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Blaenau Gwent

Our Ref./Ein Cyf.
Your Ref./Eich Cyf.
Contact:/Cysylltwch â:

THIS IS A MEETING WHICH THE PUBLIC ARE ENTITLED TO ATTEND

Dydd Gwener, 17 Tachwedd 2023 Dydd Gwener, 17 Tachwedd 2023

Dear Sir/Madam

PWYLLGOR LLYWODRAETHIANT AC ARCHWILIO

A meeting of the Pwyllgor Llywodraethiant ac Archwilio will be held in Cyfarfod hybrid i'w gynnal yn rhithiol ar MS Teams yn Ystafell Syr William Firth, Swyddfeydd Cyffredinol, Glynebwy on Dydd Mercher, 22ain Tachwedd, 2023 at 9.30 am.

Yours faithfully

Damien McCann
Interim Chief Executive

AGENDA

Pages

1. CYFIEITHU AR Y PRYD

Mae croeso i chi ddefnyddio'r Gymraeg yn y cyfarfod, mae angen o leiaf 3 diwrnod gwaith o rybudd os dymunwch wneud hynny. Darperir gwasanaeth cyfieithu ar y pryd os gwneir cais am hynny..

2. **YMDDIHEURIADAU**
- Derbyn ymddiheuriadau.
3. **DATGANIADAU BUDDIANT A GODDEFEBAU**
- Derbyn datganiadau buddiant a goddefebau.
4. **PWYLLGOR LLYWODRAETHIANT AC ARCHWILIO** 5 - 10
- Derbyn penderfyniadau'r Pwyllgor Llywodraethiant ac Archwilio a gynhaliwyd ar 18 Hydref 2023.
- (Dylid nodi y cyflwynir y penderfyniadau er pwyntiau cywirdeb yn unig).
5. **DALEN WEITHREDU** 11 - 12
- Derbyn y Ddalen Weithredu yn deillio o'r cyfarfod a gynhaliwyd ar 18 Hydref 2023.
6. **BLAENRAGLEN GWAITH 2023-24** 13 - 18
- Derbyn y flaenraglen gwaith.
7. **ADRODDIAD BLYNYDDOL 2022/2023 Y PWYLLGOR LLYWODRAETHIANT AC ARCHWILIO** 19 - 30
- Ystyried adroddiad y Swyddog Diogelu Data a Llywodraethiant.
8. **ARCHWILIO CYMRU: ARHOLIAD GOSOD AMCANION LLESIANT – CYNGOR BWRDEISTREF SIROL BLAENAU GWENT** 31 - 50
- Ystyried adroddiad y Prif Weithredwr Interim.

9. **ADRODDIAD DIWEDDARU BLYNYDDOL –
DEFNYDDIO PWERAU DAN DDEDDF RHEOLEIDDIO
PWERAU YMCHWILIO (RIPA) 2000** 51 - 54

Ystyried adroddiad y Pennaeth Cydymffurfiaeth
Cyfreithiol a Chorfforaethol.

10. **CYNNYDD ARCHWILIAD MEWNOL 2023/24** 55 - 70

Ystyried adroddiad yr Arweinydd Proffesiynol – Archwilio
Mewnol.

11. **COFRESTR RISG CORFFORAETHOL CH2 2023 /
2024** 71 - 114

Ystyried adroddiad y Prif Swyddog Adnoddau.

12. **DRAFFT DDATGANIAD CYFRIFON 2022/2023**

Ystyried adroddiad y Prif Swyddog Adnoddau.

To: J. Absalom (Cadeirydd)
S. Behr (Is-gadeirydd)
D. Bevan
K. Chaplin
W. Hodgins
Councillor C. Smith
J. Wilkins
M. Veale

All other Members (for information)
Interim Chief Executive
Chief Officers

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COUNTY BOROUGH OF BLAENAU GWENT

REPORT TO: **THE CHAIR AND MEMBERS OF THE
GOVERNANCE & AUDIT COMMITTEE**

SUBJECT: **GOVERNANCE & AUDIT COMMITTEE
18TH OCTOBER, 2023**

REPORT OF: **DEMOCRATIC OFFICER**

PRESENT: JOANNE ABSALOM (CHAIR)

Councillors S. Behr
D. Bevan
K. Chaplin
W. Hodgins
C. Smith

WITH: Interim Chief Executive
Chief Officer Resources
Head of Democratic Services, Governance & Partnerships
Head of Legal & Corporate Compliance
Service Manager for Development and Commissioning
Service Manager – Registration, Elections & Corporate
Complaints
Service Manager – Performance & Democratic
Senior Business Partner – Capital and Corporate
Accounting
Data Protection & Governance Officer

AND: **Representing Audit Wales**
Mr. Mike Jones

DECISIONS UNDER DELEGATED POWERS

<u>ITEM</u>	<u>SUBJECT</u>	<u>ACTION</u>
No. 1	<p><u>SIMULTANEOUS TRANSLATION</u></p> <p>It was noted that no requests had been received for the simultaneous translation service.</p>	
No. 2	<p><u>APOLOGIES</u></p> <p>Apologies for absence were received from:</p> <p>Councillor Joanna Wilkins, Mr. Martin Veale, Chief Officer Commercial and Customer, Audit and Risk Manager, Professional Lead – Internal Audit and Deborah Woods – Audit Wales.</p>	
No. 3	<p><u>DECLARATIONS OF INTEREST AND DISPENSATIONS</u></p> <p>There were no declarations of interests or dispensations reported.</p>	
-----	<p><u>AGENDA ITEM ORDER</u></p> <p>It was agreed that the following items would be considered at this juncture in the meeting:</p> <p>Item No. 8 – Statement of Accounts 2021/2022 Item No. 7 – The Annual Letter of the Public Service Ombudsman for Wales 2022/2023</p>	
No. 8	<p><u>STATEMENT OF ACCOUNTS 2021/2022</u></p> <p>Consideration was given to the reports of the Chief Officer Resources and Auditor General for Wales.</p> <p>It was unanimously,</p>	

	<p>RESOLVED that the report be accepted and Option 1 be endorsed, namely that on consideration of the report together with the External Auditor's report that the Statement of Accounts be approved under the delegated authority of the Council.</p>	
No. 7	<p><u>THE ANNUAL LETTER OF THE PUBLIC SERVICES OMBUDSMAN FOR WALES 2022/2023</u></p> <p>Members considered the report of the Head of Legal and Corporate Compliance.</p> <p>It was unanimously,</p> <p>RESOLVED that the report be accepted and Option 1 be endorsed, namely that assurance had been provided that the process for the monitoring of complaints was robust and the performance information provided reflected these practices.</p>	
No. 4	<p><u>GOVERNANCE & AUDIT COMMITTEE</u></p> <p>The decisions of the Governance & Audit Committee held on 20th September, 2023 were submitted.</p> <p>It was unanimously,</p> <p>RESOLVED that the decisions be accepted as a true record of proceedings.</p>	
No. 5	<p><u>ACTION SHEET – 20TH SEPTEMBER, 2023</u></p> <p>The Action Sheet arising from the meeting held on 20th September, 2023 was submitted.</p> <p>It was unanimously,</p> <p>RESOLVED that the Action Sheet be noted.</p>	

<p>No. 6</p>	<p><u>FORWARD WORK PROGRAMME 2023/2024</u></p> <p>Consideration was given to report of the proposed Forward Work Programme 2023/2024.</p> <p>It was unanimously,</p> <p>RESOLVED that the report be accepted and Option 1 be endorsed, namely that the Forward Work Programme be accepted.</p>	
<p>No. 9</p>	<p><u>AUDIT WALES: DIRECT PAYMENTS FOR ADULT SOCIAL CARE</u></p> <p>The report of the Interim Corporate Director of Social Services was submitted for consideration.</p> <p>It was unanimously,</p> <p>RESOLVED that the report be accepted and Option 1 be endorsed, namely that the Committee was assured that the Council's Management Response identified in Appendix 2 would appropriately respond to the Audit Wales recommendations.</p>	
<p>No. 10</p>	<p><u>BLAENAU GWENT COUNCIL SELF-ASSESSMENT OF 2022/2023</u></p> <p>Members considered the report of the Interim Chief Executive.</p> <p>It was unanimously,</p> <p>RESOLVED that the report be accepted and Option 1 be endorsed, namely that the Committee was assured that the Council's Self-Assessment 2022/2023 was an accurate account of the effectiveness of performance management arrangements of the Council.</p>	

<p>No. 11</p>	<p><u>PUBLIC INTEREST REPORT – ASSURANCE REVIEW FINDINGS</u></p> <p>Consideration was given to the report of the Head of Democratic, Governance & Performance.</p> <p>It was unanimously,</p> <p>RESOLVED that the report be accepted and Option 1 be endorsed, namely that the findings of the Assurance Review be noted and the recommendations outlined below be agreed:</p> <ul style="list-style-type: none"> • A Link Officer be identified within the Council to establish regular liaison meetings with Gwent Archives and Gwent Crematoria by the end of March 2024. • A Member Briefing be organised on the operations and services provided by the Gwent Archives and Gwent Crematoria by the end March of 2024. • All relevant strategic documents, annual business plan and accounts for Gwent Archives and Gwent Crematoria be included in the Forward Work Programme for the Partnerships Scrutiny Committee for 2024-25, and Council where relevant, at least twice a year. • The Terms of Reference be developed into a ‘governance toolkit’ for use by officers across the Council for providing assurance against existing companies and in the event of the establishment of any new ones by the end of March 2024. 	
<p>No. 12</p>	<p><u>INFORMATION GOVERNANCE ANNUAL REPORT</u></p> <p>The report of the Data Protection and Governance Officer was submitted for consideration.</p> <p>It was unanimously,</p>	

RESOLVED that the report be accepted and Option 1 endorsed, namely that the information in the report be accepted which gave an assurance that appropriate oversight and monitoring was taking place and any shortfalls had appropriate controls in place to make the necessary improvements.	
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Blaenau Gwent County Borough Council

Action Sheet

Governance & Audit Committee

Meeting Date	Action to be Taken	By Whom	Action Taken
21 st June, 2023	<p><u>Item 9 – Annual Report of the Audit and Risk Manager 2022/2023</u></p> <p>➤ An update be provided on the three large investigations that had commenced during the year, at the appropriate juncture.</p>	Audit & Risk Manager	Update to be provided at the appropriate time. Action: ongoing

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Agenda Item 6

Cabinet and Council only

Date signed off by the Monitoring Officer: N/A

Date signed off by the Section 151 Officer: N/A

Committee: **Governance and Audit Committee**

Date of meeting: **22nd November 2023**

Report Subject: **Forward Work Programme 2023-24**

Portfolio Holder: **Leader / Cabinet Member Corporate Overview and Performance**

Report Submitted by: **Scrutiny and Democratic Officer**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
		11.11.23	22.11.23					

1. **Purpose of the Report**
 - 1.1 To present the Forward Work Programme for 2023-24 (Appendix 1).
2. **Scope and Background**
 - 2.1 The Work Programmes are key aspects of the Council's planning and governance arrangements and support the requirements of the Constitution.
 - 2.2 The topics set out in the Forward Work Programme link to the strategic work of the Council as identified by the Council's Corporate Plan 2022-27, agreed by the Council in October 2022, corporate documents and supporting business plans.
 - 2.3 The Governance and Audit Committee Forward Work Programme is aligned to the Scrutiny Committee, Cabinet and Council Forward Work Programmes.
 - 2.4 The Work Programme is a fluid document and there is flexibility to allow for regular review between the Chair and the Committee.
3. **Options for Recommendation**
 - 3.1 **Option 1**
To accept the Forward Work Programme.
 - 3.2 **Option 2**
To suggest any amendments to the Forward Work Programme.

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Governance and Audit Forward Work Programme 2023/24

Topic	Purpose	Lead Officer
Meeting Date: 21st June 2023		
Forward Work Programme 2023/24	To agree the FWP for 2023/24	Scrutiny and Democratic Officer
Strategic Internal Audit Plan 2023-2028	To provide Members with the five-year strategic Audit Plan for the period 2023-2028.	Louise Rosser
Annual Report of the Audit and Risk Manager	To present the opinion of the Annual Opinion of the Audit & Risk Manager	Louise Rosser
Integrated Impact Assessment on the Civic Centre	To present the Integrated Impact Assessment the Civic Centre.	Ellie Fry / Bernadette Elias

Meeting Date: 12th July 2023		
Audit Wales Planning Review	To present the Audit Wales report.	Steve Smith
Annual Governance Statement 2021/22	To present the Annual Governance Statement (AGS).	Gemma Wasley

Topic	Purpose	Lead Officer
Meeting Date: 20th September 2023		
Internal Audit Charter	To provide an updated copy of the Internal Audit Charter.	Louise Rosser
Audit Plan Progress Report (Qtr 1)	To update Members on the progress against the Internal Audit Plan.	Louise Rosser
Corporate Risk Register (Qtr1)	To update Members on the Corporate Risk Register	Louise Rosser

Governance and Audit Forward Work Programme 2023/24

Meeting Date: 18th October 2023

Meeting Date: 18 th October 2023		
Annual Report of the Public Services Ombudsman for Wales 2021/22	To inform Members of the Council's performance regarding complaints to the Public Services Ombudsman for Wales.	Andrea Jones
Annual Self-Assessment of Council Performance 2022/23 To be published by 31st October each year	To present the Annual Self-Assessment of Council performance.	Sarah King
Review of Governance and oversight arrangements of companies of which the Council has an interest	Following the audit Wales review of Silent Valley and subsequent recommendation, the following companies will be included within this report: Gwent Crematorium Gwent Archives EAS ALT	Sarah King
Information Governance	To consider the report.	Steve Berry
National Audit Wales Study – Direct Payments for Adult Social Care	To present the Local Audit Wales report.	Tanya Evans
Statement of Accounts 2021/22	To present the 2021/22 Statement of Accounts and to consider the Authority's financial standing as at 31 March 2022.	Rhian Hayden
Audit of Financial Statements	To present the report.	Rhian Hayden

Governance and Audit Forward Work Programme 2023/24

Meeting Date: 22nd November 2023		
Audit Wales – Examination of the Setting of Well-being Objectives	To present the Local Audit Wales report.	Damien McCann / Sarah King
Annual Report of the Governance and Audit Committee	To present the Annual report of the Committee.	Steve Berry / Chair
Audit Plan Progress Report (Qtr 2)	To update Members on the progress against the Internal Audit Plan.	Louise Rosser
RIPA Activity	To report on authorised RIPA activity as per the Council's policy.	Andrea Jones
Draft Statement of Accounts 2022/23	To present for consideration the 2022/23 Draft Statement of Accounts and to consider the Authority's financial standing as at 31 March 2023.	Rhian Hayden
Corporate Risk Register (Qtr 2)	To update Members on the Corporate Risk Register	Louise Rosser

Topic	Purpose	Lead Officer
Meeting Date: 20th December 2023		
Items to be identified		

Meeting Date: 17th January 2024		
Audit Plan Progress report (Qtr 3)	To update Members on the progress against the Internal Audit Plan.	Louise Rosser

Meeting Date: 21st February 2024		
Statement of Accounts 2022/23	To present for approval the 2022/23 Statement of Accounts and to consider the Authority's financial standing as at 31 st March 2023.	Rhian Hayden
Audit of Financial Statements	To consider the report from the Council's External Auditors Wales Audit Office.	Rhian Hayden
Annual Governance Statement	To present the final Annual Governance Statement (AGS).	Gemma Wasley
Corporate Risk Register (Qtr 3)	To update Members on the Corporate Risk Register	Louise Rosser

Governance and Audit Forward Work Programme 2023/24

Meeting Date: 20th March 2024

Items to be identified		
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Meeting Date: 17th April 2024

Code of Governance	To present the revised Code of Governance for the Council.	Louise Rosser
Internal Audit Outturn 2023/24	To present the Internal Audit Outturn for 2023/24	Louise Rosser

Dates for Items to be confirmed

Audit Wales – Digital Strategy	To present the National and Local Audit Wales report.	Bernadette Elias
Audit Wales – Performance Data Review	To present the National and Local Audit Wales report.	Sarah King
Audit Wales – Unscheduled Care Project	To present the National Audit Wales report.	Tanya Evans / Alyson Hoskins
Risk Management Strategy and Risk Management Handbook	To present the updated Risk Management Strategy and Risk Management Handbook	Louise Rosser
Silent Valley Waste Services	To provide detail regarding the finalisation of the in-house transfer.	Rhian Hayden
Draft Annual Governance Statement 2022/23	To present the draft Annual Governance Statement (AGS).	Gemma Wasley
Audit Wales 2023 Audit Plan for BGCBC	To present the Audit Wales 2023 Audit Plan.	Rhian Hayden
BGCBC – Annual Audit Summary	To present the Audit Wales Annual Audit Summary.	Sarah King

Member Briefing Session

Review of progress against External and Internal Audit Recommendation	To provide an update to Members.	Various
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Agenda Item 7

Cabinet and Council only

Date signed off by the Monitoring Officer:

Date signed off by the Section 151 Officer:

Committee: **Governance and Audit Committee**
Date of meeting: **22nd November 2023**
Report Subject: **Governance and Audit Committee Annual Report 2022/2023**
Portfolio Holder: **Cllr Steve Thomas, Leader /Cabinet Member Corporate Overview and Performance**
Report Submitted by: **Steve Berry – Data Protection and Governance Officer**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
		11.11.23	22/11/2023					

1. Purpose of the Report

- 1.1 The purpose of the report is to provide the Governance and Audit Committee the Annual Report of the Committee.

2. Scope and Background

- 2.1 In accordance with CIPFA's best practice there is a requirement for the Governance and Audit Committee to be held to account by the Council for the work they undertake. To support this the Governance and Audit Committee now prepare a yearly report to the Council on its achievements and demonstrate its accountability.

- 2.2 The Governance and Audit Committee's Annual Report for 2022/23 (Appendix 1) provides the Council with the necessary information to demonstrate that it is meeting this requirement.

3. Options for Recommendation

3.1 Option 1

That the Governance and Audit Committee considers and accepts the information in the report which is given as assurance that appropriate oversight and monitoring is taking place and any shortfalls have appropriate controls in place to make the necessary improvements.

Option 2

That the Governance and Audit Committee considers the information contained and provides specific comment.

4. Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan

This topic relates to statutory regulation and compliance and also links to the Council's objective of an efficient Council within the Corporate Plan.

5. **Implications Against Each Option**
- 5.1 ***Impact on Budget (short and long term impact)***
The budget implications for this area relate to staff and committee member time in order to complete this work.
- 5.2 ***Risk including Mitigating Actions***
Failure to ensure that the Council is meeting its obligations under legislation can lead to significant problems.
- 5.3 ***Legal***
Much of the work undertaken by the Committee is to provide oversight on legal obligations on the Council.
- 5.4 ***Human Resources***
No direct implications
- 5.5 ***Health and Safety***
No direct implications
6. **Supporting Evidence**
- 6.1 ***Performance Information and Data***
Appendix 1 provides the relevant performance information.
- 6.2 ***Expected outcome for the public***
To provide assurance to the public of the Council's commitment and performance in these areas.
- 6.3 ***Involvement (consultation, engagement, participation)***
This is not an area in which public consultation or engagement is appropriate. Internal engagement on the operation of the Regulations and Policies is an ongoing process.
- 6.4 ***Thinking for the Long term (forward planning)***
The handling of requests and how the Council handles its obligations under the relevant legislation is under constant review in order to implement improvements when identified.
- 6.5 ***Preventative focus***
See above
- 6.6 ***Collaboration / partnership working***
All public bodies must adhere to the same legislation and are responsible for their own obligations.
- 6.7 ***Integration (across service areas)***
All service areas are subject to this legislation.
- 6.8 ***Decarbonisation and Reducing Carbon Emissions***
Not relevant to this topic

6.9 ***Integrated Impact Assessment (IIA)***

Not applicable

7. **Monitoring Arrangements**

7.1 Performance in this area will continue to be monitored by the relevant team and periodical reports provided to the Committee for oversight.

