



Complete Agenda

Democratic Services
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

Meeting

AUDIT COMMITTEE

Date and Time

10.30 am, THURSDAY, 1ST DECEMBER, 2016

Location

Siambr Hywel Dda, Council Offices, Caernarfon, Gwynedd, LL55 1SH

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(DISTRIBUTED 24/11/16)

AUDIT COMMITTEE

MEMBERSHIP (19)

Plaid Cymru (10)

Councillors

Aled Ll. Evans
E. Selwyn Griffiths
Michael Sol Owen
John Wyn Williams

Gweno Glyn
Charles Wyn Jones
W. Tudor Owen

Gareth Wyn Griffith
Dilwyn Morgan
Gethin Glyn Williams

Independent (5)

Councillors

Trevor Edwards
John Brynmor Hughes
Angela Russell

Thomas G. Ellis
John Pughe Roberts

Llais Gwynedd (2)

Councillors

Anwen J. Davies

Aeron M. Jones

Labour (1)

Councillor Sion W. Jones

Lay Member

John Pollard

Aelodau Ex-officio / Ex-officio Members

Chairman and Vice-Chairman of the Council

A G E N D A

1. APOLOGIES

To receive apologies for absence.

2. DECLARATION OF PERSONAL INTEREST

To receive any declaration of personal interest.

3. URGENT ITEMS

To note any items which are urgent business in the opinion of the Chairman so they may be considered.

4. MINUTES

4 - 7

The Chairman shall propose that the minutes of the meeting of this committee, held on 29 September 2016, be signed as a true record.

5. EXTERNAL AUDIT REPORTS

8 - 44

To submit the report of the Head of Corporate Support.

6. REVENUE BUDGET 2016/17 - SECOND QUARTER REVIEW (SEPTEMBER 2016)

45 - 65

To submit the report of the Head of Finance.

7. CAPITAL PROGRAMME 2016/17 - SECOND QUARTER REVIEW (SEPTEMBER 2016)

66 - 71

To submit the report of the Head of Finance.

8. INTERNAL AUDIT OUTPUT 19/9/16 - 18/11/16

72 - 116

To submit the report of the Audit Manager.

9. INTERNAL AUDIT PLAN 2016/17

117 - 123

To submit the report of the Audit Manager on the progress made on the 2016/17 Internal Audit Plan.

10. REVIEW OF THE CONSTITUTION

124 - 125

To submit the report of the Monitoring Officer.

AUDIT COMMITTEE 29/9/16

Present: Councillor Trevor Edwards (Chair)
Councillor Angela Russell (Vice-chair)

Councillors: Anwen J. Davies, Tom Ellis, Aled Ll. Evans, Gareth Wyn Griffith, E. Selwyn Griffiths, Charles Wyn Jones, Michael Sol Owen, John Pughe Roberts, Gethin Glyn Williams, John Wyn Williams and Peredur Jenkins (Cabinet Member for Resources).

Lay Member: John Pollard

Also in Attendance: Dafydd Edwards (Head of Finance Department), Ffion Madog Evans (Senior Finance Manager - for Item 5 on the agenda), Luned Fôn Jones (Audit Manager), Caroline Lesley Roberts (Investment Manager – for Items 5 and 6 on the agenda), Ian Howse (Financial Audit Engagement Manager, Deloitte - for Item 5 on the agenda) and Bethan Adams (Member Support Officer).

Apologies: Councillors John B. Hughes, Aeron M. Jones, Dilwyn Morgan and W. Tudor Owen.

1. CHAIR'S ANNOUNCEMENTS

A new member of the Committee, Councillor Gareth Wyn Griffith, who was attending his first meeting, was welcomed.

Ffion Madog Evans was congratulated on her appointment as Senior Finance Manager.

Ian Howse from Deloitte was welcomed to the meeting.

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received from any members present.

3. MINUTES

The Chairman signed the minutes of the meeting of this committee held on 14 July 2016, as a true record.

4. 2015/16 STATEMENT OF ACCOUNTS

i) Statement of the Accounts

The Head of Finance Department submitted the revised statutory financial statements for approval by the committee. He noted that the reports from Deloitte on behalf of the Wales Audit Office noted the main changes to the accounts since the pre-audit version had been submitted to the Committee meeting of 14 July.

ii) Report of the Appointed Auditor on the Audit of Financial Statements

a) The Council's Accounts

In accordance with the Annual Audit procedure, namely the Appointed Auditor's report for those charged with governance, the report by Deloitte on behalf of the Auditor General for Wales was submitted by Ian Howse, Financial Audit Engagement Leader, Deloitte.

It was reported that the audit work had been completed and that the Auditor General intended to issue an unqualified audit report on Gwynedd Council's accounts for 2015/16.

The following main observations were noted:

- That one uncorrected misstatement in relation to misclassification of cash received had been found but, as it was a matter of timing which did not change the financial position, the auditors had been willing for it not to be corrected;
- That there was one misstatement that had been corrected to their satisfaction;
- There were no matters which required attention highlighted by the audit team in relation to the significant risks tested;
- That the accounts were exceptional and he conveyed his thanks to the accounts team for their work and the quality of the accounts which facilitated their work of auditing them.

In response to an enquiry by a member regarding the corrected misstatement in relation to the misclassification of equal pay provision, the Head of Finance Department noted that it was a technical accounting matter which was corrected to reflect the use of the money.

b) Gwynedd Pension Fund Accounts

The Financial Audit Engagement Leader, Deloitte noted that the Auditor General intended to issue an unqualified audit opinion on the accounts of the Gwynedd Pension Fund for 2015/16.

The following main observations were noted:

- In relation to uncorrected misstatements, in relation to investment valuations - property, that it was a matter of opinion, therefore, they were willing for it not to be corrected as it was not a material consideration;
- That one uncorrected misstatement in relation to misclassification of cash received had been found but, as it was a matter of timing which did not change the financial position, the auditors had been willing for it not to be corrected;
- There were no matters which required attention highlighted by the audit team in relation to the significant risks tested;
- That the Pension Fund accounts were very complex and that they were excellent accounts.

Members expressed their appreciation of the work of officers in preparing the accounts.

The Head of the Finance Department expressed his appreciation of the auditors' co-operation.

RESOLVED that the Audit Committee, with the power delegated by the Council to be "those charged with governance" in relation to approving the statutory financial statements and the relevant audit, approves the amended statutory financial statements, accepts the related reports by Deloitte on behalf of the Auditor General for Wales, and authorises the Head of Finance Department and Chairman of the Committee to sign the "letters of representation" and to submit them to the Auditor General for Wales.

5. 2016/17 TREASURY MANAGEMENT – MID YEAR REVIEW

The background and context of the report on the current year's treasury management activity was set out by the Investment Manager. It was noted that, owing to the financial position following the United Kingdom's decision to leave the European Union and the

decision of the Bank of England to reduce the base interest rate to 0.25%, it was anticipated that rates would fall which would have an impact on the interest received as a total against the budget. Consequently, it could not be reported at the time that the target set in the strategy would be reached at the end of the financial year; however, a report would be provided once the situation was clearer. It was noted that the performance was in line with that expected in the period to 31 August 2016.

A copy of the information for the table on page 139 of the agenda was distributed.

In response to a question by a member, the Head of Finance Department confirmed that the Council was not investing abroad. He added that the situation was a little different in terms of the Pension Fund with cross-border investments.

The Head of Finance Department explained that the long-term strategy was to reduce the amount borrowed and reduce the amount invested. It was noted that if interest rates were to rise, the strategy would be revisited and the matter would be reported to the Committee. It was enquired whether members would be interested in having a session with Arlingclose, the Council's treasury advisers, to discuss Treasury Management. Members were eager for a session to be held.

In response to an enquiry by a member regarding how much the Council self-borrowed, the Head of Finance Department noted that the Council self-borrowed approximately £40million. He explained that it was not possible for the Council to self-borrow more than the minimum cash-flow at the time as the Council would pay a considerable amount in overdraft charges. It was noted that it was not stated as a saving in the savings schedule but that it was a significant cost-avoidance. Consideration would be given to including the amount in the annual report to reflect how much the Council would have paid in interest if it had borrowed.

In response to a question by a member, it was noted that the Council had recovered 98% of its investments in Heritable Bank and it was anticipated that further distributions would be received. It was noted that, in line with what had been reported since 2008, the full amount should be recovered but the timing had not been confirmed as it was dependent on the settlement of the ongoing court case.

RESOLVED:

- (i) to accept the report for information;**
- (ii) to hold a session with Arlingclose, the Council's treasury advisers, to discuss Treasury Management.**

6. OUTPUT OF THE INTERNAL AUDIT SECTION 1/7/16 - 16/9/16

The report of the Audit Manager was submitted, outlining the Internal Audit's work for the period. It was noted that 8 reports on audits from the operational plan had been completed and 3 follow-up audits.

Consideration was given to each individual report and during the discussion reference was made to the following matters –

Information Management

In response to a member's observation regarding training, the Audit Manager noted that the Council provided on-line training and documents in the policy centre in relation to information management. It was noted that it was hoped that Managers and Senior Managers would encourage officers to complete the training but that it was also the individuals' responsibility to complete the training.

In response to a follow-up observation by the member in terms of using shredders rather than data destroying sacks, the Audit Manager noted that the Council was moving away from using the sacks and was using shredders more and more. It was added that there were moves to invest in shredders which would ultimately be cheaper than administrating the procedure of using the data destroying sacks.

Annual Leave of Carers

In response to a question by a member, the Audit Manager explained that requests had been received from the three Area Managers to look at Community Carers' leave entitlement as the workers had felt that the additional leave that they had received possibly did not reflect their actual entitlements. It was noted that it was a complex field and that much work had been completed to analyse and check this as part of the audit and the conclusion was reached that the Community Carers' leave entitlement had been calculated accurately.

A member enquired why an opinion category had not been given on this audit. In response, the Audit Manager noted that this was because the audit was undertaken at the request of the managers and observations were given for the Department's consideration.

Plas Gwilym Residential Home, Penygroes

In response to a member's observations regarding her concerns that themes arise regularly in audits of the Council's residential homes, the Audit Manager noted that the Adults, Health and Well-being Department was committed to training in the care and medication management fields. It was noted that workers in care homes did not have access to e-learning modules at present but moves were afoot to allow them to access the modules. It was emphasised that it was the Area Managers' responsibility to ensure that the appropriate arrangements were in place and it was hoped that the matters raised in the audits would be considered at all the Council's residential homes.

