

At: Aelodau'r Pwyllgor Llywodraethu
ac Archwilio

Dyddiad: 19 Ionawr 2023

Rhif Union: 01824706204

ebost: democrataidd@sirddinbych.gov.uk

Annwyl Gynghorydd

Fe'ch gwahoddir i fynychu cyfarfod y **PWYLLGOR LLYWODRAETHU AC ARCHWILIO, DYDD MERCHER, 25 IONAWR 2023** am **9.30** am yn **SIAMBR Y CYNGOR, NEUADD Y SIR, RHUTHUN A THRWY GYNHADLEDD FIDEO.**

Yn gywir iawn

G Williams
Swyddog Monitro

AGENDA

1 YMDDIHEURIADAU

2 DATGANIADAU O FUDDIANT (Tudalennau 3 - 4)

Dylai'r Aelodau ddatgan unrhyw gysylltiad personol neu gysylltiad sy'n rhagfarnu ag unrhyw fater a nodwyd fel un i'w ystyried yn y cyfarfod hwn.

3 MATERION BRYG

Rhybudd o eitemau y dylid, ym marn y Cadeirydd, eu hystyried yn y yfarfod fel materion brys yn unol ag Adran 100B(4) Deddf Llywodraeth Leol 1972.

4 COFNODION (Tudalennau 5 - 14)

Derbyn cofnodion cyfarfod y Pwyllgor Llywodraethu ac Archwilio a gynhaliwyd ar 23 Tachwedd 2022 (amgaeir copi).

5 RECRIWTIO, CADW A CHYNLLUNIO GWEITHLU (Tudalennau 15 - 48)

Derbyn adroddiad am swydd Cyngor Sir Ddinbych o ran materion recriwtio a chadw a gweithgareddau Cynllunio Gweithlu (copi wedi'i amgáu).

- 6 Y DIWEDDARAF AM ARCHWILIAD MEWNOL** (Tudalennau 49 - 80)
I ystyried adroddiad gan y Prif Archwilydd Mewnol (copi ynghlwm) diweddarau'r aelodau ar gynnydd Archwilio Mewnol.
- 7 DIWEDDARIAD AR BROSES Y GYLLIDEB** (Tudalennau 81 - 92)
Derbyn y wybodaeth ddiweddaraf am y Cynllun Ariannol a'r Amserlen Gyllideb tymor Canolig cyfredol (copi ynghlwm).
- 8 RHEOLI'R TRYSORLYS** (Tudalennau 93 - 138)
I dderbyn adroddiad sy'n dangos sut y bydd y Cyngor yn rheoli ei fuddsoddiadau a'i fenthyca ar gyfer y flwyddyn i ddod ac yn gosod y polisiau y mae swyddogaeth Rheoli'r Trysorlys yn gweithredu (copi ynghlwm).
- 9 RHAGLEN GWAITH PWYLLGOR LLYWODRAETHU AC ARCHWILIO**
(Tudalennau 139 - 144)
Ystyried blaenoriaid rhaglen waith y pwyllgor (copi wedi'i amgáu).

ADRODDIAD GWYBODAETH

- 10 GWYBODAETH - PARODRWYDD Y SECTOR CYHOEDDUS AR GYFER CARBON SERO-NET ERBYN 2030** (Tudalennau 145 - 170)
I gael gwybodaeth mae adroddiad gan Archwilio Cymru dan y teitl Public Sector Readiness for Net Zero Carbon erbyn 2030 (copi wedi'i amgáu).

MEMBERSHIP

Y Cynghorwyr

Ellie Chard
Justine Evans
Carol Holliday
Nigel Rudd

David Stewart
Paul Whitham
Elfed Williams
Mark Young

COPIAU I'R:

Holl Gynghorwyr er gwybodaeth
Y Wasg a'r Llyfrgelloedd
Cynghorau Tref a Chymuned

DEDDF LLYWODRAETH LEOL 2000

Cod Ymddygiad Aelodau

DATGELU A CHOFRESTRU BUDDIANNAU

Rwyf i,
(enw)

*Aelod /Aelod cyfetholedig o
(*dileuer un)

Cyngor Sir Ddinbych

YN CADARNHAU fy mod wedi datgan buddiant ***personol / personol a sy'n rhagfarnu** nas datgelwyd eisoes yn ôl darpariaeth Rhan III cod ymddygiad y Cyngor Sir i Aelodau am y canlynol:-
(*dileuer un)

Dyddiad Datgelu:

Pwyllgor (nodwch):

Agenda eitem

Pwnc:

Natur y Buddiant:

(*Gweler y nodyn isod*)*

Llofnod

Dyddiad

Noder: Rhwng ddigon o fanylion os gwelwch yn dda, e.e. 'Fi yw perchennog y tir sy'n gyfagos i'r cais ar gyfer caniatâd cynllunio a wnaed gan Mr Jones', neu 'Mae fy ngŵr / ngwraig yn un o weithwyr y cwmni sydd wedi gwneud cais am gymorth ariannol'.

Mae tudalen hwn yn fwriadol wag

PWYLLGOR LLYWODRAETHU AC ARCHWILIO

Cofnodion cyfarfod o'r Pwyllgor Llywodraethu ac Archwilio a gynhaliwyd yn Siambr y Cyngor, Neuadd y Sir, Rhuthun a thrwy gynhadledd fideo, Dydd Mercher, 23 Tachwedd 2022 am 9.30 am.

YN BRESENNOL

Y Cynghorwyr Ellie Chard, Justine Evans a Carol Holliday

Aelodau Lleyg Paul Whitham, Nigel Rudd a Dave Stewart

Aelodau Cabinet– Y Cyngorydd Gwyneth Ellis – Aelod Arweiniol dros Cyllid, Perfformiad ac Asedau Strategol.

Y Cyngorydd Julie Matthews – Aelod Arweiniol Strategaeth Gorfforaethol, Polisi a Chydraddoldeb.

HEFYD YN BRESENNOL

Cyfarwyddwr Corfforaethol: Llywodraethu a Busnes – Swyddog Monitro (GW), Pennaeth Gwasanaethau Cyllid ac Eiddo (Adran 151) (SG), Prif Archwilydd Mewnol (BC), Pennaeth Gwasanaeth Dros Dro - Strategaeth a Pherfformiad, Prosiectau, Newid Hinsawdd, Datblygu Cymunedol, Archwilio Mewnol (NK), Pennaeth Dros Dro Gwasanaethau Cyfreithiol, Adnoddau Dynol a Democrataidd (LJ), Pennaeth Dros Dro Gwasanaethau Gwella Busnes a Moderneiddio (BE), Swyddog Cynllunio Strategol a Pherfformiad (EH), Prif Gyfrifydd (RE), Archwilydd (SW), Gweinyddwr Pwyllgor (SLW) (Gwesteiwr Zoom) a Gweinyddwr Pwyllgor (SJ & NH).

Roedd cynrychiolwyr Archwilio Cymru, Mike Whiteley a Gwilym Bury hefyd yn bresennol.

1 YMDDIHEURIADAU

Derbyniwyd ymddiheuriadau am absenoldeb gan y Cynghorwyr Elfed Williams, Merfyn Parry a Mark Young.

2 DATGANIADAU O FUDDIANT

Datganodd y Cadeirydd, yr aelod lleyg David Stewart ddiddordeb personol yn eitem agenda 5 – Cofrestr Risg Gorfforaethol gan ei fod yn aelod o bwyllgor Llywodraethu ac Archwilio Cyngor Bwrdeistref Sirol Wrecsam y cyfeiriwyd ato yn y papurau. Hysbysodd y pwyllgor o ran eitem Agenda 9 - Datganiad Cyfrifon yr oedd yn aelod o Gronfa Bensiwn Clwyd yr oedd yn ei dderbyn.

3 MATERION BRYD

Doedd dim eitemau bryd.

4 COFNODION

Cyflwynwyd cofnodion cyfarfod y Pwyllgor Llywodraethu ac Archwilio a gynhaliwyd ar 04 Hydref 2022 i'w hystyried.

Tudalen 8 – Cofnodion – Cadarnhaodd y Prif Archwilydd Mewnol fod modiwl hyfforddi ar-lein CLILC yn faes hyfforddi ar wahân i Reoli'r Trysorlys. Roedd y modiwl ar-lein mewn perthynas â gwaith y pwyllgor Llywodraethu ac Archwilio yn gyffredinol. Cadarnhaodd unwaith y byddai'r modiwl ar gael y byddai'n rhoi gwybod i'r aelodau.

Tudalen 13 – Rhaglen Gwaith Llywodraethu ac Archwilio Ymlaen - Cadarnhaodd y Cadeirydd ei fod wedi gofyn am adroddiadau Diogelwch Tân blynyddol yn y dyfodol, bod manylion pellach am gydymffurfio mesurau tân wedi'u cynnwys.

PENDERFYNWYD, yn amodol ar yr uchod fod cofnodion y pwyllgor Llywodraethu ac Archwilio a gynhaliwyd ar 04 Hydref 2022 yn cael eu derbyn a'u cymeradwyo fel cofnod cywir.

5 COFRESTR RISG CORFFORAETHOL

Diolchodd y Cadeirydd i'r swyddogion a'r Aelod Arweiniol am yr adroddiad manwl. Cydnabyddodd y gwaith manwl a ymgorfforwyd yn y gofrestr a nododd y gallai fod o fudd i gael sesiwn hyfforddi yn y dyfodol ar y Gofrestr Risgiau.

Cyflwynodd y Cynghorydd Julie Matthews, yr Aelod Arweiniol dros Strategaeth Gorfforaethol, Polisi a Chydraddoldeb, yr adroddiad i roi diweddariad ar yr Adolygiad o'r Gofrestr Risg Gorfforaethol, mis Medi 2022. Gofynnodd yr adroddiad i Lywodraethu ac Archwilio adolygu'r risgiau sy'n wynebu'r cyngor a'r datganiad archwaeth risg.

Datblygwyd a pherchnogaeth y Gofrestr Risg Gorfforaethol gan yr Uwch Dîm Arwain (UDA) a'r Cabinet. Cafodd ei adolygu ddwywaith bob blwyddyn gan y Cabinet yn Sesiwn Briffio'r Cabinet.

Cadarnhaodd y Swyddog Cynllunio a Pherfformiad Strategol, Emma Horan bod yr adroddiad yn gofyn am sicrwydd gan aelodau bod rheoli risg wedi cael ei reoli'n briodol. Cafodd diweddariad o'r adolygiad diweddaraf ei gynnwys hefyd. Roedd y datganiad archwaeth risg yn edrych ar lefel yr archwaeth oedd gan yr awdurdod wrth geisio ei amcanion. Gofynnodd swyddogion am gymeradwyaeth yr aelodau am welliant i'r datganiad.

Clywodd aelodau fod rhai risgiau o fewn y gofrestr risg wedi'u dwysáu gan gynnwys Risg 01- Diogelu lle roedd swyddogion wedi rhoi rheolaethau rheoli ychwanegol ar waith i reoli'r risgiau. Roedd UDA yn adolygu'r risg yn fisol, yn enwedig gan ganolbwyntio ar reolaethau sy'n cael eu gweithredu i reoli'r risg.

Amlygwyd bod y Gofrestr Risg Gorfforaethol wedi dod yn gysylltiedig iawn â nifer o risgiau'n croesi drosodd.

Roedd adolygiad o'r newidiadau i'r risgiau wedi ei gynnwys yn yr adroddiad dan sylw.

Adolygiad o'r Gofrestr Awydd Risg, gydag aelodau'r Cabinet i adolygu'r gofrestr i sicrhau bod y lefel gywir o risg yn cael ei mabwysiadu. Roedd y pwyllgor Llywodraethu ac Archwilio yn gyfrifol am y broses a methodoleg y strategaeth risg. Oherwydd y sefyllfa economaidd sy'n newid, cynigiwyd diwygio'r awydd risg minimalaidd mewn perthynas â'r Gweithlu: Telerau ac Amodau i awydd pwylllog, i adlewyrchu'r ffordd yr ydym yn 'ystwytho' prosesau recriwtio – mewn ffordd ddiogel – i leddfu heriau wrth lenwi rolau. Y rheswm am y newid hwn oedd ceisio datrys y problemau oedd yn wynebu recriwtio a chadw staff, roedd angen i'r prosesau hynny fod yn fwy hyblyg.

Yn ystod trafodaethau gwnaed y pwyntiau canlynol –

- Amlygir risgiau yn ystod sgysiau yn ystod yr adolygiadau dwyfol gyda UDA a'r Cabinet. Mae nifer o ffactorau yn cael eu hystyried a'u trafod wrth adolygu risgiau newydd. Gellir hefyd adnabod risgiau drwy wasanaethau sy'n codi pryderon i uwch swyddogion.
- Risg gynhenid yw'r lefel amlygiad llawn o'r risg honno gyda'r sgôr risg gweddilliol a ystyriwyd y camau lliniarol sydd ar waith. Byddai unrhyw bryderon ar gyflawni'r camau gweithredu yn cael eu hadolygu yn y cyfarfod ddwywaith y flwyddyn. Cynhaliwyd cyfarfod a sgwrsio gydag adran, swyddogion ac Aelodau Arweiniol pan nodir risg newydd.
- Mae camau lliniaru newydd yn cael eu monitro gan gynlluniau busnes gwasanaeth.
- Cadarnhaodd y Swyddog Monitro fod y wybodaeth a geir yn eitem 11 ar yr agenda yn berthnasol wrth drafod y gwelliant i'r awydd am risg ac fe gadarnhaodd os oedd aelodau'n cyfeirio at yr wybodaeth honno a oedd yn rhesymol.
- Nododd yr aelodau y cysylltedd agos rhwng nifer o'r risgiau. Roedd hyn oll wedi cyfrannu at yr heriau oedd yn wynebu'r awdurdod.
- Nododd swyddogion awgrym aelodau o fap lluniau neu fwrdd i nodi newidiadau neu symudiadau risg ac y byddai'n eu hystyried gyda'r tîm.
- Trefnwyd adroddiad ar gyfer cyfarfod pwyllgor Llywodraethu ac Archwilio mis Ionawr ar recriwtio a chadw staff. Clywodd yr aelodau hefyd bod archwilio mewnlol hefyd yn cynnal adolygiad ar recriwtio a chadw staff a fyddai'n cael ei gyflwyno i'r pwyllgor ar ôl cael ei gwblhau.]
- Roedd trafodaethau rhanbarthol a Chenedlaethol wedi'u cynnal gyda sylwadau o Sir Ddinbych yn bresennol. Roedd y cyfarfodydd hynny wedi bod i drafod materion recriwtio a chadw staff ar draws y gwahanol awdurdodau a phartneriaid.
- Cafodd adroddiad gan Archwilio Cymru ar faterion y gweithlu ei gyhoeddi yn gynharach yn y flwyddyn.
- Mae risgiau'n dod i'r amlwg ar y gofrestr Gorfforaethol pan fydd yn amlwg gyntaf. Roedd y risgiau a restrir i'w dileu yn hanesyddol ac roedd y camau a'r risgiau wedi'u cynnal a'u hadolygu.
- Awgrymodd yr aelodau effaith o ddiwylliant negyddol i'w ychwanegu o bosibl at y risg sy'n gysylltiedig â thwyll. Cadarnhaodd swyddogion y bydden nhw'n tynnu'r awgrym i ffwrdd er mwyn trafod gyda pherchennog y risg.

Diolchodd y Cadeirydd i'r swyddogion am yr adroddiad manwl ac atebion i sylwadau a phryderon yr aelodau. Roedd yr aelodau'n gytûn am rywfaint o hyfforddiant ychwanegol ar y Gofrestr Risg Corfforaethol.

PENDERFYNWYD, bod aelodau'n nodi'r risgiau, y sgoriau a'r rheolaethau sydd wedi'u cynnwys yn y Gofrestr Risg Gorfforaethol (atodiad 1), gan gynnwys statws pob risg yn erbyn ein Datganiad Archwaeth Risg (atodiad 2). Hefyd, mae'r pwyllgor yn ystyried y datganiad archwaeth risg ac yn derbyn y diweddariad ar lafar ar unrhyw newidiadau (atodiad 2).

Roedd pob aelod yn gytûn i gymeradwyo'r cynnig i ddiwygio'r Datganiad Archwaeth Risg Corfforaethol.

Oherwydd materion technegol gwelwyd toriad cysur 5 munud (10.32. a.m.)

Ailgoncrodd y cyfarfod am 10.38 y bore.

6 ADRODDIAD BLYNYDDOL SIRO

Roedd yr Uwch Berchennog Risg Gwybodaeth Dros Dro (SIRO) yn tywys aelodau drwy'r adroddiad blynyddol (a gylchredwyd yn flaenorol).

Diolchodd y Cadeirydd i'r swyddog am yr adroddiad a chadarnhaodd ei fod yn rhoi dyfnder a gwybodaeth i'r aelodau ar ganllawiau gwybodaeth y Cyngor.

Fe'i eglurwyd i aelodau'r SIRO oedd yr unigolyn oedd yn gyfrifol am yr holl lywodraethu gwybodaeth ar draws y cyngor. Dywedodd y SIRO ei fod wedi ymgymryd â'r rôl ym mis Ebrill 2022.

Roedd yr adroddiad yn ymdrin â'r cyfnod rhwng Ebrill 2021 a Mawrth 2022. Rhoddodd wybodaeth am lywodraethu gwybodaeth y Cyngor. Roedd yn cynnwys gwybodaeth am dorri data'r Ddeddf Diogelu Data sydd wedi bod yn destun ymchwiliad gan y SIRO. Pwysleisiwyd bod Polisi Diogelu Data'r Cyngor yn gofyn am adroddiad blynyddol ar gynnydd i'r Pwyllgor Llywodraethu ac Archwilio er mwyn caniatáu goruchwyliaeth aelodau o'r broses.

Roedd cynnydd mewn buddsoddiad i reoli data yn ddiogel wedi caniatáu i wybodaeth ychwanegol gael ei chynnwys yn yr adroddiad. Gan gynnwys:

- Ymgysylltu mwy ag Ysgolion
- Amser swyddog penodol ychwanegol ar gael mewn Gwasanaethau Cyfreithiol
- Cywaith traws-gyngor effeithiol ar ffurf y Grŵp Llywodraethu Gwybodaeth, dan gadeiryddiaeth Uwch Swyddog Risg Gwybodaeth y Cyngor
- Codi ymwybyddiaeth ar draws yr holl wasanaethau trwy hyfforddiant a chefnogaeth bwrpasol

Clywodd yr aelodau er bod y traethau data buddsoddi ychwanegol wedi digwydd o hyd. Ei farn ef, o ystyried faint o ddata sy'n cael ei drin a'i drosglwyddo roedd nifer y toriadau yn isel.

Rhwng Ebrill 2021 a Mawrth 2022, cofnodwyd bod 36 achos o dorri rheolau yn gynydd o 14 o'i gymharu â'r flwyddyn flaenorol. Roedd yn gynydd sylweddol; fe wnaeth y SIRO sylw fod ganddo bryder y gallai fod yn gysylltiedig â'r newid mewn amgylchedd gwaith. Roedd gwaith o amgylch atebion ar gyfer hyn yn cael ei wneud gan gynnwys ymchwil yn y defnydd o gyfeiriadau e-bost wedi'u llenwi gan auto wrth anfon e-byst. Roedd hyfforddiant ymwybyddiaeth yn cael ei ddarparu mewn ardaloedd lle'r oedd yr awdurdod yn torri rheolau yn uwch.

Arweiniodd y SIRO aelodau drwy'r pryderon a'r ystadegau oedd wedi eu cynnwys yn yr adroddiad.

Diolchodd y Cadeirydd i'r SIRO am y cyflwyniad a'r adroddiad manwl. Diolchodd yr aelodau i'r SIRO am y tablau manwl yn yr adroddiad oedd yn dangos y duedd am yr 8 mlynedd flaenorol.

Clywodd yr aelodau pan gafodd torri data ei gofnodi ei fod wedi ei gyflwyno i banel mewnol yn cynnwys Swyddogion. Yn y panel hwnnw a benderfynodd os oedd angen gwaethygu'r toriad. Pe bai'n cael ei ddwysáu i'r SIRO byddai cyfarfod pellach yn cael ei gynnal gyda'r gwasanaeth ac yn gyfreithlon ar gyfer unrhyw atgyfeiriadau pellach i Swyddfa'r Comisiynydd Gwybodaeth a allai fod eu hangen.

PENDERFYNWYD bod y Pwyllgor Llywodraethu ac Archwilio yn nodi cynnwys adroddiad blynyddol yr Uwch Berchennog Risg Gwybodaeth.

7 PROSES GYFALAF A DYFODOL Y GRŴP BUDDSODDI STRATEGOL

Cyflwynodd yr Aelod Arweiniol dros Gyllid, Perfformiad ac Asedau Strategol ynghyd â'r Pennaeth Cyllid yr adroddiad i'r pwyllgor (a gylchredwyd yn flaenorol).

Rhoddodd pwrpas yr adroddiad ddiweddariad i aelodau ar y broses arfaethedig o osod cyllideb cyfalaf newydd a newidiadau drafft i Gylch Gorchwyl ac enw'r Grŵp Buddsoddi Strategol. Roedd y Cabinet o blaid y newidiadau arfaethedig.

Cyfarwyddwyd yr aelodau at adran 4 o'r adroddiad clawr a oedd yn rhoi manylion am y rhesymau dros newid. Un o'r rhesymau cryfaf dros newid oedd mabwysiadu dull mwy strategol o adolygu ceisiadau cyfalaf. Nod y cynnig oedd lleihau'r siawns o adolygu ceisiadau ar wahân i gasglu'r ceisiadau i broses flynyddol. Er mwyn caniatáu i'r penderfyniadau gorau gael eu gwneud o ran cyllid cyfalaf.

Roedd y cynnig yn cynnwys grŵp newydd o'r enw'r Grŵp Craffu Cyfalaf i gael ei greu. Byddai'r grŵp yn craffu ar achosion busnes a chyllidebau cyfalaf. Ni fyddai'r grŵp yn gwneud unrhyw benderfyniadau. Pe na bai'r grŵp yn cefnogi prosiect, gallai barhau i gael ei ddarparu i'r Cabinet i'w drafod a'i ddatrys.

Pe bai aelodau o blaid y newidiadau arfaethedig a chytunodd y Cabinet ym mis Rhagfyr y byddai angen diwygio'r cyfansoddiad. Clywodd yr aelodau hefyd y byddai pecyn cyfarwyddyd llawn yn cael ei greu ar gyfer swyddogion prosiect a gwasanaethau pe bai'n cael ei gymeradwyo. Felly er mwyn sicrhau cydymffurfiaeth â'r broses a sut i gwblhau'r achos busnes.

Roedd yr adroddiad hefyd yn cynnwys manylion y cynnig i gael trefniadau cymeradwyo ar wahân ar gyfer prosiectau sy'n cael eu hariannu'n llawn gan grantiau ac o dan £250k. Roedd ymchwil wedi digwydd i weld beth oedd awdurdodau lleol eraill yn ei ganiatáu.

Diolchodd y Cadeirydd i'r Aelod Arweiniol a'r Pennaeth Cyllid am y cyflwyniad manwl i'r cynigion.

Ar ôl y cyflwyniad bu aelodau'n trafod y canlynol yn fanylach:

- Cytunodd y Pennaeth Cyllid fod angen i'r adroddiad gynnwys cyfeirio at y cynlluniau ariannu grantiau o 100%.
- Byddai geirfa o gymorth ac yn fuddiol i ddarllenydd yr adroddiad. Gan gynnwys crynodeb byr yn esbonio pob terminoleg.
- Roedd y broses a gynhwysir yng nghyfansoddiad y cyngor yn caniatáu i'r Cabinet gymeradwyo cynlluniau cyfalaf unigol, gyda'r Cynllun Cyfalaf blynyddol yn gofyn am gymeradwyaeth gan y Cyngor llawn. Ar hyn o bryd mae prosiectau o dan £1mil gallai'r Grŵp Buddsoddi Strategol gael sêl bendith, pe bai'n rhaid i dros £1mil Cabinet gymeradwyo a thros £2mil roedd yn rhaid i'r cynnig gael ei gyflwyno a'i gymeradwyo gan y Cyngor llawn.
- Byddai'n rhaid cyflwyno holl gynigion y prosiect nad ydynt yn cael arian grant llawn i'r Grŵp Craffu Cyfalaf.
- Roedd disgwyl i'r gyllideb gyfalaf gael ei gosod ym mis Rhagfyr ar gyfer cymeradwyaeth y Cabinet ym mis Ionawr.
- Codwyd ychwanegiad awgrymedig at swyddogaethau craidd elfen Grŵp Craffu Cyfalaf yr adroddiad. Awgrymwyd bod 'cyfeirio at brofiadau o benderfyniadau/ prosiectau blaenorol' yn cael eu mewnosod ar ddechrau'r pwynt bwled cyntaf. Cadarnhaodd y Pennaeth Cyllid y byddai ganddo olwg ar yr adran i sicrhau bod profiad blaenorol yn cael ei gynnwys fel swyddogaeth graidd.
- Pwysleiswyd i'r aelodau bod cais wedi'i wneud i Archwilio Mewnol i gwblhau adolygiad gan gynnwys cyn ac ar ôl ei weithredu pe bai'n cael ei gymeradwyo. Cadarnhaodd y Prif Archwilydd Mewnol fod archwiliad bach wedi'i drefnu.
- Byddai'r Grŵp Craffu Cyfalaf newydd yn cynorthwyo gyda'r gefnogaeth o roi'r achosion busnes at ei gilydd, gan roi amser i'r aelodau baratoi'r achosion.
- Cadarnhawyd pe bai Cadeirydd y grŵp o'r farn bod cynnig angen cymeradwyaeth y Cabinet y gellid ei gyflwyno i'r Cabinet i'w drafod.
- Nodwyd costau cynyddol chwyddiant a sut y gallai hynny effeithio ar gynnig.

Diolchodd aelodau i'r Pennaeth Cyllid am yr ymatebion manwl i sylwadau a phryderon aelodau.

PENDERFYNWYD bod y pwyllgor yn gytûn i fwrw ymlaen â'r broses ymgynghori a gwneud penderfyniadau a bu'r pwyllgor yn trafod a thrafod y newidiadau i'r broses gyfalaf gan gynnwys y cylch gorchwyl i'w adrodd yn ôl i'r Cabinet.

8 DIWEDDARIAD AR BROSES GYLLIDEB

Cyflwynodd y Pennaeth Cyllid adroddiad diweddarau proses y gyllideb (a gylchredwyd yn flaenorol). Amlygwyd, yn yr atodiad atodedig, fod y ffigyrau a

ddyfynnwyd ychydig yn hen, oherwydd y dyddiad cau ar gyfer yr adroddiadau. Roedd y ffigyrau'n cynnwys yn gipolwg ar adeg ysgrifennu.

Cafodd yr aelodau eu tywys i'r amserlen, oedd yn nodi'r amserlen dynn ar gyfer proses gyllideb 2023/24. Cadarnhawyd bod cyfarfodydd cyllideb y gwasanaeth wedi dod i ben. Dywedodd y Pennaeth Cyllid ei fod yn falch o gyflwyno'r cyfarfodydd hynny a'r trafodaethau a ddigwyddodd.

Ar 17 Tachwedd - Datganiad yr Hydref Llywodraeth y DU cafodd ei ryddhau. Rhoddodd hyn y gyllideb a ragwelwyd i'r awdurdod am y ddwy flynedd nesaf. Pwysleisiwyd mai'r sefyllfa orau oedd anghyfartaledd o gyllid disgwylidig gan y llywodraeth a chwyddiant a phwysau demograffig.

Roedd sesiynau ar gyfer grwpiau gwleidyddol wedi eu trefnu i drafod y broses gyllidebol ynghyd ag unrhyw awgrymiadau neu bryderon.

Roedd gweithdy'r Cyngor wedi ei drefnu ar gyfer 17 Ionawr i friffio aelodau ar y cynigion posib ar gyfer y setliad cyllideb ar gyfer 2023/24 a 2024/25. Roedd y cynigion wedi cynnwys defnyddio arian wrth gefn yn 2024/25. Byddai hyn yn rhoi amser i wasanaethau adolygu a cheisio arbedion.

Cafodd yr aelodau eu tywys drwy'r senarios o fewn yr adroddiad eglurhaol. Ei farn ef oedd y canlyniad tebygol fyddai'n cyd-fynd â senario un. Dyma fanylion y ddwy warchodfa oedd ar gael at ddibenion cefnogi'r gyllideb:

- Cronfa Lliniaru Cyllideb – a oedd ar hyn o bryd yn £4.85m

- Cronfeydd wrth gefn Unearmarked – polisi mabwysiedig i gadw £5m heb ei glustnodi

Gwelwyd wrth gefn. Ar hyn o bryd roedd y gwerth yn £7.1m.

Clywodd yr aelodau bod nifer o ffactorau allai newid yn dibynnu ar ganllawiau a ffigyrau gan Lywodraeth Cymru. Pwysleisiodd y pwysigrwydd i ddechrau'r gwaith o adolygu a dod o hyd i arbedion ar gyfer 2024/25.

Diolchodd y Cadeirydd i'r Pennaeth Cyllid am yr adroddiad ysgrifenedig da. Mewn ymateb i sylwadau'r aelodau trafodwyd y pwyntiau canlynol yn fanylach:

- Nododd yr aelodau pa mor anodd a heriau oedd yn wynebu'r adran gyllid a chanmolodd waith y swyddogion dan sylw.
- Y cynllun posib arfaethedig ar gyfer 2024/ 25 oedd y byddai'r RSG yn codi 3.5%, roedd y cynnig presennol yn cynnwys treth cyngor i godi 3.8%- roedd yn pwysleisio bod y ffigwr yn cael ei adolygu. Roedd cynnydd mewn ffioedd a thaliadau wedi cael ei awgrymu er bod nifer o gyfyngiadau yn gysylltiedig â'r cynnig hwn. Gallai newid o bosib yn ystod y broses.
- Cadarnhaodd y Pennaeth Cyllid ei fod wedi cynhyrchu rhagolwg 3-5 mlynedd. Yn aml gall cynllunio yn y dyfodol fod yn anodd ei ragweld oherwydd y ddibyniaeth ar gyllid Cyfalaf.
- Y gred oedd bod y cyllid wrth gefn gwerth £5m yn lefel briodol o arian. Roedd wedi'i gael o gyfatebiaeth 2% o wariant refeniw net. O fewn y Datganiad o gyfrifon, manylwyd ar ddadansoddiad manwl o'r holl arian wrth gefn. Roedd hyn yn cynnwys rhywfaint o arian a ddyrannwyd ar gyfer cynlluniau penodol.
- Roedd yna warchodfa a argymhellir o 4% ar gyfer y Cyfrif Refeniw Tai. Roedd hyn yn cael ei adolygu ar hyn o bryd er mwyn gallu cael ei ostwng.

Roedd incwm a dderbyniwyd trwy'r cyfrif hwn yn bennaf o rent felly roedd yn haws ei ragweld na lefel y cyllid Cyfalaf.

- Nid oedd y gwaith cenedlaethol o gasglu cyfraddau annomestig a chyfradd busnes a reallocation yn seiliedig ar gasgliad lleol. Cafodd casgliadau eu gwneud ar ran Llywodraeth Cymru gafodd eu cyfuno gyda'i gilydd er mwyn cynorthwyo cefnogaeth y grant cymorth referniw.
- Byddai angen ymgynghori gyda busnesau lleol i ddarparu gwybodaeth ychwanegol am y gyllideb. Gellid gwella dealltwriaeth y cyhoedd ar y gyllideb a gwasanaethau hefyd. Roedd y broses ymgynghori wedi bod yn anodd oherwydd ansicrwydd lefel y cyllid a fyddai'n cael ei gael.
- Ar hyn o bryd roedd yr Ardoll Ymwelwyr yn ymgynghori yn Llywodraeth Cymru, Sir Ddinbych oedd wedi paratoi a chyflwyno ymateb. Roedd pryderon gan swyddogion wedi bod ynglŷn â darparu'r cynllun posib hwnnw.
- Byddai gwybodaeth am y premiwm treth cyngor ail gartrefi yn cael ei roi i'r aelodau yn fuan. Doedd dim newid arfaethedig i'r lefel ar gyfer 2023/24, oedd ar hyn o bryd yn dreth ychwanegol o 50%.
- Cynigiodd aelodau'r pwyllgor gefnogaeth i'r Pennaeth Cyllid, yn enwedig pan wnaed penderfyniadau anodd. Gofynnodd y Pennaeth Cyllid i'r aelodau gadw mewn cof y cefndir ariannol wrth adolygu adroddiadau a'r sgil bosib ar effaith ar ariannu gwasanaethau eraill yn y cyngor. Byddai'n rhaid i lefel darparu gwasanaethau newid yn y blynyddoedd sydd i ddod. Ni fyddai'r lefel bresennol o wasanaethau yn opsiwn pe bai'r rhagamcanion presennol o gyllid yn cael eu derbyn yn 2024/25.

Diolchodd yr aelodau i'r Pennaeth Cyllid am yr ymateb manwl i bryderon aelodau. Yn dilyn y drafodaeth, roedd;

PENDERFYNWYD, bod aelodau

- I. Nodwyd a thrafod yr amserlen gyllideb ddiweddaraf ar gyfer gosod y gyllideb ar gyfer 2023/24 a 2024/25;*
- II. Nododd y rhagolygon cyllideb diweddaraf ar gyfer sefyllfa'r gyllideb ar gyfer 2023/24 a 2024/25;*
- III. Cytunodd i gynnwys y wybodaeth ddiweddaraf am y Broses Gyllideb yng nghyfarfod Ionawr 2023.*

9 Y NEWYDDION DIWEDDARAF AM DDATGANIAD O GYFRIFON 2021/22

Cyflwynodd y Pennaeth Cyllid Mike Whiteley o Archwilio Cymru a oedd hefyd yn bresennol i gyflwyno'r adroddiad i aelodau.

