

## Cabinet

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Meeting Venue  
**By Teams**

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Meeting date  
**Tuesday, 28 July 2020**

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Meeting time  
**2.00 pm**

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For further information please contact  
**Stephen Boyd**  
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steve.boyd@powys.gov.uk



County Hall  
Llandrindod Wells  
Powys  
LD1 5LG

22 July 2020

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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.

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### AGENDA

<b>1.</b>	<b>APOLOGIES</b>
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To receive apologies for absence.

<b>2.</b>	<b>MINUTES</b>
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To authorise the Chair to sign the minutes of the last meeting held on 14<sup>th</sup> July as a correct record.

(Pages 3 - 4)

<b>3.</b>	<b>DECLARATIONS OF INTEREST</b>
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To receive any declarations of interest from Members relating to items to be considered on the agenda.

<b>4.</b>	<b>21ST CENTURY SCHOOLS PROGRAMME BRYNLLYWARCH HALL PROJECT</b>
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To consider a report by County Councillor Phyl Davies, Portfolio Holder for Education and Property.

(Pages 5 - 80)

<b>5.</b>	<b>FINANCIAL FORECAST FOR THE YEAR ENDED 31ST MARCH 2021 (AS AT 30TH JUNE 2020)</b>
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To consider a report by County Councillor Aled Davies, Portfolio Holder for Finance, Countryside and Transport.

(To Follow)

<b>6.</b>	<b>CAPITAL FORECAST AS AT 30TH JUNE 2020</b>
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To consider a report by County Councillor Aled Davies, Portfolio Holder for Finance, Countryside and Transport.

(To Follow)

<b>7.</b>	<b>QUARTER 1 PERFORMANCE REPORT</b>
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To consider a report by County Councillor Graham Breeze, Portfolio Holder for Corporate Governance and Engagement.

This is the link to the Sway report

<https://sway.office.com/jLKKzxatxmUhHg9E>

<b>8.</b>	<b>STRATEGIC RISK REGISTER REPORT QUARTER 1 2020/2021</b>
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To consider a report by County Councillor Aled Davies, Portfolio Holder for Finance, Countryside and Transport.

(Pages 81 - 114)

<b>9.</b>	<b>POST IMPROVEMENT AND ASSURANCE BOARD ARRANGEMENTS</b>
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To consider a report on post Improvement and Assurance Board arrangements.

(To Follow)

<b>10.</b>	<b>CHOICE POLICY FOR ADULT SOCIAL CARE</b>
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To consider a report by County Councillor Myfanwy Alexander, Portfolio Holder for Adult Social Care.

(To Follow)

<b>11.</b>	<b>LOCAL SOURCING AND HOUSING DEVELOPMENT PROCUREMENT</b>
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To consider a report by County Councillor Aled Davies, Portfolio Holder for Finance, Countryside and Transport.

(To Follow)

## MINUTES OF A MEETING OF THE CABINET HELD BY TEAMS ON TUESDAY, 14 JULY 2020

### PRESENT

County Councillor M R Harris (Chair)

County Councillors MC Alexander, G Breeze, A W Davies, P Davies, J Evans, H Hulme and R Powell

<b>1.</b>	<b>APOLOGIES</b>
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There were no apologies for absence.

<b>2.</b>	<b>MINUTES</b>
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The Leader was authorised to sign the minutes of the last meeting held on 23<sup>rd</sup> June 2020 as a correct record.

<b>3.</b>	<b>DECLARATIONS OF INTEREST</b>
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There were no declarations of interest reported.

<b>4.</b>	<b>VISION 2025: OUR CORPORATE IMPROVEMENT PLAN ANNUAL PERFORMANCE REPORT 2019-2020 AND STRATEGIC EQUALITY PLAN ANNUAL MONITORING REPORT 2019-2020</b>
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Cabinet considered the Vision 2025: Corporate Improvement Plan (CIP) Annual Performance Report 2020 and the Strategic Equality Plan Annual Monitoring Report 2019-2020.

The report set out the Council's performance during 2019-20 against the Well-being objectives and activities. The report aimed to provide a balanced and open account of performance and had been developed using information from

- Quarterly Corporate Performance Reports
- Quarterly Transformation Programme highlight reports
- Assurance and Improvement Board Reports
- Revenue and Capital outturn reports.
- Annual Governance Statement 2019-20.

The report had been considered by the Joint Scrutiny Working Group and the Group's comments and responses to them had been included with the papers for the meeting. In respect of the comment made about the number of staff appraisals, the Portfolio Holder for Corporate Governance and Engagement advised that there had been a number of factors contributing to the target not being met but that managers had been briefed and he was confident of the 70% target being met in 2020/21.

The Strategic Equality Plan Annual Monitoring Report 2019/2020 provided information on how the Council was meeting its requirements in relation to the Equality Act 2010 and more specifically, the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011.

**RECOMMENDED to Council that Vision 2025: CIP Annual Performance Report 2020 and Strategic Equality Plan Annual Monitoring Report 2019/2020 be approved.**

<b>5.</b>	<b>ANNUAL SOCIAL SERVICES COMPLAINTS, COMPLIMENTS AND REPRESENTATIONS REPORT 2019-20</b>
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Cabinet considered the Annual Social Services Complaints, Compliments and Representations report for 2019-20. There had been a substantial decrease in the number of Stage 1 complaints received in 2019/20 whilst enquiries had remained constant indicating that people were happy to resolve their concerns without feeling the need to make a formal complaint. The number of formal compliments received during 2019/20 were virtually identical to the previous year.

A number of areas for development and improvement to further enhance Customer Care in 2020/2021 had been identified, with a number of these already in place or being actively progressed.

The Portfolio Holder for Adult Social Care and the Portfolio Holder for Young People and Culture thanked the staff for their work and the proactive way in which they handled complaints.

**RESOLVED that the report be received.**

**County Councillor M R Harris (Chair)**

**CYNGOR SIR POWYS COUNTY COUNCIL.****CABINET EXECUTIVE****28<sup>th</sup> July 2020**

**REPORT AUTHOR:** County Councillor Phyl Davies  
Portfolio Holder for Property and Education

**REPORT TITLE:** 21<sup>st</sup> Century Schools Programme Brynllwarch Hall Project

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**REPORT FOR:** Decision

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**1. Purpose**

- 1.1 This report seeks Cabinet approval to submit a combined Strategic Outline Case (SOC) and Outline Business Case (OBC) to Welsh Government's 21<sup>st</sup> Century Schools Programme for capital investment to replace the existing Brynllwarch Hall building in Kerry, Newtown.
- 1.2 The project is included within the Council's Strategic Outline Programme (SOP) for Band B, which was approved by Welsh Government and the Cabinet in July 2017.
- 1.3 The estimated required funding, including a 25% early stage risk contingency, is as follows:

Welsh Government contribution 75%	£6,868,623.00
PCC 25%	£2,289,541.00
<b>Total</b>	<b>£9,158,164.00</b>

- Annex 1: Combined Strategic Outline Case and Outline Business Case which outlines the strategic case, the case for change, the economic, commercial, financial, and management case
- Annex 2: Brynllwarch additional information (confidential)

- 1.4 In approving the new school development project, the existing school estate will become surplus to School Service requirements. Disposal of the current assets, which includes a Grade II listed Mansion House building, will be in line with the Corporate Asset Policy. Cost allowance for emptying and securing the site is included within the project cost envelope, and a paper outlining proposals and costs for disposal will be presented to School Transformation Board in the autumn.

## 2. **Background**

2.1 Brynllwarch Hall School is located near Newtown in the county of Powys and provides education for pupils from 8 to 19-year olds, with a wide range of complex individual needs that are unique to every learner. The school is unsuitable for the teaching and learning required to support pupils with significant behavioural, emotional and social difficulties.

2.2 **The case for change is based on the need to improve facilities for pupils at Brynllwarch Hall School. The school is in a very poor condition and has significant site constraints:**

- The current building is in very poor condition, categorised as condition D. The site comprises of 9 buildings built in the 19<sup>th</sup> Century and includes mobiles dated 2004. Temporary accommodation has been provided in order to vacate parts of the Mansion House which is a Grade II Listed Building. The heating is erratic and difficult to control, lesson time is lost due to transition between buildings, classrooms are too small to meet the needs of the pupils, class rooms do not lend themselves to being a nurturing environment as they are damp, mouldy and in some cases, are in need of repair and maintenance;
- There are significant health and safety and safeguarding issues with the site, including the design and the period of the building enables easy access to roofs and fire escapes, stairs and bannisters are unsafe and enables pupils risky behaviours, large objects in the classrooms mean that supporting pupils when in crisis can be difficult e.g. radiators, pipes.

2.3 **The requested investment will deliver a brand new, purpose-built school with 72 places in age appropriate environments. The new build will deliver the following:**

- Specialist support and provision to pupils with challenging behaviour, emotional and social difficulties, in a modern and innovative learning environment and will better equip teachers to tailor lessons to meet the specific needs of the learners, improving accessibility to learners across the North of Powys;
- Appropriate learning spaces to deliver the new curriculum;
- Specialist equipment, including IT facilities, to support teaching and learning outcomes which will help to ensure all learners maximise their potential;
- More effective use of the site - the school will no longer be dependent on demountable accommodation which is currently dispersed across the site;
- A holistic integrated multi agency approach, with multi-use facilities including a rebound room, community kitchen, meeting room and hall.

The facilities will support the school's well-established relationships with the specialist services; The hire of the facilities will be managed by the school and provide additional revenue income;

- A fully equipped class base, with breakout space, calming room, laundry and hygiene facilities, together with an individual outdoor learning area.
- A flagship community focused school, with community groups being able to access the facilities out of school hours. Safeguarding will be ensured as the school will be able to lock down the teaching areas while enabling community access to the community zone;

- 2.4 The new school will be built on a part of the current site of Brynllwarch Hall School. There will be various external spaces including a forest school area, farm area, grass pitch and tarmac area.

### **3. Advice**

- 3.1 Submitting the joint SOC and OBC to Welsh Government for approval enables the Council to commence the procurement process to appoint a Design and Build contractor and progress to FBC (Full Business Case) stage.
- 3.2 It is appropriate to include early stage risk contingency of 25% at this early project stage. Actual costs will be confirmed following the conclusion of the procurement process.
- 3.3 Welsh Government intervention rate for special schools included within the Band B programme is 75%, which represents good value for money for the council.

### **4. Resource Implications**

#### **4.1 Financial Capital:**

The project will be funded through the 21<sup>st</sup> C Schools Band B Programme. The total cost associated with the project is **£9,158,164.00**. The Council is requesting that Welsh Government provide 75% of the total cost of the project, with Powys County Council responsible for the remaining 25%. The project is funded from Powys 21<sup>st</sup> C Schools Band B programme- the overall Band B Programme will need to be adjusted to take account of the cost of this scheme to ensure that the overall funding envelope is not exceeded.

Capital funding from Powys County Council will be profiled provided as follows:

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£	£	£	£		£
Supported Borrowing						
Prudential Borrowing	346,000	98,968.10	1,359,960.08	443,946.52	40,666.26	2,289,540.96
Reserves						
Total PCC Funding	346,000	98,968.10	1,359,960.08	443,946.52	40,666.26	2,289,540.96

The borrowing detailed above is included in the capital programme and therefore, the costs of borrowing are included in the council's capital charges. The following capital from Welsh Government is requested:

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
	£	£	£	£	£	£
Total Welsh Government funding	0	296,904.30	4,079,880.24	2,369,839.56	121,998.77	6,868,622.87

#### 4.2 Financial Revenue:

Based on the current accommodation schedule, the funding delivered to the school via the schools funding formula will **decrease** by an estimated £41,083, considering the floor area and other premises factors. This will be considered by the Schools Service as it updates its Integrated Business Plan to include provision for 2022/23 budget planning. There are no rates implications for the school as rates are not charged for special schools due to the exemption category for property used by people with disabilities.

It is deemed that the risk of project incurring abortive costs is low. The preferred site has been deemed as developable and the strategy in building a school on this site is in line with the new Transforming Education Programme.

#### 4.3 Impact on balance sheet

The new school will remain on the public sector balance sheet.

#### 4.4 Overall affordability and funding support

75% of the costs of the new school will be funded by Welsh Government, and 25% from PCC. Cabinet and Welsh Government



approved the 21<sup>st</sup> C Schools Band B Strategic Outline Programme in July 2017.

The Council sets its Prudential Indicators, under the Prudential Code, based on making prudent and affordable decisions and the 21<sup>st</sup> Schools' project were included in these indicators. The annual cost for the project is £87,300 based on the spend profile above and a 50 year life.

The existing infrastructure will be declared surplus and sold.

#### 4.5 **Timescales:**

<b>Milestone Indicator</b>	<b>Date</b>
SOC and OBC Approved	August 2020
D & B Tender Awarded	March 2021
Design Stage	September 2021
FBC Approved	December 2021
Construction Starts	January 2022
School Opens	Spring Term 2023

#### 4.6 **Procurement:**

"The project will be procured under the SEWSCAP3 framework. Appropriate bonds and collateral warranties will be obtained, and contract signed prior to commencement. The contractor will also be required to secure a Project Bank Account as a condition of the contract".

- 4.7 The Section 151 Officer confirms the project is included within the Councils Capital Programme and is content that the proposal can be supported from a financial perspective.

#### 4.8 **Corporate Property:**

The current school estate will become surplus to School Service requirements upon the opening of the new school building. Disposal of the current assets will be in line with the Corporate Asset Policy and a paper outlining proposals and costs for disposal will be presented to School Transformation Board in the autumn. It is likely that the Council will consider selling the current school estate, which includes a Grade II listed mansion house building.

Further engagement will be required with PCC Heritage officer and Cadw in developing a 'Conservation Management Plan' and 'Development Brief' due to the Grade II listed status of the Mansion House.

The site will need to be emptied of content and secured prior to re-sale, and a cost allowance to undertake this work is included within the project envelope.

## **5. Legal implications**

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

## **6. Data Protection**

Data Protection Officer comment: "This proposal does not involve the processing of personal data at this stage. However, when the project progresses to construction and transitioning, then data protection legislation must be complied with."

## **7. Comment from Local Member and Chair of Governors**

Councillor Kath Roberts-Jones: "Educating our most vulnerable youngsters should be a priority which should take place in the best possible settings.

Brynlllywarch Hall School desperately needs a new building, something I have been advocating for many years, so the sooner the project on this site commences the better for all concerned. This has already been in the process for several years, so I wholeheartedly support the Cabinet paper."

## **8. Integrated Impact Assessment**

An Impact Assessment has been completed.

## **9. Recommendation**

- 9.1 To seek Cabinet approval to submit the joint Strategic Outline Case (SOC) and Outline Business Case (OBC), as set out in Appendix 1, to the report to Welsh Government's 21<sup>st</sup> Century Schools Programme for capital investment to replace the existing Brynlllywarch Hall School building in Kerry, Newtown.
- 9.2 The note that the estimated cost of the overall project is £9,158,164.00 with Welsh Government funding 75% of the costs, and the Council

funding 25% and that the current estimates include early stage risk contingency of 25%.

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Interim Chief Education Officer:	Lynette Lovell
Senior Responsible Owner:	Dr Caroline Turner
Head of Transformation and Communication/Programme Lead:	Emma Palmer

Corporate Director:	Ness Young
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# Strategic Outline Case and Outline Business Case

## New Behavioural, Emotional and Social Difficulties (BESD) School at Brynllwarch Hall, Kerry



Submitted by Powys County Council June 2020

Signed:

Date:

Version Control:

Version	Documentation	Date
V1	First Draft DD	15/04/2020
V2	DD	09/06/2020
V3	BI minor changes	11/06/2020
V4	ME minor changes	12/06/2020

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## 1. EXECUTIVE SUMMARY

The purpose of this paper is to set out the business justification for investing £9,158,164.00 to build a new special school on the existing site, replacing the current buildings.

The existing property is a Grade II Listed Building located near Newtown. The site comprises of 9 buildings built in the 19<sup>th</sup> Century and includes mobiles dated 2004, all of which are in an extremely poor condition, suitability, and sustainability of the current school buildings. The situation is so poor Powys County Council has provided temporary accommodation to allow parts of the listed Mansion House building to be vacated.

In response to the Welsh Government 21<sup>st</sup> Century Schools agenda, the property is no longer fit for purpose. The school's current condition is a category 'D' and requires significant improvement. The school is unsuitable for the teaching and learning required to support pupils with significant behavioural, emotional, social, and learning needs.

**The funding required is outlined in the table below:**

Welsh Government contribution 75%	£6,868,623.00
PCC 25%	£2,289,541.00
<b>Total</b>	<b>£9,158,164.00</b>

Brynllwarch Hall School is an Additional Learning Needs (ALN) school which specialises in educating pupils with Behavioural, Emotional and Social Difficulties (BESD). The school accommodates learners from age 8 to 19 years old, with most pupils being of secondary school age. Each pupil has complex individual needs that are unique to every learner.

The current building is not fit for purpose - heating is erratic and difficult to control, lesson time is lost due to transition between buildings, classrooms are too small to meet the needs of the pupils, classrooms do not lend themselves to being a nurturing environment e.g. damp, mouldy, lack of appropriate storage for equipment.

Issues with the current school estate include:

- there are significant health and safety and safeguarding issues (site is open and difficult to keep pupils within boundaries, classrooms have more than one exit, design and period of the building enables easy access to roofs and fire escapes, stairs and bannisters are unsafe and enables pupils risky behaviour, poor lines of sight make pupil supervision difficult;
- lack of private meeting spaces for support agencies;
- no hygiene room, toilets and changing rooms are not adequate for pupils;
- low levels of thermal insulation;
- limited ICT facilities;
- lack of suitable areas for 1-1 tuition, which cause staffing and supervision issues;
- no dedicated break-out spaces for pupils to use to self-regulate;
- restrictions on the effective utilisation of the small central hall as an education facility;
- suitability of the dining hall;
- no community facilities;
- learning environment is not suitable to enable staff to effectively deliver the curriculum (staff spend a great deal of time supervising pupils and staff are sometimes isolated, staff anxiety is high when pupils are off site and they are responsible for their well-being);

- school layout is unsuitable for an all through model where primary aged pupils are taught within the same premises as 19-year olds.

## 2. THE STRATEGIC CASE

### 2.1 Introduction

This Strategic Outline Case and Outline Business Case (SOC/OBC) sets out the case for Powys County Council's (PCC) proposal to provide a new building for Brynllwarch Hall School, a Special (Behavioural School) in Kerry, Newtown. This project is part of the Council's plans for Band B of the 21<sup>st</sup> Century Schools programme and is included in the Council's Strategic Outline Programme (SOP) for Band B which was approved by the Welsh Government in 2017.

This development is set within the context of PCC's Schools Organisation Programme and ALN Transformation Programme.

### 2.2 Strategic Aims and Objectives

The Council's vision for Powys is set out in Vision 2025. One of the priorities set out within Vision 2025 is to strengthen Learning and Skills. Within this, Vision 2025 states that '*We will strengthen Learning and Skills by*':

*Improving the educational attainment of all pupils;  
Supporting children and families to have the best start in life;  
Improving our schools infrastructure;  
Improving the skills and employability of young people and adults.*

In April 2020, the Council approved a new Strategy for Transforming Education in Powys 2020-2030, which sets out the priorities for developing the Powys schools infrastructure over the coming years.

The ambitious ten-year strategy to transform education in Powys sets out a new vision for education in Powys which is as follows:

***All children and young people in Powys will experience a high-quality, inspiring education to help develop the knowledge, skills and attributes that will enable them to become healthy, personally fulfilled, economically productive, socially responsible and globally engaged citizens of 21<sup>st</sup> Century Wales.***

The new strategy also includes a number of guiding principles which will be used to shape developments, and sets out the Council's priorities for the next ten years, which will focus on four strategic aims:

- Improve learner entitlement and experience
- Improve learner entitlement and experience for post-16 learners
- Improve access to Welsh-medium provision across all key stages
- Improve provision for learners with special education needs / additional learning needs



Whilst improving provision for learners with special education needs / additional learning needs is key to the new strategy, the Council has also identified the need for further engagement in order to develop a vision for SEN / ALN provision. Engagement on a draft vision is due to take place during June and July, with a final vision document expected to be considered by the Council's Cabinet in the autumn. In future, it is anticipated that Powys will have in place a range of provision for pupils with ALN including mainstream classes (with support where required), specialist classes, satellites of special schools, special schools, a pupil referral unit, outreach support from special schools and advice and guidance from a small team of highly qualified central staff.