RESOLVED to accept the report on the work of Internal Audit for the period 1 July 2016 to 16 September 2016 and to support the recommendations that had already been submitted to the managers of the relevant services for implementation.

7. INTERNAL AUDIT PLAN FOR 2016/17

The report of the Audit Manager was submitted, providing an update on the current situation in terms of completing the 2016/17 internal audit plan.

It was reported that the Internal Audit Service up to 16 September 2016 had completed 26.5% of the plan, with 22 of the 83 audits in the 2016/17 plan released in a finalised version.

RESOLVED to accept and note the contents of the report as an update of progress against the 2016/17 audit plan.

The meeting commenced at 10.30am and concluded at 11.35am.

CHAIRMAN

Agenda Item 5

MEETING: **AUDIT COMMITTEE**

DATE: **01 December 2016**

TITLE: **External Audit Reports**

PURPOSE: **To submit a summary of implementation steps established by the services in response to external audit reports and their recommendations for consideration by the Audit Committee**

AUTHOR: **Geraint Owen, Head of Corporate Support**

CABINET MEMBER: **Councillor Dyfrig Siencyn**

1. Introduction

1.1 The Audit Committee has a responsibility to consider the external audit reports, including national reports, the recommendations contained therein, and the implications of these for governance, risk management and control, ensuring that arrangements and processes are in place to ensure that these recommendations are implemented.

2. Continuity from previous report

Further information / explanation on the following issues are identified in the special meeting on the 23rd of June 2016.

2.1 Following on from the 2013-14 CSSIW Annual Review and Evaluation of Performance and the 'Awareness and use of advocacy services' improvement area is the Department satisfied that every individual is offered an advocacy Service.

"Every child and young person who is eligible for statutory advocacy services will receive information on how to contact the service which is provided on a regional basis by Tros Gynnal Plant on an 'issue based advocacy'. Carers and parents will receive information about the service and how to refer to them if the child or young person so wishes. Some children chose to contact formal advocacy service and we keep the numbers of children and reasons for contact and monitor them quarterly with the provider, but a high number of children choose a person who is close to them, for example carer, parent, social worker to advocate on their behalf instead of going to a formal service."

2.2 Under the 2013-14 CSSIW Annual Review and Evaluation of Performance and the improvement area 'Timeliness of child protection conferences' is it possible to get more information around why some officers aren't able to attend the conferences, and what possible steps are needed to resolve the issue?

"It can be seen from the statistics that there has been a significant increase in the number of conferences during 2015/16. This was a very busy period, with complex cases and the number of families with more than 2 children, (e.g. 5 in one family and 8 in the other). The workload was particularly challenging and

it's easy to forget that conferences are only a small part of the work duties of employees. There were more strategy meetings, more cases before the courts and there were times when it was difficult for department's resources to cope with the workload. Reasons why some conferences were held outside the timetable:

i) Child Protection Guidelines give 15 working days to carry out child protection investigations and bring the case to a conference. If several cases require S47 investigation at the same time it is difficult to ensure that all of them are carried out within 15 days. There's no point in holding a conference if the investigation is not complete and sufficient information is unavailable.

ii) Police resources are also scarcer and it is difficult to organize a joint investigation where necessary, when Police and / or the Social Services have limited staff to do the job, or when relevant staff is already busy with cases.

iii) Chair availability. For most of the period, one officer was available to chair (now another officer is available and chairs 2 conferences a week). Arfon is allocated two days a week for holding conferences, and a day a week in Dwyfor / Meirionnydd. It was customary for the Chair during busy periods to chair the 8 to 10 conference a week. Given the intensity and difficult nature of these meetings and the need to travel to some of them, this represented very high "productivity", which was difficult to hold safely. It is difficult to find a free "slot" for conference on occasion.

iv) Occasionally, illness is a factor, employee or chair.

v) All agencies involved in the field are trying their best in the face of a challenging financial climate. The Police have made the decision that they will not send representatives to conferences reviews. This means that one statutory agency is initially absent. Other agencies may be absent, e.g. Schools (who struggle at times to fill the gap to enable staff to attend). Children's community Doctors try to attend, but they work across large areas and often cannot come. To be "quorate" 3 statutory agencies need to be present. The chairman considers if it is possible conduct the conference with the representatives and information available. At times, it is necessary to postpone, and this is an exception."

2.3 Is it possible to have the figure of how many NEET young people we have in Gwynedd?

"October 2016

139 16/17 year old NEETs - Layer 5 data Careers Wales which is the national system to track young people

305 18-24 year old NEETs (unemployed) - DWP data from NOMIS

Total of 444 (October 2016)

For your information if the 444 stay NEET and do not engage with the world of work as adults they would cost the country £71 million (Cole et al 2010)

In addition for your information we have also received the 2015 NEET figures, these are for year 11 pupils who left school this year NEET - 1.8%. 1.8% is among the best in Wales i.e. we have fewer young people leaving school NEET than the national average.”

- 2.4 Under the 2013-14 CSSIW Annual Review and Evaluation of Performance and the improvement area ‘Raise awareness of the implications and requirements of Deprivation of Liberty Safeguards (DoLS) and improve the governance arrangements for the operation of the procedures’ noted the tremendous increase in applications since the court ruling in the case of Cheshire West. The Committee asks how the Department deals with this and what is the response to this increase.

“- Safeguarding responsibilities in its entirety is being fully transferred back to the Department

- We intend to appoint a Protection and Quality Assurance Manager to take scrutinising ownership of these issues across the Department. The Manager will manage and lead on the work of a new Unit working across the department (the protection and quality assurance unit)

- DoLS work will be a key part of this unit’s workload.

- After establishing the role of Quality Assurance and Protection Manager a bid will be submitted to make the current DoLS role permanent. The Protection and Quality Assurance Unit will be established with the majority of the team making DoLS (BIA) assessments and sharing the workload under the leadership of the new Manager

- A confirmation has been received that we will receive a small budget (just under £ 20K) to help us handle the increasing workload. We will use the budget to pay for assessments and paying fees to help complete assessments on the waiting list.

It is important to remember that this increased workflow pattern is seen across Britain, with a number of concerns raised and the issue put on the Regional Safeguarding Board and the Gwynedd and Anglesey adult operational safeguarding Group agenda. Therefore, it is far from being a matter for Gwynedd only.”

3. Summary of report in Appendix I

Below is a summary of the reports provided in Appendix I

- 3.1 Presented in Appendix I is a list of inspections carried out by external auditors over recent years as well as their proposals for improving, their action plans and progress that has occurred to date. The committee will need to consider whether it is satisfied with the progress that has taken place.
- 3.2 The information is set out in chronological order for ease and includes the responds to national reports as well as those specific to Gwynedd.
- 3.3 A list of the reports and sources can be seen in Appendix 2.
- 3.4 Of the 69 proposals / recommendations that are included in Appendix I, a summary of progress are as follows:

Progress	Number
Not started	4
Being planned	2
In progress	34
Complete	29
Total	69

3.5 It can be seen that **29** out of **69** have been completed

4. Content of future reports

4.1 At the moment we report on all recommendations which state that they are yet to be completed from reports that go back many years, 2012 by now. We therefore ask you to consider whether it would be more appropriate for reports that are published annually, for example the Annual Performance Evaluation of Care and Social Services Inspectorate Wales, to include the latest report only.

4.2 This is with the view that anything that has not been addressed in the previous report will be included in the latest report.

5. Recommendations

5.1 The committee will need to decide if it is satisfied that the recommendations and proposals for improvement in the auditors' reports listed in Appendix I have been implemented. Deciding if it is to call any matter in for further consideration, either to the full committee or to the Controls Improvement Working Group.

5.2 Consider if historical annual reports need to be included in the list for verification or not.

EXTERNAL AUDIT REPORTS 2012/13 – 2016/17

APPENDIX 1

1. April 2012 - Gwynedd Council Information Management Feedback Wales - Audit Report

Ref	Further proposals for improvement	Responsibility	Implementation Plan	By When	The monitoring arrangement and the progress made so far	Rate your progress as <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
1	The Council should enhance the action plan which supports the information strategy to include actions to identify the Council's information and intelligence needs and to co-ordinate the activity of the range of information services to meet these needs.	Information Manager	<p>This was discussed with Gwenan Parry, Head of Customer Care Support Department in 2012.</p> <p>It was felt that the function of the Information Management Service was not to find out what were the Council's information requirements and that our role was to provide guidelines and expertise on how to manage information once it had reached the Council (in terms of protection, disposal, accuracy, retention for appropriate periods of time). This is the role of information management services in every Council.</p> <p>The role of the Research Unit is to respond to the services' information requirements. The Information Management Strategy will soon be updated; therefore, we can incorporate this for the future if there is a desire to do this.</p>		<p>An Information Plan Subgroup has been meeting to order to create a new Information Plan, which is broader than the old Information Strategy work. It will include additional elements such as open data, use of information and the quality of information.</p> <p>Also the Wales Audit Office are re-visiting in January to look at Information Management and therefore we can gain their opinion on the direction of the work following the visit.</p>	Complete
2	Develop an appropriate forum to co-ordinate the activities of the Council's information teams.	Information Manager	<p>Collaboration with the information team of the Adults Department already takes places. There would be a need to be clear on the purpose and aim of the forum.</p>		<p>This occurs naturally as part of the formulation of the new Information Plan. This is happening informally already eg between the information team and the Social Services data team.</p>	Complete

EXTERNAL AUDIT REPORTS 2012/13 – 2016/17

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2. Year 2012-2013 - Annual Review and Evaluation of Performance of the Care and Social Services Inspectorate Wales (CSSIW) Report received: 28 October 2013.

The report was presented to Cabinet on 28 January 2014, and to the Services Scrutiny Committee on 13 February 2014.