Background Documents /Electronic Links

- *Appendix 1 – BG GA Annual Report 2023*

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Blaenau Gwent County Borough Council

Annual Report of the Governance and Audit Committee 2022/2023

1. Foreword by Joanne Absalom, Chair of the Governance and Audit Committee

On behalf of all members of the Governance and Audit Committee, I am pleased to introduce the Committee's Annual Report for 2022/23. The report has been produced by Officers of the Authority and details work undertaken by the Committee during 2022/23.

The Governance and Audit Committee is a key component of the Council's governance framework and provides independent assurance on the effectiveness of its governance, risk, financial management, and internal control arrangements.

Throughout 2022/23 the Committee has been well supported by senior officers of the Authority, including the Chief Officer Resources, Head of Democratic Services, Governance and Partnerships, Chief Officer Commercial and Customer, Audit and Risk Manager, Professional Lead – Internal Audit and the Data Protection and Governance Officer. At various times throughout the year, where appropriate, the Committee has been able to discuss the findings of Internal Audit reports with a wide range of the Authority's officers. On each occasion the Committee has been reassured by the responses and follow up action outlined by Officers.

In September 2022 the Committee adopted its Terms of Reference which are set out as an Appendix to this report. As a Committee we are broadly satisfied that we have been able to fulfil our range of responsibilities, subject to a few exceptions:

- The draft Statement of Accounts for 2021/22 was presented to the Committee in November 2022. We were unable to formally adopt the Accounts during 2022/23 due to delays in the final external audit of the accounts. The delay with the external audit occurred as a result of the need to undertake an asset revaluation exercise following the implementation of a new Asset Register and the subsequent changes that needed to be made to the draft accounts. The 2021/22 accounts are now complete and work has continued into 2023/24 to finalise the Audit Statement.
- The Committee's work programme for 2022/23 included the regular review of updates of the Corporate Risk Register. These were delayed due to ongoing development of the Register and redevelopment of the Finance and Performance Report within the Authority. The Committee did receive training in Risk Management and its Work Programme for 2023/24 includes regular updates against the Authority's Corporate Risk Register (the first update being considered in September 2023).

- The Committee's responsibility to approve the Council's formal policies for combating fraud and anti-corruption will be discharged as part of its Work Programme for 2023/24. The Action Plan arising from the External Quality Assessment of Blaenau Gwent Internal Audit Services states that a Fraud Risk Register will be developed as part of the ongoing development of the Fraud Strategy (March 2024).

As Chair I would like to thank all Committee members for the productive and constructive way in which all discussions have been held over the last year, and for their valued contributions, thus ensuring that the Committee fulfils its role in an effective way.

Joanne Absalom

Chair Governance and Audit Committee

2. Introduction

- 2.1. The Chartered Institute of Public Finance and Accountancy (CIPFA) define an Audit Committee as a 'Key component of an authority's governance framework. Its function is to provide an independent and high level of resource to support good governance and strong public financial management.'
- 2.2. CIPFA state that an "audit committee should be able to provide an overall view on the adequacy of assurance arrangements and the outcome of assurances received. If the committee is not effective councillors, leaders and senior officers cannot place reliance on its work."
- 2.3. The Blaenau Gwent County Borough Council Governance and Audit Committee is a key part in the Council's Governance Framework. It provides independent governance assurance over the adequacy of the Council's governance and risk management frameworks, the internal control environment, and the integrity of the financial reporting. By overseeing internal and external audit and other regulators, the Committee makes an important contribution by ensuring effective assurance arrangements are in place.
- 2.4. The Audit Committee's role is also to increase public confidence in the objectivity and fairness of financial affairs and other matters of the Authority. The Governance and Audit Committee has a responsibility for ensuring there are adequate mechanisms in place to provide the Authority as a whole with independent assurance over the governance, risk management and internal control processes.
- 2.5. The Local Government (Wales) Measure 2011 (as amended by the Local Government and Elections (Wales) Act 2021) states that a Local Authority must appoint an Audit Committee to fulfil specific functions set out in the legislation. These are detailed in the Governance and Audit Committee's Terms of Reference outlined in the Council's Constitution (Sept 2022). It states the Committee's role and functions will be to:
 - 2.5.1. Review, scrutinise and issue reports and recommendations in relation to the Authority's financial affairs;
 - 2.5.2. Provide independent assurance of the adequacy of the risk management framework and the associated control environment;

- 2.5.3. Provide independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment;
 - 2.5.4. Oversee the financial reporting process.
 - 2.5.5. Oversee the effectiveness of the Council's complaints process (service complaints).
- 2.6. The full details of the Committee's Terms of Reference are held in Appendix A.
- 2.7. In supporting the Governance and Audit Committee deliver its terms of reference, there is a strong contribution from the independent members, the external advisors and regulators and the Internal Audit Team.

3. Work of the Governance & Audit Committee

Through the course of the year the Committee received a range of reports. These are detailed as follows:

Internal Audit Assurance

3.1.1 The Internal Audit Plan 2022-2027 detailing the 5 year strategic Audit Plan for the Council was presented to the Committee in July 2022. This was accepted by the Committee deeming it to provide sufficient coverage upon which the Audit and Risk Manager can provide an Annual Audit Opinion and enable the Governance and Audit Committee to fulfil its assurance role.

3.1.2 The Internal Audit Outturn Report 2021-2022 in July 2022 was presented detailing the Council's overall achievement against the Audit Plan for the 2021-22 period. This was accepted by the Committee.

3.1.3 In July 2022 the Committee received the Annual Report of the Audit and Risk Manager. This report was accepted and the annual opinion of the Audit and Risk Manager was noted as 'Based on the findings of the audit work undertaken during 2021/22, in my opinion, Blaenau Gwent County Borough Council's system of internal control during the financial year 2021/22 operates to a level which gives Reasonable Assurance on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.'

3.1.4 Also in July 2022 the Committee received the report of the Governance and Audit Committee Forward Work Programme 2022-2023. This report detailed the intended topics of consideration by the Committee for the 2022-2023 period. This was accepted by the Committee. Updates to this Forward Work Plan were also received during the period and accepted by the Committee.

3.1.5 The Public Sector Internal Audit Standards (PSIAS) require the Authority to have an Internal Audit Charter that sets out the service's purpose, authority and responsibility. A report detailing this titled "Internal Audit Charter" was presented by the Audit and Risk Manager in July 2022 and approved by the Committee.

3.1.6 Throughout the course of the 2022-2023 period a number of Internal Audit Progress Reports have been presented to the Committee. These reports highlight the work undertaken by the Internal Audit Service and how they comply with the Public Sector Internal Audit Standards (PSIAS). These reports were all accepted by the Committee and the finding noted.

3.1.7 A report on the Quality Assurance Improvement Programme was presented and accepted by the Committee in line with good practice and the requirements of the Public Sector Internal Audit Standards (PSIAS).

Annual/Routine Reports

3.2.1 The Chief Officer Resources and Section 151 Officer along with the Senior Business Partner presented the Statement of Accounts 2016/2017 through to 2020/2021 for the Council in April 2022. For each year the Statement of Accounts had previously been submitted but due to ongoing work had been unable to be completed. However this issue had now been overcome and the Auditor General been able to certify the audit for each year as complete. These reports were accepted by the Committee under the delegated authority of the Council.

The Statement of Accounts for the 2021/2022 were unable to be accepted at this time but are expected to be signed off in the near future.

3.2.2 In addition to the Statement of Accounts the Audit of Accounts Reports for the years 2016/2017 to 2020/2021 was also presented to the Committee in April 2022. These were presented alongside the Statement of Accounts for the same years (see 3.2.1) and accepted by the Committee.

Officers answered a number of queries raised by members of the Committee. The draft Statement of Accounts 2022/2023 is due to be presented to the Committee in due course.

As above, the Statement of Accounts for 2021/2022 remained outstanding but are expected to be progressed in the near future.

3.2.3 In September 2022 the Committee received a report from the Data Protection and Governance officer for the Governance and Audit Committee Terms of Reference. Following a review of the Committee's Terms of Reference the new terms were put forward to the Committee and accepted for use.

3.2.4 The Annual Governance Statement was received by the Committee in September 2022. This report assessed the effectiveness of the Authority's governance arrangements and was accepted by the Committee.

3.2.5 The Council's Self Assessment 2021-2022 report was received in October 2022 and accepted by the Committee who were assured that the report was an accurate account of the effectiveness and performance arrangements at the Council.

3.2.6 In November 2022 the Committee received a report presented by the Data Protection and Governance Officer on behalf of the Head of Legal and Corporate Compliance regarding the Use of Powers Under the Regulation of Investigatory Powers Act (RIPA) 2000. The report detailed how these powers had been utilised by the Council during the period and was accepted by the Committee with comments.

3.2.7 The Committee also received a report from the Head of Legal and Corporate Compliance detailing the corporate complaints received by the Council during the relevant quarters. Consideration was given to the report and it was accepted whilst seeking clarification on some areas and highlighting areas that they would like to consider for future monitoring.

3.2.8 In March 2023 the Committee received a report from the Chief Officer Commercial and Customer detailing a position statement against the objectives set out in the Business Case on the Shared Resource Service (SRS) Wales provision of ICT services for Blaenau Gwent. The report was accepted by the Committee.

External Audit Assurance and External Bodies

3.3.1 In July 2022 the Committee received a report from the Head of Democratic Services titled “Blaenau Gwent County Borough Council – Annual Audit Summary”. This report presented the Audit Wales Annual Audit Summary for the Council and showed the work completed since the last Audit Summary presented in April 2021. This report was accepted by the Committee and its findings noted.

3.3.2 The Committee also received in July 2022 the Audit Wales 2022 Audit Plan for Blaenau Gwent which detailed the work planned relating to the Council by the Auditor General for Wales when discharging his statutory responsibilities for the 2022-2023 period. This report was also accepted and noted by the Committee.

3.3.3 The Annual Letter of the The Public Services Ombudsman for Wales 2021/2022 was received in September 2022 and presented by the Head of Legal and Corporate Compliance. Consideration was given to the report and resolved that it be accepted with the Committee assured that the process for monitoring complaints was robust and that the performance information reflected these practices.

3.3.4 A report was received by the Committee in January 2023 detailing the External Quality Assessment of Blaenau Gwent’s Internal Audit Services. This report was accepted and the Committee agreed that it reflected their understanding of the Internal Audit Service and that the proposed action plan be agreed.

3.3.5 In January and March 2023 the Committee also received a number of reports from Audit Wales as follows:

- Corporate Safeguarding Follow Up
- “A missed opportunity” – Social Enterprises
- Learning from Cyber Attacks
- Assurance and Risk Assessment Review
- Springing Forward – Blaenau Gwent County Borough Council
- “Time for Change” – Poverty in Wales
- “Together we can” Community Resilience and Self-Reliance

These reports were all given consideration by the Committee, accepted and approved.

3.3.6 In March 2023 the Committee received the report from the Corporate Director of Education detailing the Blaenau Gwent Estyn Local Government Education Services (LGES) Inspection Outcome. This report detailed the outcome of the recent inspection of the authority’s Education Service and was accepted by the Committee with a request that further assurances around the process for measuring success be provided to the Committee in future monitoring and reporting.

4. Committee Membership

4.1 The Council is required by Section 81 of the Local Government (Wales) Measure 2011 (as amended by the Local Government and Elections (Wales) Act 2021) to have a Governance and Audit Committee with its roles and terms of reference set out.

4.2 There is no provision in the Local Government (Wales) Measure 2011 to allow the Governance and Audit Committee to form a sub-committee.

4.3 The rules of the membership of the Governance and Audit Committee state that it shall be appointed by Full Council subject to the following rules:

- a) At least two thirds of the members of the Governance and Audit Committee shall be elected members of the Council
- b) At least one third of the members of the Governance and Audit Committee shall be a voting lay member
- c) No more than one of the members of the Governance and Audit Committee shall be a member of the Council's executive
- d) The Senior Member of the Council's executive is not a member of the Governance and Audit Committee

4.4 The Governance and Audit Committee must also appoint a member as its Chair and Vice Chair. The member appointed as the Chair must be a lay person. The member appointed as the Vice Chair must not be a member of the executive or an assistant to the executive.

4.5 The Committee is serviced by Council Officers, principally the Chief Officer Resources, Head of Internal Audit, Senior Auditor, Data Protection and Governance Officer and Democratic Services. Representatives from Audit Wales also attend Committee meetings.

4.6 During 2022/2023 a structured workplan has been followed by the Committee which covered all areas of the relevant responsibilities with the aim of obtaining assurance over the areas included in its terms of reference. The Committee has received reports covering these responsibilities during this time with the exception of the Statement of Accounts for 2021/2022 which has unfortunately been delayed and expected to be progressed shortly.

The Committee includes space for 3 lay members although 1 of these is currently a vacancy.

4.7 Following the resignation of a lay member in late 2022 an unsuccessful recruitment exercise was run in early 2023. This has been repeated more recently and some dates for interview are currently being proposed with the expectation of filling the vacancy.

4.8 The Governance and Audit Committee met on 8 occasions during the period of 2022/2023 on the following dates:

- 14th April 2022
- 11th July 2022
- 27th July 2022
- 21st September 2022
- 20th October 2022
- 16th November 2022
- 30th January 2023
- 9th March 2023

4.9 Committee Membership in 2022/2023 consisted as follows:

- Mrs Joanne Absalom (Lay Member) (Chair)
- Cllr Sonia Behr (Vice Chair)
- Mr Martin Veale (Lay Member)
- Mr Terry Edwards (Lay Member) (resigned from post November 2022)
- Cllr Jules Gardner
- Cllr Wayne Hodgins
- Cllr Chris Smith
- Cllr Tommy Smith
- Cllr Joanna Wilkins

5. Forward Plans

5.1 In order to support the Committee in performing effectively and ensure it fulfils its purpose, CIPFAs view on the role and functions of an Audit Committee as detailed in their Practical Guidance for Local Authorities and Police 2022 edition identifies that a regular self-assessment and the development of a knowledge and skills training program can be used to support the planning of the work programme and training plans. The intention is now to follow recommended practices to help to achieve a good standard of performance in developing an effective Governance and Audit Committee and questionnaires will be distributed to Committee members in due course.

5.2 The Governance and Audit Committee's Annual Report will be produced each year to ensure the programme of work continues to be aligned with the Committee's Terms of Reference and that the contribution made is beneficial in demonstrating the effectiveness of the Committee.

Appendix A – Terms of Reference of the Blaenau Gwent County Borough Council Governance and Audit Committee



The Governance and
Audit Committee 2022

Agenda Item 8

Cabinet and Council only

Date signed off by the Monitoring Officer: N/A

Date signed off by the Section 151 Officer: N/A

Committee: **Governance and Audit Committee**
Date of meeting: **22nd November 2023**
Report Subject: **Audit Wales: Well-being Objective Setting Examination – Blaenau Gwent County Borough Council**
Portfolio Holder: **Cllr Steve Thomas, Leader / Cabinet Corporate Overview and Performance**
Report Submitted by: **Damien McCann, Interim Chief Executive**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance and Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
	Oct 2023	11.11.23	22.11.23					

1. **Purpose of the Report**
 - 1.1 The purpose of the report is to provide the Governance and Audit Committee with the Audit Wales Report, ‘*Well-being Objective Setting Examination*’ (Appendix 1).

2. **Scope and Background**
 - 2.1 Audit Wales published their report, ‘*Well-being Objective Setting Examination*’ in September 2023.

 - 2.2 The aim of the Audit Wales examination was to:
 - explain how the Council applied the sustainable development principle at key points in the process of setting its well-being objectives;
 - provide assurance on the extent that the Council applied the sustainable development principle when setting its well-being objectives; and
 - identify opportunities for the Council to further embed the sustainable development principle when setting well-being objectives in future.

 - 2.3 The report identified 3 recommendations:

R1 The Council should strengthen its application of the sustainable development principle when it next develops its well-being objectives by drawing on the views of the full diversity of the population to inform the objectives.

R2 The Council should demonstrate more clearly in future corporate plans:
 - how it has applied the sustainable development principle in the setting of its well-being objectives; and
 - the steps it intends to take to deliver its well-being objectives.
R3 The Council should ensure there is an effective framework for assessing progress against the well-being objectives over the short, medium and long term and that measures reflect the strategic and cross-cutting nature of the objectives.

- 2.4 Blaenau Gwent's response to the identified recommendations can be found in Appendix 2: Audit Wales Management Response.

Options for Recommendation

3.1 **Option 1**

Governance and Audit Committee is assured that the Council's Management Response, identified in Appendix 2, will appropriately respond to the Audit Wales recommendations.

3.2 **Option 2**

Provide comment on the Audit Wales review and Council's Management Response, identified in Appendix 2, to address the recommendations for Officers to implement, to provide continuous improvement.

4. Monitoring Arrangements

- 4.1 The recommendations from Audit Wales will be included within the business plan and updated on a quarterly basis.

The information will be reported within the Joint Finance and Performance Report to Corporate Overview and Performance Scrutiny Committee and Cabinet.

Regular meetings are held with Audit Wales to assess progress of reports.

Background Documents /Electronic Links

Appendix 1 – Audit Wales Report – “Well-being Objective Setting Examination”

Appendix 2 – Blaenau Gwent Management Response

Well-being Objective Setting Examination – Blaenau Gwent County Borough Council

Audit year: 2022-23

Date issued: September 2023

Document reference: 3802A2023

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and Audit Wales are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to Audit Wales at infoofficer@audit.wales.

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

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

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

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

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

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

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

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

Carrying out our examination at Blaenau Gwent County Borough Council

- 6 The aim of this examination was to:
- explain how the Council applied the sustainable development principle at key points in the process of setting its well-being objectives;
 - provide assurance on the extent that the Council applied the sustainable development principle when setting its well-being objectives; and
 - identify opportunities for the Council to further embed the sustainable development principle when setting well-being objectives in future.
- 7 We set out to answer the question ‘to what extent has the Council acted in accordance with the sustainable development principle when setting its new well-being objectives’. We did this by exploring the following questions:
- Was the process the Council put in place to set its well-being objectives underpinned by the sustainable development principle?
 - Has the Council considered how it will make sure it can deliver its well-being objectives in line with the sustainable development principle?
 - Has the Council put in place arrangements to monitor progress and improve how it applies the sustainable development principle when setting its well-being objectives?
- 8 We discussed the timing of the examination with the Council and we tailored the delivery to reflect its specific circumstances.
- 9 We gathered our evidence in the following ways:
- reviewing key documents; and
 - running a workshop with officers who were involved with setting the well-being objectives.

How and when the Council set its well-being objectives

- 10 The Council commenced work on setting new well-being objectives during 2022 then published its new objectives in October 2022. **Exhibit 1** sets out those well-being objectives.
- 11 The Council published its well-being objectives as part of its Corporate Plan, which included its well-being statement that is required under the Act. The [Corporate Plan](#) can be viewed on the Council’s website.

