>Meeting held and await update of plan from Graham Evans</p> <p><i>*Email chase ups sent for update</i></p>	10
Report to Members on declarations of interest and gifts and hospitality	Q4 22		DOI Policy has been approved but not live yet and HR working on implementation which includes reporting.	10

			*Ongoing with HR	
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Contact Officers:	Yvette Kottaun
Email:	yvette.kottaun@powys.gov.uk
Head of Service:	Jane Thomas
Corporate Director:	

Appendix 1 - Wales Audit Office Report and Internal Audit Report Issues

Powys Issues to resolve	Audit Wales Report Issue
Senior management indicated that that the Council demonstrates a commitment to counter-fraud and has a zero-tolerance to fraud but there was little evidence to confirm that this message is actively promoted across the Council on an on-going basis	1
The approach to counter fraud work and activity was uncoordinated and there was a lack of clarity in terms of the roles and responsibilities of staff involved in Counter Fraud work (e.g., Internal Audit & Income & Awards)	2
At the time of undertaking the work, key policies to support effective counter fraud arrangements were either out of date or could not be located. A number of these have since been updated (e.g. Anti-Fraud Policy, Anti Money Laundering Policy and Fraud Prosecutions and Sanctions Policy)	3
The Council did not have an appropriate fraud response plan in place	4
The Integrated Business Plans completed by services / directorates did not consistently consider any risk assessment on the potential for fraud to impact on the delivery of the service or cost of providing the service	5
The extent of any counter-fraud training undertaken across the Council has been very limited	6
	Internal Audit Report Issue

There is no agreed Anti-Fraud Strategy or Fraud Response Plan.	7
There has been no recent training delivered in relation to anti-fraud and corruption. Fraud training is not mandatory and there is little evidence that anti-fraud awareness is promoted across the Council.	8
The Council has not yet completed a formal assessment in relation to fraud and corruption risks.	9
The Whistleblowing Policy contact details are out of date. The Officer and Member Code of Conduct documents do not specifically include reference to fraud.	10
Fraud risk is not specifically reviewed by Senior Management and Members.	11
The programme of counter-fraud work was not provided and there is no evidence that this is agreed, and progress is monitored by Audit Committee.	12

6

Powys County Council Governance and Audit Committee Template

Committee:	Governance and Audit Committee
Date:	29 September 2023
Subject:	Corporate Safeguarding Board Activity Report, regarding June meeting.

1. Who will be the Lead Officer(s) / Lead Cabinet Member(s) presenting the report?

Name:	Role:
Nina Davies	Interim Director of Social Services and Housing
Councillor Church	Portfolio Holder for a Safer Powys

2. Why is the Committee being asked to consider the subject?

To scrutinise the way the Corporate Safeguarding Board monitors safeguarding across the whole Council, and progress against the Action Plan.

3. Role of the Committee:

The role of the Committee in considering the subject is to:

To read and note contents of the update regarding the Corporate Safeguarding Board, scrutinise the work and its impact, and provide constructive challenge to the Council about its safeguarding activity in an impartial and independent manner.

4. Key Questions:

What Key areas should the Committee focus on:

Summary of most recent Corporate Safeguarding Board activity including updates about work in progress, achievements, and action plans.

Key Feeders (tick all that apply)

Strategic Risk	<input checked="" type="checkbox"/>	Cabinet Work Plan	
Director / Head of Service Key Issue	<input checked="" type="checkbox"/>	External / Internal Inspection	<input checked="" type="checkbox"/>
Existing Commitment / Annual Report	<input checked="" type="checkbox"/>	Performance / Finance Issue	
Suggestion from Public		Referral from Council / Committee	
Corporate Improvement Plan		Impacting Public / other services	
Service Integrated Business Plan			
Suggestion from Members			
Partnerships			

Key Impact (tick all that apply)

Policy Review		Performance	<input checked="" type="checkbox"/>
Informing Policy Development		Evidence Gathering	
Risk		Corporate Improvement Plan	
Service Integrated Business Plan		Partnerships	
Pre-Decision Scrutiny		Finance / Budget	

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

For Cabinet 1st August 2023

For Health and Care Scrutiny 22nd September 2023

For Governance and Audit 29th September 2023

REPORT AUTHOR: Nina Davies, Interim Director of Social Services and Housing

SUBJECT: Corporate Safeguarding Board Activity Update

REPORT FOR: Information

1. Introduction

1.1 Cabinet is asked to note this update from the Corporate Safeguarding Board.

1.2 The Corporate Safeguarding Board met on 8th June 2023; this report summarises the information provided at that meeting.

2. Agenda discussions

2.1 Review of Progress against actions on Safeguarding Regulatory Tracker

The four actions on the tracker with a completion date that had passed were reviewed. The Board noted:

- The action requiring the publication of Lead Officer and Lead Member for Safeguarding's roles and responsibilities had been completed, so this action could be closed.
- The action requiring the Volunteer (Safer Recruitment) Policy was completed pending a few minor amendments; once completed this would be circulated to the Board, and the action closed.
- Actions relating the gathering of contractual monitoring information from services regarding their monitoring and address of safeguarding issues, and the clarification of Powys expectations of contracts regarding safeguarding training had taken longer than expected so the deadline reframed to end August.

[Quarterly Reporting - Corporate Regulatory Tracker 2022-2023 - 2022-2023 \(sharepoint.com\)](#)

2.2 Feedback from Cabinet, Health and Care Scrutiny and Governance and Audit Committee.

The Board were informed that the Activity Report arising from the March meeting was considered at the meetings below, with the resultant comments.

2.2.1 Cabinet on 23rd May accepted the report, noting the progress of the Actions in the Regulatory Tracker.

2.2.2 Health and Care Scrutiny on 2nd June requested that:

- a) the Elective Home Education Lead attends a future Scrutiny to explain the themes around children being educated at home. This was agreed.
- b) the Contracts and Procurement Lead attends a future Scrutiny to update on the changes in contract management. This was agreed.
- c) Safer Internet Usage could be a Safeguarding Theme of the Month, and that other methods of communication should/could be used including schools, town and community councils, leisure centres, County Councillors. This was agreed.
- d) The statistics about mandatory safeguarding training compliance in the future should include school staff and volunteers. The processes around this will be explored.

Scrutiny had asked what timeframe is set for staff to complete the mandatory training within – the Board were advised there is a two-week deadline.

Scrutiny had asked how staff without access to computers access the mandatory training. Organisational Development Professional Lead was tasked with providing a Briefing on this. The Board were informed that hard copies had been provided successfully to staff and additionally the training was delivered at different times of day to suit their work pattern, both with positive outcomes; the following stats were provided

Catering and Cleaning	@ 1st Jan = 44.7%	@ 1st June = 85.8%
HTR	@ 1st Jan = 67.8%	@ 1st June = 96.6%

Scrutiny would like the Safeguarding Action Plan to be added to future Activity Reports. This was agreed – see 2.1 above.

2.2.3 The feedback from the Governance and Audit Committee on 23rd June (on the March Board Activity Report) will be fed into the September Board.

2.3 SWAP DBS Audit

The Board were provided with the Audit Report and Appendices. An Officer for SWAP Audit attended the meeting and confirmed the DBS Team gave high assurance, but some other areas gave a more limited assurance (Taxis, Foster Carers, Procurement) with improvements needed.

The Heads of Service responsible in those areas confirmed that remedial actions had been identified, agreed and had been or were in the process of being implemented. It was noted that the Actions from the DBS Audit will be incorporated into the Regulatory Tracker.

2.4 Safeguarding Audits/Self Assessments.

The Board were informed that further work was needed to analyse the information collated from the Safeguarding Audit section of Services' Self-Assessment.

To note at this stage

- Heads of Service had completed the template differently.
- Not all questions were relevant for every service area.
- Heads of Service had allocated a series of actions for themselves, lots of communication and reminders to staff will result.

As a result, the questions, potential inclusion of a moderation facility, document set up and guidance, needs review. This will be discussed at a future Board.

2.5 Preparations for National Safeguarding Week

Preparations for this event in November 2023 are in the early stages. Powys are hosting the National Safeguarding Conference on 16th November, with the theme being 'Safeguarding in Rural

Communities'. Communications Team will link with the Safeguarding Leads around promotion and communications for this event.

2.6 Safeguarding Theme of the Month

Many cross-cutting themes were suggested as potentially suitable for the programme, including alignment with national awareness raising weeks. The suggestions were to be drafted into a table. The Board agreed subjects should be bite size to promote accessibility and understanding given the scope and variety of potential audiences.

2.7 Annual Private Fostering Report

The Board were informed that Private Fostering Arrangements fall within childcare legislation. This applies to any child under the age of 16 who moves into another household outside of their immediate family, such as that of a friend, for longer than 28 days. The Board were informed that the Local Authority has statutory duties to assess, undertake DBS checks and visit to ensure a child is safe and their needs are being met.

There have only been two private fostering arrangement notifications in the last twelve months, with two arrangements in place at the present time. Awareness raising is key, but the Board noted this should be to promote a sense of support and good outcomes rather than statutory intrusion. Guidance and support is available for social workers undertaking this less common area of work. The Private Fostering Report is to be circulated to all Councillors to increase their awareness and understanding.

2.8 Reports by Exception were provided as below:

a) Young People's Housing (16/17-year-olds):

The Board discussed options for young people who are homeless and the challenges therein, in particular Bed and Breakfast accommodation. It reflected on real life examples where this type of accommodation may be the 'least-worst' option for a young person, promoting their safety and better outcomes in comparison to other options that may increase their vulnerability.

The Board were informed that Housing Development Business Cases were being progressed to broaden the scope of creative housing options that may assist.

b) Elective Home Education:

The Board were informed that the Welsh Government Guidance on this matter had now been received, which will allow reflection on relevant and appropriate service developments.

c) Mandatory Safeguarding Training, including VAWDASV

The Board were informed that all service areas have increased their compliance with both Safeguarding and VAWDASV mandatory training.

The Board discussed that Childrens Services show a lower compliance (82%) than other service areas. The Service had reflected on whether their workers should in fact complete this training, given the raft of other safeguarding training they have to complete; but determined they would continue as it covers the basics and adult safeguarding. Compliance is being addressed through supervision sessions.

It was noted that the VAWDASV 'Ask and Act' training 91% compliance rate compares extremely favourably with other Authorities.

d) Adult Social Care Safeguarding Performance, including Deprivation of Liberty Safeguards.

The Board were informed that the Appointeeship and Deputyship Unit had received a positive outcome report following the inspection by the Office of the Public Guardian. This shows the work the quality of work and rigour needed to comply with the Office of the Public Guardian standards.

e) Childrens Social Services Safeguarding Performance

The Board were informed that whilst some dips had been identified in some areas of performance, the trajectory is showing overall improvement. Numbers of children on the Child Protection Register were low (around 100) in contrast to the twelve months previous.

3. Future Agenda Items, in addition to the standing agenda items, are currently to include

Meeting	Item	Lead
September	Safeguarding in Contract Management – progress update. Volunteer (Safer Recruitment) Policy Safeguarding VLOG for Members & Governors Safeguarding Self-Audits Theme of the Month Update about progress of Preparation for National Safeguarding Week (in Nov)	Prof Lead Procurement & Commercial Services, Commissioning HoS Rachel Evans WOD HoS Education HoS Director of SS & Housing All / Director of SS & Housing Safeguarding Senior Managers, Childrens & Adult Services
December	Feedback on National Safeguarding Week Child Performance Licencing and Child Permits – progress update	Education Manager & Designated Schools Safeguarding Lead
March		
June	Update on prep for National Safeguarding Week (annually, in November) <i>Annual</i> Private Fostering Report Services’ Safeguarding Audits in Self-Assessments	Safeguarding Senior Managers, Childrens & Adult Services each Service Childrens Safeguarding Manager HoS

4. Other business included:

4.1.1 Home Office Anti-Terrorism Notifications.

The Board were informed that the Property, Planning and Public Protection Service had received correspondence regarding the anti-terrorism information sharing processes, in particular relating to notifications about individuals who do / may post a threat that live in Powys. The signing and return of a Memorandum of Communication identifying the Prevent Lead would allow the Home Office to provide Powys with such notifications.

The Board resolved that the Prevent Lead (being a Senior Manager in the Public Protection Team) should receive the notifications.

2.10.2 Safeguarding Fora

The Board were informed that these multi agency learning and development sessions have now resumed (previously stopped by Covid). The first one held recently with 75 delegates looked at the subject of sexually harmful behaviour with an expert guest speaker.

The aim is to run two sessions a year, although this may be more as partner agencies are being encouraged to use the 'Safeguarding Fora' banner to run their own safeguarding learning events.

4. Future Corporate Safeguarding Board Meetings

4.1 Future meetings are scheduled for 15th September, 14th December 2023; 14th March 2024 and 13th June 2024

Recommendation:	Reason for Recommendation:
Cabinet receives this briefing as an update from the Chair of the Corporate Safeguarding Board.	To ensure Cabinet are fully sighted on work to date.