	ACTION	Leader	Implementation Plan	By when	The monitoring arrangement and the progress made so far	Rate your progress as
	Seeking support					<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
1	Predict the demand for community support	Head of Adults, Health and Wellbeing Department	<ul style="list-style-type: none"> • Continue to monitor in order to anticipate the demand • Research and analysis in relation to demographic changes and the impact on the service 	March 2014	<p>Demographic analysis is a key part of the planning cycle. Here details are submitted by the department, in order to ensure increase in demography are reflected within budgets.</p> <p>In addition in response to the Welfare and Social Services Act procedures are in place to create the General Data Set which will be used to predict future demand for services.</p>	Complete
The services provided						
2	Develop the range of services in the community for children services	Head of Education	<p>Additional Learning Needs Project Action Plan 2013-14 and specifically:</p> <ul style="list-style-type: none"> • Agree on a new model of providing educational experiences and opportunities for children with Additional Learning Needs • Decide on possible sites for establishing a new Special Education Centre of Excellence in the Dwyfor-Meirionnydd area. 	March 2014	<p>New model</p> <ul style="list-style-type: none"> • Have gained Cabinet approval to adopt a new ADYaCh strategy (across Gwynedd and Anglesey local authorities) which has the aim of: "To ensure that children and young people (aged 0-25 years) with additional learning needs take advantage of opportunities and gain experiences that are effectively planned for them, to enable them to make progress in line with their abilities. " • The ADYaCh Service will provide a comprehensive integrated educational service across educational settings in both counties to: <ul style="list-style-type: none"> • Promote the development of schools to be inclusive settings. • To minimize the impact of ALN on the outcomes of children and young people by improving skills and achievements. • Provide appropriate and high quality education for children and young people with ALN. • Locate high-quality services locally. • Consider individual needs and aspirations and that all children and young people are central to the service with interventions that are provided for him / her. • Ensure the high quality of skills within the central workforce and school workforce in order to improve ownership and ADN capacity within schools 	Complete

EXTERNAL AUDIT REPORTS 2012/13 – 2016/17

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					<p>in both counties.</p> <ul style="list-style-type: none"> • Contribute to improve quality of life and well-being by enhancing the educational provision that is being provided. • Reduce the cohort of children who need additional interventions due to ALN by improving capacity within the educational provisions. • Strengthen links and accountability for ALN across the delivery model layers. <p>The intention is to ensure that the integrated team's new staffing structure is in place by September 2017.</p> <p>New Meirionnydd / Dwyfor Centre of Excellence in Special Education:</p> <ul style="list-style-type: none"> • The new Hafod Lon school has opened in Penrhyndeudraeth at the end of October 2016 	
The effect on people's lives						
3	Improve the process of planning education for looked after children	Head of Children and Families Department / Head of Education	<ul style="list-style-type: none"> • The Children and Families Service to continue to monitor closely. • There is an important role for the Vulnerable Groups Education Co-ordinator to secure this and raise awareness in Gwynedd schools regarding the importance of completing the personal education plans in a timely manner. 	Continuou s	<p>Since June 2015 the department has a re-designed the vulnerable groups education coordinator job to be a children in care officer in order to focus solely on the needs of children in care and to ensure that every child has an up to date Personal Education Plan.</p> <p>The performance in completing Personal Educational Plans (PEP) has improved, with quarter 2, 2016 performance at 67%, a significant increase in performance from 15/16 (37.9%).</p> <p>Performance with regards to completeing the PEP has improved, with Quarter 2 performance, 2016 at 67%, which is a significant increase on the 5/16 performance.</p>	Complete
Delivering Social Services						
4	Establish a quality assurance system in the services for adults.	Head of Adults, Health and Wellbeing Department	<ul style="list-style-type: none"> • In terms of data – develop a new system which will draw out data directly from the Department's Data Recording Management system and will report on data quality. • Use the new system to report on a quarterly basis. • Prepare, develop and promote guidelines for using the system for employees within the 	March 2014	<p>A new system was developed by March 2014 in order to pull data directly from the Department Data Entry Control system highlighting any data quality issues. This is used from now on to report data or performance management according to need.</p> <p>Quality assurance strategy has been created that will underpin the work program of the Quality Assurance and Protection Manager who will be in place in late November 2016.</p>	Complete

EXTERNAL AUDIT REPORTS 2012/13 – 2016/17

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			<ul style="list-style-type: none"> priority fields. Draw up and agree on a quality assurance strategy across the service. 			
Provide a direction						
5	i. Ensure corporate support for looked after children, in particular in the education planning field.	Head of Children and Supporting Families Department	<ul style="list-style-type: none"> Develop a Strategy Implement the Strategy. 	April 2014	<p>The Corporate Parenting Strategy is in the process of being finalized, and will focus on securing the support of education for children in care. The strategy has been in draft form for some time, and its completion was delayed following the loss of a job. Since October 2015 a decision has been made that the operational responsibility for the work of the Corporate Parenting Panel sits within the Children and Supporting Families Department instead of the Corporate Support Department, and ensuring that a clear strategy and action plan is in place is a priority for the work program.</p> <p>A strategy has been presented to the Corporate Parenting Panel during 2016 and a workshop for discussing a program of action was held in early July. Current discussions are taking place to check out the strengthened role of the panel and the panel members for the future with an emphasis on strengthening the participation of children and young people to the regime.</p>	In progress

3. May 20 – 22 May 2014: National Review of the Use of Deprivation of Liberty Safeguards (DOLS) in Wales 2014 - Gwynedd Local Authority and Betsi Cadwaladr University Health Board - Care and Social Services Inspectorate for Wales (CSSIW)

Ref	Further proposals for improvement	Responsibility	Implementation Plan	By When	The monitoring arrangement and the progress made so far	Rate your progress as <ul style="list-style-type: none"> Not started Being planned In progress Complete
1	The Council and Health Board should continue to develop understanding of the Mental Capacity Act, DoLS and the implications of the Supreme Court at all levels. It should ensure that it builds on the existing knowledge and skills of care managers in adult services so that where there are authorised deprivations in place, care management reviews reflect consideration of their outcome and effectiveness. The links between care management and contract monitoring in adult	Head of Adults, Health and Wellbeing Department			<p>A training program is in place with training opportunities available for all staff and any other relevant person who works in accordance with the Mental Capacity Act (2005). Specific sessions for elected members and staff have been held in September and October by a leading lawyer in the field.</p> <p>A Safeguarding and Quality Assurance Unit is being established that will lead on the Deprivation of Liberty work.</p> <p>The Department has adopted a Category Management procedure that strengthens the link between contract monitoring and care management.</p>	Complete

EXTERNAL AUDIT REPORTS 2012/13 – 2016/17

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Ref	Further proposals for improvement	Responsibility	Implementation Plan	By When	The monitoring arrangement and the progress made so far	Rate your progress as
	services should be more robust.					<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete

EXTERNAL AUDIT REPORTS 2012/13 – 2016/17

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4. May 2014: Good Scrutiny? Good Question

This report does not include recommendations which were referred to the Welsh Government therefore, those references have been left out.

Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Rate your progress: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
1	Clarify the role of executive members and senior officers in contributing to scrutiny	Senior Manager – Democratic and Delivery	The scrutiny work program this year includes more policy items which are considered in advance. However, there is recognition that this does not go far enough. The Council's Audit Committee will discuss an action plan to respond to the recommendation in the new year. Electronic Link	A 360 degree review recent work by the Council and the Wales Audit Office has confirmed the need to do something about the gap identified between scrutiny and the Executive. A sub-group which is leading the response to the WAO report has already approved some measures to tackle this in looking at the model of scrutiny and identification of specific pre-scrutiny items. Workshops will be held in late November on the possible new models for after the 2017 elections, with recommendations presented to the Audit Committee in February before going to the Full Council in March.	In progress
2	Ensure that scrutiny members and specifically scrutiny chairs, receive training and support to fully equip them with the skills required to undertake effective scrutiny.	Senior Manager – Democratic and Delivery	The work plan will go to the Audit Committee for discussion in the new year. In the meantime, a training course has been developed in conjunction with the Local Government Association and piloted for scrutiny members. The pilot course was held and a further course in February. Electronic Link	Training sessions have been developed and run in conjunction with the Local Government Association with 21 members attending over 2 sessions. It is intended to rerun such a session during the year as well as running 1: 1 sessions with any new scrutiny members. A further session has already been scheduled for January 2017 to focus on questioning skills and methods.	In progress
3	Further develop scrutiny work programming to: <ul style="list-style-type: none"> • provide a clear rationale for topic selection • be more outcome focussed • ensure that the method of scrutiny is best suited to the topic area and the outcome desired, and • align scrutiny programmes with the Council's 	Senior Manager – Democratic and Delivery	The process for producing the work program is sound but needs to ensure greater consistency in its implementation. The work plan will go to the Audit Committee for discussion in the new year. More information can be found at Electronic Link	This year, in formulating the forward program of scrutiny for the year, particular attention was given to the proportion of different pre-scrutiny items. They are noted as pre-scrutiny items and they will therefore be reported on and we will be able to track and measure the influence of pre-scrutiny decisions as executive decisions are made. We have seen further more cases of pre-scrutiny on major significant topics during the year.	In progress

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Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Rate your progress: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
	performance management , self-evaluation and improvement arrangements				
4	Ensure that scrutiny draws effectively on the work of audit, inspection and regulation and that its activities are complementary with the work of external review bodies.	Senior Manager – Democratic and Delivery	The work plan will go to the Audit Committee for discussion in the new year. More information can be found at Electronic Link	The procedure is in place to allow the Audit Committee to refer matters to scrutiny committees but has not yet been implemented. As it turns out there are a number of external auditor's reports issues identified for 2016/17 pre-program.	Complete
5	Ensure that the impact of scrutiny is properly evaluated and acted upon to improve the function's effectiveness; including following up on proposed actions and examining outcomes.	Senior Manager – Democratic and Delivery	The work plan will go to the Audit Committee for discussion in the new year. More information can be found at Electronic Link In the meantime, we have initiated a procedure of introducing the main scrutiny committee recommendations to Cabinet.	The emphasis by Scrutiny this year is to try to be much more sharp and decisive in terms of scrutiny recommendations in order to track the influence of the scrutiny on implementation. This will be of benefit to writing the 2016/17 scrutiny report and there will be a way of evaluating the impact of scrutiny generally at that time. No methodology has been identified as yet to do so, but we will reflect on this when creating our yearly report.	Being planned
6	Undertake regular self-evaluation of scrutiny utilising the 'outcomes and characteristics of effective local government overview and scrutiny' developed by the Wales Scrutiny Officers' Network.	Senior Manager – Democratic and Delivery	The Council intends to look at good practice and learning from other councils. The work plan will go to the Audit Committee for discussion in the new year. More information can be found at Electronic Link	The Sub-Group has undertaken an evaluation of current Scrutiny Arrangements and have concluded that the specific areas that need improvement are, namely: - <ul style="list-style-type: none"> • Strengthening the connection with dialogue between Scrutiny and Cabinet by doing more work to develop joint policies (the scrutineers with the Cabinet) • Clarity is needed on why we need scrutiny and appropriate skills and resources • Committee membership boundaries too sacred and the workload is inconsistent • Slow down the process and frequency of meetings An Action Plan to respond to this is in progress and is nearing its end with recommendations being drawn up.	In progress
7	Implement scrutiny improvement action plans developed from the Wales Audit Office improvement study.	Senior Manager – Democratic and Delivery	The Work Plan submitted to the Audit Committee in the new year.	The Action Plan approved by the Audit Committee is in progress and being further developed by the Scrutiny Arrangements Subgroup (See above comments for progress in the work).	Complete