Exhibit 1: The Council's well-being objectives 2022-27

Maximise learning and skills for all to create a prosperous, thriving, resilient Blaenau Gwent

Respond to the nature and climate crisis and enable connected communities

An ambitious and innovative council delivering quality services at the right time and in the right place

Empowering and supporting communities to be safe, independent and resilient

What we found

The Council can describe how it considered the sustainable development principle when setting its well-being objectives, but it could more clearly document this and the steps it will take to deliver them, as well as strengthening citizen involvement

Planning

- 12 The Council told us it drew on various data sources to inform its understanding of current and future challenges. These include: Data Cymru; legislative changes; its self-assessment against previous objectives; and intelligence from officers within service areas. It also drew on the Gwent Public Services Board's (PSB) well-being assessment. This contains a comprehensive range of data and intelligence from varying sources.
- 13 The Council did not consult on its draft well-being objectives. Though it did draw on information collected through existing activity to understand what is important to local people. It is not clear whether the Council considered if its engagement intelligence was representative of the population, and covered the breadth of areas necessary, as this isn't documented. But officers recognise the need to do more to involve the full diversity of the population, particularly given changing demographics in the county. It also told us it will continue to use ongoing engagement to inform the actions that support the objectives. We understand this will be reflected in the Council's new participation strategy.

- 14 Officers drew together this intelligence and used it to inform discussions at facilitated workshops with the Corporate Leadership Team and Cabinet. Outputs from the sessions show a series of common priorities which form the basis for the well-being objectives.
- 15 The well-being objectives seek to make long-term improvements that extend beyond the 5-year Corporate Plan. The Council recognises that the actions it takes over the next 5 years will be important in achieving some of its longer-term objectives, even if it's unable to evidence the impact of those actions for several years.
- 16 The new well-being objectives are more cross-cutting in nature than previous Council priorities. The Council intends this integrated approach to encourage shared ownership of the objectives and will require directorates to work together to deliver them. But although the well-being objectives are cross-cutting, business planning takes place on a service / directorate basis. The Council will therefore need to ensure that these arrangements do not hinder the development of cross-cutting actions and measures.
- 17 There is a high-level understanding of how the well-being objectives relate to what other public bodies are seeking to achieve. For example, the Council has developed its objectives so they align with the PSB draft objectives. Once the PSB's well-being plan is agreed, the Council will work with other members of the local delivery group to develop an area plan. This should help align actions that will contribute to delivering the region's collective aims.
- 18 The Council has also considered how its well-being objectives align with the national well-being goals and the 'Marmot Principles'. The latter are a set of guiding principles, adopted by the Gwent PSB and its member bodies, designed to tackle the root causes of health inequalities.

Resourcing and delivery

- 19 The Corporate Plan does not clearly set out the steps, or actions, the Council will take to deliver the well-being objectives. Steps help clarify what a body plans to do to deliver each objective. When accompanied by clear measures, they can also help citizens understand what difference the well-being objectives will make to them. Whilst actions relating to well-being objectives feature in service and directorate business plans, these plans are not published. So, it is not currently clear to the public what actions the Council plans to take against each objective, over what timescale and what progress it anticipates making. The Council should therefore consider how it can make some of the detail that sits below the well-being objectives more transparent.
- 20 The Council recognises the need to work with others to deliver its well-being objectives. We are aware of existing collaborative arrangements and ongoing consideration of further opportunities for joint working. The Corporate Plan lists the partners the Council will work with but doesn't include any detail on how this will work in practice or the actions / projects the partnership working relates to.

- 21 The Council has set out its intention to ensure that its Medium Term Financial Strategy (MTFS) and Corporate Plan are aligned. It told us it will continue to review and update the MTFS regularly to reflect the costs of the actions it will take to deliver the wellbeing objectives. The 2023-24 budget provides examples of the Council prioritising spending on the Plan's priorities, such as education. It also demonstrates investment in preventative services which aim to reduce cost and demand for statutory services over the medium to long-term. But the Council also recognises the challenges of funding the Plan and balancing short and longer-term needs when allocating resources, particularly in the context of the current economic climate. It told us that some actions may take longer to deliver as result. This underlines the importance of aligning the Corporate Plan and well-being objectives with the MTFS, annual budget and business planning arrangements.

Monitoring and review

- 22 Although the Corporate Plan lists the measures the Council will use to assess progress against the well-being objectives, it contains no baseline data, targets or timescales. As a result, it's not clear from the Plan what progress the Council aims to achieve over the next 5 years.
- 23 The Council's business planning arrangements provide the main mechanism for delivering and measuring progress against the Corporate Plan. Each directorate and service should have a business plan that sets out actions and performance targets linked to the priorities and well-being objectives set out in the Corporate Plan. Business plans should be updated quarterly to inform regular monitoring and reporting. They also feed into the Council's annual self-assessment process.
- 24 But we found inconsistencies in the quality of business plans and will undertake a review later this year to assess the effectiveness of the council's business planning and performance management arrangements. The review will seek to establish the extent to which these arrangements will help the Council to deliver its well-being objectives in accordance with the sustainable development principle.

Recommendations

R1 The Council should strengthen its application of the sustainable development principle when it next develops its well-being objectives by drawing on the views of the full diversity of the population to inform the objectives.

R2 The Council should demonstrate more clearly in future corporate plans:

- how it has applied the sustainable development principle in the setting of its well-being objectives; and
- the steps it intends to take to deliver its well-being objectives.

R3 The Council should ensure there is an effective framework for assessing progress against the well-being objectives over the short, medium and long term and that measures reflect the strategic and cross-cutting nature of the objectives.

Appendix 1

Key questions and what we looked for

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

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

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

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

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

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

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

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

development principle to setting its well-being objectives?

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



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

Organisational response

Report title: Well-Being Objective Setting Examination – Blaenau Gwent County Borough Council

Completion date:



Ref	Recommendation	Organisational response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
R1	The Council should strengthen its application of the sustainable development principle when it next develops its well-being objectives by drawing on the views of the full diversity of the population to inform the objectives.	This will be incorporated into the new Participation and Engagement Strategy to be approved in 2024.	By March 2024	Service Manager Policy, Partnership and Engagement / Wider CLT
R2	The Council should demonstrate more clearly in future corporate plans: <ul style="list-style-type: none"> how it has applied the sustainable development principle in the setting of its well-being objectives; and the steps it intends to take to deliver its well-being objectives. 	The Council will be undertaking a review of the Corporate Plan and submitting to Council in late 2023. The reviewed Plan will include narrative on how the sustainable development principle informed the Well-being Objectives and also the steps we will take to deliver the Objectives as part of the Business Planning process.	By March 2024	Service Manager Performance and Democratic / CLT
R3	The Council should ensure there is an effective framework for assessing progress against the well-being objectives over the short, medium and long term and that measures reflect the strategic and cross-cutting nature of the objectives.	The Well-being Objectives have been included in the Business Plans and reflect their cross cutting nature. Work to be undertaken to identify the timeframe of progress in the short, medium and long term.	By March 2024	Service Manager Performance and Democratic / Wider CLT

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Agenda Item 9

Executive Committee and Council only

Date signed off by the Monitoring Officer:

Date signed off by the Section 151 Officer:

Committee: **Governance and Audit Committee**
Date of meeting: **22nd November 2023**
Report Subject: **Annual Update Report – Use of Powers under the Regulation of Investigatory Powers Act (RIPA) 2000**
Portfolio Holder: **Cllr Steve Thomas, Leader / Cabinet Member Corporate Overview and Performance**
Report Submitted by: **Andrea Jones, Head of Legal and Corporate Compliance**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance and Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
	November '23	11.11.23	22.11.23					

1. Purpose of the Report

- 1.1 The purpose of the report is to provide the Governance and Audit Committee with information relating to the Council's use of statutory powers under the Regulation of Investigatory Powers Act (RIPA) 2000 for the period 2022/2023, as required under the Council's RIPA policy and procedures.

2. Scope and Background

- 2.1 The Council can only undertake covert surveillance if the proposed operation is authorised internally by one of the named authorising officers and in addition any proposed surveillance must also be approved by a Magistrates' Court. A Council can only use directed surveillance if it is necessary to prevent or detect criminal offences which attract a custodial sentence of six months or more, or criminal offences relating to the underage sale of alcohol or tobacco. The use of the Council's powers under RIPA has reduced significantly over recent years and this is a trend noted across the UK. Use of the powers has to be demonstrated to be proportionate to what is sought to be achieved. For most areas of Council activity, it would not be proportionate to utilise the powers.
- 2.2 The Governance and Audit Committee monitors activity in this area, and this report contains information which seeks to provide assurance on the effective operation of the Council's policy in relation to the Act. The information provided covers the period 1st August 2022 – 31st July 2023.

3. Options for Recommendation

3.1 Option 1

That the Governance and Audit Committee considers and accepts the information in the report which is given as assurance that appropriate oversight and monitoring is taking place.

Option 2

That the Governance and Audit Committee considers the information contained in the report and provides specific comment.

4. **Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

This topic relates to statutory regulation and compliance and also links to the Council's objective of Efficient Council within the Corporate Plan.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

There is a budget implication in terms of the cost of providing ongoing training for staff across the Council.

5.2 ***Risk including Mitigating Actions***

Misuse/abuse of the powers is potentially a criminal offence. The Council's Monitoring Officer maintains a centralised record of all the Council's authorisations/applications and proactively monitors the activity to ensure compliance with the Act and the Council's policy. The Council's policy and operational procedure is reviewed regularly, and training is undertaken for all relevant officers who engage the legislation.

In addition, all officers have been made aware of the risks in connection with frequent viewing of social media sites for the purpose of gathering information on persons of interest. Such activity may inadvertently fall within the legislation and require formal authorisation.

5.3 ***Legal***

The Regulation of Investigatory Powers Act 2000 regulates the use of a range of investigative powers by a variety of public authorities. It provides a statutory framework for the authorisation and conduct of certain types of surveillance. The aim is to provide a balance between preserving an individual's right to privacy and enabling enforcement agencies to gather evidence for effective enforcement action within their communities in order to improve the quality of life for its residents.

Local authorities can only use the powers for the prevention and detection of crime and their use is subject to independent oversight by Judicial Commissioners – the Investigatory Powers Commissioner's Office (IPCO) who oversee the use of investigation powers by intelligence agencies, police forces and public authorities. The IPCO undertake an audit of all councils every three years. The last audit of Blaenau Gwent Council took place in July/August 2023. The outcome was that the Inspector was satisfied that the Council is demonstrating assurance of ongoing compliance with RIPA and the Council will not require further inspection this year. The next inspection is due in 2026.

5.4 ***Human Resources***

No direct implications.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

- Access to Communications Data: in relation to this category of surveillance, no applications were made.
- Authorisation of directed surveillance: Five applications were made and granted. However, one of these applications did not proceed.

- Covert Human Intelligence Sources: No applications were made.

RIPA training was last delivered to 59 staff across directorates in May/June 2022 and is intended to be refreshed on a two-yearly basis in 2024.

The RIPA Policy and Procedure have undergone a minor review in July 2023 to reflect changes in the organisation (e.g. staff contacts updated) and a full review is planned for early 2024.

6.2 *Expected outcome for the public*

To provide assurance to the public of the appropriate and proportionate use of statutory powers.

6.3 *Involvement (consultation, engagement, participation)*

This is not an area in which public consultation or engagement is appropriate. Internal engagement on the operation of the Regulations and Policies is an ongoing process.

6.4 *Thinking for the Long term (forward planning)*

The use of the powers is connected with improving the quality of life for residents and keeping safe from harm.

6.5 *Preventative focus*

See above.

6.6 *Collaboration / partnership working*

All relevant public bodies must adhere to the same statutory regime.

6.7 *Integration (across service areas)*

All service areas are subject to the law & the policy, and the Monitoring Officer ensures oversight and consistency of approach and application.

6.8 *Decarbonisation and Reducing Carbon Emissions*

Not relevant to this topic.

6.9 *Integrated Impact Assessment*

No applicable.

7. *Monitoring Arrangements*

- 7.1 The Council's RIPA Monitoring Officer together with the Governance and Audit Committee is responsible for oversight of the regime and must monitor the use of these powers.

Background Documents /Electronic Links

The Council's Policy and Operational Procedure, available on the Council's Intranet.

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Agenda Item 10

Cabinet and Council only

Date signed off by the Monitoring Officer:

Date signed off by the Section 151 Officer:

The Committee: **Governance & Audit Committee**
Date of meeting: **22nd November 2023**
Report Subject: **Internal Audit Progress 2023/24**
Portfolio Holder: **Cllr Steve Thomas – Leader / Cabinet Member for Corporate Overview and Performance**
Report Submitted by: **Andrea Owen Professional Lead - Internal Audit**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance & Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
virtual	09/11/2023	11.11.23	22/11/2023					

1. Purpose of the Report

- 1.1 The purpose of this report is to update the Governance & Audit Committee on the progress against the Internal Audit Plan for the period 1st July 2023 to 30th September 2023.

2. Scope and Background

- 2.1 The report highlights the work undertaken by the Internal Audit Service and complies with the Public Sector Internal Audit Standards (PSIAS).
- 2.2 The Internal Audit Plan has been compiled based upon Risk Assessments whereby each potential audit area is scored using a risk matrix. The scoring matrix uses a set of criteria relating to the audit risks, the Authority's objectives and the views of Senior Managers.
- 2.3 The audit work allocated to staff for the period July to September 2023 is based on the outcomes of the Risk Assessment exercise. This approach allows flexibility in the audit plan and can accommodate an individual auditor's experience and skill set when allocating audits.

3. Recommendation

- 3.1 The Governance & Audit Committee consider the report and findings within the attached Appendices, notes the progress on activities for the period 1st July to 30th September 2023, providing appropriate challenge where relevant.

4. Evidence of how this topic support the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan

- 4.1 In line with the Corporate Plan Priority of an ambitious and innovative council delivering quality services at the right time and in the right place, presentation of the Internal Audit progress report demonstrates the breadth

and depth of the audit coverage of the Council's systems and internal controls. In doing this it also enables the Chief Officer – Resources to satisfy her statutory duties under Section 151 of the Local Government Act (1972) in providing an effective Internal Audit Service.

- 4.2 The Governance & Audit Committee, in their role as those charged with governance, and in compliance with the PSIAS, have a responsibility to oversee the performance of the Internal Audit function including receiving a summary of the work upon which the Audit and Risk Manager will base her annual audit opinion.

5. **Implications Against Each Option**

5.1 Impact on Budget

There are no direct financial implications resulting from this report.

5.2 Risk including Mitigating Actions

The report demonstrates the breadth and depth of audit coverage to provide assurance that key areas of concern and areas deemed to have the highest risk priority are being examined during the financial year. Failure to cover sufficient audit areas exposes the Authority to the risk that weaknesses within specific systems in the Authority's internal control environment are not being identified, resulting in increased financial or reputational damage. This is mitigated by regular review of progress and reprioritisation as appropriate.

5.3 Legal

Provision of an adequate audit service, demonstrated in part through the production of a suitable audit plan, contributes to the Section 151 officer being able to fulfil her statutory duties under the Local Government Act (1972).

5.4 Human Resources

The section currently has a complement of six full time posts. This includes two posts that have been subject to appointments within the last 18 months.

- 5.4.1 The section's sickness for the period 1st April to 30th September 2023 is an average of 2.17 days per person against an annual directorate target of 7 days per person.

5.5 Health and Safety

There are no direct health and safety implications arising from this report.

6. **Supporting Evidence**

6.1 Performance Information and Data

Activities during the period 1st July to 30th September 2023 are set out in Appendix A attached. The format shows a summary of findings from audit reports produced in the period, including a formal audit opinion where

appropriate. Where individual audits are graded as Limited Assurance, or No Assurance an Internal Audit report will be provided as appendices for Members' consideration. The Follow –Up audit completed during the period where weaknesses have not been implemented is presented at Appendix B.

6.1.1 Performance data for the Section for the period to 30th September 2023 is presented at Appendix C. The grading's issued during the period and percentage coverage for each department is shown at Appendix D and E.

6.1.2 All local performance indicators are being achieved. The Internal Audit plan completed is 36.53% against a target of 36.50%.

6.2 Expected outcome for the public

An effective Internal Audit Service and Governance & Audit Committee will assist with the stewardship of public money providing assurance to the communities of Blaenau Gwent on the robustness of the Authority's internal controls.

6.3 Involvement (consultation, engagement, participation)

Prior engagement has been undertaken with Heads of Services when determining the risk assessments for the audit plan.

6.4 Thinking for the Long term (forward planning)

The work of Internal Audit is intended to provide advice and guidance on system improvements resulting in an improved control environment for the future of the Authority.

6.5 Preventative focus

Internal Audit provides a cost effective and professional Audit review of the Authority's internal control environment with the aim of minimising the risk of loss from error, fraud, or irregularities.

6.6 Collaboration / partnership working

There are no collaboration / partnership working arrangements arising from this report.

6.7 Integration (across service areas)

The audit plan is developed with a view to providing assurance on the whole of the Authority's control environment. Audit assignments are conducted for a range of activities across all directorates in order for the Audit and Risk Manager to provide an annual audit opinion that an adequate internal audit service has been provided.

6.8 Decarbonisation and Reducing Carbon Emissions.

No impact for this report.

Integrated Impact Assessment

6.9 Not applicable.

7. **Monitoring Arrangements**

- 7.1 Internal Audit reports are presented to the Governance & Audit Committee as part of the progress report. Where audit assignments have been graded as Limited Assurance or No Assurance, the Internal Audit Report will be provided as appendices for Members' consideration.
- 7.2 Performance data for the Section is periodically presented to members as part of the ongoing progress reports.
- 7.3 The levels of audit coverage and the grading's of individual audits will inform the annual opinion of the Audit and Risk Manager and supports the Governance & Audit Committee in fulfilling its assurance role to the citizens of Blaenau Gwent.

Background Documents /Electronic Links

- Appendix A - Audit activities for the period July to September 2023.
- Appendix B - Follow- Up Audit where weaknesses have not been implemented or unable to test during the review.
- Appendix C - Performance Indicators 2023/24.
- Appendix D - Grading's issued for the period April to September 2023.
- Appendix E - Percentage coverage for each department.