Relevant Policy (ies):	Corporate Safeguarding Policy		
Within Policy:	Y	Within Budget:	Y

Relevant Local Member(s):	All elected Members.
----------------------------------	----------------------

Person(s) To Implement Decision:	N/A
Date By When Decision To Be Implemented:	N/A

Is a review of the impact of the decision required?	N
If yes, date of review	N/A
Person responsible for the review	N/A
Date review to be presented to Portfolio Holder / Cabinet for information or further action	N/A

Contact Officer:	Nina Davies, Interim Director of Social Services and Housing
Tel:	01597 827683
Email:	nina.davies@powys.gov.uk

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Powys County Council Governance and Audit Committee

Committee:	Governance and Audit Committee
Date:	29 th September 2023
Subject:	Management of flexible working arrangements

1. Who will be the Lead Officer(s) / Lead Cabinet Member(s) presenting the report?

Name:	Role:
Paul Bradshaw	Head of WOD
Gemma Gabriel	Professional Lead HR

2. Why is the Committee being asked to consider the subject?

The committee sought clarification from WOD in relation to current flexible working arrangements. In particular the flexi scheme and how this was currently operating. The committee requested reassurance that the new ways of working did not have a detrimental impact on productivity and quality of output.

3. Role of the Committee:

4. Key Questions:

Key Feeders (tick all that apply)

Strategic Risk		Cabinet Work Plan	
Director / Head of Service Key Issue		External / Internal Inspection	
Existing Commitment / Annual Report		Performance / Finance Issue	
Suggestion from Public		Referral from Council / Committee	
Corporate Improvement Plan		Impacting Public / other services	
Service Integrated Business Plan			
Suggestion from Members			
Partnerships			

Key Impact (tick all that apply)

Policy Review		Performance	
Informing Policy Development		Evidence Gathering	
Risk		Corporate Improvement Plan	
Service Integrated Business Plan		Partnerships	
Pre-Decision Scrutiny		Finance / Budget	

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Governance and Audit Committee

Flexible working arrangements post COVID

Paul Bradshaw Head of Workforce and Organisational Design
Gemma Gabriel Professional Lead, Human Resource Management and Development

29th September 2023



Introduction

Summary of the measures put in place during and post pandemic, to ensure staff have been supported and to provide reassurance and confidence that the attendance and performance of staff is being effectively managed.



Key areas

- Flexible working arrangements
- Health, safety and wellbeing of staff
- Support for managers
- Review and monitoring



Flexible working arrangements

- *During the pandemic*
 - Emergency arrangements put in place
 - Staff provided with workstation set up at home
 - Policies adjusted to accommodate the exceptional circumstances (e.g., flexi, support for childcare etc)
 - NWOW plans put in place



Flexible working arrangements

- *Introduction of New Ways of Working*
 - Opportunity to review ways of working following experiences of pandemic
 - 3 categories of worker (place-based, on-the-go and flexible)
 - Set of principles agreed and shared with managers and staff
 - Additional guidance and FAQs
 - Services asked to consider how these principles would most effectively work for them as a service
 - Informal discussions and communications with staff to set out principles and expectations (no contractual changes)
 - Flexi scheme policy has been reviewed and is reverting to normal policy with effect from 13th November 2023



Health Safety and Wellbeing of staff

- Through the pandemic extensive guidance provided to staff and clear procedures put in place, for work based activities and for buildings
- Specific support for Schools and Health and Social Care
- Issuing of equipment
- DSE assessments (new system introduced)
- PAT testing
- Various safe working practice guidance issued
- Wellbeing protocol introduced
- EAP
- Surveys



Support for Managers

- Remote working requires a different skill set of managers
- Guidance and support
- Visible leadership principles for senior managers
- Appraisals, one to ones, team meetings (performance based and supportive)
- Robust procedures, training and HR support for performance concerns
- ILM course includes training on managing virtually
- Coaching



Review and monitoring

- Services continually reviewing ways of working against the needs of the service. E.g., Childrens Services back in offices two days a week
- Discussions taking place within services and at SLT to review the ways of working
- Sustainable Powys



**Powys County Council
Governance and Audit Committee**

Committee:	Governance and Audit Committee
Date:	29 th September 2023
Subject:	Internal Audit Update Report as @ September 2023

1. Who will be the Lead Officer(s) / Lead Cabinet Member(s) presenting the report?

Name:	Role:
Ian Halstead	Assistant Director (Powys) -SWAP

2. Why is the Committee being asked to consider the subject?

The purpose of the report is to provide members of the Governance and Audit Committee with:

- a position statement on progress made against the audit work approved within the Internal Audit Plan 2023/24
- assurance that the work programme aligns with key risks and objectives (where possible)
- the outcomes arising from audit work and any resulting significant areas of concern
- Analysis of control issues to identify themes or trends that may point to additional support or further audit work.

3. Role of the Committee:

The Governance and Audit Committee's role is to seek assurance on the effectiveness of the Council's arrangements in place to ensure an effective internal control environment.

4. Key Questions:

The Governance and Audit Committee are asked to review the report and the arrangements in place to ensure that:

- there is appropriate audit coverage of key risks
- areas of significant risk are mitigated
- the work of internal audit adds value and is effective.

--

Key Feeders (tick all that apply)

Strategic Risk	x	Cabinet Work Plan	
Director / Head of Service Key Issue		External / Internal Inspection	x
Existing Commitment / Annual Report		Performance / Finance Issue	
Suggestion from Public		Referral from Council / Committee	
Corporate Improvement Plan	x	Impacting Public / other services	
Service Integrated Business Plan			
Suggestion from Members	x		
Partnerships			

Key Impact (tick all that apply)

Policy Review		Performance	
Informing Policy Development		Evidence Gathering	
Risk	x	Corporate Improvement Plan	
Service Integrated Business Plan		Partnerships	
Pre-Decision Scrutiny		Finance / Budget	

Powys County Council

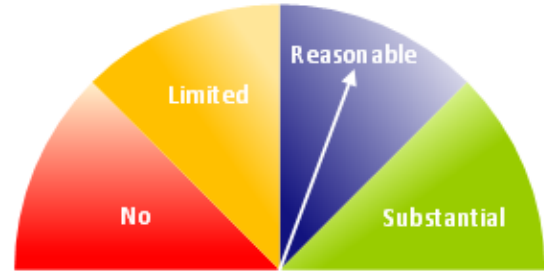
Internal Audit Update Report
As @ September 2023

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Internal Audit Progress Report as @ September 2023

As part of our update reports, we will provide an ongoing opinion to support our end of year annual opinion. Internal Audit provides an independent and objective opinion on the Authority’s control environment by evaluating its effectiveness.

Rolling Opinion



There is generally a sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives.

Action Priority	Description	No of Actions
P1	Fundamental	9
P2	Important	23
P3	Requires Attention	30

The Headlines for audits completed to date for 2023/24

	Coverage – The coverage maps show a clear alignment to corporate risks, sector risks, corporate goals and a healthy organisation. These maps are maturing as the team further integrate the new audit management system.
	Activity -57% of the work programme is either complete or in progress. The delivery of internal audit work is on track to deliver an annual opinion.
	Outcomes -86% of the opinion related work found the control environment to be either Substantial or Reasonable assurance. There are no significant corporate risks to be reported.
	Issues – 38% of the issues identified were associated with Financial Management. Further analysis found the majority were non-compliance by Council Services rather than financial systems. The most common root cause was the design of systems, policies and processes. This information will be further refined for opinion reporting and be considered in the audit planning process.
	The real-time activity and performance dashboards have been demonstrated to the Internal Audit Working Group. The next phase of the implementation process will be a pilot exercise with the section 151 Officer and then the wider management team and members of the Governance and Audit Committee.

Assurance Opinions as @ September 2023

Substantial	1
Reasonable	11
Limited	2
No Assurance	0
Support/ Advisory	7


Progress/ Activity as @ Q2

Complete	21
In Progress	20
Waiting to go live	6
Future Proposed	25


Internal Audit Progress Report as @ September 2023

The assessment of none, some, and good is based on the number of audits in these areas and the scope of the audits. This gives the Committee assurance that internal audit is aligned to the corporate risks although we would not expect all audits to align to all corporate risks.

Internal Audit Work Programme and Coverage



ROLLING AUDIT PLAN as at: 21/09/2023



Click each box to see Audit Coverage by:

Strategic Risks

Corporate Priorities

Directorates

SWAP's Top 10 Risk Themes

Core Areas of Recommended Assurance

Strategic Risk	Coverage (Completed Audits)	Average Opinion of Completed Audits													
PCC ASC0064 - WCCIS not fit for purpose	Some	Non Opinion Audits	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #4a7ebb; color: white;"> <th>Coverage</th> <th>Description</th> </tr> </thead> <tbody> <tr style="background-color: #28a745; color: white;"> <td>Good</td> <td>Good audit coverage completed</td> </tr> <tr style="background-color: #4a7ebb; color: white;"> <td>Adequate</td> <td>Adequate audit coverage completed</td> </tr> <tr style="background-color: #ffc107; color: white;"> <td>Some</td> <td>Some aspects of audit coverage completed</td> </tr> <tr style="background-color: #ffc107; color: white;"> <td>In Progress</td> <td>Some aspects of audit coverage in progress</td> </tr> <tr style="background-color: #dc3545; color: white;"> <td>None</td> <td>No audit coverage to date</td> </tr> </tbody> </table> <p style="font-size: small; margin-top: 5px;">NB • Hover over the description for further details</p>	Coverage	Description	Good	Good audit coverage completed	Adequate	Adequate audit coverage completed	Some	Some aspects of audit coverage completed	In Progress	Some aspects of audit coverage in progress	None	No audit coverage to date
Coverage	Description														
Good	Good audit coverage completed														
Adequate	Adequate audit coverage completed														
Some	Some aspects of audit coverage completed														
In Progress	Some aspects of audit coverage in progress														
None	No audit coverage to date														
PCC ASC0066 - Risk of Social Care provider failure	Some	Reasonable													
PCC CS0081 - Children's Services are unable to manage their budget	Adequate	Reasonable													
PCC ED0022 - The Council will be unable to manage the schools' budget without ongoing adjustments to the distribution formula and improving financial management	Some	Reasonable													
PCC EDR0011 - Impact of Climate on our ability to deliver services	Some	Non Opinion Audits													
PCC FIN0001 - The Council is unable to deliver a financially sustainable budget over the short and medium term	Good	Reasonable	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #4a7ebb; color: white;"> <th>Assurance</th> <th>Description</th> </tr> </thead> <tbody> <tr style="background-color: #28a745; color: white;"> <td>Substantial</td> <td>Sound system of governance, risk management and controls exist</td> </tr> <tr style="background-color: #4a7ebb; color: white;"> <td>Reasonable</td> <td>Generally sound system of governance, risk management and control in place</td> </tr> <tr style="background-color: #ffc107; color: white;"> <td>Limited</td> <td>Significant gaps, weaknesses or non-compliance were identified</td> </tr> <tr style="background-color: #dc3545; color: white;"> <td>No Assurance</td> <td>Fundamental gaps, weaknesses or non-compliance identified</td> </tr> </tbody> </table> <p style="font-size: small; margin-top: 5px;">NB • Only includes audits completed within past 2 years from current date • Audits completed over 1 year from current date have a reduced impact on audit coverage</p>	Assurance	Description	Substantial	Sound system of governance, risk management and controls exist	Reasonable	Generally sound system of governance, risk management and control in place	Limited	Significant gaps, weaknesses or non-compliance were identified	No Assurance	Fundamental gaps, weaknesses or non-compliance identified		
Assurance	Description														
Substantial	Sound system of governance, risk management and controls exist														
Reasonable	Generally sound system of governance, risk management and control in place														
Limited	Significant gaps, weaknesses or non-compliance were identified														
No Assurance	Fundamental gaps, weaknesses or non-compliance identified														
PCC HTR0018 - Impact of nature emergency on our ability to deliver services	Some	Reasonable													
PCC ICT0010 - The impact to Powys residents, services and Council staff as a result of a Covid-19 epidemic	Some	Non Opinion Audits													
PCC ICT0029 - Cyber Security Threat	Some	Non Opinion Audits													
PCC PCC0003 - The Council receives a negative regulatory/inspection report	Good	Reasonable													
PCC PROC0008 - Russian Invasion of Ukraine and Other Market Pressures	Some	Non Opinion Audits													
PCC WO0021 - The Council is unable to recruit, retain and commission the workforce it requires	Some	Non Opinion Audits													

Internal Audit Progress Report as at September 2023

Other areas are considered in the planning process such as:

- Service Risks
- Corporate objectives
- Fraud Risk Assessment
- Technology Assessment
- Performance information
- Wider Sector Risks
- Previous IA Work

The tables identify the alignment with the risks in the wider UK local government Sector and fundamental areas that keep the organisation healthy.

