

## Appendix C: Significant Governance Issues

To ensure services are delivered to acceptable standards whilst achieving the budget savings required whilst managing strategic risks, the Council as planned in the Annual Governance Statement 2020/21, during 2021/22 strived to achieve and delivered the following outcomes:

<b>Targeted outcome one</b>	<b>Additional Services and care required during the Covid pandemic and afterwards to preserve life whilst delivering against economic demands.</b>
Strategic risk	Resource limitations and the ability to mobilise services at speed places people and businesses at a higher risk of failure and loss. Failure to deliver the Commercial Strategy; Economic Growth Strategy within agreed timescales and to levels approved by Council within the Financial Strategy prevents the Council from meeting savings targets and corporate outcomes. Impact of Covid and Brexit on the County's economy including the Council.
Activity planned	<b>Chief Executive; as required</b> Early warning "system" to identify future pinch points; stood up quickly as needed. Centralised Redeployment process; stood up quickly as needed. <b>Executive Director of Resources; July 2021</b> <i>Refocus: Introduction of a single performance, information and reporting service for Shropshire Council</i> Milestones: IRIS Structure in place and Operational – Embedding of new working practices, including frontline interaction; background activities and learning and development begins Economic Growth Strategy refresh <b>Executive Director of Place; September 2021</b> Scoping of research to understand the impact of Brexit for Shropshire's economy following Covid.
March 2022 update	Yes, an organisation wide approach delivered the targeted outcome during the pandemic; systems (including redeployment) now in place to manage the legacy impacts of Covid. Initial teams have been combined and assessment commenced on wider performance, information and reporting activities across the Council. A draft Economic Growth Strategy is ready for Cabinet consultation in June and adoption in the Autumn. The impact of Brexit is considered in this refresh.
<b>Targeted outcome two</b>	<b>Targeted savings and income collection are achieved to support funding, providing good value for money.</b>

	<b>Funding is available to respond to COVID-19 pandemic and to deliver sustainable services now and into the future.</b>
Strategic risk	Inability to fund services (particularly adult and children's) and inability to deliver a balanced budget over the five years of the Medium-Term Financial Strategy based upon robust estimates of cost and available resources.
Activity planned	<p><b>Executive Director of Resources; Oct 2021</b>  <i>Refocus: Implementation of a new Financial Framework to Improve the management of council finances.</i>  Milestone: Embed a suite of KPIs to measure our performance.  <i>Refocus: Introduction of a single performance, information and reporting service for Shropshire Council</i></p> <p><b>July 2021</b>  Milestones: IRIS Structure in place and Operational – Embedding of new working practices, including frontline interaction; background activities and learning and development begins.</p> <p><b>Autumn 2021</b>  First draft savings profile from Refocus programme produced.  Funding Prioritisation discussions by the Executive Directors Team and their Directorate Management Teams (EDT/ DMT).</p>
March 2022 update	<p>Financial Accountabilities Framework (FAF) was launched in March and all budget holders received a copy of the framework with their 2022/23 budget. Training was delivered across the Council regarding Financial Management and including budget holders' responsibilities as outlined in the FAF.  Initial teams have been combined and assessment commenced on wider performance, information and reporting activities across the Council.  The Refocus programme has not delivered a savings plan. The Council has focussed on trying to deliver the budgetary savings within the 2021/22 budget, and plan for delivery of savings for 2022/23.</p>
<b>Targeted outcome three</b>	<b>Staff delivering services are looked after in terms of both their physical and mental wellbeing.</b>
Strategic risk	<p>Demands for specialist staff changes because of Covid and other changes to activity. Staff cannot be recruited quickly enough and need to be retained from more attractive offers to sustain Council service provision.  Increases in work related stress; staff wellbeing including mental health on the ability to deliver Council outcomes.</p>
Activity planned	<p><b>Executive Director of Resources; December 2021</b>  <i>Refocus: Payroll Improvement Project</i>  Reviewing recruitment and onboarding processes to improve customer experience and time to hire.</p>

	<p><b>March 2022</b>  Work with West Midlands Employers on regional campaigns for hard to recruit professions.  Workforce and succession planning taking place with service areas to quickly deploy resource to areas of pressure.  <i>Refocus: Staff Wellbeing project will create an environment to ensures an employee has an opportunity to flourish and achieve their full potential.</i></p> <p><b>April 2021</b>  Milestones: Wellbeing Plan Approved by Executive Directors.</p> <p><b>Summer 2021</b>  Strategy approved through formal channels.</p>
March 2022 update	<p>Ongoing project looking at improvements to recruitment and onboarding processes and systems.  Continuing focus around recruiting health and social care professionals which will expand to support other hard to fill areas.  Work progressing in succession and workforce planning via the HR Business Partners with service areas.  Wellbeing Plan approved and continually updated as part of work and approaches via New Ways of Working Group.</p>
<b>Targeted outcome four</b>	<b>Making digital the preferred way to work and transact.</b>
Strategic risk	<p>Officers and members are not optimising the technology in delivering their services leading to failure to adopt approaches to realise savings from digital transformation.  Increased risk of cyber-attacks and threats to the ICT infrastructure at a time of high reliance.</p>
Activity planned	<p><b>Executive Director of Resources; July 2021</b>  <i>Refocus: Increased use of technology to reduce pressures in the system</i>  Milestones: Executive Director of Resources and Assistant Director – Business Intelligence, to agree list of projects, funding requirement and timeline for delivery</p> <p><b>September 2021</b>  Employment of a fourth member of the ICT security team to help monitor and proactively maintain Cyber defences. In progress.</p> <p><b>October 2021</b>  Major investment in Firewall technology to ensure boundary protection is appropriate, supported and modern. In progress.</p> <p><b>January 2022</b></p>

	Attain Cyber Essentials Plus to assure alignment with this recognised level of assurance. Budget to be identified.
March 2022 update	Fourth member of the ICT Security team employed to help monitor and proactively maintain cyber defences monitoring takes place of workforce indicators including leavers, recruitment, agency use etc. Major investment in Firewall technology to ensure boundary protection is appropriate, supported and modern. Cyber Essentials Plus, recognised level of assurance to be implemented late 2022.
<b>Targeted outcome five</b>	<b>Recognition of the impact of decisions and activities on the climate and a reversal of policies to reduce emissions in the climate.</b>
Strategic risk	Carbon levels increase contributing to the declining health and wellbeing of Shropshire residents, visitors to and service users.
Activity planned	<b>Executive Director of Place; September 2021</b> <i>Refocus: Implement energy consumption and emissions activities to provide a pathway for the council to reach net-zero carbon by 2030.</i> Milestones: Range of staff incentives for low carbon behaviour and living <b>July 2021</b> Transport Projects – Develop pipeline for low carbon transport <b>2030</b> Target Completion Date
March 2022 update	Work in progress. HMRC rules have complicated funding for staff home improvements. Range of projects to support Electric Vehicle charging infrastructure and Green Hydrogen Fuel in progress.