Roedd yr adroddiad yn egluro'r rhesymau pam nad oedd y Datganiad Cyfrifon ar gyfer 2021/22 yn cael eu cyflwyno i'r pwyllgor. Nid oedd y Datganiad Cyfrifon cymeradwy mewn sefyllfa i'w gyflwyno, yn bennaf oherwydd nad oedd yr isadeiledd a'r asedau a gyhoeddwyd wedi'u datrys.

Dywedodd y Pennaeth Cyllid ei fod yn deall barn Archwilio Cymru ddim am lofnodi'r cyfrifon heb y ddeddfwriaeth newydd.

Y gobaith oedd y byddai'r cyfrifon yn barod ar gyfer cyfarfod nesaf y pwyllgor.

Cadarnhaodd cynrychiolydd Archwilio Cymru, ei fod yn fater ledled y wlad nad oedd wedi'i gyfyngu i Gymru. Gyda phryderon tebyg wedi'u codi gan archwilwyr mewn ardaloedd eraill o'r DU. Ar ôl pasio'r ddeddfwriaeth byddai'r tîm technegol yn asesu canllawiau ar gyfer archwilwyr.

Atgoffwyd aelodau o'r pryder a godwyd yn y datganiad drafft o gyfrifon ynghylch chwyddiant cynyddol. Felly cael effaith ar werthoedd asedau a'r rhai sy'n cael eu disodli o'r gost. Roedd dull y cytunwyd arni gydag Archwilio Cymru wedi dechrau mynd i'r afael â'r pryderon.

Clywodd yr aelodau am y berthynas bositif rhwng swyddogion Sir Ddinbych ac Archwilio Cymru. Rhoddwyd diolch i bob plaid am barhau i weithio'n agos.

Diolchodd y Cadeirydd i'r swyddogion am y diweddariad gan obeithio y byddai'r cyfrifon yn barod ar gyfer y cyfarfod nesaf.

PENDERFYNWYD bod aelodau'n nodi'r diweddariad cynnydd ar Ddatganiad Cyfrifon 2021/22.

10 RHAGLEN GWAITH PWYLLGOR LLYWODRAETHU AC ARCHWILIO

Cyflwynwyd Rhaglen Waith Ymlaen y Pwyllgor Llywodraethu ac Archwilio (FWP) i'w hystyried (a gylchredwyd yn flaenorol).

Cadarnhaodd y Swyddog Monitro adroddiad diweddarau Proses y Gyllideb i'w ychwanegu at fis Ionawr 2023.

Dylai'r adroddiad o'r enw disgrifiad cynllunio'r gweithlu fod i ganolbwyntio ar recriwtio a chadw staff.

Nodwyd bod swyddogion yn obeithiol y byddai'r Datganiad Cyfrifon ar gael ar gyfer cyfarfod mis Ionawr.

Cadarnhaodd y Swyddog Monitro y byddai'n cysylltu â chydweithwyr i ddod o hyd i ddyddiad addas ar gyfer adroddiad ar y broses gwynion a'r Hunan-asesiad Perfformiad i'w gynnwys yn yr FWP.

PENDERFYNWYD hynny, yn amodol ar gynnwys yr ychwanegiad uchod nodir rhaglen waith ymlaen y Pwyllgor Llywodraethu ac Archwilio.

11 ADRODDIAD GWYBODAETH - MATERION RECRIWTIO A CHADW STAFF MEWN GWASANAETHAU CYMDEITHASOL

Eglurodd y Cadeirydd fod yr adroddiad er gwybodaeth.

PENDERFYNWYD, bod aelodau wedi nodi cynnwys yr adroddiad gwybodaeth.

Canmolodd y Cynghorydd Bobby Feeley y Cadeirydd a'r aelodau annibynnol am y cwestiynau manwl a'r ddadl a godwyd yn ystod y cyfarfod.

Daeth y cyfarfod i ben am 12.40 p.m.

| | |
|----------------------------------|---|
| Adroddiad i | Pwyllgor Llywodraethu ac Archwilio |
| Dyddiad y cyfarfod | 25 th Ionawr 2023 |
| Aelod Arweiniol / Swyddog | Cyng/Cllr Julie Matthews |
| Pennaeth Gwasanaeth | Louise Dougal, Pennaeth Gwasanaeth Dros Dro ar gyfer AD |
| Awdur yr adroddiad | Louise Dougal, Pennaeth Gwasanaeth Dros Dro ar gyfer AD |
| Teitl | Recriwtio, Cadw a Chynllunio'r Gweithlu |

1. Beth yw'r adroddiad am?

- 1.1. Bwriad yr adroddiad hwn yw rhoi diweddariad i'r Pwyllgor Llywodraethu ac Archwilio am y sefyllfa i Gyngor Sir Ddinbych o ran materion recriwtio a chadw a gweithgareddau Cynllunio'r Gweithlu.

2. Beth yw'r rheswm dros wneud yr adroddiad hwn?

- 2.1. Yn 2022, rhoddwyd Recriwtio a Chadw Staff ar y Gofrestr Risgiau Corfforaethol. Mae'r adroddiad hwn wedi ei lunio er mwyn darparu'r wybodaeth gyfredol i'r pwyllgor ynglŷn â materion recriwtio a chadw staff o fewn y cyngor a'r cynnydd ar weithgareddau cynllunio'r Gweithlu.

3. Beth yw'r Argymhellion?

- 3.1 Argymhellir bod y pwyllgor yn cymryd sylw o'r manylion sydd yn yr adroddiad a'r ymyriadau sydd wedi'u cyflwyno er mwyn cefnogi a chryfhau cynllunio'r recriwtio, cadw a chynllunio'r gweithlu.

4. Manylion yr adroddiad

Recriwtio ar draws y Cyngor

- 4.1. Yn 2022, rhoddwyd Recriwtio a Chadw Staff ar y Gofrestr Risgiau Corfforaethol. Cyfeiriwch at Atodiad 1 am ddata ar recriwtio a chadw staff.

- 4.2. Cyn y Pandemig, roedd yna nifer fach o swyddi o fewn y cyngor oedd yn cael eu hystyried yn rhai 'anodd recriwtio'. Roedd y swyddi hyn yn cael eu cynnwys (ond heb eu cyfyngu i); Cogyddion, Glanhawyr, Gofalwyr, Cynorthwywyr Patrôl Croesfannau Ysgol ynghyd â rhai swyddi arbenigol, megis Seicolegwyr Addysg, Penseiri, Trydanwyr, Cynorthwywyr Addysgu a Gweithwyr Cymdeithasol. Roedd y dull traddodiadol o recriwtio, lle cafodd y swydd ei hysbysebu am bythefnos yn profi'n aflwyddiannus, felly, byddai'r Arbenigwr Recriwtio yn gweithio gyda'r rheolwyr adrannol i gytuno ar ddull arall addas o recriwtio.
- 4.3. Yn ystod y Pandemig, mae'r ystadegau'n dangos bod recriwtio ar ei isaf erioed (Ebrill 20 – Mawrth 21), fodd bynnag roedd swyddi gwag yn dal i gael eu hysbysebu a'u llenwi, oherwydd bod llif cyson y bobl sy'n gadael a swyddi newydd yn cael eu creu.
- 4.4. Yn ystod 2020/21, fel cyngor fe wnaethom hysbysebu 475 o swyddi, yn 2021/22 roedd 953 o swyddi yn cael eu hysbysebu ac am gyfnod Ebrill 2022 i Dachwedd 2022, cafodd 763 o swyddi eu hysbysebu. Ar ddiwedd y flwyddyn mae hyn yn debygol o gyrraedd dros 1000.
- 4.5. Mae nifer o swyddi, sydd bellach yn cael eu hystyried yn anodd recriwtio iddynt. Mae hyn yn bennaf oherwydd y canlynol:

- Talu – ni all llywodraeth leol gystadlu â'r sector preifat, cyrff eraill yn y sector cyhoeddus a chyfraddau asiantaethau.

Fodd bynnag, yn sgil y dyfarniad cyflog yn 2022, gwelwyd ein cyfradd isaf o £9.50 yn cynyddu'n sylweddol i £10.50 yr awr, disgwylir i'r gyfradd isaf hon godi'n sylweddol eto erbyn 2024 i £11.35 yr awr a ddylai weld cynnydd mewn recriwtio i'n swyddi â thâl is. Mae'r swyddi gradd is bellach yn dechrau cystadlu â chyrff eraill, ond nid yw'r dyfarniad cyflog am y rolau proffesiynol wedi bod mor uchel ac felly bydd y swyddi proffesiynol ar radd uwch yn dal i fod yn fater recriwtio a chadw staff i'r Cyngor.

- Gwaith Agile – cynnydd sylweddol yn y ffordd newydd hon o weithio ym mhob sector

Bellach mae gan weithwyr ym mhob cwr o'r DU, ardal chwilio ddaearyddol ehangach oherwydd y swydd Pandemig, mae sefydliadau arferion gweithio ystwyth wedi mabwysiadu, sydd yn ei dro yn ein galluogi, fel cyngor i recriwtio o bellach i ffwrdd oherwydd ein harferion gweithio ystwyth. Ond nid yw rhaniad y Gogledd / De yn gweithio o'n plaid ni pan fydd gweithwyr yn cael cynnig cyflogau uwch yng Nghaerdydd

a Llundain er enghraifft. Gwelwyd hyn mewn ychydig yn galed i recriwtio i swyddi ac yn anffodus ni allwn gystadlu. Mae ein Polisi Gweithio Agile arfaethedig newydd yn rhoi mwy o ddewis i weithwyr ynglŷn â sut a ble maen nhw'n gweithio a ddylai helpu i wella ein recriwtio a'n cadw gweithwyr.

- Datblygu Staff – pan fydd staff yn gadael gofynnir iddynt gwblhau holiadur gadael, nid yw'r rhain yn orfodol ac mae rhai'n dewis peidio â'u cwblhau, Fodd bynnag, ar gyfartaledd, mae mwyafrif y rhai sy'n gadael y cyngor i'r wladwriaeth yn eu holiadur arolwg ymadael bod 'Dilyniant Gyrfa' yn rheswm dros adael ac yna cydbwysedd bywydOI, Hyrwyddo a Gwaith mewn rhai gwasanaethau, lle nad yw gweithio ystwyth a hyblyg yn bosib. Mae Datblygu Staff yn rhan o 5 egwyddor y Prif Swyddog Gweithredol a bydd yn ganolbwynt i'r Strategaeth Pobl wrth symud ymlaen.

4.6. Mae'r pryderon Recriwtio a Chadw hyn yn cael sylw trwy'r grwpiau / cynlluniau gweithredu canlynol:

- Cynllun y Gweithlu Corfforaethol – Dan arweiniad AD, cynllun gweithredu ynghlwm
- Grŵp Gweithredu Recriwtio a Chadw Gofal Cymdeithasol – Dan arweiniad Nicola Stubbins, Cynllun Gweithredu ynghlwm
- Diogelu Cofrestr Risg Recriwtio a Chadw – Dan arweiniad Nicola Stubbins

4.7. O'r cynlluniau gweithredu y gallwch weld y camau gweithredu a'r gwelliannau amrywiol rydym yn eu gwneud i'n dulliau recriwtio a'n telerau ac amodau cyflogaeth er mwyn helpu i fynd i'r afael â'r materion hyn.

Recriwtio a Chadw mewn Gwasanaethau Cymorth Cymunedol

4.8. Mae diogelu bellach wedi symud i risg critigol ar y Gofrestr Risg ac mae rhan o hyn yn gysylltiedig â heriau recriwtio a chadw o fewn ein rolau Gweithwyr Cymdeithasol Proffesiynol. Mae Nicola Stubbins yn arwain ar y grwpiau uchod i fynd i'r afael â'r materion. Mae'r grŵp Cofrestr Risg yn cynnwys aelodau CET ac yn cwrdd yn fisol. Mae'r grŵp hwn yn edrych yn benodol ar gyflogau ac unrhyw faterion eraill y gallant ddylanwadu a newid.

4.9. Mae'r grŵp Gweithredol Recriwtio a Chadw Gofal Cymdeithasol yn cael ei arwain gan Nicola Stubbins ac mae'n cynnwys rheolwyr gweithredol a Swyddogion Adnoddau Dynol.

Gweler Atodiad 2 am grynodedb o'r grŵp gorchwyl Recriwtio a Chadw a'r camau cysylltiedig.

4.10. Mae recriwtio gweithwyr cymdeithasol mewn Plant ac Oedolion yn y cyngor yn aruthrol. Nid yw Sir Ddinbych ar eu pennau eu hunain yn hyn gan fod hwn yn fater i'r DU gyfan. Mae asiantaethau'n gallu talu cyflog uwch i'r Gweithwyr Cymdeithasol sy'n effeithio ar y gost i'r cyngor yn y pen draw. Mae staff yn gadael eu cyflogaeth barhaol i fynd i weithio i asiantaeth am swm sylweddol mwy. O 9 Ionawr 2022, mae gan Sir Ddinbych 14 o Weithwyr Cymdeithasol wedi eu hysbysebu, mae gan Gonwy 9, Sir y Fflint 6, Gwynedd 4, Ynys Môn 1 a Wrecsam 0. Mae hyn yn newid yn wythnosol.

Cynllunio'r Gweithlu

4.11. Crëwyd Cynllun Gweithredu Cynllunio'r Gweithlu i fonitro camau gweithredu a mesur cynnydd y Cynllun Gweithlu Corfforaethol ar gyfer 2022, gellir dod o hyd i'r cynllun hwn o fewn Atodiad 3.

4.12. Yn flynyddol, mae'r Cyngor yn cynnal gweithgareddau cynllunio'r gweithlu gyda'r holl wasanaethau. Mae cynllun y gweithlu yn amlinellu ymrwymiad y Cyngor ar sut y bydd yn gwella a datblygu'r gweithlu, nawr ac yn y dyfodol i ddarparu'r gwasanaeth gorau posibl i'w breswylwyr o fewn tirwedd economaidd sy'n newid. Mae nodau cyflwyno'r cynllun Gweithlu yn canolbwyntio ar y meysydd canlynol:

- Arweinyddiaeth a Rheoli
- Recriwtio a Chadw Talent
- Galluogi Gweithlu Perfformio, Ymgysylltu a Grymuso Uchel
- Datblygu gweithlu hyblyg ac ystwyth
- Cefnogi Iechyd a Llesiant

4.13. Mae'r meysydd isod yn grynodedb o'r hyn yr ydym wedi'i gyflawni o'r cynllun gweithredu yn ystod y 6 mis diwethaf:

- Polisi Recriwtio a Newidiadau i Brosesau, gan gynnwys ffurflen gais newydd
- Crëwyd a lansio tudalen Facebook DCC ar gyfer recriwtio yn unig.
- Cynllunio a gweithredu gwefan recriwtio 'Gweithio i Ni'.
- Brandio newydd am hysbysebion recriwtio.
- Cefnogi nifer o reolwyr i recriwtio mewn meysydd lle mae'n anodd recriwtio (pecynnau arbenigol ac ymgyrchoedd cyfryngau cymdeithasol).

- Cefnogi a chynyddu nifer y Llwybrau Gyrfa o fewn yr Awdurdod.
- Gwerthuso rhesymau dros adael mewn ardaloedd uchel o drosiant a threialu Arolwg Aros yn CSS.
- Wedi'i ddiweddarau'r Ymsefydlu Corfforaethol i gynnwys gweithio ystwyth a hyblyg.
- creu anwythiad rheoli newydd.
- Trefnu Ffair Swyddi ar gyfer rheng flaen/anodd recriwtio swyddi gwag.
- Cynyddu'r cynnig Dysgu a Datblygu Corfforaethol i weithwyr drwy nifer o ffrydiau ariannu heb unrhyw gost i'r Awdurdod.
- Yn dod o hyd i sesiynau lles ariannol i weithwyr a chyflwynodd wybodaeth a chynghor lles ariannol ar y wefan.

4.14. Yn y chwe mis nesaf, canolbwyntir ar ddatblygu 'Strategaeth Bobl', a fydd yn cynnwys canlyniadau gweithdai 5 Egwyddor y Prif Swyddog Gweithredol ac adolygiad o'r Strategaeth Arweinyddiaeth. Bydd y polisi Ffyrdd Newydd o Weithio hefyd yn cael ei gwblhau yn ystod y cyfnod hwn.

5. Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol ?

5.1. Mae'r gweithlu o fewn y cynghor yn effeithio ar yr holl flaenoriaethau corfforaethol. Heb y nifer digonol o staff mewn swyddi allweddol, gallai'r gwasanaeth sy'n cael ei ddarparu gael ei effeithio.

6. Beth fydd y gost a sut bydd yn effeithio ar wasanaethau eraill ?

6.1. Does dim costau cysylltiedig gan fod yr adroddiad am wybodaeth yn unig.

7. Beth yw prif gasgliadau'r Asesiad Effaith Llesiant?

Nid yw asesiad effaith ar les wedi ei gynnal gan mai dim ond er gwybodaeth yn unig y mae hyn.

8. Pa ymgynghoriadau sydd wedi'u cynnal gyda Chraffu ac eraill?

8.1. Mae'r adroddiad ar gyfer gwybodaeth yn unig ac felly nid oes angen ymgynghori.

9. Datganiad Prif Swyddog Cyllid

9.1. Ddim yn berthnasol.

10. Pa risgiau sydd yna ac a oes unrhyw beth y gallwn ei wneud i'w lleihau?

10.1. Nid oes unrhyw risgiau'n gysylltiedig â'r argymhelliad gan mai dim ond er gwybodaeth yn unig y mae'r adroddiad.

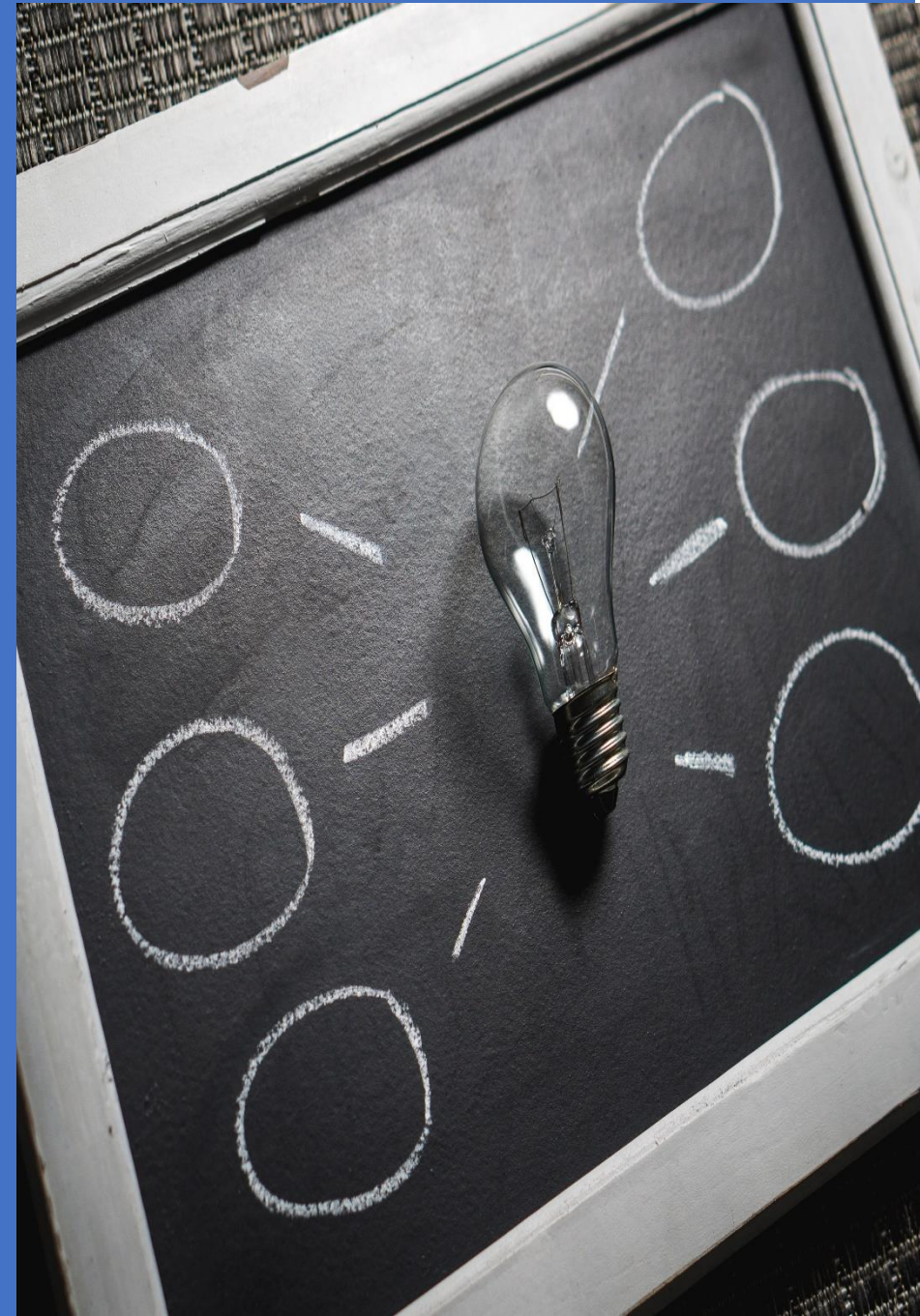
11. Pŵer i wneud y penderfyniad

13.1 Nid oes angen penderfyniad

Governance and Audit Report Recruitment and Retention

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Appendix Figure One



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Governance and Audit Committee Report – Recruitment and Retention

1.0 Headcount in Denbighshire County Council

Please note that on 31st March 2020 Denbighshire Leisure Limited (DLL) left the council and therefore this data does not appear in the 2020 and beyond figures on the table below. Therefore, please use 2020 to 2022 for a comparison. The increase in headcount with Communities and Customers, Finance and Property, Highways, Facilities and Environmental Services and Planning, Public Protection and Countryside is due to DLL leaving and those Services acquiring the displaced departments. Customers and Communities acquired Housing, Finance and Property acquired Property, Highways, Facilities and Environment acquired Facilities and Planning, Public Protection & Countryside Services acquired School Transport and Countryside.

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| Headcount for the Council (as at 1 st April for that year) | | | | |
|---|-------------|-------------|-------------|-------------|
| | 2019 | 2020 | 2021 | 2022 |
| Business Improvement & Modernisation | 87 | 81 | 79 | 89 |
| Chief Executive Section | 2 | 2 | 2 | 2 |
| Communities & Customers | 103 | 162 | 161 | 181 |
| Community Support Services | 534 | 524 | 514 | 526 |
| Corporate Directors | 3 | 3 | 3 | 1 |
| Denbighshire Leisure | 660 | - | - | - |
| Education & Children Services | 295 | 330 | 328 | 318 |
| Finance & Property | 57 | 159 | 164 | 165 |
| Highways, Facilities & Environmental Services | 348 | 626 | 609 | 612 |
| Legal, HR & Democratic Services | 87 | 81 | 79 | 80 |
| Planning, Public Protection & Countryside Services | 127 | 237 | 247 | 270 |
| Schools | 2066 | 2059 | 2034 | 2079 |
| Total | 3709 | 4264 | 4220 | 4323 |

2.0 Starters and Leavers to the Council

The table below details Starters to Denbighshire over a four-year period. These figures do not include DLL. During the Pandemic, 2020/21 there were a reduced number of starters to the council which was expected. Since that period, starters have nearly doubled in 2021/22 at 548.

| Starters to Denbighshire – Excluding relief and supply and DLL | | | | |
|--|---------------------|---------------------|---------------------|-------------------|
| | April 19 – March 20 | April 20 – March 21 | April 21 – March 22 | April 22 – Nov 22 |
| Denbighshire (including Schools) | 425 | 295 | 548 | 534 |
| Denbighshire (excluding schools) | 219 | 156 | 285 | 312 |

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The table below details Leavers to Denbighshire over a four-year period. These figures do not include DLL. In 2021/22 there were 471 employees who left the council, an increase of 130 compared to that period in 2020/21. The Pandemic contributed to a lower number of employees leaving the council during 202/21. This financial year so far there have been 373 leavers to the council.

| Leavers to Denbighshire – Excluding relief and supply and DLL | | | | |
|---|---------------------|---------------------|---------------------|-------------------|
| | April 19 – March 20 | April 20 – March 21 | April 21 – March 22 | April 22 – Nov 22 |
| Denbighshire (including Schools) | 383 | 341 | 471 | 373 |
| Denbighshire (excluding schools) | 168 | 162 | 249 | 197 |

3.0 Reasons for Leaving the Council

3.1 The table below provides detail on the leavers to the council per service. Year on year there is an increase in leavers for all Services within the council. The leavers are balanced with a rising number of vacancies being advertised and filled, which in turn keeps the turnover at a reasonable level. During the Pandemic, there was an expected reduction of leavers, at 341 compared to the previous year of 383 employees.

| Leavers per Service (including schools) | | | | |
|--|------------|------------|------------|------------------|
| | 2019/20 | 2020/21 | 2021/22 | April – Nov 2022 |
| Business Improvement & Modernisation | 13 | 4 | 2 | 8 |
| Chief Executive Section | 0 | 0 | 1 | 0 |
| Communities & Customers | 11 | 7 | 16 | 13 |
| Community Support Services | 58 | 52 | 63 | 48 |
| Corporate Directors | 0 | 0 | 1 | 0 |
| Education & Children Services | 28 | 26 | 32 | 29 |
| Finance & Property | 5 | 10 | 9 | 10 |
| Highways, Facilities & Environmental Services | 29 | 43 | 93 | 63 |
| Legal, HR & Democratic Services | 9 | 6 | 6 | 7 |
| Planning, Public Protection & Countryside Services | 15 | 14 | 26 | 19 |
| Schools | 215 | 179 | 222 | 176 |
| Total | 383 | 341 | 471 | 373 |

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4.0 Top 5 Reasons for Leaving the Council

The below tables outline the top 5 leaving reasons per service for the 4 years. There are 5 main reasons why employees leave the council and these tend not to change year on year; Resignation, Retirement, End of Fixed Term Contract, Dismissal and Redundancy.

Governance and Audit Committee Report – Recruitment and Retention

Resignation is split into further categories; however, the majority select ‘Resignation – Personal’ followed by ‘Resignation – Another Post outside of DCC’. The exit questionnaire that we ask staff to complete upon leaving is mandatory and therefore we do not always a full picture due to the number of responses received and reasons given.

Retirement as a reason for leaving has seen a steady increase over the past four years and has almost doubled during the Pandemic and continues to increase. On average, the majority of leavers to the council state in their exit survey questionnaire that ‘Career Progression’ is the reason for leaving followed by Retirement, promotion and Work life balance in some services, where agile and flexible working is not possible.

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| Leaving Reasons per Service (including schools) in 2019/20 | | | | | | |
|--|-----------|------------|------------|-------------|------------|----------|
| | Dismissed | End of FTC | Redundancy | Resignation | Retirement | Other |
| Business Improvement & Modernisation | 1 | 3 | 3 | 6 | 0 | 0 |
| Chief Executive Section | 0 | 0 | 0 | 0 | 0 | 0 |
| Communities & Customers | 1 | 1 | 1 | 5 | 3 | 0 |
| Community Support Services | 4 | 1 | 13 | 33 | 5 | 2 |
| Corporate Directors | 0 | 0 | 0 | 0 | 0 | 0 |
| Education & Children Services | 1 | 1 | 2 | 23 | 0 | 1 |
| Finance & Property | 0 | 3 | 0 | 4 | 1 | 0 |
| Highways, Facilities & Environmental Services | 5 | 0 | 0 | 14 | 6 | 1 |
| Legal, HR & Democratic Services | 2 | 0 | 2 | 4 | 1 | 0 |
| Planning, Public Protection & Countryside Services | 0 | 0 | 0 | 13 | 2 | 0 |
| Schools | 9 | 41 | 8 | 134 | 20 | 3 |
| Total | 23 | 50 | 29 | 236 | 38 | 7 |
| | | | | | | |

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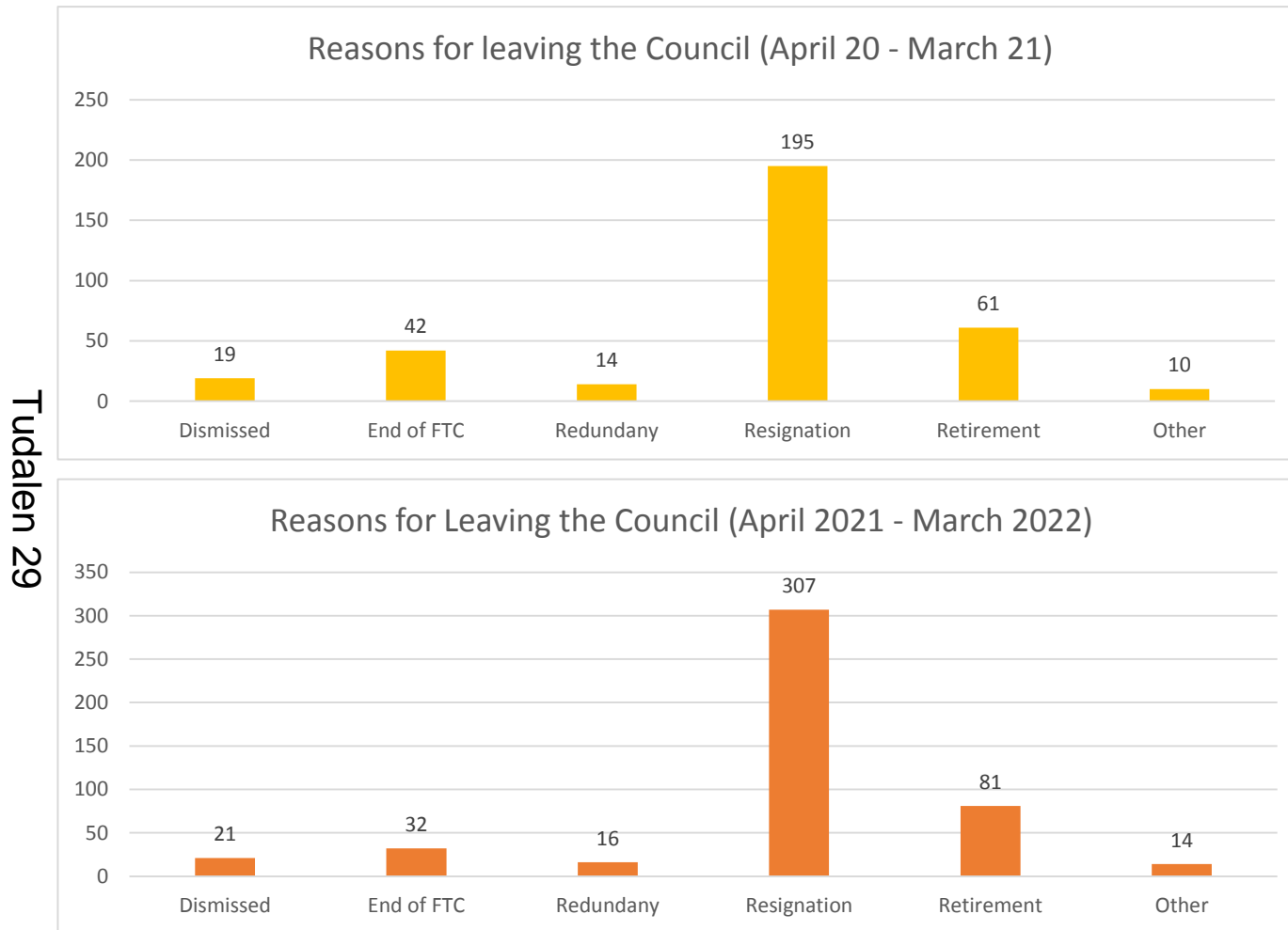
| Leaving Reasons per Service (including schools) in 2020/2021 | | | | | | |
|--|-----------|------------|------------|-------------|------------|-----------|
| | Dismissed | End of FTC | Redundancy | Resignation | Retirement | Other |
| Business Improvement & Modernisation | 0 | 0 | 1 | 2 | 1 | 0 |
| Chief Executive Section | 0 | 0 | 0 | 0 | 0 | 0 |
| Communities & Customers | 0 | 0 | 0 | 5 | 2 | 0 |
| Community Support Services | 6 | 6 | 3 | 29 | 8 | 0 |
| Corporate Directors | 0 | 0 | 0 | 0 | 0 | 0 |
| Education & Children Services | 1 | 0 | 0 | 20 | 4 | 1 |
| Finance & Property | 0 | 0 | 0 | 4 | 5 | 1 |
| Highways, Facilities & Environmental Services | 3 | 0 | 0 | 31 | 5 | 4 |
| Legal, HR & Democratic Services | 1 | 0 | 0 | 2 | 2 | 1 |
| Planning, Public Protection & Countryside Services | 0 | 1 | 0 | 7 | 6 | 0 |
| Schools | 8 | 35 | 10 | 95 | 28 | 3 |
| Total | 19 | 42 | 14 | 195 | 61 | 10 |
| Leaving Reasons per Service (including schools) in 2021/22 | | | | | | |
| | Dismissed | End of FTC | Redundancy | Resignation | Retirement | Other |
| Business Improvement & Modernisation | 0 | 0 | 0 | 1 | 1 | 0 |
| Chief Executive Section | 1 | 0 | 0 | 0 | 0 | 0 |
| Communities & Customers | 1 | 3 | 0 | 6 | 4 | 2 |
| Community Support Services | 4 | 1 | 6 | 42 | 9 | 1 |
| Corporate Directors | 0 | 0 | 0 | 0 | 1 | 0 |
| Education & Children Services | 1 | 1 | 2 | 20 | 7 | 1 |
| Finance & Property | 0 | 0 | 0 | 6 | 3 | 0 |
| Highways, Facilities & Environmental Services | 8 | 2 | 0 | 58 | 17 | 8 |
| Legal, HR & Democratic Services | 1 | 0 | 1 | 4 | 0 | 0 |

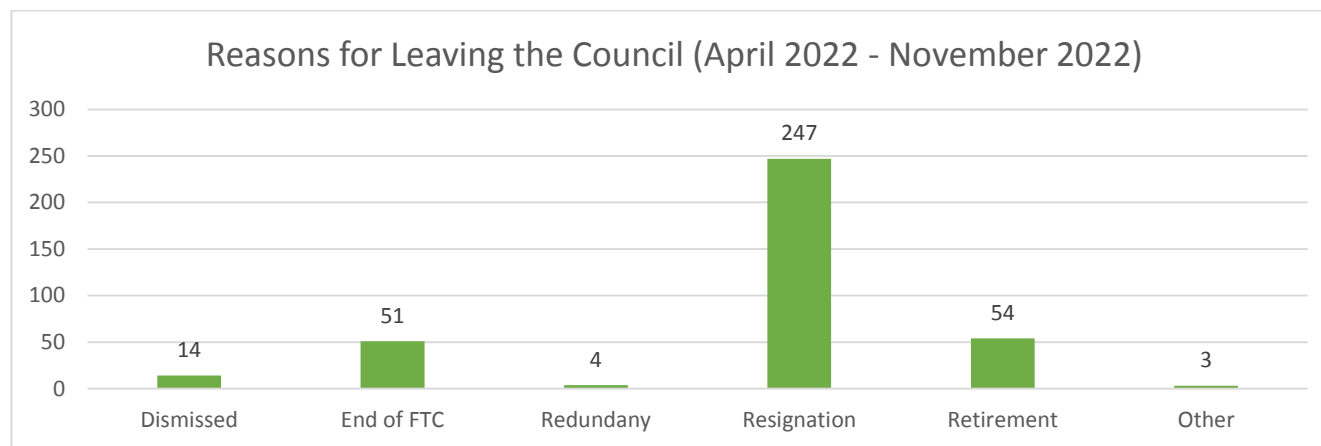
Governance and Audit Committee Report – Recruitment and Retention

| | | | | | | |
|---|------------------|-------------------|-------------------|--------------------|-------------------|--------------|
| Planning, Public Protection & Countryside Services | 1 | 5 | 1 | 14 | 5 | 0 |
| Schools | 4 | 20 | 6 | 156 | 34 | 2 |
| Total | 21 | 32 | 16 | 307 | 81 | 14 |
| Leaving Reasons per Service (including schools) in April 2022 – Nov 2022 | | | | | | |
| | Dismissed | End of FTC | Redundancy | Resignation | Retirement | Other |
| Business Improvement & Modernisation | 0 | 0 | 0 | 8 | 0 | 0 |
| Chief Executive Section | 0 | 0 | 0 | 0 | 0 | 0 |
| Communities & Customers | 0 | 1 | 0 | 10 | 2 | 0 |
| Community Support Services | 4 | 1 | 0 | 32 | 11 | 0 |
| Corporate Directors | 0 | 0 | 0 | 0 | 0 | 0 |
| Education & Children Services | 1 | 2 | 0 | 22 | 3 | 1 |
| Finance & Property | 0 | 0 | 0 | 5 | 4 | 1 |
| Highways, Facilities & Environmental Services | 5 | 6 | 0 | 46 | 6 | 0 |
| Legal, HR & Democratic Services | 1 | 0 | 0 | 6 | 0 | 0 |
| Planning, Public Protection & Countryside Services | 0 | 4 | 0 | 10 | 5 | 0 |
| Schools | 3 | 37 | 4 | 108 | 23 | 1 |
| Total | 14 | 51 | 4 | 247 | 54 | 3 |

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5.0 Reasons for Leaving the Council





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6.0 Service Length of Leavers

The tables below detail the length of service at the time of leaving. With regards to the length of service at the time of leaving, if the trend continues for 2022/23, the council could see the number of employees who leave within the first year increase somewhat compared to last year. The reasons for this need to be explored in greater detail. The data contained within the below tables shows that on the whole, the leavers are evenly spread across all age groups with the majority of leavers working for the council 10 or more years. This could be linked to the reasons for leaving and the lack of career progression for those employees.