## 2.3 Business Strategies

There are a range of policy drivers relevant to this investment at a local and national level, as set out below:

### 2.3.1 National Policy Drivers

	Relevance to this investment
<b>Additional Learning Needs and Education Tribunal (Wales) Act 2018</b>	The new statutory framework aims to ensure that all learners with ALN are supported to overcome barriers to learning and can achieve their full potential. This investment will provide improved and purpose-built facilities for vulnerable children and young people with ALN.
<b>21<sup>st</sup> Century Schools Programme</b>	<p>In partnership with Welsh Government, there are opportunities to invest heavily in Powys schools' estate, building on the emerging vision for the future and moving ahead with its implementation, and with all learners in mind – of all abilities and at all stages in their education – and across both language provisions.</p> <p>The changes that are needed to put in place across Powys must also provide a transformed working experience for staff in all schools. Modern buildings will help transform learning,</p>
<b>Education in Wales – Our National Mission</b>	<p>Making the best of the opportunities presented by the new Curriculum for Wales requires that a system is created where Powys teachers can more easily work together across schools to help generate inspiring teaching and learning opportunities for all pupils, whilst also helping to manage professional workloads.</p> <p>Collaborative schools can also help generate a community of future leaders for Powys schools who can be nurtured through a range of programmes, led by our most inspiring teachers and headteachers.</p>

<b>Wellbeing of Future Generations Act</b>	<p>To provide ambition, permission and legal obligation to improve the schools social, cultural, environmental and economic well-being, by looking at the long-term impact.</p> <p>To work better with people, communities, and each other, and to prevent persistent problems such as health inequalities and climate change.</p> <p>To ensure positive change to current and future generations</p>
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### 2.3.2 Regional and Local Policy Drivers

	<b>Relevance to this investment</b>
<b>Strategy for Transforming Education in Powys – 2020-30</b>	A new ambitious Strategy for Transforming Education in Powys was approved by the Leader of the Council in April 2020. This sets out a ten year plan to transform education, including ALN provision and improving the schools' estate.
<b>Powys Community Focused Schools Strategy</b>	To ensure that key services are sufficiently integrated and able to work collaboratively to identify and meet all the needs of a child and their family. By looking at the child in this holistic way we will increasingly be able to remove barriers which could prevent them from reaching their full potential
<b>Powys Carbon Reducing and Sustainability strategies</b>	All new schools will be part of a new generation of energy efficient buildings where the reduction of carbon emissions and sustainable development as the main driving force. With materials specified where possible from the BRE Green Guide, new school buildings will be subject to a BREEAM assessment.
<b>Powys Regeneration Strategy</b>	To ensure that regeneration is embedded into everyday practice, to deliver outcomes which will have a positive impact upon not just the physical, social, environmental, but also the economic and cultural attributes of the county
<b>Powys ICT strategy</b>	ICT Strategy for Schools is built around the 21 <sup>st</sup> Century Schools Standard. It is aimed at delivering learners' entitlement to use technology to support their learning and to enable schools to become more innovative and effective in their teaching and learning

## 3. THE CASE FOR CHANGE

The case for change is based on the need to improve facilities for pupils at Brynllwarch Hall School. The school is in a very poor condition and has significant site constraints.

The school site operates within a GIFA of 2806m<sup>2</sup>. The current site is approximately 5.34 Hectares. The school sits 300m away from a scheduled ancient monument to the west 'Motte and Bailey'. The existing building is a Grade II Listed Hall surrounded by 9 buildings ranging from traditional masonry 1950's classroom block to two, two storey residential blocks and 2004 portacabin, there are two sheds for storage and wood working activities.

The main school building dates back 1829 and was extended in 1887 and sold in 1919. The school is surrounded by Ancient Woodland to the north and north east boundary, and a woodland path connects the schools' classroom and teaching areas to the sports field east

of the site. There is a running track, football posts and a long jump area. This area is divided into two by a row of mature trees.

The school uses some of the old residential areas as a 6<sup>th</sup> form block, music block with a recording studio and a construction workshop. Within the grounds there is a forest school, a small animal farm area and a range of play areas.

The case for change in Brynllwarch Hall School is based on the extremely poor condition, suitability, and sustainability of the current school buildings. Temporary accommodation was provided in September 2018 in order to vacate the current buildings. Estyn, in its recent inspection of the school, stated that the overall maintenance, condition and layout of the school's buildings are unsatisfactory.

Specific issues include:

### **3.1 Condition**

The school is a condition D school and requires significant improvement. Specific issues are listed below:

- Flat roof/valleys on main building in very poor condition causing damp internally;
- Pitched roof on new teaching block to the rear of the main building is leaking in various locations causing internal damp issues - tiles missing;
- Number of small holes within the courtyard buildings, one of which is above the plant room which needs attention;
- Much of the guttering is failing which is causing the timber soffits and fascia boards to rot and water ingress. Moss build up on many of the roofs also needs to be removed;
- Second staircases within the main building are very steep and one of which is used as a fire escape. There is an external staircase which was previously used as a fire escape however it is in very poor condition and needs replacing;
- Water ingress has caused many of the ceilings to become damp and paint is flaking off. There is an issue with rising damp within the 6<sup>th</sup> form block which is causing water to spread throughout the building;
- Two detached houses on site are both very damp and would benefit from further investigation by a damp specialist;
- Majority of the external walls are in good condition however many of them need re decorating especially within the courtyard area. Several of the Crittal windows are coming to the end of their serviceable life and need replacing. Gable end of the 6<sup>th</sup> form block has signs of movement however it was not apparent from ground level the extent of the movement;
- Listed metalwork needs maintenance as paint is flaking off and sharp there are sharp edges where parts have been knocked off. Asbestos within the plant room which has been locked and no access is available;
- Roof light above one of the stairs gives easy access to the roof and will need either blocking up or locking. Bay window on the main building needs structural maintenance as scaffold has been in place for years and no work has been completed.

## **3.2 Suitability**

The school is not suitable for teaching and learning pupils with significant emotional and behavioural needs. The impact is as follows:

### **i) Impact on ability to teach pupils**

- Heating is erratic and difficult to control i.e. too hot in summer children become unsettled;
- Lesson time lost due to transition between buildings. Behaviour is also an issue due to transition;
- Inappropriate doors and windows e.g. fragile glass, windows too big;
- Classrooms too small to meet the needs of pupils when teaching larger class sizes;
- Visual distractions due to orientation and construction of building e.g. large windows to look out of, fireplaces in class rooms;
- Classrooms do not lend themselves to being a nurturing environment e.g. classroom damp, mouldy and often smelly;
- Staff struggle to deliver engaging lessons due to the restrictive facilities;
- No specialist PE facilities and this is essential to engage pupils with BESD;
- Leaks and damage to buildings make teaching difficult;
- Lack of appropriate storage for equipment;
- Staff spend a great deal of time dealing with behaviour due to layout of school and this takes away from supporting learning;

### **ii) Impact on safeguarding**

- Site is open and very difficult to keep pupils within boundaries;
- Classrooms have more than one exit making it easy for pupil to leave without permission;
- The design and period of the building enables easy access to roofs and fire escapes;
- Transitions between lessons difficult to manage and keep pupils separated e.g. KS2 and KS5 sometimes share the same space which is inappropriate;
- Toilets and changing rooms not adequate for pupils;
- Security of doors to out of bounds areas not sturdy enough;
- Stairs and bannisters unsafe and enables pupils' risky behaviours;
- Pupils are spread out all over the building and this prevents the pastoral team from being fully effective and on hand when needed;
- Large objects in the classrooms mean that supporting pupils when in crisis can be difficult e.g. radiators, pipes and general layout of rooms;
- Lack of CCTV in all areas of the school including classrooms;
- Poor lines of sight that make pupil supervision difficult.

### **iii) Impact on Staff**

- Staff spend a great deal of time supervising pupils during transitions;
- Motivation of staff is low and at times, staff are isolated. This is due to the layout of the building;
- Staff anxiety is raised when pupils are off site and they are responsible for their well-being.

The condition data for the school is as follows:

Condition	Suitability	Temporary Accommodation	DDA Compliance
D	C/D	4	Partly

### 3.3 Investment Objectives

The Investment Objectives for this project are as follows:

	Investment Objective
1	To deliver special education to support the needs of learners with BESD in a learning environment that enables all pupils to achieve their potential
2	To provide a learning environment that enables all pupils and staff to feel safe, secure and protected from harm
3	To maximise learning time through the reduction of movement from one class to another
4	To provide a learning environment that has specialist facilities including up-to-date ICT to promote learning self-esteem and well-being of all learners
5	To provide a learning environment that is energy efficient, reduces running costs and provides an efficient use of teaching resources – Minimum Condition A and to meet BREEAM Excellence
6	To provide a multi-agency approach for supporting Powys pupils with BESD.
7	To deliver a community focussed school, where members of the community can have access to the facilities and to promote lifelong learning within the community.

Investment Objective	Measure	Target
To deliver special education to support the needs of learners with BESD in a learning environment that enables all pupils to achieve their potential	<ul style="list-style-type: none"> <li>Improved building condition</li> <li>Improved behaviour</li> <li>Improved attendance and engagement in lessons</li> <li>Increased pupil participation in life skills-based activities</li> </ul>	<ul style="list-style-type: none"> <li>Building achieves BREEAM 'Very Good' Standard by April 2023</li> <li>Decrease in the number of injuries caused by the poor condition/design of the current building – easy access to roofs and fire escapes</li> <li>Compare current attainment levels and performance of pupils – number of suspensions, recorded incidents with current site and</li> </ul>

		<p>with new build by 2025</p> <ul style="list-style-type: none"> <li>• Increase current attainment at KS2 by 2025</li> <li>• Increased Building suitability by April 2023</li> </ul>
To provide a learning environment that enables all pupils and staff to feel safe, secure, and protected from harm	<ul style="list-style-type: none"> <li>• Reduction in the number of pupils leaving site</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Improve site security by April 2023</li> <li>• Compare current number of pupils leaving site with new school within 2 years of new school opening</li> </ul>
To maximise learning time through the reduction of movement from one class to another	<ul style="list-style-type: none"> <li>• Reduction in lost teaching and learning time</li> <li>• Reduction in staff time supervising pupils during transition</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in teaching and learning time</li> <li>• Less time spent supervising pupils</li> <li>• Comparison of time between current situation and with new build by 2025</li> </ul>
To provide a learning environment that has specialist facilities including up-to-date ICT to promote learning self-esteem and well-being of all learners	<ul style="list-style-type: none"> <li>• Improved use of technology to support both teachers and pupils</li> <li>• Increased resources and facilities so teachers can focus on developing specific elements of the overall curriculum</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in staff morale, job satisfaction by 2024</li> <li>• Increased use to a wide range of different learning and teaching styles – availability of new ICT equipment</li> <li>• Reduce the number of days equipment is out of use by 2024</li> <li>• Increase the number of pupils using the specialist facilities – comparison with old facility and new build within 2 years of new school being open.</li> </ul>
To provide a learning environment that is energy efficient, reduces running costs and provides an efficient use of teaching resources – Minimum Condition A and to meet BREEAM Excellence	<ul style="list-style-type: none"> <li>• Reduction in energy usage</li> <li>• Reduction in maintenance costs</li> </ul>	<ul style="list-style-type: none"> <li>• Reduction in premises costs per sq m2 of 5% within 18 months of the new school opening</li> <li>• Reduction in backlog maintenance and accessibility costs by</li> </ul>

	<ul style="list-style-type: none"> <li>Improved building condition as measured by relevant data sources: Condition Assessment, DDA Compliancy, BREEAM</li> </ul>	<ul style="list-style-type: none"> <li>5% within 18 months of the new build opening</li> <li>Building achieves BREEAM 'Very Good' Standard by April 2023</li> </ul>
To provide a multi-agency approach for supporting Powys pupils with BESD	<ul style="list-style-type: none"> <li>Pupil time spent accessing services off the school site</li> <li>Cost of provision for pupils accessing provision out of Powys</li> </ul>	<ul style="list-style-type: none"> <li>Percentage reduction in number of pupils accessing services off the school site</li> <li>Percentage reduction in cost of provision for pupils accessing provision out of Powys</li> </ul>
To deliver a community focussed school, where members of the community can have access to the facilities and to promote lifelong learning within the community	<ul style="list-style-type: none"> <li>Improved facilities</li> <li>Opportunities for school and community cohesion</li> </ul>	<ul style="list-style-type: none"> <li>Increased revenue</li> <li>Comparison of community events and booking of facilities between the current school and new build within 2 years of new school opening</li> </ul>

### 3.4 Potential Benefits

Potential benefits associated with the achievement of the project's investment objectives:

3.4.1 The main **quantitative** benefits associated with the investment are:

- Improved learning outcomes and raised attainment levels. There is a clear link between new and improved school buildings and improved performance as highlighted by Estyn;
- Improved behaviour;
- Improved attendance;
- Reduction in premises running costs and improved energy efficiency and reduced carbon emissions;
- Reduction in backlog maintenance costs;
- A better use of resources by improving the existing estate at the school and its operational cost effectiveness;
- Improved safeguarding to meet pupils needs.

### 3.4.2 The main **qualitative** benefits associated with the investment are:

- Improved educational environment for pupils and staff by being non-reliant on poor quality and temporary accommodation;
- Improved wellbeing of staff and pupils;
- Pupils are able to meet their full potential;
- Higher expectation from both pupils and staff in all aspects of their development;
- Staff have increased job satisfaction;
- Staff have greater opportunities to use wider range of different learning and teaching styles;
- Headteacher has appropriate office space to enable strategic and operational planning;
- Administrative staff have appropriate office space to enable effective running of the school;
- Better use of resources and facilities so teachers can focus on developing specific elements of the overall curriculum;
- Improved service delivery for pupils and parents through greater integration between services;
- Positive learning and social experiences;
- Facilities that enhance their learning experiences, leading to increased motivation and improved performance;
- School performance improves, raising staff motivation and morale;
- Improved use of technology to support teaching and learning fit for the 21<sup>st</sup> Century;
- To meet the identified needs of the full age range of pupils at the school.

## 3.5 Risks, Constraints and Dependencies

All capital investment projects have risks which require careful management in order to avoid project failure. Powys County Council implements projects in accordance with Prince2 methodology, which are underpinned by a robust risk management strategy, which is fundamental to successful project delivery.

In terms of investment proposed at Brynllwarch Hall School, the tables below list the key headline risks the Council will ensure are managed effectively in order to achieve project success.

Ref.	Risk item	Likelihood	Impact	Mitigation
1.	Insufficient capital funding	Low	Project not able to go ahead or the scope would have to be reduced	Ensure that the scheme is underpinned by a robust business case
2.	Planning issues	Low	Project delay	Ensure pre-planning discussions take place with planning authority
3.	Environmental issues	Medium	Increased costs and delays	Ensure surveys are taken at an early stage



4.	Delays in design/tendering stage	Medium	Project delay	Ensure that there is a clear and realistic programme plan.
5.	Lack of stakeholder support	Low	Project delay	Project has been supported by Cabinet via the approval of Band B SOP. School leadership fully engaged in the process.
6.	Risk of insufficient revenue funding to support the running costs of the new school	Medium	Increased Costs	Ensure that the scheme is underpinned by a robust business case
<b>Constraints</b>				
<ul style="list-style-type: none"> <li>• Site constraints</li> <li>• Availability of capital funding</li> <li>• Ecology issues</li> </ul>				
<b>Project Dependencies</b>				
<ul style="list-style-type: none"> <li>• Capital funding</li> <li>• Supply chain capability and capacity to deliver</li> <li>• Planning consent</li> <li>• CADW engagement in possible re-sale of listed Mansion House</li> <li>• Supply chain</li> </ul>				

### 3.6 Description of current provision

Brynllwarch Hall School is situated in the rural village of Kerry, near Newtown in Powys. The school provides education and support to pupils from the age 8 to 19 years of age with Behavioural, Emotional, Social Difficulties (BESD) and other associated ALN.

The school is situated in an old mansion house which has grade II listing status. Several mid-20<sup>th</sup> century blocks have been added, along with temporary accommodation. The school opened as a residential school in 1951 but ceased to provide residential provision in 2011. The school uses some of the residential areas as a 6th form block, a music block with a recording studio and a construction workshop. Within the grounds there are two Forest Schools, a horticulture area, and a range of play areas.

Pupils come from across Powys and from Shropshire but predominantly from North Powys. There are several pupils which have a statement of special educational needs. 14% of the pupils in key stages 2, 3 and 4 have 'looked-after child' status. All pupils come from homes where English is the predominant language and 37% of the pupils are entitled to free school meals.

### i) Pupil numbers

Current pupil numbers at Brynllwarch Hall School based on verified (Plasc) data is as follows:

Key Stage 2	Key Stage 3	Key Stage 4	Key Stage 5	Total
6	17	16	3	42

Age	Total
8	1
9	1
10	0
11	4
12	5
13	5
14	7
15	7
16	9
17	1
18	2

Total pupil numbers at the school over the last 5 years are as follows:

	2015	2016	2017	2018	2019
<b>Total pupil numbers</b>	66	69	62	55	42

All pupils are transported to the school from home by taxi. The below table shows the transport breakdown based on areas and miles from home to the school.

Area	Number of Pupils	Miles
Brecon	2	52
Caersws	1	8
Ellesmere	1	37
Hinckley, Leics	1	98
Knighton	1	20
Llanbrynmair	1	19

Llandrindod	3	28
Montgomery	1	10
Newtown	14	4
Oswestry	3	28
Shrewsbury	3	32
Welshpool	9	14
Wrexham	1	43
Lincolnshire	1	170

Transport costs for Brynllwarch Hall School are £1,040 per day, total school days 192, which over a year £199,680.

Current pupil numbers at Brynllwarch Hall School based on unverified (Teachers Centre) data is as follows:

Key Stage 2	Key Stage 3	Key Stage 4	Key Stage 5	Total
8	15	15	11	49

Age	Total
8	3
9	1
10	1
11	4
12	5
13	5
14	7
15	7
16	6
17	8
18	2

Total pupil numbers at the school over the last 5 years are as follows:

	2015	2016	2017	2018	2019	Unverified 2020
<b>Total pupil numbers</b>	66	69	62	55	42	49

The below table shows the unverified (Teachers Centre) transport breakdown based on areas and miles from home by taxi to the school.

Area	Number of Pupils	Miles
Brecon	2	52
Caersws	1	8
Ellesmere	1	37
Knighton	1	20
Llanbrynmair	1	19
Llandrindod	5	28
Llanfair Caereinion	1	15
Llanidloes	1	18
Montgomery	1	10
Newtown	18	4
Oswestry	2	28
Presteigne	1	32
Rhayader	1	32
Shrewsbury	4	32
Welshpool	9	14

### Quality of Education

The school was last inspected by Estyn in January 2018.

Inspection area	Judgement
Standards	Adequate and needs improvement
Wellbeing and attitudes to learning	Adequate and needs improvement
Teaching and learning experiences	Adequate and needs improvement
Care, support and guidance	Unsatisfactory and needs urgent improvement
Leadership and management	Unsatisfactory and needs urgent improvement

### Backlog Maintenance Costs

The school is in a poor condition, with a reliance on temporary accommodation and is not compliant with DDA legislation. It is estimated that backlog maintenance costs for the school is £4,425,919

### Post 16 provision

Brynllwarch School works with the community to help support post 16 pupils with focussing on readiness for work/vocational qualifications, life skills, work experience and literacy and numeracy.

## Welsh-medium education

All classes at Brynllwarch School are taught through the medium of English. If there was a future demand for Welsh-medium education within Brynllwarch, Powys County Council would consider options in establishing this provision within the new school building. The school design could accommodate a change where a class could be allocated Welsh stream education. The school currently has 2 welsh speaking members of staff.

The architects have also been commissioned to look at future expansion of the school if future demand and need increases.

### 3.7 Information about the proposed scheme

The project has been developed in partnership with representatives from PCC including Governors and Staff. To aid development of the design proposals, an initial feasibility was undertaken by Kier in 2018 which showed a number of site locations within the Brynllwarch Hall estate. A total of 3 sites were considered for development.

Plot 1, located to the east of the site, currently occupied by the School's sports pitches



Plot 2, located to the middle of the site, east and south of the listed hall



Plot 3, located to the west of the hall.