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8	Adopt Participation Cymru's 10 Principles for Public Engagement in improving the way scrutiny engages with the public and stakeholders.	Senior Manager – Democratic and Delivery	The work plan will go to the Audit Committee for discussion in the new year. More information can be found at Electronic Link	The Corporate Scrutiny Committee has evaluated the Council's engagement arrangements during 2015/16. Gwynedd Council has approved Participation Wales Principles and those principles will be followed in the further work that the Corporate Scrutiny Committee wants to achieve in 2016/17 for the simplest use of language understandable (which is part of the principles)	Complete <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete

5. July 2014: Young People not in education, employment or training – Findings from a review of council in Wales

Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Impact Measure	Rate your progress:
1	Improve the evaluation of the effectiveness and relative value for money of the services and interventions in their area that are intended to reduce the proportion of young people who are NEET.	Community Learning Senior Manager	As part of the Engagement Framework and action plan an evaluation system for measuring the effectiveness of the 6 areas - with regard to the early identification system and its impact, the role and impact of key employees, and keep in tracking system link, the effect of local provision is needed to be actively developed. We have been working together on a regional level with the early identification system and further options regarding working together to measure the impact of various systems.	<p>A plan is in place to monitor the impact of the pre 16 early identification system across the region. The engagement manager has regular meetings with the TRAC Manager in measuring the impact on the identified group</p> <p>Mapping of services and support for young people aged 16-24 has been completed recently and the data has been used as an effective way of monitoring what difference those services have on the engagement of young people.</p>		Complete <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete

6. Year 2013-14: Annual Review and Evaluation of Performance of the Care and Social Services Inspectorate Wales (CSSIW)

The report was circulated to the relevant officers and the relevant members. The report was presented to the Services Scrutiny Committee on 11th December 2014 by Marc Roberts and Vicky Poole, of the Care and Social Services Inspectorate Wales together with the Council's implementation plan. The Care and Social Services Inspectorate Wales report was also presented to the Cabinet on 19th February 2015 where it was agreed to give the go-ahead to the work programme that responds to the Inspectorate's recommendations and areas for improvement.

	Improvement Area	Comments made by CSSIW in their annual evaluation of Gwynedd 2013-14	Action Plan	How do we monitor	Progress situation as at end of May 2015	Comments raised by the Service	Responsibility	Rate your progress: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
Shaping Services								
Getting help								
1	Timeliness of initial assessment in children's services.	The percentage of initial assessments completed within seven days needs improvement; in 2013-14 the council completed 67% of initial assessments in seven working days compared to a Welsh average of 72%.	<ul style="list-style-type: none"> • One social worker role added to the Referral Team capacity. • Arrangement in place to ensure that a senior worker approves assessments so to improve the 7 day performance. • Work to improve arrangements, including regular preparation of reports to remind managers of cases that require closing. 	Children and Supporting Families Departmental Management Team and if required escalate to the: <ul style="list-style-type: none"> - Children and Young People Achievement Panel 	This is no longer relevant because this indicator has disappeared with the introduction of the Social Service and Wellbeing Act. Now there is one composite assessment that is completed which matches needs and there is a total of 42 days to complete an assessment and create a care and support plan, but locally we are aiming to set local targets to complete assessments in 10 working days.	The Service will monitor the new procedure	Head of Children and Supporting Families Department	In progress

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2	Continued improvement to reduce the number of children re-referred.	There has been a reduction in percentage of children being re-referred from 39% in 2011-12 to 26.6% in 2013-14; however, this still remains above average for Wales and is an area for continued improvement.	<ul style="list-style-type: none"> • The Children and Families Department to monitor closely to ensure and maintain continued improvement. • Systems of the Children and Families Department now differentiates between referrals and notifications, whereas this was not the case in past, which has led to improvement. 	Children and Supporting Families Departmental Management Team and if required escalate to the: - Children and Young People Achievement Panel	1. Achievement at the end of 2015/16 for (SCC/010) was 24.8% which is further improvement on the 2014/15 achievement of 25.7%. 2. The measure is therefore moving in the right direction	Efforts continue and arrangements still implemented to ensure maintaining the improvement.	Head of Children and Supporting Families Department	In progress
The services provided								
3	Access to health care and accommodation for looked after children. (Health)	The national LAC inspection identified a need to develop looked after children's access to primary health services and move on accommodation. As part of its corporate parenting responsibilities, the council should ensure that children who they look after can use primary healthcare. Performance in being registered with a GP within 10 days declined from 92.5% in 2012-13 to 78.4% in 2013-14. Whilst the percentage of health assessments for looked after children improved by 15% to 46%, it still remains significantly below the Wales average of 81%.	<ul style="list-style-type: none"> •The Children and Families Department to continue to monitor closely. • Continue to hold the discussion with the BCUHB to ensure that the arrangements for implementing health assessments are reviewed in a timely manner. • This area is reported on regularly to the Corporate Parenting Panel. 	Children and Supporting Families Departmental Management Team and if required escalate to the: - Children and Young People Achievement Panel and - Corporate Parenting Panel	Performance measurement meetings with health are held quarterly to ensure that any problems are resolved immediately. LAC advertising systems improvement work in place to ensure that LAC officers receive timely correspondence after a child comes into care for the first time. Quarter 2 2016 performance of 67%.	This is a matter of concern to the Council and is an area receiving attention from the Corporate Parenting Panel which continues to undertake discussions with BCUHB to ensure an improvement.	Head of Children and Supporting Families Department	In progress
Effects on people's lives								
4	Timeliness of child protection conferences.	The council has reduced the number of children it looks after from 203 in 2012-13 to 185 in 2013-14. It has significantly	<ul style="list-style-type: none"> • The Children and Families Department to continue to monitor closely. 	Children and Supporting Families Departmental	1. Monitoring and accepting reasons for late conferences continues.	The Department keeps a close eye on the reasons why	Head of Children and Supporting Families Department	In progress

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		improved its performance in the timeliness of reviewing the care plans of looked after children, with 94.3% now being carried out within statutory timescales compared to 75.4% in 2012-13. However, this remains below average for Wales (95.9%).	<ul style="list-style-type: none"> • The Children and Families Department to receive from Independent Reviewing Officers the reasons on each late review and to respond as is appropriate. 	Management Team and if required escalate to the: <ul style="list-style-type: none"> - Children and Young People Achievement Panel and - Corporate Parenting Panel 	2. Performance for the end of 2015/16 SCC / 014 was 86.7% and SCC / 034 was 85.5%. 3. Cumulative Performance at the end of 2nd quarter 2016/17 is 96.9% which is an improvement on previous performance and higher than the target (90%)	conferences are late and have found a clear pattern of failing to get a quorum (in line with the All Wales Child Protection Procedures) to conduct a conference review in particular. The chair will make a decision based on professional judgment to continue the conference without the key partners, or to defer to ensure attendance. The issues are brought to the attention of statutory partners regularly to seek a solution.		
	Delivering Social Services							
5	Raise awareness of the implications and requirements of Deprivation of Liberty Safeguards (DoLS) and improve the governance arrangements for the operation of the procedures.	The CSSIW DoLS inspection found that the appropriate training was provided to the specialist assessors who were supported by knowledgeable and experienced managers. Local training and promotion of the DoLS outside the council had not resulted in wide awareness and understanding of the safeguards. The need to increase DoLS training and awareness reflects a more general need to mainstream the DoLS throughout the council, social care and health. Inspectors noted that	<ul style="list-style-type: none"> • Revise Gwynedd's DoLS arrangements. • Appoint a DoLS Co-ordinator for Gwynedd. • Preparations with regards training staff on the DoLS arrangements and requirements. • Formulate a DoLS work programme in relation to further work to respond locally to DoLS obligations. • Prepare and submit a financial bid for 	Adults Health and Wellbeing Departmental Management Team Strategic Safeguarding Panel	1. Reviewing of Gwynedd DoLS arrangements has occurred. 2. A DoLS Co-ordinator for Gwynedd has been appointed. 3. A bid formed and submitted for permanent funding, for the purpose of funding the DoLS co-ordinator and to fund a lawyer and	A training program is in place. Specific sessions have been held for elected members and staff in September and October by a leading lawyer in the field. A Safeguarding and Quality Assurance Manager has been appointed and will take ownership of	Head of Children and Supporting Families Department	Complete

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	Improvement Area	Comments made by CSSIW in their annual evaluation of Gwynedd 2013-14	Action Plan	How do we monitor	Progress situation as at end of May 2015	Comments raised by the Service	Responsibility	Rate your progress: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
		<p>the council should examine its management arrangements to ensure that there is no conflict of interest between the supervisory body that oversees the DoLS assessment process and the managing authority that is responsible for the care provided.</p> <p>Recent case law has considerably widened the scope for potential application of the DoLS safeguards and this is already having a marked impact upon demand and the need for the council to appropriately respond. The council has 9 best interest assessors and is in a good position to meet the increase in demand.</p>	<p>permanent funding, to fund the DoLS Co-ordinator post and fund a solicitor and administrative support to undertake DoLS requirements, from 2015 onwards as part of the Council's bidding process.</p>		<p>administrative support to undertake the DoLS requirements, from 2015 onwards as part of the Council bidding process.</p> <p>4. Staff training arrangements with regards DoLS arrangements and guidelines.</p> <p>5. The work of formulating a DoLS work plan for further efforts, to respond locally to DoLS obligations, to be completed by end of March 2015.</p>	<p>scrutinizing these issues across the Department. This Manager will manage and lead this work of the Safeguarding and Quality Assurance Unit.</p>		
6	Quality assurance - Adults Health and Well-being Department	<p>The council's ability to accurately report on performance has continued to improve. Risk management within the service has improved with regular use and updating of a risk register.</p> <p>The council has not established a comprehensive quality assurance system. It plans to do so in 2014-15.</p> <p>The need to improve quality assurance was noted by CSSIW in last year's annual evaluation report. It is also an area for improvement in both of the recent national inspections and in the adoption inspection report. The council is introducing a cross cutting children and adults safeguarding and quality</p>	<ul style="list-style-type: none"> • In terms of data – develop a new system which will draw out data directly from the Department's Data Recording Management system and will report on data quality. • Use the new system to report on a quarterly basis. • Prepare, develop and promote guidelines for using the system for employees within the priority fields. • Draw up and agree on a quality assurance strategy across the service. 	<p>Adults Health and Wellbeing Departmental Management Team</p> <p>Annual Progress Report to CSSIW</p>	<p>A new system was developed by March 2014 to pull data directly from the Department Data Entry Control system highlighting any data quality issues. This is used from now on and to report data or performance management according to need.</p> <p>The work of creation a quality assurance strategy is being addressed and is being planned within</p>	<p>The Safeguarding and Quality Assurance Unit is in the process of being established, and it will take an overview of the Department's quality issues. There is an intention to introduce quarterly quality assurance reports to highlight quality issues within the Department.</p>	<p>Head of Adult, Health and Wellbeing Department</p>	In progress