Governance and Audit Committee Report – Recruitment and Retention

| Service Length for Leavers (including schools) | | | | |
|--|---------------------|---------------------|---------------------|-------------------|
| | April 19 – March 20 | April 20 – March 21 | April 21 – March 22 | April 22 – Nov 22 |
| Under 1 year | 89 | 78 | 88 | 112 |
| 1 year | 41 | 37 | 38 | 37 |
| 2 years | 33 | 25 | 44 | 31 |
| 3 years | 24 | 17 | 39 | 21 |
| 4 years | 17 | 12 | 20 | 14 |
| 5 – 9 years | 54 | 47 | 58 | 41 |
| 10 or more years | 125 | 125 | 184 | 117 |
| Total | 383 | 341 | 471 | 373 |

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| Service Length for Leavers (excluding schools) | | | | |
|--|---------------------|---------------------|---------------------|-------------------|
| | April 19 – March 20 | April 20 – March 21 | April 21 – March 22 | April 22 – Nov 22 |
| Under 1 year | 29 | 35 | 57 | 59 |
| 1 year | 15 | 15 | 19 | 16 |
| 2 years | 23 | 11 | 23 | 17 |
| 3 years | 15 | 10 | 18 | 14 |
| 4 years | 6 | 7 | 10 | 10 |
| 5 – 9 years | 20 | 21 | 26 | 18 |
| 10 or more years | 60 | 63 | 96 | 63 |
| Total | 168 | 162 | 249 | 197 |

7.0 Turnover and Comparisons

Turnover in the council was at its lowest in the 2020/21 at 7.4%, due to the Pandemic. The normal turnover figure stands in-between 9 and 10% for the council and if the trend continues, the council will end on somewhere between 9 and 10% in March 2023. The CIPD suggest that the median turnover rate stands at around 16% year on year, which means that the council has a lower turnover rate than the average.

| Turnover in Denbighshire | | | | |
|--------------------------|---------|---------|---------|---------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
| Excluding schools | 9.3% | 6.9% | 10.6% | 6.4% |
| Including schools | 9.0% | 7.4% | 10.2% | 7.1% |

7.1 The table below details the median rate of labour turnover as reported by the CIPD Resourcing and Talent Planning Survey 2022:

| Median Rate of Labour Turnover | | | | |
|--------------------------------|------|-------|------|------|
| 2013 | 2014 | 2016 | 2019 | 2021 |
| 10% | 14% | 16.5% | 16% | 6% |

7.2 Benchmarking data is available for local authorities which includes schools and is the percentage of staff who leave the employment of the local authority:

| Percentage of staff who leave employment of the local authority | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014-2015 | 2015-2016 | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 |
| Denbighshire | 13.1% | 11.9% | 11.1% | 9.3% | 8.6% | 9.3% | 7.5% |
| Wales | 12.9% | 11.4% | 11.6% | 11.4% | 11.2% | 10.8% | 8.2% |

Governance and Audit Committee Report – Recruitment and Retention

The graph below identifies the percentage of staff who leave employment in local authorities compared to Denbighshire:

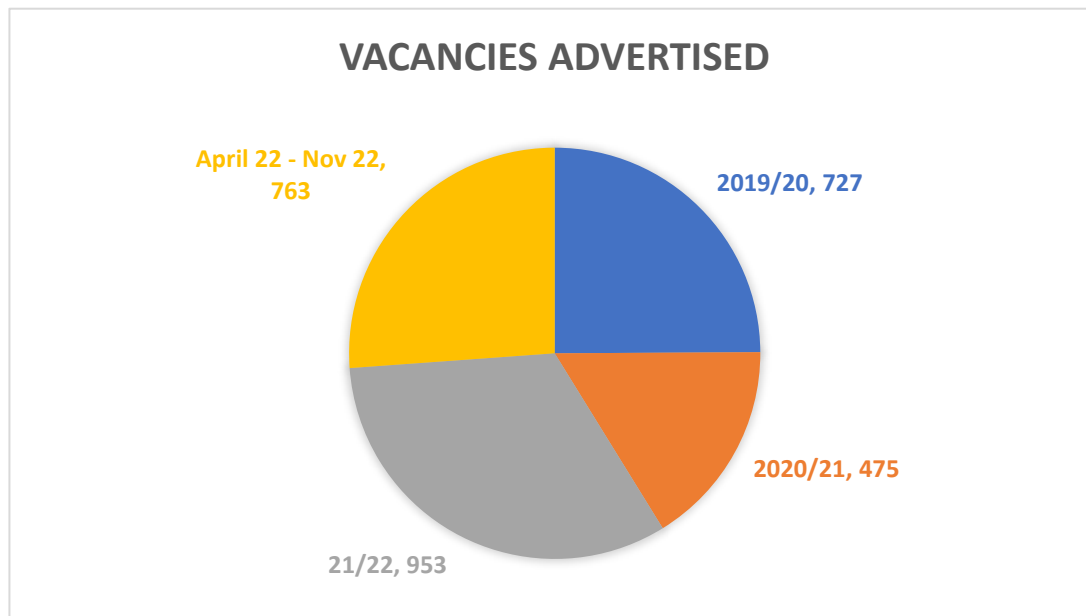


8.0 Vacancies Advertised

The table below displays how many vacancies have been advertised within the council. In 2021/22 the number of vacancies advertised doubled compared to 2020/21. The number of vacancies would have been predicted to increase due to the lower number of vacancies and jobs being offered during the Pandemic.

| Vacancies Advertised | | | | |
|----------------------|-------|-------|-------|----------------|
| | 19/20 | 20/21 | 21/22 | April – Nov 22 |
| Vacancies Advertised | 727 | 475 | 953 | 763 |

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Governance and Audit Committee Report – Recruitment and Retention

8.1 The table below details the number of vacancies per service. Services, including Finance and Property and BIM have seen an increase in the number of vacancies over the last 3 years, pre and post pandemic. In Finance and Property there have been a number of retirements during the pandemic and post pandemic period, along with the usual resignations which accounts for the increase in vacancies. In BIM, there have been 8 resignations in this year April 2022 to November 2022, a number of them have been due to more favourable terms and conditions elsewhere.

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| Number of Vacancies per Service (including schools) | | | | |
|---|------------|------------|------------|------------------|
| | 2019/2020 | 2020/2021 | 2021/2022 | April – Nov 2022 |
| Business Improvement & Modernisation | 14 | 10 | 18 | 27 |
| Communities & Customers | 16 | 14 | 29 | 16 |
| Community Support Services | 108 | 50 | 144 | 120 |
| Education & Children Services | 91 | 50 | 88 | 62 |
| Finance & Property | 24 | 16 | 19 | 33 |
| Highways, Facilities & Environmental Services | 110 | 53 | 187 | 118 |
| Legal, HR & Democratic Services | 9 | 8 | 27 | 21 |
| Planning, Public Protection & Countryside Services | 28 | 35 | 51 | 33 |
| Schools | 327 | 239 | 390 | 333 |
| Total | 727 | 475 | 953 | 763 |

9.0. Vacancy Applications, Shortlisting and Appointments

The table below details the job vacancy information, with data on the number of applicants at each stage. In terms of the number of applicants, shortlisting and appointed, as expected, during the pandemic, the numbers decreased in all areas but are now back to post pandemic figures. However, the number of applications may not reach pre pandemic levels (2019/20) by March 2023. If the data follows the trend, this means that by the end of March 2023, we might have an increase in the number of ‘no applicants’ compared to last year and the figure will be double compared to the pre-pandemic year of 2019/20. This will increase the number of hard to recruit to positions possibly.

The vacancies which have resulted in ‘no applicants’ in the period of April 2022 – Nov 2022, include Area cooks, Welsh and Maths Teaching posts, Surveyors and Social Workers (Children’s). In the year 2021/22, the job roles were very similar and included an Engineer and Digital Officer in BIM.

| Number of applications through the different stages (including schools and supply/relief staff) | | | | |
|---|---------------------|---------------------|---------------------|-------------------|
| | April 19 – March 20 | April 20 – March 21 | April 21 – March 22 | April 22 – Nov 22 |
| Applied | 4731 | 3455 | 4086 | 3000 |
| Shortlisted | 1576 | 1004 | 1558 | 1143 |
| Appointed | 740 | 496 | 886 | 570 |
| No applicants | 26 | 22 | 40 | 43 |
| Total | 7073 | 4977 | 6570 | 4756 |

Yn rhinwedd Paragraff(au) 12, 14 Rhan 4, Atodlen 12A
Deddf Llywodraeth Leol 1972.

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Mae tudalen hwn yn fwriadol wag

Yn rhinwedd Paragraff(au) 12, 14 Rhan 4, Atodlen 12A
Deddf Llywodraeth Leol 1972.

Document is Restricted

Mae tudalen hwn yn fwriadol wag

| | |
|----------------------------------|--|
| Adroddiad i'r | Pwyllgor Llywodraethu ac Archwilio |
| Dyddiad y cyfarfod | 25 Ionawr 2023 |
| Aelod Arweiniol / Swyddog | Y Cyngorydd Gwyneth Ellis / Bob Chowdhury – Prif Archwilydd Mewnol |
| Awdur yr adroddiad | Bob Chowdhury – Prif Archwilydd Mewnol |
| Teitl | Diweddariad Archwilio Mewnol |

1. Am beth mae'r adroddiad yn sôn?

1.1. Mae'r adroddiad hwn yn rhoi diweddariad i'r Pwyllgor Llywodraethu ac Archwilio ar gynnydd diweddaraf Archwilio Mewnol o ran darpariaeth gwasanaeth, darparu sicrwydd, adolygiadau a gwblhawyd, perfformiad ac effeithiolrwydd wrth ysgogi gwelliant.

2. Beth yw'r rheswm dros lunio'r adroddiad hwn?

2.1. Darparu gwybodaeth am y gwaith a wnaed gan yr Adain Archwilio Mewnol ers cyfarfod diwethaf y Pwyllgor. Mae'n galluogi'r Pwyllgor i fonitro perfformiad a chynnydd yr Adain Archwilio Mewnol yn ogystal â darparu crynodeb o adroddiadau Archwilio Mewnol er mwyn i'r Pwyllgor gael sicrwydd ar wasanaethau eraill y Cyngor a meysydd corfforaethol. Mae hyn yn galluogi'r Pwyllgor i gyflawni ei gyfrifoldebau yn unol â'i Gylch Gorchwyl. Bydd cyflawni'r cynllun archwilio yn cynorthwyo'r Pwyllgor i gael sicrwydd bod y Datganiad Llywodraethu Blynnyddol yn adlewyrchu amodau'r Cyngor yn briodol.

3. Beth yw'r Argymhellion?

3.1. Bod y Pwyllgor yn ystyried cynnwys yr adroddiad ac yn asesu cynnydd a pherfformiad yr Adain Archwilio Mewnol.

- 3.2. Bod y Pwyllgor yn penderfynu a oes arno angen sicrwydd pellach ynglŷn ag unrhyw rai o'r meysydd a archwiliwyd i olrhain cynnydd y cynlluniau gweithredu gwelliant.

4. Manylion yr adroddiad

- 4.1. Mae Atodiad 1 yn darparu diweddariad ar y gwaith archwilio mewnol a wnaed ers yr adroddiad diweddarau diwethaf i'r Pwyllgor ym mis Medi 2022.
- 4.2. Ers yr adroddiad diweddarau diwethaf i'r Pwyllgor Llywodraethu ac Archwilio, mae naw archwiliad wedi'u cwblhau, ac ni roddwyd sgôr sicrwydd isel i unrhyw un. Mae tri adolygiad dilynol wedi'u cynnal ers y diweddariad diwethaf ac mae crynodebau wedi'u cynnwys er gwybodaeth.
- 4.3. Ym mis Rhagfyr 2022, rhannodd y Prif Weithredwr y papur ymgynghori ar yr adolygiad o'r Uwch Dîm Arweinyddiaeth. Yn yr ailstrwythuro arfaethedig, byddai Archwilio Mewnol yn symud o'r Gyfarwydddeb Gorfforaethol - Llywodraethu a Busnes i'r Gwasanaeth Cyllid ac Archwilio a bydd y tîm yn atebol yn uniongyrchol i Steve Gadd, swyddog Adran 151 a Phennaeth y Gwasanaeth. Fodd bynnag, gan mai papur ymgynghori yw hwn, mae'r trefniadau dros dro yn dal yn eu lle a bydd Archwilio Mewnol yn dal yn atebol i'r Pennaeth Gwasanaeth Dros Dro, Nicola Kneale.
- 4.4. Mae'r gwasanaeth yn parhau i wneud cynnydd wrth gyflawni'r Cynllun Archwilio ar gyfer 2022/23. Mae diweddariad yn yr adroddiad yn Atodiad 1. Mae'r adroddiad yn amlygu'r prif faterion sy'n ymwneud â gweithrediad y gwasanaeth archwilio mewnol, sy'n cynnwys y canlynol:
- Ers y diweddariad diwethaf ym mis Medi, llwyddodd Archwilio Mewnol i lenwi'r swyddi gwag ar gyfer Prif Archwilydd a dau Uwch Archwilydd yn ystod mis Medi, gan adael dim ond un swydd wag ar gyfer Archwilydd, ac roedd y Prif Archwilydd Mewnol yn ceisio newid y swydd yn Archwilydd Llwybr Gyrfa. Fodd bynnag, yn ystod mis Hydref, llwyddodd y Prif Archwilydd ac un o'r Uwch Archwilydd i gael swydd newydd y tu allan i dîm Archwilio Mewnol Cyngor Sir Ddinbych.
- 4.5. Mae'r tîm Archwilio Mewnol yn parhau i ddatblygu ymdrechion rhagweithiol yn erbyn twyll. Mae'r tîm Archwilio Mewnol wedi bod ynghlwm â dau ymchwiliad yn

deillio o rannu pryderon, sydd wedi effeithio ar gynnydd wrth gyflawni gwaith sicrwydd. Mae'r Prif Archwilydd Mewnol yn parhau i adolygu'r prosiectau blaenoriaeth sy'n weddill yng Nghynllun Archwilio 2022–23 er mwyn sicrhau bod archwiliadau blaenoriaeth uwch yn cael eu cyflawni a bod sylw addas yn cael ei roi i sicrwydd ar gyfer y Datganiad Llywodraethu Blynyddol. Bydd hyn yn ystyried sicrwydd a gafwyd o ffynonellau eraill e.e. Archwilio Cymru.

4.6. Mae'r Adain Archwilio Mewnol yn monitro perfformiad mewn cysylltiad â mynd i'r afael â chamau sy'n deillio o adolygiadau archwilio. Cyfrifoldeb y rheolwyr yw mynd i'r afael â chamau a chofnodi cynnydd ar y system rheoli perfformiad (Verto). Mae Archwilio Mewnol yn parhau i gynnal archwiliadau 'dilynol' ac yn adrodd ar gynnydd gan gyflwyno cynlluniau gweithredu sy'n deillio o archwiliadau sicrwydd isel er mwyn sicrhau bod gwelliannau angenrheidiol yn cael eu gwneud.

4.7. Mae'r ffigwr ar gyfer camau y cytunwyd arnynt gan archwilio a roddwyd ar waith gan y gwasanaeth wedi cael ei adael yn wag gan nad yw adolygiadau ysgolion wedi cael eu rhoi yn Verto ar hyn o bryd, sy'n golygu nad ydym yn ymwybodol o'r holl gamau ac yn ail rydym wedi nodi nad yw pob Gwasanaeth yn diweddarau statws eu camau gweithredu ar Verto. Felly, byddwn yn mynd i'r afael â'r materion a nodwyd ac yn diweddarau'r ffigwr hwn ar gyfer y Pwyllgor Llywodraethu ac Archwilio nesaf.

5. Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?

5.1. Nid oes angen gwneud penderfyniad ynglŷn â'r adroddiad hwn. Nid oes cyfraniad uniongyrchol at y Blaenoriaethau Corfforaethol, ond bydd rhai prosiectau yn y Cynllun Archwilio'n adolygu meysydd Blaenoriaethau Corfforaethol ac yn darparu sicrwydd ar eu cyflawni.

6. Faint fydd hyn yn ei gostio a sut y bydd yn effeithio ar wasanaethau eraill?

6.1. Amherthnasol – nid oes penderfyniad na chostau yn gysylltiedig â'r adroddiad.

7. Beth yw prif gasgliadau'r Asesiad o'r Effaith ar Les?

7.1. Amherthnasol – nid oes angen penderfyniad na chynnig ar gyfer newid mewn perthynas â'r adroddiad hwn.

8. Pa ymgynghoriadau sydd wedi'u cynnal gyda Chraffu ac eraill?

8.1. Ddim yn angenrheidiol.

9. Datganiad y Prif Swyddog Cyllid

9.1. Ni cheir goblygiadau ariannol o ganlyniad i'r adroddiad hwn.

10. Beth yw'r risgiau ac a oes unrhyw beth y gallwn ei wneud i'w lleihau?

Is-bennawd (dileer fel y bo'n briodol)

10.1. Os na chwblheir gwaith archwilio digonol yn ystod y flwyddyn, mae risg na fydd y Prif Archwilydd Mewnol yn gallu tynnu ar sicrwydd digonol i gyflwyno barn flynyddol gyflawn yn unol â Safonau Archwilio Mewnol y Sector Cyhoeddus. Caiff archwiliadau eu blaenoriaethu i roi sylw i lywodraethu, rheoli risg a rheolaethau mewnol a bydd y cwmpas ar gyfer yr archwiliadau hyn yn canolbwyntio ar risgiau allweddol.

11. Pŵer i wneud y penderfyniad

11.1. Amherthnasol – nid oes angen gwneud unrhyw benderfyniad gyda'r adroddiad hwn.

Internal Audit Update

January 2023

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Internal Audit Reports Recently Issued

Since the last Internal Audit Update report in September 2022, Internal Audit has completed:

- Nine reviews, but only eight can be shared, as the ninth review was completed for Denbighshire Leisure Limited and will be presents at their Governance Sub-Committee in February 2023. However, for the eight being reported on, a full copy of each report has been circulated to members of the committee.
- Work has started on the NFI data collection for the 2022-23 exercise and data should be available to work on in the next couple months
- Three follow-up reviews with a low assurance audit have also been completed with a reassessed assurance rating award based on the level of progress made with implementing the agreed action plan.

The assurance given and number of issues raised for each review is summarised below:

| Area of work | Assurance Level | Critical Issues | Major Issues | Moderate Issues |
|-----------------------------------|-----------------|-----------------|--------------|-----------------|
| Ysgol Caer Drewyn & Ysgol Carrog | High ● | 0 | 0 | 3 |
| Ysgol Gellifor & Ysgol Bryn Clwyd | Medium ● | 0 | 0 | 5 |
| Christchurch C P | High ● | 0 | 0 | 2 |
| PLASC | High ● | 0 | 0 | 0 |

Internal Audit Update – September 2022

| | | | | |
|---|----------|-----|-----|-----|
| Highways Maintenance | Medium ● | 0 | 0 | 4 |
| Ysgol Melyd | Medium ● | 0 | 1 | 2 |
| Community Safety | Medium ● | 0 | 1 | 2 |
| Revenues and Benefits Phase 1 | High ● | 0 | 0 | 0 |
| Accommodation Provision for the Homelessness follow up* | High ● | N/A | N/A | N/A |
| Contract Management follow up* | High ● | N/A | N/A | N/A |
| Registration Services follow Up* | High ● | N/A | N/A | N/A |

* Follow Up of audits previously awarded a low assurance rating. It should be noted that the updated opinion is based on the assumption that systems and controls as previously identified during the original audit remain in operation and are being complied with in practice. The purpose of our follow up exercises is not to retest the operation of controls which have already been assessed, but to review how management has responded to the action plans following our initial work.

Ysgol Caer Drewyn & Ysgol Carrog – November 2022

High Assurance ●

Number of Risk Issues: 3 Moderate ●

Ysgol Caer Drewyn and Ysgol Carrog operate as a federation with a single governing body.

Overall, governance arrangements are effective with a good standard of record keeping in place, examples include annual declaration of interests, governor training and DBS information. There is evidence governors are reminded to complete mandatory training within required timeframes. The governing body have completed risk assessments for governors who are undertaking the DBS process.

Statutory sub committees are in place with terms of reference and allocated governors based on their knowledge and skills. The governing body are in the process of reintroducing a documented skills gaps analysis, which has not been completed in recent years to identify training and development needs for governors. Decision making at the

governing body requires greater clarity, it was not always evident from the governing body minutes when decisions were agreed. (See Risk Issue 1)

Work is progressing to streamline policies to encompass both schools and will include key information such as review dates. This will reduce the amount of policies to be considered by the governing body, making the review process more effective. There is a timetable in place for the adoption process for statutory and non-statutory policies up to 2021-22. However, due to other priorities in the last couple of years not all policies have been reviewed in line with the timetable. (See Risk Issue 2)

Financial arrangements appear to be effective with evidence of regular monitoring of both schools' financial positions, financial limits and grant funding. Both schools use corporate systems with built in controls for the purchasing process, school meals and school funds.

Effective controls are in place for ICT security and GDPR with devices encrypted and staff have individual usernames and passwords. Staff have completed mandatory GDPR training further strengthened their awareness of data processing. School information is regularly backed up off site, which is operated by Denbighshire County Council Information Communications Technology (ICT) Services.

Asset and loans registers are in place for the recording and monitoring of assets over £50. A review of the asset registers identified only one of the schools have completed a review of the assets recently (Risk Issue 3).

The schools have received ICT devices through the Welsh Government (WG) EdTech grant, which are recorded on the asset registers. WG terms and conditions state schools should produce a sustainability plan for the replacement items. The school cluster is working with Denbighshire ICT department to produce a plan, but as an interim agreement have introduced an additional line in the budget to replace items received.

Health and safety arrangements appear to be effective with staff having completed mandatory training and DBS' are in place. There is evidence of regular fire risk assessments being completed, testing of fire drills and alarm testing performed, and an

asbestos report for contractors performing works at Ysgol Caer Drewyn. CCTV is present at Ysgol Caer Drewyn with an up to date policy in place.

Other areas such as PLASC, school funds and school meals are effective with independent checks performed as part of the processes.

Ysgol Gellifor & Ysgol Bryn Clwyd – November 2022

Medium Assurance ●

Number of Risk Issues:

5 Moderate ●

Ysgol Gellifor and Ysgol Bryn Clwyd operate as a federation with a single governing body. The schools are currently without a business and finance manager which has presented some challenges.

At the time of our review the full Governing Body had not held its first meeting of the new school year. The formal appointments of the new Chair of Governors, four parent governors, a community governor and Vice Chair are due to take place in the next week.

There were some examples of good record keeping practice, notably in relation to finance, school funds, school meals and statistical returns/PLASC. However more generally record keeping controls require improvement to ensure transparency and accountability for decision making and in relation to the completion of risk assessments. It is important that the Governing Body maintain accurate and up to date records of both attendances at meetings and the completion of mandatory training. Further details are included in appendix one of this report.

The schools have a comprehensive suite of governance and management policies in existence, it is important that these are reviewed and ratified on a regular basis. It was not always clear how and when the statutory policies had been reviewed and approved, further the latest policies were not consistently accessible to staff, governors and other stakeholders.

The school finance controls appear to be operating effectively notwithstanding the current business and finance manager vacancy. We have identified one moderate risk issue in relation to the review of financial authorisation limits.

Health and safety policies exist in comprehensive detail, however there was evidence that these are not being consistently implemented. It is important that the schools address in a timely manner the action taken to address both health and safety and fire risk assessment actions. There was limited supporting evidence to demonstrate how this was being achieved. It may be beneficial to include this as a standing agenda item at the Health and Safety sub-committee.

Almost all staff have completed mandatory eLearning training on both General Data Protection Regulation (GDPR) and Safeguarding. This training is underpinned by policies which contain procedural guidance for the safe handling of personal data and internet security. There were some instances where the guidance contained in the policies was not being fully implemented. Key areas for enhancement relate to the use of personal devices, email addresses and cloud based systems.

The review recognises that there are a number of effective controls in place particularly in relation to finance procedures. We are mindful of the challenges the governing body has faced in conducting meetings remotely over the last two years. The inaugural meeting of the new Governing Body should provide a good opportunity to agree and strengthen governance arrangements and procedures. Where we have raised issues, these have been largely identified by the schools and are beginning to take action to address these.

Christchurch CP– November 2022

High Assurance ●

Number of Risk Issues:

2 Moderate ●

Since the pandemic, the school's governing body's priority is to ensure the school remains safe for staff and pupils. The governing body and subcommittees operate and maintain a hybrid approach to termly meetings to support maximum attendance.

Our review identified a number of effective controls in place in relation to the governing body. Examples include skills analysis to ensure governors are linked with appropriate areas of responsibility and good record keeping to demonstrate an open and transparent

decision making process when actions are agreed in governing body and subcommittee meetings.

The governing body maintains a Governors Constitution document, which provides a useful overview of the governance arrangements in place. Terms of Reference (ToRs) for both the governing body and the subcommittees do not currently exist. (See Risk Issue 1)

The clerk to the governing body is responsible for maintaining records for governor training, DBS certificates and declaration of interest forms. Our review found a number of governors had not completed the mandatory training within 12 months of appointment. (See Risk Issue 2).

The school has a comprehensive suite of policies and supporting procedural guidance in place, with an effective review process by the governing body. The latest policies are posted on the school website to ensure accessibility to all stakeholders.

There are a number of effective controls in place in relation to ICT and GDPR security. The implementation of the GDPR policy is underpinned by staff training and the prohibition of devices being taken off school premises.

The governing body's approach to health and safety is one of the areas of greatest strength. Staff have completed an extensive range of health and safety training including Child Protection, Safeguarding, first aid and fire safety. Policies and procedures are in place and are intuitively implemented by staff, which was evident from site visits and reviewing records of health and safety documentation such as health and safety "walk-throughs" and risk assessments. There is evidence of regular fire risk assessments being completed, testing of fire drills and alarm testing performed. CCTV is in place across the school site with a supporting policy and training for those with access.

Financial controls appear effective; where finance reports and costings in relation to the school development plan are regularly reported to the governing body and the Pay and Resources Committee. There is a comprehensive finance policy in place, which sets out processes for school funds, lettings, school meals arrears and includes contact details for key stakeholders. It would be beneficial if this overarching policy was supported by

documented procedures for other key tasks performed by office and administrative staff for business continuity purposes.

Other areas such as PLASC, school funds and school meals are effective with independent checks performed as part of the processes.

PLASC – November 2022

High Assurance ● Number of Risk Issues: 0

Overall, there are effective controls in place to ensure that the PLASC return is completed accurately and submitted within the agreed timescales. Key people involved in the process are fully aware of their roles and responsibilities when completing the PLASC return.

There are good controls in place to monitor pupils' attendance and the accuracy of the data retained on SIMS, which is reflected in the PLASC return signed by the head teacher.

Highways Maintenance – October 2022

Medium Assurance ● Number of Risk Issues: 5 Moderate ●

The service made early progress in implementing the Code of Practice, developing strategic policies and procedural guidance in the form of the 2017 Maintenance Strategy, Highways Maintenance Manual (HMM) in 2019 as well as a revised five-year Highways Asset Management Plan (HAMP) developed in 2022. While these have been subject to appropriate governance oversight in draft format, further progress is required in relation to completing the final HMM and HAMP. The HMM sets out how the council is implementing the Code. However, a number of the policies and practices set out in the HMM have yet to be completed and actioned. The council is best served by full and complete implementation of the practices set out in the HMM to ensure ongoing public safety and improved focus on where the budget should be spent.

The Code of Practice introduced a new risk-based approach to highways maintenance, with guidance provided by CSSW to assist Welsh local authorities in implementation of the

code to ensure a consistent approach is applied. While the HMM states that there will be a risk assessment review carried out at least every two years of highway assets, there was limited evidence to demonstrate that this has been achieved in full. Similarly, in relation to the frequency of review of the Network Hierarchy, which has not been formally completed for a number of years.

The highways maintenance strategy, which was approved and adopted in 2017, clearly details the benefits of adopting a proactive approach to planned maintenance rather than reactive repairs. This is further supported by a clear articulation of financial planning in the short, medium and long term cycle of highways maintenance.

The service has faced significant pressures since the publication of the Code of Practice, including adverse weather events such as storms and flooding and more recently the Covid-19 pandemic, which has compounded pressures on resources. The service has continued to deliver its winter maintenance plan and our testing has found that significant progress has been made in clearing the backlog of planned maintenance work whilst meeting targets on safety inspections and defect repairs.

The service recognises that the successful completion of formal training is required for inspectors to ensure that training and competency requirements stipulated in the Code of Practice are met. It is important that safety inspections and visual condition surveys are carried out by appropriately trained inspectors, given the increased volume of claims submitted in recent years.

There are a number of areas of good practice, notably the response to management of flood risk, good progress to reduce the backlog of defect repairs and continuing to meet inspection frequency targets. The service acknowledges that issues raised in this report require further action to ensure full compliance with the Code of Practice and the CSSW risk-based approach.

The full implementation of the risk-based approach set out in the code has not been achieved to date. While the financial and non-financial resource pressures faced by the service may explain why this remains an action on the current service plan, the outstanding areas continue to pose a number of moderate risks.

Ysgol Melyd – December 2022

Medium Assurance ●

Number of Risk Issues: 1 Major ● 2 Moderate ●

Since the pandemic, the school's governing body's priority is to ensure the school remains safe for staff and pupils, which has changed ways of working. They have adapted mechanisms and processes where necessary to ensure the governing body and operations remains effective.

Our review identified effective controls in place for the governing body, with good record keeping. Examples include: detailed minutes and supporting paperwork and full governing body and sub-committees' Terms of Reference. Not all declaration of interests had been completed. (Risk issue 1)

Governors are required to complete DBS checks as part of their role and notify the clerk in accordance with the 'Disclosure and Barring Service (DBS) Checks; Guidance for Governing Bodies in Denbighshire Schools'. Not all governors have completed DBS checks (Risk issue 2).

There are two governor vacancies, which the governing body are in the process of recruiting. The governing body perform an informal skills set analysis, however this should be recorded and used to identify any training and development opportunities. The chair, vice chair and clerk have completed appropriate training for their roles. However, not all governors have completed the mandatory training (Risk Issue 3).