Top 10 Risks	Coverage (Completed Audits)	Average Opinion of Completed Audits
Planning, Housing, Environment and the Local Economy	Some	Limited
Governance	Some	Reasonable
Sustaining Care	Some	Reasonable
Finance	Good	Reasonable
Health & Safety	Some	Reasonable
Education	Some	Reasonable
Contracts, Procurement and Commissioning	Adequate	Reasonable
Workforce	Some	Reasonable
Technology, Digital and Security	Some	Reasonable
Strategic Asset Management	Some	Reasonable

Healthy Organisation Theme	Coverage (Completed Audits)	Average Opinion of Completed Audits
Corporate Governance (incorporating performance management, culture & ethics, fraud, & climate change)	Some	Reasonable
Financial Management	Good	Reasonable
Risk Management	Some	Reasonable
Contract Management, Commissioning, and Third Party Resilience	Some	Non Opinion Audits
Information Management (incorporating data protection & cyber security)	Some	Reasonable
Programme & Project Management	Some	Limited
Workforce (incorporating recruitment/ retention, staff health & safety, and staff wellbeing)	Some	Reasonable
Asset Management	Some	Reasonable

Internal Audit Progress Report as at September 2023

At the conclusion of an audit assignment each review is awarded a “Control Assurance Definition”;

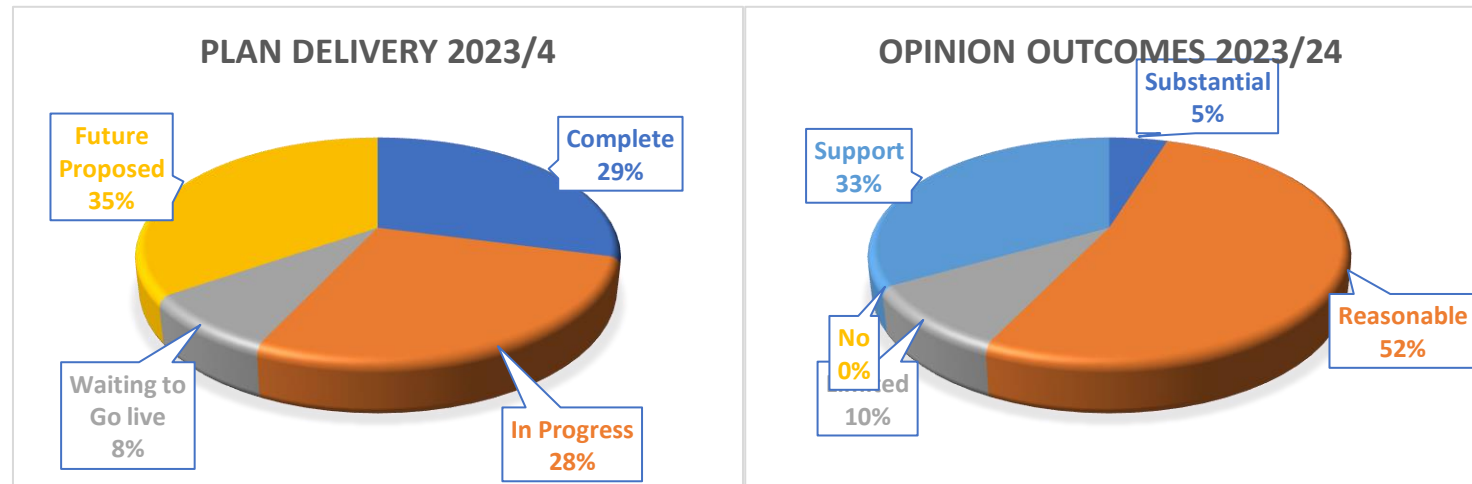
- Substantial
- Reasonable
- Limited
- No

The schedule provided in Annex A contains a list of those audits completed and in progress.

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Internal Audit Progress and Outcomes

It is important that Members are aware of the status of all audits and that this information helps them place reliance on the work of Internal Audit and its ability to deliver an annual opinion. Each completed assignment includes its respective “assurance opinion” rating together with the number and relative ranking of agreed actions that have been raised with management. The assurance opinion ratings have been determined in accordance with the “Audit Framework Definitions” as detailed in Appendix A of this document.



Summary of Significant Concerns

These are areas that have been identified as significant control issues that should be brought to the attention of the Audit and Governance Committee.

There are no areas of significant concerns that should be brought to the attention of the Committee.

A number of audits relating to schools will be presented to the next Committee.

Internal Audit Progress Report as at September 2023

Follow-up work confirms the responsive nature of management in implementing agreed actions to mitigate exposure to areas of risk.

All significant issues arising from follow-up reviews will be reported to the Governance and Audit Committee.

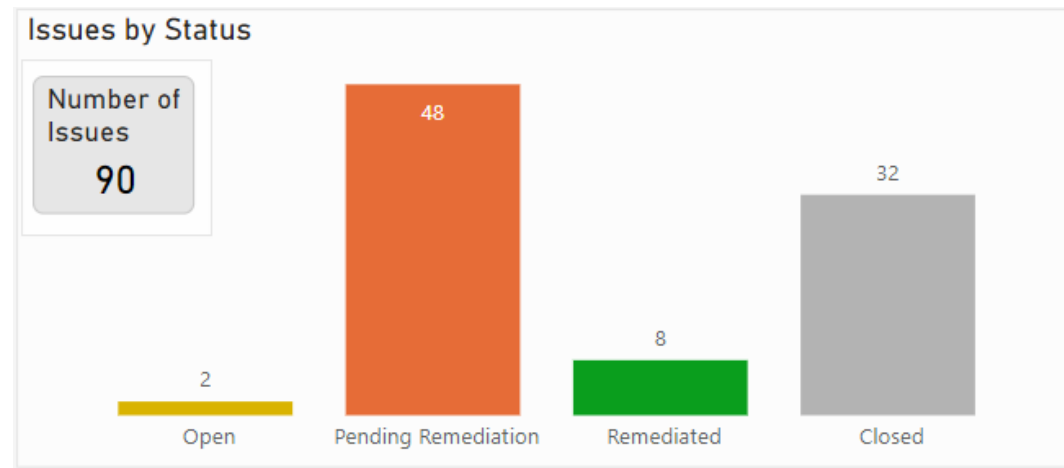
This is the status of the issues raised in the year. Further work is being undertaken to give Members and Managers assurance that the actions are being implemented.



Follow-Up Audits and Issues/ Root Causes

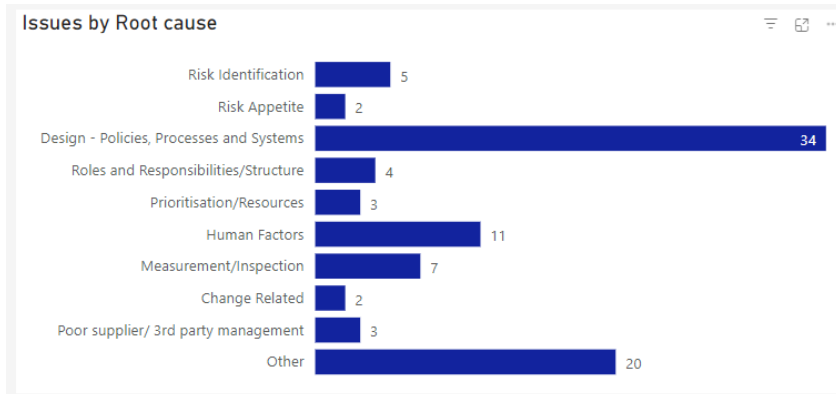
The follow-up audit is to provide assurance to the Director, Senior Management and the Audit and Governance Committee that the key risks have been mitigated to an acceptable level. Evidence is obtained to demonstrate implementation and progress made in relation to all recommendations. The table below gives the status of follow-up reviews:

Audit Name	Status	Notes
5 x Highway Reviews	In Progress	
Continuing Health Care (CHC)	Waiting to go live	Q3 2023/24
Deprivation of Liberty Safeguards	Waiting to go live	Q3 2023/24
Housing Statutory Compliance	Waiting to go live	Q3 2023/24



Internal Audit Progress Report as at September 2023

Root cause is defined as the fundamental reason for the cause of the occurrence. The graphic categorises the issues found into root causes.



Design- policies, processes, systems can be a root cause when the processes management have designed with which to control risk have been somewhat ineffective in controlling, or even failed to control, the material risks presented. Our agreed actions therefore helps to strengthen, or even replace, the incumbent risk control processes/framework.

A health organisation needs its fundamental core systems to be operating effectively. The graphic categorises the issues into those key business support areas.



A more detailed analysis of financial management found that two thirds of the issues related to non-compliance by the Services and the remainder were related to financial system improvement.

Further analysis will identify cross cutting issues or specific departmental problems.

Internal Audit Progress Report as at September 2023

Contact Information

SWAP is an internal audit partnership covering 24 organisations. Powys County Council is a part-owner of SWAP, and we provide the internal audit service to the Council.

The contacts at SWAP in connection with this report are:

Ian Halstead

Assistant Director

ian.halstead@swapaudit.co.uk

Kevin Price

Principal Auditor

kevin.price@swapaudit.co.uk

For further details see: www.swapaudit.co.uk

Internal Audit Progress Report as @ September 2023

At the conclusion of audit assignment work each review is awarded a “Control Assurance Definition”;

- Substantial
- Reasonable
- Limited
- No

In addition, to our opinion-based work we will provide consultancy services. The advice offered by Internal Audit in its consultancy role may include risk analysis and evaluation, developing potential solutions to problems and providing controls assurance.

Recommendations are prioritised from 1 to 3 on how important they are to the service/area audited. These are not necessarily how important they are to the organisation at a corporate level.



Audit Framework Definitions

APPENDIX A

Control Assurance Definitions

Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Risk	Reporting Implications
	In addition to the corporate risk assessment, it is important that management know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. Each recommendation has been given a priority rating at service level with the following definitions:
Priority 1	Findings that are fundamental to the integrity of the service’s business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management.
Priority 3	Finding that requires attention.



ROLLING AUDIT PLAN as at:

21/09/2023



All audits 'COMPLETED' within the past 2 years

Audit Title	Assurance Opinion	Number of Actions & Priority			Corporate Risk Assessment	Date Completed
		1	2	3		
PCC - Front Door Services	Reasonable (Medium)			2	Medium	12/09/2023
PCC - Conflicts of Interests Follow Up	Grant Certification		6	2	Low	01/09/2023
PCC - CJC Grant	Grant Certification				N/A	22/08/2023
PCC - Mid-Wales Growth Deal	Grant Certification				N/A	10/08/2023
PCC - Estate Agency Grant	Grant Certification	2			Low	10/07/2023
PCC - Debtors Administration	Reasonable (Medium)			1		09/07/2023
PCC - Insurance	Substantial (Low)			1	Low	16/06/2023
PCC - Safeguarding - DBS	Reasonable (Medium)	2	10	6	Medium	25/05/2023
PCC - Churchstoke CP School	Limited (Medium)	3	2	7	Low	16/05/2023
Powys Technology Assurance Framework Review (TAFR)	Advisory				N/A	02/05/2023
PCC - Whistleblowing	Reasonable (Medium)		1	2	Medium	01/05/2023
PCC - Capital Accounting (issues)	Reasonable (High)			4	Low	31/03/2023
PCC - Client/Job Support	Advisory				N/A	31/03/2023
PCC - Committee and Management Reporting	Advisory				N/A	31/03/2023
PCC - Fraud Risk Assessment	Advisory				N/A	31/03/2023
PCC - Housing Statutory Compliance	Limited (High)	2	1	1	High	31/03/2023
PCC - Main Accounting System	Reasonable (Medium)		2	2	Medium	31/03/2023
PCC - National Fraud Initiative 2021/22	Advisory				N/A	31/03/2023
PCC - Procurement Cards Q1	Advisory				N/A	31/03/2023
PCC - Risk Management	Reasonable (Medium)		1	2	Low	31/03/2023

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ROLLING AUDIT PLAN as at:

21/09/2023



All 'IN PROGRESS' audits

Audit Progress

Audit Title	25%	50%	75%	100%	Draft Report Issued	Final Report Issued	Type of Work	Fieldwork Start Date
	Fieldwork Complete							
PCC - Enable Grant 22-23							Grant Certification	19/09/2023
PC - Direct Payments proactive fraud review							Proactive fraud work	18/09/2023
PCC Fraud Risk Assessment							Proactive fraud work	18/09/2023
PCC - Pre School Learning (Early Years)							Assurance	13/09/2023
PCC - Income Collection Arrangements	█						Assurance	06/09/2023
PCC - Levelling Up Fund Montgomery Canal							Assurance	26/07/2023
PCC - Levelling Up Fund Theatr Brycheiniog							Assurance	26/07/2023
PCC - Ysgol Trefonnen	█	█	█	█			Assurance	03/07/2023
PCC Highways Non Standard Payments Follow Up	█	█	█				Follow up	03/07/2023
PCC - Highways Overtime Follow Up	█	█	█				Follow up	02/07/2023
PCC - Highways - Materials & Stock Follow up	█	█	█	█	█		Follow up	26/06/2023
PCC - Highways - Vehicles, Assets & Fuel Follow up	█	█	█				Follow up	26/06/2023
PCC Highways Procurement Follow UP	█	█	█				Follow up	21/06/2023
PCC - Highways - Delivery, Monitoring & Reporting Follow up	█	█	█	█	█		Follow up	19/06/2023
PCC Highways Commissioning Follow Up	█	█	█				Follow up	12/06/2023
PCC - School Theme Governors	█	█	█	█	█		Assurance	21/05/2023
PCC - Procurement Cards Q4	█	█	█				Assurance	10/05/2023
PCC - School Theme Finance	█	█	█	█	█		Assurance	07/05/2023
PCC - Ysgol Calon Cymru	█	█	█				Assurance	06/03/2023
PCC - Brecon High School	█	█	█	█	█		Assurance	18/11/2022

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ROLLING AUDIT PLAN as at:

21/09/2023



All 'WAITING TO GO LIVE' audits

Audit Title	Type of Work	Background
PCC - Continuing Health Care (CHC) - Follow up	Follow up	
PCC - DoLS - Follow up	Follow up	
PCC - Fraud Baseline FU	Advisory	
PCC - Statutory Compliance (Housing) - Follow up	Follow up	
PCC - Waste Management	Assurance	The audit will utilise a combination of document reviews, interviews with relevant personnel, and data analysis to assess the waste management processes and practices.
PCC - Workforce - Agency	Assurance	There are various ways that the Council can employ temporary resources to either fulfil a temporary post or complete a bespoke piece of work, this can be achieved through the use of consultants, agency or interim staff. This audit will look to ascertain whether the Council is achieving value for money through their appointments of these individuals.