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		assurance team.			the new Adult, Health and Welfare Department structure.			
7	Quality assurance - Children and Supporting Families Department	The council's ability to accurately report on performance has continued to improve. Risk management within the service has improved with regular use and updating of a risk register. The council has not established a comprehensive quality assurance system. It plans to do so in 2014-15. The need to improve quality assurance was noted by CSSIW in last year's annual evaluation report. It is also an area for improvement in both of the recent national inspections and in the adoption inspection report. The council is introducing a cross cutting children and adults safeguarding and quality assurance team.	<ul style="list-style-type: none"> • A Safeguarding and Quality Unit to be established and structurally accountable to the Head of Children and Supporting Families • Formalise the quality assurance framework for children as part of the work programme for the Children and Supporting Families Department during the 2015/16 performance year period 	Children and Supporting Families Departmental Management Team	<ol style="list-style-type: none"> 1. The Safeguarding and Quality Unit established during April 2014 which is structurally accountable to the Head of Children and Supporting Families 2. Work ongoing in order to develop this unit. 	During 2015/16 there shall be specific efforts to formalise the children's quality assurance framework as part of the Children and Supporting Families Department work programme.	Head of Children and Supporting Families Department	In progress
Providing direction								
8	Corporate parenting support for looked after children by the council and partners.	The council has made positive steps in its corporate parenting arrangements but these now need to be further developed. The corporate parenting panel will work with looked after children in 2014-15 to provide outline the actions that the council will take to support children in care. Members will need to provide greater support to assure that the strategic aims are effectively owned and translated into action across the council's services and	<ul style="list-style-type: none"> • Developing a Strategy. • Implementing the Strategy. • Annual Report of the Corporate Parenting Panel submitted to Cabinet. 	Corporate Parenting Panel	<ol style="list-style-type: none"> 1. Previous meeting of the Panel was on 20th April 2015. 2. Discussed was: <ul style="list-style-type: none"> - draft of the Strategy - Health report on looked after children - Health care of looked after children - Looked after children quarterly report - Looked after 	Care threshold team has submitted a progress report to the Corporate Parenting Panel and made presentations at 2 national conferences as an example of innovative good practice. Further the fostering service has received a	Head of Children and Supporting Families Department	In progress

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Improvement Area	Comments made by CSSIW in their annual evaluation of Gwynedd 2013-14	Action Plan	How do we monitor	Progress situation as at end of May 2015	Comments raised by the Service	Responsibility	Rate your progress: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
	by partner agencies; ensuring appropriate health care, increased educational support and temporary employment in the council for looked after children.			children personal education plans report - The fostering service - End to end project	positive review.		

7. October 2014 - Local Authorities Safeguarding Children Arrangements Gwynedd Council – Wales Audit Office Report

Gwynedd Council's Local Authorities Safeguarding Children Arrangements were audited by Wales Audit Office and a report was published in October 2014. Following this, the proposals below were submitted in the report of Councillor Wyn Williams to the Cabinet on 16 December 2014. In order to ensure that action had been taken in terms of the proposals, the report in question was submitted, as well as the national report, to the Strategic Safeguarding Children and Vulnerable Adults Panel (29 September 2015). It was agreed at the meeting that the Operational Group would consider the national recommendations and local proposals and report on any gaps that remain which require further attention. The Operational Group will report back to the Strategic Safeguarding Children and Vulnerable Adults Panel on 02 December 2015.

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Ref	Further proposals for improvement	Responsibility	Implementation Plan	By When	The monitoring arrangement and the progress made so far	Rate your progress as <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
1	Review the Local Authority Designated Officer for Child Protection requirements under the Children Act 2004 to ensure full compliance with the legislation.	Corporate Director	<ol style="list-style-type: none"> 1. The proposal was submitted to the Cabinet – 16.12.14. 2. The report was discussed with relevant officers to try to identify potential actions. 3. The proposal was submitted to the Strategic Safeguarding Children and Vulnerable Adults Panel (29.09.15) to see whether or not further action was required to what had already been implemented. 4. Observations in terms of any gaps that remain or elements that require further attention is expected at the next meeting of the Strategic Safeguarding Children and Vulnerable Adults Panel – 02.12.15. 	02.12.15	The recommendation is unclear, and the Department have contacted the Wales Audit Office for clarity. Waiting for a response by the Wales Audit Office.	In progress
2	Improve scrutiny of key elements of the Council's safeguarding arrangements through, for example, regular reporting on performance on safe recruitment; attendance	Senior Manager - Democratic and Delivery	<ol style="list-style-type: none"> 1. The proposal was submitted to the Cabinet – 16.12.14. 2. The report was discussed with relevant officers to try to identify potential actions. 3. The proposal was submitted to the Strategic Safeguarding Children and Vulnerable Adults 	02.12.15	<p>Training by an external expert to Scrutiny Committee members was held on 21st September, 2016.</p> <p>Through the introduction of the Performance</p>	Completed

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Ref	Further proposals for improvement	Responsibility	Implementation Plan	By When	The monitoring arrangement and the progress made so far	Rate your progress as
	and impact of safeguarding training; and the outcome of the annual school audit programme.		<p>Panel (29.09.15) to see whether or not further action was required to what had already been implemented.</p> <p>4. Observations in terms of any gaps that remain or elements that require further attention is expected at the next meeting of the Strategic Safeguarding Children and Vulnerable Adults Panel – 02.12.15.</p> <p>5. It should be emphasised that the existence of the Strategic Safeguarding Panel is evidence in itself of scrutinising the safeguarding field – this is one of the reasons for the Panel namely to monitor and scrutinise the field.</p> <p>The item was noted at the annual workshop of the Services Scrutiny Committee during the year.</p>		<p>Report to the Services Scrutiny Committee on 27/09/16 assurance was given by the Cabinet Member for Children and Families on the following:</p> <ul style="list-style-type: none"> - That the Council is implementing plans to raise awareness of safeguarding arrangements to all staff. - That all Council Departments have identified a person as a point of contact for safeguarding issues. - That a task group has been set up to measure the impact of the plans and that the awareness audit shows progress. <p>The appointment of a Safeguarding Officer to coordinate work in schools was welcomed and Members were encouraged by the Chairman to contribute actively to the work as schools Governors, by offering to hold an evening to raise parental awareness.</p>	<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete

8. October 2014: Delivering with less – the impact on Environmental health Services and citizens

Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Impact Measurement	Rate your progress as:
1	<ul style="list-style-type: none"> • Revise the best practice standards to: align the work of environmental health with national strategic priorities; identify the wider contribution of 	Public Protection Manager (Environment)	It is increasingly difficult to ensure that the environmental health service reaches the current advanced level with regards to environmental health service delivery. With more cuts being considered that will affect frontline statutory services - it will be difficult to	<p>New National Standards of Best Practice have been published.</p> <p>The service will strive to meet the standards and achieve statutory duties and put procedures in place for this, which includes reviewing the staffing structure of the service. Note that the cut of 2 frontline posts will be implemented from April</p>	Efficiency, consistency, and managing expectations as well as being able to concentrate on addressing statutory duties.	<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete <p style="text-align: center;">In progress</p>

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Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Impact Measurement	Rate your progress as:
	environmental health in delivering strategic priorities of the Welsh Government; and <ul style="list-style-type: none"> • identify the benefit and impact of environmental health services on protecting citizens. 		reach even the basic standards of best practice from 2016 onwards. The revised standards will reflect the financial context, and this will create a better understanding among the general public in terms of what service levels will be possible. We aim to reach the basic standards of good practice, where budgets are making it possible.	1, 2017 and the effect of trying to achieve with less will probably be seen during 2017/18. Note that the Environment Health service (known as the Public Protection Service) has joined with the Planning and Environment Service since 1 April 2016. A review of the staffing structure includes the creation of 1 Support Unit for the whole Service which will come to effect from April 1, 2017.		Rate your progress as: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
2	Provide scrutiny chairs and members with the necessary skills and support to effectively scrutinise and challenge service performance, savings plans and the impact of budget reductions.	Senior Manager Democratic and Delivery	Further work in response to the WAO report and 360 degree review is on-going internally. This will look at developing scrutiny member's skills.	Specific training sessions are designed for scrutiny members and there will be a clearer focus this year on the scrutiny work and what Scrutiny is trying to improve. Moreover, it is intended to hold one or two exercises this year in order to identify better ways of discussing performance	Better scrutiny of results	Complete
3	Improve engagement with local residents over planned budget cuts and changes in services by:- <ul style="list-style-type: none"> • consulting with residents on planned changes in services and using the findings to shape decisions; • outlining which services are to be cut and how these cuts will impact on residents; and • setting out plans for increasing charges or changing standards of service. 	Public Protection Manager (Environment)	The Cabinet will use the results of the questionnaires and the consultation process to help them make a decision on what services will be cut. There is real concern that environmental health services do not have enough of a high profile as say, social services work among the public, and there have been efforts to try to ensure that the public and elected members understand the risks of a breach in these services	Citizens and members have received information as part of the Gwynedd Challenge proses. Service Unit reviews have started that includes ascertaining the views of residents on the Service. The review is one that will take time to be implemented across the Service. Review of the Service structure will be held in order to respond to the practical impact of the loss of two front line jobs as part of the job cuts. Review of fees for 2016/17 is now operational and we are looking at other opportunities to charge for services such as offering advice, with the intention of this becoming operational in April 2017.	The public is aware of the implications involved with the jobs cuts	In progress
4	Improve efficiency and	Public	All relevant fees associated with the	Environmental health services have been	Greater efficiency.	In progress