After positive discussions with PCC Officers including Highways, Planning and Heritage Officer, Plot 1 was deemed to be the least sensitive and carried the lowest risk of developing and progressing to the Planning Stage.

### **Plot 1 Opportunities**

- Separation of existing school and development site minimises risk of delay, segregation, and phasing;
- Dedicated access for school;
- Low risk of ground contamination and asbestos;
- No demolition of existing buildings required;
- Level access, least onerous cut and fill option;
- Larger area to accommodate sports facilities;
- Lower risk to capital receipt of listed building and its setting.

#### **i) Description of the proposed scheme**

The new school will deliver the following:

- specialist support and provision to pupils with BESD, in a modern and innovative learning environment and will better equip teachers to tailor lessons to meet the specific needs of the learners;
- appropriate learning spaces to deliver the new curriculum;
- specialist equipment, including IT facilities, to support teaching and learning outcomes, which will help to ensure all learners maximise their potential;
- More effective use of the site - the school will no longer be dependent on using other buildings across the site;
- a fully equipped class base, with breakout space, calming room, laundry, and hygiene facilities, together with an individual outdoor learning area;
- a flagship community focused school, with community groups being able to access the facilities out of school hours. Safeguarding will be ensured as the school will be able to lock down the teaching areas while enabling community access to the community zone;
- facilities available to hire, - these include a rebound room, community kitchen, meeting room and hall. The hire of the facilities will be managed by the school and provide additional revenue income.
- continue to support the local community - upkeep of the church grounds in Kerry.

## **ii) Environmental considerations**

The proposed building design encompasses passive design principles to target a BREEAM excellent rating. This will ensure the removal of the considerable backlog maintenance costs that is incurred with the current school building, curtailing the pressure on the school's delegated budget and on the authority's maintenance capital budget.

In accordance with PCC's duty under the **Environment (Wales) Act 2016**, the proposed design should ensure there is no net loss of biodiversity or unacceptable damage to a biodiversity feature together with a low zero carbon strategy. Biodiversity enhancement measures have been identified and incorporated into the landscapes scheme to work towards delivering net gains for biodiversity. The area of existing playing field was selected for the development due to the minimal impact on existing biodiversity and habitats.

Mitigation details will be clearly illustrated on architectural plans submitted for planning permission.

Natural daylighting, natural ventilation and thermal mass have been incorporated into the design and it envisaged that efficient renewable technologies such as air source heat pumps, solar thermal heating arrays and photovoltaic heating arrays to be adopted into the design where possible. Gas and electric consumption to be reduced by using a Passivhaus system approach.

Future maintenance of SuDS and green spaces will be under the management of the school leadership.

## **iii) Outdoor and sporting facilities**

The new school aims to ensure accessibility and appropriate facilities for all pupils within the building and in the outdoor learning facilities to enable effective delivery of special school education. The proposed scheme will include sports and games facilities, farm, space for a forest classroom, storage for bikes/kayak/canoe, KS2 play area.

## **iv) Travel and transport implications**

As the school serves a large area of North Powys, all pupils are transported to the school. A highways travel assessment report has been undertaken which assesses the potential travel needs of future learners and staff. There will not be a major change to current numbers of pupils who are transported to the school, as the school is being built in the same location as the existing school. However, there will be improved access routes.

# **4. THE ECONOMIC CASE**

This section includes a description and results of several option appraisals which considered a range of options for the development of a new special (BESD) school in Kerry, Newtown. The option appraisals scored the options against the agreed investment objectives and a range of critical success factors.

## 4.1 Investment Objectives

The Investment Objectives for this development were agreed at a workshop on the 29<sup>th</sup> April 2020 attended by Senior Officers from Schools Service, ALN Manager, Headteacher from Brynllwarch Hall School, Area Behaviour Support Service Manager and are as follows:

1	To deliver special education to support the needs of learners with BESD in a learning environment that enables all pupils to achieve their potential
2	To provide a learning environment that enables all pupils and staff to feel safe, secure and protected from harm
3	To maximise learning time through the reduction of movement from one class to another
4	To provide a learning environment that has specialist facilities including up-to-date ICT to promote learning self-esteem and well-being of all learners
5	To provide a learning environment that is energy efficient, reduces running costs and provides an efficient use of teaching resources – Minimum Condition A and to meet BREEAM Excellence
6	To provide a multi-agency approach for supporting Powys pupils with BESD.
7	To deliver a community focussed school, where members of the community can have access to the facilities and to promote lifelong learning within the community.

## 4.2 Critical Success Factors

### CSF1: Strategic Fit

- The option must satisfy all 5 investment objectives and business needs
- The option must optimise the benefits as presented in the Main Benefits Criteria
- The option must be aligned with and promote the national, regional and local strategies

### CSF2: Potential Value for Money (VFM)

- The option must optimise the resources available for the delivery of learning
- The option must provide value for money in the delivery of learning

### CSF3: Potential Achievability

- The option must be acceptable to learners, staff, governors and the wider community;
- The option must be politically acceptable at local, county, and national level;
- The option must be achievable within current legislation;
- The options must be operationally achievable/physically achievable.

### CSF4: Supply side Capacity and Capability

- The option must secure sufficient appropriate resources and expertise to be deployed within Powys to achieve the investment objectives.

### CSF5: Potential Affordability

- The extent to which the option is affordable within the forecasted revenue of participating organisations;
- The extent to which the option is affordable within the forecasted capital finding of participating organisations.



### 4.3 Long list of options

The long list of options was generated by a cross departmental group of stakeholders at a workshop held on 18/05/2020. The following individuals were present at this workshop:

- Marianne Evans – Senior Manager Education Services;
- Betsan Ifan – Programme Manager;
- Dee Davies – Project Manager.

Each option was evaluated against the agreed investment objectives and critical success factors in order to determine whether they were to be discounted or carried forward to the short list for further consideration.

As the preferred site had already been selected through a site selection process, options for addressing the issues at Brynllwarch Hall School include the following:

- Minimum – 8 to 19 School for 72 children with Additional Learning Needs (ALN);
- Intermediate – 8 to 19 School for 72 children with ALN and Behavioural, Emotional, Social Difficulties (BESD), to include community facilities.
- Maximum – 8 to 19 School for 72 children with ALN, Behavioural, Emotional, Social Difficulties (BESD) to include community and respite facilities.

Table 1 – Scope advantages and disadvantages

Do Minimum: 8 to 19 School for 72 children with additional learning needs (ALN)	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Minimises (proportionately) the capital investment required;</li> <li>• Simplifies design.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not address the broader BESD issues;</li> <li>• Would not meet Estyn requirements (i.e. would not be 'fit for purpose');</li> <li>• Does not offer any 'value add' to indirect stakeholders of the scheme, or the wider community;</li> <li>• Does not create new opportunities for additional income streams for the school.</li> </ul>
Intermediate: 8 to 19 School for 72 children with ALN and Behavioural, Emotional, Social Difficulties (BESD), to include community facilities	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Improved engagement with learners with BESD;</li> <li>• Better facilities for BESD learners;</li> <li>• Provides facilities which are accessible to the community;</li> <li>• Fits with areas of learning in the new curriculum;</li> </ul>	<ul style="list-style-type: none"> <li>• Increases capital investment required in the project;</li> <li>• Reduces the capital funding available for other projects in the Band B programme.</li> </ul>

<ul style="list-style-type: none"> <li>Contributes towards positive perception of PCC within wider community.</li> </ul>	
Maximum: 8 to 19 School for 72 children with ALN, Behavioural, Emotional, Social Difficulties (BESD) to include community and residential facilities	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>As above plus:</li> <li>Allows for increased integration of services to parents of ALN/BESD children;</li> <li>Supports the wellbeing of unpaid carers;</li> <li>Increased integration between education and social care.</li> </ul>	<ul style="list-style-type: none"> <li>Maximises capital investment required in the project;</li> <li>Further reduces the capital funding available for other projects in the Band B programme;</li> <li>May be unaffordable under the current PCC capital programme</li> <li>Increases complexity of design.</li> </ul>

Table 2 – Scope appraisal summary

Reference to:	Do Nothing	Intermediate Scope	Maximum Scope
To deliver special education to support the needs of learners with BESD in a learning environment that enables all pupils to achieve their potential	x	✓	✓
To provide a learning environment that enables all pupils and staff to feel safe, secure and protected from harm	x	✓	✓
To maximise learning time through the reduction of movement from one class to another	✓	✓	✓
To provide a learning environment that has specialist facilities including up-to-date ICT to promote learning self-esteem and well-being of all learners	✓	✓	✓
To provide a learning environment that is energy efficient, reduces running costs and provides an efficient use of teaching resources – Minimum Condition A and to meet BREEAM Excellence	✓	✓	✓
To provide a multi-agency approach for supporting Powys pupils with BESD.	✓	✓	✓
To deliver a community focussed school, where members of the community can have access to the facilities and to promote lifelong learning within the community.	x	✓	✓
Strategic Fit			
Strategic Fit	x	✓	✓
Potential VFM	✓	✓	✓

Potential achievability	✓	✓	✓
Supply side capability	✓	✓	?
Affordability	✓	✓	?
Summary	Discounted, but Carry Forward for Comparison	Preferred	Possible

## 4.4 Service Solution Appraisal

### 4.4.1 Options

- **Option 1 – Do Nothing - Status Quo**
- **Option 2 – Extensive Remodelling of School** - 21<sup>st</sup> Century funding would be used to remodel the interior of the mansion house within the scope allowed via the listed status.
- **Option 3 – Build a New School Extension** - Built on the existing site, removing the school's dependency on the Grade II listed mansion house
- **Option 4 – New build School on alternative site** - 21<sup>st</sup> Century funding would be used to build a whole new school building on a new site
- **Option 5 – New build School on the Brynllwarch Site with community facilities** - 21<sup>st</sup> Century funding would be used to build a whole new school building on the current site. The mansion house would be removed from use by the school.
- **Option 6 – New Build on the Brynllwarch site, to include community facilities and a Residential Unit** - Build a new school on the current site to include a Residential Unit.

### 4.4.2 Advantages and Disadvantages

Table 3 – Service solution advantages and disadvantages

Option 1: Do nothing: Status Quo	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• No capital spend required immediately;</li> <li>• Enables alternative use of capital funding within the programme envelope.</li> </ul>	<ul style="list-style-type: none"> <li>• Inadequate school buildings that are at end of life (Condition D) will continue in use;</li> <li>• Risk of school failure (reference Cwmcarn Comprehensive School, Caerphilly);</li> <li>• Does not meet the requirement of Estyn recommendations;</li> <li>• School is not 'fit for purpose'</li> <li>• Will not generate any lifecycle efficiencies;</li> <li>• Will not generate any property revenue efficiencies;</li> <li>• No new potential for additional revenue income streams;</li> </ul>

	<ul style="list-style-type: none"> <li>• Does not address safeguarding and access issues;</li> <li>• Current layouts are inappropriate;</li> <li>• Will not optimise the learning skills measure;</li> <li>• Will result in significant investment required in medium term;</li> <li>• Will not in result in a 21st Century standard school.</li> </ul>
Option 2: Extensive remodelling of school	
<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Extends the life of some blocks;</li> <li>• A sensitive remodelling of the interior of the mansion house could provide some benefits to teaching and learning;</li> <li>• Improvements to some of the additional spaces and exterior learning areas;</li> <li>• Addresses immediate issues easily;</li> <li>• Enables alternative use of capital funding within the programme envelope.</li> </ul>	<ul style="list-style-type: none"> <li>• Disruption to pupils;</li> <li>• Options imports cost and programme risk due to potential complexities in design;</li> <li>• Does not address the continued cost of maintaining a Grade II listed building ;</li> <li>• CADW listed status places a constraint on the interior design and may not meet the specialist requirements expected for the school;</li> <li>• Unlikely to generate substantial lifecycle efficiencies;</li> <li>• Unlikely to generate substantial property revenue efficiencies;</li> <li>• No new potential for additional revenue income streams;</li> <li>• Does not enhance current public perception of the condition of the specialist school facilities campus, may be viewed as a stop gap solution</li> <li>• Does not improve the learning environment overall and does not provide a suitable environment suitable for the needs of vulnerable pupils and staff.</li> <li>• The works required at Brynllwarch could severely impact the Major Improvement Programme fund, which will decrease the amount of funding available for much needed improvements at other schools</li> <li>• May not in result in a 21<sup>st</sup> Century standard school.</li> </ul>
Option 3: Build a new school extension	
<b>Advantages</b>	<b>Disadvantages</b>

<ul style="list-style-type: none"> <li>• Provide a 21st Century extension with specialist facilities, meeting some needs of pupils and staff;</li> <li>• School remains on current site avoiding implications with other stakeholders;</li> <li>• No formal consultation required as building is within 1 mile of the current site.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not improve the learning environment and does not provide an environment suitable for the needs of the pupils and staff.</li> <li>• School will include inadequate school buildings that are at end of life (Condition D);</li> <li>• Risk of school failure (reference Cwmcarn Comprehensive School, Caerphilly);</li> <li>• Does not meet the requirement of Estyn recommendations;</li> <li>• School is not 'fit for purpose'</li> <li>• Will not generate any lifecycle efficiencies;</li> <li>• Will not generate any property revenue efficiencies;</li> <li>• No new potential for additional revenue income streams;</li> <li>• Does not address safeguarding and access issues;</li> <li>• Will not optimise the learning skills measure;</li> <li>• Will not in result in a 21st Century standard school;</li> <li>• Difficulty in selling the Mansion House and possibility of issues with CADW.</li> </ul>
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Option 4: New build ALN school on alternative site;

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Will generate 21st Century standard school;</li> <li>• Improves access, egress and circulation on site;</li> <li>• Mitigates safeguarding issues with current arrangements;</li> <li>• Rebuilt premises will have a positive impact on teaching and learning experiences and educational outcomes;</li> <li>• Creates a carbon efficient building;</li> <li>• Optimises utility costs;</li> <li>• Reduces lifecycle costs;</li> <li>• New facilities will prove attractive to potential learners and employees;</li> <li>• New facilities offer the potential for increasing revenue raising opportunities;</li> <li>• New facilities will be viewed positively within the community.</li> <li>• Will provide greater opportunity for extra-curricular activities</li> </ul>	<ul style="list-style-type: none"> <li>• No suitable site available;</li> <li>• Potential transport disruption within the locality during construction;</li> <li>• Larger capital requirement, due to land purchase/lease extension requirements;</li> <li>• May conflict with the Council's Local Development Plan;</li> <li>• Only available sites may make BREEAM impossible to achieve.</li> </ul>

Option 5: New build ALN school on Brynllwarch site with communities facilities

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Will generate 21st Century standard school;</li> <li>• Improves access, egress and circulation on site;</li> <li>• Mitigates safeguarding issues with current arrangements;</li> <li>• School remains on current site, avoiding implications with other stakeholders;</li> <li>• No formal consultation required as building is within 1 mile of the current site;</li> <li>• Improved opportunities to sell the mansion house;</li> <li>• Capital receipts;</li> <li>• Address issues raised by Estyn;</li> <li>• Rebuilt premises will have a positive impact on teaching and learning experiences and educational outcomes;</li> <li>• Creates a carbon efficient building;</li> <li>• Optimises utility costs;</li> <li>• Reduces lifecycle costs;</li> <li>• New facilities will prove attractive to potential learners and employees;</li> <li>• New facilities offer the potential for increasing revenue raising opportunities;</li> <li>• New facilities will be viewed positively within the community;</li> <li>• Will provide greater opportunity for extra-curricular activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential transport disruption within the locality during construction;</li> <li>• Most capital intense solution.</li> </ul>

Option 6: New build ALN school on Brynllwarch site with community facilities and residential unit

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Will generate 21st Century standard school;</li> <li>• Improves access, egress and circulation on site;</li> <li>• Mitigates safeguarding issues with current arrangements;</li> <li>• School remains on current site, avoiding implications with other stakeholders;</li> <li>• No formal consultation required as building is within 1 mile of the current site;</li> </ul>	<ul style="list-style-type: none"> <li>• Potential transport disruption within the locality during construction;</li> <li>• Most capital intense solution.</li> </ul>

<ul style="list-style-type: none"> <li>• Improved opportunities to sell the mansion house;</li> <li>• Capital receipts;</li> <li>• Address issues raised by Estyn;</li> <li>• Rebuilt premises will have a positive impact on teaching and learning experiences and educational outcomes;</li> <li>• Creates a carbon efficient building;</li> <li>• Optimises utility costs;</li> <li>• Reduces lifecycle costs;</li> <li>• New facilities will prove attractive to potential learners and employees;</li> <li>• New facilities offer the potential for increasing revenue raising opportunities;</li> <li>• New facilities will be viewed positively within the community;</li> <li>• Will provide greater opportunity for extra-curricular activities;</li> <li>• Respite facilities will ease the burden on carers.</li> </ul>	
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#### 4.4.3 Conclusion

Table 4 – Service Solution appraisal summary

Reference to:	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
To deliver special education to support the needs of learners with BESD in a learning environment that enables all pupils to achieve their potential	x	x	x	✓	✓	✓
To provide a learning environment that enables all pupils and staff to feel safe, secure and protected from harm	x	x	x	✓	✓	✓
To maximise learning time through the reduction of movement from one class to another	x	x	x	✓	✓	✓
To provide a learning environment that has specialist facilities including up-to-date ICT to promote learning self-esteem and well-being of all learners	x	x	x	✓	✓	✓

To provide a learning environment that is energy efficient, reduces running costs and provides an efficient use of teaching resources – Minimum Condition A and to meet BREEAM Excellence	x	x	x	✓	✓	✓
To provide a multi-agency approach for supporting Powys pupils with BESD.	x	x	x	✓	✓	✓
To deliver a community focussed school, where members of the community can have access to the facilities and to promote lifelong learning within the community.	x	x	x	✓	✓	✓
Critical Success Factors						
Strategic Fit	x	x	x	x	✓	✓
Potential VFM	x	x	x	?	✓	✓
Potential achievability	x	x	x	x	✓	✓
Supply side capability	✓	✓	✓	✓	✓	?
Affordability	✓	✓	✓	?	?	?
Summary	Discount but Carry Forward	Discounted	Discounted	Discounted	Preferred	Possible

## 4.5 Service Delivery Appraisal

### 4.5.1 Options

- Minimum – Local Authority delivery;
- Intermediate – Local Authority and Private Sector partner arrangements;
- Maximum – Private Sector partnership (PPP).



## 4.5.2 Advantages and Disadvantages

Table 5 – Service delivery advantages and disadvantages

Minimum: Local Authority	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• All requisite delivery structures are already in place;</li> <li>• Local Authority has extensive experience in delivering this service delivery model;</li> <li>• Cost effective model;</li> <li>• Strategic link to Councils School Transformation Programme;</li> <li>• Most expedient model for delivery;</li> <li>• Politically acceptable;</li> <li>• Limited risk due to specialist support within LA</li> </ul>	<ul style="list-style-type: none"> <li>• May stifle innovation.</li> </ul>
Intermediate: Local Authority and Private Sector Partner arrangements	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• All requisite delivery structures in place;</li> <li>• Local Authority has extensive experience in delivering this service delivery model;</li> <li>• Cost effective model;</li> <li>• Strategic link to Councils School Transformation Programme</li> <li>• Most expedient model for delivery;</li> <li>• Politically acceptable;</li> <li>• Limited risk due to specialist support within LA.</li> </ul>	<ul style="list-style-type: none"> <li>• Will prove more expensive for the Local Authority</li> <li>• Contractor may not be au fait with the workings and culture of Local Authority</li> </ul>
Maximum: Private Sector partnership (PPP)	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Private sector suppliers will provide specialisms and capacity that the Local Authority alone cannot provide;</li> <li>• Services can be delivered relatively quickly.</li> </ul>	<ul style="list-style-type: none"> <li>• Private contractor is an unknown quantity</li> <li>• Contractor may not be au fait with the workings and culture of Local Authority</li> <li>• Any private sector partnership will be unlikely to include local contractors;</li> <li>• Profit element of partnership may impact on funds available for development.</li> </ul>

### 4.5.3 Conclusion

Table 6 – Service Delivery appraisal summary

Reference to:	LA	LA & PSP	PPP
To deliver special education to support the needs of learners with BESD in a learning environment that enables all pupils to achieve their potential	✓	✓	✓
To provide a learning environment that enables all pupils and staff to feel safe, secure and protected from harm	✓	✓	✓
To maximise learning time through the reduction of movement from one class to another	✓	✓	✓
To provide a learning environment that has specialist facilities including up-to-date ICT to promote learning self-esteem and well-being of all learners	✓	✓	✓
To provide a learning environment that is energy efficient, reduces running costs and provides an efficient use of teaching resources – Minimum Condition A and to meet BREEAM Excellence	✓	✓	✓
To provide a multi-agency approach for supporting Powys pupils with BESD.	✓	✓	✓
To deliver a community focussed school, where members of the community can have access to the facilities and to promote lifelong learning within the community.	✓	✓	✓
<b>Critical Success Factors</b>			
Strategic Fit	✗	✓	✗
Potential VFM	?	✓	✗
Potential achievability	✗	✓	✓
Supply side capability	✗	✓	✓
Affordability	✗	✓	✗
Summary	Discounted	Preferred	Discounted

## 4.6 Implementation Appraisal

### 4.6.1 Options

- Minimum – New School opens September 2023;
- Intermediate – New School opens Spring Term 2023;
- Maximum - New School opens September 2022.