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ROLLING AUDIT PLAN as at:

21/09/2023



All 'FUTURE PROPOSED' audits

Audit Title	Type of Work	Priority	Background
PCC - Main Accounting - Budget Setting	Assurance	Higher priority	To review the budget setting and reporting process
PCC - School Transport	Assurance	Higher priority	A review of route setting, tendering and route administration for school transport
PCC - Treasury Management	Assurance	Higher priority	Reviewing the control environment to identify potential error and misuse
PCC Integrated Business Planning - Position Statement	Assurance	Higher priority	
PCC - Creditors	Assurance	Medium priority	Reviewing the control environment to identify potential error and misuse. Includes data analytics and fraud testing
PCC - Delegated Decisions	Assurance	Medium priority	Measure some delegated decisions against the decision framework to ensure transparent corporate governance
PCC - Housing Repairs and Maintenance	Assurance	Medium priority	Reviewing activity, quality, and performance of the R&M team
PCC - Primary School 5	Assurance	Medium priority	To undertake a review of governance, financial and workforce arrangements
PCC - Welshpool CiW	Assurance	Medium priority	To undertake a review of governance, financial and workforce arrangements
PCC - Ysgol Calon Y Dderwen	Assurance	Medium priority	To undertake a review of governance, financial and workforce arrangements
PCC - Ysgol Cwm Banwy	Assurance	Medium priority	To undertake a review of governance, financial and workforce arrangements

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ROLLING AUDIT PLAN as at:

21/09/2023



All 'FUTURE PROPOSED' audits



Audit Title	Type of Work	Priority	Background
			arrangements
PCC - Ysgol Cwm Banwy	Assurance	Medium priority	To undertake a review of governance, financial and workforce arrangements
PCC - Ysgol Y Mynydd Du	Assurance	Medium priority	To undertake a review of governance, financial and workforce arrangements
PCC - Commissioning, Monitoring and Performance	Assurance	Lower priority	To review the performance framework and monitoring processes to ensure effective service delivery
PCC - Customer Engagement	Assurance	Lower priority	Evaluate the engagement process to determine whether the stakeholders can influence key decisions
PCC - Employee Review and Development	Assurance	Lower priority	Review the effectiveness of the Council's 1-2-1 process and if outcome influence a training programme
PCC - Employee Wellbeing	Assurance	Lower priority	Review the success of the Council's employee wellbeing initiatives
PCC - Equality and Diversity	Assurance	Lower priority	To ensure that the Council complies with the Equalities Act and the Council's equality policies
PCC - Expenses - Officers	Assurance	Lower priority	A review of controls and expenses data by the analytics team to identify inefficiency, error and fraud
PCC - High School 1	Assurance	Lower priority	To undertake a review of governance, financial and workforce arrangements
PCC - Performance Management	Assurance	Lower priority	To review target setting and reporting process used to demonstrate effective performance
PCC - Primary School 6	Assurance	Lower priority	.
PCC - Primary School 7	Assurance	Lower priority	.
PCC - Primary School 8	Assurance	Lower priority	.
PCC - Primary School 9	Assurance	Lower priority	.

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SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note.

Risk Register report

DATE :

Summary of Risks Ratings

Almost Certain	0	0	0	0	0
Likely	0	0	0	2	0
Possible	0	0	0	0	0
Unlikely	0	0	0	0	0
Rare	0	0	0	0	0
Unassigned 0	Insignificant	Minor	Moderate	Major	Severe

11

Red Risks Total: 2

Risk Register	Risk Title	Net Risk Level	Risk Owner
Financial Services	The Council may be unable to deliver a financially sustainable budget over the short and medium term. The continued impact of Covid coupled with the more recent events around rising inflation, energy costs and the situation in Ukraine impacting on supply chains and prices all increase the risk on the Council financial resilience.	16	Jane Thomas
Powys County Council	The Council may be unable to deliver a financially sustainable budget over the short and medium term. The continued impact of Covid coupled with the more recent events around rising inflation, energy costs and the situation in Ukraine impacting on supply chains and prices all increase the risk on the Council financial resilience.	16	Jane Thomas

New Risks Total:

Risk Register	Risk Title	Net Risk Level	Risk Owner	Created Date
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Changing Risks Total:

Risk Register	Risk Title	Net Risk Level	Change	Risk Owner
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Financial Services

Risk Ref Date Identified	Risk Identified	Potential Consequence	Portfolio	Inherent	Residual	Latest Risk Reviews	
			Owner				
FIN0001 21/11/2012	The Council may be unable to deliver a financially sustainable budget over the short and medium term. The continued impact of Covid coupled with the more recent events around rising inflation, energy costs and the situation in Ukraine impacting on supply chains and prices all increase the risk on the Council financial resilience.	<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 obligations - Inability to deliver the Council objectives 	Cllr David Thomas Jane Thomas	25	16	04/07/2023	<p>Qtr 1 23/24 Review Summary: The final outturn 2022/23 reports a net underspend, after contributions to specific reserves, of £6.7 million against the £221.9 million budget a 3.0% variance (excluding Schools and the Housing Revenue Account). This position will release one off funding to support the increasing pressure already facing the 2023/24 revenue budget particularly that relating to teachers and staff pay as pay award negotiations create unfunded pressure in next financial year. This goes some way to de-risk the Councils financial position in the short term but does not reduce the ongoing base budget pressure that continues to create a gap in our budget plans for next year and future years. The Sustainable Powys programme will seek to identify the opportunities to reduce council spend in order to bridge the budget gap over the next few years.</p> <p>17/04/2023</p> <p>Qtr 4 22/23 Review Summary: The council approved a balanced budget for 2023/24 with the inclusion of a 5% increase in Council Tax. The budget recognises the impact of increasing inflation across all services which have in the main been funded, although significant cost reductions are required to delivered within budget. The financial year for 2022/23 has now closed and the accounts are being finalised, the latest forecast based on the position at the end of February projects a surplus budget albeit with the draw down of specific reserves, as set aside last year. Work must now quickly turn to addressing the projected budget for 2024/25 and beyond.</p>
Controls and Actions				Latest Control Reviews		Review Date	
	<ul style="list-style-type: none"> • Revise the Medium Term Financial Strategy 	<ul style="list-style-type: none"> Revise the assumptions included in the Strategy, calculate revised financial scenarios, identify the revised gap for each year and actions required to close it. 	Action In Progress	02/11/2022	Review Summary: Cabinet considered a report on the 27th September which setout the impact of the cost of living crisis on the council, the report outlined the changes and recommended that the MTFS was revised. the MTFS and FRM have both been reviewed and updated and the revised MTFS will be considered formally by Cabinet in December	14/11/2023	
				17/04/2023	Review Summary: The updated MTFS was approved by Council alongside the budget in March. The assumptions and costings included will be kept under constant review as we move through 2023/24 and further updates will be made if necessary as our plans for the medium term are developed.		
	<ul style="list-style-type: none"> • Ongoing discussion with WG and WLGA through Society of Welsh Treasurers for Future Funding of Local Government 	<ul style="list-style-type: none"> To continue discussions to inform WG of the financial impact on Local Authorities of the pandemic , through recovery and into the future. Exchange of information to understand future funding settlements. 	Action In Progress	02/11/2022	Review Summary: Regular discussions continue. In September all LA's completed a survey which was used by WLGA to prepare a report for the WG Finance Sub group. This set out the impact of the current financial challenge across Wales and the significant financial pressures LA's are facing as they try to manage the impact of rising inflation, increasing energy costs and increasing demand for services.	14/11/2023	
				17/04/2023	Review Summary: SWT continue to raise awareness with WG through the WLGA on the impact of the financial sustainability of Local Authorities, highlighting the pressures the sector will face over the next few years and the impact of projected WG budgets and future funding settlements. The work is supported by the Wales Fiscal Analysis team and their analysis of the situation in Wales.		

Financial Services

<ul style="list-style-type: none"> WG claims for Hardship and lost income continue and expect to remain in place til march 2021 	Action Completed	04/04/2022	Review Summary: Final claims for 2021/22 will be submitted to WG shortly. Much of the hardship support will now cease and the Council has set aside funds to manage the ongoing impact of the pandemic for 2022/23.
		12/04/2021	Review Summary: Welsh Government have confirmed that the hardship fund will continue for six months into 2021/22 and additional costs and loss of income will continue to be supported through this period. Monthly claims will continue to be made.
<ul style="list-style-type: none"> Regularly monitor and review the financial position on monthly basis. Regular monitoring and commentary provided by Heads of Service will highlight issues early so that they can be addressed. Business cases and virements will be developed and considered to draw upon any additional financial support. 	Control In Place		
<ul style="list-style-type: none"> Service Integrated Business Plans will be reviewed and refreshed IBP's provide a robust mechanism for services to re assess their plans, including delivery of the Councils and the services objectives together with Business as Usual. This work ensures that services consider all the resource requirements for their service and clearly informs the development of the Councils financial plans, Revenue and Capital. 	Action Completed		
<ul style="list-style-type: none"> Keen focus on procurement issues - sharing information and knowledge across the LA/ WLGA network 	Action Completed		Cell already in place to monitor position and keep service managers informed.
<ul style="list-style-type: none"> Cell in place to monitor rising costs, supply chain issues and sharing of information across the Council 	Control In Place		Officer across the Council regularly meet to monitor and review the ongoing situation . National updates from WG and WLGA and other forums shared. Register of issues in place working with Procurement to manage any requests from external providers. Robust process of assessment in place with "open Book" evidence to support any requests for any increase in funding. Routine Virement process to be followed for requests for additional resources .
<ul style="list-style-type: none"> Instruction to all services across the council to pull back on expenditure through 2022/23 to manage the projected deficit 	Action Completed	16/01/2023	Review Summary: Quarter 2 saw an improved position following the action take to reduce expenditure this year. This reduced the projected deficit to £7million, utilising the specific reserves set aside to manage the increasing costs at year end 31st March 2022. The development of the budget for 2023/24 has factored the continued increase prices and projected further inflation through the year. The increased costs have a significant impact on the budget and cost reductions have been identified that allow a ballanced budget to be set when factoring in the improved settlement and CT increase.
<ul style="list-style-type: none"> A series of events put in place to inform staff , schools and members of the financial position and challenge the Council faces this year. All services and budget managers instructed to pull back on expenditure, delay projects and deliver within their budgets and where possible deliver underspends 		17/04/2023	Review Summary: Further improvement was seen through Quarter 3 and continues to be projected for the Year End , which now forecasts the achievement of a surplus against budget, albeit after the draw down of some specific reserves. Further analysis will be undertaken to understand the areas of underspend across services to seek opportunities of permanent cost reductions and whether these have already been offered up or can be made to resolve the budget gap for 2024/25.

Detail

Financial Services

• The Reimaging the Council programme will fundamentally review and reshape the Council for the future
 The programme will review each service across the Council, looking at the most economical and sustainable means of delivery to ensure that the Council can continue to deliver support for its residents and fulfil its statutory responsibilities whilst ensuring the Council is financially viable and resilient.