Directorate	Service Area	Audit Area	Audit Scope	Grading	Progress / Comments
Commercial	Workforce Management	Absence Management	To determine the effectiveness of the internal controls operating in respect of Absence Management.	Not yet determined	A review comenced in August 2023. Audit testing ongoing.
	Procurement	Contract Safeguarding	To determine the effectiveness of the internal controls operating for contracts in respect of Safeguarding.	Not yet determined	A review comenced in September 2023. Audit testing ongoing.
		Contracts - Under 75K	To determine the effectiveness of the internal controls and ensure compliance with Contract Procedure Rules for contracts under 75K.	Not yet determined	A review comenced in September 2023. Audit testing ongoing.
		Contracts - Agency	To determine the effectiveness of the internal controls operating for contracts in respect of Agency staff	Not yet determined	A review comenced in August 2023. Audit testing ongoing.
Education	Education Transformation	Control Risk Self Assessment	Internal Audit review of the Control Risk Self Assessment (CRSA) programme issued to all schools.	Not yet determined	A review commenced in April 2023. Audit testing is ongoing.
		Youth Support Grant (Annual Audit)	Internal Audit review to ensure compliance with the grant terms and conditions including signing the Grant Certificate for Welsh Government.	Full Assurance	Audit certificate and report issued in July 2023. No weaknesses identified.
	Inclusion Services	Out of county placements education	To determine the effectiveness of the internal controls operating in respect of Out of County Education Placements.	Not yet determined	A review comenced in June 2023. Audit testing ongoing.
Resources	Financial Services	Creditors - Central Control Risk Self Assessment (CRSA)	To determine the effectiveness of the internal controls operating in with regards to the Creditors System. A Control Risk Self Assessment (CRSA) methodology has been used for this audit.	Not yet determined	Draft report issued in September 2023. A meeting has been arranged to agree an action plan.
		Pupil Development Grant	Internal Audit review to ensure compliance with the grant terms and conditions including signing the Grant Certificate for Welsh Government.	Reasonable Assurance	Audit certificate and report issued in September 2023. 1 weakness was identified classified as Medium Risk.
		Regional Consortia School Improvement Grant	Internal Audit review to ensure compliance with the grant terms and conditions including signing the Grant Certificate for Welsh Government.	Reasonable Assurance	Audit certificate and report issued in September 2023. 2 weaknesses were identified both classified as Medium Risk.
		Silent Valley Leasing	A review to determine the correct leasing arrangemnts have been novated to Blaenau Gwent Council	Not yet determined	Draft report issued in September 2023. A meeting has been arranged to agree an action plan.
	Revenue Services	Petty Cash(C/fwd 2022-23)	To determine the effectiveness of the internal controls operating in respect of Petty Cash Accounts.	Not yet determined	Draft report issued June 2023. A meeting is still to be arranged to agree an action plan.
		Social Services Debtors Control Risk Self Assessment (CRSA)	To determine the effectiveness of the internal controls operating in respect of Social Services Debtors.	Not yet determined	A review comenced in May 2023. Audit testing ongoing.
Social Services	Adult Services - Development & Commissioning	Supporting People Grant (RDC Post)	Internal Audit review to ensure compliance with the grant terms and conditions including signing the Grant Certificate for Welsh Government.	Full Assurance	Audit certificate and report issued in August 2023. No weaknesses identified.
		Supporting People Grant New Combined	Internal Audit review to ensure compliance with the grant terms and conditions including signing the Grant Certificate for Welsh Government.	Full Assurance	Audit certificate and report issued in August 2023. No weaknesses identified.
		Domiciliary Care	To determine the effectiveness of the internal controls operating in respect of Internal Domiciliary Care.	Not yet determined	Draft report issued in July 2023. A meeting has been arranged to agree an action plan.
		Community Meals Service	To determine the effectiveness of the internal controls operating in respect of Community Meals.	Not yet determined	A review comenced in August 2023. Audit testing ongoing.
	Community Care East & West Follow up	Follow up review to determine the action taken on the weaknesses made as a result of the audit.	Not Applicable	A review commenced in August 2023 to ensure the 13 weaknesses agreed as a result of the audit had been implemented. 4 weaknesses had been fully implemented, 1 had been partly implemented, 3 were unable to test and 5 had not been implemented during the review. The weaknesses not implemented and unable to test can be seen at appendix B	
Regeneration and Community Services	Community Services - Public Protection	Homelessness - No One Left Out Grant	Internal Audit review to ensure compliance with the grant terms and conditions including signing the Grant Certificate for Welsh Government.	Full Assurance	Audit certificate and report issued in September 2023. No weaknesses identified.
	Community Services - Public Protection	Enable Grant	Internal Audit review to ensure compliance with the grant terms and conditions including signing the Grant Certificate for Welsh Government.	Reasonable Assurance	Audit certificate and report issued in September 2023. 1 weakness was identified classified as High Risk.
	Property	Asbestos Management	To determine the effectiveness of the internal controls operating in respect of Asbestos Management.	Not yet determined	A review comenced in July 2023. Audit testing ongoing.
	Regeneration - Thriving Communities	Shared Prosperity Fund	To determine the effectiveness of the internal controls operating in respect of the Service Level Agreement for the Shared Prosperity Fund.	Not yet determined	A review comenced in June 2023. Audit testing ongoing.
Governance and Partnerships	Partnership and Policy	Community Safety	To determine the effectiveness of the internal controls opertating in respect of Community Safety, with particular emphasis on Domestic Homicide review (DHR)	Not yet determined	A review comenced in July 2023. Audit testing ongoing.

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FOLLOW - UP AUDIT - PROGRESS REPORT FOR THE PERIOD JULY TO SEPTEMBER 2023.

Appendix B

The table below provides details of the results of follow-up audit where original audit weaknesses have not been implemented or were unable to test during the review:

AREA	SUMMARY OF WEAKNESS	AGREED ACTION	FOLLOW UP FINDINGS
Community Care East/West Follow Up	The Care Management policy or guidance notes were out of date at the time of the audit.	The Care Management guidance notes are being reviewed and updated as necessary in accordance with the new procedures and documentation that are being designed. These will be subject to formal DMT approval.	The Care Management policy and guidance notes are still currently in the process of development. <u>Audit Satisfied</u> - No
Community Care East/West Follow Up	There were instances identified where the Tier 1 Quality Assurance (QA) Self-Assessment form had not been completed and attached to the WCCIS system.	The process is being redesigned with the QA process being integrated within the ordinary procedures that must be completed by the practitioner within each case.	From a sample of ten service user examined during the Follow Up Audit , Tier 1 Quality Assurance (QA) forms had not been attached to WCCIS system in three instances. <u>Audit Satisfied</u> - No

Community Care East/West Follow Up	There were instances identified where a Consent to Share Information document had not been attached to WCCIS system.	The Consent to Share process is being redesigned where the information is captured and verified once. Consent to Share will form part of the Care Management and QA process that is integrated.	From the sample examined there was two instances the where Consent to Share document could not be verified. <u>Audit Satisfied</u> - No
Community Care East/West Follow Up	There was one instance identified where a review process had been completed but had not been recorded on the appropriate review document and attached to WCCIS system.	The new Care Management and QA process will enforce the completion of each stage before allowing the ability to move onto the next stage/document.	It was noted that in some instances reviews are being actioned and case notes are attached to WCCIS. However, it was noted that review forms were not always conducted annually and there was instances where a review could not be verified. <u>Audit satisfied</u> - No
Community Care East/West Follow Up	The Corporate Performance Team do not have access to the Tier 2 QA information.	A new policy and Quality Assurance process is being designed and will negate the requirement for this access.	The new Care Management and QA process is still in development therefore it was not possible to test this weakness during the Follow Up Audit. <u>Audit Satisfied</u> - Unable to test

Community Care East/West Follow Up	It could not be confirmed that the outcomes of the Tier 3 QA process had been fed back to the relevant practitioner.	The integrated QA process that is being designed will ensure accountability for the practitioners involved and will provide feedback to address any issues.	It was noted that no Tier 3 toolkits were attached to WCCIS. As the new Care Management and QA process is still in development it was not possible to confirm the process regarding Tier 3 toolkits. <u>Audit Satisfied</u> - Unable to test
Community Care East/West Follow Up	There were instances identified where the Tier 3 QA audit had not been completed within the Policy's one-month timescale.	A new Care Management and Quality Assurance process is being designed and will include achievable timescales for completion of activities.	It was noted during the Follow Up Audit that Tier 3 QA audits have yet to be undertaken by the service. <u>Audit Satisfied</u> -No
Community Care East/West Follow Up	Where a review identifies that a reassessment is required, it was apparent that there was a duplication of time and information in the completion of an Integrated Assessment and the review document.	The new Care Management and QA process will include redesigned forms which will focus on the fundamental principles that the Practitioner must consider and reduce instances of duplication.	As the Care Management and QA process is still in development it was not possible to test this weakness during the Follow- Up audit. <u>Audit Satisfied</u> - Unable to test

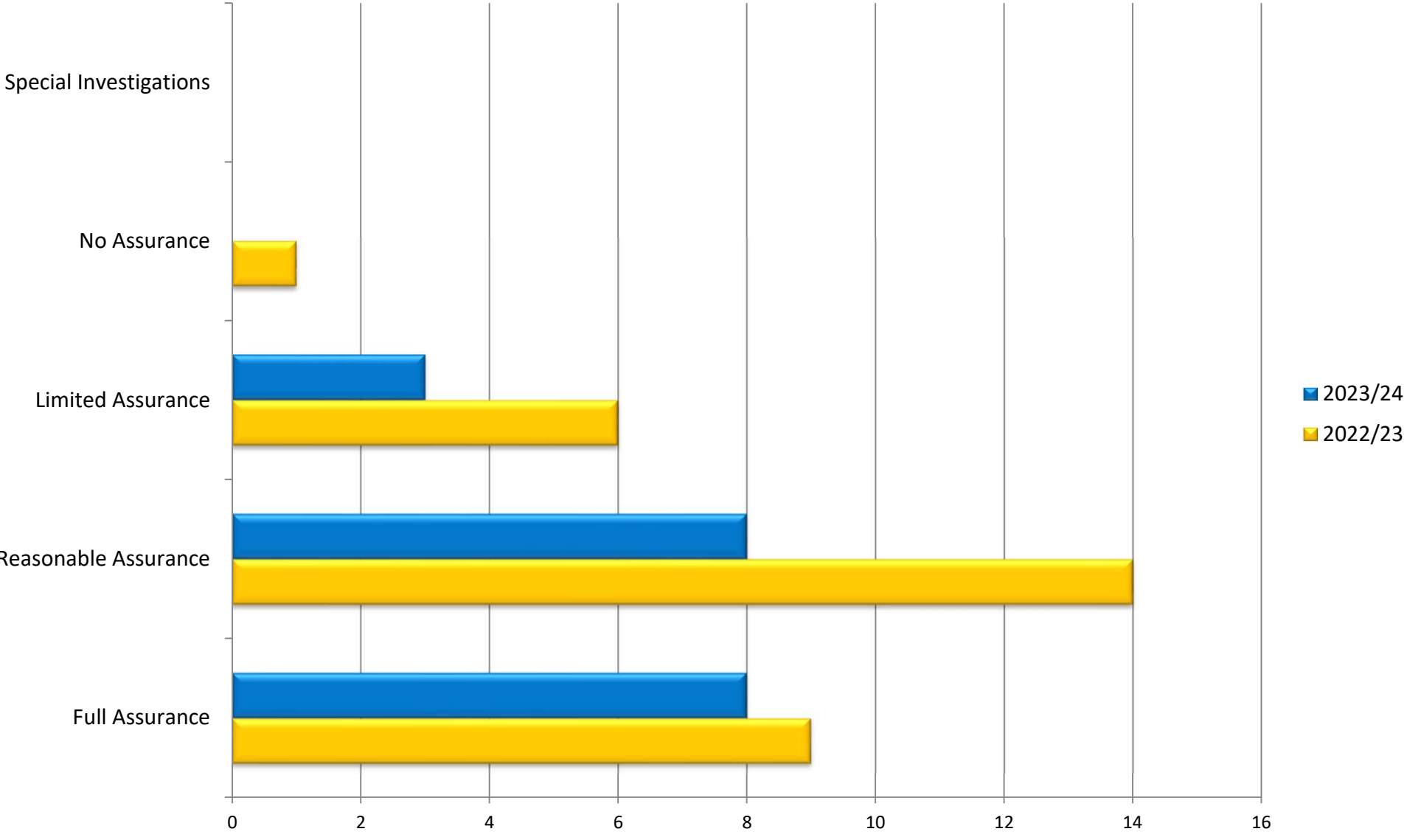
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INTERNAL AUDIT SECTIONPERFORMANCE INDICATORS 2023/24

	Performance Indicator	2021/22 Target	2021/22 Actual	2022/23 Target	2022/23 Actual	2023/24 Target	2023/24 Actual	RAG Rating
Local PI	Audit Plan Completion %	70%	70.74%	73%	69.45%	73% 36.50%	36.53%	Green
Local PI	% of Agreed Actions for Weaknesses Identified	90%	100%	90%	100%	90%	100%	Green
Local PI	% of Agreed Actions completed after 6 months	80%	90%	80%	100%	80%	100%	Green
Local PI	% of Audit Clients at least "satisfied" with the service	95%	100%	95%	100%	95%	100%	Green
Local PI	Average number of days taken to issue Final Reports	5 days	5.17 days	5 days	4.38 days	5 days	4.56 days	Green
Local PI	% of Audits completed within time allocated	75%	90%	75%	90%	75%	79%	Green
Local PI	% of Performance Reviews undertaken within previous 12 months	100%	100%	100%	100%	100%	100%	Green
Local PI	Average number of sick days per person (cumulative average)	8 days	0.83 days	7 days	0 days	7 days	2.17 days	Green

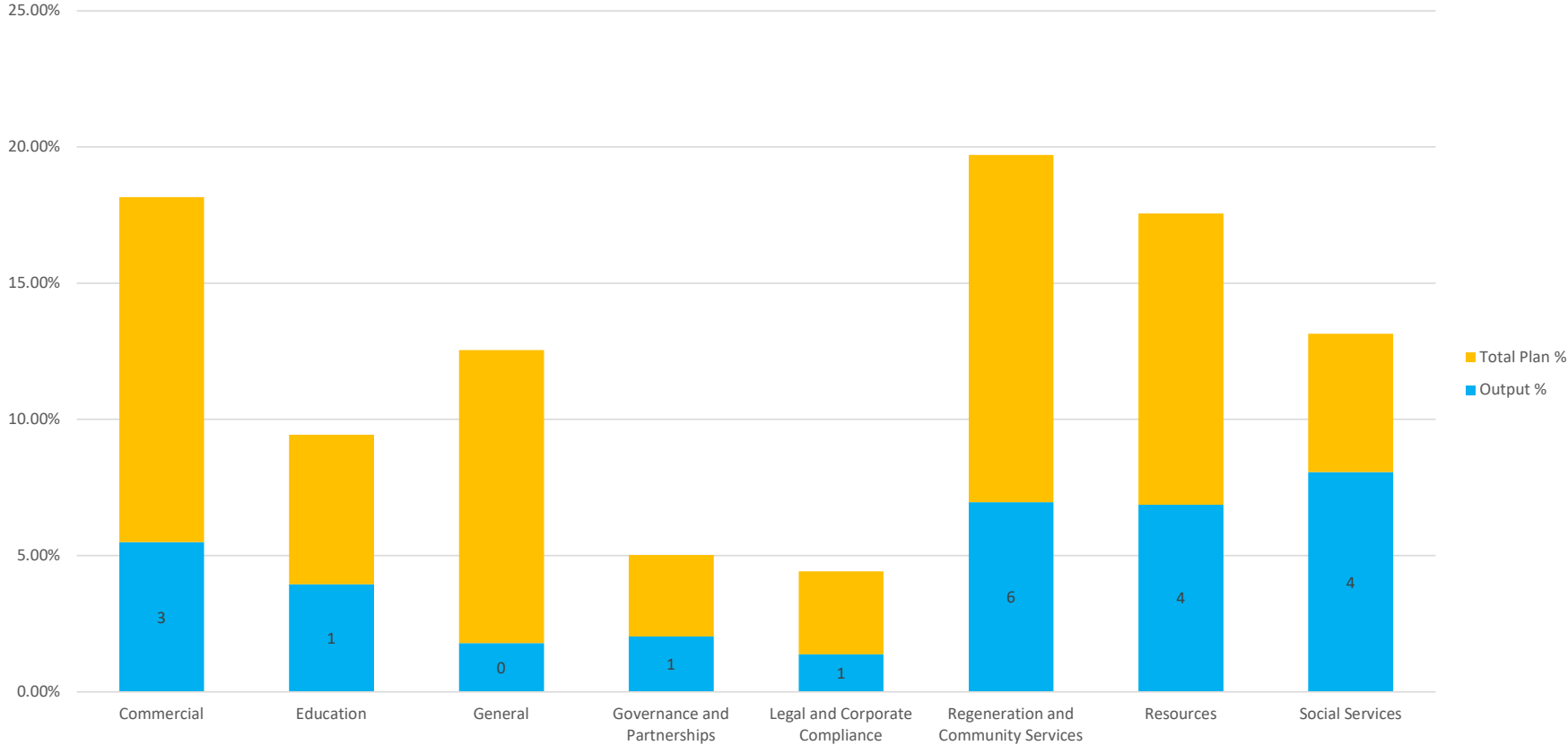
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Audit Gradings 2022/23 & 2023/24



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Audit Coverage by Department 2023/24



Department	Total Department %	Output %	Completed Audit Areas
Commercial	18.16%	5.50%	3
Education	9.44%	3.94%	1
General	12.54%	1.79%	0
Governance and Partnerships	5.02%	2.03%	1
Legal and Corporate Compliance	4.42%	1.37%	1
Regeneration and Community Services	19.71%	6.96%	6
Resources	17.56%	6.87%	4
Social Services	13.14%	8.06%	4
Total	100.00%	36.53%	20

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Agenda Item 11

Cabinet and Council only

Date signed off by the Monitoring Officer:

Date signed off by the Section 151 Officer:

Committee: **Governance and Audit Committee**
Date of meeting: **22nd November 2023**
Report Subject: **Corporate Risk Register Q2 2023 / 2024**
Portfolio Holder: **Cllr S Thomas – Leader of the Council and Cabinet Member Corporate Overview and Performance**
Report Submitted by: **Rhian Hayden – Chief Officer Resources**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
	27.10.23	11.11.23	22.11.23					

1. Purpose of the Report

- 1.1 To invite the Governance and Audit Committee to undertake their assurance role by noting the progress made in the management and monitoring of the Council's most significant risks at the end of Quarter 2.

2. Scope and Background

- 2.1 Risk management is the systematic process of understanding, evaluating and addressing risks to maximise the chances of objectives being achieved and ensuring organisations, individuals and communities are sustainable. It is a key component of the Council's overall governance arrangements.
- 2.2 Essentially, effective risk management requires an informed understanding of relevant risks, an assessment of their relative priority and a rigorous approach to monitoring and controlling them.
- 2.3 The Council's Risk Management Strategy and Risk Management Handbook details the Council's approach to risk management and its appetite for managing risk.
- 2.4 The Corporate Risk Register (CRR) allows the Council to focus on managing and mitigating the most significant corporate risks that could impact on the council and / or community.
- 2.5 The Corporate Risk Register is updated by risk updaters and risk owners and reviewed by Corporate Leadership Team on a quarterly basis. The last review at CLT took place on 27th October 2023 and considered the progress as at the end of Quarter 2 (July – September 2023).
- 2.6 The Governance and Audit Committee's Terms of Reference sets out their responsibility:
- Provide independent assurance of the adequacy of the risk management framework and the associated control environment.
 - Consider the effectiveness of the Council's risk management arrangements and the control environment.

- 2.7 The CRR is now presented at Appendix A. This will provide members of the committee with an overview of the current strategic risks facing the Council and is intended to provide assurance that the Council is adequately managing its significant risks. Appendix B contains corporate risk register definitions and guidance for information.
- 2.8 At the end of Quarter 2 there were 12 risks reported on the Corporate Risk Register. 6 of these risks are scored as Critical after controls have been applied and 6 as High. There were no risks escalated to the Corporate Risk Register in Quarter 2 however there was one risk which was noted to CLT from the Education Directorate Risk Register for awareness which was the risk in respect of concerns that a greater number of schools may be placed in an Estyn category as a result of the impact of the continued Action Short of Strike (ASOS). This risk is currently being monitored via the Education Directorate Risk Register.

A summary of the Corporate Risk Register as at Quarter 2 is presented below.