## 4.6.2 Advantages and Disadvantages

Table 7 – Implementation advantages and disadvantages

Minimum: New School opens September 2023	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Lack of disruption to education in the short term.</li> </ul>	<ul style="list-style-type: none"> <li>• Local community disruption due to extended period of works;</li> <li>• Delayed to accrual of scheme benefits;</li> <li>• Immediate cohorts of learns miss out unnecessarily on 21st Century school facilities.</li> </ul>
Intermediate: New School opens Spring Term 2023	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Immediate cohorts of learns enjoy 21st Century school facilities within a reasonable period of time;</li> <li>• Minimises disruption to learners once school becomes operational;</li> <li>• Ensures Local Authority funding allocation is spent within Welsh Government timescales;</li> <li>• Allows time for innovation in design but ensures completion within a reasonable time scale;</li> <li>• Minimises local community disruption.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential delay to accrual of scheme benefits.</li> </ul>
Maximum: New School opens September 2022	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Immediate cohorts of learns enjoy 21st Century school facilities within a reasonable period of time;</li> <li>• Minimises disruption to learners once school becomes operational;</li> <li>• Ensures Local Authority funding allocation is spent within Welsh Government timescales</li> <li>• Ensures completion in a timely manner;</li> <li>• Minimises local community disruption.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential for rushed design (lack of innovation);</li> <li>• Timescales may be unrealistic due to lead in time for sourcing materials;</li> <li>• Requires additional bespoke resource for project in order to deliver upon demanding timescale.</li> </ul>

## 4.6.3 Conclusion

Table 8 – Implementation appraisal summary

Reference to:	Sept 23	Spring 23	Sept 22
To deliver special education to support the needs of learners with BESD in a learning environment that enables all pupils to achieve their potential	✓	✓	✓
To provide a learning environment that enables all pupils and staff to feel safe, secure and protected from harm	✓	✓	✓
To maximise learning time through the reduction of movement from one class to another	✓	✓	✓
To provide a learning environment that has specialist facilities including up-to-date ICT to promote learning self-esteem and well-being of all learners	✓	✓	✓
To provide a learning environment that is energy efficient, reduces running costs and provides an efficient use of teaching resources – Minimum Condition A and to meet BREEAM Excellence	✓	✓	✓
To provide a multi-agency approach for supporting Powys pupils with BESD.	✓	✓	✓
To deliver a community focussed school, where members of the community can have access to the facilities and to promote lifelong learning within the community.	✓	✓	✓
<b>Critical Success Factors</b>			
Strategic Fit	✓	✓	?
Potential VFM	✗	✓	✓
Potential achievability	✓	✓	?
Supply side capability	✓	✓	✓
Affordability	✓	✓	✓
<b>Summary</b>	<b>Discounted</b>	<b>Preferred</b>	<b>Discounted</b>

## 4.7 Funding Appraisal

### 4.7.1 Options

- Minimum – Wholly Local Authority funded from capital programme;
- Intermediate - Mix of Local Authority borrowing and Welsh Government funding;
- Maximum - Wholly Welsh Government grant funded.
- Alternative – Mutual Investment Fund (MIM).

## 4.7.2 Advantages and Disadvantages

Table 9 – Funding advantages and disadvantages

Minimum: Wholly Local Authority funded from capital programme.	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Wouldn't require any additional Local Authority borrowing;</li> <li>• Maximum control over scale and timescale of scheme.</li> </ul>	<ul style="list-style-type: none"> <li>• Diverts capital from other community priorities such as Social Care and highways;</li> <li>• Cost prohibitive.</li> <li>• Affordability</li> </ul>
Intermediate: Mix of Local Authority borrowing and Welsh Government funding.	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Ensures affordability of scheme;</li> <li>• Provides certainty to Welsh Government i.e. the scheme fits strategically;</li> <li>• Allows for the direction of capital monies to other community priorities.</li> </ul>	<ul style="list-style-type: none"> <li>• Repayment costs for Local Authority may impact on revenue budgets;</li> <li>• Welsh Government grant funding requirements may be onerous;</li> <li>• Application process may delay delivery.</li> </ul>
Maximum: Wholly Welsh Government grant funded.	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Enables major capital investment in other community priorities.</li> </ul>	<ul style="list-style-type: none"> <li>• Welsh Government grant funding requirements may be prohibitive;</li> <li>• Application process may delay delivery.</li> <li>• May stifle innovation.</li> </ul>
Alternative: Mutual Investment Model	
Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• No capital funding required up front;</li> <li>• Sponsorship from Welsh Government;</li> <li>• Cost certainty (capital and revenue);</li> <li>• Welsh Government's preferred model.</li> </ul>	<ul style="list-style-type: none"> <li>• Development partners may not be interested;</li> <li>• Complex ownership and governance model;</li> <li>• Multifaceted governance may stifle innovation.</li> </ul>

### 4.7.3 Conclusion

Table 10 – Funding appraisal summary

Reference to:	LA 100%	Mix	WG 100%	MIM
To deliver special education to support the needs of learners with BESD in a learning environment that enables all pupils to achieve their potential	✓	✓	✓	✓
To provide a learning environment that enables all pupils and staff to feel safe, secure and protected from harm	✓	✓	✓	✓
To maximise learning time through the reduction of movement from one class to another	✓	✓	✓	✓
To provide a learning environment that has specialist facilities including up-to-date ICT to promote learning self-esteem and well-being of all learners	✓	✓	✓	✓
To provide a learning environment that is energy efficient, reduces running costs and provides an efficient use of teaching resources – Minimum Condition A and to meet BREEAM Excellence	✓	✓	✓	✓
To provide a multi-agency approach for supporting Powys pupils with BESD.	✓	✓	✓	✓
To deliver a community focussed school, where members of the community can have access to the facilities and to promote lifelong learning within the community.	✓	✓	✓	✓
Critical Success Factors				
Strategic Fit	✓	✓	✗	?
Potential VFM	✓	✓	✓	✓
Potential achievability	?	✓	✓	?
Supply side capability	?	✓	?	?
Affordability	✗	✓	✗	✓
Summary	Discounted	Preferred	Discounted	Discounted

## 4.8 Summary of appraisals

Table 11 – Long List Summary

<b>Scope appraisal</b>	Minimum – 8 to 19 School for children with additional learning needs (ALN)		Intermediate – 8 to 19 School for children with ALN and Behavioural, Emotional, Social Difficulties (BESD), to include community facilities.		Maximum – 8 to 19 School for children with ALN, Behavioural, Emotional, Social Difficulties (BESD) to include community and respite facilities.	
<b>Service solution (Long list appraisal)</b>	Option 1: Do Nothing – Status Quo	Option 2: Extensive remodelling of school	Option 3: Build a new school extension	Option 4: New Build School on alternative site	Option 5: New Build School on existing site with community facilities	Option 6: New Build School existing site with community & residential facilities
<b>Service Delivery</b>	Minimum: LA Delivery		Intermediate: LA and Private Sector Delivery		Maximum: Private Sector partnership (PPP)	
<b>Implementation</b>	Minimum: New School opens September 2023		Intermediate: New School opens Spring Term 2023		Maximum: New School opens September 2022	
<b>Funding</b>	Minimum: Wholly LA Funded	Intermediate: Mixed LA & WG Funded		Maximum: Wholly WG Funded	Alternative: Mutual Investment Fund	

The shortlisted options are therefore:

- Option 1 – Do Nothing - Status Quo
- Option 5 – New build School on the Brynllwarch Site with community facilities
- Option 6 – New build on the Brynllwarch site, to include community facilities and a residential unit

## 4.9 Economic Appraisal

### 4.9.1 Net Present Cost

The following tables summarise the key results of the economic appraisals for each option. Values used for the economic analysis are expressed in nominal terms. Options have been risk-adjusted to account for the 'risk retained' (in £s) by the organisation under each option.

Table 12 – Economic Appraisal Option 1

Do Nothing – Status Quo		
	Undiscounted (£'000s)	Net Present Cost (£'000s)
Opening Value	£1.040	£1.040
Capital Costs	£4.758	£4.409
Revenue Costs	£25.069	£18.438
Risk Retained*	£0.389	£0.370
Optimism Bias	£0.486	£0.462
<b>Total costs</b>	<b>£31.743</b>	<b>£24.720</b>
Less: cash releasing benefits	£0.000	£0.000
<b>Costs net cash savings</b>	<b>£31.743</b>	<b>£24.720</b>
<b>Total</b>	<b>£31.743</b>	<b>£24.720</b>

Table 13 – Economic Appraisal Option 5

New Build 8 to 19 ALN School on existing site with community facilities		
	Undiscounted (£'000s)	Net Present Cost (£'000s)
Opening Value	£1.040	£1.040
Capital Costs	£9.283	£7.622
Revenue Costs	£72.880	£31.956
Risk Retained*	£0.678	£0.626
Optimism Bias	£0.425	£0.392
<b>Total costs</b>	<b>£84.305</b>	<b>£41.637</b>
Less: cash releasing benefits	-£0.346	-£0.137
<b>Costs net cash savings</b>	<b>£83.960</b>	<b>£41.500</b>
<b>Total</b>	<b>£83.960</b>	<b>£41.500</b>



Table 14 – Economic Appraisal Option 6

New Build 8 to 19 Special School on existing site with community and residential facilities		
	Undiscounted (£'000s)	Net Present Cost (£'000s)
Opening Value	£1.040	£1.040
Capital Costs	£9.877	£8.051
Revenue Costs	£72.880	£31.956
Risk Retained*	£0.713	£0.659
Optimism Bias	£0.474	£0.438
<b>Total costs</b>	<b>£84.984</b>	<b>£42.143</b>
Less: cash releasing benefits	-£0.734	-£0.290
<b>Costs net cash savings</b>	<b>£84.250</b>	<b>£41.852</b>
<b>Total</b>	<b>£84.250</b>	<b>£41.852</b>

\*Current risk costs do not identify specific additional measures that would be required to ensure appropriate mitigations related to covid-19 during the construction phase. If present Covid-19 restrictions were to continue, then information will be sought from the contractor during procurement, to ascertain the quantum of this additional requisite project contingency.

Please note that the capital and revenue costs included within the above tables, are separated into the following constituent elements for each option.

Table 15 – Revenue Components

Option	Years	Cost Elements	Category	Undiscounted Value (£'000)
Option 1	Years 1-2	Backlog Maintenance	Whole life	£4,425,919
	Years 0 – 19	Salary Revenue Costs	Per annum	£1,152
	Years 0 – 19	Building Revenue Costs	Per annum	£102
	Years 0 – 19	Lifecycle Cost	Whole life	£332
Option 5	Years 1-4	Capital Construction	Whole life	£7,700,745
	Years 0-59	Salary Revenue Costs	Per annum	£1,152
	Years 0-3	Building Revenue Costs	Per annum	£102
	Year 4	Building Revenue Costs	Per annum	£84

Option	Years	Cost Elements	Category	Undiscounted Value (£'000)
	Years 5-59	Building Revenue Costs	Per annum	£60
	Years 5-59	Lifecycle Cost	Whole life	£1,582
	Year 4	Community Benefits	Per annum	£3
	Years 5-59	Community Benefits	Per annum	£6
Option 6	Years 1-4	Capital Construction	Whole life	£8,100,745
	Years 0-59	Salary Revenue Costs	Per annum	£1,152
	Years 0-3	Building Revenue Costs	Per annum	£102
	Year 4	Building Revenue Costs	Per annum	£84
	Years 5-59	Building Revenue Costs	Per annum	£60
	Years 5-59	Lifecycle Cost	Whole life	£1,776
	Year 4	Community Benefits	Per annum	£6
	Years 5-59	Community Benefits	Per annum	£13

#### 4.9.2 Economic Ranking

Table 16 – Economic Summary

Option	Description	NPC (,000)	Discounted benefit (,000)	EAC (,000)
Option 1	Do Nothing: Status Quo	£24.720	£0.000	£1.680
Option 5	New build Special School on existing site with community facilities	£41.500	£0.137	£1.582
Option 6	New build Special School on existing site with community and residential facilities	£41.852	£0.290	£1.596

### **4.9.3 Monte Carlo Simulation**

In order to make the scenario planning more robust (and less linear), we have completed a Monte Carlo Simulation in this business case. The simulation uses the following cost elements as variables: backlog maintenance/new build capital, old revenue cost, new revenue cost, lifecycle cost, capital receipts and new community lettings. Monte Carlo simulation uses random number generation to provide a set of predictive results. Charting these results can allow you to determine the probability of a particular result or set of results occurring.

Each variable went through 1000 iterations of number generation to produce a Normal or Gaussian distribution of the potential results obtainable. A normal distribution for the data was chosen as the results should conform to central tendency theorem, being clustered around the estimated value rather than being uniformly distributed between two points.

Once the variables for each option were simulated, the results were used as the input for 27 different potential 'What if' scenarios based along the three dimensions of capital, revenue and savings. The scenarios were used to demonstrate the sensitivity between the different variables, providing 27 (+1 base value) different potential outcomes for EAC per option. A list of the 27(+1) scenario's, and the 28 EAC potential results for each option is shown in Appendix B: Monte Carlo Simulation.

Finally, the mean and standard deviation values for the 28 scenarios were used as the input variables for a further 1000 iterations of the simulation to produce a final Normal distribution curve for each of the four shortlisted options. The results are demonstrated in the two charts below.

Figure 1: Probability Density Function

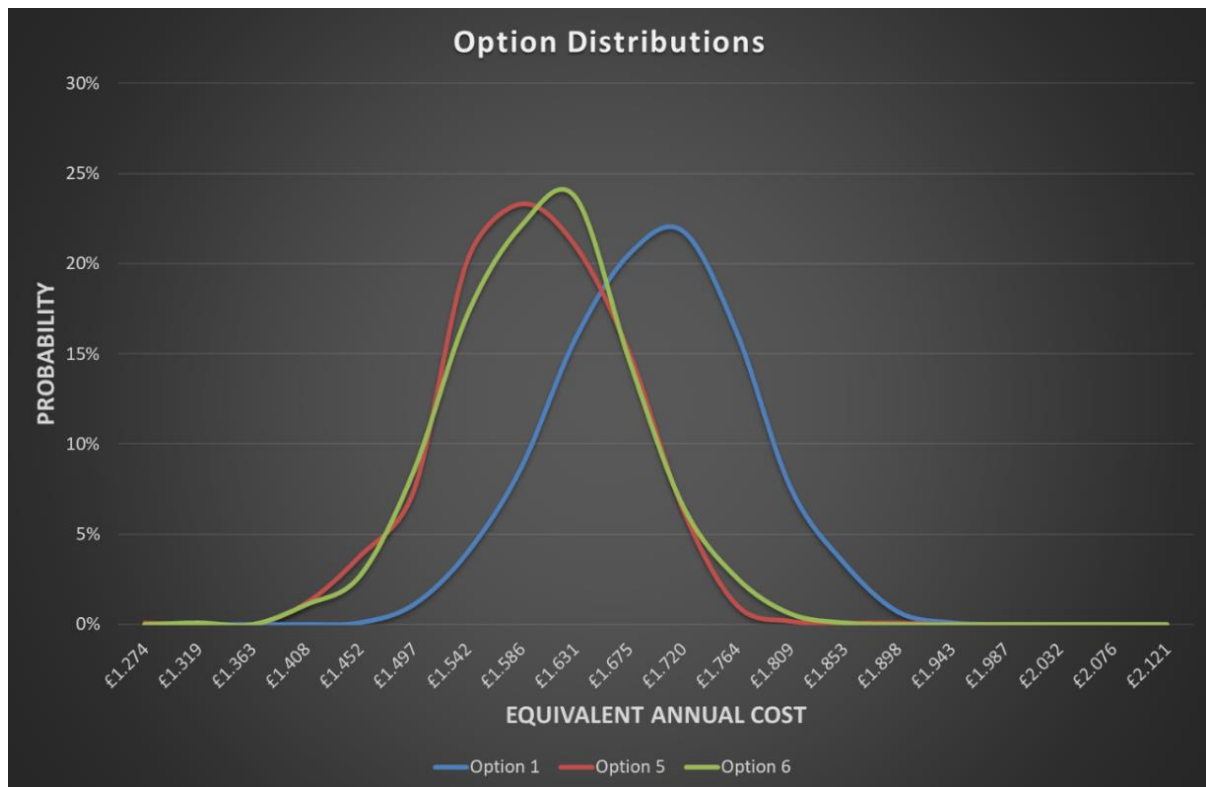
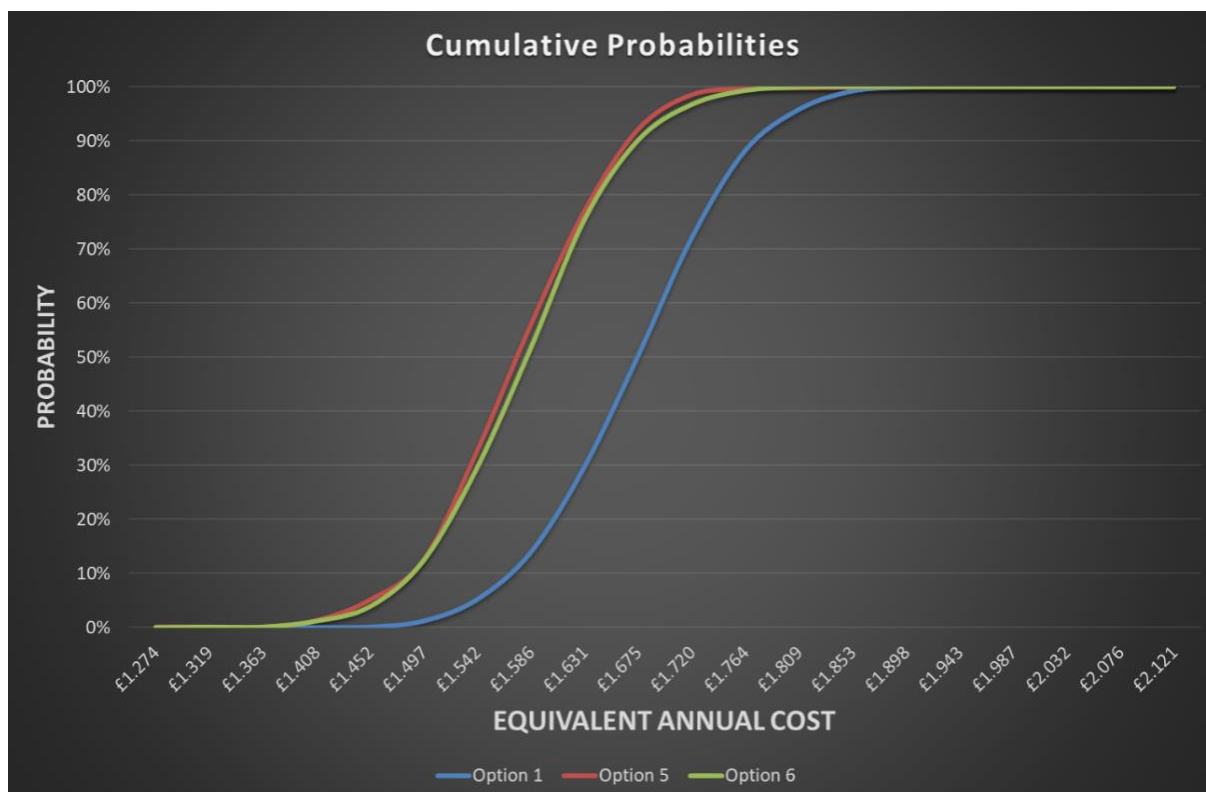