Action In Progress

14/08/2023

Review Summary: Sustainable Powys Programme is now actively being developed, Services are currently working through "ideas" generated by the workshops and making proposals for their service. Documents are being updated which capture what it is each service does that it doesn't have to, and what each service has to do alongside the options in terms of delivery for each element, and how could it be done differently. Further workshops with Senior Managers and Councillors will take place in September

14/11/2023

Detail

Powys County Council

Risk Ref	Risk Identified	Potential Consequence	Portfolio	Inherent	Residual	Escalated from : Financial Services	Latest Risk Reviews
Date Identified			Owner				
FIN0001 21/11/2012	The Council may be unable to deliver a financially sustainable budget over the short and medium term. The continued impact of Covid coupled with the more recent events around rising inflation, energy costs and the situation in Ukraine impacting on supply chains and prices all increase the risk on the Council financial resilience.	<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 obligations - Inability to deliver the Council objectives 	Cllr David Thomas Jane Thomas	25	16	04/07/2023 PCC	<p>Qtr 1 23/24 Review Summary: The final outturn 2022/23 reports a net underspend, after contributions to specific reserves, of £6.7 million against the £221.9 million budget a 3.0% variance (excluding Schools and the Housing Revenue Account). This position will release one off funding to support the increasing pressure already facing the 2023/24 revenue budget particularly that relating to teachers and staff pay as pay award negotiations create unfunded pressure in next financial year. This goes some way to de-risk the Councils financial position in the short term but does not reduce the ongoing base budget pressure that continues to create a gap in our budget plans for next year and future years. The Sustainable Powys programme will seek to identify the opportunities to reduce council spend in order to bridge the budget gap over the next few years.</p> <p>17/04/2023 Qtr 4 22/23 Review Summary: The council approved a balanced budget for 2023/24 with the inclusion of a 5% increase in Council Tax. The budget recognises the impact of increasing inflation across all services which have in the main been funded, although significant cost reductions are required to delivered within budget. The financial year for 2022/23 has now closed and the accounts are being finalised, the latest forecast based on the position at the end of February projects a surplus budget albeit with the draw down of specific reserves, as set aside last year. Work must now quickly turn to addressing the projected budget for 2024/25 and beyond.</p>

Controls and Actions	Latest Control	Reviews	Review Date
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Powys County Council

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<ul style="list-style-type: none"> • Service Integrated Business Plans will be reviewed and refreshed IBP's provide a robust mechanism for services to re assess their plans, including delivery of the Councils and the services objectives together with Business as Usual. This work ensures that services consider all the resource requirements for their service and clearly informs the development of the Councils financial plans, Revenue and Capital. 	Action Completed			
<ul style="list-style-type: none"> • Keen focus on procurement issues - sharing information and knowledge across the LA/ WLGA network Cell already in place to monitor position and keep service managers informed. 	Action Completed			
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Powys County Council

<ul style="list-style-type: none"> • Instruction to all services across the council to pull back on expenditure through 2022/23 to manage the projected deficit <p>A series of events put in place to inform staff, schools and members of the financial position and challenge the Council faces this year. All services and budget managers instructed to pull back on expenditure, delay projects and deliver within their budgets and where possible deliver underspends</p>	<p>Action Completed</p>	<p>16/01/2023</p> <p>17/04/2023</p>	<p>Review Summary: Quarter 2 saw an improved position following the action take to reduce expenditure this year. This reduced the projected deficit to £7million, utilising the specific reserves set aside to manage the increasing costs at year end 31st March 2022. The development of the budget for 2023/24 has factored the continued increase prices and projected further inflation through the year. The increased costs have a significant impact on the budget and cost reductions have been identified that allow a balanced budget to be set when factoring in the improved settlement and CT increase.</p> <p>Review Summary: Further improvement was seen through Quarter 3 and continues to be projected for the Year End, which now forecasts the achievement of a surplus against budget, albeit after the draw down of some specific reserves. Further analysis will be undertaken to understand the areas of underspend across services to seek opportunities of permanent cost reductions and whether these have already been offered up or can be made to resolve the budget gap for 2024/25.</p>	
<ul style="list-style-type: none"> • The Reimaging the Council programme will fundamentally review and reshape the Council for the future <p>The programme will review each service across the Council, looking at the most economical and sustainable means of delivery to ensure that the Council can continue to deliver support for its residents and fulfil its statutory responsibilities whilst ensuring the Council is financially viable and resilient.</p>	<p>Action In Progress</p>	<p>14/08/2023</p>	<p>Review Summary: Sustainable Powys Programme is now actively being developed, Services are currently working through "ideas" generated by the workshops and making proposals for their service. Documents are being updated which capture what it is each service does that it doesn't have to, and what each service has to do alongside the options in terms of delivery for each element, and how could it be done differently. Further workshops with Senior Managers and Councillors will take place in September</p>	<p>14/11/2023</p>

Name of Working Group:	Internal Audit Working Group
Date of Meeting:	16 th August 2023

Brief Details of Matters considered at the meeting:

SWAP Presentation and Executive Dashboard

- SWAP CEO introduced the history of SWAP, the resources and services available to PCC.
- Partnership model – provided resilience including a pool of auditors to fill vacancies.
- Data and analytics into the future – auditors needed to move forward by utilising technological developments.
- The Chair noted the Constitutional requirement for the GAC to follow the Annual Audit Plan, which prevented the GAC from changing the internal audit arrangements to that of a more agile, risk-based and outcome-focused approach.
- The Chair had contacted the Monitoring Officer to seek amendment of the Council's Constitution. A report to Democratic Services Committee could be drafted, and if agreed, the change to the Constitution would need to be agreed by Full Council.
- SWAP presented a short tutorial of the Executive Dashboard to Members.

Questions included:

- How does Powys benchmark against other Authorities?
- Use of Artificial Intelligence in Audit.
- When the Council was re-elected, were audit agendas paused? Does the organisational memory become lost?
- Do External Auditors reduce their fees based on Internal Audit work?
- Do Officers see internal auditors as critical friends?
- Where was Internal Audit involved in identifying risks for the Council?
- How has SWAP adjusted their approach regarding working from home?
- Does SWAP have any evidence to support the efficiencies as a result of working from home, such as for clearance of reports?

Accountability Framework

- Outlined the flow of Internal Audit work and expectation for Officers regarding response deadlines, which would require some administration and friction was expected.
- The Chair noted that administration should not be required when there were clear numbers of days detailed to respond to each stage of the audit.
- A trusted relationship would be acceptable by the GAC, provided there was confidence. Until the Chair had confidence, EMT would need to support GAC's disciplined approach to respond to the requirements of SWAP's Internal Audit work.
- The Chair noted her expectation of a disciplined approach to ensure Senior Officers respond within the expected time frames to prevent the audit work from being hindered.

Working Group Report to the Governance and Audit Committee.

Outcomes / Observations:

- Internal Audit Working Group Terms of Reference (ToR) to be reviewed in six months' time.
- Noted that Internal Audit reports were often focused on negatives and did not take into account the wider perspectives and positive steps taken during the audit stages.
- The Accountability Framework was to be implemented to ensure a disciplined approach for timely Officer responses to internal audit work.
- Requested that the SWAP Assistant Director join the Head of Finance at Finance Management Team meetings.

- Noted that if the IA Working Group wanted to change the processes around the requirement to follow the Annual Audit Plan, following a motion being approved at GAC, a report to the Democratic Services Committee would be required. With the approval from the DSC, the recommendation(s) must then be approved by Full Council to amend the Constitution.

Future Actions / Items to be added to the Work Programme:

ToR to be used to shape work programme going forward.

- Review in detail, all limited assurance reports.
- Any issues which the SWAP Assistant Director faces in gaining information for Internal Audits should be referred to the IA Working Group to review.
- Supported by the Head of Finance, to review the Supplementary Pension fund (for teacher redundancies/efficiency savings), including:
 - An Internal Audit investigation to establish whether the proper procedures were in place to authorise these payments.
 - Value for money.

Recommendations to the Governance and Audit Committee:

To receive and note the 16-08-2023 Internal Audit Working Group Report.

Working Group Report to the Governance and Audit Committee.

Name of Working Group:	Governance and Audit HoWPS
Date of Meeting:	15 September 2023

Brief Details of Matters considered at the meeting:

Finance overview provided to the Working Group covering the options and details around vehicle costs for services and comparisons to Kier/HoWPS and impacts on the Council.

Outcomes / Observations:

The Working group have been asked to comment a paper in order to provide recommendations to Cabinet.

Future Actions / Items to be added to the Work Programme:

A further informal meeting will be held to discuss and produce a paper by the Working Group to put forward for approval by the Governance and Audit Committee before Cabinet.

Recommendations to the Governance and Audit Committee:

A further informal meeting will be held to discuss and produce a paper by the Working Group to put forward for approval by the Governance and Audit Committee before Cabinet.

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	November	January	March
	23rd	12th	1st
	10:00-12:30	10:00-12:30	10:00-12:30
Regular Items	To approve draft minutes: • 29/09/2023	To approve draft minutes: • 23/11/2023	To approve draft minutes: • 12/01/2024
	Springing Forward Assets Review	Audit Wales reports?	Audit Wales reports?
	SWAP Quarterly Report	SWAP Quarterly Report	SWAP Quarterly Report
	Q2 Strategic Risk Management	Q3 Fraud	Q4 Fraud
	2023/24 Q2 Treasury Management Report	Self-assessment action plan update	2023/24 Q3 Treasury Management Report
	Corporate Safeguarding Board Activity Report	Q1/Q2 Regulatory Tracker update	Q3 Strategic Risk Management Report
	Self-Assessment Action Plan update		IA Audit Plan 2024-25
			Corporate Safeguarding Board Activity Report
Risk Deep Dive	EDR0011 – Climate Emergency	HTR0018 – Nature Emergency	IAWARD0009 - Fraud
Other Items	Statement of Accounts (including Letters of Representation, ISA 260)	Q1/Q2 Regulatory Tracker update	
	Pension Fund Accounts	Renewed PCC policies – for information	
	Annual Governance Statement		
	Updated Anti-Fraud Policy		
	Work Programme	Work Programme	Work Programme

	April	June	July (Seminar)
	18th	14th	19th
	10:00-12:30	10:00-12:30	10:00-12:30
Regular Items	To approve draft minutes: • 01/03/2024	<ul style="list-style-type: none"> Election of Lay Member/Independent Chair Election of Vice Chair 	To approve draft minutes: • 14/06/2024
	Audit Wales reports?	To approve draft minutes: • 18/04/2024	Draft Annual Governance Statement
	SWAP Quarterly Report	Audit Wales reports?	Draft Council Self-Assessment
	Regulatory Tracker update (TBC)	SWAP Quarterly Report	
		Q4 Strategic Risk Management Report	
		2023/24 Q4/Year end Treasury Management Report	
		Q1 Fraud	
		Corporate Safeguarding Board Activity Report	
Risk Deep Dive	ICT0010 - Non-compliance with GDPR ICT0029 – Cyber Security Threat	PCC0003 – Negative Regulatory Inspection Reports	
Other Items			
	Work Programme	Work Programme	Work Programme

**Powys County Council
Governance and Audit Committee**

Committee:	Governance and Audit Committee
Date:	29 th September 2023
Subject:	Strategic Risk Register Report Quarter 1 2023/2024

1. Who will be the Lead Officer(s) / Lead Cabinet Member(s) presenting the report?

Name:	Role:
Jane Thomas	Head of Finance
Bets Ingram	Strategic Equalities and Risk officer
County Councillor Cllr David Thomas	Portfolio Holder for Cabinet Member for Finance and Corporate Transformation

2. Why is the Committee being asked to consider the subject?

The Governance and 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 being submitted to Cabinet.

3. Role of the Committee:

- Gain assurance that risk management is being properly undertaken including governance of risk, leadership, integration of risk management into wider governance arrangements, and ownership and accountability for risks and their controls.
- Oversee the risk management policy and guidance and their implementation in practice.
- Oversee the integration of risk management in governance and decision-making processes.
- Consider the effectiveness of internal controls and monitor the implementation of agreed actions.
- Oversight of strategic risk adherence and undertake deep dives into specific service / project risk as part of their annual plan activity.

4. Key Questions:

- Consider the effectiveness of controls.
- Seek assurance regarding the implementation of agreed actions.
- Review proposals in the report in relation to G&A committees' role (see above point 3).

Key Feeders (tick all that apply)

Strategic Risk	x	Cabinet Work Plan	
Director / Head of Service Key Issue		External / Internal Inspection	
Existing Commitment / Annual Report		Performance / Finance Issue	
Suggestion from Public		Referral from Council / Committee	
Corporate Improvement Plan		Impacting Public / other services	
Service Integrated Business Plan			
Suggestion from Members			
Partnerships			

Key Impact (tick all that apply)

Policy Review		Performance	
Informing Policy Development		Evidence Gathering	
Risk	x	Corporate Improvement Plan	
Service Integrated Business Plan		Partnerships	
Pre-Decision Scrutiny		Finance / Budget	

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE
Tuesday 10th October 2023

REPORT AUTHOR: County Councillor Cllr David Thomas
Portfolio Holder for Cabinet Member for Finance and Corporate Transformation

REPORT TITLE: Strategic Risk Register Report Quarter 1 2023/2024

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).

2. 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 has faced and is still 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 Stronger, Fairer, Greener: Our Corporate plan, deliver services more efficiently and using innovative and cost-effective means.

3. 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
 - Review SRR proposals

Review of progress to mitigate Strategic Risks

- 3.2 As at the end of quarter 1 2023-2024, there are 15 risks on the strategic risk register and all strategic risk owners have been asked to provide a short summary of progress since last quarter, to give assurance that mitigating actions are being actioned and monitored.
- 3.3 Please see appendix A for full details of the 15 strategic risks including the mitigating actions identified to control them and progress reviews.

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 (for the residual risks) the following:

Five out of the sixteen risks have a probability of 'likely' and an impact of 'major', one has a probability of 'almost certain' and an impact of 'major', and one has a probability of 'likely' and an impact of 'severe'.