Risk Reference	Risk Description	Residual Risk Score at the end of Q2
CRR1	Failure to deliver and sustain the changes required to ensure that vital services are prioritised within the financial constraints faced by the Council.	Critical
CRR2	Failure to ensure that the Councils ICT arrangements provide assurance in terms of operational functionality and data security and enable the required digital transformational change.	High
CRR4	Safeguarding - Failure to ensure adequate safeguarding arrangements are in place for vulnerable people in Blaenau Gwent	High
CRR5	There is a risk that the Council's Business Continuity processes are not robust enough to enable the provision of critical services in an emergency.	High
CRR14	Failure to improve staff attendance rates within the Council will lead to an unacceptable impact on the ability of the Council to deliver services effectively and financially.	Critical
CRR19	If the Council does not manage its information assets in accordance with requirements set down within legislation, then it may be faced with financial penalties	High

	and possible sanctions that hinder service delivery.	
CRR21	The Financial resilience of the Council could be at risk if the Council does not ensure that financial planning and management decisions support long term stability and sustainability.	Critical
CRR22	Failure to deliver the Council's priorities within the agreed annual budget resulting in the increased use of emergency finance measures and the drawdown of reserves.	Critical
CRR25	The 2 schools in an Estyn category and currently in receipt of Council Intervention fail to make appropriate progress against the Statutory Warning Notice to Improve and their Post Inspection Action Plans.	High
CRR28	Failure to maintain appropriately skilled, adequate staffing resources will lead to an unacceptable impact on the ability of the Council to deliver services effectively.	High
CRR30 (a)	Impact of cost of living (inflationary) increase driven by a number of crosscutting forces on our communities and staff have created significant challenges for those already in need.	Critical
CRR30 (b)	Impact of cost of living (inflationary) increases on businesses in Blaenau Gwent	Critical

3. Recommendation

- 3.1 The Governance and Audit Committee is asked to consider the contents of this report to provide assurance that procedures are in place to monitor the management of significant risks.

4. Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan

- 4.1 Effective Risk Management allows the Authority to deliver services in pursuance of its obligations.

5. Implications Against Each Option

5.1 *Impact on Budget (short and long term impact)*

- 5.1.1 There are no direct financial implications although it is widely recognised that effective risk management is an essential ingredient in achieving service improvement, efficiency and value for money.

5.2 ***Risk including Mitigating Actions***

5.2.1 Failure to ensure robust risk management arrangements are in place will result in the weakening of internal controls.

5.2.2 Failure to identify the Council's significant risks could result in a myriad of potential consequences including failure to maximise the chances of objectives being achieved, financial loss and reputational damage.

5.3 ***Legal***

5.3.1 There are no direct legal implications arising from this report.

5.4 ***Human Resources***

There are no direct staffing implications arising from this report roles but individual roles and responsibilities are identified in the Risk Management Strategy.

5.5 ***Health and Safety***

There are no direct health and safety implications arising from this report.

6. ***Supporting Evidence***

6.1 ***Performance Information and Data***

Actions identified to manage risks should be included in the relevant business plans and this will be expedited by the Professional Lead for Risk and Insurance and the Corporate Performance Officer.

6.2 ***Expected outcome for the public***

6.2.1 Failure to identify the Council's significant risks could result in a myriad of potential consequences including failure to maximise the chances of objectives being achieved and financial loss which will inevitably affect how the Council provides services to the communities of Blaenau Gwent

6.3 ***Involvement (consultation, engagement, participation)***

6.3.1 Not applicable for this report

6.4 ***Thinking for the Long term (forward planning)***

6.4.1 Identification & mitigation of risks ensures the Council can deliver its corporate priorities

6.5 ***Preventative focus***

6.5.1 Identification & mitigation of risks ensures the Council can deliver its corporate priorities

6.6 ***Collaboration / partnership working***

6.6.1 Not applicable for this report

6.7 ***Integration (across service areas)***

6.7.1 Not applicable for this report

6.8 ***Decarbonisation and Reducing Carbon Emissions***

6.8.1 Not applicable for this report

6.9 ***Integrated Impact Assessment*** (

6.9.1 Not applicable for this report

7. **Monitoring Arrangements**

7.1 The Corporate Risk Register is reviewed and updated by CLT on a quarterly basis but more frequently if required and is part of the Joint Report which is reported to Scrutiny.

7.2 The Corporate Risk Register will be presented to Governance and Audit Committee on a quarterly basis.

Background Documents /Electronic Links

- *Appendix A*
- *Appendix B*

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Risk Reference CRR1
Risk Description: Failure to deliver and sustain the changes required to ensure that vital services are prioritised within the financial constraints faced by the Council.
Risk Owner: Corporate Leadership Team / Interim Chief Executive
Risk Updater: Chief Officer Resources / Chief Officer Customer and Commercial
Portfolio holder: Councillor Steve Thomas

Direction of travel
 Increasing risk 



Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score L x I = Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status				
<ul style="list-style-type: none"> • Council priorities are unclear and unrealistic / Budgets not aligned with corporate priorities • Failure to put the customer at the centre of changes • Risk that the preventative agenda does not deliver • Risk that savings identified as part of business as usual and efficiencies have not been robustly reviewed for achievability and will not deliver as planned • Governance arrangements for achievement of priorities and delivery of significant projects are not robust. • Lack of ownership and accountability of the need for change • Council unable to overcome the challenges to become more commercially minded i.e. Inability to make the cultural shift • The ICT platforms (desktop, software, network, servers etc.) will not be able to support the technologies required by the corporate change programme and deliver effective service to the council. • Transformation and commercial projects require significant capital investment • Failure to obtain political support for proposed changes. • Failure to develop the skills and capacity required to manage significant change at a time of increased demand. • Failure to maximise existing assets / Lack of understanding of how changes to service delivery will impact on long-term asset needs. / Failure to develop a long-term asset strategy. 	<ul style="list-style-type: none"> • Failure to meet the requirements of the Wellbeing of Future Generations Act. • Vital services will not be protected if the Council fails to find more efficient ways of working • Reputational impact if services do not meet increasing customer expectations and Council is unable to deliver on its aspirations • Services not delivered efficiently or effectively and fail to deliver joined up services to the public • Failure to respond to the key financial and organisational challenges that dominate the medium-term planning horizon of the Council. • Improvements to social economic and environmental wellbeing of the areas not achieved. • Failure to meet statutory obligations • Risk of Judicial Review in respect of new models of service delivery. 	3	4	Critical	<ul style="list-style-type: none"> • Corporate Plan 2022 - 2027 sets out the Councils vision, values and priorities for the next 5years. The plan is intended to clarify the future direction of the Council, mobilise the resources and planning of services and activities to ensure all are being directed to deliver against the agreed priorities. Corporate Plan incorporates the Wellbeing - Objectives • Medium Term Financial Strategy reviewed and updated on an annual basis to reflect known and emerging pressures and ensure alignment with the Corporate Plan. • Community engagement underpins budget reduction decisions •The Council has a Corporate Leadership Team in place with a focus on the need to invest in prevention, change and sustaining priority services • Council actively pursuing partnership opportunities to sustain service delivery and manage service pressures. • Commercial Team and Strategy which will identify income generation and service transformation opportunities to reduce costs, improve efficiency and release resources for investment into priority areas; •Strategic Commercial Commissioning Board •Commercial Strategy •Corporate Digital and ICT Programme •Development of the Business and Commercial Network (BaCON) •Investment Strategy • New operating model to improve further efficiency of the organisation. 	3	4	Critical	<ul style="list-style-type: none"> •Strengthened performance management to ensure accountability at senior manager level for the delivery of change and efficiency. • Enhanced awareness raising with Members of pressures • Developed Corporate Business Planning Workshops to update Business plans • Increased the scope of Wider Corporate Leadership Team to increase accountability. • Looking at collaboration opportunities with neighbouring authorities. • Programme of Business Reviews (Bridging the Gap) supports Budget setting and in previous years (2019 -2023) enabled the Council to invest in services where there were pressures thereby sustaining service delivery 	1	4	Medium


Quarter 2 Progress Update (July – September 2023)

The Medium-Term Financial Strategy has been developed and shared with Members through briefing sessions but it is highlighting a budget gap in excess of £33m between 2024/25 to 2028/29 which is being driven by higher than forecast pay awards, the continuing high levels of inflation and demand for services as a result of the cost-of-living crisis.

Progress Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
Strengthened performance management to ensure accountability at senior manager level for the delivery of change and efficiency.	CLT	Ongoing	Several proposals have been introduced during quarter 2 to increase senior management accountability and to provide wider support and assistance to build and develop consistent business cases. Workshops have been ongoing between Wider CLT and performance colleagues to ensure greater accountability and strengthen performance management.	On track
Enhanced awareness raising with Members of pressures	RH	Commenced in quarter 2	<p>Work has commenced in outlining the Council’s budget position for 2024/25 to Members and the cuts necessary to obtain a balanced budget going forward. As part of the current financial pressures with inflation and high energy costs, we agreed that we would introduce Budget Monitoring Briefing allowing all Members to be aware of the current financial position of the authority. The initial briefing took place during September 2023 (Q2)</p> <p>As part of financial management framework, it was agreed to reintroduce the Members Cross Pressure Sub-group to monitor in year cost pressures and the mitigating actions introduced.</p>	Complete. Will move to current controls as ongoing.
Developed Corporate Business Planning Workshops to update Business plans	GW	Commence in quarter 2	Corporate business planning workshops to update business plans commenced in Quarter 2. Discussions at CLT as part of ensuring greater accountability across senior management and to share good practice and provide a protected space for leaders to review and update the previous work within the plan.	Complete. Will move to current controls as ongoing.
Increased the scope of Wider Corporate Leadership Team to increase accountability.	CLT	Commence in quarter 2	The membership and scope of Wider CLT has been increased to ensure a consistent message is provided to managers and staff and gain greater accountability for performance and financial management.	Complete. Will move to current controls as ongoing.
Looking at collaboration opportunities with neighbouring authorities.	CLT	Ongoing	Directors and Heads of Service continue to discuss opportunities with neighbouring authorities of working together to deliver shared services.	Ongoing but encountering some issues (that can be addressed)

<p>Programme of Business Reviews (Bridging the Gap) supports Budget setting and in previous years (2019 - 2023) enabled the Council to invest in services where there were pressures thereby sustaining service delivery.</p>	<p>CLT</p>	<p>Ongoing</p>	<p>Being more commercially minded is key to supporting the Medium-Term Financial Strategy (MTFS), we are slowly progressing some commercial business cases although due to the decline in the economy the ability to attract private investment to make these business cases stack up is becoming increasingly difficult.</p> <p>Business cases will continue to be developed and will provide Members with the information required to make informed decisions in the coming months, before going out to public consultation at the end of quarter 3.</p> <p>There is recognition that the speed at which business cases are being developed needs to gather pace.</p>	<p>ongoing with issues that need further intervention</p>
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Direction of Travel from previous quarter	Forecasted direction of travel	
		<p>Our ability to be able to deliver statutory services within the current financial envelope has been difficult given the continuation of high inflation and energy costs. Coupled with the worrying position being expressed by Welsh Government around future funding is moving us in a downward trend and increasing our risks as we move through the year and into the next financial year. Based on the messages received from Welsh Government it is recommended that the score remains at critical.</p> <p>Work continues on targets to reduce overall risk / the forecasted direction of travel is a worsening position. Although we are maintaining our delivery of services and continue to be on track overall, we are seeing the impacts of future funding settlements put greater pressure on the authority to find greater cuts in delivering its statutory functions.</p>



Risk Reference CRR 2 Risk Description: Failure to ensure that the Councils ICT arrangements provide assurance in terms of operational functionality and data security and enable the required digital transformational change. Risk Owner: Corporate Leadership Team / Chief Officer Customer and Commercial Risk Updater: Digital Board / Information Security Officer (SRS) Portfolio holder: Councillor Steve Thomas						Direction of Travel No change 						
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status		L x I = Score		
<ul style="list-style-type: none"> • Failure of IT software provider • Lack of investment in IT systems / obsolete equipment • Failure of the SRS to provide service • Lack of specialist support • Cyber security breach • Expansion of the SRS as more partners could affect resilience • Failure to maximise technology and digital innovation through a user centred service design • Global Supply chain shortages • Recruitment & retention difficulties for IT specialists • Replacement of the WCCIS system by January 2026. 	<ul style="list-style-type: none"> • Potential security breach • Service provision affected • Does not meet the needs of evolving council services • Loss of critical / sensitive data • Inability to meet deadlines in business as usual and projects aimed at producing savings through technology use. 	3	4	Critical	<ul style="list-style-type: none"> • Market leading national software providers. • Maintenance contracts & agreements in place covering IT infrastructure. • Investment undertaken to improve the Council's resilience e.g. core system upgrade. ICT budget- security of the infrastructure and security is prioritised, when any ICT spending is required • Shared information security team in place (providing advice and threat assessments to partners (collaboration with Torfaen, Monmouthshire, and Gwent Police) Working with the SRS Information Security team partners are provided with assurance on IT security and cyber resilience. • Servers are now located at the Vantage Data Centre providing an increased level of resilience. • Corporate Digital Programme Developed • SLA with SRS in place approved at Strategic Board annually. • Monthly meetings between SRS and officers to review the programme progress. • Service Design and Digital Leadership board • Monitoring of SRS budget • SRS report for Scrutiny developed • SRS Risk Register • Investment framework • Digital Champion network and Community of practice • Development of Office 365 • SOC / SIEM 	2	4	High	<ul style="list-style-type: none"> • It is anticipated that a more in-depth review of the SLA for 2024/25 onwards will be undertaken with partners in due course • Programme of work to be developed as set out by Digital Board which will also support any Bridging the Gap projects. • Follow up on Digital Maturity Assessment • Maximising use of key corporate systems that have been invested in to include reduction of other systems which duplicate functions • Digital Strategy to be developed • Annual Updates to Governance and Audit Committee as part of the ongoing partnership with SRS. • Further controls in respect of WCCIS replacement <ul style="list-style-type: none"> - Attendance and involvement at all national meetings regarding WCCIS and replacement system. - Regular engagement with the regional team - Advocating as a region with Gwent Local Authorities on a position statement and options appraisal - WLGA working on behalf of Local Authorities - Once agreed, work alongside WG, DHCW and the National team on a new best of breed model. 	1	4	Medium


Quarter 2 Progress Update (July – September 2023)

Update provided in the progress against further controls.

Progress Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
It is anticipated that a more in-depth review of the SLA for 2024/25 onwards will be undertaken with partners in due course	Digital Team	Q3 onwards	This is still planned to be undertaken. Will link into Strategic Group – SRS 5-year plan recently presented to Strategic Group attendees	On track
Programme of work to be developed as set out by Digital Board	Digital Team	Ongoing	Programme of work to include maximisation of use of MCS – CRM system across the LA and full use of Microsoft platform to support 3 rd party spend review. This will also support any BTG projects put forward with digital aspirations. Programme update to CLT late November	Ongoing but encountering some issues (that can be addressed)
Follow up on Digital Maturity Assessment	Digital Team	Ongoing	The Digital Maturity Assessment results are in the process of being analysed, some of the results supported the development of the Digital and Transformation strategy.	Ongoing but encountering some issues (that can be addressed)
Maximising use of key corporate systems that have been invested in to include reduction of other systems which duplicate functions.	L Roberts	Ongoing	<p>This is an ongoing process. In Q2 Bridging the Gap (BTG) focus on all things digital (review of licences). BTG Telephony project, focussing on reduction in lines across the LA will result in savings being identified.</p> <p>Explore the full use of My Council Services platform across the LA, this will support services to use this software and potentially turn other systems off, similarly with the full use of Microsoft platforms – this will also result in contracts being reduced if the full roadmap is pushed out across the LA (example of database use – supporting the removal of INCHECK CEPR – there are other database applications used across the LA we can focus on – need full support from all Service Managers to support this – feeds back into Programme of work being undertaken above – will produce savings – all will be captured under the financial modelling exercise</p> <p>Financial Modelling template being devised – to be provided to CLT at programme update late November</p>	On track
Digital Strategy to be developed.			The Council’s Digital Transformation Strategy for 2023 – 2027 was considered by CLT on 24 th Aug and Corporate Overview and Performance Scrutiny Committee on 14 th September. The Strategy will be ratified early October by Cabinet. The strategy sets out the principles and priorities which are essential to improving and delivering Council	Complete. Will move to current controls from Q3

			<p>services in the future. There will be a set of delivery plans against each priority with a number of success measures.</p> <p>The Service Design and Digital Leadership Board will oversee the delivery of the Digital Transformation Strategy. Each year the strategy will have a set of Delivery Plans developed against each priority. The delivery plans will support the strategy and governance arrangements include the Digital board and future working board.</p> <p>The strategy will help the council maximise the opportunity to build good quality systems with those that use and provide them.</p>	
Annual Updates to Governance and Audit Committee as part of the ongoing partnership with SRS	Digital Team	Ongoing	As part of the Forward Work Programme report to go to CLT early November and then Partnership Committee mid-November on progress update	On track
<p>Further controls in respect of WCCIS replacement</p> <ul style="list-style-type: none"> - Attendance and involvement at all national meetings regarding WCCIS and replacement system. - Regular engagement with the regional team - Advocating as a region with Gwent Local Authorities on a position statement and options appraisal - WLGA working on behalf of Local Authorities - Once agreed, work alongside WG, DHCW and the National team on a new best of breed model. 	G Wasley / N Harper	Ongoing	There is concern owing to the timing of the work, the current CareDirector system is out of support in January 2026, and we will need to be on a new system by the closing months of 2025. There is also a risk of transferring all of the current data onto a new system.	On track



Direction of Travel from previous quarter	Forecasted direction of travel	
		There is no change to the direction of travel in this quarter. The potential impact of the replacement of the WCCIS system could affect the forecasted direction of travel.


Risk Reference CRR4 Risk Description: Safeguarding - Failure to ensure adequate safeguarding arrangements are in place for vulnerable people in Blaenau Gwent Risk Owner - Corporate Leadership Team / Interim Director of Social Services Portfolio holder: Councillor Hayden Trollope Risk Updater: Interim Director of Social Services / Director of Education / Strategic Safeguarding Leads Group							Direction of Travel No change 					
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status		L x I =	Score	
<ul style="list-style-type: none"> • If there is inadequate assessments and monitoring • If there is a lack of documentation • If there are increasing referrals for services • If there is a lack of appropriate guidance and training • If there is poor communication between all parties (internal / external) • If there is a high turnover of staff and difficulties in recruiting and retaining staff. *If there are increased levels of sickness in key areas. • Failure to recognise that all staff have a duty to report abuse, harm or neglect. • Lack of appropriate guidance and training on safeguarding • Failure to progress the corporate safeguarding action plan via the corporate safeguarding leads group 	<ul style="list-style-type: none"> • Potential significant harm / loss of life • Long term reputational damage and confidence in the Council undermined • Increase in complaints / Potential litigation / prosecution • External intervention • Increased pressure on budgets • Low staff morale 	3	4	Critical	<ul style="list-style-type: none"> • Joint Social Services and Education Scrutiny established (PEOPLE scrutiny committee) • Education Designated Lead and Deputy Officer nominated • Education Safeguarding Officer established and in post • Gwent Adult Safeguarding Board • SE Wales Safeguarding Children’s Board • Safeguarding is a standing item on CMT agenda • Lead Executive Member has been identified for having responsibility for safeguarding • Senior leadership have received Level 1 safeguarding training. • Programme of training for schools underway. • Corporate safeguarding leads established for each directorate who have been requested to identify staff for Level 1 training (3 dates have already been set) • Safeguarding in Education matrix regularly updated • Use of MyConcern software in schools will be used to gather data, monitor positive cases and create consistency across the school estate. The roll-out project team is fully established. • A corporate safeguarding leads group has been established to drive forward the safeguarding agenda and action the recommendations made by the BG Wales Audit Office report 	2	4	High	<ul style="list-style-type: none"> • All directorate business Plans to include safeguarding and include actions required to ensure safeguarding arrangements are in place • Safeguarding Reports into PEOPLE Scrutiny contain corporate safeguarding information from all directorates. Plus and update from the corporate safeguarding leads group • Safeguarding training data to be reviewed by each Directorate to ensure all staff are undertaking this • Regularly review the councils volunteering register to ensure DBS checks are up to date • Ensure the audit Wales BG safeguarding report recommendations continue to be reviewed and met • Each Directorate to undertake a safeguarding self-assessment 	1	4	Medium

Quarter 2 Progress Update (July – September 2023)

Update provided in the progress against further controls. In addition, due to recommendations from Wales Audit report not fully implemented and Directorate self-assessments still outstanding the risk need to remain high.