Governing body meetings have been held virtually; going forward the governing body will have a combination of virtual and face-to-face meetings. All the supporting documents, including agendas and minutes, are shared with the governors in advance of meetings.

All statutory policies are reviewed annually and are accessible to staff and governors in electronic and paper format. Although the Governing Body reviews the schools' policies, it would be beneficial to have a policy timetable in place to ensure policies are reviewed on a regular basis.

The school has continued to review the School Development Plan. The school uses corporate systems for processing income, purchasing and invoicing. There is appropriate separation of duty in place and regular reconciliations being performed. School fund

certificates are audited annually and are up to date. Regular monitoring of the budget is performed, including annual reviews of financial limits, staffing costs and the school's financial position. The latter is forecasting a surplus balance until 2023-24.

Works required on site are procured through the corporate buildings maintenance team who perform relevant checks of approved suppliers. Grant funding received by the school is monitored by the school and by the Council's finance officers to ensure compliance with relevant terms and conditions.

There are good security controls in place at the school including CCTV cameras on site, regular fire drills and visitors are required to 'sign in' when visiting the school. Fire safety and health and safety assessments are also in place. CCTV footage is currently retained for 12 days, however, the school's CCTV policy states that footage is retained for 60 days. The council's retention guidance states that CCTV footage should be retained for 30 days, therefore it is advised that the CCTV system is amended to retain footage for 30 days and the policy is updated to reflect the amended retention period.

ICT security arrangements appear to be effective; staff have individual usernames and passwords and all external devices are encrypted and password protected. The school maintain an asset register for all ICT equipment purchased.

Corporate carbon targets have been agreed to help the council become a Net Carbon Zero and Ecologically Positive Council and to reduce carbon emissions by 2030, which include purchasing of goods and services in the council's supply chain. However, the governing body was not aware of the agreed targets. Audit Wales' recent review of climate change within the council highlighted a lack of awareness of the agreed targets within schools. We confirmed that actions are already in the process of being implemented.

Community Safety – November 2022

Medium Assurance ● Number of Risk Issues: 1 Major ● 2 Moderate ●

Strategically, measures have been put in place to provide a co-ordinated approach to community safety, as there is a Community Safety and Safeguarding Strategic Group with representation from officers attending regional community safety boards. The Group works well: meeting regularly, and identifying key complex issues for investigation. While the

purpose of the Group was discussed at its first meeting, there are no separate terms of reference so that its governance arrangements can be regularly reviewed.

Senior management are more aware of the Community Safety Manager and the work of the partnership through quarterly updates to the Senior Leadership Team (SLT). The previous lead member representing community safety was the Chair of the Safer North Wales Partnership Board, and annual reports are submitted to the Partnership Scrutiny Committee. As there have been new members as a result of the Local Government elections, further updates are planned to raise awareness of community safety.

Operationally, discussions with a sample of heads of services and officers identified good practice with community safety work, which has prompted better engagement across services. However, there is a lack of cohesion for Community Safety as roles and responsibilities are unclear and not having documented procedures to clarify arrangements in place. Services can appropriately deal with some issues themselves, but some officers were picking up work when it was not clear if it was under their remit, or perceived community safety to be the sole responsibility of the Community Safety Manager or Public Protection. This may impact capacity and affect prioritisation of other work. The SLT restructure will provide an opportunity to review current arrangements.

While the Conwy and Denbighshire partnership has its own joint work plan, there has been no extensive consultation on its content with all key services involved in community safety to create awareness, and ensure the plan is aligned with the Council's work. However, the Community Safety Manager is not clear of the expectations of the Council as priorities for community safety are not built into service and performance planning. She increasingly is involved in bigger projects without dedicated resources to support her, which is not practical when she is a shared resource with Conwy Council.

The focus of our audit was particularly on arrangements to manage anti-social behaviour (ASB). Where there have been continuing issues, measures have been put in place, e.g. setting up a working group to monitor and take action, and the Council, and its partners, recently won an award for tackling anti-social behaviour in Rhyl. However, ASB information is not easily accessible as it is recorded on individual systems of services

depending on the nature of the concern, which makes it difficult to identify escalating issues that impact cross-service or for freedom of information requests. Due to capacity and a lack of clear recordkeeping, the alley gates review has also not concluded in line with the Anti-Social Behaviour, Crime and Policing Act 2014.

While we did not review the partnership arrangements in detail, the Community Safety Manager is clearly enthusiastic and committed to the work of the partnership. The main areas for improvement are that there has been no review of governance and performance arrangements by either the Council or the partnership itself. Similarly, the partnership's own risk register has not been updated, and the Council needs to ensure that it has an effective mechanism for capturing partnership and community safety risks.

Revenues & Benefits Phase 1– December 2022

High Assurance ● Number of Risk Issues: 0

Overall, the project to bring the Revenues & Benefits Service back in-house has been well-managed. Roles and responsibilities have been clearly defined with a designated project manager, project executive and a separate project board. There is also a dedicated project team who have been actively engaged at the appropriate time within the project lifecycle, and elected members have been kept informed of the project progress.

The project management process has been followed utilising the use of the corporate project management system, Verto and key documents such as a milestones log, risk register, etc. are accessible and up-to-date. Minor improvements have been discussed with the project team so they can either address or record in their lessons learnt log post-implementation, e.g. producing regular highlight reports and strengthening risk scoring.

Exit arrangements were complied with as there is a written agreement terminating the Civica contract: appointing an exit manager and team, and an exit plan documented. Both Procurement and Legal have been engaged to provide advice on contractual arrangements with Civica's sub-contractors, and there was just one service provider remaining where legal advice was being sought at the conclusion of our review.

Legal and HR have been actively involved with managing the TUPE of staff process. Prior to the service transition, staff were kept informed through regular meetings and staff

presentations. Job descriptions will be reviewed post-implementation, and staff will have a six-month period to complete any mandatory training. Pre-implementation, a written inventory was undertaken detailing ownership of equipment and for any staff not being TUPEd to the Council, ICT equipment was returned and building and system access disabled. Similarly, any equipment owned by Civica has been returned to them.

While not the impetus for this project, the Cabinet report (January 2022) detailed that it was envisaged that there would be cost savings by transitioning the Service back to the Council. Finance saving modelling was undertaken prior to implementation, and will be reviewed now the final staffing costs are known.

Accommodation Provision for the Homelessness follow up 3 – December 2022

| | | |
|------------------|----------------------------|----------------------------|
| High Assurance ● | Actions fully implemented: | 18 (10 Major & 8 Moderate) |
| | Actions outstanding: | 1 (1 Major & 1 Moderate) |

Considerable progress has been made now since our last follow up review. Our last follow up review concluded that 72% of actions had been fully implemented compared to 89% currently.

Written procedures relating to the Rapid Rehousing Model have been developed and circulated to Welsh Government. These include a baseline of performance objectives to be achieved over the next five years, but these will be further developed by the Strategic Homeless Lead.

Despite staff having a high caseload, there is an improvement in the recordkeeping of homeless cases, e.g. diary notes being kept up-to-date. Controls need to be strengthened with putting in place assessments and the authorisation of housing plans. Since our last review, team leaders have improved the evidencing of their independent monitoring of homeless cases.

Due to capacity and other priorities, further documented guidance is still needed for staff to ensure that they carry out processes consistently.

Contract Management follow up 3 – November 2022

| | | |
|------------------|----------------------------|----------------------------|
| High Assurance ● | Actions fully implemented: | 12 (11 Major & 1 Moderate) |
| | Actions outstanding: | 1 (1 Major) |

Significant demonstrable progress has been made in addressing the outstanding actions in the last 4 months. The roll out of the contract management framework and associated training began in earnest in July and August. There has been a concerted effort by the Contract Management and Procurement team to provide training and guidance to all services. External targeted training was arranged over the summer months and underpinned by documentary guidance on the implementation of the framework. It is clear that services are engaging in the risk evaluation of contracts with documentary recording on Proactis. A number of examples of good practice were evident in this third and final follow up review. These include process mapping against the framework requirements, greater risk consideration and improved governance oversight. It is important that momentum is not lost in implementing all elements of the framework, in particular the recording of contract management tasks. This was the only outstanding action of the thirteen originally proposed.

Registration Services follow up 2 – October 2022

| | | |
|------------------|----------------------------|----------------------------|
| High Assurance ● | Actions fully implemented: | 15 (12 Major & 3 Moderate) |
| | Actions outstanding: | 1 (1 Moderate) |

Progress has been made since our last review with the outstanding actions, as a new telephone system has been implemented, and a GDPR review completed of the registration service. A new system has been procured that will assist in an efficient and effective service delivery for making appointments and ordering certificates electronically. Implementation of the system has been delayed due to key staffing issues, which impacts the last remaining action. Data deletion cannot be carried out on the current system, but the data retention schedule will be run on the new system post-implementation.

Internal Audit Update – September 2022

WAO reports update for 2022/23

| Review | Start Date | Date Report out | Report status | Link to report |
|--|------------------------------|---------------------|----------------------------|------------------------------|
| Financial Statement Audit | 27 th June 2022 | February 2023 | | |
| Assurance and Risk Assessment | On-going throughout the year | End of January 2023 | | |
| Cross-sector review focusing on the flow of patients out of hospital | October 2022 | May 2023 | | |
| Corporate Support Function | 15 th August 2022 | End of January 2023 | Corporate Support Function | 15 th August 2022 |

Estyn visits / reports update for 2022/23

| School Name | Estyn Visit W/C | Date Report out | Report status | Link to report |
|---------------------------|-----------------|-----------------|------------------|---|
| Christ the Word | 16/05/22 | 20/07/22 | Special Measures | https://www.estyn.gov.wales/provider/6635902 |
| Ysgol Uwchradd Glan Clwyd | May 2022 | | LA to review | |
| Ysgol Llywelyn | June 2022 | | No Follow Up | |

Internal Audit Update – September 2022

| | | | | |
|---------------------|-------------------------|------------------------|--------------------------|---|
| Denbigh High School | 27/09/22 | N/A | N/A | N/A |
| School Name | Estyn Visit W/C | Date Report out | Report status | Link to report |
| Ysgol Y Castell | 10/10/22 | | Not follow Up | https://www.estyn.gov.wales/system/files/2022-12/Inspection%20report%20Ysgol%20Y%20Castell%202022_0.pdf |
| Rhyl High | 17/10/22 | | No Follow Up | https://www.estyn.gov.wales/system/files/2022-11/Inspection%20report%20Rhyl%20High%20School%202022.pdf |
| Ysgol Borthyn | Oct 2022 | | No Follow Up | https://www.estyn.gov.wales/system/files/2022-11/Inspection%20report%20Borthyn%20V.C.%20Primary%20School%202022_0.pdf |
| Ysgol Carrog | Nov 2022 | | Report Not Published Yet | |
| Ysgol Caer Drewyn | Nov 2022 | | Report Not Published Yet | |
| Denbigh High School | Follow up due this term | | | |
| Christ the Word | Follow up due this term | | | |

CIW reports update for 2022/23

| Area Reviewed | Date of Review | Date Report Issued | Report Status | Link to Report |
|---------------|----------------|--------------------|---------------|----------------|
| | | | | |
| | | | | |

Other reports update for 2022/23

| Area Reviewed | Date of Review | Date Report Issued | Report Status | Link to Report |
|---|----------------|--------------------|---------------|----------------|
| Joint Inspection of Child Protection Arrangements: Denbighshire County Council, Betsi Cadwaladr University Health Board, North Wales Police | February 2023 | | | |
| | | | | |

Progress in Delivering the Internal Audit Assurance

Since the last Internal Audit update in September 2022, the consultation paper on the review of the Senior Leadership Team (SLT) has been shared and under the proposed restructure Internal Audit will move over to Finance and will report to Steve Gadd S.151 officer and HoS. However, as this is a consultation paper, the interim arrangements are still in place and Internal Audit will still report direct to Interim HoS Nicola Kneale.

The consultation period closes on the 18th January and it is hoped that the new proposed structure will be in place by the new financial year. The Chief Internal Auditor will keep this

committee updated of changes as they happen and the Internal Audit Charter will be updated to reflect the change in reporting lines.

The current position in the September update was the Principal Auditor post had been filled by one of the Senior Auditors, and at the meeting in October (September meeting had to be re-arranged due to the passing of her Majesty the Queen) the Chief Internal Auditor verbally updated the committee that the two Senior Audit posts had been advertised and filled by internal candidates. However, since this update in October, two auditors have been successful in securing new positions outside of Denbighshire, leaving the team with three vacant posts.

During this year we have carried a number of vacancies and although we are carrying out interviews in January for the vacant posts, they could remain vacant for the remainder of this financial year. This will ultimately mean that we will not be able to complete every review within the Audit Plan for 2022/23 and we will therefore, be prioritising our reviews to ensure that we cover all statutory reviews and ensure appropriate coverage in all services.

A couple of audits have needed to be postponed due to legislative delays or other accepted factors, and a few audits are no longer required due to assurance provided by the council's external regulators. The table on the next page provides an update on progress against the Audit Plan for 2022/23.

Based on the current trajectory, the Chief Internal Auditor is satisfied that internal audit will have provided adequate coverage of corporate risks and services areas, together with assurances gained from elsewhere e.g. Audit Wales, to enable the Internal Audit Annual Report 2022-23 to provide assurance without any limitations.

Audits due to commence shortly include:

- Revenues & Benefits Phase 2;
- Financial Services Review;
- DLL reviews (completed under a SLA, but feed into the S.151 annual Financial Statement);
- Housing Support Grant

- Cefyndy
- Workforce Planning;
- Blue Badges - process review;
- Insurance;
- Court of Protection;
- ICT Asset Management;
- Partnership Arrangements; &
- Risk Management;

Internal Audit Update – September 2022

| Area of work | Current status | Assurance level | Critical issues | Major issues | Moderate issues | Comment |
|---|-----------------|-----------------|-----------------|--------------|-----------------|---------------------------|
| AONB Grant 2021/22 | Draft | - | - | - | - | Annual accounts audit |
| Fostering | Not yet started | - | - | - | - | |
| Looked after children – Independent Reviewing Officer | Not yet started | - | - | - | - | |
| Programme & Project Management | Not yet started | - | - | - | - | |
| Liberty Protection Safeguards | Not yet started | - | - | - | - | |
| Procurement – pre tender stage | Not yet started | - | - | - | - | |
| Mediquip | Not yet started | - | - | - | - | |
| Rhuddlan Town Council 2022-23 | Complete | N/a | N/a | N/a | N/a | External fee earning work |
| National Fraud Initiative | Complete | N/a | N/a | N/a | N/a | 2020-21 exercise |
| Revenues & Benefits 2021/22 | Complete | High ● | 0 | 0 | 0 | |
| Financial Services 2021-22 | Complete | High ● | 0 | 0 | 2 | |
| Court of Protection | Not yet started | - | - | - | - | |
| Community Equipment Service | Not yet started | - | - | - | - | |
| Partnership Arrangements | Not yet started | - | - | - | - | |
| Youth Service | Not yet started | - | - | - | - | |
| Blue Badges | Not yet started | - | - | - | - | |
| Workforce Planning | Not yet started | - | - | - | - | |
| Tackling Poverty | Not yet started | - | - | - | - | |

Internal Audit Update – September 2022

| Area of work | Current status | Assurance level | Critical issues | Major issues | Moderate issues | Comment |
|------------------------------|-----------------|-----------------|-----------------|--------------|-----------------|--------------------------|
| Equalities | Complete | Medium ● | - | - | 3 | |
| Asset Management | Not yet started | - | - | - | - | |
| IT Asset Management | Not yet started | - | - | - | - | |
| Health and Wellbeing | Not yet started | - | - | - | - | |
| Flood Risk Strategy | Not yet started | - | - | - | - | |
| Insurance | Not yet started | - | - | - | - | |
| Planning Applications | Not yet started | - | - | - | - | |
| Post 16 Education Grant | Complete | High ● | 0 | 0 | 0 | |
| Ysgol Brynhyfryd | Complete | High ● | - | - | 2 | |
| Ysgol Dewi Sant | Draft | - | - | - | - | |
| Ysgol Melyd | Complete | Medium ● | 0 | 1 | 2 | |
| Ysgol Hiraddug | Complete | High ● | - | - | 2 | |
| Ysgol Y Castell | Complete | High ● | - | - | 1 | |
| Ysgol Tremeichion | Complete | High ● | - | - | 1 | |
| Homelessness | Not yet started | - | - | - | - | |
| Financial Services 2022-23 | Not yet Started | - | - | - | - | Starting in January 2023 |
| Revenues & Benefits 2022-23 | Complete | High ● | 0 | 0 | 0 | |
| Cefndy Healthcare | Scope | - | - | - | - | |
| Risk Management | Not yet started | - | - | - | - | |
| Highways Improvements | Complete | Medium ● | 0 | 0 | 5 | |
| Health & Wellbeing | Scoping | - | - | - | - | |
| Commercial Waste | Complete | Medium ● | - | 1 | 2 | |
| Families First | Complete | High ● | - | - | - | |
| Community Safety Partnership | Complete | Medium ● | 0 | 1 | 2 | |

Internal Audit Update – September 2022

| Area of work | Current status | Assurance level | Critical issues | Major issues | Moderate issues | Comment |
|--|-----------------|-----------------|-----------------|--------------|-----------------|--|
| Denbigh High School | Scope | | | | | |
| Esgob Morgan | Scope | | | | | |
| Bryn Clwyd and Gellifor | Complete | Medium ● | 0 | 0 | 5 | |
| Ysgol Carrog and Yagol Caer Drweyn | Complete | High ● | 0 | 0 | 3 | |
| Pentrecelyn | Scope | | | | | |
| Christchurch | Complete | High ● | 0 | 0 | 2 | |
| Christ the Word | Fieldwork | | | | | |
| Library fees & charges | Not yet started | | | | | |
| Cash Collection | Scoped | | | | | |
| ALN | Fieldwork | | | | | |
| Direct Payments for Children 2 nd follow up | Complete | Medium ● | - | - | - | |
| Payment Card Industry – Data Security Standards 3 rd follow up | Complete | Medium ● | - | 2 | 1 | |
| Project Management: Queen's Building 2 nd follow up | Complete | High ● | - | - | - | |
| Contract Management 3 rd Follow Up | Complete | High ● | 0 | 11 | 1 | |
| Exceptions, Exemptions and Variations from the Contract Procedure follow up | Not yet started | - | - | - | - | Staffing issues agreed to undertake review in Q1 2023/24 |
| Support Budgets & Direct Payments: Adults 3 rd Follow Up | Complete | Medium ● | - | - | - | |
| Housing Support Grant | Scope | | | | | |
| Provision of Homeless Accommodation 3 rd Follow Up | Complete | High ● | 0 | 9 | 7 | 1 Major & 1 Moderate, but significant progress made since the last follow up |
| Whistleblowing Investigation | Fieldwork | N/a | N/a | N/a | N/a | |

| Area of work | Current status | Assurance level | Critical issues | Major issues | Moderate issues | Comment |
|--------------------|----------------|-----------------|-----------------|--------------|-----------------|---------|
| Follow up audits | Ongoing | N/a | N/a | N/a | N/a | |
| School fund audits | Ongoing | N/a | N/a | N/a | N/a | |

Progress with Counter Fraud Work

Counter fraud work carried out since the last internal audit update includes:

1. Providing advice on counter fraud to officers on request. This has included the emergency Covid-19 related grants for businesses.
2. We have currently uploading the data for the National Fraud Initiative (NFI) exercise for 2022-23 and will start looking at the matches in quarter 1 of 2023/24 financial year.
3. Assist Education Support with ensuring that schools continue to complete school fund certificates promptly.
4. The Strategy for the Prevention and Detection of Fraud, Corruption and Bribery and Fraud Response Plan was endorsed by Cabinet in September 2021. This is now available on the Council's website. E-learning is being developed to advise staff on what to do should they suspect fraud.
5. A template Counter Fraud Policy and procedural guidance has been produced for schools and the first training session is being rolled out on the 19 January in conjunction with Education Support.
6. Alerts from the National Anti-Fraud Network (NAFN) reviewed with the relevant service and response taken accordingly.
7. Responding to a whistle blowing response and counter response of concerns of potential fraud. This is an on-going investigation and the findings will be shared with relevant officer.
8. Attending the newly formed North & Mid Wales Audit Partnership sub-group focusing on taking action to address the matters raised in the Audit Wales report 'Raising Our Game – Tackling Fraud in Wales'

<https://www.audit.wales/publication/raising-our-game-tackling-fraud-wales>

Referrals 2022/23

While it is not Internal Audit's role to identify or investigate fraud, as this responsibility rests with management, Internal Audit keeps abreast of potential fraud from a view of ensuring that any governance, risk management or control weaknesses are addressed in line with Financial Regulations and the Strategy for the Prevention and Detection of Fraud, Bribery & Corruption.

Two allegations relating to potential fraud have been referred to Internal Audit during the financial year 2022/23. The first allegation has been investigated and recommendations for internal controls to be put in place or strengthened and the second allegation is currently being investigated.

Whistleblowing concerns are reported separately to Committee as part of the Annual Whistleblowing Report but are detailed above should there be an element relating to potential fraud.

Internal Audit Performance Standards

The table below shows Internal Audit's performance to date for 2022/23.

| Performance Measure | Target | Current Performance |
|--|---------------------------|------------------------------|
| Send a scoping document before the start of every audit | 100% | 100% |
| Issue draft report within 10 days of the closing meeting | Average days less than 10 | 12.1 days |
| Issue final report within 5 days after agreeing the draft report and action plan | Average days less than 5 | 3.9 day |
| Percentage of audit agreed actions that have been implemented by services | 75% | Please see explanation below |

The audit agreed actions that have been implemented by service figure has been left blank because currently School reviews have not been entered on Verto which means that we are not picking up all actions and secondly we have noted that not all Services are updating their action status on Verto. Therefore, we will look at addressing the issues identified and update this figure for the next Governance and Audit Committee.

There have been a number of capacity issues over the last nine months with staffing. We have been through three recruitment exercise to appoint into the CIA, Principal and Senior Auditor roles, but unfortunately after appoint into the Principal and one of the Senior Auditor positions we received their resignations due to them securing more senior roles within the NHS and retail sector.

This has meant that a fourth recruitment exercise was carried out and over December and interviews are due to take place in January.

Internal Audit are prioritising the completion of assurance work and continue to follow up previous reviews awarded a low assurance to ensure that necessary improvements are being made. While many actions are taking longer to resolve than originally envisaged by services, we are satisfied that progress is still being made to implement the requisite change.

Appendix 1 – Assurance Level Definition

| Assurance Level | Definition | Management Intervention |
|--------------------|--|--|
| High Assurance ● | Risks and controls well managed and objectives being achieved | Minimal action required, easily addressed by line management |
| Medium Assurance ● | Minor weaknesses in management of risks and/or controls but no risk to achievement of objectives. | Management action required and containable at service level. Senior management and SLT may need to be kept informed. |
| Low Assurance ● | Significant weaknesses in management of risks and/or controls that put achievement of objectives at risk. | Management action required with intervention by SLT. |
| No Assurance ● | Fundamental weaknesses in management of risks and/or controls that will lead to failure to achieve objectives. | Significant action required in a number of areas. Required immediate attention from SLT. |

| Risk Issue Category | Definition |
|---------------------|--|
| Critical ● | Significant issues to be brought to the attention of SLT, Cabinet Lead Members and Governance and Audit Committee. |
| Major ● | Corporate, strategic and/or cross-service issues potentially requiring wider discussion at SLT. |
| Moderate ● | Operational issues that are containable at service level. |

| | |
|----------------------------------|---|
| Adroddiad i'r | Pwyllgor Llywodraethu ac Archwilio |
| Dyddiad y cyfarfod | 25 Ionawr 2023 |
| Aelod / Swyddog Arweiniol | Y Cyngorydd Gwyneth Ellis, Aelod Arweiniol Cyllid, Perfformiad ac Asedau Strategol / Steve Gadd, Pennaeth Cyllid ac Eiddo |
| Awdur yr Adroddiad | Steve Gadd |
| Teitl | Diweddariad ar Broses y Gyllideb |

1. Am beth mae'r adroddiad yn sôn?

1.1. Rhoi diweddariad i'r Cyngor ar y Cynllun Ariannol Tymor Canolig ac Amserlen y Gyllideb.

2. Beth yw'r rheswm dros lunio'r adroddiad hwn?

2.1. I sicrhau bod y Pwyllgor wedi cael y wybodaeth ddiweddaraf am y broses o osod y gyllideb.

3. Beth yw'r Argymhellion?

3.1. Bod yr Aelodau'n nodi'r cynigion a'r sefyllfa ddiweddaraf mewn perthynas â'r gyllideb ar gyfer 2023/24 a 2024/25 (gweler Adran 4 ac Atodiad 1).

4. Manylion yr adroddiad

4.1 Y wybodaeth ddiweddaraf am y Gyllideb ar gyfer 2023/24 - Mae diweddariad cyffredinol o'r cynigion terfynol (a anfonwyd at bob Aelod) wedi cael ei gynnwys fel atodiad. Mae'r setliad gwell na'r disgwyl wedi galluogi'r Cabinet a'r Cyngor i ystyried cyllideb gytbwys heb fod angen cynyddu Treth y Cyngor na defnyddio cronfeydd wrth gefn. Mae'r amserlen ar gyfer y gwanwyn wedi'i chynnwys isod:

- 17 Ionawr - Cyfarfod Briffio'r Cyngor Llawn
- 24 Ionawr – Cabinet - Adolygiad o'r Gyllideb
- 31 Ionawr - Y Cyngor - Adolygiad o'r Gyllideb

- 28 Chwefror - Y Cyngor Llawn - Adroddiad / Cymeradwyaeth Treth y Cyngor
- Dechrau mis Mawrth - Setliad Terfynol

4.3 Diweddariad ar y Gyllideb ar gyfer 2024/25

Yn amlwg mae'r setliad gwell ar gyfer 2023/24 hefyd yn cael effaith ar y dyfodol - o ran rhagolygon y Grant Cynnal Refeniw a'r gallu i osod cyllideb gytbwys heb ddefnyddio cronfeydd wrth gefn. O ganlyniad, rhagwelir y bydd y bwlch ar gyfer 24/45 yn £6.3m, sy'n llawer is na'r £20+m yr oeddem yn ei ofni. Fodd bynnag, bydd yn rhaid cynllunio ac ymgynghori'n ofalus i bontio'r bwlch hwnnw. Mae hyn yn bell i ffwrdd ar hyn o bryd - ac rydym ni wedi dysgu y gall llawer newid mewn 3 mis, heb sôn am 12 mis.

Roedd cynllun 5 mlynedd gwreiddiol y Gyllideb wedi gobeithio gwneud arbedion drwy ddynodi prosiectau mawr yn cynnwys:

- Lle i fasnacheiddio – codi tâl / modelau cyflawni amgen – sicrhau bod costau llawn yn cael eu hadennill
- Lle i wneud pethau'n wahanol – ailystyried prosesau busnes / meysydd sydd angen meincnodi ariannol
- Cynlluniau a syniadau'r gwasanaethau eu hunain i wneud arbedion

Mae hyn yn parhau i fod yn hollbwysig, ond ni fydd yn ddigon i bontio'r bwlch cyllidebol a bydd gwaith yn dechrau yn y gwanwyn i ddatblygu cynigion pellach.

5. Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?

- 5.1. Mae gosod cyllideb gytbwys bob blwyddyn yn brif ddyletswydd i'r Cyngor ac mae'n hanfodol er mwyn sicrhau llywodraethu da'r Cyngor, fel y nodir yn y Cynllun Corfforaethol newydd.

6. Faint fydd hyn yn ei gostio a sut y bydd yn effeithio ar wasanaethau eraill?

- 6.1. Mae Adran 4 ac Atodiad 1 yn amlinellu goblygiadau ariannol sefyllfa'r gyllideb ar gyfer 2023/24 a 2024/25 yn glir.

7. Beth yw prif gasgliadau'r Asesiad o'r Effaith ar Les?

7.1. Bydd asesiad o effaith ar les yn cael ei gyflwyno i'r Cabinet a'r Cyngor fel rhan o'r Adroddiad o'r Gyllideb.

8. Pa ymgynghoriadau sydd wedi'u cynnal gyda Chraffu ac eraill?

8.1. Yn ogystal â'r adroddiadau rheolaidd i'r Pwyllgor Llywodraethu Corfforaethol, cafodd proses y gyllideb ei hystyried gan y Tîm Arwain Strategol, cyfarfodydd Briffio'r Cabinet, Arweinwyr Grŵp a chyfarfodydd Briffio'r Cyngor. Mae'r Fforwm Cyllidebau Ysgolion wedi'i gynnwys yn y cynigion drwy'r flwyddyn. Ymgynghorwyd ag Undebau Llafur drwy'r Cydbwyllgor Ymgynghorol Lleol.

9. Datganiad y Prif Swyddog Cyllid

9.1 Nod y broses gyllidebol yw sicrhau bod y cyngor yn cyflwyno cyllideb gytbwys. Mae'r cynigion yn yr adroddiad hwn yn cynnig dull cytbwys sy'n ystyried egwyddorion proses y gyllideb newydd:

- Anelu i gydnabod ac unioni pwysau o fewn blwyddyn a rhagweld pwysau gwasanaeth gymaint â phosibl er mwyn datblygu cadernid.
- Sicrhau bod gwasanaethau yn cael eu herio i gyflawni gwasanaethau effeithiol, ond i geisio lleihau effaith cynigion ar ddefnyddwyr gwasanaeth a staff.
- Cadw cynnydd yn Nhrefn y Cyngor mor isel ag sy'n ymarferol bosibl.
- Cyfyngu'r defnydd o Arian sydd ond yn gohirio'r angen i nodi arbedion.
- Cynnal cyllid ar gyfer blaenoriaethau corfforaethol.

10. Beth yw'r risgiau ac a oes unrhyw beth y gallwn ei wneud i'w lleihau?

10.1. Mae'r risgiau sy'n gysylltiedig â sefyllfa'r gyllideb wedi'u nodi'n glir yn Adran 4. Mae'r risgiau ar wahân i rai ariannol yn anodd eu mesur nes bydd cynigion terfynol i'w hasesu ond mae gostyngiad fel hyn i gyllid termau real yn debygol o effeithio ar ddarpariaeth gwasanaeth.

11. Pŵer i wneud y penderfyniad

Dan Adran 151 Deddf Llywodraeth Leol 1972, mae'n ofynnol i awdurdodau lleol wneud trefniadau i weinyddu eu materion ariannol yn briodol.

Member Briefing on Progress setting the Budget for 2023/24

Key Aspects of Budget Process

- Process to consider and review non-strategic Budget Pressures
- Process to consider and review Strategic Budget Pressures
- 1% Efficiency Target for services
- The better settlement resulted in additional income of £8.2m. At the time the budget gap was at £4.8m and proposals to fill that gap relied on further increasing Council Tax by 1% to 4.8% and using £4m of cash which just delays the need to find savings. **We now do not need to consider these options.** Unfortunately, just before Christmas, we received further bad news about our expected energy bills for next financial year which has required an additional pressure of £2.6m. This left £0.8m which it is proposed is used to accept additional base budget pressures submitted by services which had previously been accepted only on a cash basis (ie temporary funding).

Proposals going to Cabinet on 24th January

The Draft Local Government Settlement for 2023/24 was received by the council on 14th December and resulted in a positive settlement of 8.2%, compared to the Welsh average of 7.9%. The Final Settlement is expected in early March but Welsh Government (WG) have indicated that there should be very few changes. Within the announced figure WG have advised the following:

- All pay increases for both teaching and non-teaching posts are included within the RSG.
- The responsibility to pay both our own Social Care and the private sector Social Care sector the Real Living Wage.

The draft settlement includes a slightly increased indicative average settlement increases of 3.0% for 2024/25. Although this is very welcome from a planning perspective it does indicate that difficult decisions will be required over the coming years.

There were no 'transfers in' included in the draft settlement.

The final proposals to balance the 2023/24 budget are shown in the Medium Term Financial Plan (MTFP) in Appendix 1. The main areas of growth and pressures are:

- Pay pressures (including net impact of decrease in National Insurance) of £3.269m
- Price and energy inflation of £2.897m – this includes the latest energy increase estimates received on the 22nd December (increase of £2.6m)
- Fire Service Charge of £535k
- Allowance for increase in Council Tax Reduction Scheme of £350k
- Schools inflationary pressures are recognised amounting to £3.936m
- Schools demographic pressure of £310k
- £8.187m to recognise demand pressures and forecasts in Community Support Services as part of the council's long term strategy to manage care budgets as well as recognising the agenda to ensure all care staff are paid the Real Living Wage
- £2.700m to recognise existing pressures in Education and Children's Services relating to Out of County Placements and Recoupment.
- £1.000m pressure to meet the increased costs within School Transport which is becoming evident in the monthly monitoring
- Increase in insurance costs relating to impact of inflation of £150k
- Investment in priorities amounting to £0.500m:
 - Further investment in Carbon Zero Project of £134k for additional staff to undertake the necessary work. The programme proposes to use the existing allocation of prudential borrowing to fund capital spend in 23/24 due to underspends over the last two years.
 - Increased Investment in Highways Capital Programme as proposed by Council (£4m capital) – requires an estimated £235k in Capital Finance Budget
 - This leaves £131k which it is proposed will be used in year to continue to fund capital projects in year (eg those that were brought forward by the Horizon Scanning exercise or that come out of the new Capital Plan) - £131k would equate to capital investment of c£2.2m.

- Service non-strategic pressures of £1.282m – pressures and requirements for investments identified by services themselves and summarised in Appendix 2.