De-escalation of risks to the Strategic Risk Register

3.5 Childrens Service would like to de-escalate the following risk:

CS0091: If there is insufficient capacity to respond to the longer-term demand in Children services in timely manner' Rating score 6.

The Service attended G&A on the 24th June 2023 where a deep dive was conducted on the risk. With a current risk profile of 'unlikely' and 'moderate', the service feels the risk is being managed successfully, and can be deescalated from the strategic risk register to the service risk register where the service will continue to manage and monitor the risk.

Note: Previously the above risk included both Adults and Children services however it is now felt appropriate to separate the risk. The risk in relation to Adult Services remains on the Strategic Risk Register with a probability of 'possible' and an impact of 'moderate',

Service risk scored 15 or above for consideration

3.6 As per our Risk Management Framework any risk that is scored 15 or above must be considered for escalation by SLT.

The following table contents the risks that fall into this category and proposal whether to escalated or not.

Risk Ref	Residual Rating	Risk Identified	Service Area	Owner	Proposal to escalate or not
PPP P002 6	20	Failure of the Public Protection Service to deliver statutory workplans/recovery plans due to staffing levels and competing priorities.	Property, Planning, and Public Protection	Gwilym Davies	No
Reasoning	Successfully being managed on service risk register and risks discussed in Qtr 1 performance review meeting with PH. Service holding a risk review session on 31 st July 2023.				

NPRI MS00 10	16	Impact of delay to the school project on the North Powys Wellbeing Programme's plans for an integrated health campus	Transformation programme - 21st C Schools -Newtown	Marianne Evans	Await Programme Board and Transformation Board decision.
Reasoning	As per the risk management framework this has been highlighted to the Programme Delivery Manager and the Programme Manager to be considered by the relevant programme board as to whether it needs to be escalated				

Strategic Risk Closure

3.7 The following risk has been closed:

PCC0003: IF the Council receives a negative regulatory / inspection report, then we might be found failing in meeting regulatory and legislative duties.

The risk has been closed on the basis that the reality of obtaining a report from regulators or auditors will ordinarily obtain a recommendation and is therefore a present certainty rather than a risk.

Escalation of risk to the Strategic Risk Register - Closed session

3.8 Consideration of proposal to escalate a risk in a closed session due to financial monitoring of risk having a commercial sensitivity.

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. All services are considering the financial impact of any risks that are expected to continue into 2023/24 and beyond in their Service Integrated Business Plans.

5. Legal implications

5.1 Legal: Comment sought

5.2 The Head of Legal Services and the Monitoring Officer has commented as follows: Comment sought

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, approves the de-escalation of CS0091 (detailed under point 3.5), the closure of PCC0003 and the escalation of the risk detailed under point 3.8 to the Strategic Risk Register.

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**

Contact Officer: Jane Thomas, Head of Finance

Tel: 01597 827789

Email: Jane.Thomas@powys.gov.uk

Head of Service: Jane Thomas, Head of Finance

Corporate Director: Jack Straw, Interim Chief Executive officer.

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
ASC0064 Nina Davies Escalated From :- Powys County Council Page 147	IF Welsh Community Care Information System (WCCIS) is not fit for purpose, then it will impact upon service area's ability to carry out our statutory operational duties.	<ul style="list-style-type: none"> Veracity of decision making around adults and children in Powys could be compromised, leading to poor outcomes The safeguarding of children and adults in Powys could be compromised There could be significant delays in securing time critical packages of care Our ability to manage transfers of people from hospital to the community could be compromised We may not be able to respond effectively to out of hours emergencies There may be delays in making decisions and taking action to keep children safe Staff morale could be affected, leading to increased sickness absence and staff leaving Potential for reputational damage to the council and negative impact on our ability to recruit and retain social workers. Additional financial pressure due to not being able to utilise all staff/agency staff efficiently while the system is down 	<p>24/07/2023 Qtr 1 23/24 Review Summary: The Council have yet to receive the options appraisal as currently waiting on decisions by Welsh Government to inform next steps.</p> <p>The risk profile has been increased due to WCCIS being consistently not available recently due to issues with WCCIS and the VPN system, this created a risk particularly within the Front Door for Children's Services where children's files were not able to be processed in a timely manner due to no system being available. This resulted in a significant backlog of information to be processed creating delay in responses for children and their families.</p> <p>26/04/2023 Review Summary: An options report considering future options for a data management system is expected shortly. This is part of the ongoing Digital Transformation project.</p> <p>16/01/2023 Qtr 3 22/23 Review Summary: Digital Transformation of Social Services Project is ongoing. The review is considering future options for a data management system.</p> <p>03/10/2022 Qtr 2 22/23 Review Summary: Digital Transformation of Social Services Project has been approved and is in progress. The review will include consideration of the possible future options for a data management system.</p>	Cllr Sian Cox Nina Davies	12	20	<ul style="list-style-type: none"> Performance issues raised to Welsh Government through SBAR Monthly Contract review meetings with Supplier Internal Review Admin support to update records after down time Follow correct change management processes 	Action In Progress Action In Progress Action Completed 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
ASC0066 Rachel Evans Escalated From :- Powys County Council	IF a Social Care provider(s) fail THEN the pressure on care homes, domiciliary care providers, supported living and other providers would become unsustainable.	Potential of care services becoming unviable and not sustainable, resulting in requirement to support residents to access different services/care homes etc. Potential of care staff not being paid. Potential of harm to residents in having to be moved or having care provider unavailability. Potential of financial implications to residents, Council and local economy. Potential of reputational damage. Potential of increased failure and a large number of care staff not being paid appropriately	17/07/2023 Qtr 1 23/24 Review Summary: Care home support continues. Additional contract monitoring capacity has been agreed which will add further support to care homes 30/03/2023 Qtr 4 22/23 Review Summary: Care home support being undertaken jointly with PTHB to identify risks Contract monitoring in place to support care home quality and early identification or risk issues Care uplift in progress - which will provide information on financial risks Direct Payment - Recommissioning project in progress and contingency plan in place A deep dive took place on the 31st March 2023 by Governance and Audit committee and a presentation given. The presentation gave fuller detail into the situation and controls in place at the end of Qtr 4, explaining and evidencing the rationale behind the current scoring with service moderation across all risks. 18/01/2023 Qtr 3 22/23 Review Summary: On behalf of service: <ul style="list-style-type: none"> Joint PCC and PTHB provider workshop held with domiciliary care and care home providers 18.12.22 to explore creative solutions and business continuity / resilience Additional contract monitoring capacity in place to support care homes Rapid Action Plan developed in conjunction with PTHB Contingency and focused support around direct payments commissioning Increase in travel mileage rate for domiciliary care workforce Commissioning exploring sustainable new models 09/11/2022 Qtr 2 22/23 Review Summary: Care homes remain fragile but not at imminent risk of failure. All of the mitigations continue, and a contingency plan has been put in place in regard to direct payments service.	Cllr Sian Cox Nina Davies	20	12	<ul style="list-style-type: none"> Direct Payment Support Scheme Care Home Support Care Home Staffing and Resilience Review Joint Support for Residents and Care Homes 	Action In Progress Action In Progress Action In Progress 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
ASC0071 Sharon Frewin Escalated From :- Powys County Council	If there is insufficient capacity to respond to the longer term demand in ADULTS' services in timely manner	then the Local Authority will be unable to discharge its statutory duty and safeguard adults.	30/06/2023 Qtr 1 23/24 Review Summary: This risk has been reviewed Senior Management Team. The risk remains high even though extra resources have been allocated in order to meet statutory requirements with the service. The service needs to be sustainable going forward.	Cllr Sian Cox Nina Davies			<ul style="list-style-type: none"> Agency Staff and Managed Team in both Adults and Children's Services Increase inhouse domiciliary care capacity 	Action In Progress 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
EDR0011 Diane Reynolds Escalated From :- Powys County Council	A climate emergency has been declared by Powys County Council. IF we experience the extreme consequences of not taking action then we will experience flooding, poor air quality, impact on nature and our communities.	-Exceeding acceptable CO2 emissions -Increasing demand on flood alleviation and response (including increase demand on resources) -Increased emissions due to depletion of natural carbon stores and sequestration -Unable to meet demand for housing linked to land suitability -Unable to meet future public building needs -Councils reputation is hurt if by lack of prevention/resilience planning and being perceived to be a contributor -Deteriorating river and water way quality -Increased phosphates due to extreme weather events i.e. flooding -Investing in adapting service delivery -Risk to Biodiversity - see Nature Emergency risk -Risk of increased wildfires and their impact -Negative effect on supply of food, goods and vital services due to climate related collapse of supply chains and distribution networks -Risks to the people and the economy climate related failure of the power system -increased risks to human health, wellbeing and productivity from increased exposure to heat, in homes and other buildings -possible multiple risks	06/07/2023 Qtr 1 23/24 Review Summary: No change however progress has been made with some of the controls. - Climate action plans for Mobility & Transport, Sustainable Procurement, Buildings and Land, Energy and Governance continue to be refined. Action plan leads have been tasked to cost action plans to coincide with forthcoming budget setting timescales and to inform future business case proposals to transformation delivery board which identifies the costs and resource requirements alongside potential return of investment. -Climate and Nature event took place on 14th June as part of this ongoing control	Cllr Jackie Charlton Nigel Brinn	25	20	<ul style="list-style-type: none"> • Carbon accounts reporting • Workstream Action Plans developed • Engagement with stakeholders and experts • EMT/SLT dedicated session to take place in December to focus on risk and plan strategic mitigation • Implement Powys' Climate Strategy 	<ul style="list-style-type: none"> Action In Progress Action In Progress Action In Progress Action Completed 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
		to the County from Climate change impact from overseas. -Inadequate planning for unforeseen events	<p>30/03/2023 Qtr 4 22/23. Review Summary: Action towards addressing the climate and nature emergency declarations of the council are taking shape with a climate and nature transformation programme being added to the existing portfolio, increased governance, working groups and stakeholder groups being established and closer engagement between members and officers to shape the councils response.</p> <p>Further work is required to fully embed climate and nature into the organisation aligned to the corporate plan and the greener priority objective and to refine and clearly articulate and prioritise our resources in areas where most impact can be achieved. Prioritisation will be driven by the carbon accounts and action plans which have now been developed by service areas but more work is needed. The Council can reduce the risk through mitigation, adaptation and reducing our carbon emission, however, more evidence will be required to reduce the risk further. As well as improve our environmental wellbeing, nature recovery and biodiversity enhancement this risk rating relates to mitigation and adaptation'. Action plans are being developed by service areas but more work is needed. As the Council improves its awareness of its carbon footprint and evidence base the action required as an organisation to meet our climate and nature emergency declarations will begin to inform targeted interventions which will reduce the residual risk impact.</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
			<p>18/01/2023 Qtr 3 22/23 Review summary. On behalf of service. The risk is ongoing. The Climate Emergency Programme Board continue to meet monthly and work on developing workstream action plans has continued. A climate stakeholder group has been established to plan for an event in June aimed at supporting Town and Community Councils to declare climate and nature emergencies. A climate and nature engagement group has also been established and had it's first meeting in December</p> <p>10/11/2022 Qtr 2 22/23 Review Summary: No change, progress has been made through the further development of the climate workstream plans and the analysis of our carbon accounts</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
FIN0001 Jane Thomas Escalated From :- Powys County Council Page 154	The Council may be unable to deliver a financially sustainable budget over the short and medium term. The continued impact of Covid coupled with the more recent events around rising inflation, energy costs and the situation in Ukraine impacting on supply chains and prices all increase the risk on the Council financial resilience.	- 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 obligations - Inability to deliver the Council objectives	04/07/2023 Qtr 1 23/24 Review Summary: The final outturn 2022/23 reports a net underspend, after contributions to specific reserves, of £6.7 million against the £221.9 million budget a 3.0% variance (excluding Schools and the Housing Revenue Account). This position will release one off funding to support the increasing pressure already facing the 2023/24 revenue budget particularly that relating to teachers and staff pay as pay award negotiations create unfunded pressure in next financial year. This goes some way to de-risk the Councils financial position in the short term but does not reduce the ongoing base budget pressure that continues to create a gap in our budget plans for next year and future years. The Sustainable Powys programme will seek to identify the opportunities to reduce council spend in order to bridge the budget gap over the next few years. 17/04/2023 Qtr 4 22/23 Review Summary: The council approved a balanced budget for 2023/24 with the inclusion of a 5% increase in Council Tax. The budget recognises the impact of increasing inflation across all services which have in the main been funded, although significant cost reductions are required to delivered within budget. The financial year for 2022/23 has now closed and the accounts are being finalised, the latest forecast based on the position at the end of February projects a surplus budget albeit with the draw down of specific reserves, as set aside last year. Work must now quickly turn to addressing the projected budget for 2024/25 and beyond.	Cllr David Thomas Jane Thomas	25	16	<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 The Reimagining the Council programme will fundamentally review and reshape the Council for the future Instruction to all services across the council to pull back on expenditure through 2022/23 to manage the projected deficit Service Integrated Business Plans will be reviewed and refreshed Keen focus on procurement issues - sharing information and knowledge across the LA/WLGA network WG claims for Hardship and lost income continue and expect to remain in place til march 2021 Cell in place to monitor rising costs, supply chain issues and sharing of information across the Council Regularly monitor and review the financial position on monthly basis. 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 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 	Action In Progress Action In Progress Action In Progress Action Completed Action Completed Action Completed Action Completed Control In Place Control In Place Withdrawn 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
			<p>16/01/2023 Qtr 3 22/23 Review Summary: The development of the budget through the Autumn has seen Cabinet propose a balanced budget for 2023/24 which will be set out at Cabinet on the 17th January. Significant cost pressures across all services can be managed through the increased WG settlement, the delivery of costs reductions and an increase in Council Tax. The longer term 5 year strategy sees further significant shortfalls through to 2028. Work is now underway to reimagine the Council for the future delivered at a lower cost.</p> <p>02/11/2022 Qtr 2 22/23 Review Summary: A significant amount of work has been completed during September and October on the MTFS and the development of the budget plans. Assumptions have been revised and all services have completed their service FRM's setting out the budgetary pressures they face. An approach to allocate the estimated additional funding from RSG and CT has been implemented and Services have developed proposals as to how the remaining budget gap for each service can be managed. The SLT and Cabinet continue to progress this work. The Autumn statement expected on the 17th November will provide more clarity on the funding levels we can expect for next year.</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
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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
HTR0018 Matthew Perry Escalated From :- Powys County Council	Impact of nature emergency on our ability to deliver services	<ul style="list-style-type: none"> Reduced productivity of agriculture, forestry and fisheries impacting the livelihoods of residents and economic stability. Reduced food availability through declines in pollination, soil health and soil fertility. These will lead to decreased yields, a decrease in food and fodder production, and a decreased availability of wild foods. Ecosystems are more susceptible to invasion by pests and diseases. This will reduce the resilience of the natural environment and require investment in pest and disease prevention/control/eradication. Reduced capacity for land to sequester carbon and thus our ability to tackle the climate emergency – see climate risks (interlinked) Reduced capacity for land to perform other basic ecological functions such as water storage, water purification, nutrient cycling and air filtration. Deteriorating river and water quality. Reduced health and wellbeing of residents through increase of diseases, reduced protection against pollution, health effects associated with increased malnutrition and increased exposure to agricultural chemicals, 	<p>30/06/2023</p> <p>Qtr 1 23/24 Review Summary: Our Biodiversity officer has been in post now close to 6 months and much progress has been made around delivery of section 6 duties. A report reflecting on the actions taken in the period from December 2019 to December 2022 was presented to Cabinet in Spring 2023 and was approved. Publication of this report fulfils the Council's duty to report on its progress against section 6 duties every three years.</p> <p>Local Places for Nature funding has been confirmed for the period from April 2023-March 2025; this will allow for 'Nature on your doorstep' projects to be carried out on the Council estate around maintaining and enhancing biodiversity. This funding has a specific revenue element around section 6 duties, which will allow for the Nature Recovery officer (for which funding has been made available) to work with Council services to look at biodiversity opportunities and support Town and Community Councils in implementing their section 6 duties.</p> <p>Due to time constraints, it was not possible to commission a contractor to carry out a desktop review of progress against the Powys Nature Recovery Action Plan in spring 2023. However, a progress tracker has been developed at officer level to identify the projects and initiatives in which the Nature Partnership is involved and the actions in the Nature Recovery Action Plan against which each delivers. This will continue to be populated as projects develop and progress.</p> <p>Work is also under way through the Powys Nature Partnership to map the extent to which Powys is already contributing to the 30x30 target (which is a worldwide initiative for governments to designate 30% of Earth's land and ocean area as protected areas by 2030.) In combination, the progress tracker and 30x30 mapping will help to target future work to deliver against the Nature Recovery Action Plan.</p>	Cllr Jackie Charlton Nigel Brinn	25	16	<ul style="list-style-type: none"> Delivering on our Section 6 duties Implementing the Nature Recovery Action Plan with partners 	Action In Progress 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
		<p>a loss of cultural values, reduced access to traditional medicines, reduced options for future drug development, and poorer mental health.</p> <ul style="list-style-type: none"> • A decline in tourism due to loss of nature and poor condition of the natural environment. • Unable to meet demand for housing linked to land suitability. • Unable to meet future public building needs. • Council's reputation is hurt by lack of prevention/resilience planning and being perceived to be a contributor. • Investing in adapting service delivery. 	<p>Local Places for Nature capital and revenue funding have been confirmed for the period from April 2023 to March 2025 and will underpin delivery of projects that deliver 'Nature on the Doorstep' by the Council, the Powys Nature Partnership and community groups and organisations over the next 18 months.</p> <p>05/04/2023 Qtr 4 22/23 Review Summary: Section 6 report completed outlining all the achievements to improve biodiversity throughout Powys and the ongoing collaboration with our partners through Powys Local Nature Partnership. Report is Scheduled for Cabinet/EMT W/C 17th April 2023.</p> <p>17/01/2023 Qtr 3 22/23 Review Summary: Work is underway to review the 2022 outcomes which will show progress from 2019. There are 15 Local Places for Nature projects under way this year to deliver against the Powys Nature Recovery Action Plan (PNRAP) and 5 of those are on Council land including schools, so will deliver against section 6 duties too. Interest from within and outside the Council is growing rapidly, with enquiries being made by other Services and community organisations around development of projects to be funded in the next year. We have now also been formally awarded SPF funding to appoint a Nature Recovery Officer for the next two years, which achieves one of the aims set out in the declaration of a Nature Emergency</p> <p>10/11/2022 Qtr 2 22/23 Review Summary: The control actions for this risk are under way, being delivery against the Powys Nature Recovery Action Plan and the Council's duties under section 6 of the Environment (Wales) Act 2016. Both of these actions are highly dependent on external funds and a Biodiversity officer being in place to provide the specialist advice and support to internal Council Services and external partners for delivery.</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
IAWARD0009 Yvette Kottaun Escalated From :- Powys County Council	If the Council is susceptible to higher levels of fraud as people struggle with the cost of living crisis and as organised fraud take advantage of the challenging environment. This could lead to lost income revenues or increased service provision costs.	Then this could lead to lost income revenues, increased service provision costs, some schools will have escalating deficits which will have a financial impact on the rest of the Council and the learners in their care. Other consequences could be: - increased service provision costs because of lost income/reduced budget - Reputational Damage - Lost in stakeholder confidence	20/07/2023 1st Qtr 23/24 Review Summary: On behalf of Service: Of the remaining 4 service areas fraud risk assessments that were outstanding by SWAP, 3 have been completed however the last one has not. A meeting has been scheduled with SWAP to discuss those that have been carried out, as the Council would like further work to take place to give a more robust/realistic view. The Councils team have shared their work plan to ensure there is no duplication of work, and an effort to try and make work around fraud risk, fraud investigation and error work, more joined up. Regarding the remaining fraud risk assessment, SWAP have advised the delay is because of time and capacity resource however are still planning on completing the final one (at the Councils request) but currently unable to give a time frame. 04/04/2023 Qtr 4 22/23 Review Summary: The fraud team are awaiting guidance from SWAP on which service areas they intend to do further fraud risk work with. Once this is established Corporate Fraud will determine their action plan of service workshops so not duplicate work and cost with SWAP. Progress has been made with 3 more service risk assessments having been completed, leaving only one outstanding. It is worth noting despite the work that has been carried out to reduce the risk probability and impact, the service are noting increased incidents of fraud, put down to the cost of living crisis and therefore the scoring remains the same. 13/03/2023 Review Summary: The risk is now live 16/01/2023 Review Summary: The fraud risk is due to be considered as as corporate fraud risk at next EMT so not become effective yet to review	Cllr David Thomas Jane Thomas			<ul style="list-style-type: none"> Fraud team to review fraud risks with service areas and determine action plan SWAP Undertake the remaining fraud risk assessments in 4 service areas Provide section 151 officer with fraud risk Intelligence bi-annually. regular fraud activities 	Action In Progress Action In Progress 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
							information asset and ROPA	