Progress Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
All directorate risk registers to include safeguarding and include actions required to ensure safeguarding arrangements are in place.	CLT	Ongoing	Safeguarding is included in all Directorate Risk Registers.	On track
Safeguarding Reports into PEOPLE Scrutiny contain corporate safeguarding information from all directorates.	Corporate Safeguarding Leads Group	Ongoing	<p>The Corporate Safeguarding Performance Report which contains corporate safeguarding activity as well as specific information in relation to Social Services and Education was reported to People Scrutiny Committee in July.</p> <p>The half yearly safeguarding report is in the process of being drafted to present to scrutiny in November.</p>	On track
Safeguarding training data to be reviewed by each Directorate to ensure all staff are undertaking this	Corporate Safeguarding Leads Group	Ongoing	<p>The Corporate Safeguarding Leads Group are looking at the collation and accuracy of training data and reviewing the control measures to ensure its accuracy due to ongoing reporting concerns. Raising awareness for managers via DLT's to ensure staff are completing training in line with the Corporate Safeguarding Training Framework – e.g., Tier 1, Tier 2 and Tier 3.</p> <p>The corporate safeguarding leads group continue to take this forward to ensure accurate capture information to ensure all staff have undertaken this training</p>	Ongoing but encountering some issues (that can be addressed)
Regularly review the councils volunteering register to ensure DBS checks are up to date	Corporate Safeguarding Leads Group	Ongoing	<p>The volunteering register has been updated across the council and all DBS checks are up to date.</p> <p>Periodic checks of the register will need to continue</p>	On track
Ensure the audit Wales BG safeguarding report recommendations continue to be reviewed and met	Corporate Safeguarding Leads Group	Ongoing	The corporate safeguarding leads group continue to lead this work and reporting on progress will be contained in the next scrutiny report.	On track
Each Directorate to undertake a safeguarding self-assessment	Corporate Safeguarding Leads Group	Ongoing	This is in the process of being undertaken by each Directorate with a deadline of 30 th September being set. The safeguarding leads meeting are overseeing this and will be analysing data collection to present at the next CSGL meeting.	On track

Direction of Travel from previous quarter	Forecasted direction of travel	
		<p>There is no change in the risk score from the last quarter.</p> <p>Due to recommendations from Wales Audit report not fully implemented and Directorate self-assessments still outstanding the risk need to remain High.</p>



Risk Reference CRR 5 Risk Description: There is a risk that the Council’s Business Continuity processes are not robust enough to enable the provision of critical services in an emergency. Risk Owner: Corporate Leadership Team / Head of Democratic Services, Governance and Partnerships. Portfolio holder: Councillor Steve Thomas Risk Updater: Civil Contingencies Manager							Direction of Travel No change 					
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status		L	x	I = Score
<ul style="list-style-type: none"> • Disruption due to pandemic influenza / human infectious disease. • Council resources are extremely stretched due to difficulties in recruitment / retention of staff. • High levels of sickness • Power cuts (local / regional / national) • Adverse Weather • Loss of / failure of ICT 	<ul style="list-style-type: none"> • Critical services not provided to an acceptable standard during disruptive incidents • Impact on the community and reputation of the Council • Loss of organisational resilience • Inability to continue or recover urgent (critical) services following an incident / loss / disruption affecting the delivery of services 	3	4	Critical	<ul style="list-style-type: none"> • Alternative working arrangements will continue to manage pressures • Service provision prioritised and Critical services sustained • Planned work/projects reprioritised • Action taken to ensure support in place to promote staff well-being including flexibility on taking annual leave and ensuring officers do take leave * Corporate Plan reviewed and agreed to ensure focus on priorities taking into account the learning from the pandemic • New Working Arrangements implemented including Community Hubs (June 2021), Democratic Hub (September 2021) and Agile Working Policy (September 2021 onwards). • Move of servers from the Civic Centre to Vantage Data Centre to provide resilience. 	2	4	High	<ul style="list-style-type: none"> • Review the Corporate Business Continuity plan (2023), along with the associated policy, business impact assessments and service plan template. • Service area BC plans and arrangements to be reviewed. • Consider resilience of BGCBC buildings • Review of business impact assessments 	1	4	Medium


Quarter 2 Progress Update (July – September 2023)

Update provided in the progress against further controls

Progress Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
Review the Corporate Business Continuity plan (2023), along with the associated policy, business impact assessments and service plan template.	DG	Ongoing	Policy and service plan template has been reviewed.	Amber - ongoing but encountering some issues (that can be addressed)
Service area BC plans and arrangements to be reviewed.	DG	Ongoing	Not yet started. Awaiting completion of BIAs	Amber - ongoing but encountering some issues (that can be addressed)
Consider resilience of BGCBC buildings	DG	Ongoing	Some consideration around resilience to power outage underway.	Amber - ongoing but encountering some issues (that can be addressed)
Review of business impact assessments	DG	Ongoing	Review of BIAs with service areas is underway.	Amber - ongoing but encountering some issues (that can be addressed)

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Direction of Travel from previous quarter	Forecasted direction of travel	
		There is no change in the risk score from the last quarter.
		No changes to the risk score. Work is underway in quality assuring the BIAs undertaken so far, and services without updated BIAs are being contacted. The work has been delayed due to staffing issues.

Risk Reference CRR 14 Risk Description: Failure to improve staff attendance rates within the Council will lead to an unacceptable impact on the ability of the Council to deliver services effectively and financially. Risk Owner: Corporate Leadership Team / Chief Officer Customer and Commercial Portfolio holder: Councillor Steve Thomas Risk Updater: Head of Organisational Development							Direction of Travel No change 					
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score L x I = Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status				
<ul style="list-style-type: none"> Downsizing the workforce to meet necessary savings Alternative service delivery models Financial planning inhibits strategic workforce planning Service specifications not amended in line with cuts to services adding pressure to the workforce. Uncertainty of future arrangements Lack of managerial action in applying the attendance management policy Ongoing impact of Covid and long covid on sickness absence 	<ul style="list-style-type: none"> Not having the capacity and capability to deliver services Failure to deliver priorities Direct Impact on service delivery Increased sickness / absence Risk of not meeting statutory or legislative requirements in relation to specific workforce requirement e.g. social care. Breakdown in employer relations and representation at tribunal cases. Increased demand on support services e.g. OD 	3	4	Critical	<ul style="list-style-type: none"> An Attendance Management Policy Occupational Health Service Employee Assistance Programme Strategic focus on wellbeing to include Wellbeing Wednesday Bulletin and Mental Health Training. Dying to Work Charter Training/briefing sessions for managers A policy and toolkit for managing stress An extensive range of flexible working arrangements Regular discussion and learning nationally and regionally Managers recognising good attendance and supporting wellbeing Sickness absence targets set by the Corporate Leadership Team Development of iTrent to provide sickness absence data to manager's in real time and access to a dashboard of sickness absence data. Performance data provided to the Corporate Leadership Team, Heads of Service and Elected Members on a quarterly basis. Sickness performance on Directorate Management Teams, team meetings and an objective for managers as part of annual performance coaching. Health, Safety and Welfare Corporate Group. Workforce engagement (regular 1 – 2 – 1's / performance coaching/ team meetings, weekly managing director newsletter, dedicated engagement and consultation framework with TU's) Bi annual staff surveys, engagement and communication Workforce Strategy 2021 – 2026 was agreed by Council July 2021 Agile Working policy agreed by Council March 2021 	3	4	Critical	<ul style="list-style-type: none"> Management of sickness absence :- -Quarterly directorate reviews of top 20 cases -OD review of long-term sickness – monthly -Recognition of good attendance through one to one and team meetings. -Communication with the workforce on impact of sickness and support available for employees. Strategies to address the impact of Covid and sickness absence:- -Workforce plan for each directorate -review of agile working commencing September 2022 - staff engagement through a staff survey and workshops Understanding the data :- - Setting Performance targets -Workforce profiles to plan and lead service performance. Review of the Attendance Management Policy 	2	4	High

Quarter 2 Progress Update (July – September 2023)

Sickness levels remain high, however, the trend over 2022/23 and the first two quarters of 2023/24 is an improving picture with sickness levels reducing. 2022/23 saw a reduction of 1.29 days per FTE employee compared to 2021/22 and the 2nd Quarter 2023/24 has seen a reduction of 2.33 days (31%) from 7.42 days in 2022/23 to 5.09 days 2023/24.



The annual review 2022/23 has been presented to Corporate Overview and Performance Scrutiny Committee October 23. The Committee considered the report and supported the ongoing actions to support improving attendance and requested that the outcome of the internal audit of compliance is reported back to the Committee. This report will also be reported into Cabinet November 23.


Based on the unpublished All Wales data the Council reports the highest days lost for 2022/23 and is 1.49 days above the next highest Council.

Sickness in the U.K. rose to its highest level since 2004, with workers living in Wales having the highest sickness rate compared to other UK regions. (Office for National Statistics)

Updates Against Further Controls Action Title	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
Management of sickness absence;-				
Quarterly directorate reviews of top 20 cases OD review of long-term sickness – monthly	Heads of Service / Managers in conjunction with OD	Ongoing	Regular reviews of the long-term cases are undertaken and ongoing OD support is provided to managers on the management of sickness absence.	On track
Recognition of good attendance through one to one and team meetings. Communication with the workforce on impact of sickness and support available for employees	Managers	Ongoing	Attendance and communication with the workforce on the impact of sickness forms part of regular one to one and team meetings.	On track
Review of the Attendance Management Policy	OD Manager (HR)	February 24	Current policy fit for purpose, review to be finalised	On track
Strategies to address the impact of Covid and sickness absence: -				
Workforce plan for each directorate	CLT	Completed	Workplans developed for each directorate	Completed
review of agile working commencing September 2022	Head of OD	December 23	Review concluded - Report on the conclusion of the review / policy approval to be developed	On track
staff engagement through a staff survey and workshops	Head of OD	Completed	<ul style="list-style-type: none"> • Survey closed - analysis to support review of policy • Focus groups (180 staff) on agile working facilitated by Insight held to gather qualitative data to inform review • A session held to gather feedback from the trade unions • Feedback on the staff engagement presented to CLT • Sessions held with CLT and WCLT • Revised policies drafted 	Completed

			• Briefing held for Elected Members	
Understanding the data :-				
Setting Performance targets	CLT / Heads of Service	Completed	Service and Corporate targets set by CLT	Completed
Workforce profiles to plan and lead service performance.	OD Manager	Annually	Annual workforce plans published ➤ April 23 - Corporate	Completed
	OD Manager	Annually	Annual workforce plans published ➤ October 23 – Schools to be discussed with Headteachers as part of the HR annual visits	On track
Hotspot analysis	OD Manager	October 23	A detailed review and analysis of the 5 ‘hotspots’ where the service outturn in 2022/23 was higher than the Council outturn has commenced and will be presented to CLT (Provider Services, Adult Services, Legal and Corporate Compliance, Community Services and School based staff excluding teachers)	On track
	Internal Audit	November 23	An internal audit of policy compliance of the 5 ‘hotspots’ is being undertaken.	

Direction of Travel from previous quarter	Forecasted direction of travel	
		<p>It is recommended that the risk scores remain unchanged, and focus remains on reducing the impact of sickness absence. This is suggested for the following reasons:</p> <p>Whilst sickness levels are reducing the Council had the highest level of sickness in Welsh Local Government in 2022/23 based on the available data</p> <ul style="list-style-type: none"> • The need of financial savings and efficiencies on capacity given the significant financial challenges facing Local Government over the next 3-5 years as well as the continuing cost of sickness absence • The first two quarters are showing a 31% reduction in comparison to the previous year however this covers the period April to September and the next two quarters over the winter months will present more of a challenge. If the Council continues on the same path over the next two quarters and at the end of 2023/24 the reduction in sickness continues for a second year, then it will be appropriate to revisit the scores at that time.



Risk Reference CRR 19 Risk Description: If the Council does not manage its information assets in accordance with requirements set down within legislation, then it may be faced with financial penalties and possible sanctions that hinder service delivery. Risk Owner: Corporate Leadership Team / Chief Officer Resources Risk Updater: Information and Governance Officer Portfolio holder: Councillor Steve Thomas							Direction of Travel No change 					
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score L x I = Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status				
<ul style="list-style-type: none"> Human error Lack of staff knowledge of requirements of the Act due to lack of awareness and training Inexperienced staff / staff turnover Rogue employee Lack of supervision of less experienced staff. IT failure (e.g. virus) Inadequate data sharing and data security arrangements. Cyber Attack Changes to legislation 	<ul style="list-style-type: none"> Reputational risk Fines for breach and financial loss from compensation claims Loss of service due to time taken to recover information Enforcement action Considerable Risks and potential Detrimental effects for the Data Subjects (Individuals concerned) Safeguarding issues (The service users are often vulnerable individuals so there could be safeguarding issues) Information theft or misuse Financial fraud. A malicious attack on ICT could result in a loss of confidence from those transacting with the Council Legal, asset, system, operational and financial implications 	3	4	Critical	<ul style="list-style-type: none"> Data Protection Officer advises on Data Protection compliance and provides specific advice to officers when required. The Shared Information Security service will provide assurance on IT security and review current systems to advise on the appropriate level of technical security required. Shared information security team in place (providing advice and threat assessments to partners (collaboration with Torfaen, Monmouthshire, and Gwent Police) Working with the SRS Information Security team partners are provided with assurance on IT security and cyber resilience. SIRO is responsible for the organisation's overall information risk policy and risk assessment processes and ensuring they are implemented consistently. Information Governance Forum (organised by the SIRO) has key Officers from across the Authority to review our current Information management arrangements and drive forward improvements to our existing arrangements. Chaired by the SIRO now meet quarterly to ensure a comprehensive information governance framework is in place and operating effectively throughout BGCBC Officer formally appointed in the statutory role of data protection officer Training is provided to staff through e-learning, Teams channels and face to face sessions on an ongoing basis. Adequate Information Security arrangements, technical security etc. IAO's (Information Asset Owners) formally recognised who will: <ul style="list-style-type: none"> Understand and address risks to the information they own Provide assurance to the SIRO on the security and use of these Assets Ensure their team and those interacting with info assets understand information security and are confident in their handling of information Establishment of information asset register A GDPR page is available on the intranet, providing additional guidance for staff In place <ul style="list-style-type: none"> a SOC / SIEM solution to monitor the Council's network providing an enhanced level of protection against Cyber threats Ransomware impact reduction product to reduce the impact of an attack when it does happen SRS Risk Register 	2	4	High	<ul style="list-style-type: none"> Further training for Information Asset Owners and Operational Asset Leads GDPR training refresh programme. Development of web pages and intranet to reduce incoming queries and request Review of all Information Governance Policies and promote awareness Briefing session to Members to raise awareness Annual security awareness programme PCIDSS (Payment card industry data security standard) is being worked towards 	2	4	HIGH

Quarter 2 Progress Update (July – September 2023)

For Quarter 2 there were 12 data breaches recording (5 in Social Services, 5 in Corporate Services, 1 in Education and 1 in Regen and Environment) of which 1 in Social Services required reporting to the ICO. The ICO have since assessed this and determined that no further action is necessary at this time. In comparison only 6 data breaches were recorded for the same period last year so this is an increase. However, when Q1 and Q2 are combined there are 17 for the year this year compared to 23 for Q1 and Q2 of last year so overall there is a reduction. There have been no patterns identified for the data breaches which have caused concern but a request has been made to SRS following the breach reported to the ICO to establish what options are available to us to minimise the risk when sending marketing emails to large groups of external recipients.

Progress Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
Further training for Information Asset Owners and Operational Asset Leads	Steve Berry DPO/ Rhian Hayden SIRO	Ongoing	New eLearning solution is hoped to provide the solution for training for IAOs and avoid significant costs of external training. In the meantime, a review is to be undertaken of Information Asset Owners in the authority to ensure the right people are trained when this becomes available.	ongoing but encountering some issues (that can be addressed)
GDPR training refresh programme	Steve Berry DPO/ Rhian Hayden SIRO	Ongoing	<p>Progress has been made on the new eLearning pilot and demos have been provided with some discussions taking place on the contracts, data sharing agreements etc on a national basis for the piloting authorities. It is anticipated that this will be available for use in 2024 as a pilot. It is hoped the new eLearning solution (Thingji) will make vast improvements and enable the team to track and monitor GDPR training, send reminders, inform line managers etc.</p> <p>In the meantime, training continues via the existing eLearning solution All Wales Academy eLearning continues to be used to ensure training is available and delivered but this lacks the monitoring, controls and flexibility that the new system promises to offer. The team continues to promote the training however to ensure our obligations are met for training staff. Reminders are being sent manually and training conducted as part of inductions. Where identified face to face or directed training is undertaken where teams identify a need.</p>	ongoing but encountering some issues (that can be addressed)
Development of web pages and intranet to reduce incoming queries and request	Steve Berry DPO/ Rhian Hayden SIRO	Ongoing	<p>A new "Schools GDPR Toolkit" intranet page has been developed for use by schools to provide templates, forms and guidance on how they should handle their Information Governance at the school.</p> <p>Now that this has been rolled out the intention is to widen this and improve the current corporate GDPR pages and resources.</p>	ongoing but encountering some issues (that can be addressed)
Review of all Information Governance Policies and promote awareness	Steve Berry DPO/ Rhian Hayden SIRO	Complete	The Freedom of Information and Data Protection policies were reviewed in Q2 and now approved and live. Further policy updates are planned throughout the course of the year.	ongoing but encountering some issues (that can be addressed)

Briefing session to Members to raise awareness	Steve Berry DPO/ Rhian Hayden SIRO	Complete	Members briefing session took place in July 2022 as part of the members induction and has therefore been completed.	Completed
Security awareness and training programme	Information Security Officer / Rhian Hayden	Ongoing	<p>There is an annual security awareness programme that runs January (to coincide with Data Protection awareness week), June, October (to coincide with national cyber awareness month) and a one-pager at Christmas. It is tracked on the Information Security risk register. Audit Wales have provided confirmation that they are satisfied with the on-going programme we undertake.</p> <p>a Data Protection and Cyber Awareness week will be undertaken in Q3 (October). During this week, it is intended to hold sessions on “retention” and a general “Q&A” session. We are now in the process of finalising the “12 scams of Christmas”.</p>	On track
PCIDSS (Payment card industry data security standard) is being worked towards	Information Security Officer / Rhian Hayden	Ongoing	<p>PCIDSS (Payment card industry data security standard) accreditation is being worked towards and this is almost achieved. PCIDSS (Payment card industry data security standard) relates to credit card payments Any company that takes card payments (debit/credit) must align to 12 requirements and the Council only had one point to resolve which was addressing call recording where card numbers were not masked, this has now been removed (the calls with card numbers). The ISO has now carried out successful dip sampling to test and these tests will be carried out quarterly. The PCIDSS policy has been updated as part of our annual policy review schedule.</p> <p>A gap analysis of the 12 requirements of PCIDSS has been undertaken, and we are in a good position to submit our attestation of compliance. The date for this will be confirmed in due course.</p>	On track

Direction of Travel from previous quarter	Forecasted direction of travel	
		No change in risk score. No significant changes to the risk occurred during this period with progress being made on many of the controls.