The pressures identified above amount to £25.116m. A draft settlement of around 14.5% would have been required in order to fund all these pressures. The net +8.2% settlement generates £14.231m additional revenue leaving a funding gap of £10.885m. The following items are included in the proposals in order to bridge that gap:

- There are savings in the Capital Financing Budget amounting to £1.067m – these do not reflect reductions in the capital programme but an increase use of cash and delays to some projects.
- Corporate contingencies relating to the unused element of the Covid Contingency put aside as part of last year’s budget process amounting to £1.200m.
- The impact of the triennial actuarial review of the Clwyd Pension Fund means that the Council now finds itself in a position of a small surplus instead of a significant deficit that required repaying. This results in a saving of £3.828m.
- The savings from bringing the Revenues and Benefits Service back in house are now confirmed and a further £300k can be released.
- Services were asked to identify 1% savings/efficiencies and were able to identify £961k of savings as summarised below (and included in full at Appendix 3):
 - Fees and Charges Income Budgets have been inflated in line with agreed Fees and Charges policy which increases external income by £423k.
 - Savings involving some element of service change amount to £371k
 - Technical budget reductions which have no impact on service delivery amount to £167k
- Schools were also asked to plan for 1% efficiencies which amount to £816k.
- It is recommended that the Council Tax increases by 3.8% which, along with minor changes to the Council Tax Base, will generate £2.713m additional revenue. This level is at the lower end of indicative increases across Wales. It is also lower than the average of 4.35% over the last four years.

App 1: Medium Term Financial Plan:

| | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | 2025/26 £'000 |
|--|------------------|------------------|------------------|------------------|
| Funding | | | | |
| Revenue Support Grant & NNDR (RSG) | 173,640 | 187,871 | 193,507 | 197,764 |
| Council Tax | 60,055 | 62,768 | 65,720 | 68,668 |
| SSA / Budget Requirement | 233,696 | 250,639 | 259,227 | 266,433 |
| Use of Balances | | | | |
| Total Funding | 233,696 | 250,639 | 259,227 | 266,433 |
| Expenditure | | | | |
| Base Budget | 216,819 | 233,696 | 250,640 | 265,590 |
| Inflation / Pressures: | | | | |
| Pay | 3,000 | 3,269 | 4,000 | 1,019 |
| Price - targeted | | 2,897 | 400 | 100 |
| Price | 250 | 150 | 150 | 150 |
| CTRS | 350 | 350 | 350 | 350 |
| Fire Levy | 321 | 535 | 100 | 100 |
| Income Inflation | (120) | | (250) | (250) |
| Social Services | 3,127 | 8,187 | 2,000 | 1,000 |
| Childrens Service | 750 | 2,700 | 2,000 | 1,000 |
| Other Service Pressures | 500 | | | |
| Covid Contingency | 1,991 | (1,000) | | |
| CJCs | 300 | (200) | | |
| School Transport | | 1,000 | | |
| Schools Inflation | 3,769 | 3,936 | 4,000 | 2,000 |
| Schools Demography Adjustment | 606 | 310 | 700 | 700 |
| Other known items: | | | | |
| Investment in Priorities 1 | 81 | | | |
| Investment in Priorities 2 | 1,200 | 500 | 500 | 700 |
| Service Non-Strategic Pressures | 1,111 | 1,282 | 1,000 | 1,500 |
| Transfers into/out of Settlement | 275 | | | |
| New Responsibilities | | | | |
| EFFICIENCIES / SAVINGS: | | | | |
| Capital and Corporate Savings | | (1,067) | | |
| Pensions Triennial Review | | (3,828) | | |
| Service Efficiencies - 1% | (634) | (961) | | |
| Service Savings - Projects | | (300) | | |
| Schools Efficiency Target | | (816) | | |
| Total Expenditure | 233,696 | 250,640 | 265,590 | 273,959 |
| Funding Shortfall / (Available) | 0 | 0 | 6,362 | 7,526 |
| Annual increase/(decrease) in shortfall | (0) | 0 | 6,362 | 1,164 |
| Key Assumptions | | | | |
| Settlement % | 9.20% | 8.20% | 3.00% | 2.20% |
| Council Tax Increase % Band D | 2.95% | 3.80% | 3.80% | 3.80% |

App 2: Non-Strategic Pressures

| NON-STRATEGIC PRESSURES | | | | |
|-------------------------|--|---|--|--------------------------------------|
| REF | SERVICE | TITLE | DETAILED DESCRIPTION | CUMULATIVE BUDGET A/O REED 2023/24 £ |
| C&C-P02 | Communications and Customers | Blue Badge Support | 20 hours - Libraries Grade 5 /37 hours - Grade 2 @ Contact Centre: originally £64K now £49K. Covered under slippage this year, but pressure for next year | 49,000 |
| C&C-P06 | Communications and Customers | Youth Service | We have seen a significant increase in personal support and targeted 1 to 1 interventions with young people especially after Covid and an increase in more complex cases being referred to the service. To reduce pressure on the team's waiting list we would need an increase in staffing to reduce the current waiting list of 72 young people. 2X Full Time youth workers with all included costs including programme costs would be £84,000 per year (with recruitment April 23-June 24 would be an overall cost of £112,000) which could reduce the current waiting list by approx. 60 young people by the end of June 2024. | 84,000 |
| ECS-P01 | Education and Children's Service | Sensory Service | Tri sensory service WCBC, DCC & FCC. FCC are host authority original cost £175k, increased to £194k | 19,000 |
| BIM-P01 | Business Improvement and Modernisation | Internal Audit Structure | As Audit Wales have reduced their performance auditing work for DCC it is vital that we have an Internal Audit structure which can repond to this and maintain a lower level of input from Audit Wales . The team requires an additional Senior Auditor who is able to work independently and therefore enable the team to succeed in delivery. | 8,700 |
| BIM-P03 | Business Improvement and Modernisation | Strategic Planning & Performance Team | 1 FTE @ G9. With an increase in Corporate Plan themes from 5 to 9, there will be added work required for this team to provide strategic support to boards/groups, develop and monitor performance, write reports, etc. | 17,581 |
| LHR&D-P01 | Legal, HR and Democratic Services | Electoral and Election Services | A re-structure of the existing unit to add sufficient capacity to sustainably support electoral and election services in Denbighshire. | 34,302 |
| LHR&D-P02 | Legal, HR and Democratic Services | Legal services | Trainees have applied for and been successful in securing permanent positions that we have been struggling to fill. We wish to submit a pressure to continue with this strategy to recruit 2 further trainees. These are 2 year fixed term posts. | 64,000 |
| LHR&D-P03 | Legal, HR and Democratic Services | HR | The HR software system, I-Trent has a cloud based module for onboarding which would make it easier for applicants and succesful candidates to self serve. This would make the process easier for managers and would relieve some oressure in the HRA team that currently has to provide significant support to the process. | 23,000 |
| F&P-P01 | Finance and Property | Property: Building Maintenance Revenue Budgets. | Increased construction material and labour costs impacting on building maintenance budgets. Costs have been increasing at unprecedented rates since Coved/Brexit. | 228,000 |
| HES-P01 | Highways and Environmental Services | Highways | Increased demand has out-stripped available resources in highways | 196,312 |
| HES-P02 | Highways and Environmental Services | Streetscene | Increased demand has out-stripped available resources for public realm and grounds maintenance functions | 110,258 |
| HES-P03 | Highways and Environmental Services | Waste | Increased demand has out-stripped available resources in the Waste and Recycling Service | 58,359 |
| HES-P04 | Highways and Environmental Services | School Catering and Cleaning | Increased revenue pressures and demands on the service realting to rollout of Universal Primary Free School Meals programme | 288,000 |
| PPP-P07 | Planning and Public Protection | Food Safety - EHO Officer (NB Last Years Bid accepted in principle) | Previously EU grant funded post - funding running out in 23/24 | 48,500 |
| PPP-P08 | Planning and Public Protection | Bodelwyddan Country Park (NB Last Years Bid accepted in principle) | Revenue capacity to manage the Park - cash used in 22/23 | 52,537 |
| | | | | 1,281,549 |

App 3: 1% Efficiency Savings

| 1% EFFICIENCY SAVINGS | | | | | | |
|-----------------------|-------------------------------------|--|--|----------------------------|------------------|---------|
| REF | SERVICE | TITLE | Description | Category | SAVING 2023/24 £ | |
| C&C-E01 | Communications and Customers | Library New Income Stream | New SLA with Grwp Llandrillo Menai for use of Library Buildings for community teaching | Fees and Charges | 18,000 | |
| C&C-E02 | Communications and Customers | Library Income Target Increase | Work to improve income from hosting external events in Libraries | Fees and Charges | 3,000 | |
| C&C-E03 | Communications and Customers | Design Income | Increase in fee income from services using the corporate Design and Print Framework | Fees and Charges | 1,000 | |
| C&C-E04 | Communications and Customers | Tourism Savings | Reduce number of face-to-face Tourism Forums to one per year. | Service Change | 5,000 | |
| C&C-E05 | Communications and Customers | Major Events Budget Savings | Reserve now held corporately with no annual contribution required | Technical Budget Reduction | 2,000 | |
| C&C-E06 | Communications and Customers | Youth Service Savings | Reduce programme costs budget across the County | Service Change | 6,000 | 36,000 |
| EC&S-E01 | Education and Children's Service | Childrens: Family Resource Centre relocation | Property savings from transferring services from the Famil Resource Centre at Bedford Street Rhyd to vacant space within the Oaktree Centre which is a more child focussed environment that also has the added benefit of parking and a reception area (which Bedford Street does not have) and will mitigate lone working & health and safety issues for the staff members. | Service Change | 25,604 | |
| EC&S-E02 | Education and Children's Service | Childrens: Childcare costs review | Increase of Childcare Fees at the Oaktree which have not been reviewed since September 213 despite rapidly increasing costs. The fees will still be the lowest in the county and still include a hot meal. 34% of children are fully grant funded, with a further 16% part funded. | Fees and Charges | 20,000 | |
| EC&S-E03 | Education and Children's Service | Childrens: Budget reduction Direct Payments. | The budget has underspent over the last few years. This reduction is based on current spending requirements so the budget is no longer required. If provision increases in future years the service will submit a service pressure to cover the costs. | Technical Budget Reduction | 20,000 | |
| EC&S-E04 | Education and Children's Service | Education: Review of Service underspends | Budgets have been reviewed and small areas of underspend identified. In previous years these have been used to offset overspends - however pressures have now been recognised in the budget proposals | Technical Budget Reduction | 57,292 | 122,896 |
| HE&S-E01 | Highways and Environmental Services | Catering and Cleaning | Increased income from school catering and public convenience services | Fees and Charges | 25,500 | |
| HE&S-E02 | Highways and Environmental Services | Highways | Increased income from streetworks charges along with straffing restructure | Fees and Charges | 26,000 | |
| HE&S-E03 | Highways and Environmental Services | Waste | Increased income from garden waste, bulky waste and trade waste services. Review of HRC waste treatment cost. | Fees and Charges | 102,200 | |
| HE&S-E04 | Highways and Environmental Services | Streetscene | Increased income from Cemeteries and roundabout sponsorships | Fees and Charges | 18,000 | |
| HE&S-E05 | Highways and Environmental Services | Street Lighting | Increased income from external work along with savings from reduction in service fleet requirements | Fees and Charges | 20,000 | |
| HE&S-E06 | Highways and Environmental Services | Fleet and Service Improvement | Increased income from external customers | Fees and Charges | 15,000 | 208,700 |
| LHR&D-E01 | Legal, HR and Democratic Services | Legal Services Income | Review of fees and charges for externally funded legal work | Fees and Charges | 5,000 | |
| LHR&D-E02 | Legal, HR and Democratic Services | Registrars Fee Income | Review of discretionary fees and charges for registrars' services such as weddings etc. | Fees and Charges | 5,000 | |
| LHR&D-E03 | Legal, HR and Democratic Services | Service Wide | Budget alignment exercise | Technical Budget Reduction | 15,000 | 26,000 |
| PPP-E01 | Planning and Public Protection | Increased parking tariffs | Increased tariffs at Loggerheads, Moel Famau and Llantysilio | Fees and Charges | 50,000 | |
| PPP-E02 | Planning and Public Protection | Plas Newydd - Admissions | Increased admission price for adults at Plas Newydd to £7 | Fees and Charges | 1,500 | |
| PPP-E03 | Planning and Public Protection | Price Increases Plas Newydd shop and tea rooms | 10% increase in pricing | Fees and Charges | 7,500 | |
| PPP-E04 | Planning and Public Protection | Management Budget Efficiency | Savings already achieved in year | Technical Budget Reduction | 14,000 | |
| PPP-E05 | Planning and Public Protection | Increased Building Control Fees | Income has increased through an increase in fees and also take up of the service | Fees and Charges | 30,000 | 103,000 |

App 3 continued

| REF | SERVICE | TITLE | Description | Category | SAVING 2023/24 £ | |
|---------|--|--|---|----------------------------|------------------------|----------------|
| F&P-E01 | Finance and Property | Efficiencies within Property | A number of small efficiencies already achieved in year - budget now held in management codes | Technical Budget Reduction | 13,500 | |
| F&P-E02 | Finance and Property | Finance Budget Re-alignment | Re-alignment following bringing in of Civica and changes to staffing arrangements due to retirements | Technical Budget Reduction | 45,500 | 68,000 |
| CSS-E02 | Community Support Services | Right Sizing Care and Support | Review existing packages of care through 'right-sizing' e.g. reducing the number of double-handed care calls and increasing our use of Micro-Providers and volunteers. | Service Change | 327,717 | |
| CSS-E03 | Community Support Services | Review of Telecare Charging | The monthly fee for Telecare has remained static for a number of years, a review of the costs and monthly charges will be completed, a rise from £15 to £17 per month for example will generate additional income of £55K | Fees and Charges | 55,000 | 382,717 |
| BIM-E01 | Business Improvement and Modernisation | Increase in daily recharge rate for Project Management | The daily recharge rate for Corporate Project Management has not increased in quite a number of years. It is proposed to increase the rate from £250 to £284 per day. This daily rate will support the team of 7 PMs plus the Lead Project Manager. | Fees and Charges | 18,000 | |
| BIM-E02 | Business Improvement and Modernisation | Increase charges for Archives services and materials | Increase the charges for have not been reviewed or increased for many years doing so now will yield a relatively low sum. | Fees and Charges | 1,800 | |
| BIM-E03 | Business Improvement and Modernisation | Shared Archives Service | Reduce budget in line with budget savings set by Flintshire for their contribution to the shared service. Likely to be achieved by reviewing current vacancies. | Service Change | 7,200 | 27,000 |
| | | | | | | 981,313 |

Appendix 4

Council Tax Sensitivity Analysis

| 2023/24 | Increase % | Increase in Band D £ | Proposed Band D £ | Total Funding £000 | Inc/Dec in Funding £000 | |
|---------------------------|--------------|----------------------|-------------------|--------------------|-------------------------|--------------|
| | 0.00% | 0.00 | 1,436.76 | 58,734 | 0 | |
| | 0.50% | 7.18 | 1,443.94 | 59,028 | 294 | |
| | 1.00% | 14.37 | 1,451.13 | 59,322 | 588 | |
| | 1.50% | 21.55 | 1,458.31 | 59,616 | 882 | |
| | 2.00% | 28.74 | 1,465.49 | 59,910 | 1,176 | |
| | 2.50% | 35.92 | 1,472.68 | 60,204 | 1,470 | |
| | 2.75% | 39.51 | 1,476.27 | 60,351 | 1,617 | |
| 2022/23 Increase | 2.95% | 42.38 | 1,479.14 | 60,468 | 1,734 | -500 |
| | 3.00% | 43.10 | 1,479.86 | 60,498 | 1,764 | |
| | 3.25% | 46.69 | 1,483.45 | 60,645 | 1,911 | |
| 15 Year Average | 3.31% | 47.56 | 1,484.31 | 60,680 | 1,946 | -288 |
| | 3.50% | 50.29 | 1,487.04 | 60,792 | 2,058 | |
| 7 Year Average | 3.77% | 54.17 | 1,490.92 | 60,950 | 2,217 | -18 |
| Current Assumption | 3.80% | 54.60 | 1,491.35 | 60,968 | 2,234 | |
| | 4.00% | 57.47 | 1,494.23 | 61,086 | 2,352 | |
| 2020/21 Increase | 4.30% | 61.78 | 1,498.54 | 61,262 | 2,528 | 294 |
| 4 Year Average | 4.35% | 62.50 | 1,499.26 | 61,291 | 2,558 | 323 |
| | 4.50% | 64.65 | 1,501.41 | 61,380 | 2,646 | |
| | 5.00% | 71.84 | 1,508.60 | 61,674 | 2,940 | |
| | 5.50% | 79.02 | 1,515.78 | 61,968 | 3,234 | |
| | 6.00% | 86.21 | 1,522.96 | 62,261 | 3,528 | |
| 2019/20 Increase | 6.35% | 91.23 | 1,527.99 | 62,467 | 3,733 | 1,499 |
| | 6.50% | 93.39 | 1,530.15 | 62,555 | 3,822 | |
| | 7.00% | 100.57 | 1,537.33 | 62,849 | 4,116 | |

Mae tudalen hwn yn fwriadol wag

| | |
|----------------------------------|---|
| Adroddiad i'r | Pwyllgor Archwilio a Llywodraethu |
| Dyddiad y cyfarfod | 25 Ionawr 2023 |
| Aelod / Swyddog Arweiniol | Gwyneth Ellis, Aelod Arweiniol Cyllid, Perfformiad ac Asedau Strategol |
| Awdur yr adroddiad | Steve Gadd, Pennaeth Cyllid |
| Teitl | 1. Datganiad Strategaeth Rheoli'r Trysorlys 2023/24 a Dangosyddion Darbodus 2023/24 i 2025/25 (Atodiad 1) 2. Adroddiad Diweddarau ar Reoli'r Trysorlys 2022/23 (Atodiad 2) |

1 Am beth mae'r adroddiad yn sôn?

- 1.1 Mae Datganiad Strategaeth Rheoli'r Trysorlys (DSRhT) (Atodiad 1) yn dangos sut y bydd y Cyngor yn rheoli ei fuddsoddiadau a'i fenthyciadau ar gyfer y flwyddyn sydd i ddod ac yn gosod y polisiau ar gyfer gweithredu swyddogaeth rheoli'r trysorlys. Mae'r Adroddiad Diweddarau ar Reoli'r Trysorlys (Atodiad 2) yn darparu manylion ar weithgareddau rheoli trysorlys y Cyngor yn ystod 2022/23.

2 Beth yw'r rheswm dros lunio'r adroddiad hwn?

- 2.1 Mae Cod Ymarfer Rheoli Trysorlysoedd y Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifyddiaeth yn gofyn i'r Cyngor gymeradwyo'r Datganiad Strategaeth Rheoli'r Trysorlys a'r Dangosyddion Darbodus yn flynyddol. Mae gofyn i'r Pwyllgor Llywodraethu ac Archwilio adolygu'r adroddiad hwn cyn y caiff ei gymeradwyo gan y Cyngor ar 28 Chwefror 2023. Yn ogystal, rhan o rôl y Pwyllgor yw i dderbyn diweddariad ar y gweithgareddau rheoli trysorlys ddwywaith y flwyddyn.

3 Beth yw'r Argymhellion?

- 3.1 Bod y Pwyllgor yn adolygu'r Datganiad Strategaeth Rheoli'r Trysorlys ar gyfer 2023/24 a'r Dangosyddion Darbodus ar gyfer 2023/24, 2024/25 a 2025/26 (Atodiad

1).

- 3.2 Bod aelodau'n nodi'r adroddiad diweddarau ar Reoli Trysorlys (Atodiad 2).
- 3.3 Bod y Pwyllgor yn cadarnhau ei fod wedi darllen, wedi deall ac wedi ystyried yr Asesiad o'r Effaith ar Les (Atodiad 3) fel rhan o'i ystyriaethau.

4 Manylion yr adroddiad

Cefndir

- 4.1 Mae rheoli trysorlys yn golygu edrych ar ôl arian parod y Cyngor, sy'n rhan hanfodol o waith y Cyngor gan fod tua £0.5 biliwn yn mynd drwy gyfrif banc y Cyngor bob blwyddyn.
- 4.2 Ar unrhyw un adeg, mae gan y Cyngor fel arfer hyd at £20 miliwn mewn arian parod, felly mae angen iddo wneud yn siŵr ei fod yn cyflawni'r gyfradd enillion orau bosibl heb roi'r arian parod mewn perygl, a dyma pam ein bod yn buddsoddi arian gyda nifer o sefydliadau ariannol.

Wrth fuddsoddi, blaenoriaethau'r Cyngor yw:

- cadw arian yn ddiogel (diogelwch);
- sicrhau bod yr arian yn dod yn ôl pan fydd ei angen (hylifedd);
- sicrhau y ceir cyfradd dda o enillion (arenillion).

DSRhT 2023/24

- 4.3 Mae'r DSRhT ar gyfer 2023/24 wedi ei amlinellu yn Atodiad 1. Mae'r adroddiad yn cynnwys Dangosyddion Darbodus Rheoli Trysorlys sy'n gosod cyfyngiadau ar weithgarwch rheoli trysorlys y Cyngor fel y dangosir yn Atodiad 1, Ychwanegiad A.

Dangosyddion Darbodus Cyfalaf

- 4.4 Mae'r Dangosyddion Darbodus sy'n ymwneud â chyfalaf wedi'u cynnwys yn yr Adroddiad Strategaeth Cyfalaf sy'n rhoi trosolwg lefel uchel, cryno a chynhwysfawr i'r holl aelodau etholedig o ran sut mae gwariant cyfalaf, ariannu cyfalaf a gweithgaredd rheoli trysorlys yn cyfrannu at ddarpariaeth gwasanaethau'r Cyngor.

- 4.5 Bydd yr Adroddiad Strategaeth Cyfalaf yn cael ei gyflwyno i'r Cyngor ym mis Chwefror ochr yn ochr â'r Cynllun Cyfalaf a bydd yn cynnwys y Dangosyddion Darbodus canlynol sy'n ymwneud â chyfalaf:

Amcangyfrifon o Wariant Cyfalaf ac Ariannu

Cymhareb o Gostau Ariannu i Ffrwd Refeniw Net

Nawdd Cyfalaf Gofynnol

Terfyn Awdurdodedig a Ffin Weithredol ar gyfer Dyled Allanol

5 Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?

- 5.1 Mae Strategaeth Rheoli Trysorlys effeithlon yn galluogi'r Cyngor i leihau ei gostau benthyca ac i ryddhau cyllid ar gyfer ei flaenoriaethau buddsoddi.

6 Faint fydd hyn yn ei gostio a sut y bydd yn effeithio ar wasanaethau eraill?

- 6.1 Nid oes yna oblygiadau cost ychwanegol yn codi o ganlyniad i bennu Dangosyddion Darbodus. Pwrpas y Strategaeth Rheoli Trysorlys yw i gael yr enillion gorau o fewn fframwaith risg a reolir yn briodol.

7 Beth yw prif gasgliadau'r Aseiad o Effaith ar Les?

- 7.1 Dylai cynllunio ariannol a gwneud penderfyniadau sicrhau y rhoddir ystyriaeth briodol i ofynion Deddf Llesiant Cenedlaethau'r Dyfodol ac, yn benodol, ystyriaeth briodol i effaith hirdymor penderfyniadau ariannol, gan gynnwys y cyfnod ad-dalu a chostau oes gyfan penderfyniadau buddsoddi cyfalaf, cynigion cyllideb â'u heffaith wedi eu hasesu'n briodol a strategaethau dyled a buddsoddiad hirdymor (rheoli trysorlys). Mae egwyddorion pwyll, fforddiadwyedd a chynaliadwyedd eisoes wedi'u cynnwys o fewn gofynion y Cod Darbodus a dylent fod yn sail i gynllunio ariannol a gwneud penderfyniadau.

- 7.2 Yng nghyd-destun rheoli trysorlys, mae'r gofynion presennol i asesu ac adrodd ar ganlyniadau ariannol hirdymor penderfyniadau buddsoddi a benthyca, gan

ddefnyddio dangosyddion darbodus a chynllunio dyled hirdymor, yn cefnogi nodau cynaliadwyedd y Ddeddf Llesiant.

- 7.3 Mae'r adroddiad ar yr Asesiad o Effaith ar Les wedi ei gynnwys yn Atodiad 3 sy'n dangos sut mae strategaeth Rheoli Trysorlys effeithlon yn hyrwyddo nodau lles y Ddeddf.

8 Pa ymgynghoriadau sydd wedi'u cynnal gyda Chraffu ac eraill?

- 8.1 Mae'r Cyngor wedi ymgynghori â'i ymgynghorwyr rheoli trysorlys, Arlingclose Ltd.

9 Datganiad y Prif Swyddog Cyllid

- 9.1 Mae rheoli trysorlys yn golygu gofalu am symiau sylweddol o arian parod, felly mae'n rhan hanfodol o waith y Cyngor. Mae'n gofyn am strategaeth gadarn a rheolaethau priodol i ddiogelu arian y Cyngor, er mwyn sicrhau enillion rhesymol ar fuddsoddiadau a bod dyledion yn cael eu rheoli'n effeithiol ac yn ddoeth.

- 9.2 Yn unol â Chod Ymarfer Rheoli Trysorlys CIPFA mae'n ofynnol i'r Cyngor gymeradwyo Datganiad Strategaeth Rheoli Trysorlys bob blwyddyn ariannol.

10 Pa risgiau sydd ac a oes unrhyw beth y gallwn ei wneud i'w lleihau?

- 10.1 Mae risgiau cynhenid ynghlwm wrth unrhyw weithgaredd rheoli trysorlys fel yr amlinellir yn y Datganiad Strategaeth. Mae gan y Cyngor bolisi rheoli risg ond mae'n amhosibl dileu'r risgiau hyn yn gyfan gwbl.

11 Pŵer i wneud y Penderfyniad

- 11.1 Mae Deddf Llywodraeth Leol 2003 yn pennu'r gofyniad i awdurdodau lleol osod Dangosyddion Darbodus ac mae'n ei gwneud yn ofynnol i'r Cyngor gydymffurfio â Chod Darbodus Cyllid Cyfalaf ar gyfer Awdurdodau Lleol a luniwyd gan y Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifyddiaeth.

Denbighshire County Council

**Treasury Management Strategy Statement
and Investment Strategy 2023/24 to 2025/26**

Contents

- 1. Background**
- 2. Treasury Position**
- 3. Treasury Investment Strategy**
- 4. Borrowing Strategy**
- 5. Debt Rescheduling**
- 6. MRP Statement 2023/24**
- 7. Reporting Treasury Management Activity**
- 8. Other Items**

Annexes

- A. Prudential Indicators
- B. Interest Rate Outlook
- C. Glossary
- D. Liability Benchmark Chart
- E. Debt Maturity Profile

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

1 Background

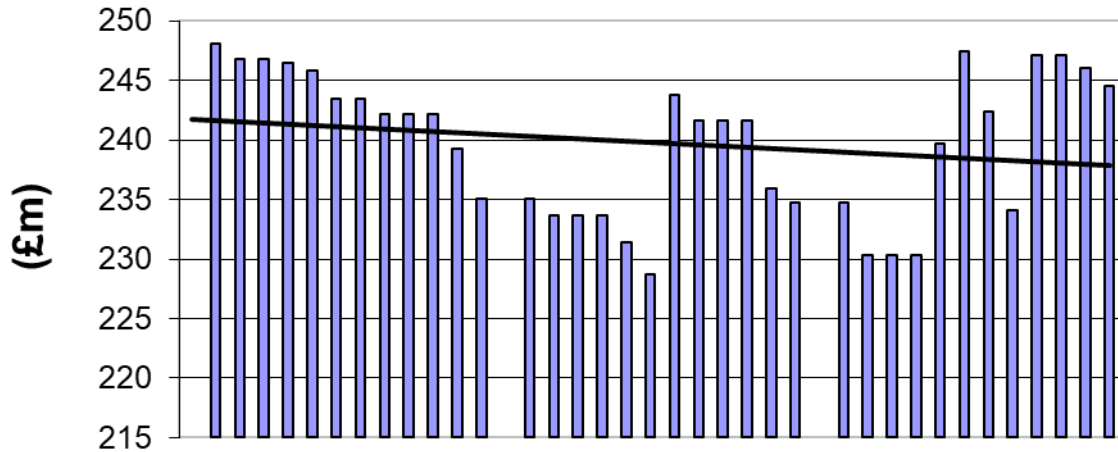
- 1.1 The Council is responsible for its Treasury Management decisions and activity which involves looking after the Council's cash. This is a vital part of the Council's work because approximately £0.5bn passes through the Council's bank account every year.
- 1.2 In December 2021, CIPFA published its revised Prudential Code and Treasury Management Code of Practice. The Code requires the Authority to approve a treasury management strategy statement (TMSS) before the start of each financial year. There is also a new requirement to add the Liability Benchmark as a Treasury Management Prudential Indicator (see Annex A Section 5). There is also now a requirement to provide quarterly Treasury Management update reports to members to be implemented during the 2023/24 financial year.
- 1.3 In addition, the Welsh Government (WG) issued revised *Guidance on Local Authority Investments* in November 2019 that requires the Authority to approve an investment strategy before the start of each financial year. It also requires the Authority to include details of investments and loans which are not held for Treasury Management purposes. Following a review, the Authority has concluded that it doesn't have any non-Treasury related arrangements which fall within the scope of this guidance.
- 1.4 This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the WG Guidance.
- 1.5 The purpose of the TMSS is to set the:
- Treasury Management Strategy for 2023/24
 - Annual Investment Strategy for 2023/24
 - Prudential Indicators for 2023/24, 2024/25 and 2025/26 (Annex A)
 - Minimum Revenue Provision (MRP) Statement

2 Treasury Position

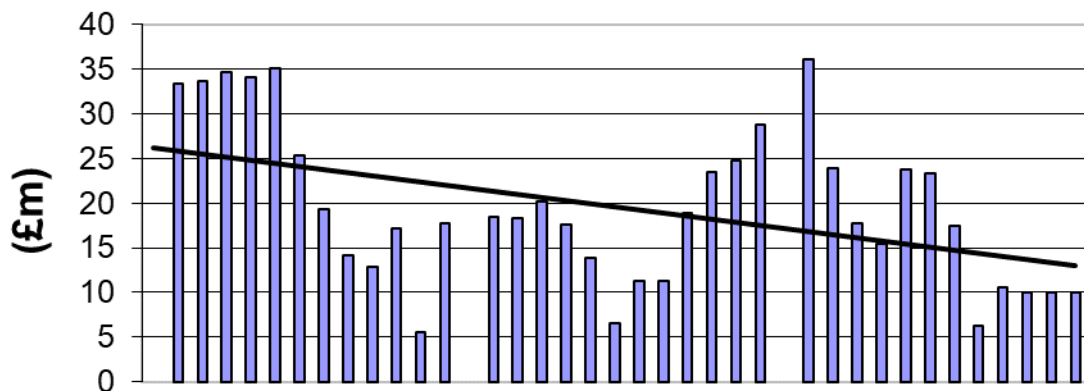
- 2.1 The levels of the Council's borrowing and investment balances over the last three years are shown in the graphs below. The first chart shows the Council's borrowing has decreased slightly over this period. The second chart shows a slight corresponding decrease in the amount of money which is available for investment.

**Treasury Management Strategy Statement
and Investment Strategy 2023/24 to 2025/26**

Borrowing Balances (2020/21 - 2022/23)



Investment Balances (£m) (2020/21 - 2022/23)



3 Treasury Investment Strategy

3.1 Both the CIPFA Code and the WG Guidance require the Authority to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority’s objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

- 3.2 Given the increasing risk and very low returns from short-term unsecured bank investments, the Council will continue to hold a minimal amount of investments for short-term cash flow purposes and will continue to place a far greater emphasis on investing with the UK Government's Debt Management Office and other local authorities in order to minimise these risks.
- 3.3 The Authority may invest its surplus funds with any of the counterparty types in table 1 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 1: Treasury Investment Counterparties and Limits

| Sector | Time limit | Counterparty limit |
|---|------------|--------------------|
| The UK Government | 50 years | Unlimited |
| Local authorities & other government entities | 25 years | £10m |
| Secured investments * | 25 years | £10m |
| Banks (unsecured) * | 13 months | £5m |
| Building societies (unsecured) * | 13 months | £5m |
| Registered providers (unsecured) * | 5 years | £5m |
| Money market funds * | n/a | £10m |
| Strategic pooled funds | n/a | £10m |
| Real estate investment trusts | n/a | £10m |
| Other investments * | 5 years | £5m |

*** Minimum Credit Rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

Banks and Building Societies (Unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.

Registered Providers (Unsecured): Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Money Market Funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee.

Strategic Pooled Funds: Bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Real Estate Investment Trusts: Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Authority's investment at risk.

- 3.4 Natwest is the Council's banker and will continue to be used for operational and liquidity purposes by transferring cash in and out of the instant access account as required even if its credit rating falls below A-.
- 3.5 For a group of banks under the same ownership, the banking group limit is equal to the individual bank limit.
- 3.6 Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
 - no new investments will be made,
 - any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 3.7 The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices (the cost of banks insuring themselves against default), financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.
- 3.8 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2020, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

**Treasury Management Strategy Statement
and Investment Strategy 2023/24 to 2025/26**

3.9 **Specified Investments:** The WG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement unless the counterparty is a local authority,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

The Authority defines “high credit quality” organisations as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher.

3.10 **Non-specified Investments:** Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement and investments with bodies and schemes not meeting the definition of high credit quality. Under this category, the Council has given three loans to Town Councils for capital purposes which are being paid back in instalments over the agreed terms.

Limits on non-specified investments are shown in table 3 below.

Table 3: Non-Specified Investment Limits

| | Cash limit |
|--|-------------------|
| Total long-term investments | £10m |
| Total investments without credit ratings or rated below A- (except the UK government and UK local authorities) | £10m |
| Total investments (except pooled funds) with institutions domiciled in foreign countries rated below AA+ | £10m |
| Total non-specified investments | £30m |

4 Borrowing Strategy

4.1 The Council has continued to undertake temporary borrowing from other local authorities as required to cover short-term cash flow requirements as this is a good source of readily available cash at historically low rates.