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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
							<ul style="list-style-type: none"> • NCSC 10 Steps Actions Engagement & Training • Detection and Response Tools • Cyber Exercising 	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
PCC0008 Nigel Brinn	IF planned power outages (rota disconnections) occurs then it may affect our ability to deliver services.	Then there will be immediate impacts on telephony, communication, ICT, fuel, transport, medical, retail, sanitation, emergency response, banking and & water distribution which will impact on our ability to deliver services. The impact will vary in severity depending upon the length of time without power (The UK Gov target for 100% restoration from 100% outage is currently (Dec 2022) 7 days therefore in theory POs can be anything from seconds to 7 days.	06/07/2023 Qtr 1 23/24 Review Summary: The risk profile has been reduced due to lowered demands for heating, lighting etc during the summer months however as we cannot predict the winter months ahead, and the risk of regional and national power outages remains on the National Security Risk Assessment (with their Risk Assessment unchanged) the risk will remain on the Strategic Risk Register. However the risk and its controls will remain under review by the Emergency Planning Team and the Local Resilience Forum. 04/04/2023 Review Summary: Qtr 4 22/23 Risk Summary, on behalf of Nigel Brinn. The risk has been reviewed and probability reduced to 'unlikely' at present however the risk itself will remain under review by the Emergency Planning Team and the LRF. 10/03/2023 Review Summary: Rescheduling date to 1st April inline with Strategic Risk Register review.	<i>Cllr Richard Church</i> Nigel Brinn	15	6	<ul style="list-style-type: none"> Consider UPS at the homes of identified key officers SLT to agree a priority list of services/people to have access to county hall and continued use of systems. SLT to agree which services/people get access to county hall and continued use of systems. Property and HTR to agree a forward plan to deliver fuel to County Hall's generator if needed Commission care providers' business continuity planning Further electrical work at Penybont depot to ensure access to bunkered fuel supplies of diesel (to drive the generator). The Council has contacted providers like EE to see what their plans are Paper to SLT to initiate discussion on power outages All services to review Business Continuity plans in relation to power outage ICT has setup an management Whatsapp group for all team leaders Uninterrupted power supplies on our key ICT servers monitoring their own readiness Generator at County Hall tested on a monthly basis SLT instructed to relocate to County Hall at first sign of a prolonged outage and activate the SLT Incident Response Guide, Attendance (virtual) at national seminars on planning for Power Outages Take part in major exercises scheduled to test the response to power outages. 	<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 In Progress Completed 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
PPPP0030 Gwilym Davies Escalated From :- Powys County Council	IF the Council has an insufficient level of revenue maintenance and major improvement capital funding, then it is likely to result in unsafe and unfit assets within School properties.	Withdrawal of use of the asset by the school leading to disruption to educational continuity with the partial or full closure of the school.	<p>21/07/2023 Qtr 1 23/24 Review Summary: Compliance Board and Education Working group have been set up to monitor compliance and manage risk. Risk assessments are undertaken where compliance risks are identified and appropriate actions taken to manage risk to an acceptable level. Condition surveys are considered necessary to identify risks and enable an informed programme of works to be created.</p> <p>30/03/2023 Qtr 4 22/23 The Council is continuing to tolerate (with controls in place) as the risk is in relation to insufficient level of revenue maintenance and major improvement capital funding. The Council has an ongoing assessment of all school properties to plan for essential works to maintain safe and operational premises. The Council has received confirmation from WG of additional capital/revenue maintenance grant and the associated terms and conditions for financial year 2023/24. This risk has been transferred from Educations risk register to Property, Planning and Public Protection risk register however remains cross linked with Education so both services have sight. The service is currently planning and commissioning project work for school property financial year 23/24.</p> <p>07/11/2022 Qtr 3 22/23 Currently the Council is tolerating (with controls in place) as the risk is in relation to the possibility of insufficient level of revenue maintenance and major improvement capital funding. The Council has an ongoing assessment of all school properties to plan for essential works to maintain safe and operational premises. The Council is awaiting confirmation from WG about additional capital/revenue maintenance grant and the associated terms and conditions for financial year 2023/24. This risk has been transferred from Educations risk register to Property, Planning and Public Protection risk register however remains cross linked with Education so both services have sight.</p>	Cllr Jake Berriman Nigel Brinn	20	16	<ul style="list-style-type: none"> Monitor statutory compliance and implement remedial works and programme capital improvements to maintain service 	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
			05/09/2022 Review Summary: Reviewed by SSMT 05.09.22					