Risk Reference CRR 21 Risk Description: The Financial resilience of the Council could be at risk if the Council does not ensure that financial planning and management decisions support long term stability and sustainability. Risk Owner: Corporate Leadership Team / Chief Officer Resources Portfolio holder: Councillor Steve Thomas Risk Updater: Chief Officer Resources							Direction of travel Increasing risk					
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status		L x I = Score		
<ul style="list-style-type: none"> ● Sustained funding reductions ● Cost of Living effect on increases and associate reduction in Council income from Council Tax / Rates ● Increased third party spend due to increase in supply cost of labour / energy prices / ● Increased demand and cost for services ● Inability to effectively manage budgets in order to achieve balanced budgets within year ● Financial planning arrangements not long term in its perspective or aligned to corporate priorities. ● Medium Term Financial Strategy is not robust or flexible enough to adapt to change. ● Medium Term Financial Strategy is not aligned with other key strategies ● Inability to deliver intended savings ● Lack of capacity within Finance Teams ● Lack of Member engagement and scrutiny of savings plans. Lack of political support for business cases ● Not receiving an audit opinion on accounts ● Failure to become more commercially minded ● Potential impact of equal pay claims – representations on equal pay and one case as part of employment tribunal system 	<ul style="list-style-type: none"> ● Inability to deliver effective services or provision of lower quality services to residents and businesses of the Borough. ● Unplanned reduction in services provided ● Lack of improvement in key areas ● Failure to achieve corporate priorities ● Depletion of reserves ● Potential impact on ability to borrow and be awarded grants ● Significant reputational risk from intervention 	3	4	C r i t i c a l	<ul style="list-style-type: none"> ● Budgets firmly aligned with Council priorities ● Service prioritisation and planning ● Medium Term Financial Strategy regularly reviewed and updated to reflect known and emerging pressures and ensure alignment with the Corporate Plan. agreed in December 2022 (currently undergoing review) ● Impact of new and existing burdens / budget pressures being continually assessed ● Risks associated with potential budget reductions evaluated prior to implementation ● Budget monitoring refined and forecasting included within financial monitoring reports. ● Council have an agreed target level (minimum) of general reserve (4%) and reserves regularly reviewed by the Chief Officer – Resources and relevant officers. General and Earmarked Reserves are also scrutinised by Corporate Leadership Team, members of Scrutiny Committees and the Cabinet as part of the Council’s financial reporting framework. ● Financial monitoring arrangements include quarterly briefings for (scrutiny) and consideration of forecasts by the Cabinet. ● MTFs proposes a contribution to reserves on an annual basis ● Multi skilled teams involved in development / assessment of business cases. 	3	4	C r i t i c a l	<ul style="list-style-type: none"> ● Delivery & further development of the Bridging the Gap Programme. This will include the development and consideration of new business cases relating to commercial opportunities, service changes and budget cuts / additional income generation to balance Council budget. 	2	4	H i g h



Quarter 2 Progress Update (July – September 2023)


The review of the MTFS identified increased budget gaps of approximately £33m over the next 5 years, with £10m needed to balance the budget in 2024/25. High inflation continues to have a significant impact on the cost of delivering services to the public and the funding outlook in the medium term looks difficult. The current forecast for 2023/24 remains positive with outturn as at Q2 a favourable variance (continuing from Q1 which may give the Council a little flexibility for 2024 / 2025 however there remains some uncertainty round pay and prices with inflation remaining higher than expected into the immediate future.

During Q2 business cases have and continue to be developed for Council to consider – if agreed these will contribute to budget gaps required in future years however there is still some way to go to identify the full budget reductions / savings required for 2024/25 and the longer term.

It is recommended risk score remains Critical.

Progress Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
Delivery & further development of the Bridging the Gap Programme. This will include the development and consideration of new business cases relating to commercial opportunities, service changes and budget cuts / additional income generation to balance Council budget.	CLT	Ongoing	<p>The review of the MTFS identified increased budget gaps of approximately £33m over the next 5 years, with £10m needed to balance the budget in 2024/25.</p> <p>During Q2 business cases have and continue to be developed for Council to consider – if agreed these will contribute to budget gaps required in future years however there is still some way to go to identify the full budget reductions / savings required.</p> <p>Significant pace now needs to be injected into business case development to commence engagement on proposals with Members and the public.</p>	<p>ongoing with issues that need further intervention</p>

Direction of Travel from previous quarter	Forecasted direction of travel	
		<p>There are increasing concerns surrounding the financial sustainability of Welsh local authorities. The Welsh Local Government estimate a budget gap of between £330m £480m in 2024/25 which will have serious impacts on local service delivery. The Welsh Government has described its budgetary position as 'the most difficult financial situation since the dawn of devolution'.</p> <p>Given the Council's reliance on Welsh Government funding and the national picture it is recommended that the score remains at critical.</p>



Risk Reference CRR 22 Risk Description: Failure to deliver the Council's priorities within the agreed annual budget resulting in the increased use of emergency finance measures and the drawdown of reserves. Risk Owner: Corporate Leadership Team / Chief Officer Resources Portfolio holder: Councillor Steve Thomas Risk Updater: Chief Officer Resources							Direction of Travel Decreased risk 					
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score L X I= Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status				
<ul style="list-style-type: none"> • Council priorities are unclear and unrealistic • Cost of Living effect on increases and associate reduction in Council income from Council Tax / Rates • Increased third party spend due to increase in supply cost of labour / energy prices / • Increased demand and cost for services in • Significant challenge arising from increased demand and cost of services • Budgets not aligned with corporate priorities • Risk that savings identified as part of business as usual and efficiencies have not been robustly reviewed for achievability and will not deliver as planned • Priorities of political administration may have an impact on budget decisions • Customer participation not as expected. e.g. recycling / waste • Unexpected financial challenges or additional obligations arising. • Monitoring failure / lack of financial information / budgetary control information. • Failure of projects under the preventative agenda. 	<ul style="list-style-type: none"> • Requirement to implement emergency measures to reduce spending during the financial year thus adversely impacting on ability to meet corporate plan objectives • Increasing adverse effects on the community of Blaenau Gwent that rely on the services being delivered. • Requirement to draw from general reserves at the year end • Risk of failing to meet statutory obligations • Risk that financial constraints and budget proposals result in unintended consequences such as increased instances of non-compliance and financial impropriety • Unplanned cutbacks in staffing and potential for increased sickness absence in the workforce due to increasing workload • Impact on capital programme and 21st Century Schools Programme 	3	4	critical	<ul style="list-style-type: none"> • Budgets firmly aligned with Council priorities • Service prioritisation and planning • The Medium Term Financial Strategy is regularly reviewed and updated to reflect known and emerging pressures and ensure alignment with the Corporate Plan. • Impact of new and existing burdens / budget pressures being continually assessed • Risks associated with potential budget reductions evaluated prior to implementation • Budget monitoring refined and forecasting embedded into financial monitoring reports. Financial monitoring arrangements include quarterly scrutiny by members of Joint (Budget) Scrutiny Committee and consideration of forecasts by the Cabinet (and Cost Pressure subgroup) • Public engagement events held annually to ascertain public opinion on savings proposals. • Council have an agreed target level of general reserve (4%) and reserves regularly reviewed by the Chief Officer – Resources and relevant officers. General and Earmarked Reserves are also scrutinised on a quarterly basis by Corporate Leadership Team, members of Scrutiny Committee and the Cabinet. • Use of the Market Intelligence gathered from the Strategic Commercial Commission Board (SCCB) to support the council's budget setting process for 23/24 and beyond 	3	4	Critical	<ul style="list-style-type: none"> • Implement relevant opportunities for savings and service improvement to address current and emerging cost pressures and underperformance (Strategic review, internal service reviews) • Bridging the Gap Programme 	1	4	Medium


Quarter 2 Progress Update (July – September 2023)

The current forecast for 2023/24 remains positive with outturn as at Q2 a favourable variance (continuing from Q1). The cost pressures identified during Q1 continue and there remains some uncertainty round pay and prices with inflation remaining higher than expected into the immediate future.

Current indications suggest no deterioration in the position in year however there has been no significant positive movement, the risk score therefore remains critical.



Progress Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
Implement relevant opportunities for savings and service improvement to address current and emerging cost pressures and underperformance (Strategic review, internal service reviews)	CLT / Service Managers	Ongoing	<p>Emerging in year cost pressures are being managed within the Council’s overall revenue budget.</p> <p>Where overspends cannot be overset by compensatory savings within individual budgets then either cross portfolio budget virements are being actioned or Action Plans to address the pressures are being developed.</p>	On track
Bridging the Gap Programme 2023 2024	CLT / Service Managers	Ongoing	<p>In setting its budget for 2023/24 the Council agreed proposals of £3m.</p> <p>Whilst good progress is being made against delivering some of these proposals others have / are experiencing difficulty and are not delivering as expected. Currently the Council is on track to deliver £2.2 million of the £3 million savings proposed.</p> <p>Where possible alternative savings are being identified or the pressures are being absorbed within underspending budgets.</p>	ongoing but encountering some issues (that can be addressed)


Direction of Travel from previous quarter	Forecasted direction of travel	
		<p>The overall forecast outturn across all Portfolios as of 30 September 2023, is a favourable variance £1.42m after utilising £3.5m from reserves. Whilst there is a significant use of reserves forecast this is an improving position compared to quarter 1 when the forecast was a favourable variance of £0.97m including a forecast use of reserves of £4m.</p> <p>Given the continuing uncertainty it is proposed the risk remains critical.</p>

Risk Reference CRR 25 Risk Description: The 2 schools in an Estyn category and currently in receipt of Council Intervention fail to make appropriate progress against the Statutory Warning Notice to Improve and their Post Inspection Action Plans. Risk Owner: Corporate Leadership Team / Director of Education Risk Updater: Director of Education / Education DMT Portfolio holder: Councillor Sue Edmunds							Direction of Travel No change 					
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status		L	x I =	Score
<ul style="list-style-type: none"> • There is insufficient progress through each Post Inspection Action Plan (PIAP) as recognised by the Local Authority and ESTYN. • The priorities for leadership within the school are deflected to other external factors which in turn impact upon their ability to focus upon school and regulators priorities. • Failure to improve standards • Governing Body does not provide effective support and challenge on relevant school priorities and hence hinder the progression of key actions and processes in order to improve the school and as set out in each PIAP. 	<ul style="list-style-type: none"> • The implementation of further statutory interventions available under provisions set out in the school Standards and Organisation Act Wales 2013 i.e. implementation of additional grounds • Not being removed from the statutory follow up categories within appropriate timescales. • Failure to improve standards in key identified areas • Failure to meet the requirements of the national reform agenda and improve learner outcomes and wellbeing appropriately • Failure to secure good performance in line with new national performance indicators i.e. for 2019 and beyond • Failure to address the requirement as set out in the current Statutory warning notices to improve 	3	3	High	<ul style="list-style-type: none"> • Team Around the School meetings that are now held on a half-termly basis • Bespoke support from the EAS and relevant Council wide services provided to school leadership and governing body • Improvement Conference Statutory Warning Notice in place and being monitored. • ESTYN monitoring visits • Works undertaken on the school building to address health and safety concerns. 	3	3	High	<ul style="list-style-type: none"> • Further use of provision as set in the School Standards and Organisation Act Wales 2013 as deemed appropriate and based on evidence. • LA/EAS Review • Review of SWN's 	2	3	Medium

Quarter 2 Progress Update (July – September 2023)

Progress Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
<p>Further use of provision as set in the School Standards and Organisation Act Wales 2013 as deemed appropriate and based on evidence.</p> <p>Review of SWN's</p> <p>LA/EAS Review</p>	<p>Interim Corporate Director of Education</p>	<p>Ongoing</p>	<p>Brynmawr Foundation School Following 2 Estyn review visits which identified positive progress against the recommendations and higher than anticipated key stage 4 results in August 2023 the Statutory Warning Notice was reviewed in Sept 2023 and has been lifted. Progress against the further controls has been evidenced by the Estyn visits and an EAS review in Summer as well as the Key stage 4 results. As the school remains in an Estyn category at present there is no revision to the score at the moment.</p> <p>River Centre Leadership has been strengthened with a secondment to the Head of the Secondary Phase. The Local Authority has taken over transport to school arrangements enabling the school to concrete on behaviour and curriculum development. Further work is being undertaken on the outdoor area of the school site and there has been further recruitment to teachers and teaching assistants. Some staff have agreed packages to end contracts. There is a new school improvement partner who is a Headteacher at a specialist school</p> <p>An Estyn visit is awaited in Q3 in both schools and both schools are still receiving enhanced support from the Education Achievement Service.</p>	<p>On track</p>

Direction of Travel from previous quarter	Forecasted direction of travel	
		<p>The direction of travel in respect of Brynmawr Foundation School is a lowering risk. In respect of The River Centre there is no change at present, but progress against the PIAP is evident and recognised by Estyn in their re-visit in Summer 2023. Improving position. There is confidence that BFS will come out of an ESTYN category in either Autumn or Spring Term</p> <p>In respect of the River Centre there is confidence that the next ESTYN inspection will show good progress against the PIAP. However, it is recognised that the Estyn inspection identified a number of recommendations and that significant improvements need to be made in the school in a number of areas</p>



Risk Reference CRR 28 Risk Description: Failure to maintain appropriately skilled, adequate staffing resources will lead to an unacceptable impact on the ability of the Council to deliver services effectively. Risk Owner: Corporate Leadership Team / Chief Officer Customer and Commercial Portfolio holder: Councillor Steve Thomas Risk Updater: Head of Organisational Development							Direction of Travel No change 					
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status		L x I =	Score	
<ul style="list-style-type: none"> • Failure to recruit / retain sufficient permanent staff to a significant number of posts due to significant market challenges experienced nationwide (post leaving the EU and Post COVID 19) • Competition from other employers and the private sector where there is more flexibility in respect of salary and terms and conditions. • Fixed term contracts rather than permanent are not attractive. • Downsizing the workforce to meet necessary savings • Alternative service delivery models • Large numbers of workforce over the age of 55 years of age meaning that staff with significant knowledge and experience could leave. • Service specifications not amended in line with cuts to services adding pressure to the workforce. • Impact of sickness absence on workforce • Post pandemic staff priorities • Reliance on key staff for response to key issues / incidents. 	<ul style="list-style-type: none"> • Not having the capacity and capability to deliver services • Failure to deliver priorities and direct impact on service delivery • Increased sickness / absence • Risk of not meeting statutory or legislative requirements in relation to specific workforce requirement e.g., social care. • Over reliance on agency staff • Inability of Council to provide support in response to emergencies (e.g., support provided during the pandemic and cost of living crisis). 	3	4	C r i t i c a l	<ul style="list-style-type: none"> • Workforce Strategy 21-26 • Directorate Workforce Plans • Annual workforce profiles containing recruitment and retention data to support workforce planning. • Commitment to paying the real living wage • Good terms and conditions and pension provisions. • Flexible working • Agile working • Grow our own – Apprenticeships • Career paths for staff to develop and progress • Focus on health and wellbeing • Occupational Health Service and Employee Assistance Programme • Recruitment and Market Supplement Policy • Competency framework and performance coaching • Recruitment and retention review presented to CLT • Development opportunities for staff • Career Promotion Officer to focus on recruiting and retaining in key areas in social services • Use of recruitment days / events to target and support potential candidates through the process • Social Worker Development Strategy • Jobs Bulletin re-introduced 	3	3	H i g h	<ul style="list-style-type: none"> • Marketing of the Council as an Employer of Choice. Effective use of social media / linked-in for recruitment and targeted campaigns including use of video case studies. • Modernisation of recruitment content on website • Development of recruitment and onboarding within ITrent • Directorates to implement and review workforce plans • Review of the Recruitment Policy • Inclusion of leavers data in the annual workforce profiles for directorates • Effective management of sickness absence • Recruitment and retention data to be presented to CLT • Maximisation of any regional campaigns particularly in Social Services 	2	2	M e d i u m


Quarter 2 Progress Update (July – September 2023)

Temporary arrangements in place for the vacant Chief Executive post, to include backfill in Social Services, temporary leadership arrangements in place in Education
Discussions held with the Leader to progress with the recruitment to the Chief Executive post. Report to Council July 2023 with plan for recruitment autumn 2023.
Business Cases started to be developed to meet the savings requirements for 2024/25.

Updates Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
Marketing of the Council as an Employer of Choice. Effective use of social media / linked-in for recruitment and targeted campaigns including use of video case studies.	OD Manager (HR)	Ongoing / subject to ITrent development timescales to be agreed	<ul style="list-style-type: none"> • Post in place in Social Services to support with promoting careers in care and improving advertisements for roles in Care; • Social Media used to advertise roles further discussion on enhancing 	On track
Modernisation of recruitment content on website	OD Manager (HR)	Ongoing / subject to ITrent development timescales to be agreed	<ul style="list-style-type: none"> • Initial work completed to modernise the content on the website further discussion on marketing and website to be held with the Communications and Marketing Team • Linked to the development of the recruitment module in ITrent and work to enhance the application processes 	On track
Development of recruitment and onboarding within ITrent	OD Manager	Tbc in conjunction with Midland HR following initial scoping exercise	<ul style="list-style-type: none"> • Report to CLT to agree development plan for ITrent 2023/24 • 2 Scoping sessions held with OD staff to plan development of the recruitment module in ITrent • linking with another local authority to learn from their experience, • Scoping session planned with Midland with a view to develop timeline and plan for development 	On track
Directorates to implement and review workforce plans	CLT	Annual review in line with business planning	<ul style="list-style-type: none"> • Workforce plans developed • HR development session held with WLGA on workforce planning • Leadership development sessions planned with the WLGA on workforce Planning • Discussion document to CLT on review of Workforce Plans, to include the workforce profile - agreed that Workforce Plans would be reviewed as part of business plan review process. 	On track
Review of the Recruitment Policy	OD Manager	December 23	<ul style="list-style-type: none"> • Draft policy developed and unions consulted. 	On track

Inclusion of leavers data in the annual workforce profiles for directorates	OD Manager	Completed	<ul style="list-style-type: none"> Leavers data has been added to the annual workforce profiles 	Completed
Effective management of sickness absence	Managers	Ongoing	<ul style="list-style-type: none"> Annual review of sickness absence report developed for CLT and scrutiny, to include request for audit to undertake a compliance audit in areas identified as hot spots Ongoing management of sickness absence – quarter 2 2023/24 is an improving picture in comparison to the previous year Refer to Risk CRR14 for full details 	On track
Recruitment and retention data to be presented to CLT.	Head of OD	Completed	<ul style="list-style-type: none"> Recruitment and retention information presented to CLT Workforce Profiles Corporate reviewed at CLT, Directorate profiles reviewed at management teams and schools being rolled out autumn 2023 	Completed
Maximisation of any regional campaigns particularly in Social Services	Heads of Service in conjunction with OD	Ongoing	<ul style="list-style-type: none"> Services are linking into regional approaches, an example being care roles within Social Services 	On track

Direction of Travel from previous quarter	Forecasted direction of travel	
		No change in direction of travel since the last quarter however the forecasted direction of travel is a worsening position in line with the financial savings plans and potential downsizing of the workforce and the impact on capacity



Risk Reference CRR 30 (a) Risk Description: Impact of cost of living (inflationary) increase driven by a number of crosscutting forces on our communities and staff have created significant challenges for those already in need. Risk Owner: Corporate Leadership Team / Interim Director of Social Services Portfolio holder: Councillor Hayden Trollope Risk Updater: Cost of Living Crisis Operational Working Group						Direction of Travel No change 			
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk
		Likelihood	Impact	Status		Likelihood	Impact	Status	
<ul style="list-style-type: none"> Increased costs of household energy bills, food and fuel and stagnation in wages. Volatility in the energy market as a result of the war in Ukraine Shortages and delays as a result of exiting the EU Legacy of COVID disruption to supply chains 	<ul style="list-style-type: none"> Increased Debt Reduction in Household income Negative impact on health and wellbeing of communities. Increased homelessness 	3	4	Critical	<ul style="list-style-type: none"> Cost of living crisis operational group set up which is seeking to address challenges across the community and staff. Cross Party Working Group in place to monitor Links in place with key organisations (Wellbeing Partnership in place) Warm HUBS in place during the colder months Communication campaigns running to provide information to residents about support available Discretionary grants Employability Group in place Food Poverty Action Plan 	3	4	Critical	<ul style="list-style-type: none"> Development of Action Plan for 2023 / 2024


Quarter 2 Progress Update (July – September 2023)

The cost-of-living crisis has created a scenario where the cost of everyday essentials such as energy and food is rising over and above average incomes.