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	<p>value for money by:</p> <ul style="list-style-type: none"> • Identifying the statutory and non-statutory duties of council environmental health services. • Agreeing environmental health priorities for the future and the role of councils in delivering these. • Determining an 'acceptable standard of performance' for environmental health services (upper and lower) and publicise these to citizens. Improving efficiency and maintaining performance to the agreed level through: <ul style="list-style-type: none"> - collaborating and/or integrating with others to reduce cost and/or improve quality; - outsourcing where services can be delivered more cost effectively to agreed standards; - introducing and/or increasing charges and focusing on income-generation activity; - using grants strategically to maximise impact and return; and - reducing activities 	<p>Protection Manager (Environment)</p>	<p>services offered will be reviewed so that the services move towards recovering costs. Possible options of integration or cooperating more closely with other Council services has been considered in order to discover if possible to increase efficiency and reduce costs further. There has already been a decline in activities that are not statutory. Relevant policies are being reviewed so that what is expected of services is clear to the public. We are moving towards providing more information online and increasing what is possible through self-service.</p>	<p>reviewed over the past 3 years in order to identify what is statutory and non-statutory. We have also identified the statutory duties of those where there is flexibility in the way that we are able to achieve, in order to make more effective use of budgets, and target resources to those services that cannot be achieved in a different way.</p> <p>The council is very aware of what its core priorities; and an effort is being made under increasingly difficult circumstances to protect the budgets of those services that are fundamental to ensuring public health, such as food security, health and safety and pollution control.</p> <p>There are examples of joint working on specific projects with other Councils in order to ensure more effective use of resources, with this taking place mainly in Trading standards.</p>	<p>Target resources more effectively. Impact in the future is unpredictable until a final decision has been made about what further cuts to frontline services will be made such as core food safety and pollution control.</p>	

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Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Impact Measurement	Rate your progress as: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
	to focus on core statutory and strategic priorities.					
5	<p>Improve strategic planning by:</p> <ul style="list-style-type: none"> • identifying, collecting and analysing financial, performance and demand/need data on environmental health services; • analysing collected data to inform and understand the relationship between 'cost: benefit: impact' and use this intelligence to underpin decisions on the future of council environmental health services; and • agree how digital information can be used to plan and develop environmental health services in the future. 	Public Protection Manager (Environment)	Local performance measures are being reviewed in order to be certain of our ability to measure the demand for our services effectively and that the public receives a quality and timely service. The meters will be used to plan if necessary to review how service unit resources are shared.	<p>Work has been done as part of an initial review of Service Units to identify the purpose of the service with performance measures developed that are specifically relevant to the purpose.</p> <p>Performance measurement and assessment procedures have been developed to make the citizen at the centre of what we are achieving. We challenged data a lot more in order to try to understand performance and to make changes where necessary.</p> <p>The service has been operating on a training program to improve the use and understanding of our back office system. Also, a program is being put in place for the introduction of amendments and to try to prioritize those improvements. The Service also keeps track of the Tascomi back office system - which is being introduced in other authorities to consider if there are opportunities.</p>		In progress

9. February 2015 – Managing early departures across Welsh public bodies

Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Impact Measurement	Rate your progress as: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
1	<p>We recommend that public bodies:</p> <ul style="list-style-type: none"> • Ensure that councillors or board members have the opportunity to examine 	Head of Corporate Support / Human Resources		A report was submitted to the Council's corporate scrutiny committee which referred to some elements related to early retirements. We do not have recent examples where it was necessary to gain approval by councillors for more expensive		Complete

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Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Impact Measurement	Rate your progress as:
	<p>the value for money of early departure schemes through established scrutiny/governance arrangements.</p> <ul style="list-style-type: none"> • Ensure that councillors and/or board members approve higher value packages, such as those for senior management. • Consider using internal audit to provide assurance on overall management of early departure schemes. 	Advisory Services Manager		<p>packages. The internal audit unit had programmed an inspection in this area for 2016/17, but given the lack of resources the decision was made that conducting an audit on management in this area was not a priority.</p>		<p>Rate your progress as:</p> <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
2	<p>Public bodies should give due consideration to the equality impact of all early departure arrangements, in particular where a public body is running a specific scheme covering multiple possible <i>departures</i>.</p>	Head of Corporate Support / Human Resources Advisory Services Manager		<p>We have identified equality impact assessment as a priority within the overall Equality Scheme 2016 - 2020 the Council.</p>		In progress
3	<p>Public bodies should monitor and report as part of their internal governance arrangements on expected and achieved savings as a result of early departures. This will help inform future cost reduction plans.</p>	Head of Corporate Support / Human Resources Advisory Services Manager	<p>There will be consideration of this element in the investigation by the internal audit unit referred to in A3 above.</p>	<p>The savings realized are being monitored, but no formal report will be presented specifically on early departures at the moment.</p>		Being planned
4	<p>Public bodies should review their record keeping for early departure arrangements, so that they can more readily identify key information including the number and costs of early departures in a given period, payback period information based on salary and employers'</p>	Head of Corporate Support / Human Resources Advisory Services Manager	<p>The Council keeps detailed records on decisions relating to early departure, including the costs involved. It is envisaged that the audit referred to in A3 above will give some consideration to this element.</p>	<p>The Council keeps detailed records on decisions relating to early departure, including the costs involved. The fact that the Internal Audit Unit does not consider this a priority for further exploration is one indication that proper arrangements are in place.</p>		Complete

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Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Impact Measurement	Rate your progress as:
	National Insurance and pension costs, and settlement agreements.					<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete

10. Year 2014-15 – Annual Improvement Report by the Wales Audit Office. Published 7 July 2015.

Presented to the Corporate Management Team, Cabinet Members, Heads of Service, Chairs and Vice-Chairs of the Scrutiny Committees and the Audit Committee on 30th July 2015.

Ref	Further proposals for improvement	Responsibility	Implementation Plan	The monitoring arrangement and the progress made so far	Rate your progress as
					<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
1	Participate more fully in the Welsh Government's Waste and Resource Action Plan to validate and/ or improve waste recycling and cost reduction plans.	Head of Highways and Municipal	Application made to the Welsh Government to carry out an exercise 'Toolkit Waste & Resources Action Programme'(WRAP) under the 'Collaborative Change Programme' (CCP). No budget available under the Welsh Government Programme to undertake this work this year, but is willing to consider this for 2016/17.	WRAP, with Department assistants are creating the Kerbside Analysis Tool review (KAT) at the moment. A draft report on the review is expected in December.	In progress

11. July 2015 – A Review of Corporate Safeguarding Arrangements in Wales

Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Impact Measurement	Rate your progress as:
						<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
1	Ensure all relevant staff, members and partners understand their safeguarding responsibilities by:	Corporate Director	<ul style="list-style-type: none"> • ensuring safeguarding training is mandated and coverage extended to all relevant council service areas, and is included as standard on induction programmes; • creating a corporate-wide system to identify, track and monitor compliance on attending safeguarding training in all council departments, elected members, 	<p>An e-learning module on safeguarding children and vulnerable adults has been developed. In addition, the Council's policy is available in the Centre for Policy on the Council's intranet.</p> <p>The Strategic Children and Adults</p>		Complete

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Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Impact Measurement	Rate your progress as:
			schools, governors and volunteers; and • requiring relevant staff in partner organisations who are commissioned to work for the council in delivering services to children and young people to undertake safeguarding training.	Safeguarding Panel drives this agenda corporately and aims to ensure the full understanding of responsibilities.		• Not started • Being planned • In progress • Complete
2	Improve accountability for corporate safeguarding by regularly reporting safeguarding issues and assurances to scrutiny committee(s) against a balanced and council-wide set of performance information covering:	Corporate Director	<ul style="list-style-type: none"> • benchmarking and comparisons with others; • conclusions of internal and external audit/inspection reviews; • service-based performance data; • key personnel data such as safeguarding training, and DBS recruitment checks; and • the performance of contractors and commissioned services on compliance with council safeguarding responsibilities. 	A report is submitted by the Strategic Safeguarding Children and Adults Panel every 6 months to the Cabinet, in addition project reports are reported using the usual performance management arrangements within the Council.		Complete

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12. Year 2014-15 – Annual Review and Evaluation of Performance of the Care and Social Services Inspectorate Wales (CSSIW) Published: 30 October 2015

Presented to the Services Scrutiny Committee on 26 November 2015.

Presented to the Cabinet on 15 December 2015.

An initial implementation plan was presented to the Services Scrutiny Committee on 28 January 2016 and a full implementation plan to the preparatory meeting of the Services Scrutiny Committee on 28 February 2016.