Figure 2: Cumulative Distribution Function



As can be seen from the first chart each option displays the typical bell shaped curve indicative of a Normal distribution. The probability of any value occurring within this distribution can be read off the chart. Both charts clearly indicate that option 1 (blue line) is the most expensive option, while options 5 and 6 demonstrate considerable overlap

The results also indicate that there is a:

- 65.14% probability that the net present cost of option 5 will be between £37 and £42m;
- 58.54% probability that the net present cost of option 6 will be between £37 and £42m;

Table 17: MC Summary Results

Rank	EAC	Scenario No.	Option No.	Revenue	Capital	Savings	Points
1	£1.453	54	Option 5	Best Case Capital	Best Case Revenue	Worst Case Savings	84
2	£1.460	55	Option 5	Best Case Capital	Best Case Revenue	Expected Case Savings	83
3	£1.461	56	Option 5	Best Case Capital	Best Case Revenue	Best Case Savings	82
4	£1.470	84	Option 6	Best Case Capital	Best Case Revenue	Best Case Savings	81
5	£1.475	83	Option 6	Best Case Capital	Best Case Revenue	Expected Case Savings	80
6	£1.476	82	Option 6	Best Case Capital	Best Case Revenue	Worst Case Savings	79
7	£1.503	46	Option 5	Expected Case Capital	Best Case Revenue	Expected Case Savings	78
8	£1.505	45	Option 5	Expected Case Capital	Best Case Revenue	Worst Case Savings	77
9	£1.506	47	Option 5	Expected Case Capital	Best Case Revenue	Best Case Savings	76
10	£1.518	74	Option 6	Expected Case Capital	Best Case Revenue	Expected Case Savings	75
11	£1.518	75	Option 6	Expected Case Capital	Best Case Revenue	Best Case Savings	74
12	£1.521	73	Option 6	Expected Case Capital	Best Case Revenue	Worst Case Savings	73
13	£1.540	53	Option 5	Best Case Capital	Expected Case Revenue	Best Case Savings	72
14	£1.540	52	Option 5	Best Case Capital	Expected Case Revenue	Expected Case Savings	71
15	£1.541	51	Option 5	Best Case Capital	Expected Case Revenue	Worst Case Savings	70
16	£1.550	81	Option 6	Best Case Capital	Expected Case Revenue	Best Case Savings	69
17	£1.550	37	Option 5	Worst Case Capital	Best Case Revenue	Expected Case Savings	68
18	£1.551	27	Option 1	Best Case Capital	Best Case Revenue	Expected Case Savings	67
19	£1.552	28	Option 1	Best Case Capital	Best Case Revenue	Best Case Savings	66
20	£1.552	26	Option 1	Best Case Capital	Best Case Revenue	Worst Case Savings	65
21	£1.552	79	Option 6	Best Case Capital	Expected Case Revenue	Worst Case Savings	64
22	£1.553	36	Option 5	Worst Case Capital	Best Case Revenue	Worst Case Savings	63
23	£1.553	38	Option 5	Worst Case Capital	Best Case Revenue	Best Case Savings	62
24	£1.554	80	Option 6	Best Case Capital	Expected Case Revenue	Expected Case Savings	61
25	£1.561	66	Option 6	Worst Case Capital	Best Case Revenue	Best Case Savings	60
26	£1.563	64	Option 6	Worst Case Capital	Best Case Revenue	Worst Case Savings	59
27	£1.565	65	Option 6	Worst Case Capital	Best Case Revenue	Expected Case Savings	58
28	£1.582	42	Option 5	Expected Case Capital	Expected Case Revenue	Worst Case Savings	57
29	£1.582	43	Option 5	Expected Case Capital	Expected Case Revenue	Expected Case Savings	56
30	£1.582	44	Option 5	Expected Case Capital	Expected Case Revenue	Best Case Savings	55
31	£1.582	29	Option 5	Base NPV	Base NPV	Base NPV	54
32	£1.595	72	Option 6	Expected Case Capital	Expected Case Revenue	Best Case Savings	53
33	£1.596	17	Option 1	Expected Case Capital	Best Case Revenue	Worst Case Savings	52
34	£1.596	57	Option 6	Base NPV	Base NPV	Base NPV	51
35	£1.597	71	Option 6	Expected Case Capital	Expected Case Revenue	Expected Case Savings	50

Rank	EAC	Scenario No.	Option No.	Revenue	Capital	Savings	Points
36	£1.597	70	Option 6	Expected Case Capital	Expected Case Revenue	Worst Case Savings	49
37	£1.601	18	Option 1	Expected Case Capital	Best Case Revenue	Expected Case Savings	48
38	£1.604	19	Option 1	Expected Case Capital	Best Case Revenue	Best Case Savings	47
39	£1.617	50	Option 5	Best Case Capital	Worst Case Revenue	Best Case Savings	46
40	£1.617	49	Option 5	Best Case Capital	Worst Case Revenue	Expected Case Savings	45
41	£1.620	48	Option 5	Best Case Capital	Worst Case Revenue	Worst Case Savings	44
42	£1.625	33	Option 5	Worst Case Capital	Expected Case Revenue	Worst Case Savings	43
43	£1.625	78	Option 6	Best Case Capital	Worst Case Revenue	Best Case Savings	42
44	£1.625	76	Option 6	Best Case Capital	Worst Case Revenue	Worst Case Savings	41
45	£1.626	34	Option 5	Worst Case Capital	Expected Case Revenue	Expected Case Savings	40
46	£1.627	35	Option 5	Worst Case Capital	Expected Case Revenue	Best Case Savings	39
47	£1.627	77	Option 6	Best Case Capital	Worst Case Revenue	Expected Case Savings	38
48	£1.631	24	Option 1	Best Case Capital	Expected Case Revenue	Expected Case Savings	37
49	£1.633	23	Option 1	Best Case Capital	Expected Case Revenue	Worst Case Savings	36
50	£1.634	25	Option 1	Best Case Capital	Expected Case Revenue	Best Case Savings	35
51	£1.640	62	Option 6	Worst Case Capital	Expected Case Revenue	Expected Case Savings	34
52	£1.642	63	Option 6	Worst Case Capital	Expected Case Revenue	Best Case Savings	33
53	£1.645	9	Option 1	Worst Case Capital	Best Case Revenue	Expected Case Savings	32
54	£1.646	61	Option 6	Worst Case Capital	Expected Case Revenue	Worst Case Savings	31
55	£1.649	10	Option 1	Worst Case Capital	Best Case Revenue	Best Case Savings	30
56	£1.652	8	Option 1	Worst Case Capital	Best Case Revenue	Worst Case Savings	29
57	£1.663	40	Option 5	Expected Case Capital	Worst Case Revenue	Expected Case Savings	28
58	£1.664	39	Option 5	Expected Case Capital	Worst Case Revenue	Worst Case Savings	27
59	£1.667	41	Option 5	Expected Case Capital	Worst Case Revenue	Best Case Savings	26
60	£1.669	69	Option 6	Expected Case Capital	Worst Case Revenue	Best Case Savings	25
61	£1.674	68	Option 6	Expected Case Capital	Worst Case Revenue	Expected Case Savings	24
62	£1.676	67	Option 6	Expected Case Capital	Worst Case Revenue	Worst Case Savings	23
63	£1.680	14	Option 1	Expected Case Capital	Expected Case Revenue	Worst Case Savings	22
64	£1.680	1	Option 1	Base NPV	Base NPV	Base NPV	21
65	£1.682	16	Option 1	Expected Case Capital	Expected Case Revenue	Best Case Savings	20
66	£1.684	15	Option 1	Expected Case Capital	Expected Case Revenue	Expected Case Savings	19
67	£1.699	30	Option 5	Worst Case Capital	Worst Case Revenue	Worst Case Savings	18
68	£1.701	31	Option 5	Worst Case Capital	Worst Case Revenue	Expected Case Savings	17
69	£1.704	32	Option 5	Worst Case Capital	Worst Case Revenue	Best Case Savings	16
70	£1.712	21	Option 1	Best Case Capital	Worst Case Revenue	Expected Case Savings	15
71	£1.719	22	Option 1	Best Case Capital	Worst Case Revenue	Best Case Savings	14
72	£1.719	58	Option 6	Worst Case Capital	Worst Case Revenue	Worst Case Savings	13
73	£1.720	60	Option 6	Worst Case Capital	Worst Case Revenue	Best Case Savings	12
74	£1.721	20	Option 1	Best Case Capital	Worst Case Revenue	Worst Case Savings	11
75	£1.723	59	Option 6	Worst Case Capital	Worst Case Revenue	Expected Case Savings	10
76	£1.728	7	Option 1	Worst Case Capital	Expected Case Revenue	Best Case Savings	9
77	£1.729	6	Option 1	Worst Case Capital	Expected Case Revenue	Expected Case Savings	8
78	£1.729	5	Option 1	Worst Case Capital	Expected Case Revenue	Worst Case Savings	7
79	£1.758	12	Option 1	Expected Case Capital	Worst Case Revenue	Expected Case Savings	6
80	£1.761	13	Option 1	Expected Case Capital	Worst Case Revenue	Best Case Savings	5

Rank	EAC	Scenario No.	Option No.	Revenue	Capital	Savings	Points
81	£1.762	11	Option 1	Expected Case Capital	Worst Case Revenue	Worst Case Savings	4
82	£1.804	2	Option 1	Worst Case Capital	Worst Case Revenue	Worst Case Savings	3
83	£1.807	4	Option 1	Worst Case Capital	Worst Case Revenue	Best Case Savings	2
84	£1.810	3	Option 1	Worst Case Capital	Worst Case Revenue	Expected Case Savings	1

Through ranking all the potential EAC results (28 x 3 options), it is possible to generate a total EAC score for each option. Each result was ranked from 1-84 with 84 points allocated for the lowest (least costly) potential EAC through to 1 for the highest (most costly) potential EAC. The scores were then cumulated for each option, with the highest score obtaining a final score of 100%, with the other options scoring a percentage of that. The final results are displayed within the table below:

Table 18: Summary of Overall Results

Option No.	Score	Final Score
Option 1	711	47.49%
Option 5	1497	100.00%
Option 6	1362	90.98%

#### 4.10 Qualitative Benefits Appraisal

All of the benefits from the OBC were grouped into four categories, and the benefit groups were then weighted by the project team in order to provide an assessment against the five options.

Table 19 – Benefit Group Weighting

Benefit Groups	Example of Benefits ( <i>info in brackets = how achieved</i> )	Weight
Standards and Breadth of Education	<ul style="list-style-type: none"> <li>Improved learning outcomes for learners and families (Achieved through better facilities and learning environments)</li> <li>Improved levels of recruitment, quality, retention and reputation of staff (New environments will assist this)</li> <li>Opportunities to benefit from a wider range of learning opportunities and skills. (Better learning facilities)</li> <li>Access to a wider range of teaching materials (state of the art ICT and other emerging technologies) (Better learning facilities)</li> <li>More highly skilled students, better prepared for reintegration into mainstream Education or employment. (Better learning facilities)</li> <li>Earlier identification and intervention through the development of an assessment class (Better provision)</li> </ul>	40%

Benefit Groups	Example of Benefits ( <i>info in brackets = how achieved</i> )	Weight
	<ul style="list-style-type: none"> <li>Improved multi agency support for pupils with BESD, including Education Health and Social Care (Better support for pupils)</li> </ul>	
Standards of Estate and Facilities	<ul style="list-style-type: none"> <li>Zoned and bespoke facilities for flexible community use (Design)</li> <li>Improved energy efficiency of estate (Through environmental initiatives)</li> <li>Increased flexibility of accommodation to meet demands and expectations of stakeholders (Flexibility through design)</li> <li>More efficient use of premises / estate (Efficiency through design)</li> <li>Improved accessibility to all areas of the site (school site disparate and layout poor)</li> <li>Improved access to specialist facilities (Through design)</li> </ul>	30%
Financial Sustainability	<ul style="list-style-type: none"> <li>Creation of new opportunities for revenue generation (New community focussed facilities)</li> <li>Reduced building operating costs (Through environmental initiatives)</li> <li>Ensure the viability of educational provision (In the longer term, as other local school estate deteriorates)</li> </ul>	15%
Enhancing Learning Experiences	<ul style="list-style-type: none"> <li>Supporting established relationships with multi agency partners (Through provision and access to specialist facilities)</li> <li>Improved and safer routes to facilities</li> <li>Lessons increasingly tailored to the specific needs of individual learners (Modern and innovative learning environment)</li> </ul>	15%

Each of the benefit groups were scored on a range of 0-10 for each option. These scores were agreed by the workshop participants to confirm that the scores were fair and reasonable.



Table 20 – Benefits Appraisal

Benefit Group	Weight	Maximum Score	Raw			Weighted		
			Option 1	Option 5	Option 6	Option 1	Option 5	Option 6
Standards of Education	20	10	7	9	9	280	360	360
Estate and facilities	20	10	3	9	9	90	270	270
Financial Sustainability	20	10	4	8	7	60	120	105
Specialist, Enhanced Care & Wellbeing	40	10	7	9	9	105	135	135
<b>Total</b>	<b>100</b>	<b>10</b>	<b>21</b>	<b>35</b>	<b>34</b>	<b>535</b>	<b>885</b>	<b>870</b>
<b>Rank</b>			<b>3</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>2</b>

#### 4.11 Risk Appraisal

The workshop assigned the risk scores shown in the following table on the basis of participants' judgment and assessment of previous procurements. The range of scales used to quantify risk followed the corporate risk assessment process. The likelihood and impact scores are summarised below:

Probability:

- Low = 1 - Not likely to occur or may happen once every 20 years;
- Medium = 2 - Possible or may happen within 10 years;
- High = 3 - Likely or may happen once a year;
- Very High = 4 - Certain or happens several times a year.

Impact:

- Low = 1;
- Medium = 2;
- High = 3;
- Catastrophic = 4.

The likelihood is multiplied by the impact score to provide a "risk score". The main risks fall into three categories namely Service Risk (SR), Business Risk (BR) and External environmental risk (EER).

Table 21 – Risk Appraisal

No	Summary of Risk	Category	Option 1	Option 5	Option 6
1.	The risk that there will be an undermining of customer's/media's perception of the organisation's ability to fulfil its business requirements – for example, adverse publicity concerning an operational problem	SR	6	1	1
2.	Continuity of 21st century funding not sustained by mainstream funding	SR	6	6	6
3.	Newly redeveloped or built school may attract pupils from other schools or catchment areas	EER	1	4	4
4.	Delay in WG approval of FBC	SR/ EER	2	4	4
5.	Availability of Capital funding, both in terms of Capital allocation from WG and prudential borrowing	SR	9	8	8
6.	Feasibility unproven - in terms of SIS/Ecology	SR / EER	3	3	3
7.	Lack of stakeholder support for scheme	SR	25	1	1
8.	Lack of adequate revenue funding stream	SR	1	12	12
9.	Lack of timely decision making at PCC	SR	2	12	12
10.	Unsuccessful schools' re-organisation and consultation process. Low level of public support for scheme.	EER	1	1	1
11.	Failure to develop and implement plan and processes to manage staff and learners prior, during and post commissioning of the new/ existing/alternative facilities	SR	1	6	6
12.	For any number of unforeseen reasons, arising from risk and uncertainty, the construction costs increase beyond original cost estimates	SR / EER	6	9	9
13.	Failure to gain planning and environmental approvals or acquire land for new construction	SR / EER	1	6	6
14.	Curriculum developed fails to engage learners - inadequate facilities to deliver broader curriculum	SR	12	3	3
15.	Statutory consultation fails	EER	0	0	0
16.	Health and Safety - e.g. Injuries/incidents during construction leading to delays/injury investigation/claims for compensation/prosecution	SR	20	5	5

No	Summary of Risk	Category	Option 1	Option 5	Option 6
17.	The risk that design cannot deliver the services to the required quality of Educational Provision standards.	SR	9	9	9
18.	The risk that the construction of physical assets is not completed on time, to budget and to specification	SR	1	6	6
19.	The risk that the quality/quantity of initial intelligence (for example, preliminary site investigation) will affect the likelihood of unforeseen problems occurring.	SR	2	6	6
20.	The risk arising in accommodation projects relating to the need to decant staff/clients from one site to another	SR	0	0	0
21.	The risk that the nature of the project has a major impact on its adjacent area and there is a strong likelihood of objection from the public.	SR	1	4	4
22.	The risk that can arise from the contractual arrangements between two parties – for example, the capabilities of the contractor/ when a dispute occurs	SR	1	4	4
23.	The risk that the quantum of service provided is less than that required under the contract	SR	1	4	4
24.	The risk that the demand for a service does not match the levels planned, projected or assumed	SR	6	9	9
25.	The risk that actual community usage of the service varies from the levels forecast as a benefit.	SR/ EER	1	1	1
26.	The risk that changes in technology result in services being provided using sub-optimal technical solutions	SR / EER	6	3	3
27.	The risk relating to the uncertainty of the values of physical assets at the end of the contract period	EER	8	6	6
28.	Profile of capital expenditure incorrect	SR/ EER	2	4	4
29.	The risk that project outcomes are sensitive to economic influences – for example, where actual inflation differs from assumed inflation rates	EER	1	9	9
30.	The risk that policy & legislative change increases costs. This can be divided into secondary legislative risk (for example, changes to corporate taxes) and primary	EER	9	9	9

No	Summary of Risk	Category	Option 1	Option 5	Option 6
	legislative risk (for example, specific changes which affect a particular project)				
31.	A change in political climate at WG level	EER	1	9	9
32.	A change in political climate at County level	EER	1	9	9
33.	Outcome of internal decision making (i.e. Decisions made against officer recommendations)	SR	2	4	4
34.	Loss of experienced staff	SR	9	3	3
<b>Total</b>			<b>157</b>	<b>150</b>	<b>180</b>
<b>Rank</b>			<b>2</b>	<b>1</b>	<b>3</b>

#### 4.12 The Preferred Option

Table 15 – Final Appraisal Scores

Evaluation Results	Option 1	Option 5	Option 6
Economic appraisals	3	1	2
Qualitative appraisal	3	1	2
Risk appraisal	2	1	3
Total Score	8	3	7
Overall Ranking	3	1	2

## 5 THE COMMERCIAL CASE

### 5.1 Procurement approach / framework

It is anticipated that the overarching procurement route for the Brynllwarch Hall School redevelopment is via the SEWSCAP3 Construction Framework: Provision of Construction services to include new build, extensions and refurbishment under traditional or design and build with all associated works (£5,000,001 to £10,000,000).

The advantages of the SEWSCAP3 Construction Framework is that the OJEU process is undertaken when compiling the framework and contractors are assessed as competent in this sector. The disadvantage could be the opportunity to tender is limited to those contractors on the framework list.

To progress the project, the Council has commissioned a design team via Heart of Wales Property Services Ltd (HoWPS), a joint venture company set up by the Council and Kier to provide property design, construction and maintenance services for Band B of the 21<sup>st</sup> Century Schools Programme and other capital investments.

The Brynlywarch Hall School design team is comprised of a core project management team within HoWPS supported by Kier architects, structural, civil, mechanical and electrical engineers, and cost consultants. Further expertise is directly employed by the Council to provide landscape, acoustic, surveying and BREEAM services.

This broad design team is developing design information to allow a 'construct only' or a design and build tender via SEWSCAP as above. The information will include surveys and existing site information, proposed arrangements, and details. These approaches are considered to provide the best balance of approach regarding quality of the final, bespoke building which must be constructed on an occupied school site, and the appropriate allocation of risk.

**Procurement plan and milestones** – these will be reviewed following approval of the SOC/OBC.

Invitation to Tender (2 weeks)	December 2020
Return of Tender (6 weeks)	January 2021
Evaluation / Approval / Award (8 weeks)	March 2021

A detailed project plan will be developed with the preferred supplier after the appointment is made.

## 5.2 Evaluation and award criteria

The preferred supplier will be selected on the following set of criteria:

- Scheme delivery / adherence to Employer's Requirements
- Programme
- Engagement of stakeholders
- Contractor management and consultant design team experience
- Project challenges
- Cost management
- Change management/information control
- Community Benefits
- Price

The relative weightings of each criterion will be set out in the tender document.

