

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

Portfolio holder: Councillor Steve Thomas

Risk Updater: Chief Officer Resources / Chief Officer Customer and Commercial

Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score	L x I = Score	
<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. The latest MTFS was considered and agreed by Council in December 22 • Community engagement underpins budget reduction decisions • Investment in the preventative agenda Early intervention and Prevention Strategy • 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 • 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. 	1	4	Medium

Progress Update as at Quarter 1 (April – June) 2023

Work is processing to further embed the Council's commercial and business ambitions. The focus this quarter has been around an externally facilitated session held to support the development of business cases of pipeline projects which has helped further develop internal knowledge and skills. A Wider CLT session on the MTFS has been held and being more commercially minded will form a key part in supporting the MTFS planning and delivery. A member briefing session is confirmed for September and content for the session being developed, this will lead into a review of the current commercial strategy. We will need to progress these quickly to start generating income for the Council as these will take 12-18 months feed in time.

The Council's 2023/24 revenue budget was agreed in February 2023 and included a draw from reserves of £4.3m. At that time the Medium Term Financial Strategy (MTFS) was indicating a budget gap in excess of £20m between 2024/25 and 2027/28 it is expected that the next iteration of the MTFS will see an increase in the budget gap 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.

Business Cases will need to be developed (for consideration by Council) for all proposals to reduce costs / generate income and balance the Council's budget in future years. To support Service Managers in the development of these business cases an externally facilitated session has been held which has helped develop internal knowledge and skills. To achieve the required efficiencies, major transformation to services across the Council is likely to be required which are likely to impact on service levels.

Risk Reference: CRR2

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

Portfolio holder : Councillor Steve Thomas

Risk Updater: Digital Board / Information Security Officer (SRS)

Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score		
										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 • 	<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 • Follow up on Digital Maturity Assessment • Financial Modelling exercise to be completed • Digital Strategy to be developed • Annual Updates to Governance and Audit Committee as part of the ongoing partnership with SRS. 	1	4	Medium

QUARTERLY PROGRESS UPDATES

Progress Update as at Quarter 1 (April – June) 2023

- During 2022 Audit Wales provided Councils with its findings from a national study re Cyber Resilience. They have since reverted to the Council (August) for details of the controls the Council has in place (I.e network monitoring, risk registers SOC / SIEM) and have advised that they were very reassured by what the Council has in place.
- Audit Wales published their paper in 2021 “Cyber resilience in the public sector” and a 2022 paper “learning from cyber-attacks” the Chief Information Security Officer has tracked all the recommendations included in these papers and has advised that all are in place.
- An annual “Cyber Resiliency” paper is produced by the Chief Information Security Officer to advise the SIRO on the controls in place to protect BGCB from Cyber-attack. This paper includes all of the audits, compliancy reviews, scanning and monitoring being undertaken. Last report was produced in April 2023 to coincide with year end.
- In June 2023 the Vodafone SOC / SIEM went live. The network is now being actively monitored internally and externally and all alerts are acted upon. Monthly Information Security review meetings continue. SIEM continually monitors events such as hacking, malware and other cyberthreats.

- PSN (Public Services Network) which is accredited by the Cabinet Office was achieved in April 2023. The PSN is a UK government network which helps public sector organisations work together, reduce duplication and share resources. In order to be added to the PSN a company must apply to the Cabinet Office annually, providing a CoCo (Code of Connection) completed questionnaire surrounding their network, supply an ITHC (IT Health Check) penetration test, supply a network diagram and provide a remediation plan for any issues identified within the ITHC.
- Engagement on the proposed priorities in the digital strategy has been undertaken with CLT and through a dedicated Member session. The strategy is being finalised and will be presented to scrutiny in September. Work on the programme to maximise current systems that have been invested continues.

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

Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score	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 	<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 • 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 training. • Programme of training for schools underway. • Corporate 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. 	2	4	High	<ul style="list-style-type: none"> • Business Plans will further embed risk assessment tools • Embedding of quality assurance processes in adult services safeguarding *Safeguarding Training programme to be implemented in Quarter 2 •Safeguarding Reports into Scrutiny will be on a corporate basis / will include all directorates. •Safeguarding to be included in self-assessment. 	1	4	Medium

Progress Update as at Quarter 1 (April – June) 2023

The risk was reviewed by the Corporate Safeguarding Leads Group who have provided a corporate update. The Corporate Safeguarding Performance Report which contains corporate safeguarding activity as well as specific information in relation to Social Services and Education will be reported to People Scrutiny Committee in Quarter 2. This will include safeguarding performance information for Q4.