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

- 4.2 At the same time, the Council will also continue to monitor its cash position and interest rate levels to ensure that further long-term borrowing is undertaken at the optimal time to fund on-going Capital commitments.
- 4.3 The approved sources of borrowing are listed below:
- PWLB and any successor body
 - any institution approved for investments
 - any other bank or building society authorised to operate in the UK
 - any other UK public sector body
 - UK public and private sector pension funds (except Clwyd Pension Fund)
 - capital market bond investors
 - UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

5 Debt Rescheduling

- 5.1 The Council is able to pay off loans earlier than it has to and to replace them with cheaper loans in order to save money or to reduce the risk to the Council. Sometimes, these loans will be replaced and sometimes not, depending on market conditions and interest rates.
- 5.2 The lower interest rate environment and changes in the rules regarding the premature repayment of PWLB loans has adversely affected the scope to undertake meaningful debt rescheduling although occasional opportunities arise. A weekly update on this is received from the Council's treasury management advisers so the position is kept under review.

6 Minimum Revenue Provision (MRP) Statement

- 6.1 The Council sets aside money each year to repay debt and this is known as the Minimum Revenue Provision (MRP).
- 6.2 There are four different methods of calculating MRP and the Council needs to say each year which methods it will use. This is known as the MRP Statement.
- 6.3 The MRP Statement is submitted to Council before the start of each financial year. If the terms of the original MRP Statement are revised again during the year, a revised statement will be put to Council at that time.

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

6.4 MRP Statement

The Council will apply the Asset Life Method to calculate MRP on outstanding supported borrowing incurred up to 31 March 2017 using a straight-line calculation over 50 years. This represents a change from the Regulatory Method which had been applied previously.

The Council will apply the Asset Life Method to calculate MRP on supported borrowing incurred on or after 1 April 2017 using a straight-line calculation over an appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits. This also represents a change from the Regulatory Method which had been applied previously.

The Council will apply the Asset Life Method to calculate MRP on all capital expenditure funded from unsupported borrowing. This represents a continuation of the previous policy.

6.5 MRP on housing assets funded through prudential borrowing is charged on a straight line basis over 20 years for improvement works to comply with the Welsh Housing Quality Standards (WHQS) and for property appropriated by the HRA, and over 50 years for new build properties and for the loans used to buy the HRA out of the government subsidy scheme on 31st March 2015. For capital expenditure incurred before the introduction of the WHQS the authority charges MRP on a 2% reducing balance basis.

7 Reporting Treasury Management Activity

7.1 The Section 151 Officer (Chief Finance Officer) will report to the Governance and Audit Committee on treasury management activity / performance as follows:

- (a) The Treasury Management Strategy Statement and Prudential Indicators will be submitted to the committee in January each year prior to approval by Council.
- (b) Two treasury management updates will be submitted to the committee in January and July each year.
- (c) An annual report on treasury activity will be submitted to the committee in July each year for the preceding year prior to approval by Cabinet.

A treasury update showing the latest investment and borrowing position will be included in the monthly Revenue Monitoring report and borrowing will also be reported on in the Capital Plan to Council. The Capital Strategy Report will also be reported to Council in February with the Capital Plan.

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

8 Other items

8.1 Investment Training

8.1.1 Member Training

The CIPFA Code of Practice on Treasury Management requires the Section 151 Officer to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, understand fully their roles and responsibilities. The last Treasury Management training session for all members was given on 28 October 2022.

The Council has nominated the Governance and Audit Committee as the committee which has responsibility for scrutiny of the treasury management function.

8.1.2 Staff Training

Staff attend training courses, seminars and conferences provided by Arlingclose and CIPFA. One member of the TM team retired at the end of June and his replacement was already part of the TM team so she will continue to undertake her TM duties. Two new employees have also been added to the TM rota to provide additional cover and they have received training and have recently started their TM duties. There is therefore a team of four members of staff who cover TM duties on a rota basis to ensure that their knowledge is kept up to date. These members of staff are also members of professional accountancy bodies including the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Association of Accounting Technicians (AAT). The operational processes which staff must follow are shown within the Treasury Management Practices (TMPs) which have been updated recently.

8.2 Treasury Management Advisers

The Council uses Arlingclose Ltd as Treasury Management Advisers and receives the following services:

- Credit advice
- Investment advice
- Borrowing advice
- Technical accounting advice
- Economic & interest rate forecasts
- Workshops and training events

The Council maintains the quality of the service with its advisers by holding quarterly strategy meetings and tendering every 5 years. The Council's current contract is due to end on 31 December 2023 and a tendering exercise will therefore be undertaken before the end of this year.

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

8.3 Markets in Financial Instruments Directive (MIFID)

8.3.1 Under the Markets in Financial Instruments Directive (MIFID), local authorities can be classed as professional clients if they have at least a £10m investment balance and staff with relevant experience. Local authorities not meeting the criteria have been reclassified as retail clients. Retail clients have greater protection when placing investments because there is a requirement for firms to ensure that investments are suitable for the client. Professional clients are assumed to have greater knowledge and therefore need less protection.

8.3.2 The Council is not in a position to be classed as a professional client because it does not have an investment balance which is consistently above £10m so it is classified as a retail client. In practice, this does not have an impact on the Council's treasury management activities which consist of cash deposits or loans which are outside the scope of MIFID. The Council's investment advisers, Arlingclose, have continued to advise retail clients as they have a retail adviser who is able to advise on any investment products which come under the scope of MIFID such as shares and bonds.

8.4 Investment of Money Borrowed in Advance of Need

The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Authority's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit. The maximum period between borrowing and expenditure is expected to be three years, although the Authority is not required to link particular loans with particular items of expenditure.

8.5 Policy on Use of Financial Derivatives

In the absence of any explicit legal power to do so, the Authority will not use standalone financial derivatives (such as swaps, forwards, futures and options). Derivatives embedded into loans and investments, including pooled funds and forward starting transactions, may be used, and the risks that they present will be managed in line with the overall treasury risk management strategy.

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

8.6 Housing Revenue Account (HRA)

The Council operates one loans pool for the General Fund and the HRA. A proportion of the Council's investment and debt interest is apportioned to the HRA at year end. The amount of HRA investment interest is calculated by applying the Council's average investment interest rate to the HRA's average notional cash balance.

**Treasury Management Strategy Statement
and Investment Strategy 2023/24 to 2025/26**

ANNEX A

PRUDENTIAL INDICATORS 2023/24 TO 2025/26

1 Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- 1.1 These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. This Council calculates these limits on a net interest paid basis (i.e. interest paid on fixed rate debt net of interest received on fixed rate investments).
- 1.2 The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments.

| | 2022/23 Approved % | 2023/24 Estimate % | 2024/25 Estimate % | 2025/26 Estimate % |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Upper Limit for Fixed Interest Rate Exposure | 100 | 100 | 100 | 100 |
| Upper Limit for Variable Rate Exposure | 40 | 40 | 40 | 40 |

- 1.3 The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Council's treasury management strategy.

2 Maturity Structure of Fixed Rate borrowing

- 2.1 This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.
- 2.2 It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

**Treasury Management Strategy Statement
and Investment Strategy 2023/24 to 2025/26**

| Maturity structure of fixed rate borrowing | Actual % | Lower Limit % | Upper Limit % |
|---|-----------------|----------------------|----------------------|
| under 12 months | 3.99 | 0 | 30 |
| 12 months and within 24 months | 4.03 | 0 | 30 |
| 24 months and within 5 years | 10.93 | 0 | 30 |
| 5 years and within 10 years | 15.67 | 0 | 30 |
| 10 years and above | 65.38 | 50 | 100 |

3 Credit Risk

3.1 The Council considers security, liquidity and yield, in that order, when making investment decisions.

3.2 Credit ratings remain an important element of assessing credit risk, but they are not a sole feature in the Council’s assessment of counterparty credit risk.

3.3 The Council also considers alternative assessments of credit strength, and information on corporate developments of and market sentiment towards counterparties. The following key tools are used to assess credit risk:

- Published credit ratings of the financial institution (minimum A- or equivalent) and its sovereign (minimum AA+ or equivalent for non-UK sovereigns);
- Sovereign support mechanisms;
- Credit default swaps (where quoted);
- Share prices (where available);
- Economic fundamentals, such as a country’s net debt as a percentage of its GDP;
- Corporate developments, news, articles, markets sentiment and momentum;
- Subjective overlay.

3.4 The only indicators with prescriptive values are credit ratings. Other indicators of creditworthiness are considered in relative rather than absolute terms.

4 Upper Limit for total principal sums invested over 1 year

4.1 The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

| Upper Limit for total principal sums invested over 1 year | 2022/23 Approved £m | 2023/24 Estimate £m | 2024/25 Estimate £m | 2025/26 Estimate £m |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| | 10.00 | 10.00 | 10.00 | 10.00 |

**Treasury Management Strategy Statement
and Investment Strategy 2023/24 to 2025/26**

5 Liability Benchmark

5.1 To compare the Council’s actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to a minimum level of £10m at each year-end to maintain sufficient liquidity but minimise credit risk.

| | 2021/22 Actual £m | 2022/23 Estimate £m | 2023/24 Forecast £m | 2024/25 Forecast £m | 2025/26 Forecast £m |
|-------------------------------|----------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Loans CFR | 287.973 | 317.525 | 391.084 | 449.989 | 478.468 |
| Less: Balance Sheet Resources | 84.833 | -73.381 | -67.733 | -62.733 | -62.733 |
| Net Loans Requirement | 203.140 | 244.144 | 323.351 | 387.256 | 415.735 |
| Plus: Liquidity Allowance | 28.70 | 10.00 | 10.00 | 10.00 | 10.00 |
| Liability Benchmark | 231.840 | 254.144 | 333.351 | 397.256 | 425.735 |

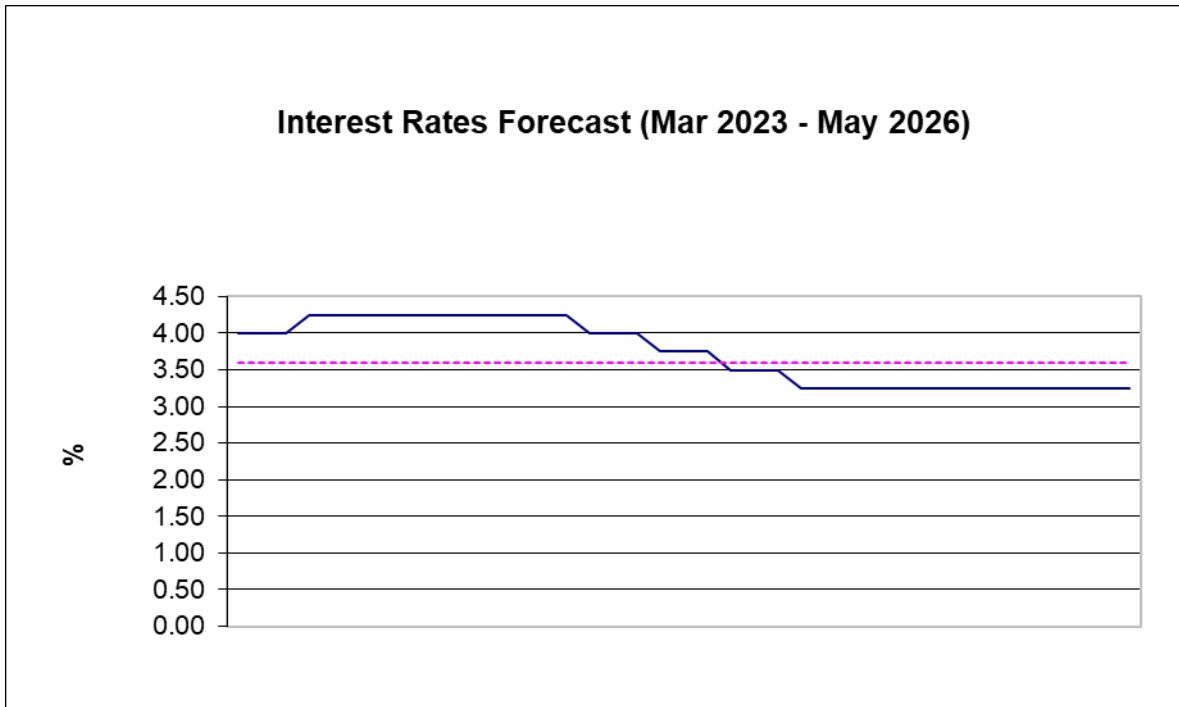
5.2 The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

5.3 This is shown in the liability benchmark chart in Annex D together with the Council’s debt maturity profile in Annex E.

INTEREST RATES FORECAST

The graph below shows the interest rate forecast for the Official UK Bank Rate and the 50 year GILT rate from March 2023 to May 2026. The Official Bank Rate influences the rate at which the Council can invest. The GILT rate is the rate at which the Government borrows money and therefore this affects the rate at which the Council can borrow from the PWLB which is approximately 1% above GILT rates.

As the graph shows, it's slightly more expensive to borrow than to invest at the moment with the Official UK Bank Rate expected to decrease and then to remain fairly constant over the period.



—— Official Bank Rate
----- 50-yr GILT Rate

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

ANNEX C

GLOSSARY - Useful guide to Treasury Management Terms and Acronyms

| | |
|-------------------------|---|
| BANK OF ENGLAND | UK's Central Bank |
| BANK RATE | Bank of England Interest Rate (also known as Base Rate) |
| CPI | Consumer Price Index – a measure of the increase in prices |
| RPI | Retail Price Index – a measure of the increase in prices |
| DMO | Debt Management Office – issuer of gilts on behalf of HM Treasury |
| FSA | Financial Services Authority - the UK financial watchdog |
| GDP | Gross Domestic Product – a measure of financial output of the UK |
| LIBID | London Interbank Bid Rate - International rate that banks lend to other banks |
| LIBOR | London Interbank Offer Rate – International rate that banks borrow from other banks (the most widely used benchmark or reference for short term interest rates) |
| PWLB | Public Works Loan Board – a Government department that lends money to Public Sector Organisations |
| MPC | Monetary Policy Committee - the committee of the Bank of England that sets the Bank Rate |
| LONG TERM RATES | More than 12 months duration |
| SHORT TERM RATES | Less than 12 months duration |
| BOND (GENERAL) | An investment in which an investor loans money to a public or private company that borrows the funds for a defined period of time at a fixed interest rate |
| GOVERNMENT BOND | A type of bond issued by a national government generally with a promise to pay periodic interest payments and to repay the face value on the maturity date |

Treasury Management Strategy Statement and Investment Strategy 2023/24 to 2025/26

| | |
|-----------------------|--|
| CORPORATE BOND | A type of bond issued by a corporation to raise money in order to expand its business |
| COVERED BOND | A corporate bond issued by a financial institution but with an extra layer of protection for investors whereby the investor has recourse to a pool of assets that secures or “covers” the bond if the financial institution becomes insolvent |
| GILT | A bond that is issued by the British government which is classed as a low risk investment as the capital investment is guaranteed by the government |
| REPO | A repurchase agreement involving the selling of a security (usually bonds or gilts) with the agreement to buy it back at a higher price at a specific future date For the party selling the security (and agreeing to repurchase it in the future) it is a REPO For the party on the other end of the transaction e.g. the local authority (buying the security and agreeing to sell in the future) it is a reverse REPO |
| FTSE 100 | Financial Times Stock Exchange 100 - An index composed of the 100 largest companies listed on the London Stock Exchange which provides a good indication of the performance of major UK companies |

Treasury Management (TM) Update Report

1 Changes in the external environment

Economic Outlook

- 1.1 The economic outlook remains uncertain following the impact of the coronavirus and the war in Ukraine. In view of this uncertainty, the Council will continue to take a cautious approach in relation to its investments.

2 Investment Strategy

- 2.1 Given the increasing risk and continued low returns from short-term unsecured bank investments, the Council has placed a far greater emphasis on investing with the UK Government's Debt Management Office (DMO) in order to minimise these risks. The majority of our investment cash is therefore placed with the DMO on a short term basis to meet monthly outgoings and the remainder with an instant access call account up to a maximum limit of £5m.
- 2.2 The Council's cash flow position is monitored constantly with a view to undertake further borrowing if required later in the year as the level of our investment cash decreases.

3 Borrowing Strategy

- 3.1 The Council decided to borrow £10m in August 2022 and £10m in September 2022 from the Public Works Loan Board (PWLB) in advance of further interest rate rises. The Council will continue to monitor its cash position and interest rate levels to ensure that further long term borrowing is undertaken from the PWLB at the optimal time to fund on-going Capital commitments.
- 3.2 At the last strategy meeting with the Council's treasury advisers, Arlingclose Ltd, the analysis of the Balance Sheet projections showed that the Council is likely to have a significant borrowing requirement in the future so the Council will continue to fund this borrowing requirement through a mix of temporary local authority borrowing and long term PWLB borrowing. This is reviewed and discussed monthly in the Capital and Treasury Management update meeting.
- 3.3 The Council currently has 4 temporary loans from other local authorities for £23m in total over a 3 month period. This total is made up of £10m which is repayable in January and £13m in March. At that time, the Council will review its cash flow position and will either repay those loans or continue the loans for a further period if the cash is required. Local authority loans remain a readily available source of

cash at historically low rates so the Council will therefore continue to undertake temporary borrowing from other local authorities in the future as required to cover short-term cash flow requirements.

4 PWLB Borrowing Update

- 4.1 We are required to submit annually a detailed 3 year capital expenditure plan to the PWLB with confirmation of the purpose of our capital expenditure. In particular, we have to confirm that we are not planning to purchase 'investment assets primarily for yield' in the current or next two financial years. We have been able to give this assurance so we can continue to take advantage of PWLB borrowing at low rates.

5 Controls

5.1 Prudential Indicators

The Council sets prudential indicators which set boundaries within which its treasury management activity operates. The indicators are calculated to demonstrate that the Council's borrowing is affordable and include measures that show the impact of capital and borrowing decisions over the medium term. The Council has remained within all of its borrowing and investment limits for 2022/23 as stated in the TM Strategy Statement and the Capital Strategy Report agreed by Council in February 2022. The Council has not deviated from the Capital related indicators either.

- 5.2 The Capital related Prudential Indicators are included in the Capital Strategy Report. It is intended to give a high level, concise and comprehensible overview to all elected members of how capital expenditure, capital financing and treasury management activity contribute to the provision of the Council's services.

- 5.3 The Capital Strategy Report was included with the Capital Plan report to Council in February 2022 and included the following Capital related Prudential Indicators:

Estimates of Capital Expenditure and Financing
Ratio of Financing Costs to Net Revenue Stream
Capital Financing Requirement
Authorised Limit and Operational Boundary for External Debt

5.4 Audit Reviews

The last Internal Audit review undertaken in January 2021 found effective controls in place with good examples of working practices identified. The next Internal Audit review is due in Spring 2023.

6 Future

6.1 TM Strategy for next six months

As planned capital expenditure is incurred, the Council will continue to monitor its cash flow position to ensure that temporary borrowing is undertaken if required. The Council will also monitor market conditions and interest rate levels to ensure that external PWLB borrowing is undertaken at the optimal time in line with the TM strategy.

6.2 Staffing Changes

One member of the TM team retired at the end of June and his replacement was already part of the TM team so she will continue to undertake her TM duties. Two new employees have also been added to the TM rota to provide additional cover and they have received training and have recently started their TM duties.

6.3 Medium Term Capital Strategy

Work is continuing to develop a medium term strategy for capital. This will help identify projects that we are planning to develop and invest in over a 5 to 10 year period, but have not yet gone through the approval process. This will impact on the level of borrowing that the Council will require to undertake over the coming years. To complement and aid this work a new capital approval process has been developed which was reviewed by the Governance and Audit Committee in November and approved by Cabinet in December. This includes setting up a new Capital Scrutiny Group, the papers of which will be available to all Members.

6.4 Reports

The next reports will be the annual TM Review Report 2022/23 and the TM Update Report 2023/24 which will be reported to the Governance and Audit Committee in July.

Mae tudalen hwn yn fwriadol wag



Treasury Management Strategy Statement 2023/24: Well-being Impact Assessment Report

This report summarises the likely impact of the proposal on the social, economic, environmental and cultural well-being of Denbighshire, Wales and the world.

Assessment Number: 148

Brief description: The Treasury Management strategy for 2023/24

Date Completed: 19/12/2022 14:45:05 Version: 25

Completed by: Rhys Ifor Jones

Responsible Service: Finance and Property Services

Localities affected by the proposal: Whole County,

Who will be affected by the proposal? Proposals have little or no direct impact on the vast majority of residents as the strategy involves managing the Council's investments and borrowing.

Was this impact assessment completed as a group? No

Summary and Conclusion

Before we look in detail at the contribution and impact of the proposal, it is important to consider how the proposal is applying the sustainable development principle. This means that we must act "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."

Score for the sustainability of the approach

2 out of 4 stars

Actual score : 23 / 36.

Summary for each Sustainable Development principle

Long term

The impact of this report is neutral in this particular area.

Prevention

The impact of this report is neutral in this particular area.

Integration

The impact of this report is neutral in this particular area.

Collaboration

The impact of this report is neutral in this particular area.

Involvement

The impact of this report is neutral in this particular area.

Summary of impact

| Well-being Goals | Overall Impact |
|---|----------------|
| A prosperous Denbighshire | Positive |
| A resilient Denbighshire | Positive |
| A healthier Denbighshire | Neutral |
| A more equal Denbighshire | Neutral |
| A Denbighshire of cohesive communities | Neutral |
| A Denbighshire of vibrant culture and thriving Welsh language | Neutral |
| A globally responsible Denbighshire | Neutral |

Main conclusions

An effective Treasury Management strategy ensures that the Council's investment and borrowing decisions will contribute towards the goal of maximising income and minimising costs which supports efficient service delivery.

The likely impact on Denbighshire, Wales and the world.

A prosperous Denbighshire

Overall Impact

Positive

Justification for impact

An effective Treasury Management strategy ensures that the Council's investment and borrowing decisions will contribute towards the goal of maximising income and minimising costs which supports efficient service delivery.

Further actions required

Sound financial planning and efficient long term treasury management strategies ensure that the positive impact of this report on the County's prosperity is maximised.

Positive impacts identified:

A low carbon society

Not applicable

Quality communications, infrastructure and transport

Financial planning and decision making ensures that proper consideration of the long term impact of financial decisions is given, including the payback period and whole life costs of capital investment decisions, properly impact assessed budget proposals and long term debt and investment (treasury management) strategies.

Economic development

The Treasury Management strategy and Prudential Indicators ensure that the Council's cash is safeguarded as much as possible by making investments in banks recommended in the annual strategy statement.

Quality skills for the long term

The strategy ensures that the Council's borrowing is monitored and is within set limits and is affordable. It identifies current financing requirements for the Capital Plan and estimates the proposed capital requirements for the next three financial years.

Quality jobs for the long term

Sound investment and borrowing decisions relating to the Council's cash will maximise the Council's income within the guidelines set in the Treasury Management strategy.

Childcare

The Prudential Indicators are a statutory requirement which demonstrate the affordability of our plans and contribute towards the overall financial wellbeing of Denbighshire.

Negative impacts identified:

A low carbon society

Not applicable

Quality communications, infrastructure and transport

Not applicable

Economic development

Not applicable

Quality skills for the long term

Not applicable

Quality jobs for the long term

Not applicable

Childcare

Not applicable

A resilient Denbighshire

Overall Impact

Positive

Justification for impact

A sound Treasury Management strategy ensures that the Council's cash is secure and new borrowing is affordable. It also enables the Council to react quickly to market volatility by continual monitoring of the financial institutions throughout the year.

Further actions required

Good investment decisions will help the Council to develop more efficient working practices which will use less resources which will help to maximise the positive impact of this report on the County's resilience.

Positive impacts identified:

Biodiversity and the natural environment

Not applicable

Biodiversity in the built environment

Not applicable

Reducing waste, reusing and recycling

Good investment decisions will help the Council to develop more efficient working practices which will use less resources.

Reduced energy/fuel consumption

The strategy is set at the start of the financial year but it is monitored carefully throughout the year to ensure that the Council reacts quickly to any market volatility and the impact on the banking institutions.

People's awareness of the environment and biodiversity

Not applicable

Flood risk management

Not applicable

Negative impacts identified:

Biodiversity and the natural environment

Not applicable

Biodiversity in the built environment

Not applicable

Reducing waste, reusing and recycling

Not applicable

Reduced energy/fuel consumption

Not applicable

People's awareness of the environment and biodiversity

Not applicable

Flood risk management

Not applicable

A healthier Denbighshire

Overall Impact

Neutral

Justification for impact

Proposals have little or no direct impact on the vast majority of residents as the strategy involves managing the Council's investments and borrowing.

Further actions required

The impact of this report is neutral in this particular area so this is not applicable.

Positive impacts identified:

A social and physical environment that encourage and support health and well-being

Not applicable

Access to good quality, healthy food

Not applicable

People's emotional and mental well-being

Not applicable

Access to healthcare

Not applicable

Participation in leisure opportunities

The strategy contributes to the overall financial health of Denbighshire and therefore supports the delivery of the annual budget.

Negative impacts identified:

A social and physical environment that encourage and support health and well-being

Not applicable

Access to good quality, healthy food

Not applicable

People's emotional and mental well-being

Not applicable

Access to healthcare

Not applicable

Participation in leisure opportunities

Not applicable

A more equal Denbighshire

Overall Impact

Neutral

Justification for impact

A good treasury management strategy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority without impacting on residents.

Further actions required

The impact of this report is neutral in this particular area so this is not applicable.

Positive impacts identified:

Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

Not applicable

People who suffer discrimination or disadvantage

Not applicable

People affected by socio-economic disadvantage and unequal outcomes

An efficient treasury management strategy contributes to the financial resilience of the Council and supports service delivery.

Areas affected by socio-economic disadvantage

Not applicable

Negative impacts identified:

Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

Not applicable

People who suffer discrimination or disadvantage

Not applicable

People affected by socio-economic disadvantage and unequal outcomes

Not applicable

Areas affected by socio-economic disadvantage

Not applicable

A Denbighshire of cohesive communities

Overall Impact

Neutral

Justification for impact

A good treasury management strategy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority without impacting on residents.

Further actions required

The impact of this report is neutral in this particular area so this is not applicable.

Positive impacts identified:

Safe communities and individuals

Not applicable

Community participation and resilience

Not applicable

The attractiveness of the area

Not applicable

Connected communities

Not applicable

Rural resilience

Not applicable

Negative impacts identified:

Safe communities and individuals

Not applicable

Community participation and resilience

Not applicable

The attractiveness of the area

Not applicable

Connected communities

Not applicable

Rural resilience

Not applicable

A Denbighshire of vibrant culture and thriving Welsh language

Overall Impact

Neutral

Justification for impact

A good treasury management strategy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority. It has no direct impact on the language and the culture because any treasury management decisions are based on the treasury strategy and advice from financial consultants.

Further actions required

The impact of this report is neutral in this particular area so this is not applicable.

Positive impacts identified:

People using Welsh

Not applicable

Promoting the Welsh language

Not applicable

Culture and heritage

Not applicable

Negative impacts identified:

People using Welsh

Not applicable

Promoting the Welsh language

Not applicable

Culture and heritage

Not applicable

A globally responsible Denbighshire

Overall Impact

Neutral

Justification for impact

A good treasury management strategy contributes to the overall financial resilience of the Council and supports the on-going work of the Authority. It has no direct impact on the local area.

Further actions required

The impact of this report is neutral in this particular area so this is not applicable.

Positive impacts identified:

Local, national, international supply chains

Not applicable

Human rights

All investments are undertaken from national institutions in line with the strategy and financial advice. The strategy determines the institutions with the minimum credit rating which the Authority is permitted to invest with.

Broader service provision in the local area or the region

All borrowing is undertaken from central Government as detailed in the strategy and in line with other local authorities.

Reducing climate change

Not applicable

Negative impacts identified:

Local, national, international supply chains

Not applicable

Human rights

Not applicable

Broader service provision in the local area or the region

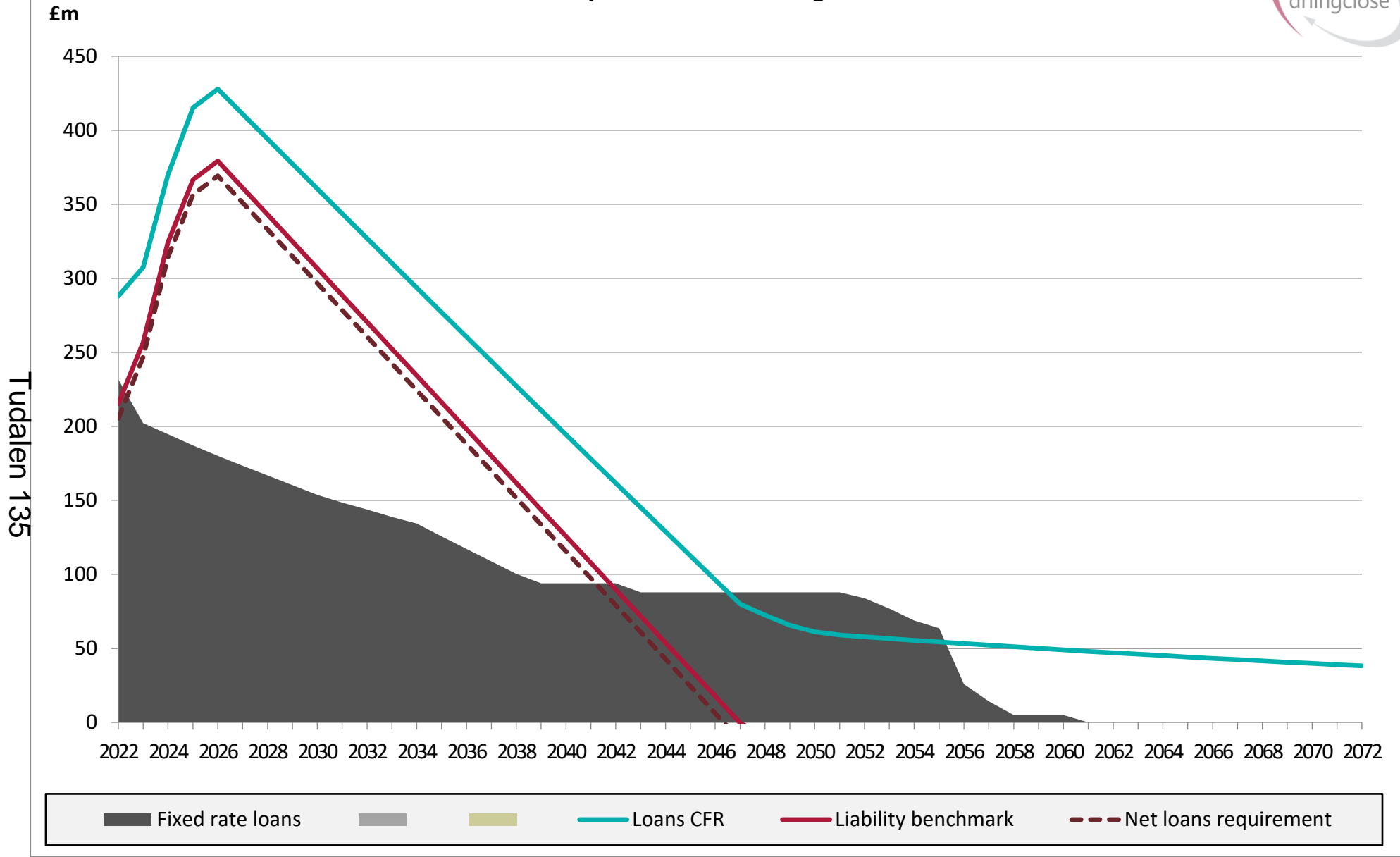
Not applicable

Reducing climate change

Not applicable

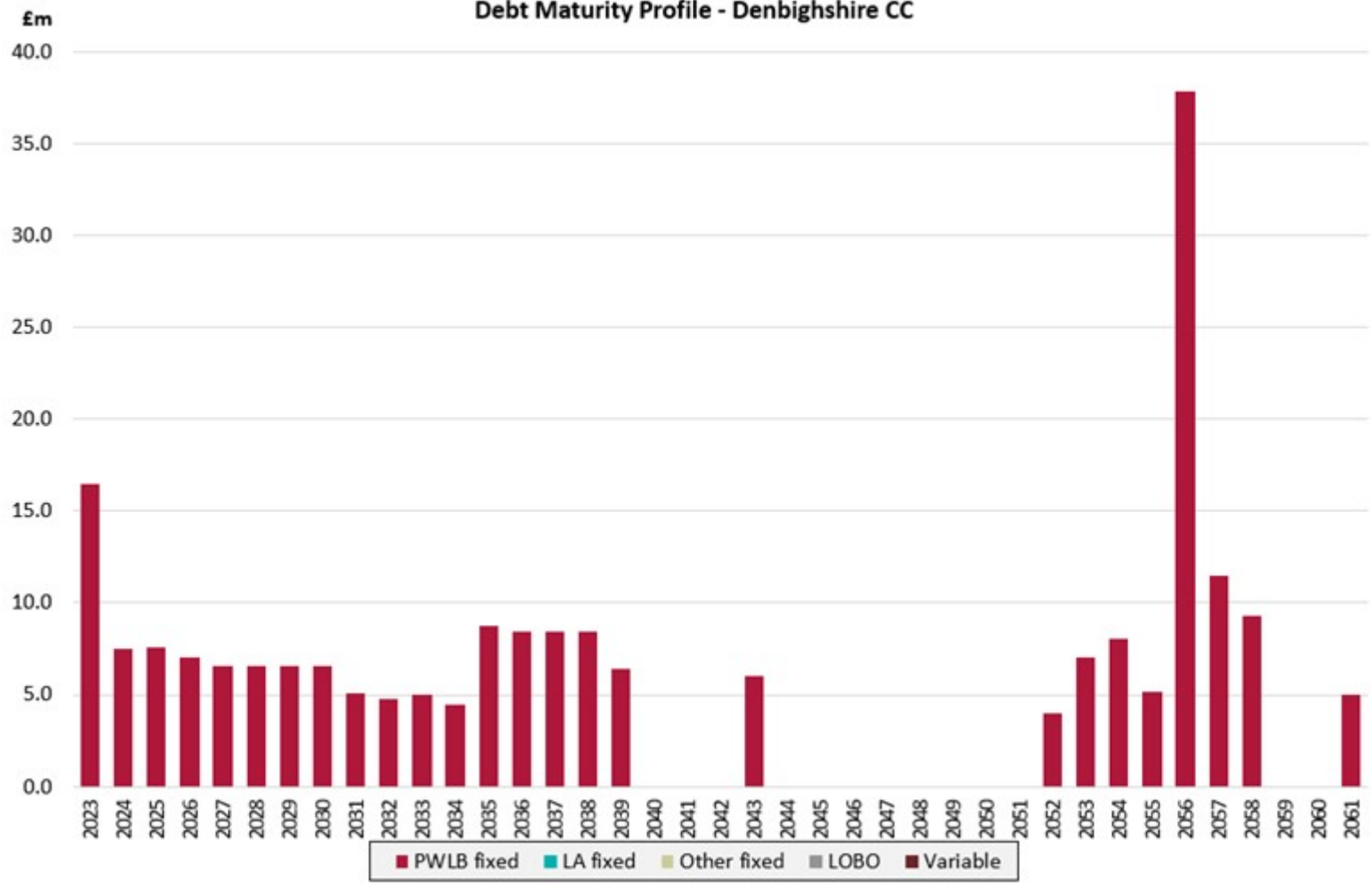
Mae tudalen hwn yn fwriadol wag

Liability Benchmark - Denbighshire CC



Mae tudalen hwn yn fwiadol wag

Debt Maturity Profile - Denbighshire CC



| Cyfarfod | Eitem (disgrifiad / teitl) | | Pwrpas yr adroddiad | Angen penderfyniad (oes/nac oes) | Awdur – swyddog cyswilt |
|----------------------|----------------------------|--|--|----------------------------------|--|
| 8 Mawrth 2023 | | | | | |
| | 1 | Materion a Gyfeiriwyd gan y Pwyllgorau Craffu (os oes rhai) | Derbyn materion a godwyd gan y Pwyllgorau Craffu | | Rhian Evans – Cydlynnydd Craffu |
| | 2 | Adroddiadau Rheoleiddio Allanol a Dderbyniwyd yn ddiweddar (os oes rhai) | Ystyried unrhyw adroddiad sydd wedi'i dderbyn | | Nicola Kneale – Pennaeth Gwasanaeth Dros Dro, Gwella Busnes a Moderneiddio – Rheolwr Tîm Cynllunio Strategol |
| | 3 | Rhaglen Gwaith i'r Dyfodol | | | Gwasanaethau Democraidd |
| | | Adroddiadau | | | |
| | 4 | Prosiectau Cyfalaf – Adroddiad Arian At Raid | | | Pennaeth Cyllid – Steve Gadd |
| | 5 | Cymeradwyo Datganiad Cyfrifon 2021/22 | Derbyn y cyfrifon archwiliedig | Oes | Pennaeth Cyllid – Steve Gadd |
| | 6 | Adroddiad Archwilio Cyfrifon 2020-21 | | | Pennaeth Cyllid – Steve Gadd |
| | 7 | Adroddiad dilynol – Archwilio Mewnol – Eithriadau | Derbyn y wybodaeth ddiweddaraf yn dilyn adolygiad sicrwydd isel Archwilio Mewnol | | Prif Archwilydd Mewnol |
| | 8 | Chwythu'r chwiban | Derbyn yr adroddiad chwythu'r chwiban blynyddol | | Gary Williams – Swyddog Monitro |