## 5.3 Community Benefits Approach

Community Benefit clauses will be integral to any future building contract as it is part of the Council's strategic approach to procurement to drive the regeneration of the local economy.

Following approval of the OBC, the invitation to tender will require contractors to submit a preliminary Community Benefit Plan which in addition to the general requirements of the SEWSCAP3 Framework, will highlight initiatives that benefit the Kerry, Newtown community.

Following the selection and appointment of a successful tenderer, a final Community Benefits Plan specific to the Brynlywarch Hall project and its location will be agreed by PCC and relevant key stakeholders.

PCC is considering a range of community benefits for the Proposed Brynlywarch Hall procurement including:

- Workforce initiatives – targeted recruitment and training and apprenticeship schemes
- Supply chain initiatives
- Community initiatives
- Educational initiatives
- Environmental initiatives
- Equality and diversity

Potential benefits arising from these programmes include:

- Encouraging people back to work
- Up-skilling to enhance employability
- Improving the local and regional skill pool
- Ensuring opportunities are visible to suppliers and sub-contractors within the locality of the project
- Providing opportunity for smaller and local suppliers
- Facilitating continuity and potential expansion for SMEs
- Enhancing community cohesion
- Practical use of the school curriculum
- Providing a legacy

The Value Wales Community Benefits Toolkit will be adopted and utilised during the delivery of the Community Benefits Plan to capture all relevant data and ensure that any lessons learned, or long-term legacy issues are recorded.

In addition, all data required by SEWSCAP3 and PCC will be collated and issued in accordance with the agreed requirements for: Project Deliverable KPI's, Meet the Buyer, TR&T and the Skills Academy. The successful tenderer will also be required to utilise a site biometrics system to log information.

## **5.4 Agreed Risk Transfer**

This section provides the assessment of how risk will be apportioned between the Public and Private sectors for Capital Projects and Services.

Under the Framework Agreements for Capital Projects, risks will be passed to the party deemed most appropriate to manage the risk.

Risk Category	Potential allocation		
	Public	Private	Shared
1. Design risk			x
2. Construction and development risk		x	
3. Transition and implementation risk	x		
4. Availability and performance risk		x	
5. Operating risk	x		
6. Variability of revenue risks	x		
7. Termination risks			x
8. Technology and obsolescence risks	n/a	n/a	n/a
9. Control risks			x
10. Residual value risks	x		
11. Financing risks	x		
12. Legislative risks			x
13. Other project risks			x

The following principles are likely to be implemented:

- Payment will be made at key milestones/staged payments and following evaluation by Powys County Council and its Technical Advisers;
- Payments will only be made by the Council's Head of Finance against invoices which have been certified for payment by the appropriate head of department or budget holder/departmental authorised signatory. Certification of an invoice confirms that;
  - The goods have been received, examined and approved with regard to quality and quantity, or that services rendered, or work done is satisfactory;
  - Where relevant, the terms and conditions of any prevailing contract have been met;
  - Where appropriate, it is matched to the schedule of activity provided as part of the procurement process;
  - Invoice details (quantity, price, discount) are correct;
  - The invoice is arithmetically correct;
  - The invoice has not previously been passed for payment;
  - Where appropriate, an entry has been made on a stores record or departmental inventory; and
  - An appropriate cost centre is quoted. This must be one of the cost centre codes included in the budget holder's areas of responsibility and must correspond with the types of goods or service described on the invoice.
- Order numbers must be quoted on the invoice and payment will be made within thirty days of receipt of a correctly submitted invoice; and
- The issue of the invoice and subsequent payment will be the last step in a process of work undertaken by the Project Quantity Surveyor (Cost manager) to verify that the work undertaken is as per the specification and meets the required standards.
- Risks transferred to the supplier are treated as deductions against the supplier's invoice(s) until such time that individual mitigation works are complete and the risks wholly mitigated.

## 5.5 Project Bank Accounts (PBA)

Details around the approach to PBAs will be developed as per Welsh Government policy and as part of the procurement requirements as the proposal moves through the various approval gates. This will include details of:

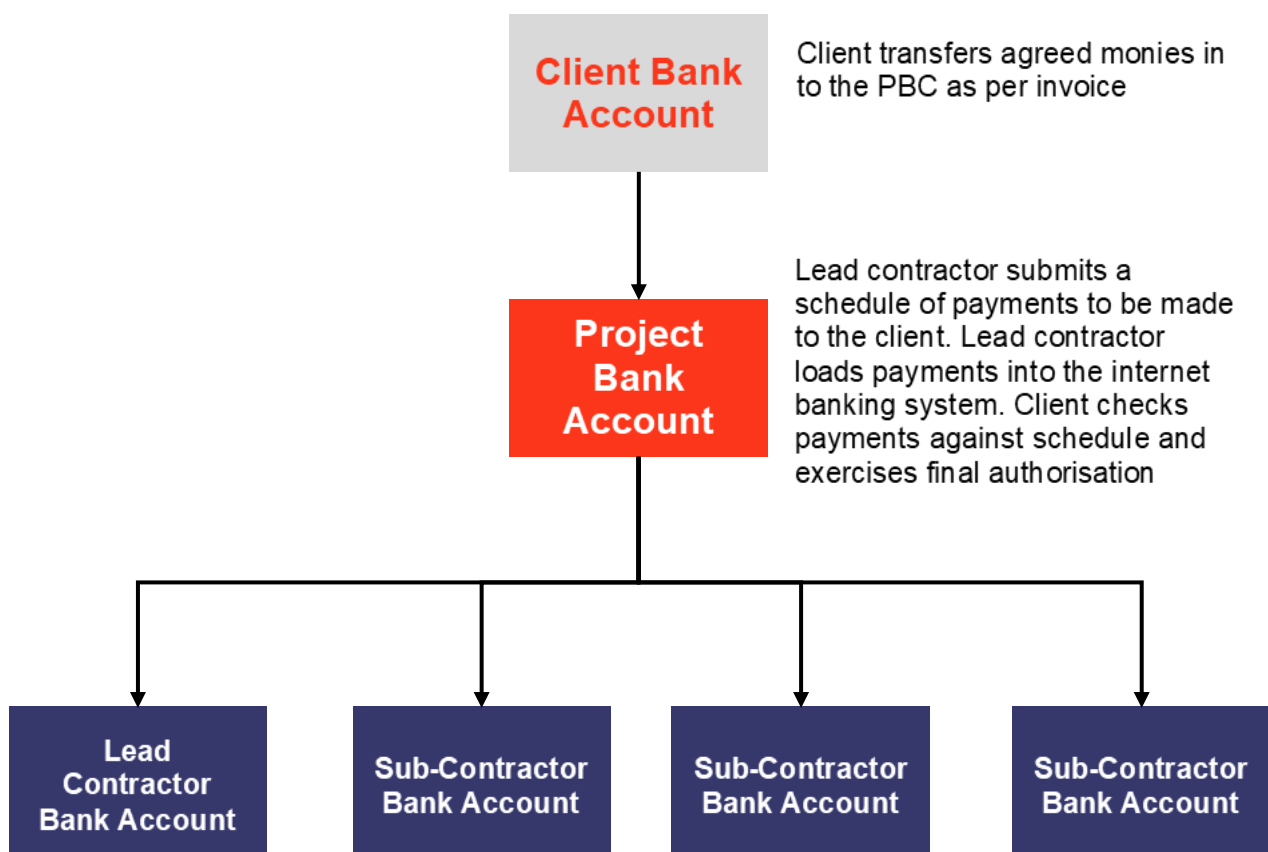
- Who will approve the PBA documentation and how? For example, who will approve and sign the Deeds of Trust, Deeds of Adherence / Joining Deed, Bank Mandate.
- Who will agree payments due to the lead contractor and each of their named suppliers and how?
- Who will be responsible for paying money into the PBA and authorising payments out?
- Who will agree why certain supply chain members may not be paid directly from the PBA and the criteria this will be based upon?

It is important that the benefits of PBAs are understood, and prospective tenderers understand that they should communicate these benefits down the supply chain, to maximise sub-contractor sign up to the PBA.

To support this, a briefing pack and information sheet for tenderers outlining both the benefits and requirements of using a PBA.

Additionally, at tender stage, the procuring party will include clauses in the ITT documentation, referencing the use of PBAs. These clauses will include specific requirements on how the PBA will operate.

Figure 5: PBA money route





## 6 THE FINANCIAL CASE

### 6.1 Financial Assumptions

This section sets out the forecast financial implications of the programme if the preferred option is taken forward. The following assumptions have been made when considering affordability of organisations that incur costs as a consequence of this investment:

- contingency – the costs presented in this section include an optimism bias uplift applied to capital costs and a value for financial risks. Together these form the capital contingency;
- It is assumed, based on related investment experience, that VAT is not applicable (or can be fully reclaimed) from capital investment on school premises and therefore does not feature in the analysis;
- Inflation has been included, however it is recognised that construction inflation may in fact be running at a higher rate than general inflation. Any difference between construction inflation and general inflation is accepted to be included within the general contingency for the scheme.

### 6.2 Funding options - advantages and disadvantages

Consideration has been given to a range of options to fund the project and the advantages and disadvantages are outlined in the table below. The preferred option is Option 2, a blended funding approach between PCC and the Welsh Government.

Option	Description	Main advantages	Main disadvantages
1	Use of entirely PCC funding	The main advantage of the <b>do minimum</b> option is that it affords full control of the investment to PCC.	The main disadvantage of the <b>do minimum</b> option is that it is unaffordable within PCC's budget. The authority has already committed its capital budget for 21 <sup>st</sup> Century Schools Band A programme. Band B assumptions are based on 65% funding from WG, and 75% for special schools. PCC's 21 <sup>st</sup> Century Schools Programme would be unable to fund the solution through existing PCC budgets alone.
2	A blended funding package (PCC and Welsh Government)	The main advantage of the <b>intermediate</b> option is that it is a realistic and affordable solution for PCC and WG.	The main disadvantage of the <b>intermediate</b> option is that it increases bureaucracy through external approval processes, which potentially delays the investment.
3	Use of entirely external funding	The main advantages of the <b>maximum</b> option are that it does not impact on PCC's budget.	The main disadvantage of the <b>maximum</b> is that it is contrary to WG policy and therefore unrealistic. The Mutual

Option	Description	Main advantages	Main disadvantages
	sources (including Welsh Government)		Investment Model (MIM) is not eligible for special schools construction projects, and therefore disregarded.

### 6.3 Project Summary Costs

Table 16 – Key metrics

New Build % (Area)	100%
Description of work & any unusual constraints	New Build Special School to BREEAM Building Requirements
# SEN Places	72
Total # Places	72
# Storeys (including basement)	2
Delivered through Regional Framework?	SEWSCAP 3 Framework
Contract period in weeks	52
GFA (M2)	1591
Anticipated Community Benefits	Weekly keep fit and craft club room hire, periodic room hire for craft and recruitment fairs
# Trainee and apprenticeship opportunities	30
Use of local subcontractors as a % of total cost	Bid by contractor at tender stage

### 6.4 Breakdown of Capital Costs

Table 17 – Breakdown of capital costs

Project Costs	
Capital Cost	£8,055,683
Optimism Bias	£424,815
Risk	£677,666
VAT (only to be included where non-recoverable by applicant)	£0
<b>Total Project Cost (inclusive of optimism bias and contingency)</b>	<b>£9,158,164</b>
<b>Total (excluding optimism bias)</b>	<b>£8,733,349</b>
<b>Welsh Government Contribution</b>	<b>£6,550,012 (75%)</b>

## 6.5 Cost Template

Table 18 – Elemental Breakdown

Element	2019/20	2020/21	2021/22	2022/23	2023/24	Total	Cost/m2	Cost/Pupil
<b>Development costs</b>								
Site investigation	£346,000.00	£75,000.00				£421,000.00	£264.61	£5,847.22
Land acquisition						£-	£-	£-
<b>Construction cost</b>								
Super structure			£1,125,042.30	£125,004.70	£118,640.13	£1,368,687.13	£860.27	£19,009.54
Substructure			£233,510.00			£233,510.00	£146.77	£3,243.19
Abnormals						£-	£-	£-
Externals Onsite			£516,666.67	£258,333.33		£775,000.00	£487.12	£10,763.89
Externals Offsite			£100,000.00	£50,000.00		£150,000.00	£94.28	£2,083.33
Internal finishes			£140,000.00	£140,000.00		£280,000.00	£175.99	£3,888.89
Services			£804,698.67	£402,349.33		£1,207,048.00	£758.67	£16,764.56
Preliminaries			£400,000.00	£200,000.00		£600,000.00	£377.12	£8,333.33
Overhead/Profit			£266,666.67	£133,333.33		£400,000.00	£251.41	£5,555.56
<b>Client costs</b>								

ICT				£ 120,000.00		£ 120,000.00	£ 75.42	£ 1,666.67
FFE				£ 250,000.00		£ 250,000.00	£ 157.13	£ 3,472.22
Design Fees		£ 150,000.00	£ 490,000.00	£ 160,000.00		£ 800,000.00	£ 502.83	£ 11,111.11
Professional fees		£ 120,000.00	£ 110,000.00	£ 50,000.00	£ 10,000.00	£ 290,000.00	£ 182.28	£ 4,027.78
Contingencies		£ 31,788.27	£ 422,860.86	£ 211,163.55	£ 11,852.89	£ 677,665.57	£ 425.94	£ 9,412.02
Client costs			£ 402,750.00	£ 402,750.00		£ 805,500.00	£ 506.29	£ 11,187.50
Inflation			£ 165,402.44	£ 175,205.40	£ 14,330.29	£ 354,938.13	£ 223.09	£ 4,929.70
<b>Total Project Cost</b>	£ 346,000.00	£ 376,788.27	£ 5,177,597.60	£ 2,678,139.65	£ 154,823.30	£ 8,733,348.82	£ 5,489.22	£ 121,296.51

## 6.6 Impact on the Organisation's income and expenditure account

Table 19 – Impact on the organisation's income and expenditure account

£s	Total Cost	Years (years 8-60 same as year 7, with the exception of Lifecycle costs, which are shown from year 9, at 5-year periods)								
		0	1	2	3	4	5	6	7	8
		2019/20	2020/21	2022/23	2023/24	2024/25	2026/27	2027/28	2028/29	2029/30
<b>Preferred way forward:</b>										
New Build Capital	8.056	0.346	0.345	4.755	2.467	0.143	0.000	0.000	0.000	0.000
Lifecycle	1.582	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Revenue/Current Cost	72.880	1.253	1.253	1.253	1.253	1.236	1.211	1.211	1.211	1.211
Cash Releasing Benefits	-0.346	0.000	0.000	0.000	0.000	-0.003	-0.006	-0.006	-0.006	-0.006
<b>Total</b>	<b>82.172</b>	<b>1.599</b>	<b>1.598</b>	<b>6.008</b>	<b>3.720</b>	<b>1.376</b>	<b>1.205</b>	<b>1.205</b>	<b>1.205</b>	<b>1.205</b>
Funded by:										
Existing Revenue	-75.208	-1.253	-1.253	-1.253	-1.253	-1.253	-1.253	-1.253	-1.253	-1.253
<b>Total Existing</b>	<b>-75.208</b>	<b>-1.253</b>	<b>-1.253</b>	<b>-1.253</b>	<b>-1.253</b>	<b>-1.253</b>	<b>-1.253</b>	<b>-1.253</b>	<b>-1.253</b>	<b>-1.253</b>
<b>Additional Funding Req.</b>	<b>6.964</b>	<b>0.346</b>	<b>0.345</b>	<b>4.755</b>	<b>2.467</b>	<b>0.123</b>	<b>-0.048</b>	<b>-0.048</b>	<b>-0.048</b>	<b>-0.048</b>
Cumulative Funding		0.346	0.691	5.446	7.913	8.036	7.987	7.939	7.891	7.843

## 6.7 Cost Build Up

Table 20 – Cost build up

£s	Total Cost	Years (years 9-59 same as year 7, with exception of Lifecycle costs, occurring at 5-year periods)								
		0	1	2	3	4	5	6	7	8
		19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
<b>CAPITAL COSTS</b>										
Initial Capital Costs	£8.056	£0.346	£0.345	£4.755	£2.467	£0.143	£0.000	£0.000	£0.000	£0.000
Other Capital Costs	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000
Lifecycle Cost	£1.582	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000
<b>Capital Cost Total</b>	<b>£9.638</b>	<b>£0.346</b>	<b>£0.345</b>	<b>£4.755</b>	<b>£2.467</b>	<b>£0.143</b>	<b>£0.000</b>	<b>£0.000</b>	<b>£0.000</b>	<b>£0.000</b>
<b>REVENUE COST</b>										
Salaries	£69.100	£1.152	£1.152	£1.152	£1.152	£1.152	£1.152	£1.152	£1.152	£1.152
Building Running Costs	£3.780	£0.102	£0.102	£0.102	£0.102	£0.084	£0.060	£0.060	£0.060	£0.060
Revenue Costs Total	<b>£72.880</b>	<b>£1.253</b>	<b>£1.253</b>	<b>£1.253</b>	<b>£1.253</b>	<b>£1.236</b>	<b>£1.211</b>	<b>£1.211</b>	<b>£1.211</b>	<b>£1.211</b>
<b>Total Costs</b>	<b>£82.518</b>	<b>£1.599</b>	<b>£1.598</b>	<b>£6.008</b>	<b>£3.720</b>	<b>£1.379</b>	<b>£1.211</b>	<b>£1.211</b>	<b>£1.211</b>	<b>£1.211</b>
<b>BENEFITS</b>										
Capital Receipts	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000	£0.000
Community Benefits	-£0.346	£0.000	£0.000	£0.000	£0.000	-£0.003	-£0.006	-£0.006	-£0.006	-£0.006
Cash Releasing Benefits Total	-£0.346	£0.000	£0.000	£0.000	£0.000	-£0.003	-£0.006	-£0.006	-£0.006	-£0.006
<b>Cost Net Cash Savings</b>	<b>£82.172</b>	<b>£1.599</b>	<b>£1.598</b>	<b>£6.008</b>	<b>£3.720</b>	<b>£1.376</b>	<b>£1.205</b>	<b>£1.205</b>	<b>£1.205</b>	<b>£1.205</b>
<b>Total</b>	<b>£82.172</b>	<b>£1.599</b>	<b>£1.598</b>	<b>£6.008</b>	<b>£3.720</b>	<b>£1.376</b>	<b>£1.205</b>	<b>£1.205</b>	<b>£1.205</b>	<b>£1.205</b>

Lifecycle costs in years 9 - £27k, year 14 £13k, year 19 £148k, year 24 £77k, year 29 £47k, year 34 £328k, year 39 £290k, year 44 £443k, year 49 148k, year 54 £33k, year 59 £27k.

## 1.8 Overall Affordability and Balance Sheet Impact

A balance sheet asset addition of £8,055,683 is made for the new school. Short term additional funding is required of £8,055,683 for years 0 through 4 excluding VAT, retained risks and optimism bias.

The Band B submission has been scrutinised and assessed by the Council's Section 151 Officer for affordability in light of the 75% programme intervention rate.