Ref	Areas for Improvement	Possible Relevant Comments CSSIW	Arrangements underway	Responsibility	Rate your progress as <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
1.1	Improvements in the Protection of Vulnerable Adult (PoVA) practice	<p>6.6. Safeguarding is a priority for the council and it has implemented corporate arrangements to improve safeguarding practices. It now needs to implement changes in its adult protection processes</p> <p>6.7. During the year there were 178 Protection of Vulnerable Adult (POVA) referrals in the year, six fewer than the previous year. Of these referrals 100% were completed where the risk was managed. The council contributed to an adult practice review that identified improvements needed in the council's Protection of Vulnerable Adult (POVA) practice. When implemented, these will increase the involvement of care providers and provide greater clarity regarding the investigation and its outcome. Adult safeguarding will be an area for CSSIW to follow up in 2015-16.</p>	A Quality Assurance and Safeguarding Unit is in the process of being established by the Adult, Health and Wellbeing Department. The work of the Unit includes vulnerable adult protection work.	Head of Adult, Health and Wellbeing Department	In progress
1.2	Modernising learning disabilities services	6.10 ...The council identified that it needs to modernise its learning disabilities services and developing a range of person centred services to increase independence. The council is adopting the progression person-centred development model for learning disability services that aims to better realise aspirations in achieving independence. This approach promotes the learning of new skills and helping people to safely do as much as they can for themselves. This is an area that CSSIW will follow up in the coming year. In 2014-15 the council has also been undertaking a review of adult services. The council stated that the review would be published in September 2015.	The service has undergone a restructuring, bringing Learning Disabilities Provide staff and social workers together. A Learning Disability Management Team has been established to coordinate the work. The challenge of achieving efficiency savings has been reached. The service is working on an ethos based on active support of positive behaviour. There are a number of work streams that are being implemented, including the Social Enterprise, day care and respite care pilots.	Head of Adult, Health and Wellbeing Department	Complete
1.3	Mental health commissioning strategy and services.	6.10 - The council has begun to develop a mental health commissioning strategy and mental health services will be an area for us to follow up in 2015-16....	The work of the mental health service comes under the responsibility of the Safeguarding and Quality Assurance Manager. We are therefore taking the opportunity to take a step back in order to plan appropriate governance arrangements for today and for	Head of Adult, Health and Wellbeing Department	In progress

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Ref	Areas for Improvement	Possible Relevant Comments CSSIW	Arrangements underway	Responsibility	Rate your progress as <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
			the future.		
2.1	Adult safeguarding	<p>6.6. Safeguarding is a priority for the council and it has implemented corporate arrangements to improve safeguarding practices. It now needs to implement changes in its adult protection processes</p> <p>6.7. During the year there were 178 Protection of Vulnerable Adult (POVA) referrals in the year, six fewer than the previous year. Of these referrals 100% were completed where the risk was managed. The council contributed to an adult practice review that identified improvements needed in the council's Protection of Vulnerable Adult (POVA) practice. When implemented, these will increase the involvement of care providers and provide greater clarity regarding the investigation and its outcome. Adult safeguarding will be an area for CSSIW to follow up in 2015-16.</p>	<p>There is a Safeguarding project within the Council's Strategic Plan D3 - Protecting vulnerable adults. The purpose of the project is to aim to improve continuously the arrangements and culture within the field of safeguarding adults.</p> <p>Establishing the Safeguarding and Quality Assurance Unit is also a positive step to improving our safeguards.</p>	Head of Adult, Health and Wellbeing Department	In progress
2.2	Support for carers	6.14. The council assessed or reviewed the needs of 241 adult carers in 2014-15 which is a reduction from the 298 carers assessed the previous year. This is a concern as the number of carers of adults receiving an assessment of their own needs has risen over the past four years in Wales, whilst the number has fallen continually in Gwynedd. The number of carers of adults who were assessed or re-assessed in their own right during the year, who were provided with a service in the year, was 132 people.	<p>In order to support Planning services for carers into the future, we have been working on the population needs assessment.</p> <p>We have been consulting and listening to the voice of carers. The work of analysing this information is under way. The information from this will guide our future work program.</p>	Head of Adult, Health and Wellbeing Department	In progress
3.2	Timeliness of child protection conferences	6.23. The number of children on the Child Protection Register at the end of the year was similar to the last three years after a rise in 2012-13. The council's performance in holding initial child	There has been an increase in the numbers of looked after children and so the workload of reviewing officers has increased. At the end of quarter 2 15/16 132 reviews were held and at the	Head of Children and Supporting	In progress

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Ref	Areas for Improvement	Possible Relevant Comments CSSIW	Arrangements underway	Responsibility	Rate your progress as
		protection conferences improved slightly but is below the average in Wales (85% compared to 93%). The council's performance in holding statutory reviews and review child protection conferences on time also dipped. The loss of the child protection co-ordinator and staff sickness contributed to the downturn in performance in these areas. The timeliness of child protection conferences remains an area for improvement. The council also needs to maintain and improve the timeliness of reviews of looked after children now managed by the safeguarding and quality unit.	end of Q2 16/17 153 reviews were held with 134, which is 88% of them within the statutory timeframe. An increase of 16% on the number of reviews conducted during the same period. The service will continue to monitor the situation regularly and collect detailed information about the reasons for the ones which are held outside the timeframe.	Families Department	<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
3.3	Timeliness of looked after children's reviews	6.23. The number of children on the Child Protection Register at the end of the year was similar to the last three years after a rise in 2012-13. The council's performance in holding initial child protection conferences improved slightly but is below the average in Wales (85% compared to 93%). The council's performance in holding statutory reviews and review child protection conferences on time also dipped. The loss of the child protection co-ordinator and staff sickness contributed to the downturn in performance in these areas. The timeliness of child protection conferences remains an area for improvement. The council also needs to maintain and improve the timeliness of reviews of looked after children now managed by the safeguarding and quality unit.	As noted above in 3.2, holding child protection review conferences within the timescale is currently a challenge for the reasons noted above. The performance of quarters 1 and 2 has been challenging – 71% at the end of quarter 1 and 77% at the end of quarter 2. The indicator which measures the attendance at child protection case conferences shows that social workers are present at 100% of them, but that there is a challenge to ensure quorum from partner agencies at each review conference. When there is no quorum, the chair has to decide to either continue with the conference or postpone until such time as the required representation is present in order to make a decision. These matters are being addressed specifically with those agencies on an operational and strategic level.	Head of Children and Supporting Families Department	In progress
3.4	Timeliness of health assessments for looked after children.	6.31. The health board has only made a small improvement to the percentage of looked after children who receive a health assessment in the year and this remained significantly behind the Wales average (51% compared to 81%).	The service has been collaborating with the Betsi Cadwaladr University Health Board for a number of years to try to resolve the problems in terms of holding health assessments for looked-after children in a timely manner. The Corporate Parent Panel has been holding the Health Board to account in order to challenge practice and ensure that improvements to the procedure are carried out. Despite this, progress has been extremely disappointing, but during this year we have seen an improvement in the performance against this indicator as the results of quarter 1 show that 60.7% were held within time and 63.4% at the end	Head of Children and Supporting Families Department	In progress

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Ref	Areas for Improvement	Possible Relevant Comments CSSIW	Arrangements underway	Responsibility	Rate your progress as <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
			of quarter 2. This is encouraging and has reached the target set locally (60%). It remains lower than the Welsh average, but we are of the view that we have resolved the biggest problems in terms of arrangements and processes in order to see continued progress.		
4.2	Scrutiny and oversight of implementation of modernisation programmes	1.5. The planned changes in social services will require changes in established practice and culture. The nature and scale of the changes faced by social services present significant risks that require a high level of leadership and support to be delivered in a timely manner. The new arrangements with a cabinet member for adults and health and a cabinet member for children and young people should provide a clearer line of sight on the new service developments, and engagement with the health board.	<p>Robust governance arrangements are in place with Cabinet Members in place for the Adult field and in place for the Children's field. Both members are accountable for the changes that occur within their fields but also, as part of the Council's performance management arrangements, continually scrutinize, offering support where necessary. This is done through formal arrangements through Departmental Performance Meetings and Cabinet meetings. In addition, the Services Scrutiny Committee scrutinizes the main programs to transform the field.</p> <p>As part of the culture change within the Council, ensuring that we put Gwynedd people at the centre of everything we do, we aim to have an organization that continuously scrutinize our decisions.</p>	Corporate Director	Complete

13. October 2015 – Supporting the Independence of Older People: Are Councils Doing Enough

Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Rate your progress as: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete

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Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Rate your progress as: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
1	Improve governance, accountability and corporate leadership on older people's issues	Housing Senior Manager	<ul style="list-style-type: none"> • the appointment of a senior lead officer who is accountable for coordinating and leading the council's work on older people's services; • realigning the work of the older people's strategy coordinators to support development and delivery of plans for services that contribute to the independence of older people; • the appointment of a member champion for older people's services; and • regularly disseminating and updating information on these appointments to all staff and stakeholders. 	<p>Head of Adult Health and Welfare is responsible for leading the work of the council on services for older people.</p> <p>A Wellbeing Manager has been appointed and is responsible for ensuring that Gwynedd Council's Age Well action plan is implemented. Specific work program to be set within the next few months.</p> <p>Older People's Champion has been identified, and represents the interests of older people in Gwynedd.</p>	Complete
2	Improve strategic planning and better coordinate activity for services to older people	Housing Senior Manager	<ul style="list-style-type: none"> • ensuring comprehensive action plans are in place that cover the work of all relevant council departments and the work of external stakeholders outside of health and social care; and • engaging with residents and partners in the development of plans, and in developing and agreeing priorities. 	<p>Draft Ageing Well Action Plan has been developed but not approved. Discussions to be held with the Corporate Management Team on what to prioritize and how to proceed.</p> <p>Following a meeting with Council's Leadership Team, and visits to 5 Departments within the Council by the Welfare Manager, the Ageing Well Plan has a new emphasis on supporting departments across the Council which will be drafted and submitted to Cabinet on December 13, 2016.</p> <p>Age Cymru Gwynedd and Anglesey have engaged with older people to know identify their priorities. The Age Cymru Gwynedd and Anglesey report, which identifies these priorities, are included in the Ageing Well Plan.</p>	In progress
3	Improve engagement with, and dissemination of, information to older people by ensuring advice and information services are appropriately configured and meet the needs of	Housing Senior Manager		<p>Work program to be developed under Care Challenge to raise community awareness of what is required by the new law and how they can play a role in promoting the independence of older people and joint commissioning of services for them.</p> <p>There is an intention to use the Gwynedd Ageing Well Plan in its new form as a means to engage with older people to show how departments contribute. Give examples of good practice to</p>	In progress

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Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Rate your progress as:
	the recipients.			demonstrate how it is possible to promote independence through various schemes that have been commissioned jointly by the Council, Health and 3rd sector.	<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
4	Ensure effective management of performance for the range of services that support older people to live independently:	Housing Senior Manager	<ul style="list-style-type: none"> • setting appropriate measures to enable members, officers and the public to judge progress in delivering actions for all council services; • ensuring performance information covers the work of all relevant agencies and especially those outside of health and social services; and • establishing measures to judge inputs, outputs and impact to be able to understand the effect of budget cuts and support oversight and scrutiny. 	There will be specific action points under different chapters of the Ageing Well scheme designed to be implemented by specific departments and agencies. The expected results are described and we will be reporting on the progress of the action points annually. Measures have been identified in the Ageing Well Action Plan, but discussions are taking place as to their appropriateness and the monitoring mechanism. The majority of outputs are based on the national framework for the Welfare and Social Services Act.	In progress
5	Ensure compliance with the Public Sector Equality Duty when undertaking equality impact assessments	Housing Senior Manager	<ul style="list-style-type: none"> • setting out how changes to services or cuts in budgets will affect groups with protected characteristics; • quantifying the potential impact and the mitigation actions that will be delivered to reduce the potentially negative effect on groups with protected characteristics; • indicating the potential numbers who would be affected by the proposed changes or new policy by identifying the impact on those with protected characteristics; and • ensuring supporting activity such as surveys, focus groups and information campaigns includes sufficient information to enable service users to clearly understand the impact of proposed changes on them. 	<p>The conducting of Equality Impact Assessments on proposed cuts by the council's Gwynedd Challenge has been completed.</p> <p>Corporate arrangements are in place to support corporate conducting Equality Impact Assessments. In addition, a project within Gwynedd Council's 2016-20 Corporate Equality Strategy is specifically to improve our equality impact assessment arrangements.</p>	Complete