There will need to be consideration in Quarter 3 as to whether this is an issue rather than a risk. If the view is that it is an issue which the Council is currently responding to, then it will be removed from the Corporate Risk Register.

Progress Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
Development of Action Plan for winter 2023 / 2024	Cost of Living Operational Group	Complete	Action plan for winter 2023 / 2024 completed and shared with the cross party Member led working group in Quarter 2 (September). The high-level actions within the plan centre around Support for residents (Housing / Food / general support and Communication / Engagement with the public / staff. The action plan is updated and monitored by the Cost-of-Living Operational Group who meet on monthly basis. A review of warm hubs and foodbanks is underway and a cost of living events are planned for Q3 (November). Cost of living advice communication is currently being developed to run through the winter months for the public and staff members.	Complete

Direction of Travel from previous quarter	Forecasted direction of travel	
		As an authority we recognise that we do not control all the necessary levers to mitigate against the full impact of this crisis however we recognise the need to focus on the steps we can take to alleviate the effects of the crisis.



Risk Reference CRR 30 (b)							Direction of Travel					
Risk Description: Impact of cost of living (inflationary) increases on businesses in Blaenau Gwent.							No change 					
Risk Owner: Corporate Leadership Team / Corporate Director of Regeneration and Community Services Risk Updater: Cost of Living Crisis Operational Working Group												
Portfolio holder: Councillor Hayden Trollope or Councillor John Morgan												
Triggers	Consequences	Inherent Risk			Current Controls	Residual Risk			Proposed further controls to mitigate / reduce risk	Target Score		
		Likelihood	Impact	Status		Likelihood	Impact	Status		L x I = Score		
<ul style="list-style-type: none"> • War in the Ukraine • Negative impact of the exit from the EU • Post pandemic • Reliance on grant funding to develop and deliver key regeneration projects / programmes. • Outside EU and new laws/charges 	<ul style="list-style-type: none"> • Business closure due to energy costs, inflation, and Cost of living implications. • new EU import duty on goods and raw materials affecting overall production costs for business (automotive hard hit) • new export procedures still posing exporting issues for goods to EU – potential to slow or stop productivity, can result in job losses 	3	4	Critical	<ul style="list-style-type: none"> • Cost of living crisis operational group set up which is seeking to address challenges across the community • Action plan in place for 2023 2024 • Cross Party Working Group in place • Employability Group in place • Regular emails on business development to local businesses. In addition to this business engagement meetings with key business based in BG. • Priority for team business start-ups, local businesses with growth and business retention issues. We continue to seek new inward investment projects i.e. business relocation projects to create further employment opportunities • Working closely with partners on sending out information and guidance where possible. • Working with key partners, Business Wales, Dev Banc, Chamber Wales that has export documentation service for SMEs • Shared Prosperity Funding. Businesses advised on grant eligibility with the new Business Development Grant Scheme. 	3	4	Critical	<ul style="list-style-type: none"> • Economic Stimulus measures further to be introduced. • Kick Start plus grant for businesses wishing to grow within three years of business trading. 			

Quarter 2 Progress Update (July – September 2023)

Update provided below

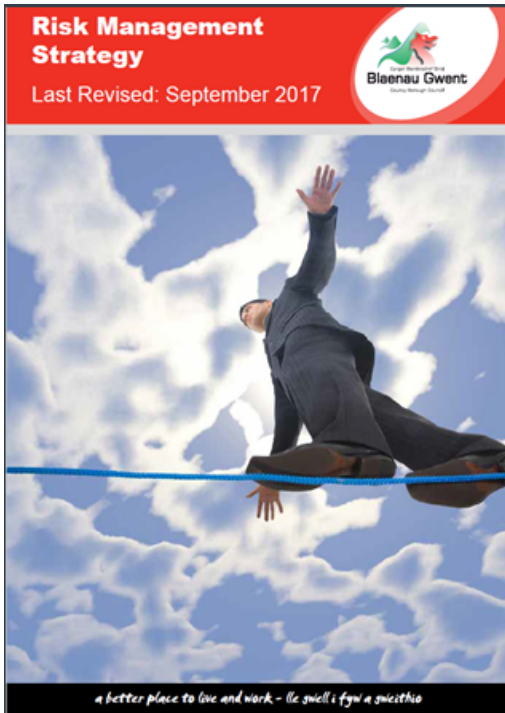
There will need to be consideration in Quarter 3 as to whether this is an issue rather than a risk. If the view is that it is an issue which the Council is currently responding to, then it will be removed from the Corporate Risk Register.

Progress Against Further Controls	Responsible Officer	Due Date	Comments / Update on Progress	BRAG Status of further controls
Business Support and Economic Stimulus measures to be introduced. (Enterprise Facilitation and Business Development Grant scheme).	Moe Forouzan	Ongoing	<p>The Business Development Grant scheme, which targets business growth and new enterprises developing in BG (Capital grant £25k and revenue £25k).</p> <p>Business Development Grant Summary</p> <ul style="list-style-type: none"> • 53 Expressions of Interest received resulting in 46 applications issued. • 23 Full applications received – 8 withdrawn or ineligible. • 14 Grants approved, totalling £257,831.55. <ul style="list-style-type: none"> o £310,839.05 of private sector investment (78%) • 21 FTE jobs to be created and 60.5 FTE jobs to be safeguarded. <p>The Enterprise Facilitation project was relaunched in June 2023. Enterprise Facilitation is a free, informal, and confidential service for aspiring entrepreneurs and business owners within Blaenau Gwent. The Enterprise Facilitation® model places no time constraint on an Enterprise Facilitator’s time or length of support available, which means clients will always have access to the form of support needed, as and when issues arise.</p> <p>Two new Enterprise Facilitators have been recruited to deliver the Enterprise Facilitation model as well as lead on the day-to-day marketing and communications for the Business & Innovation team, including implementing new digital ways of working via Evolutive and Blaenau Gwent Business Hub, to improve customer experience and promote local business support initiatives and ensure local business development opportunities are maximised. The EFs will also support the development of an effective business networking forum for start-up, new and small businesses in Blaenau Gwent</p>	On track

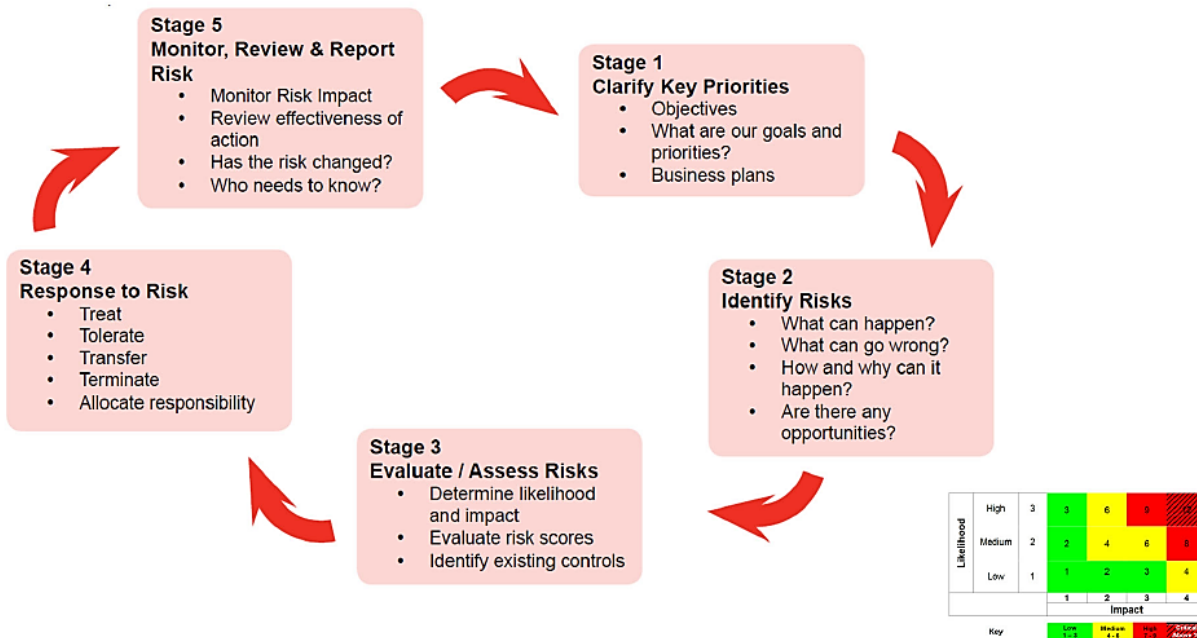
Direction of Travel from previous quarter	Forecasted direction of travel	
		<p>We continue to monitor the economy within Blaenau Gwent but note the economic stimulus measures are making a difference. 29.9% more businesses start-ups in Blaenau Gwent during the first eight months of this year compared with the corresponding period of last year, according to latest data from BankSearch. This growth rate ranks Blaenau Gwent at 2 out of the 22 Welsh districts.</p>

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Corporate Risk Report Definitions and Guidance



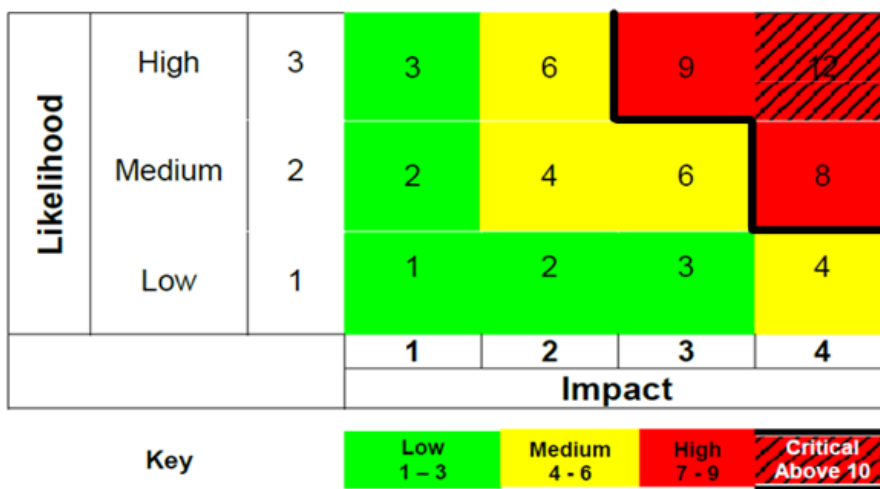
The Risk Management Process



Blaenau Gwent has adopted a 3 by 4 matrix approach (below) where the likelihood will be rated with a score between 1 to 3 and the impact between 1 and 4. A risk score is calculated by multiplying the likelihood and the impact together. This will be the inherent risk score (without any controls in place).

The black line indicates the “risk appetite” as agreed by Corporate Leadership Team (CLT). Risks that fall to the left of the black line are within agreed appetite and require less managing. Risks that fall to the right are outside the appetite and therefore need to be escalated for consideration to the Corporate Risk Register and managed more actively.

Risk Matrix - Blaenau Gwent Council's risk matrix.



Inherent risk score (before controls) and Residual risk score (after controls)

Risks will be scored twice, once without any controls in place which will be the inherent risk score and once taking into account the control measures which will determine the residual risk score.




Risk Score	Definition
Inherent Risk Score	The assessment of the risk score before controls have been applied.
Residual Risk Score	The assessment of the risk score after controls have been applied.
Target Risk Score	The level to which we anticipate we can manage the risk down to.




The process of scoring risk is subjective, and everyone will have a different perception of a particular risk. To help in this process and to introduce a common baseline so that individual risks (financial and non-financial) can be compared on a like by like basis across the Authority, formal quantification guidance has been introduced.





IMPACT OF RISK				
Impact / Outcome One or a combination of the following	Low (minor)	Medium (moderate)	High (Significant)	Critical (Major)
Financial / Business– Budget Impact	Low financial loss or overspend of less than. £50,000 Unless the loss or overspend can be offset within service budgets.	Financial loss or overspend of £50,000 - £250,000 Unless the loss or overspend can be offset within service budgets.	Financial loss or overspend of £250,000 - £1,000,000 Re - alignment of Corporate Budget	Financial loss or overspend of over £1,000,000. Re - alignment of Corporate Budget
Effect on service delivery Or Effect on service provision (refer to the Business Impact Analysis in the Business Plan)	Minor / brief disruption to operations requiring action / minor delay. Handled within the normal day to day routines Less than 20 day loss of service to non- urgent (P7) service area.	Moderate disruption / for a short period. Services do not fully meet needs. Service action will be required. Less than 24 hour partial loss of service (s) with P1 or P2 Activities Less than 5 day significant loss of services (s) with P3 or P4 activities Less than 10 day significant loss of service (s) with P5 or P6 activities	Significant disruption. Key targets missed, service compromised. Management action required to overcome medium term difficulties. More than 24 hour significant loss of service(s) with P1 or P2 activities More than 5 day significant loss of service(s) with P3 or P4 activities More than 10 day significant loss of service(s) with P5 or P6 activities	Major disruption / Cessation of core activities, service is severely degraded. CLT action required. More than 24 hour total loss of service(s) with P1 or P2 activities More than 5 day total loss of service(s) with P3 or P4 activities More than 10 day total loss of service with P5 or P6 activities
Implications for achievements of key targets / objectives	Impact on the delivery of, or failure to achieve, one or more Service Area Priorities / Service Area Strategic Objectives.	Impact on the delivery of, or failure to achieve, one or more Directorate Priorities / Directorate Strategic Objectives.	Impact on the delivery of one or more Corporate Priorities / Corporate Strategic Objectives or Corporate Collaborations.	Failure to deliver one or more Corporate Priorities / Corporate Strategic Objectives or Corporate Collaborations.
Effect on stakeholders / community	Some minor / short term effect on stakeholders' welfare / wellbeing / financial stability.	Moderate / short terms effect on stakeholders' welfare / wellbeing/ financial stability.	Significant / medium term effects on stakeholders' welfare / wellbeing / financial stability.	Major / long terms effect on stakeholders' welfare / wellbeing / financial stability. May face life threatening consequences

IMPACT OF RISK				
Impact / Outcome One or a combination of the following	Low (minor)	Medium (moderate)	High (Significant)	Critical (Major)
Health and Safety and Human Welfare. (Impact can be on staff or the public)	Minor injury no injuries beyond 'first aid' level. Minor impact on staff morale / stress levels	Moderate Injuries requiring medical treatment Potentially some workdays lost	Serious injuries or stressful experience requiring long term medical treatment. Multiple workdays lost. Incident reportable to HSE i.e. serious injury / over 7 days lost from work.	Fatality(ies) Life threatening or multiple serious injuries or prolonged workplace stress.
Legal, Statutory Compliance and Reputation	Breaches of local procedures / standards Increase in complaints minimal reputational damage; little public interest; unlikely to have impact on corporate image.	Breaches of regulations / standards High potential for complaints; local press coverage; litigation possible (e.g. complaint to Ombudsman) Short term reduction in public confidence Some unfavourable media coverage leading to short term reduction in public confidence	Breaches of law punishable by fines. Adverse national publicity; Long term reduction in public confidence Scrutiny required by external agencies, (e.g. Audit Commission) Fines of between £250,000 to £1,000,000	Possible criminal or high profile civil action against the Council, Members or Officers. Intense national media attention. Public enquiry / intervention by external regulators. Requires resignation of Officers and Members Total loss of public confidence Fines of over £1,000,000
Implications for the Environment	Incident with no lasting / short term detrimental effect on the environment or the community. E.g. noise, fumes, dust	Medium term public health / environmental incident. Local discharge of pollutant or source of community annoyance requiring remedial action	Long term major public health / environmental incident	Extensive detrimental long term impact.
Impact on Key Partnership / Major Project	Minimal effect on partnership / project	Adverse effect on partnering arrangements / Major project Moderate impact on stress levels, morale and performance on teams rather than by individual case (i.e. not isolated)	Significant impact on partnership or most of expected benefits fail Significant impact on delivery of major project. Significant impact on morale and performance.	Complete failure / breakdown of partnership / major project Major / Severe impact on morale and service performance.

LIKELIHOOD OF RISK			
Factor	Score	Description	Likelihood of occurrence
Low (unlikely)	1	Very unlikely to occur; only in exceptional circumstances.	<ul style="list-style-type: none"> • Has not happened in the past 5 years or more (either in BGCBC or in a similar operating environment) • Not expected to happen in the next 5 years or more • Less than 25% probability of occurring
Medium (possible)	2	Unlikely to occur but could transpire at some point.	<ul style="list-style-type: none"> • Has happened in the past 2 – 5 years (either in BGCBC or in a similar operating environment) • Expected to happen in the next 2-5 years • 25% to 50% probability of occurring
High (likely)	3	Almost certain to occur.	<ul style="list-style-type: none"> • More than 50% probability of occurring. • Has happened in the past year (either in BGCBC or in a similar operating environment) • Expected to happen in the next year.

Direction of travel from	Definition
	Increasing Risk – the assessment of the risk is that it has worsened since the last quarter update.
	No change – The assessment of the risk is that there have been no significant changes in the level of risk since the last quarter update.
	Decreased risk – The assessment of the risk is that there has been an improvement since the last quarter update.

Forecasted Direction of travel	Definition
	Increasing Risk – It is anticipated that the level of risk will worsen by the next quarter update.
	No change – It is anticipated that there will be no significant changes in the level of risk by the quarter update
	Decreased risk – It is anticipated that risk is that it will improve by the next quarter update.

BRAG rating	Definition
	Completed
	On track
	Ongoing but encountering some issues
	Ongoing with issues that need further intervention