The Strategic Corporate Safeguarding Leads Group continued to meet and monitor safeguarding training compliance on a quarterly basis. A snapshot as at 20th June 2023 reported the statistics below. It was agreed that all directorates would be required to check their lists for accuracy and compliance as there continues to be discrepancy in the reporting from service areas and the reporting figures. An update on compliance with the training requirements will be shared at the next meeting in Quarter 2. Going forward the group will also be monitoring compliance for Violence Against Women, Domestic Abuse and Sexual Violence (VAWDASV) training.

Directorate	No of Staff	No Completed	% Completed
Corporate Services	322	225	70%
Education (excluding schools)	67	58	87%
Schools	1,258	256	20%
Regeneration & Community Services	638	338	53%
Social Services	576	196	34%
OVERALL TOTAL	2,861	1,073	38%

The Safeguarding in Education Manager continues to make good progress in implementing the various QA processes for the current academic year and is now finalising the end of year position statement for education services with the Strategic Safeguarding in Education Manager through the completion of the corporate return and annual Local Government Education Services (LGES) self-evaluation process. DLT have received the required Fades that appropriately capture the areas for improvement and as such the improvement activities are being progressed. SSSPB continues to support the development of key pieces of work across LGES but it is too early to assess the impact of this work. Good progress continues to be made in the implementation of My Concern and the User Group are trialling the use of bullying and RPI returns with a view to rolling this approach to other schools during the autumn term. As part of this work a review of the RPI and Respectful relationship policy is ongoing, one school still has not accessed My Concern training and this matter has been escalated within the Directorate.

There has been a reduction in the social work vacancies across Social Services which is positive, however the workforce is still very inexperienced. That said measures are in place to provide appropriate levels of support and supervision.

There is concern that the current round of budget savings may result in reductions in staff which could impact on this risk . We will keep this under careful review.

Children Services have received their verbal feedback from Care Inspectorate Wales following the child protection rapid review site visit in May. The regulators were satisfied that children are receiving the right help at the right time and as with any visits there were some recommendations made however overall, they were satisfied with the management of child protection concerns.

It is recommended that this risk is reduced to Medium. Primarily this is based on Social Services having the staffing capacity to under take the responses to safeguarding referrals. Capacity has increased due to successful recruitment to social wok posts in both Children's and Adult services and a substantial reduction in the vacancy rate in the child care teams.

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

Ref No.	Description of Risk	Triggers	Consequences	Current Controls			Proposed further controls to mitigate / reduce risk			Target Score L x I = Score				
				Likelihood	Impact	Status	Likelihood	Impact	Status					
CRR 14	Support the cost of sickness absence.	<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

Progress Update as at Quarter 1 (April – June) 2023

- The sickness absence statistics 2022/23 have been reported into CLT. Sickness absence remained high at 15.45 days per FTE employee, exceeding the target set of 10 days. When comparing the outturn for 2022/23 with the previous year there had been a decrease of 1.29 days from 16.74 days. CLT to ensure that the performance data and factors affecting absence levels were discussed with their DMT's and cascaded to all Managers within their Services. Emphasis to be placed on the importance of timely and accurate recording within iTrent, and policy compliance.
- Ongoing management of sickness absence by managers supported by OD.
- Quarterly review of top 20 long term cases and hotspots.
- Ongoing Wellbeing Wednesday's supporting physical and mental wellbeing.
- The annual review and report to be presented to Scrutiny in October 23 and more detailed work will be undertaken on the hotspots including an audit of compliance by internal audit
- The outturn figures for 2023/24 Quarter 1 are showing an improving picture when compared to the previous year. The outturn figure is 2.74 days per FTE employee compared to 3.97 days a decrease of 1.23 days.
- Service Targets 2023/24 have been set within Directorates and CLT agreed the Council target of 10 days
- The sickness absence statistics for 2023/24 quarter 1 have been reported into CLT

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

Portfolio holder: Councillor Steve Thomas

Risk Updater: Information and Governance Officer

Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score	L x I = Score	
<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. • 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"> i) a SOC / SIEM solution to monitor the Council's network providing an enhanced level of protection against Cyber threats ii) Ransomware impact reduction product to reduce the impact of an attack when it does happen 	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 	2	4	High

Progress Update as at Quarter 1 (April – June) 2023

No significant changes to the risk occurred during this period with progress being made on many of the controls.

Following the news that the eLearning pilot originally planned is no longer feasible an alternative solution has now presented itself and we are promised will be demoed shortly. However, in the meantime the department have been progressing with using the All Wales Academy solution to prevent complacency and many managers have now received requests to remind their staff to complete/refresh their mandatory training. Any that have not yet received this will do so in the coming weeks/months.

Reviews of the Data Protection and Freedom of Information Policies were conducted during this time and confirmed by the Information Governance Forum, progressing for CLT approval in July 2023.

For Quarter 1 there were 5 Data Breaches recorded (2 in Environment and Regen, 2 in Social Services and 1 in Corporate Services). This is a vast improvement on the performance for the same quarter in 2022 where 17 breaches were recorded but should not mean that we are complacent as breaches in Quarter 2 in 2023 have currently demonstrated. Of the 5 recorded breaches in Quarter 1 none met the threshold to report to the ICO.