| Cyfarfod | Eitem (disgrifiad / teitl) | | Pwrpas yr adroddiad | Angen penderfyniad (oes/nac oes) | Awdur – swyddog cyswilt |
|------------------------|----------------------------|---|--|----------------------------------|--|
| 26 Ebrill 2023 | | | | | |
| | 1 | Materion a Gyfeiriwyd gan y Pwyllgorau Craffu (os oes rhai) | Derbyn materion a godwyd gan y Pwyllgorau Craffu | | Rhian Evans – Cydlynnydd Craffu |
| | 2 | Adroddiadau Rheoleiddio Allanol a Dderbyniwyd yn ddiweddar (os oes rhai) | Ystyried unrhyw adroddiad sydd wedi'i dderbyn | | Nicola Kneale – Pennaeth Gwasanaeth Dros Dro, Gwella Busnes a Moderneiddio – Rheolwr Tîm Cynllunio Strategol |
| | 3 | Diweddariad Archwilio Mewnol | Darparu'r wybodaeth ddiweddaraf i'r pwyllgor ar gynnydd Archwilio Mewnol | | Archwilydd Mewnol |
| | 4 | Rhaglen Gwaith i'r Dyfodol | | | Gwasanaethau Democraidd |
| | | Adroddiadau | | | |
| | 5 | Adroddiad Blynyddol Drafft y Pwyllgor Llywodraethu ac Archwilio (Bydd yr adroddiad hwn am y 2 flynedd diwethaf) | Cyflwyno adroddiad blynyddol Llywodraethu ac Archwilio i'r Cyngor Llawn | | Gary Williams – Swyddog Monitro |
| | | | | | |
| | | | | | |
| 14 Mehefin 2023 | | | | | |

| Cyfarfod | Eitem (disgrifiad / teitl) | | Pwrpas yr adroddiad | Angen penderfyniad (oes/nac oes) | Awdur – swyddog cyswllt |
|---------------------------|----------------------------|--|--|----------------------------------|--|
| | 1 | Materion a Gyfeiriwyd gan y Pwyllgorau Craffu (os oes rhai) | Derbyn materion a godwyd gan y Pwyllgorau Craffu | | Rhian Evans – Cydlynnydd Craffu |
| | 2 | Adroddiadau Rheoleiddio Allanol a Dderbyniwyd yn ddiweddar (os oes rhai) | Ystyried unrhyw adroddiad sydd wedi'i dderbyn | | Nicola Kneale – Pennaeth Gwasanaeth Dros Dro, Gwella Busnes a Moderneiddio – Rheolwr Tîm Cynllunio Strategol |
| | 3 | Rhaglen Gwaith i'r Dyfodol | | | Gwasanaethau Democraidd |
| | | Adroddiadau | | | |
| | 4 | Adroddiad Rhannu Pryderon Blynnyddol | | | Gary Williams – Swyddog Monitro |
| | 5 | Hunanasesiad Perfformiad y Cyngor | | | Emma Horan/ Nicola Kneale |
| | | | | | |
| 26 Gorffennaf 2023 | | | | | |
| | 1 | Materion a Gyfeiriwyd gan y Pwyllgorau Craffu (os oes rhai) | Derbyn materion a godwyd gan y Pwyllgorau Craffu | | Rhian Evans – Cydlynnydd Craffu |
| | 2 | Adroddiadau Rheoleiddio Allanol a Dderbyniwyd yn ddiweddar (os oes rhai) | Ystyried unrhyw adroddiad sydd wedi'i dderbyn | | Nicola Kneale – Pennaeth Gwasanaeth Dros Dro, Gwella Busnes a Moderneiddio – Rheolwr Tîm Cynllunio Strategol |

| Cyfarfod | Eitem (disgrifiad / teitl) | | Pwrpas yr adroddiad | Angen penderfyniad (oes/nac oes) | Awdur – swyddog cyswilt |
|---------------------|----------------------------|--|--|----------------------------------|--|
| | 3 | Diweddariad Archwilio Mewnol | Darparu'r wybodaeth ddiweddaraf i'r pwyllgor ar gynnydd Archwilio Mewnol | | Archwilydd Mewnol |
| | 4 | Rhaglen Gwaith i'r Dyfodol | | | Gwasanaethau Democraataidd |
| | | Adroddiadau | | | |
| | 5 | Diweddariad ac Adolygu Rheoli'r Trysorlys | | | Pennaeth Cyllid – Steve Gadd |
| 20 Medi 2023 | | | | | |
| | 1 | Materion a Gyfeiriwyd gan y Pwyllgorau Craffu (os oes rhai) | Derbyn materion a godwyd gan y Pwyllgorau Craffu | | Rhian Evans – Cydlynnydd Craffu |
| | 2 | Adroddiadau Rheoleiddio Allanol a Dderbyniwyd yn ddiweddar (os oes rhai) | Ystyried unrhyw adroddiad sydd wedi'i dderbyn | | Nicola Kneale – Pennaeth Gwasanaeth Dros Dro, Gwella Busnes a Moderneiddio – Rheolwr Tîm Cynllunio Strategol |
| | 3 | Rhaglen Gwaith i'r Dyfodol | | | Gwasanaethau Democraataidd |
| | | Adroddiadau | | | |
| | 5 | Adroddiad Blynyddol Iechyd a Diogelwch Corfforaethol | Ystyried rheolaeth iechyd a diogelwch CSDd yn ystod 2021-2022. | | Rheolwr Iechyd a Diogelwch Corfforaethol – Gerry Lapington |

| Cyfarfod | Eitem (disgrifiad / teitl) | | Pwrpas yr adroddiad | Angen penderfyniad (oes/nac oes) | Awdur – swyddog cyswilt |
|-------------------------|----------------------------|--|--|----------------------------------|--|
| | 6 | Adroddiad Diogelwch Tân | Derbyn adroddiad blynyddol ar y rhaglen Diogelwch Tân a'i pherfformiad. | | Rheolwr Diogelwch Tân – Dawn Jones |
| | | | | | |
| 22 Tachwedd 2023 | | | | | |
| | 1 | Materion a Gyfeiriwyd gan y Pwyllgorau Craffu (os oes rhai) | Derbyn materion a godwyd gan y Pwyllgorau Craffu | | Rhian Evans – Cydlynnydd Craffu |
| | 2 | Adroddiadau Rheoleiddio Allanol a Dderbyniwyd yn ddiweddar (os oes rhai) | Ystyried unrhyw adroddiad sydd wedi'i dderbyn | | Nicola Kneale – Pennaeth Gwasanaeth Dros Dro, Gwella Busnes a Moderneiddio – Rheolwr Tîm Cynllunio Strategol |
| | 3 | Diweddariad Archwilio Mewnol | Darparu'r wybodaeth ddiweddaraf i'r pwyllgor ar gynnydd Archwilio Mewnol | | Archwilydd Mewnol |
| | 4 | Rhaglen Gwaith i'r Dyfodol | | | Gwasanaethau Democraataidd |
| | | Adroddiadau | | | |
| | 5 | Y diweddaraaf am broses y gyllideb | | | Pennaeth Cyllid – Steve Gadd |
| | 6 | Cofrestr Risgiau Corfforaethol: Adolygiad Medi 2023 | Adolygu'r risgiau sy'n wynebu'r Cyngor a'n | | Iolo McGregor/Heidi Barton-Price |

| Cyfarfod | Eitem (disgrifiad / teitl) | Pwrpas yr adroddiad | Angen penderfyniad (oes/nac oes) | Awdur – swyddog cyswilt |
|----------|----------------------------|--------------------------|----------------------------------|-------------------------|
| | | datganiad archwaeth risg | | |
| | | | | |

| EITEMAU'R DYFODOL | | | |
|-------------------|---|--|--|
| | 1 | Comisiynu Lleoliadau Cartref Gofal Pobl Hŷn (y diweddaraf) | Nicola Stubbins – i gyflwyno adroddiad i'r pwyllgor pan fydd y wybodaeth ar gael |

Sylwer: Nid yw union ddyddiad cyhoeddi adroddiadau achlysurol gan e.e. Swyddfa Archwilio Cymru neu Adroddiadau Blynyddol yr Ombwdsmon yn hysbys ar hyn o bryd. Bydd dyddiad yn cael ei neilltuo ar eu cyfer cyn gynted ag y bo'n ymarferol.

Dyddiad Diweddarau: 21/12/2022 SJ



Archwilio Cymru
Audit Wales

Parodrwydd y Sector Cyhoeddus ar gyfer Carbon Sero Net erbyn 2030

Adroddiad Archwilydd Cyffredinol Cymru

Gorffennaf 2022



Paratowyd yr adroddiad hwn i'w gyflwyno i'r Senedd o dan Ddeddf Llywodraeth Cymru 2006, Deddf Archwilio Cyhoeddus (Cymru) 2004 a Deddf Llesiant a Chenedlaethau'r Dyfodol 2015.

Mae'r Archwilydd Cyffredinol yn annibynnol o'r Senedd ac o lywodraeth. Mae'n archwilio ac yn ardystio cyfrifon Llywodraeth Cymru a'r cyrff cyhoeddus sy'n gysylltiedig â hi ac a noddir ganddi, gan gynnwys cyrff y GIG. Mae ganddo'r pŵer i gyflwyno adroddiadau i'r Senedd ar ddarbodaeth, effeithlonrwydd ac effeithiolrwydd y defnydd a wna'r sefydliadau hynny o'u hadnoddau wrth gyflawni eu swyddogaethau, a sut y gallent wella'r defnydd hwnnw.

Mae'r Archwilydd Cyffredinol hefyd yn archwilio cyrff llywodraeth leol yng Nghymru, mae'n cynnal astudiaethau gwerth am arian mewn llywodraeth leol ac yn arolygu cydymffurfiaeth gydag anghenion Mesur Llywodraeth Leol (Cymru) 2009.

Mae'r Archwilydd Cyffredinol yn ymgymryd â'i waith gan ddefnyddio staff ac adnoddau eraill a ddarperir gan Swyddfa Archwilio Cymru, sydd yn fwrdd statudol wedi'i sefydlu ar gyfer y nod hwnnw ac i fonitro a chynghori'r Archwilydd Cyffredinol.

© Archwilydd Cyffredinol Cymru 2022

Archwilio Cymru yw brand ymbarél Archwilydd Cyffredinol Cymru a Swyddfa Archwilio Cymru, sy'n endidau cyfreithiol ar wahân gyda'u swyddogaethau cyfreithiol eu hunain. Nid yw Archwilio Cymru ei hun yn endid cyfreithiol. Er bod gan yr Archwilydd Cyffredinol y swyddogaethau archwilio ac adrodd a ddisgrifir uchod, prif swyddogaethau Swyddfa Archwilio Cymru yw darparu staff ac adnoddau eraill ar gyfer arfer swyddogaethau'r Archwilydd Cyffredinol, ac i fonitro a chynghori'r Archwilydd Cyffredinol.

Cewch aildefnyddio'r cyhoeddiad hwn (heb gynnwys y logos) yn rhad ac am ddim mewn unrhyw fformat neu gyfrwng. Os byddwch yn ei aildefnyddio, rhaid i chi ei aildefnyddio'n gywir ac nid mewn cyd-destun camarweiniol. Rhaid cydnabod y deunydd fel hawlfraint Archwilydd Cyffredinol Cymru a rhaid rhoi teitl y cyhoeddiad hwn. Lle nodwyd deunydd hawlfraint unrhyw drydydd parti bydd angen i chi gael caniatâd gan ddeiliaid yr hawlfraint dan sylw cyn ei aildefnyddio.

Am fwy o wybodaeth, neu os ydych angen unrhyw un o'n cyhoeddiadau mewn ffurf ac/neu iaith wahanol, cysylltwch â ni drwy ffonio 029 2032 0500 neu drwy e-bostio post@archwilio.cymru. Rydym yn croesawu galwadau ffôn yn Gymraeg a Saesneg. Gallwch ysgrifennu atom hefyd, yn Gymraeg neu'n Saesneg, a byddwn yn ymateb yn yr iaith rydych chi wedi ei defnyddio. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

This document is also available in English.

Diwygiwyd arddangos 2 o'r adroddiad hwn ar 9 Awst 2022 i gywiro mân wall.

Cynnwys

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Adroddiad manwl

Cefndir

- 1 Mae newid hinsawdd yn un o heriau diffiniol y byd ac mae angen i bawb weithredu ar unwaith. Dywed [adroddiad](#) nodedig gan y Cenhedloedd Unedig ym mis Awst 2021 fod gweithgarwch dynol yn newid ein hinsawdd mewn ffyrdd digynsail a bod angen lleihau allyriadau carbon yn sylweddol.
- 2 Mae'r amcanestyniadau hinsawdd diweddaraf ar gyfer Cymru yn dangos mwy o siawns o aeafau mwynach a gwlypach, a hafau poethach a sychach, gyda lefelau'r môr yn codi a chynnydd yn amllder a dwyster digwyddiadau tywydd eithafol. Mae'r goblygiadau'n amlwg.
- 3 Un ffordd hanfodol o liniaru effeithiau newid hinsawdd yw lleihau allyriadau carbon. Ym mis Mawrth 2021, yn dilyn cyngor gan y Pwyllgor ar Newid Hinsawdd¹ ym mis Rhagfyr 2020, pennodd Llywodraeth Cymru [dargedau](#) newydd, sef gostyngiad o 63% mewn allyriadau carbon erbyn 2030, gostyngiad o 89% erbyn 2040, a gostyngiad o 100% erbyn 2050². Hefyd, nododd Llywodraeth Cymru uchelgais gyfunol fwy heriol i'r sector cyhoeddus yng Nghymru³ sef cyflawni carbon sero net erbyn 2030 (uchelgais gyfunol 2030).
- 4 Ym mis Mehefin 2021, cyhoeddodd Llywodraeth Cymru ei [Rhaglen Lywodraethu ar gyfer 2021-2026](#), sy'n rhoi mynd i'r afael ag argyfyngau hinsawdd a natur wrth wraidd y llywodraeth newydd. Mae'r Rhaglen Lywodraethu hefyd yn gwneud cyfres o ymrwymïadau i ymgorffori ymateb i newid yn yr hinsawdd ym mhopeth a wneir gan Lywodraeth Cymru.

1 Corff annibynnol statudol a sefydlwyd o dan Ddeddf Newid yn yr Hinsawdd 2008 yw'r Pwyllgor ar Newid Hinsawdd. Ei swyddogaeth yw cynghori llywodraethau'r DU ar dargedau allyriadau ac adrodd ar y cynnydd a wnaed o ran lleihau allyriadau nwyon tŷ gwydr a pharatoi ar gyfer effeithiau'r newid yn yr hinsawdd ac addasu iddynt.

2 Nid yw sero net yn golygu dileu allyriadau nwyon tŷ gwydr, ond cydbwysu'r allyriadau nwyon tŷ gwydr â swm y nwyon sy'n cael eu tynnu o'r atmosffer.

3 Mae diffiniad Llywodraeth Cymru o'r 'sector cyhoeddus' yn yr achos hwn yn cynnwys 65 o gyrff fel y nodir yn Atodiad 2 Sero Net y Sector Cyhoeddus yng Nghymru: Llinell sylfaen ac argymhellion, Llywodraeth Cymru, Mehefin 2022.

- 5 Mae Llywodraeth Cymru hefyd wedi cyhoeddi Statws carbon sero-net erbyn 2030: Trywydd ar gyfer datgarboneiddio ar draws sector cyhoeddus Cymru (trywydd y sector cyhoeddus) i gefnogi sector cyhoeddus Cymru i gyflawni uchelgais gyfunol 2030. Ochr yn ochr â thrywydd y sector cyhoeddus, cyhoeddodd Llywodraeth Cymru y canllaw ar gyfer adrodd ar garbon sero-net a'r daenlen gysylltiedig i ganiatáu i'r sector cyhoeddus nodi ac adrodd ar allyriadau yn gyson.
- 6 Mae'r Archwilydd Cyffredinol wedi ymrwymo i gynnal rhaplen waith hirdymor ar newid hinsawdd. Ein darn cyntaf o waith yw adolygiad llinell sylfaen sy'n gofyn: **'Sut mae'r sector cyhoeddus yn paratoi i gyflawni uchelgais gyfunol Llywodraeth Cymru o sector cyhoeddus sero net erbyn 2030?'**. Er mwyn llywio'r adolygiad llinell sylfaen, cwblhaodd 48 o gyrff cyhoeddus, gan gynnwys
- 7 Rydym yn cyhoeddi dau adroddiad i rannu ein canfyddiadau:
- **yr adroddiad canfyddiadau allweddol hwn:** mae'r adroddiad hwn yn targedu uwch-arweinwyr a'r rhai sydd â swyddogaethau craffu mewn cyrff cyhoeddus, gyda'r nod o'u hysbrydoli i gynyddu cyflymder eu gwaith ar gyflawni uchelgais gyfunol 2030. Rydym wedi cynnwys cwestiynau ar ddiwedd pob adran o'r adroddiad hwn i sefydliadau fyfyrion yn eu cylch. Er nad yw'r cwestiynau hyn yn gynhwysfawr, maent yn darparu awgrymiadau pwysig i sefydliadau eu hystyried.
 - **adroddiad tystiolaeth – i ddilyn:** adroddiad a fydd yn darparu canfyddiadau a data manylach o'r cais am dystiolaeth a'n gwaith ehangach.

Casgliad cyffredinol

- 8 Mae ansicrwydd amlwg ynghylch a fydd y sector cyhoeddus yn cyflawni ei uchelgais gyfunol ar gyfer 2030. Mae ein gwaith yn nodi rhwystrau sylweddol cyffredin i gynnydd y mae'n rhaid i gyrff cyhoeddus fynd i'r afael â nhw ar y cyd er mwyn cyflawni'r uchelgais o sector cyhoeddus sero net erbyn 2030. Ac er bod cyrff cyhoeddus yn dangos ymrwymiad i leihau allyriadau carbon, erbyn hyn, mae'n rhaid iddynt gynyddu eu gweithgareddau'n sylweddol, cynyddu cydweithrediad a rhoi datgarboneiddio wrth wraidd eu gweithrediadau a'u penderfyniadau o ddydd i ddydd. Mae angen i sefydliadau fod yn feiddgar ac yn arloesol a rhannu profiadau o'u llwyddiannau a'u methiannau. Ni fydd yr Archwilydd Cyffredinol yn beirniadu sefydliadau am gymryd risgiau a reolir yn dda i fynd i'r afael â'r her ddigynsail hon.
- 9 Rydym wedi nodi pum galwad i weithredu fel y gall sefydliadau fynd i'r afael â'r rhwystrau cyffredin i ddatgarboneiddio yn y sector cyhoeddus. Y rhain yw:



1

Cryfhau eich arweinyddiaeth a dangos eich cyfrifoldeb ar y cyd drwy gydweithrediad effeithiol



2

Egluro eich cyfeiriad strategol a chynyddu cyflymder y gweithrediad



3

Mynd i'r afael â'r cyllid sydd ei angen arnoch



4

Nodi eich bylchau sgiliau a chynyddu eich capasiti



5

Gwella ansawdd data a gwaith monitro i gefnogi eich proses o wneud penderfyniadau

- 10 Nid ydym yn gwneud argymhellion penodol o ystyried natur lefel uchel ein hadolygiad. Fodd bynnag, rydym yn annog cyrff cyhoeddus i ystyried y negeseuon yn yr adroddiad hwn, a thrwy eu strwythurau llywodraethu mewnol, nodi'n gyhoeddus sut y maent yn bwriadu ymateb i'r galwadau i weithredu.

Galwadau i weithredu



Cryfhau eich arweinyddiaeth a dangos eich cyfrifoldeb ar y cyd drwy gydweithrediad effeithiol

- 11 Dangosodd Llywodraeth Cymru arweiniad pan ddatganodd argyfwng hinsawdd yn 2019. Mae llawer o'r cyrff cyhoeddus eraill wedi dilyn eu hesiampl, er enghraifft, mae 18 o'r 22 o gynghorau yng Nghymru wedi datgan argyfwng hinsawdd erbyn hyn.
- 12 Dangosodd Llywodraeth Cymru arweinyddiaeth hefyd pan bennodd uchelgais gyfunol 2030 ac ym mis Mai 2021 pan sefydlodd bortffolio Gweinidogol newydd ar gyfer newid yn yr hinsawdd. Daeth newid cysylltiedig i strwythur sefydliadol Llywodraeth Cymru i rym o 1 Ebrill 2022.
- 13 Rydym wedi dod o hyd i weithgarwch sylweddol gan gyrff cyhoeddus sy'n cefnogi'r symudiad tuag at ddatgarboneiddio. Felly, mae'n amlwg bod cyrff cyhoeddus yn cymryd yr agenda hon o ddifrif.
- 14 Er gwaethaf hyn, mae'n rhaid iddynt wneud mwy oherwydd bod cryn ansicrwydd (ac amheuaeth glir gan rai sefydliadau) ynghylch a fydd uchelgais gyfunol 2030 yn cael ei chyflawni. Yn y GIG, gwelsom ansicrwydd y byddai hyd yn oed gostyngiad o 34% mewn allyriadau yn cael ei gyflawni ar draws y sector hwnnw⁴. Dywedodd cyrff wrthym am rwystrau sylweddol i gynnydd o ran datgarboneiddio, megis anawsterau wrth droi strategaeth yn weithred, ansicrwydd ynghylch cyllid, diffyg sgiliau a chapasiti, a materion yn ymwneud â data datgarboneiddio. Trafodir y materion hyn drwy gydol yr adroddiad hwn.
- 15 Nawr yw'r amser am arweinyddiaeth feiddgar. Mae'n rhaid i gyrff cyhoeddus leihau allyriadau carbon o'u hystadau, o'u gwasanaethau, ac o'r nwyddau a'r gwasanaethau y maent yn eu caffael. Yn ogystal â hynny, mae'n rhaid iddynt fabwysiadu swyddogaeth arwain ehangach drwy hyrwyddo'r agenda datgarboneiddio ym mhob sector yn y cymunedau y maent yn eu gwasanaethu i weithio tuag at 'broses bontio deg'⁵.
- 16 Bydd angen i gyrff cyhoeddus ddangos arweiniad cyfunol cryfach oherwydd y bydd cydweithredu rhwng sefydliadau yn hanfodol i gyflawni uchelgais gyfunol 2030. Dywedodd rhai ymatebwyr wrthym fod angen newid meddwl ar raddfa eang, gyda dull mwy cydgysylltiedig ar draws y sector cyhoeddus.

4 Mae Cynllun Cyflenwi Strategol Datgarboneiddio GIG Cymru yn nodi 46 o fentrau yr amcangyfrifir y byddant yn lleihau allyriadau carbon 34% erbyn 2030.

5 Mae 'proses bontio deg' yn golygu gweithredu ar newid yn yr hinsawdd a gwneud yr economi'n fwy gwyrdd mewn ffordd sydd mor deg a chynhwysol â phosibl i bawb dan sylw. Mae Polisi 1 yn Cymru Sero Net Cyllideb Garbon 2 (2021-25) yn nodi barn Llywodraeth Cymru ar broses bontio deg.

- 17 Mae nifer o baneli traws-sefydliadol a byrddau rhaglenni sydd eisoes yn bodoli er mwyn cydweithredu ar faterion sy'n ymwneud â'r hinsawdd gan gynnwys datgarboneiddio. Ac er bod cyrff cyhoeddus wedi mynegi safbwyntiau cadarnhaol ar y cyfan am y ffordd y maent yn cydweithredu, cydnabuwyd hefyd fod angen cynyddu'r ymdrechion hyn. Mae cyfrifoldeb cyfunol ar y sector cyhoeddus i wneud i'r strwythurau presennol weithio. Mae angen i gyrff cyhoeddus ystyried hefyd pa gydweithrediad ychwanegol sydd ei angen mewn sectorau ac ar draws y sector cyhoeddus.
- 18 Mae'n rhaid i uwch-arweinwyr wneud mwy i ddangos eu bod yn llwyr amgyffred brys a maint yr her ac yn nodi hyn yn glir fel prif flaenoriaeth i'w sefydliad os ydynt am gyflawni eu huchelgeisiau. Mae'n rhaid i ddatgarboneiddio (a risgiau ehangach yn yr hinsawdd) fod wrth wraidd penderfyniadau a gweithrediadau busnes o ddydd i ddydd. Mae'n rhaid i'r agenda hon gael ei hintegreiddio i bob gwasanaeth a gweithrediad, fel bod datgarboneiddio yn cael ei gyflawni ochr yn ochr â chanlyniadau eraill.
- 19 Gellir defnyddio'r fframweithiau a ddarperir gan Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 (gan gynnwys byrddau gwasanaethau cyhoeddus a phennu amcanion llesiant) i helpu sefydliadau i ddatgarboneiddio. Bydd cymhwyso'r egwyddor datblygu cynaliadwy mewn meysydd allweddol megis caffael, cynllunio'r gweithlu a chyllid hefyd yn helpu i gyflawni'r agenda ddatgarboneiddio.
- 20 Mae angen i'r rhai sy'n gyfrifol am swyddogaethau llywodraethu a chraffu mewn sefydliadau unigol gefnogi'r cyfeiriad teithio gan herio ar yr un pryd a oes digon yn cael ei wneud.

Cwestiynau y gallai uwch-arweinwyr a'r rhai sy'n craffu arnynt eu gofyn

- A ydym yn trin yr argyfwng hinsawdd a'r angen i ddatgarboneiddio fel 'argyfwng' go iawn?
- A allwn ddangos bod datgarboneiddio wrth wraidd penderfyniadau a gweithrediadau busnes o ddydd i ddydd?
- A yw brys a maint yr her yn cael ei chyfleu'n dda gan uwch-arweinwyr ac yn cael ei deall ym mhob rhan o'n sefydliad?
- A oes gennym drefniadau craffu a llywodraethu penodol ac effeithiol ar gyfer rheoli'r daith tuag at sero net?
- A ydym yn deall y prif rwystrau i gynnydd a pha mor dda ydym yn cydweithredu i'w goresgyn nhw?

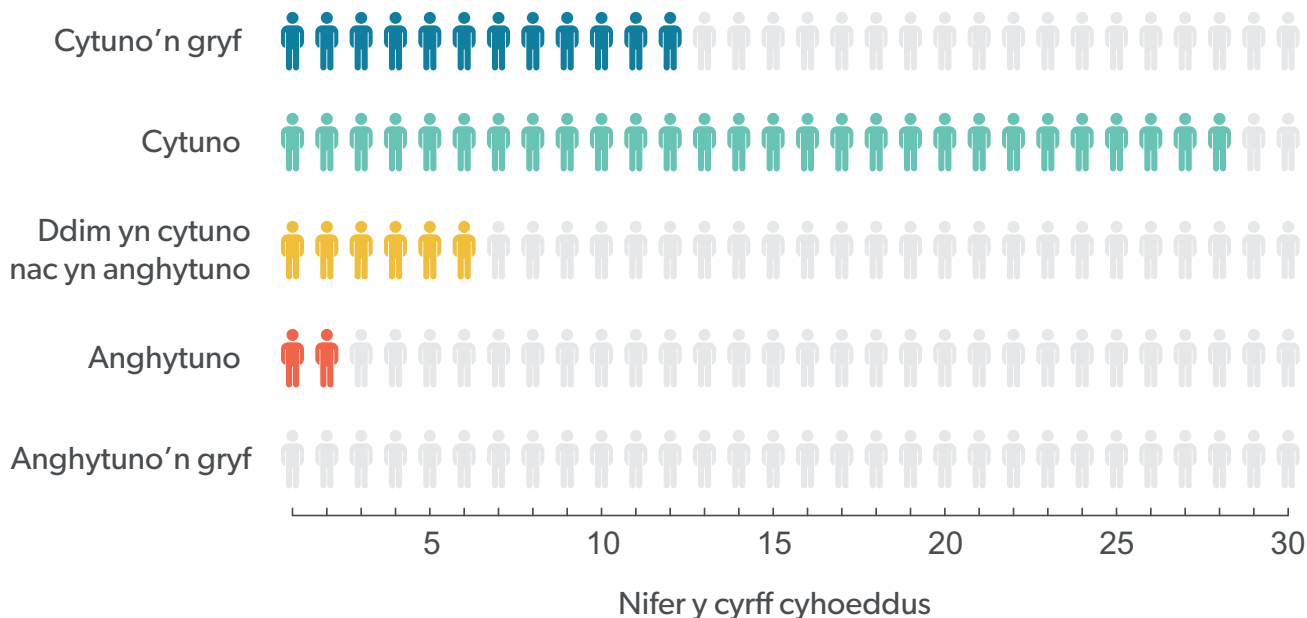




Egluro eich cyfeiriad strategol a chynyddu cyflymder y gweithrediad

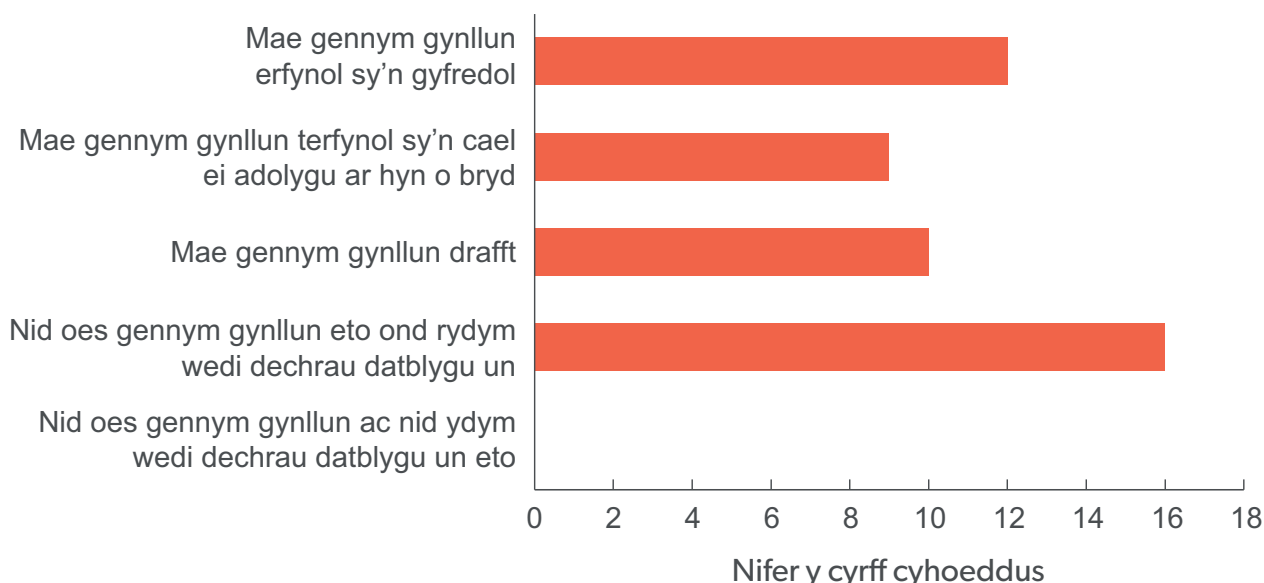
- 21 Er mwyn cyflawni uchelgais gyfunol 2030, mae'n hanfodol bod gan Gymru strategaethau clir, cydgysylltiedig ac integredig ar draws y sector cyhoeddus. Bydd yn rhaid i'r cynlluniau gweithredu sy'n deillio o'r strategaethau hynny gael eu gweithredu'n gyflym hefyd.
- 22 Mewn ymateb i'n cais am dystiolaeth, roedd cyrff cyhoeddus yn gadarnhaol ar y cyfan am y cyfeiriad strategol a nodwyd gan Lywodraeth Cymru a'i fod wedi ei gyfleu'n dda drwy [drywydd y sector cyhoeddus \(Atodiad 3\)](#). Mewn ymateb i'n cwestiwn ynghylch i ba raddau yr oeddent yn defnyddio trywydd y sector cyhoeddus, dywedodd y mwyafrif o'r cyrff cyhoeddus eu bod yn ei ddefnyddio i raddau amrywiol, a dim ond pump a ddywedodd nad oeddent yn ei ddefnyddio.
- 23 Er gwaethaf safbwyntiau cadarnhaol ar y cyfan am y cyfeiriad strategol cenedlaethol, mae cyrff cyhoeddus yn dymuno cael mwy o gymorth i roi'r strategaeth ar waith. Dywedodd sawl sefydliad wrthym, er bod trywydd y sector cyhoeddus yn darparu templed lefel uchel, fod angen mwy o eglurder, cymorth a chanllawiau arnynt ar sut i ddatgarboneiddio.
- 24 Dywedodd Llywodraeth Cymru wrthym ei bod wedi cynllunio trywydd y sector cyhoeddus â'r nod o lunio fframwaith lefel uchel i helpu cyrff cyhoeddus i ddatblygu atebion lleol yn seiliedig ar amgylchiadau unigol, yn hytrach nag un dull gweithredu sy'n addas i bawb. Mae Llywodraeth Cymru yn darparu mathau eraill o gymorth canolog ar ddatgarboneiddio, gan gynnwys cymorth drwy [Wasanaeth Ynni Llywodraeth Cymru](#), sef cyllid grant ar gyfer gwahanol raglenni, a chyllid [rhaglen Gefnogi Trosglwyddiad ac Adferiad Llywodraeth Leol Cymru](#).
- 25 Mae rhai canllawiau ar gyfer sectorau penodol sydd ar gael i gefnogi cyrff cyhoeddus i roi'r weledigaeth ar waith. Ar gyfer y GIG, mae'r Ymddiriedolaeth Garbon a Phartneriaeth Cydwasanaethau GIG Cymru wedi nodi camau gweithredu manylach yng [Nghynllun Cyflenwi Strategol Datgarboneiddio GIG Cymru](#). O ran llywodraeth leol, mae Cymdeithas Llywodraeth Leol Cymru yn datblygu cymorth a chanllawiau mwy pwrpasol i gynghorau.
- 26 Yn gyffredinol, mae ein gwaith wedi dangos bod cyrff cyhoeddus ar gamau gwahanol iawn o ran nodi eu cynlluniau gweithredu ar gyfer datgarboneiddio. Er bod **Arddangosyn 1** yn dangos bod y mwyafrif o'r cyrff cyhoeddus yn teimlo eu bod wedi pennu cyfeiriad strategol clir, mae **Arddangosyn 2** yn dangos nad oedd gan ychydig dros draean o sefydliadau gynllun datgarboneiddio ar adeg ein cais am dystiolaeth. Roedd pob sefydliad wedi dechrau datblygu eu cynllun o leiaf, ac o dan bolisi Llywodraeth Cymru, mae ganddynt tan fis Ebrill 2023 i ddatblygu un.