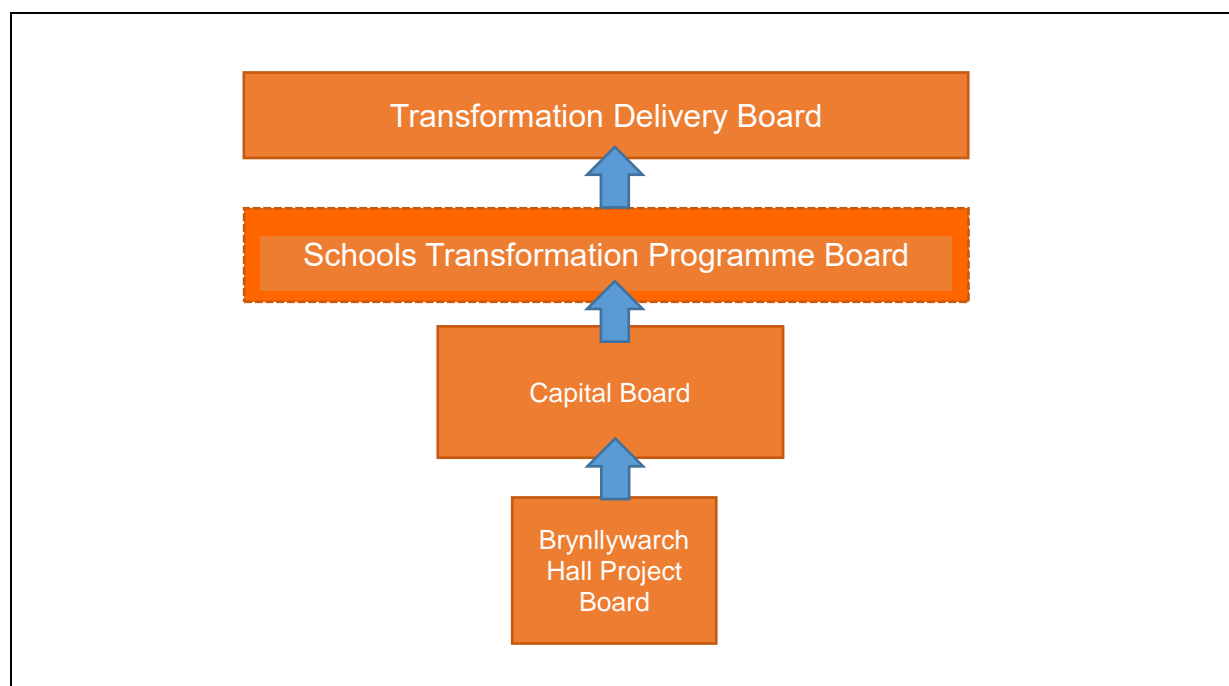
The Council will meet the 25% contribution required to support the overall programme in Band B through prudential borrowing

## 7. THE MANAGEMENT CASE

### 7.1 Programme and Project Management arrangements

This scheme is a constituent of the Powys 21<sup>st</sup> Century Schools Programme, and has been identified within that programme as a priority. It will be managed in accordance with best practice in programme and project management principles – MSP and PRINCE2 to provide a systematic and effective delivery framework.

Overall corporate governance for this scheme is provided by the Transformation Delivery Board and the current management arrangements are set out in the diagram below:



The reporting and governance arrangements for this project are as follows and are shown below:

- Project Manager presents the highlight report to Programme Manager on a monthly basis. These meetings will be chaired by the aforementioned representatives for each of the three Project team areas;



- The Programme manager will present summary reports from “Project Team” meetings to the Strategic Transformation Programme Board meeting on a monthly basis.
- On an exception basis only, the Project Board will report key strategic risks and issues **to Programme Board for resolution**

The Project Delivery team will remain actively involved throughout the duration of the project fulfilling the intelligent client role once the project is passed over to the successful contractor, thus ensuring continuity of professional staff representing Powys CC during all stages of the project programme.

## **7.2 Arrangements for change and contract management**

Project control documentation will be maintained by the Client Project Manager, reported to the School Transformation Board and escalated to the Transformation Board as necessary

## **7.3 Arrangements for benefits realisation**

The benefits of the project are presented in the Strategic Case in the outcomes/benefits table. The benefits register will be developed and presented in the FBC. PCC will arrange for a PIR to take place 2 years following the completion of the schools to measure benefits realisation.

## **7.4 Risks and Mitigation**

The Brynlywarch Hall Project Board will be responsible for managing and mitigating the risks up to the point of completion of new premises and commencement of the service and is adopting the strategy of transferring risk to those best placed to manage it. Risks that can be mitigated within the project team shall be discussed within project team meetings and included within the JCAD Project Risk Log.

The Risk Log to be reviewed regularly and form part of the reporting mechanism. Risks raised by the project team will be captured at monthly Schools Transformation Steering Group meetings. Risks will be assessed against the corporate risk strategy. Risks that cannot be mitigated will be escalated to the Schools Transformation Programme Board.

Risks associated with this scheme are identified in the strategic case then refined and assessed in the economic case. These are the core risks and form the initial risk register. The focus and importance of significant risks will change and will therefore receive active management as the scheme develops.

PCC's approach will be to ensure that risks are:

- Identified - includes risks being considered that could affect the achievement of the project's objectives, and then described to ensure that there is common understanding of these risks
- Assessed – includes ensuring that each risk can be ranked in terms of estimated likelihood, impact and immediacy, and understanding the overall level of risk associated with the project
- Controlled – includes identifying appropriate responses to risks, assigning risk owners, and then executing, monitoring and controlling these responses

The Schools Transformation Project Board will be responsible for managing and mitigating the risks up to the point of completion of new premises and commencement of the service and is adopting the strategy of transferring risk to those best placed to manage it (see Commercial Case).

A risk register has been developed and is owned by the Brynlywarch Hall project board which will be reviewed and updated as required on a monthly basis.

The register will be a 'living document' and reviewed and amended (where required.) The framework and plan of the risk register will involve a rated table format. The risk will be described and the date of its identification noted. An initial risk rating will be made and the probability and impact of the risk evaluated, followed by a residual risk rating column. The effects and impact of risk can involve elements such as environment, time, quality, cost, resource, function or safety and regular meetings will be held to review all aspects. Within the format there will also be the facility for proposals to mitigate and manage, identifying the control strategy, risk owner and the current risk status.

## 7.5 Post project evaluation

PCC recognises the benefits Post Project Evaluation can bring to the successful delivery and realisation of benefits for a scheme, as well as providing lessons for future investments.

PCC will arrange for a Post implementation review to take place 2 years following the completion of the schools to measure benefits realisation. This review will be based on the principles of a Gateway 5 (Benefits Realisation).

PCC will arrange for a Project Evaluation Review (PER). This review ascertains how well the project was managed and whether or not it delivered to expectations. It is timed to take place within one year post construction.

Both these reviews feed into the Lessons Learned records.

## 7.6 Contingency plans

Should this SOC/OBC not be approved, the default will be the 'Business as Usual' option until an alternative business case is developed.

## 7.7 Key Milestones

Key Programme Milestones Indicator	Date
SOC and OBC Approved	August 2020
D & B Tender Awarded	March 2021
Design Stage	September 2021
FBC Approved	December 2021
Construction Starts	January 2022
School Opens	Spring Term 2023

## 7.8 Roles and Responsibilities

Senior Responsible Owner:	Dr Caroline Turner CEO
S151 Officer:	Jane Thomas
Programme Lead:	Emma Palmer
Senior Manager Education Services:	Marianne Evans
Programme Manager:	Betsan Ifan
Project Manager:	Dee Davies

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## CYNGOR SIR POWYS COUNTY COUNCIL.

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

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

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

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**REPORT FOR:** Decision

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**1. Purpose**

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

**1. Background**

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

**2. Advice**

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

**Review of progress to mitigate Strategic Risks**

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

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

#### Escalation of risks to the Strategic Risk Register

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

#### Covid-19 risk register

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

### **4. Resource Implications**

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

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

### **5. Legal implications**

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



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

**6. Data Protection**

- 6.1 N/A

**7. Comment from local member(s)**

- 7.1 N/A

**8. Integrated Impact Assessment**

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

**9. Recommendation**

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

**The recommendation above will ensure:**

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

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Head of Service:

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

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## Strategic Risk Register

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
CS0009  Jan Coles  Escalated From :- Children's Services  Page 85	Ability to meet the requirements of the MTFs / Retaining grant funding around posts within Children's Services	<ul style="list-style-type: none"> <li>- Budget overspend / efficiencies not achieved</li> <li>- Loss of funding leading to an impact on budget and potentially reducing Early Help and Intervention and Prevention, which could increase costs of statutory services</li> <li>- Financial implications for the Authority - budget will suffer an overspend</li> <li>- Impact on other services/functions- Significant budget overspend</li> <li>- Reconfiguration of anti-poverty grants likely to have an impact</li> </ul>	<p><b>05/07/2020</b></p> <p>1st Qtr 20/21. Review Summary: Continue to maximise access to and use of grants. Work with RPB is extending. Startwell review taking place.</p> <p><b>10/05/2020</b></p> <p>Review Summary: The COVID-19 pandemic has created significant uncertainty however grants which WG use to fund Children's Services are expected to continue.</p> <p><b>19/01/2020</b></p> <p>Qtr 3 19/20 Review Summary: . To date this year we have achieved savings however there is an increase in pressures, we continue to monitor this.</p> <p>Children looked after is currently sat at 239 following large sibling group coming in to the Care of the LA in November (5). Demand for the service can be unpredictable and the LA has a statutory duty to safeguard Children. However, this is significant work going on in the Service to shape the Market in Powys to ensure that we are able to provide high quality, cost effective provisions in County to meet the needs of our local population and support Children and Young People in our care to achieve the best possible outcomes.</p> <p>In addition to the pressure on our placement budget as described above, we also continue to have continued challenges in recruiting and filling our vacant posts and therefore have a continued reliance on agency staff.</p> <p>Funding by Welsh Government through</p>	<p>Cllr Rachel Powell</p> <p>Alison Bulman</p>	9	9	<ul style="list-style-type: none"> <li>• Budget challenge in respect of placement Budget overspend.</li> <li>• Increase number of foster carers.</li> <li>• Improvement to Edge of Care services.</li> <li>• Reporting to Assurance Board, FSP, and Audit Committee</li> <li>• Early help hub</li> <li>• All other opportunities for grant funding being reviewed, managed and approached</li> <li>• Core funding to be aligned to EI&amp;P and not just to rely on Welsh Government grants</li> <li>• Future shape of service review</li> <li>• Decrease use of agency staff</li> <li>• Head of Service and Senior Managers routinely monitor with finance.</li> <li>• Head of Service and Senior Manager control significant spend and staffing</li> <li>• Budget challenge and scrutiny</li> <li>• Budget plan in place to address pressures</li> <li>• Opportunities for grant funding is continually explored with WG and all other bodies.</li> <li>• The RPB has a key priority for EI&amp;P across all ages</li> <li>• Re-structure of Children's Services implemented to develop more locality working and enable resilience</li> <li>• Development of transformation plan</li> <li>• Review of residential placements</li> </ul>	<p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Action In Progress</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p> <p>Control In Place</p>

Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service		Control or Action	Status
Page 86			<p>grants is an aspect of delivering Children's Services. We have worked hard to make the most of the income and use on reducing demand and delivering channel shift. We are at the beginning of a programme of transformation, the benefits of which will not be fully felt for a number of years. Grants can be removed by Welsh Government. Work under way with the RPB to deliver big projects that will deliver big impact changes, e.g. multi agency funding of the early help hubs.</p> <p>The following wording 'Addressing the deficit in the FRM (£1.1million) for 2018/19' has been taken out of the risk title as it refers to 18/19 and is out of date. The current risk in relation to the FRM will still be addressed this risk as it is covered by the ability to meet the requirements of the MTFS.</p> <p><b>13/10/2019</b></p> <hr/> <p>2nd Qtr 19/20 Review Summary: To date this year we have achieved savings however there is an increase in pressures, we continue to monitor this. Looked after children numbers have reduced from 250 in December 2018, to 236 at end of September 2019. This demonstrates that the investment in intervention and prevention and early help services is taking effect.</p> <p>New process in place for reviewing high cost placement, being led by Senior Manager Corporate Parenting.</p> <p><b>07/04/2019</b></p> <hr/> <p><b>31/03/2019</b></p> <hr/>				

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
ED0022  Lynette Lovell  Escalated From :- Education  <div>Page 87</div>	The council will be unable to manage the schools' budget without ongoing adjustments to the distribution formula and improving financial management. If they are unable to manage the budget, there will be a significant compromise to the quality of education for Powys learners.	Some schools will have spiralling deficits which will have a financial impact on the rest of the Council and the learners in their care.	<b>28/06/2020</b>  1st Qtr 20/21. Review Summary: All Schools have submitted budgets approved by their Governing Bodies. These are being reviewed by the Schools finance team and finance surgeries with Schools are continuing. The interim Chief Education Officer and SSMT in conjunction with the Head of Finance will consider a report setting out individual schools' budget plans and agree any actions required in relation to deficits or clawback. The Schools finance team are working with Schools to update budgets for the impact of the Covid-19 lockdown, both in terms of cost reductions due to closure of schools and delayed savings realisation as a result of the temporary withdrawal of the Management of Change process. Schools service and Schools finance team will continue to work with Schools to produce balanced budgets / deficit recovery plans, providing support, challenge and scrutiny as required. A limited review of part of the Schools' funding formula during 2020 is proposed to consider the ALN element. Ongoing work on school transformation needs to be delivered to provide long term sustainable school finances. <b>26/04/2020</b>  4th Qtr 19/20 Review Summary: In Quarter 4 Cabinet and, subsequently in February, Full Council agreed the additional funding for the schools delegated budget as part of their budget proposals for 2020/2021. This funding would be used for the funding of pay awards, increased teachers pension costs, some items of non-staffing funding and the creation of a TLR allowance for the secondary sector. Schools were issued in February with their 2020/21 funding allocation including the	Cllr Phyl Davies  Lynette Lovell	12	9	• PIAP Action Plan	Action In Progress

Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service		Control or Action	Status
Page 88			<p>above additional funding commitments, and were also provided with estimated funding for 2021/22 onwards.</p> <p>Ongoing work between the Schools Service, Finance, HR and the individual schools to look at the budget which is anticipated for 2020/21 and the setting of a balanced budget by each school continues to take place. Prior to the lockdown, budget meetings had taken place with the majority of the schools. However, due to Co-VID-19 the management of change has been temporarily stopped. Final budget plans from all schools are due by 1st May 2020, schools were given an extension until the 22nd May. However, due to the current COVID 19 lockdown in respect of schools, we have not received further guidance on schools delegated budgets and will continue to assess the impact on the budgets of schools being closed.</p> <p><b>12/01/2020</b></p>				
			<p>3rd Qtr 19/20 Review Summary: The authority issued an additional 11 warning notices in September 2019 to schools and meetings have been held with those schools with the Head of Service and Section 151 officer. These meetings were to discuss the actions required by the respective schools to halt the deficit and to look at how these deficits could be clawed back. As part of the budget process for 2020/2021 the Cabinet will be considering the funding pay awards, pensions and the creation of a teaching and learning responsibility (TLR) allowance. The TLR Allowance would be for the secondary schools and would be within the funding formula.</p>				

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

Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service		Control or Action	Status
Page 90			<p>underpinned all strategic decision making.  <b>26/04/2020</b></p>				
			<p>4th Qtr 19/20 Review summary. Following an HMI visit, which took place on 11 February 2020, it was recognised that there is a clear direction of change, with effective prioritising of work and the Local Authority was moving at pace. The Improvement and Assurance Board have received monthly thematic reports, which detail progress made on all recommendations, both at a strategic and an operational level. The Improvement and Assurance board recognised in their February 2020 update that 'the authority has appropriate plans to push forward with improvements in education and is seeking to address these with energy.' It should be noted that the Improvement and Assurance Board is temporarily suspended due to COVID-19, however contact remains in place and progress against the Post Inspection Actions Plan is monitored by Schools Service, the Chief Executive and the Chair of the Board, Jack Straw.  <b>12/01/2020</b></p>				
			<p>3rd Qtr 19/20 Review Summary: The Post Inspection Action Plan is monitored weekly at the Schools SMT. It is also monitored monthly by the Improvement and Assurance Board with key themes being developed. These themes are Vision, ALN and Leadership. Estyn improvement conference has taken place on 28 November and as a result the PIAP has been approved. The PIAP reports to the Transformation Board within the Council and there is a monthly leader's meeting to monitor progress.</p> <p>The Post Inspection Action Plan is monitored weekly at the Schools SMT. It is also</p>				



Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service		Control or Action	Status
Page 91			<p>monitored monthly by the Improvement and Assurance Board with key themes being developed. These themes are Vision, ALN and Leadership. Estyn improvement conference has taken place on 28 November and as a result the PIAP has been approved.</p> <p>The PIAP reports to the Transformation Board within the Council and there is a monthly leader's meeting to monitor progress.</p> <p><b>01/12/2019</b></p> <hr/> <p>2nd Qtr 19/20 Review Summary: The post inspection action plan has been drafted and was presented to Estyn on 28/29th November 2019.</p>				

Strategic Risk Register				Portfolio	Inherent	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 :- Financial Services  Page 92	The Council is unable to deliver a financially sustainable budget over the short and medium term. The probability of this risk is heightened due to the impact of the Covid-19 pandemic and its impact on Welsh Government funding and subsequent settlements to the Council.	- The Council is unable to fulfil its legal obligation in setting a balanced budget - The Council will not be financially resilient or sustainable - Council reputation damaged - Inability to fulfil our statutory requirements	<b>05/07/2020</b>  1st Qtr 20/21. Review Summary: The Outturn for 2019/20 reported an underspend against budget of £1.4 million, however there were significant variances against budget for some service areas, and delivery of costs reductions were not fully achieved. These budget gaps were resolved at budget setting for 2020/21. Although delayed, due to the pandemic, work is now underway to assess each service area and the activity within it in preparation for budgeting for next financial year and over the longer term. We do not yet have any indication of the funding levels that can be expected from WG, but we will update our financial modelling within the MTFS for potential funding scenarios and the revised budget gaps this creates. Ongoing discussion through Welsh Treasurers with WLGA and WG is fundamental raising awareness of the impact of changes in funding on the service the Council is able to deliver. <b>03/05/2020</b>  4th Qtr 19/20 Review Summary: The outturn position for 2019/20 is not yet completed however it is still anticipated that there will be an underspend against budget. The impact of Covid-19 pandemic is likely to have a significant impact on the council's budget and the situation is under constant review as we moved through the next weeks and months. The council will undoubtedly have to review its medium term financial plan in response to the emerging financial position. <b>05/01/2020</b>  3rd Qtr 19/20 Review Summary: Cabinet are finalising a balanced budget proposal for 2020/2021 with a 5 year medium term plan which identifies the projected budget gaps for the 5 year period. Integrated business	Cllr Aled Davies  Jane Thomas	25	12	<ul style="list-style-type: none"> <li>Revise the Medium Term Financial Strategy</li> <li>Ongoing discussion with WG and WLGA through Society of Welsh Treasurers for Future Funding of Local Government</li> <li>Reassessment of the activities of the Council through the Recovery Coordination Group</li> <li>Review budget position at end of first quarter and consider changes to the 2020/21 budget</li> <li>Cost Recovery work</li> <li>3rd party spend reduction</li> <li>Income Generation</li> <li>Monthly reports to cabinet and Management Team on budget progress and progress on savings</li> <li>Budget Challenge Events</li> <li>Moved to a 3 year balanced budget</li> </ul>	Action In Progress  Action In Progress  Action In Progress  Control In Place  Withdrawn  Withdrawn  Withdrawn  Withdrawn  Withdrawn

Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service		Control or Action	Status
Page 93			<p>planning will continue to be embedded and improved across the organisation to ensure that the council can deliver its vision outcomes and objectives whilst maintaining a balanced budget and financial stability over the medium and longer term.</p> <p><b>29/09/2019</b></p> <hr/> <p>2nd Qtr 19/20 Review Summary: Integrated Business Planning in place, Service proposals submitted, Cabinet continue to develop a draft budget plan. Engagement with the wider Council membership, and consultation with the public commencing and development of the budget simulator.</p> <p><b>07/04/2019</b></p> <hr/>				

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

Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
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Page 95			<p>HoWPS, of all assets and systems which need to be included in compliance inspection, servicing and maintenance regimes. In the case of domestic heating systems, a Step-in has been issued to allow the Council to directly manage inspection and servicing for two months (March and April) to allow HoWPS the opportunity to brings its service up to the standard required.</p> <p><b>02/02/2020</b></p> <hr/> <p>3rd Qtr 19/20. Review Summary: The Compliance One Hundred Project Team, reporting to the Housing Compliance Board, continues to make good progress. An assessment of six primary areas for compliance has been completed, the first stage of which is to make sure that there is a full and common understanding by both the Council and relevant contractors, including HoWPS, of all assets and systems which need to be included in compliance inspection, servicing and maintenance regimes. In the case of domestic heating systems, a Step-in has been issued to allow the Council to directly manage inspection and servicing for two months (March and April) to allow HoWPS the opportunity to brings its service up to the standard required.</p> <p>22.04.20: Covid-19 has impacted adversely on the work of the Compliance One Hundred project, primarily through the difficulties contractors are experiencing in gaining access to properties for safety checks on heating systems and smoke alarms and to undertake fixed electrical testing (FET) of each home's electrical system. Three out of four electrical contractors, working on behalf of the Council through HoWPS, have withdrawn labour as part of their approaches to managing Covid-19 risks to</p>				