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
PPPP0031 Gwilym Davies Escalated From :- Powys County Council	IF the school building stock deteriorates due to the insufficient level of revenue and major improvement capital funding required to maintain them, then they could become un-safe and not fit for purpose.	Disruption to the operational continuity of the building which may either result in the partial or full closure of the school building to ensure the health and safety of all occupants.	21/07/2023 Qtr 1 23/24 Review Summary: Compliance Board and Education Working group have been set up to monitor compliance and manage risk. Risk assessments are undertaken where compliance risks are identified and appropriate actions taken to manage risk to an acceptable level. Condition surveys are considered necessary to identify risks and enable an informed programme of works to be created. 30/03/2023 Qtr 4 22/23 Review Summary: This risk although sits with PPPP is cross linked with Education so both services have sight. Meeting took place as a matter of urgency with all relevant service areas to review the risk and in particular the controls and actions in place during the last Qtr. School premises critical compliance assessment is being prepared for all school and non school buildings with a view to presenting 'work in progress' document to Corporate Compliance and Strategic Property Board. Also we are completing the major improvement capital programs 22/23 including other capital grant funded schemes and a planned maintenance program to maintain and upgrade school buildings, safeguarding, external infrastructure and school facilities. This is to maintain safe operational school facilities. 09/01/2023 Qtr 3 22/23 Review Summary: Risk reviewed in Schools SSMT. This risk has been transferred from Educations risk register to Property, Planning and Public Protection risk register however remains cross linked with Education so both services have sight. Meeting to take place as a matter of urgency with all relevant service areas to review the risk and in particular the controls and actions in place. 07/11/2022 Review Summary: Reviewed by SSMT 07.11.22	Cllr Jake Berriman Nigel Brinn	20	16	<ul style="list-style-type: none"> Implement the schools asset management plan within the budget available and escalate to the Transforming Education Programme Actively input into the HOWPS transition working group 	Action In Progress Withdrawn

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PROC0008 Wayne Welsby Escalated From :- Powys County Council	IF global supply chain issues arise such as Brexit, Russian invasion of Ukraine, or, other economic or environmental pressures affect the global market then this could lead to increased price variations and labour & material shortages.	Effect on capital and revenue budget which may result in: Council's ability to deliver services, meet its corporate plan objectives and manage its budget. Council unable to deliver statutory and non statutory services which could result in a backlog of work, reputational damaged, quality of buildings and knock-on consequences. Examples of a key consequence include, delayed or cancelled housing development reduces capacity to address homelessness and other housing needs, Delays or affordability of delivery of schools transformation, etc. Potential for businesses ceasing to operate or provide specific specialist services where alternative options are limited.	10/07/2023 Qtr 1 23/24 Review Summary: Ongoing risk management via the Commercial Performance and Risk Board. 15/05/2023 Review Summary: Risk management is on going via the new Commercial Board. 05/01/2023 Qtr 3 22/23 Review Summary: The new Commercial Performance and Risk Board has been created and now operational and includes increased viability of supply chain risks and thus promoting actions to mitigate. 12/12/2022 Review Summary: New Commercial Performance and Risk Board Created with increased scope and control measures.	Cllr David Thomas Jane Thomas	15	9	<ul style="list-style-type: none"> Review and update contract management reporting of supply chain risks Financial Risk Reporting - use of D&B reports etc..... New Commercial Performance and Risk Board created. Controlling costs and supply price increases. Value Engineering &/or Material substitution Re-evaluate project timescales Value engineering Ukraine Cell Set up to report to Gold on consequences and to manage Develop a Process for approval by S151 officers for minimising effect of Price Increases - replaced by PROC0008/007. 	Action In Progress Action In Progress Action In Progress Control In Place 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
WO0021 Gemma Gabriel Escalated From :- Powys County Council	IF the Council is unable to recruit, retain and commission the workforce it requires, in the short term due to increased staff absences and a challenging UK labour market, and in the longer term due to an expected long term decrease in the local working age population	Then: *the Council will be unable to secure the services needed by the local population, including care and assessment provision, education, waste, highways, housing culture and support services. *services may not be able to respond to and fully meet increasing demand. *services also may not be able to deliver their normal / planned levels of service provision. Where this is acute or could lead to the inability of the Council to deliver statutorily required services, the Council may need to temporarily step-down elements of its non-business critical activities in order to deploy staff to business-critical work.	21/07/2023 1st Qtr 23/24 Review Summary: • Presentation given to Economy, Residents and Communities Scrutiny Committee, with positive feedback and contributions. • Successful recruitment campaign for housing trades roles resulting in an overwhelming response and significant numbers of offers made and vacancies filled. • Further success recruiting to vacancies in Children' s Residential services following recruitment events and leaflet drops to homes across Powys. • 6 apprentices appointed in Q1 with 3 starts and 3 due to start in Q2. • Review meetings in place to discuss system development with e-recruitment provider 17/04/2023 Qtr 4 22/23 Review Summary: This work continues. We are seeing some impact in key roles for example in social care and environmental health. Metrics are being developed which will used in future reports to review and measure risk.	Cllr Jake Berriman Paul Bradshaw	25	16	<ul style="list-style-type: none"> Developing a health and care workforce for the future Ensure a robust and effective Apprenticeship programme Telehealth and telecare Recruitment and Retention working group delivery Formal partnership with the Open University and secondment of students Improving the skills and employability of young people and adults increase use of direct payments and the dynamic purchasing system are intended to secure more creative approaches Support communities to be able to do more for themselves and reduce demand on public services Promoting Powys as a place to live, visit and do business Developing digital solutions and services Developing a workforce strategy which ensures Council is an excellent employer 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 Conduct research to understand the workforce profile in health and social care To maintain rolling adverts for key staff and to link the adverts to relevant sites / job boards To activate the Emergency Plan as may be required in order to facilitate the move of resources to business critical work To internally deploy staff from non business critical work to business critical activities where possible. To develop and run a national recruitment campaign to best attract candidates to social care roles To further develop the Council's recruitment practice, site and campaigns to best promote employment opportunities Improving skills and supporting people to get good quality jobs Improving education attainment of all pupils Consideration of a joint bank of staff available to maintain staffing levels and reduce risk Build better connections with Powys schools & universities within Wales & just across the border in order to attract students 	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 Action In Progress Action Completed Action Completed Action Completed Action Completed Action Completed Control In Place Control In Place 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
			<p>23/12/2022</p> <p>Qtr 3 22/23 Review Summary: The health and care partners in Powys have a multi-faceted Workforce Futures Strategic Framework is in place and being implemented, which is designed to recruit and develop the workforce needed to support the people of Powys now and for the future. As part of this it's essential that we have people with the education and skills that will be needed, which is supported by the Council's Transforming Education Programme which sets out a ten year strategy and is in the process of being implemented.</p> <p>IN order to best respond to the tight UK and local labour market, a high level resourcing group has been established to ensure that the Council takes every possible step to recruit and retain the workforce needed, including growing our own staff. This group is working with the leadership team and so far has:</p> <ul style="list-style-type: none"> • piloted an easier process to apply for roles, leading to a significant increase in interest in the roles and led to 3 staff being recruited, this will be rolled out • developed a new website with an enhanced search function to make it easier for applicants to search our vacancies • introduced a new process to use existing vacancies as apprenticeship opportunities for people in our apprentice talent pool. • undertaken a staff pulse survey to all staff to obtain feedback on why they chose to work at Powys, the findings from which will be used to support recruitment and retention plans. • Are working closely with our partners (e.g. PTHB, PAVO) to identify where we can jointly address recruitment and retention challenges • Firm plans in place for 15 social care staff under our grow one own initiative to qualify as Social Workers during 2023 • Developed a new vibrant and attractive advertising brand which will be launched early January 2023 • We have a - New Year, New Job recruitment campaign ready to launch 					

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Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
			<p>during January 2023</p> <ul style="list-style-type: none"> And have reviewed and condensed our application form, making it easier for candidates to complete which will be launched in the new year <p>AS can be seen, much work has already been completed to address our recruitment needs and we have many more initiatives and improvements planned for Quarter 4 and beyond.</p> <p>The Council is also working closely with PTHB and our partners to support the release of patients from hospital into reablement and care, this work will continue over the winter period and will focus on joint recruitment initiatives, joint induction and development, with a key focus on reablement.</p> <p>IN addition we are widening access to the health and care sector in Powys by / through:</p> <ul style="list-style-type: none"> an employability skills hub project (NPTC delivering employability skills training to a range of groups including staff currently within the health and care system, carers, volunteers and new staff trying to access employment in the sector) by widening our apprenticeship offer And enabling access for carers and volunteers to statutory education packages 					

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
			<p>26/09/2022</p> <p>Qtr 2 22/23 Risk Review: The Workforce Futures Strategic Framework is in place / being implemented by partners. The Council's Transforming Education Programme with its ten-year strategy is also being implemented.</p> <p>To respond to the tight UK labour market, a high level resourcing group has been established to ensure that the Council takes every possible step to recruit, retain and develop the workforce needed, including grow our own staff. This group will be working with SLT in delivering an agreed plan.</p> <p>The Council has established an apprenticeship programme in place which continues to be progressed with 6 offered in Q2.</p> <p>In Social Care a much-enhanced grow our own programme for the next 5 years is in place and being implemented for social workers</p> <p>In addition, we are widening access to the health and care sector in Powys by / through:</p> <ul style="list-style-type: none"> - an employability skills hub project (NPTC delivering employability skills training to a range of groups including staff currently within the health and care system, carers, volunteers and people trying to access employment in the sector) - making use of governmental schemes - Apprenticeships – by widening the apprenticeship offer - Access for carers and volunteers to statutory education packages (NHS E-learning) to start a foundation of learning pre-employment 					

Heatmap Inherent and Current



Inherent Ratings Summary Heatmap

Residual Ratings Summary Heatmap

Probability



Page 173

Insignificant

Minor

Moderate

Major

Severe

Impact

Insignificant

Minor

Moderate

Major

Severe

Impact

Detailed Risk Information

Residual and Target Rating Changes since 26/01/2023

Risk Ref	Risk Identified	Owner	Service Area	Prev Inherent	->	Inherent Rating	Prev Residual Rating	->	Residual Rating
EDR0011	A climate emergency has been declared by Powys County Council . IF we experience the extreme consequences of not taking action then we will experience flooding, poor air quality, impact on nature and our communities.	Diane Reynolds	Powys County Council	25	→	25	16	↗ 4	20
ASC0064	IF Welsh Community Care Information System (WCCIS) is not fit for purpose, then it will impact upon service area's ability to carry out our statutory operational duties .	Nina Davies	Powys County Council	12	→	12	12	↗ 8	20
FIN0001	The Council may be unable to deliver a financially sustainable budget over the short and medium term. The continued impact of Covid coupled with the more recent events around rising inflation, energy costs and the situation in Ukraine impacting on supply chains and prices all increase the risk on the Council financial resilience.	Jane Thomas	Powys County Council	25	→	25	16	→	16
HTR0018	Impact of nature emergency on our ability to deliver services	Matthew Perry	Powys County Council	25	→	25	16	→	16
WO0021	IF the Council is unable to recruit, retain and commission the workforce it requires, in the short term due to increased staff absences and a challenging UK labour market , and in the longer term due to an expected long term decrease in the local working age population	Gemma Gabriel	Powys County Council	25	→	25	16	→	16
PPPP0030	IF the Council has an insufficient level of revenue maintenance and major improvement capital funding , then it is likely to result in unsafe and unfit assets within School properties.	Gwilym Davies	Powys County Council	20	→	20	16	→	16
PPPP0031	IF the school building stock deteriorates due to the insufficient level of revenue and major improvement capital funding required to maintain them, then they could become un-safe and not fit for purpose.	Gwilym Davies	Powys County Council	20	→	20	16	→	16
ASC0066	IF a Social Care provider(s) fail THEN the pressure on care homes, domiciliary care providers, supported living and other providers would become unsustainable.	Rachel Evans	Powys County Council	20	→	20	16	↘ -4	12
IAWA0009	If the Council is susceptible to higher levels of fraud as people struggle with the cost of living crisis and as organised fraud take advantage of the challenging environment. This could lead to lost income revenues or increased service provision costs.	Yvette Kottaun	Powys County Council	16	→	16	12	→	12
ICT0029	IF the Council incurs a serious Cyber Attack or Security Incident this can result in financial costs to recover , and data loss if recovery is not possible. This will result in disruption and damage to the reputation and running of the Council and its services.	Diane Reynolds	Powys County Council	16	→	16	12	→	12
ICT0010	IF the Council is found non-compliant with either UK General Data Protection Regulations (GDPR) and or the Data Protection Act (DPA) 2018 then, it could be subject to monetary penalties or other regulatory action, data protection audits, civil action and associated consequences, including suffering reputational damage, and resultant detriment to the affected data subjects.	Diane Reynolds	Powys County Council	12	→	12	12	→	12
ASC0071	If there is insufficient capacity to respond to the longer term demand in ADULTS' services in timely manner	Sharon Frewin	Powys County Council	No Previous		25	No Previous		9
PROC0008	IF global supply chain issues arise such as Brexit, Russian invasion of Ukraine, or, other economic or environmental pressures affect the global market then this could lead to increased price variations and labour & material shortages.	Wayne Welsby	Powys County Council	15	→	15	12	↘ -3	9
CS0091	If there is insufficient capacity to respond to the longer term demand in CHILDREN services in timely manner.	Sharon Powell	Powys County Council	25	→	25	20	↘ -14	6
PCC0008	IF planned power outages (rota disconnections) occurs then it may affect our ability to deliver services.	Nigel Brinn	Powys County Council	15	→	15	12	↘ -6	6

Report Selection Criteria

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