Updates on Cyber security included in risk reference CRR2.

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

Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score	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	critical	<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	Critical	<ul style="list-style-type: none"> ● Delivery & further development of the Bridging the Gap Programme ● Development and consideration of business cases ● Budget cuts / additional income generation to balance Council budget (likely to result in reduction / stopping some services) 	2	4	High

Progress Update as at Quarter 1 (April – June) 2023

Quarter 1 Progress Update (April – June 2023)

Risk score has moved to Critical from High in Quarter 1 2023 2024.

Significant pay and price increases, driven by high inflation and a tight labour market, is likely to continue to be experienced in the medium term. Similar impacts are being experienced by both the UK and Wales Governments' which will have a consequential effect on the funding from WG that the Council can expect to receive, these issues are putting pressure on the Council's budget. Whilst inflation remains high (currently 10%) the indication from WG is that the revenue support grant for 2024/25 will be an average of 3.1% across Wales, well below the rate of inflation (and current pay awards).

The Council is budgeting to utilise in excess of £4m for 2023/24 and is forecasting increasing and additional cost pressures for 2024/25 and beyond. Initial forecasts suggest the Council's budget gap is in excess of £20m over the next 5years with £9m predicted for 2024/25. Utilising reserves to fund pressures in year is simply delaying the full impact of the challenges to future years.

There is a high risk that the agreed Bridging the Gap proposals will not achieve the target savings as inflation continues to outstrip assumptions and the Council continues to be faced with higher costs than anticipated. Current Bridging the Gap proposals for 2024 / 2025 total £2.27 million, significantly below the values that will be required, and additional proposals are anticipated.

In order to set a balanced budget for 2024/25 and future years, Business Cases will need to be developed (for consideration by Council) for additional proposals to reduce costs / generate income and balance the Council's budget. To achieve the required efficiencies, major transformation to services across the Council is likely to be required which will impact on service levels.

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

Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score		
										L	X	I= Score
<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 sub group) • 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 councils 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

Progress Update as at Quarter 1 (April – June) 2023

The risk remains critical.

The forecast Outturn at Quarter 1 is a favourable variance against approved budget £0.20m, this increases to £0.97m when additional reserves are applied to fund unbudgeted expenditure. Forecast use of reserves required to balance the agreed budget is therefore forecast to be £3.1 m compared to the £4m agreed by Council. The overall favourable variance is due to a number of underspending budget areas in Corporate Services.

We are however already seeing in year cost pressures across all portfolios as well as additional spend funded by an unplanned draw from reserves. Inflationary pressures are eroding budgets and there is a high risk that the currently agreed Bridging the Gap projects will not achieve the target savings as inflation continues to outstrip assumptions. (Original inflationary assumptions include 5% for pay and 8% CPI) with pay increases averaging at a minimum of 6.4% and CPI currently 10%.

Revenue and Capital Quarter 1 Forecast to be presented to Members in September 2023, this will include details of adverse and favourable variances over £50,000. Action plans have been developed for forecast adverse variances over £50,000.

The in year financial position will continue to be monitored closely and further corrective action will be considered if the situation deteriorates.

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

Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score		
										L	I	S
<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"> Cross cutting cost of living crisis operational group set up which is seeking to address challenges across the community and staff. 	3	4	Critical	<ul style="list-style-type: none"> Development of Action Plan for 2023 / 2024 			

QUARTERLY PROGRESS UPDATES

CLT review notes 30.03.23

CRR30 (a) - Recommended New Risk – CRR 30 (a, b and c) Cost of Living. Agreed to the new risk and to Critical and status Critical. CLT decision – Accepted to the CRR.

Quarter 1 Progress Update as at (April - June) 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. 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. The Cost of Living Crisis Operation Group has continued to meet and a new action plan has been developed which will be shared with the cross party Member led working Group in Quarter 2 (September). The previous action plan concentrated on the distribution of grants which were previously available, but with the reduction in the funding available, the focus is now shifting to a longer term plan around self-sustainability. The Council provided support at a large local employers premises that announced its closure in Quarter 1, providing information and assistance to employees.

Risk Reference CRR 30 (b)
Risk Description: Impact of cost of living (inflationary) increases on businesses in Blaenau Gwent.
Risk Owner: Corporate Leadership Team / Corporate Director of Regeneration and Community Services
Portfolio holder: Councillor Hayden Trollope or Councillor John Morgan
Risk Updater: Cost of Living Crisis Operational Working Group

Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score	
										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"> • Regular emails on business development to local businesses. • Businesses advised on grant eligibility • working closely with partners on sending out information and guidance where possible. • Working with Chamber Wales that has export documentation service for SMEs 	3	4	Critical	<ul style="list-style-type: none"> • Economic Stimulus measures to be introduced. • • 		

Quarter 1 Progress Update as at (April - June) 2023

The Economic Development Team are working with key business partners and Welsh Government. Team will introduce economic development stimulus measure i.e. business grant scheme. It's envisaged the initiatives will be funded via the Shared Prosperity Fund.