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Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service		Control or Action	Status
Page 96			<p>the safety of their teams. It may be necessary to review the current requirement for all FETs to be complete by July 2020.</p> <p>FET work was suspended for just under three weeks but w/c 13.04.20 HoWPS was instructed to recommence this work to try and reduce the risk of adding to the backlog of FETs still to be done. Housing officers are continuing to work hard to try and persuade tenants to allow access for this important work.</p> <p>A decision is pending on the current Step-in for heating servicing - whether or not the Step-in should end April 30th and the work returned to HoWPS. There remain concerns about the ability of HoWPS to effectively and efficiently manage this work competently but there are also concerns about the impact of Covid-19 on alternative contractors be able to continue to undertake the work.</p> <p>The failure of HoWPS to undertake water system testing and monitoring within municipal housing properties has prompted a decision to prepare a Step-in Notice and to commission alternative providers for this service, to minimise the risks of water contamination and the occurrence of legionella.</p> <p><b>19/01/2020</b></p>				

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

Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
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Page 98			place, data processing agreements not in place when personal data is being transferred to organisation processing our personal data, failing to meet timescales in the undertaking of subject access requests, failing to enable the public to exercise their rights of rectification, erasure etc.			• - Implement revised WASPI Accord and templates	Withdrawn
			The Information Management Assurance and Governance plan (IMAG), planning overseen by Corporate Information Governance Group (CIGG), and the work of the Corporate Information Operational Governance Group (CIOG) support the Council's plans to reduce the potential to fail to meet the above obligations.			• - Revised centralised ISP register to link to information Asset and Record of Processing Activities (ROPA)	Withdrawn
			<b>13/10/2019</b>			• - Create policy on services undertaking due diligence potential processors	Withdrawn
			2nd Qtr 19/20. Review Summary: Work continues on the IMAG plan with CIGG, which has been cancelled in September and October. Monthly discussions with Senior Information Risk Owner (SIRO) ensure issues raised to EMT level.			• - Create log of data processors and agreements linking to information asset and ROPA	Withdrawn
			<b>07/04/2019</b>				
			<b>31/03/2019</b>				
			<b>03/03/2019</b>				



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

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

Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service		Control or Action	Status
Page 101			exit on 31 January 2020.				
			<p>However, whilst we are standing down no deal preparations, Powys County Council are continuing to work to ensure that any adverse impacts of Brexit are mitigated as far as possible. Powys County Council are also working to identify opportunities to the organisation that may arise from Brexit. Work has been done to ensure that citizens are best placed to understand the changes that Brexit will bring.</p> <p>At this stage we are now awaiting guidance from the Welsh Local Government Association (WLGA) and Welsh Government, to ensure that we are best placed for the transition period. A Strategic Brexit Risk Register is held, and reviewed by the Strategic Brexit Coordination Group.</p> <p><b>06/10/2019</b></p>				
			<p>2nd Qtr 19/20 Review Summary: The Strategic Brexit Coordination Group (BCG) has conducted impact assessments, and where appropriate controls and monitoring are in place. PCC is prepared as far as practicable for any Brexit scenario, and we wait further guidance for UK and Welsh Government. A Strategic Brexit Risk Register is held, and reviewed on a monthly basis. Further explanation is provided in the risk report.</p> <p><b>07/07/2019</b></p>				
			<b>07/04/2019</b>				
			<b>31/03/2019</b>				
			<b>03/03/2019</b>				

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PCC0003  Caroline Turner	The council receives a negative regulatory / inspection report	<ul style="list-style-type: none"> <li>- Meeting regulatory and legislative duties</li> <li>- Ability to provide a good quality of service to service users</li> <li>- Managing demand on the service</li> <li>- Recruitment and retention of staff</li> <li>- Staff morale</li> <li>- Reputational damage</li> </ul>	<p><b>28/06/2020</b></p> <p>1st Qtr 20/21 Review Summary: Publication of the Sean Harriss report has been delayed due to Covid, but we expect WG to publish during the Summer of 2020. Powys County Council is currently establishing new improvements and assurance arrangements in place, as part of the transitional arrangements, in anticipation of WG bringing the current Improvement and Assurance Board to an end later this year.</p> <p>We are awaiting the outcome of the recent joint inspection of Mental Health Services by HIW and CIW. Regular meetings continue to be held with Estyn and CIW. CIW will be undertaking monitoring visits during this quarter, with a view to undertake an Improvement Conference during the Autumn.</p> <p><b>22/03/2020</b></p> <p>4th Qtr 19/20 Risk Review Summary: WG have commissioned Sean Harriss to undertake a review of the council's progress along its improvement journey since the Harriss review in Jan 2018. The review was undertaken during in Feb/March 2020, and will be published by WG in due course. All Inspections are suspended due to Covid-19, including the Improvement Conference that had been arranged for Adult Services by CIW.</p> <p><b>05/01/2020</b></p> <p>3rd Qtr 19/20. Review Summary: On behalf of Caroline Turner: Regulatory Services continue to receive a high level of scrutiny and support across the Council. Robust support and challenge arrangements continue to be in place for Social Services, and are now in place for Education Services under the auspices of the Improvement and Assurance Board, as well as the Leader's</p>	Cllr Rosemaire Harris Caroline Turner	20	16	<ul style="list-style-type: none"> <li>• Improvement and assurance board</li> <li>• Improvement plans</li> <li>• Communications strategy (internal/external)</li> <li>• close working relationships with regulators</li> <li>• corporate support provided to services</li> <li>• close working relationship with WG</li> </ul>	Control In Place Control In Place Control In Place Control In Place Control In Place Control In Place

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Page 103			<p>Monthly Group Leaders meetings, and Scrutiny Committee arrangements. We are also ensuring that improvements in Housing are prioritised so that we can quickly demonstrate compliance with regulatory requirements. Whilst progress is being made in all areas this will continue to be a key focus for the Council for the rest of 2020.</p> <p><b>08/09/2019</b></p> <p>2nd Qtr 19/20 Review Summary: Estyn undertook an inspection of education services in July 2019, and their report was published in Sept. Estyn noted that they had significant concerns about the education services and made five recommendations for the council to address, which the council accepts in full. A post-inspection action plan is being prepared and will be discussed with Estyn at a post-inspection meeting in November 2019. The Schools Transformation Board has been re-established, regular reports will be submitted to Learning and Skills Scrutiny Committee and the Leader is establishing a Group Leaders' meeting that will meet monthly to consider progress in implementing the recommendations.</p> <p>CIW continue to monitor Social Services and we expected full inspections of Children Services and Adult Services over the 12 months.</p> <p>1st Qtr 19/20 Risk Review Summary: During the quarter we received notification by Estyn of their intention to inspect PCC's Education Service week 1st July. The Education Service prepared thoroughly for the inspection by updating the Self-evaluation, gathering evidence and briefing partners in advance of the inspection. A small corporate Project Team</p>				

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Page 104			met weekly from mid-April to ensure that the Service was well prepared for the Inspection. This highlighted some processes that needed to be strengthened and embedded over the summer, in advance of the publication of the Inspection report in September				

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

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Page 106			<p>The Council has mapped current activity around skills development across the county and has recently met colleagues from Ceredigion Council and agreed to develop a skills strategy for the Mid Wales Region, aligned to the Mid Wales Growth Deal.</p> <p>The Council has launched an apprenticeship talent pool and a joint apprenticeship programme with Powys Teaching Health Board.</p> <p>An action plan has also been develop to improve the recruitment and retention of Qualified Social Workers in Children's Services.  <b>29/09/2019</b></p> <p>2nd Qtr 19/20 Review Summary: Draft health and social care strategic framework has been developed. Overall risk progress: Draft health and social care strategic framework has been developed</p> <p>2nd Quarter progress of supporting mitigating actions are as follows:</p> <p>Developing digital solutions and services  -A Digital First Executive Group has been established under the Health and Care Strategy and a Strategic Framework is in development</p> <p>Improving education attainment of all pupils  -In secondary schools, new qualifications have been introduced during the past three years. Welsh Government have also introduced interim key stage 4 performance measurement arrangements with a change from Level 2 qualifications (A*- C) to Capped 9 Average Point Score.  Key stage 4 and 5 data within the report remains provisional as we await the verified data available in December 2019.</p>				



Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service		Control or Action	Status
Page 107			<ul style="list-style-type: none"> <li>In Powys, there was an improvement of 6.1 points in the average Capped 9 points score for individual pupils.</li> <li>The average Capped 9 point score has increased in 7 out of 11 Powys secondary schools.</li> <li>Across ERW, the average Capped 9 point score increased by 10.9 points. Powys is ranked 3rd across the ERW local authorities.</li> </ul> <p>Developing a workforce strategy which ensures Council is an excellent employer -Draft Council workforce strategy has been produced</p> <p>Growing our own workforce, including the scoping of a rural academy of learning which would offer social care qualifications -Rural academy proposal is being developed by the Workforce Futures Board as part of the Workforce Futures Strategic Framework</p> <p>Consideration of a joint bank of staff available to maintain staffing levels and reduce risk -Proposal being developed</p> <p>Investigation of the Apprenticeship framework to see what can be offered to younger people to attract them into social care roles -Joint apprenticeship scheme now in place</p> <p>Conduct research to understand the workforce profile in health and social care -Research complete and underpins draft Workforce Futures Strategic Framework</p> <p>-All other mitigating actions that support this risk have nothing to report this quarter. <b>08/09/2019</b></p>				

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

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

Strategic Risk Register				Portfolio	Inherent	Residual	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service			Control or Action	Status
PPPP0007  Gwilym Davies  Escalated From :- Property, Planning, and Public Protection  <div>Page 110</div>	Heart of Wales Property Services (HOWPS) being unable to undertake contracted work in a timely and cost effective manner.	- Failure of statutory functions - Compliance. - Failure to perform repairs and maintenance. - Failure to achieve projected savings. - Reputational damage to PCC. - Cost to PCC for poor performance. - Officer time costs (due to additional workload). - Financial Risk to HRA and wider Authority. - Critical Wales Audit Office Report. - Non-delivery of key projects due to lack of resources.	<b>12/07/2020</b>  1st Qtr. 20/21: Review Summary: • Continued monitoring of HOWPS performance via monthly Contract Management Forums and Compliance Boards. • Additional monitoring now in place of HOWPS performance with service-specific meetings to monitor various issues including statutory testing, complaints, asbestos tracking, void management and the inspection and servicing of domestic heating systems. • A Rectification Plan has been received from HOWPS for services, provided for both Corporate and Housing. <b>03/05/2020</b>  4th Qtr. 19/20: Review Summary:  The performance of HOWPS is continued to be monitored closely via the monthly Contract Management Forums and additional monitoring mechanisms with HOWPS such as 1) Weekly compliance meetings 2) Weekly legionella meetings 3) Monthly/Weekly asbestos monitoring. Also additional monitoring meetings within PCC have been set up.  The Corporate Compliance rectification plan is being monitored and at the end March, HOWPS are broadly on track with the rectification plan, but supply chain issues due to COVID – 19 has meant that targets within the Rectification plan has been narrowly missed. HOWPS are now utilising a new Compliance Tracker which is much easier to use and compliance can be easily identified across buildings and across tests. PCC have had to audit the information within the Tracker to ensure that the information is	Cllr Phyl Davies  Nigel Brinn	12	12	• Performance monitoring  • Utilisation of contract document to escalate issues.  • Potential to invoke step in clauses for specific parts of the contract in line with contract • Development of evidence and fall-back systems  • Introduced weekly officer level meetings  • Development of contingency plans for contract failure  • Head of Service on HOWPS Board of Directors.  • Portfolio Holder on HOWPS Board of Directors.  • Escalation of risk and concerns to Chief Executive and Strategic Directors. • Recovery plan submitted by Kier on behalf of HOWPS.  • Additional resources allocated by Kier (3.5 FTE Change Managers). • Close monitoring by Directors/Portfolio Holder/Chief Executive/Strategic Directors. • Awaiting consultation resource plan.	Action In Progress  Action In Progress  Action In Progress  Action In Progress  Action In Progress  Action In Progress  Control In Place  Control In Place  Control In Place  Control In Place  Control In Place  Withdrawn

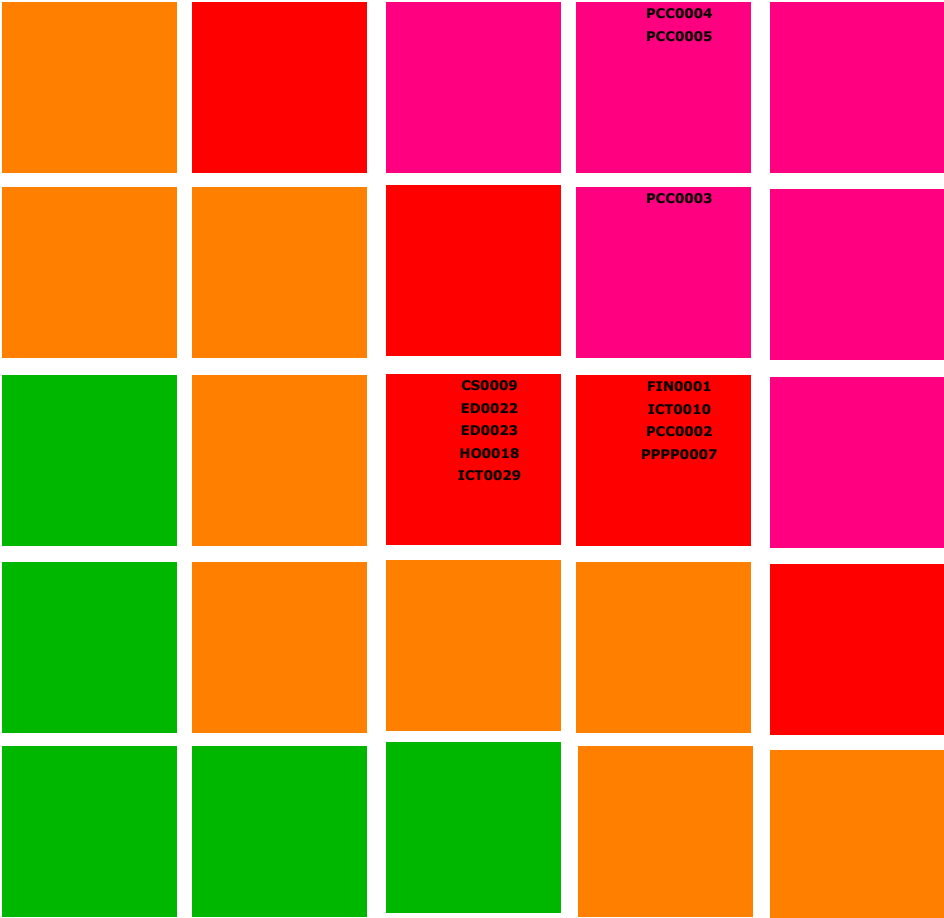
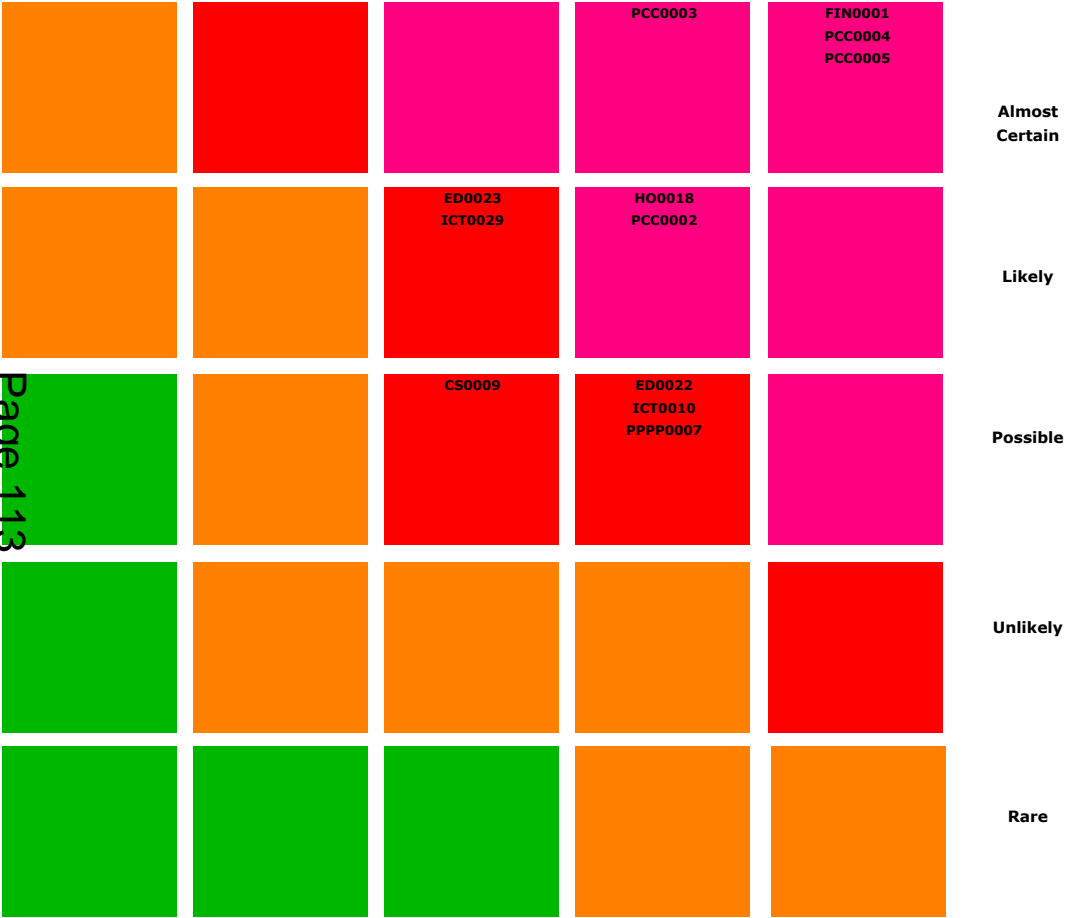
Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service		Control or Action	Status
Page 111			<p>correct – This is putting extra pressure on the Strategic Property, but is necessary to ensure that the information being given to PCC is correct.</p> <p>Additional monitoring has been put in place to audit the access of the Alpha Tracker Database (asbestos information) to ensure that Alpha Tracker is accessed before every job is started. Our monthly audit has identified gaps in this access procedure, therefore this has been increased to weekly monitoring.</p> <p>Issues with Legionella Monitoring, information has not been sent to PCC by HOWPS. Clarification over roles and responsibilities is underway to ensure that risks are assessed and actioned.  <b>12/01/2020</b></p> <p>3rd Qtr. 19/20: Review Summary:</p> <ul style="list-style-type: none"> <li>Continued monitoring of HOWPS performance via monthly Contract Management Forums.</li> <li>Additional monitoring now in place of HOWPS performance with service-specific meetings to monitor various issues including statutory testing, complaints, asbestos tracking, void management and the inspection and servicing of domestic heating systems.</li> <li>A Rectification Plan has been received from HOWPS for services, provided for both Corporate and Housing, which are falling below the acceptable performance level. The Rectification Plan in its original form was rejected by the Council. A revised Rectification Plan is now awaited from HOWPS.  <b>06/10/2019</b></li> </ul> <p>2nd Qtr 19/20: Review Summary:  - Performance monitoring in place.</p>				

Strategic Risk Register				Portfolio	Inherent    Residua	Controls and Actions	
Ref & Owner	Risk Identified	Potential Consequence	Last Reviews	Director or Head of Service		Control or Action	Status
Page 112			<ul style="list-style-type: none"> <li>- Pre-Board meetings attended by key internal stakeholders have been set up to discuss high level issues. Actions from meeting escalated to HOWPS Board.</li> <li>- Communication plan reviewed monthly.</li> </ul>				
			<div>07/07/2019</div> <div>07/04/2019</div>				

Inherent Ratings Summary Heatmap

Residual Ratings Summary Heatmap

Probability



Insignificant

Minor

Moderate

Major

Catastrophic

Impact

Insignificant

Minor

Moderate

Major

Catastrophic

Impact

## Detailed Risk Information

Residual and Target Rating Changes since 23/01/2020

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

### Report Selection Criteria

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