Arddangosyn 1: ymatebion cyrff cyhoeddus i'r datganiad, 'Mae ein sefydliad wedi pennu cyfeiriad strategol clir i gefnogi'r gwaith o gyflawni targedau lleihau carbon 2030'



Ffynhonnell: Cais Archwilio Cymru am dystiolaeth

Arddangosyn 2: statws cynlluniau gweithredu cyrff cyhoeddus



Noder: Mae un corff cyhoeddus na ymatebodd i'r cwestiwn hwn.

Ffynhonnell: Cais Archwilio Cymru am dystiolaeth

- 27 Mae trywydd y sector cyhoeddus yn nodi cerrig milltir ar gyfer 2021-22 pan mae Llywodraeth Cymru yn disgwyl i'r sector cyhoeddus 'wasgu'r sbardun'. Mae Llywodraeth Cymru o'r farn bod cynnydd da wedi bod a bod y sector cyhoeddus yn cyflymu. Fodd bynnag, mae Llywodraeth Cymru yn cydnabod bod gwaith sylweddol i'w wneud o hyd a, hyd yma, nad yw'r sector cyhoeddus wedi cyflawni cerrig milltir 'gwasgu'r sbardun' yn llawn.

Cwestiynau y gallai uwch-arweinwyr a'r rhai sy'n craffu arnynt eu gofyn

- A ydym wedi nodi dull strategol a chynllun gweithredu clir ar gyfer datgarboneiddio? Os nad ydym, pam lai?
- A ydym wedi rhoi ystyriaeth briodol i argymhellion Comisiynydd Cenedlaethau'r Dyfodol ar ddatgarboneiddio, gan gynnwys y rhai sydd yn Adroddiad Cenedlaethau'r Dyfodol 2020⁶?
- A ydym yn cynnwys ein staff, ein rhanddeiliaid a'n dinasyddion wrth ddatblygu a chyflawni ein dull strategol?
- A ydym wedi cydweithredu ag eraill i ddatblygu ein dull gweithredu cyffredinol?
- Sut y bydd ein dull o ddatgarboneiddio yn ein helpu i gyflawni o gymharu ag amcanion strategol eraill (gan gynnwys amcanion llesiant) yn ogystal â chyflawni uchelgais gyfunol 2030?
- A yw ein strategaethau, ein polisiau a'n gweithrediadau corfforaethol eraill yn adlewyrchu'r dull strategol a nodwyd gennym ar gyfer datgarboneiddio?
- A yw ein cynllun gweithredu yn nodi cerrig milltir clir sy'n gyson ag uchelgais gyfunol 2030 ac a yw'n cael ei weithredu'n ddigon cyflym?



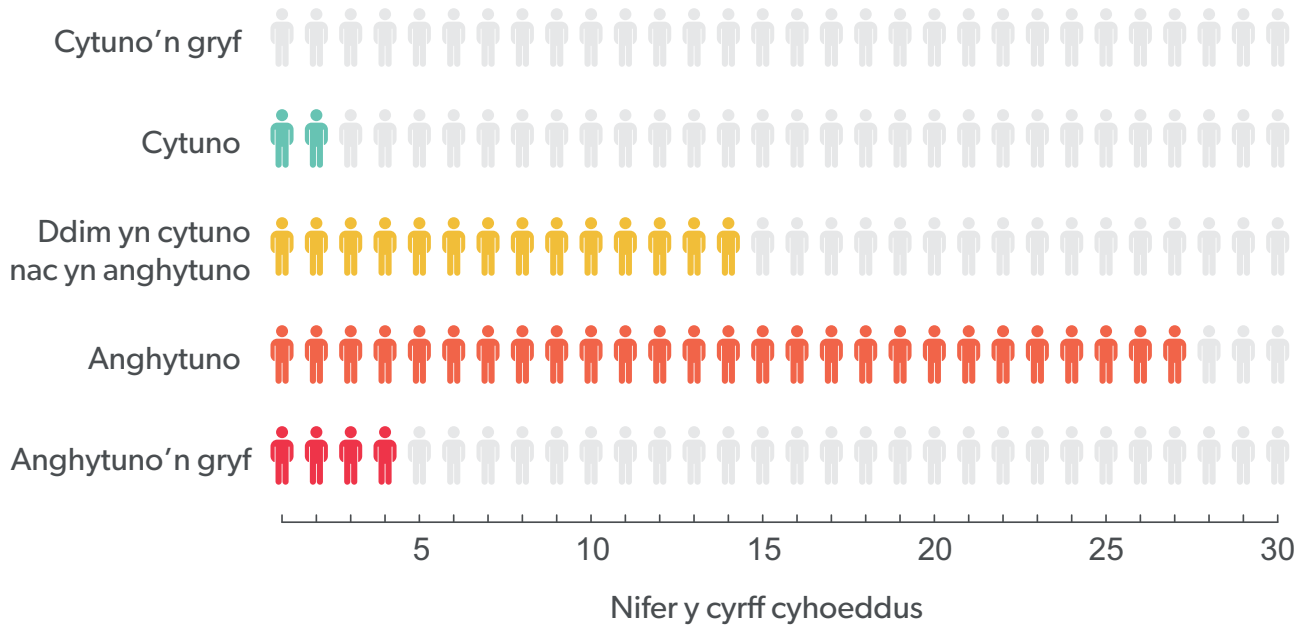
6 Comisiynydd Cenedlaethau'r Dyfodol Cymru, Adroddiad Cenedlaethau'r Dyfodol 2020, Mai 2020.



Mynd i'r afael â'r cyllid sydd ei angen arnoch

- 28 Mae angen i gyrff cyhoeddus gynllunio eu cyllid yn y fath fodd fel y gallant gyflawni eu strategaethau datgarboneiddio a'u cynlluniau gweithredu. Bydd hyn yn gofyn am gynllunio hirdymor oherwydd y bydd angen buddsoddi mewn datgarboneiddio am flynyddoedd lawer. Bydd hefyd yn gofyn am wariant ar unwaith oherwydd, os yw uchelgais gyfunol 2030 i gael ei chyflawni, mae gweithredu ar frys yn hanfodol.
- 29 Roedd cyrff cyhoeddus yn cydnabod y bydd angen buddsoddiad sylweddol mewn datgarboneiddio, yn enwedig ar gyfer costau seilwaith ymlaen llaw. Ond roeddent yn ansicr ynghylch o ble y byddai'r cyllid ar gyfer y buddsoddiad hwn yn dod. Mae Llywodraeth Cymru yn darparu cyllid i gyrff cyhoeddus mewn gwahanol ffyrdd, ond mae wedi dweud na all gyllido popeth. Felly, bydd angen i gyrff cyhoeddus feddwl yn ofalus am sut y gallant ddefnyddio eu cyllid presennol mewn gwahanol ffyrdd, archwilio cyfleoedd cyllido ychwanegol posibl ac ystyried sut y gallent rannu costau â sefydliadau partner.
- 30 Yn gyffredinol, dywedodd cyrff cyhoeddus wrthym fod cyllid yn rhwystyr sylweddol i gyflawni uchelgais gyfunol 2030. Mae hyn oherwydd ansicrwydd o ran y cyllid ychwanegol hirdymor a fydd ar gael iddynt, ac anawsterau wrth fynd i'r afael â chostau datgarboneiddio. Dengys **Arddangosyn 3** nad yw'r mwyafrif o'r cyrff cyhoeddus wedi asesu goblygiadau ariannol uchelgais gyfunol 2030 yn llawn. Mewn rhai achosion, y rheswm dros hyn yw nad ydynt wedi nodi cyfres glir o gamau gweithredu a gweithgareddau i gyflawni sero net eto.

Arddangosyn 3: ymatebion cyrff cyhoeddus i'r datganiad, 'Mae ein sefydliad wedi asesu'n llawn oblygiadau ariannol cyflawni targedau lleihau carbon 2030'



Noder: Mae un corff cyhoeddus na ymatebodd i'r cwestiwn hwn.

Ffynhonnell: Cais Archwilio Cymru am dystiolaeth

Cwestiynau y gallai uwch-arweinwyr a'r rhai sy'n craffu arnynt eu gofyn

- A ydym yn gwybod faint yr ydym yn ei wario ar hyn o bryd ar weithgareddau i helpu i gyflawni uchelgais gyfunol 2030?
- A ydym yn gwybod faint y byddai angen inni ei wario i helpu i gyflawni uchelgais gyfunol 2030?
- Sut yr ydym yn penderfynu faint i'w wario ar ddatgarboneiddio?
- Os nad ydym wedi asesu goblygiadau ariannol uchelgais gyfunol 2030 eto, a ydym yn deall pam nad ydym wedi gallu gwneud hynny?
- Beth yr ydym yn ei wneud i gydweithredu ag eraill, i ddeall y goblygiadau ariannol, ac i rannu costau?
- A yw ein cyllidebau a'n gwariant yn adlewyrchu'r angen i leihau allyriadau carbon ar frys?
- A ydym yn nodi lefel dda o fanylion yn ein datganiadau ariannol mewn cysylltiad â gwariant ar ddatgarboneiddio? (Gweler [ein blog](#) ar y mater hwn).





Nodi eich bylchau sgiliau a chynyddu eich capasiti

- 31 Mewn cyrff cyhoeddus, cyfrifoldeb pawb yw gweithredu tuag at uchelgais gyfunol 2030. Bydd gwireddu'r uchelgais hwnnw yn gofyn i gyrff cyhoeddus fod â staff ar waith sydd â pheth arbenigedd penodol. Canfu ein gwaith frwdfrydedd i gyflawni, ond gwelsom broblemau eang o ran capasiti a bylchau sgiliau hefyd. Nid yw bylchau sgiliau mewn cysylltiad â datgarboneiddio yn unigryw ac maent yn arwydd o her ehangach ar draws y sector cyhoeddus. Er enghraifft, yn ein hadroddiad [Darlun o Wasanaethau Cyhoeddus 2021](#), rydym yn tynnu sylw at y ffaith bod nifer y staff wedi gostwng a bod diffygion mewn sgiliau wedi dod i'r amlwg.
- 32 Dywedodd cyrff cyhoeddus wrthym fod eu hadnoddau dan bwysau wrth ddarparu eu gwasanaethau craidd, ac nad oes ganddynt sgiliau arbenigol mewn lleihau allyriadau carbon a monitro allyriadau carbon. Hefyd, mae natur gymhleth y maes yn golygu bod cyrff yn cystadlu am wybodaeth ac arbenigedd cyfyngedig.
- 33 Mae angen i gyrff cyhoeddus ddeall y capasiti staff a'r sgiliau sydd ganddynt ar waith drwy gynllunio'r gweithlu'n gadarn. Bydd hyfforddiant yn chwarae rhan hanfodol o ran sicrhau bod staff yn deall eu cyfrifoldebau datgarboneiddio a'u bod yn y sefyllfa orau i ymdrin â'r dasg dan sylw. Mae cyfle hefyd i rannu'r wybodaeth, yr arbenigedd a'r capasiti sy'n bodoli yn y sector cyhoeddus yn ogystal â'r sector preifat a'r trydydd sector.

Cwestiynau y gallai uwch-arweinwyr a'r rhai sy'n craffu arnynt eu gofyn

- A ydym yn gwybod pa sgiliau sydd eu hangen, yn awr ac yn y dyfodol, i sicrhau y gallwn gyflawni o gymharu ag uchelgais gyfunol 2030?
- A oes gennym gynllun ar waith i ymdrin ag unrhyw fylchau mewn sgiliau a chapasiti a nodwyd trwy hyfforddiant, recriwtio neu weithio gyda chymheiriaid a rhanddeiliaid er mwyn rhannu adnoddau ac arbenigedd?





Gwella ansawdd data a gwaith monitro i gefnogi eich proses o wneud penderfyniadau

- 34 Mae angen i gyrff cyhoeddus ddeall o ble y mae eu hallyriadau yn dod fel y gallant wirio a ydynt yn gwneud cynnydd. Canfuom fod materion data yn rhwystr mawr i gael dealltwriaeth gyffredin am y broblem ac i wneud penderfyniadau strategol am yr atebion.
- 35 Mae monitro ac adrodd ar allyriadau carbon yn faes cymhleth sy'n datblygu'n gyflym ledled y byd. Mae Llywodraeth Cymru wedi cyhoeddi methodoleg adrodd gyffredin fel y gall gyrff cyhoeddus adrodd ar eu hallyriadau drwy [Canllaw sector cyhoeddus Cymru ar gyfer adrodd ar garbon sero-net](#) a'r daenlen adrodd sero net. Wrth wneud hynny, mae Llywodraeth Cymru yn rhoi cynnig ar ffyrdd newydd o wella data allyriadau. Ymatebodd gyrff cyhoeddus Cymru drwy roi trefniadau newydd ar waith a thrwy gyflwyno ei set gyntaf o ddata blynyddol ym mis Hydref 2021.
- 36 Comisiynodd Llywodraeth Cymru ymgynghorwyr annibynnol i adolygu'r data allyriadau cyntaf a gyflwynwyd gan gyrff cyhoeddus ac ym mis Mehefin 2022, cyhoeddodd Llywodraeth Cymru yr adroddiad ymgynghori llawn. Mae'r adroddiad⁷ yn rhoi'r amcangyfrif cyntaf o'r ystod llawn o allyriadau gan y sector cyhoeddus wrth ddarparu gwasanaethau i bobl Cymru. Dywed yr adroddiad fod y ffigurau'n cynnwys ansicrwydd sylweddol, yn enwedig mewn cysylltiad ag allyriadau'r gadwyn gyflenwi, ac nad yw'r data wedi eu harchwilio'n drylwyr. Mae'r ffigurau'n awgrymu y bu gostyngiad o 5% yn allyriadau'r sector cyhoeddus ledled Cymru rhwng 2019-20 a 2020-21.
- 37 Mewn ymateb i'n cais am dystiolaeth, cydnabu gyrff cyhoeddus pa mor ddefnyddiol oedd cael methodoleg adrodd gyffredin. Fodd bynnag, cyfeiriodd rhai ymatebion at bryderon ynghylch rhai dulliau cyfrifo, yn enwedig o ran y gadwyn gyflenwi a defnydd tir, a galwyd am ragor o eglurder ar gyfer y diffiniadau er mwyn sicrhau bod diffiniadau'n cael eu dehongli a'u hadrodd yn gyson. Nododd rhai ymatebion hefyd nad oedd y systemau presennol yn gallu casglu'r data gofynnol, a bod yn rhaid eu diweddarau, neu fod yn rhaid rhoi systemau newydd ar waith. Roedd hyn yn cymryd llawer o amser yn aml ac yn defnyddio llawer o adnoddau. Cododd gyrff y GIG bryderon ynghylch dyblygu hefyd gyda'r trefniadau adrodd presennol ar allyriadau carbon.

38 Mae'n bwysig cael y data'n iawn oherwydd bydd yr wybodaeth hon yn tanategu'r broses o wneud penderfyniadau ac o fonitro'r cynnydd am ddegawdau i ddod. Fodd bynnag, rydym yn cydnabod mai hon yw blwyddyn gyntaf y trefniadau newydd i adrodd am fater cymhleth ac mae Llywodraeth Cymru wedi ymrwmo i ddatblygu'r canllawiau ymhellach er mwyn mynd i'r afael â'r materion a nodir yn yr adroddiad ymgynghori (**paragraff 36**) ac adlewyrchu sylwadau ehangach. Cyhoeddodd Llywodraeth Cymru ganllawiau adrodd diwygiedig ym mis Gorffennaf 2022. Er ein bod yn cydnabod bod pryderon ynghylch data'r gadwyn gyflenwi, mae'r gofyniad i adrodd y data hyn yn atgyfnerthu canfyddiadau astudiaethau blaenorol sy'n dangos pwysigrwydd lleihau allyriadau o'r broses gaffael a'r gadwyn gyflenwi⁸.

Cwestiynau y gallai uwch-arweinwyr a'r rhai sy'n craffu arnynt eu gofyn

- A ydym yn chwarae ein rhan yn y broses o adeiladu system a fydd yn darparu data cyson, cywir o ansawdd uchel ar allyriadau carbon ar draws y sector cyhoeddus er mwyn cefnogi tryloywder a gwaith chraffu?
- A ydym yn gwybod beth mae'r data presennol yn ei ddweud wrthym a pha ddata ychwanegol sydd eu hangen arnom i gefnogi'r broses o wneud penderfyniadau?
- Yn seiliedig ar ein dealltwriaeth o'n data ein hunain, a oes gennym gynlluniau ar waith i gymryd camau priodol?
- Sut y gallwn wella ein dealltwriaeth o allyriadau sy'n deillio o'n cadwyn gyflenwi ni a chadwyn gyflenwi trydydd partïon perthnasol?



8 Llywodraeth Cymru, Trywydd ar gyfer datgarboneiddio ar draws sector cyhoeddus Cymru (Atodiad A), Mai 2021.



Atodiadau

- 1 Dull a moddau archwilio
- 2 Fframwaith deddfwriaethol a pholisi sy'n tanategu datgarboneiddio
- 3 Trywydd ac arweiniad adrodd y sector cyhoeddus

1 Dull a moddau archwilio

Ym mis Tachwedd 2021, gwnaethom gyhoeddi cais am dystiolaeth i 48 o gyrff cyhoeddus, gan ofyn cwestiynau am eu sefyllfa llinell sylfaen o ran cyflawni uchelgais gyfunol 2030. Ymatebodd y mwyafrif o'r gyrff cyhoeddus yn ystod y cyfnod rhwng mis Rhagfyr 2021 a mis Ionawr 2022. Anfonwyd y cais am dystiolaeth at y gyrff a gwmpaswyd gan [Ddeddf Llesiant Cenedlaethau'r Dyfodol \(Cymru\) 2015](#) ar y pryd. Roedd hyn yn cynnwys yr holl brif gynghorau, awdurdodau tân ac achub, awdurdodau parciau cenedlaethol, byrddau iechyd ac ymddiriedolaethau'r GIG, a'r gyrff mwy a noddir gan Lywodraeth Cymru.

Anfonwyd y cais am dystiolaeth at Ymddiriedolaeth GIG Gwasanaethau Ambiwylans Cymru, Iechyd a Gofal Digidol Cymru, ac Addysg a Gwella Iechyd Cymru hefyd er mwyn sicrhau bod gennym ddarlun mwy cyflawn ar draws y GIG. Anfonwyd y cais am dystiolaeth i Bartneriaeth Cydwasanaethau GIG Cymru hefyd, sef sefydliad cydfuddiannol annibynnol sy'n eiddo i GIG Cymru ac a gyfarwyddir ganddo, sy'n darparu amrywiaeth o wasanaethau i GIG Cymru ac ar ei ran. Cynhelir Partneriaeth Cydwasanaethau GIG Cymru o dan fframwaith cyfreithiol Ymddiriedolaeth GIG Prifysgol Felindre ac mae'n gweithredu o dan fframwaith cyfreithiol Ymddiriedolaeth GIG Prifysgol Felindre, a gwmpesir ei hun gan Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015.

Cawsom ymatebion gan bob corff yr anfonwyd y cais am dystiolaeth atynt, er nad atebwyd pob cwestiwn mewn nifer fach o achosion. Pan nad atebwyd cwestiynau gan bob corff cyhoeddus, cynhwysir hyn mewn nodyn i bob graff perthnasol.

Er mwyn llywio ein gwaith, gwnaethom gynnal trafodaethau â rhanddeiliaid perthnasol gan gynnwys Llywodraeth Cymru, Swyddfa Comisiynydd Cenedlaethau'r Dyfodol Cymru, cynrychiolwyr GIG Cymru a Chymdeithas Llywodraeth Leol Cymru. Gwnaethom adolygu dogfennau allweddol hefyd, gan gynnwys polisiau a chanllawiau, a gwybodaeth berthnasol arall a ddarparwyd inni gan Lywodraeth Cymru a rhanddeiliaid eraill.

Ni wnaethom gynnal adolygiad manwl ym mhob un o'r cyrff cyhoeddus. Er ein bod wedi dibynnu i raddau helaeth ar yr hyn a adroddwyd ganddynt drwy eu hatebion i'n cais am dystiolaeth ac unrhyw ddogfennau ategol, rydym hefyd wedi ceisio triongli ein canfyddiadau drwy drafodaethau â rhanddeiliaid a thystiolaeth o'n hadolygiad o ddogfennau a data ehangach. Gwnaethom rannu a thrafod ein canfyddiadau sy'n dod i'r amlwg mewn gweminar gyhoeddus a gynhaliwyd ym mis Mai 2022 hefyd. Roedd 109 o bobl o du allan i Archwilio Cymru yn bresennol yn y gweminar, ac roedd y rhain yn cynrychioli amrywiaeth o sefydliadau yn y sector cyhoeddus, y sector preifat a'r trydydd sector.

Fel y nodir yn gynharach yn yr adroddiad hwn, mae Archwilydd Cyffredinol Cymru wedi ymrwmo i raglen waith hirdymor ar newid hinsawdd. Yr ydym eisoes wedi adrodd ar ymdrechion datgarboneiddio awdurdodau tân ac achub, yr ydym wedi dechrau adolygu cynlluniau gweithredu datgarboneiddio cynghorau ac yr ydym yn paratoi adroddiad ar reoli'r perygl o lifogydd. Yn dilyn ymgynghoriad diweddar ar ein rhaglen waith yn y dyfodol, rydym yn ystyried ein camau nesaf mewn cysylltiad ag archwilio camau gweithredu i ddatgarboneiddio ac addasu i'r newidiadau sydd eisoes yn digwydd i'n hinsawdd.

2 Fframwaith deddfwriaethol a pholisi sy'n tanategu datgarboneiddio

Mae'r graffigyn isod yn nodi'r ddeddfwriaeth, y polisiau a'r canllawiau allweddol sy'n ymwneud â datgarboneiddio a newid yn yr hinsawdd sy'n berthnasol i'r sector cyhoeddus yng Nghymru. Rydym yn cyfeirio at ddeddfwriaeth a pholisiau sy'n benodol i'r sector ym mhrif gorff yr adroddiad hwn pryd bynnag y bo hynny'n berthnasol.



Ebrill 2016

Daeth Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 i rym a oedd yn ei gwneud yn ofynnol i gyrrff cyhoeddus a gwmpesid gan y Ddeddf weithredu yn unol â'r egwyddor datblygu cynaliadwy.

Nod y pum ffordd o weithio a nodir yn y Ddeddf yw helpu cyrrff i gydweithio'n well, osgoi ailadrodd camgymeriadau'r gorffennol a mynd i'r afael â heriau hirdymor.

Mawrth 2019

Cyhoeddodd Llywodraeth Cymru y Cynllun Cyflawni Carbon Isel statudol cyntaf, Ffyniant i bawb: Cymru carbon isel (LCDP1).

Tachwedd 2019

Cyhoeddodd Llywodraeth Cymru Ffyniant i bawb: Cymru sy'n effro i'r hinsawdd, sef ei chynllun ymaddasu i'r hinsawdd diweddaraf.



Mawrth 2016

Daeth Deddf yr Amgylchedd (Cymru) 2016 i rym a rhoddwyd dyletswydd ar Weinidogion Cymru i bennu targedau ar gyfer lleihau allyriadau nwy tŷ gwydr ac i osod cyllidebau carbon.

Gorffennaf 2017

Pennodd Llywodraeth Cymru uchelgais o gyflawni sector cyhoeddus carbon niwtral erbyn 2030.

Ebril 2019

Gwnaeth Llywodraeth Cymru ddatgan ei bod yn argyfwng ar yr hinsawdd.



Mawrth 2021

Yn dilyn cyngor gan y Pwyllgor ar Newid Hinsawdd ym mis Rhagfyr 2020, pennodd Llywodraeth Cymru dargedau cyfreithiol newydd, sef gostyngiad o 63% mewn allyriadau carbon erbyn 2030, gostyngiad o 89% erbyn 2040, a gostyngiad o 100% erbyn 2050.

Mai 2021

Cyhoeddodd Llywodraeth Cymru Canllaw Sector Cyhoeddus Cymru ar gyfer Adrodd ar Garbon Sero-Net a'r daenlen adrodd carbon sero-net. Ceir rhagor o fanylion yn **Atodiad 3**.

**Gorffennaf 2021**

Cyhoeddodd Llywodraeth Cymru Statws carbon sero-net erbyn 2030: Trywydd ar gyfer datgarboneiddio ar draws sector cyhoeddus Cymru. Ceir rhagor o fanylion yn **Atodiad 3**.

Mehafin 2021

Cyhoeddodd Llywodraeth Cymru ei Rhaglen Lywodraethu ar gyfer 2021-2026, sy'n rhoi mynd i'r afael ag argyfyngau hinsawdd a natur wrth wraidd y llywodraeth newydd ac yn gwneud cyfres o ymrwymïadau i ymgorffori newid yn yr hinsawdd mewn nifer o ffyrdd.

**Gorffennaf 2022**

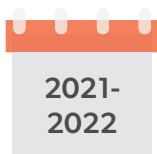
Cyhoeddodd Llywodraeth Cymru fersiynau wedi'u diweddarau o ganllaw adrodd sero-net sector cyhoeddus Cymru a'r daenlen adrodd carbon sero-garbon net.

Hydref 2021

Cyhoeddodd Llywodraeth Cymru Cymru Sero Net Cyllideb Garbon 2 (2021-25). Mae hyn yn nodi polisiau penodol ar gyfer y sector cyhoeddus, gan gynnwys targed ar gyfer rhoi cynlluniau datgarboneiddio ar waith erbyn mis Mawrth 2023, targedau sy'n ymwneud ag adeiladau, cerbydau a chaffael, a datblygu cynllun datgarboneiddio iechyd a gofal cymdeithasol newydd.

3 Trywydd ac arweiniad adrodd y sector cyhoeddus

Er mwyn cefnogi'r sector cyhoeddus i gyflawni sero net, cyhoeddodd Llywodraeth Cymru ei thrywydd sector cyhoeddus ym mis Gorffennaf 2021. Mae'r trywydd yn nodi pedwar maes blaenoriaeth ar gyfer gweithredu: adeiladau, symudedd a thrafnidiaeth, caffael a defnydd tir. Mae hefyd yn nodi cerrig milltir allweddol i'r sector cyhoeddus eu cyflawni, sef:



Gwasgu'r sbardun: Lle mae'n hanfodol ein bod yn deall y cyd-destun a'r hyn sydd angen ei wneud, a lle mae angen gweithredu'n gynt.



Cryn bellter ar hyd y daith: Lle mae disgwyliad i garbon isel ddatblygu'n norm a lle mae'r sector cyhoeddus yn bendant ar y ffordd at sector cyhoeddus sero net.



Cyrraedd Ein Nod: Lle mae dewisiadau di-garbon yn rhan o'r drefn arferol, lle byddant wedi ymwreiddio yn ein diwylliant ac yn cael eu hunan-reoleiddio.

Ym mis Mai 2021, cyhoeddodd Llywodraeth Cymru Canllaw Sector Cyhoeddus Cymru ar gyfer Adrodd ar Garbon Sero-Net. Nod y canllaw yw datblygu set gyffredinol o gyfarwyddiadau i'w defnyddio gan gyrrff cyhoeddus i helpu i gyflawni uchelgais gyfunol 2030, yn benodol:

- **Llinell sylfaen:** Deall maint yr allyriadau sefydliadol a faint sy'n cael ei ddal ar hyn o bryd er mwyn gweld ffin sydd wedi ei nodi mewn modd cyson. A meintioli'r bwch tebygol o ran allyriadau i weithrediadau carbon niwtral erbyn 2030.
- **Nodi potensial ar gyfer lliniaru:** Asesiad i nodi ffynonellau allyriadau sylweddol gan alluogi sefydliadau a'r sector cyhoeddus i flaenoriaethu camau gweithredu y mae eu hangen i newid i weithrediadau carbon niwtral erbyn 2030.
- **Monitro cynnydd:** Angen i gasglu, coladu a dadansoddi data er mwyn asesu a yw sefydliadau ar y trywydd iawn i gyrraedd eu nodau o ran niwtraliaeth carbon erbyn 2030.

Ochr yn ochr â'r canllaw, cyhoeddodd Llywodraeth Cymru y Daenlen adrodd carbon sero-net i'w defnyddio gan gyrff cyhoeddus i gasglu ac adrodd eu data allyriadau mewn ffordd gyson. Gofynnodd Llywodraeth Cymru i gyrff cyhoeddus gyflwyno'r data cyntaf erbyn mis Hydref 2021 ar gyfer blwyddyn ariannol 2020–21. Mae angen yr ail gyflwyniad erbyn mis Medi 2022 ar gyfer blwyddyn ariannol 2021–22.

Mae'r canllaw yn nodi y dylai gyrff cyhoeddus adrodd am gamau gweithredu i leihau allyriadau a symud i weithrediadau carbon niwtral erbyn 2030, ond nid yw fformat na naratif yr adroddiad hwnnw wedi eu rhagnodi. Mae'r canllaw yn awgrymu y gallai fod ar ffurf adroddiad blynyddol ar gynnydd o'i gymharu â chynllun gweithredu cyhoeddedig neu ddogfen ar wahân. Mae hefyd yn awgrymu y bydd gwybodaeth reoli a ddefnyddir wrth goladu adroddiad allyriadau yn darparu sail dda ar gyfer yr adroddiad naratif. Yn rhan o'n gwaith, nid ydym wedi adolygu unrhyw adroddiadau naratif a gynhyrchwyd gan gyrff cyhoeddus, er bod **paragraffau 34-38** o'r adroddiad hwn yn rhoi sylwadau ar yr heriau sy'n gysylltiedig â data allyriadau carbon ac adrodd. Yn dilyn sylwadau gan gyrff cyhoeddus ac adolygiad o gyflwyniadau data'r flwyddyn gyntaf, cyhoeddodd Llywodraeth Cymru ganllawiau adrodd diwygiedig ym mis Gorffennaf 2022.

Swyddfa Archwilio Cymru
24 Heol y Gadeirlan
Caerdydd
CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn destun: 029 2032 0660

Rydym yn croesawu galwadau
ffôn yn Gymraeg a Saesneg.

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru

Mae tudalen hwn yn fwriadol wag