Key objectives:

- Creating jobs and boosting community cohesion, through investments that build on existing industries and institutions, and range from support for starting businesses to visible improvements to local retail, hospitality and leisure sector facilities.
- Promoting networking and collaboration, through interventions that bring together businesses and partners within and across sectors to share knowledge, expertise and resources, and stimulate innovation and growth.
- Increasing private sector investment in growth-enhancing activities, through targeted support for small and medium-sized businesses to undertake new-to-firm innovation, adopt productivity-enhancing, energy efficient and low carbon technologies and techniques, and start or grow their exports.

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 Portfolio holder: Councillor Sue Edmunds Risk Updater: Director of Education / Education DMT												
Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score		
										L	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"> Schools Causing Concern meetings (formerly Intervention panel meetings in train) that are now held on a monthly 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 Safer Schools approach used at the River Centre. Statement of action progress meetings in place Weekly River Centre Post Inspection Action Plan (PIAP) meetings with Local Authority partners to support with and monitor progress against the PIAP. 	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. Local Authority/Educational Achievement Service (EAS) Review Review of Statutory Warning Notice's Statement of action progress meetings established *Brynmawr Foundation School is part of the Welsh Government initiative for Schools in Special Measures. * River Centre is part of the Welsh Government initiative for Schools in Special Measures. Works undertaken on the school building to address health and safety concerns and further works proposed for next quarter. 	2	3	Medium

Progress Update as at Quarter 1 (April – June) 2023

Brynmawr Foundation School - The school has continued to make progress around the revised Statutory Warning Notice that was issued to the school on 8th March and the Team Around the School (TAS) approach is beginning to have positive impact upon the pace of change. This has been recognised in the recent Estyn monitoring visit. The Education Directorate continues to work with the Education Achievement Service (EAS) and the school in relation to the pace of progress in improving teaching and learning and the school is more autonomous in leading their own improvement agenda, with Cardiff High School tailoring their support to reflect this. Agreed that the Statutory Warning Notice will be reviewed at the end of the current academic year.

River Centre – A member briefing has been held to provide an overview of the setting and its improvement journey. There continues to be a focus on developments of teaching and learning of skills in the Post Inspection Action Plan. Staffing in the setting continues to stabilise and continuity of leadership in the setting has been secured until Easter 2024. An Estyn monitoring visit has provided further baseline evidence to progress actions against which includes the development of accountability for staff and, as such Leaders are modelling expected behaviours to staff to support this. The Education Achievement Service (EAS) has reviewed the package of support which is specific to the schools needs and encompasses the recent Estyn feedback.

In response to the final report from the Estyn regarding Local Government Education Services (LGES) Inspection which identified 3 recommendations for improvement, the business plan for the Education Directorate has been revised to encompass the three Estyn recommendations. The revised business planning priorities are set out below, with appropriate actions now included within the business plans to address the shortcomings identified by Estyn.

- Ensure effective corporate leadership of Education Services
- Maximise learning, skills and wellbeing for children, young people and the community in Blaenau Gwent
- Ensure effective self-evaluation, strategic planning and performance management
- Ensure effective governance and delivery of commissioned services
- Maximise partnership working to meet community need

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

Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score		
										L	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 BGBC buildings • Review of business impact assessments 	1	4	Medium

QUARTERLY PROGRESS UPDATES

Progress Update as at Quarter 1 (April – June) 2023

The review of business impact assessments is underway but is at a very early stage and staff capacity is hindering the quality assurance process.

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

Triggers	Consequences	Likelihood	Impact	Status	Current Controls	Likelihood	Impact	Status	Proposed further controls to mitigate / reduce risk	Target Score		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	Critical	<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	High	<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	4	Medium

Progress Update as at Quarter 1 (April – June) 2023

- Annual workforce profiles developed and to be presented to CLT
- Workforce plans developed to be reviewed Autumn 23
- WLGA development sessions on workforce planning for OD and CLT. Further sessions to be considered for Wider CLT
- Development of Recruitment and Onboarding in ITRENT commenced with initial scoping and research.
- Ongoing management of sickness absence – quarter 1 2023/24 is an improving picture in comparison to the previous year
- Recruitment Policy review finalised to be progressed through approval processes
- Plans developed for the recruitment of the Chief Executive - September – October 23
- Senior Leadership interim arrangements in place for Education, Social Services and Regeneration and Community Services - temporary arrangements at senior leadership level are adding to this risk