14. December 2015 – Delivering with Less – Leisure Services

Ref	Recommendations for Improvement	Responsibility	Implementation Plan	Progress	Rate your progress as: • Not started • Being planned • In progress • Complete
1	Improve strategic planning in leisure services by:	Ian Jones, Economy and Community Senior Manager	<ul style="list-style-type: none"> • setting an agreed council vision for leisure services; • agreeing priorities for leisure services; • focussing on the council’s position within the wider community sport and leisure provision within the area; and • considering the potential to deliver services on a regional basis. 	<p>The Service is working on operating the Ffordd Gwynedd business model by developing a purpose and measures. This work takes into account national, regional and also the needs of the people of Gwynedd.</p> <p>Regarding Sport, Gwynedd Council is taking a lead role in developing an alternative model for planning and regional commissioning activities. The business case has now been agreed and we are moving forward to operate in order for the new organization to be in place by April, 2017.</p>	Complete
2	Undertake an options appraisal to identify the most appropriate delivery model based on the council’s agreed vision and priorities for leisure services	Ian Jones, Economy and Community Senior Manager	<p>The appraisal should consider:</p> <ul style="list-style-type: none"> • the availability of capital and revenue financing in the next three-to-five years; • options to improve the commercial focus of leisure services; • opportunities to improve income generation and reduce council ‘subsidy’; • a cost-benefit analysis of all the options available to deliver leisure services in the future; • the contribution of leisure services to the council’s wider public health role; • better engagement with the public to ensure the views and needs of users and potential users are clearly identified; • the impact of different options on groups with protected characteristics under the public sector equality duty; and • the sustainability of service provision in the future 	<p>The Service has completed a high-level study on the possible options for a new alternative operating model in Gwynedd. This study has demonstrated that it is possible to develop several alternative models which would release further efficiencies for the Council but a detailed business case needs to be developed before reaching a final decision. The Cabinet has approved a budget for delivering the business case and it is aimed to be completed by April, 2017. The business case will be carefully scrutinized before the Cabinet will make a decision in 2017/2018.</p> <p>The Service expects to deliver £820k of efficiency savings by reducing the subsidy in each leisure center in 2017/2018. This is achieved by reducing costs in part but mainly by operating commercially and increasing income.</p>	Complete

15. June 2016 - National inspection of care and support for people with learning disabilities - Cyngor Gwynedd

Ref	Recommendations for Improvement	Responsibility	Progress	Rate your progress as: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
2.1	The local authority should give a higher priority to meeting the needs of people with learning disabilities. Leadership is needed to provide direction for improvement, professional support for staff and wide ranging engagement with stakeholders.	Head of Adult, Health and Wellbeing Department	Since April 2016 a new Senior Manager with appointed with overall responsibility for the learning disability service in Gwynedd, including the internal learning disabilities provider. Set out below is a summary of the key changes: - <ul style="list-style-type: none"> • Appointment of New Senior Manager; • Appointment of a new County Manager; • Appointment of New Senior Practitioners; • New Appointment of Provider Manager; • Revised focus on development and modernization projects; • Merger of adult social care and internal provider unit for adults with learning disabilities; • Secondment of a training officer focusing on promoting active support, progression and PBS. • Establish a management team fro the service (several meetings have been held as well as development days). 	Complete
2.2	The local authority should establish channels of communication to achieve meaningful engagement with people, families and carers - using advocacy services as needed.	Head of Adult, Health and Wellbeing Department	The service is committed to ensuring effective channels of communication and engagement. As a result, the service has established a new ethos of promoting engagement sessions led by a common person. These sessions will focus on informal a 'coffee and chat' approach. The service will continue to facilitate more formal engagement in seeking specific views on certain modernization projects. In addition, in August 2016 the service produces a newsletter itself.	Complete
2.3	Strategic planning with health colleagues is needed to develop long term aspirations and plans. A joint commissioning strategy should be developed between health and social services based on an analysis of need.	Head of Adult, Health and Wellbeing Department	Work is underway to develop a stronger strategic relationship with our health colleagues, regionally and locally. We aim to develop our commissioning strategy as a direct result of our population needs assessment submitted to WAG in 2017. In addition, a modernization forum will be established in December 2016 with an invitation to all key stakeholders (including health colleagues and external providers) to attend as core members.	In progress
2.4	The local authority should develop and improve its communication with providers of services, involving	Head of Adult, Health and	All providers are invited to attend the modernization forum established in December 2016. In addition, all providers are invited to attend consultation events on service changes that may affect the provision of services.	In progress

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Ref	Recommendations for Improvement	Responsibility	Progress	Rate your progress as:
	them in the construction of a market position statement and in discussions about a joint commissioning strategy with health.	Wellbeing Department		<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
2.5	The local authority should review its arrangements for adult safeguarding ensuring that there is clarity regarding roles and responsibilities and quality assurance arrangements.	Head of Adult, Health and Wellbeing Department	It has been agreed to establish a Safeguarding and Quality Assurance unit for adult services. Currently the new management position is advertised on safeguarding adults and quality assurance and the person appointed will lead the work of the unit under the supervision of the Learning Disabilities, Mental Health and Safeguarding Senior Manager.	In progress
2.6	The local authority should review the way in which it safeguards the rights of people where their liberty is being deprived to ensure that human rights are properly supported and protected.	Head of Adult, Health and Wellbeing Department	As above, the new manager will focus him / her attention on this particular work stream. The aim is that many members of the new Safeguarding unit will be trained as 'Best Interest' assessors and therefore they will have the skills to assess adults who are subject to deprivation of liberty safeguards measures (DOLS). In addition, a new work plan will be drawn up and implemented in autumn 2016 with focus on developing systems and safeguarding and quality assurance measures.	In progress
2.7	The local authority needs to ensure appropriate performance management and professional advice is in place to support the workforce.	Head of Adult, Health and Wellbeing Department	There are systems in place to ensure that learning disabilities staff receive professional supervision from the Senior Manager.	Complete

16. October 2016- Community safety in Wales

Ref	Recommendations for Improvement	Responsibility	Progress	Rate your progress as:
A1	Improve strategic planning to better co-ordinate activity for community safety by replacing the existing planning	Community Safety Delivery	<p>The Recommendation states that this is a responsibility that sits with - Welsh Government / Home Office / Police Commissioner, and Local government.</p> <p>To date, there is no instruction from the Welsh Government or the Home Office that a discussion is going</p>	<ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete <p style="text-align: center;">Not started</p>

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Ref	Recommendations for Improvement	Responsibility	Progress	Rate your progress as: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
	framework with a national strategy supported by regional and local plans that are focused on delivering the agreed national community safety priorities.	Manager	on to develop a national framework. Until that, it's hard to respond locally.	
A2	Improve strategic partnership working by formally creating effective community-safety boards that replace existing community-safety structures that formalise and draw together the work of Welsh Government, police forces, local authorities, health boards, fire and rescue authorities, WACSO and other key stakeholders.	Community Safety Delivery Manager	<p>The Recommendation states that this is a responsibility that sits with - Welsh Government / Police Commissioner, and Local government</p> <p>Gwynedd Council structures are consistent with statutory requirements – that is a Community Safety Partnership is in existence. The local Partnership collaborates with the regional Board to pull work together -as required - there is representation from the three responsible bodies (above) on the Board</p> <p>No regional / local discussions of yet to decide if structures here in North Wales need to change.</p>	Not started
A3	Improve planning through the creation of comprehensive action plans that cover the work of all partners and clearly identify the regional and local contribution in meeting the national priorities for community safety.	Community Safety Delivery Manager	<p>The Recommendation states that this is a responsibility that sits with - Welsh Government / Police Commissioner, and Local government</p> <p>In North Wales, there is a Regional Strategy, which includes the Commissioner's priorities. Derived from these, there are local operational plans in place.</p>	Complete
A4	Review current grant-funding arrangements and move to pooled budgets with longer-term funding commitments to support delivery bodies to improve project and workforce planning that focusses on delivering the priorities of the National community-safety strategy	Community Safety Delivery Manager	<p>The Recommendation states that this is a responsibility that sits with - Welsh Government / Police Commissioner, and Local government</p> <p>Community safety specific grants, more or less have now all combined.</p>	Complete

EXTERNAL AUDIT REPORTS 2012/13 – 2016/17

APPENDIX 1

Ref	Recommendations for Improvement	Responsibility	Progress	Rate your progress as: <ul style="list-style-type: none"> • Not started • Being planned • In progress • Complete
A5	Ensure effective management of performance of community safety	Community Safety Delivery Manager	<p>The Recommendation states that this is a responsibility that sits with - Welsh Government / Police Commissioner, and Local government</p> <p>There are regional, local and service level measurements in place.</p> <p>There are no national measures yet, due to the situation -regarding recommendation one.</p> <p>This may be addressed further after establishing the Public Service Board.</p>	In progress
A6	Revise the systems for managing community-safety risks and introduce monitoring and review arrangements that focus on assuring the public that money spent on community safety is resulting in better outcomes for people in Wales.	Community Safety Delivery Manager	<p>The Recommendation states that this is a responsibility that sits with the Police Commissioner and Local government</p> <p>Discussion between the Police Commissioner and the Council in this respect, have yet to happen.</p>	Not started
A7	Improve engagement and communication with citizens through Public Service Boards	Community Safety Delivery Manager	<p>This recommendation states that it is the responsibility of the Public Service Board (PSB)</p> <p>The PSB is yet to complete a needs assessment, and yet to complete a strategy for Gwynedd and Anglesey.</p>	Not started

External Audit Reports

Ref	Report	Date	Auditing body	Kind
1.	Gwynedd Council Information Management Feedback Wales	April 2012	Wales Audit Office	Local
2.	2012-13 Annual Review and Evaluation of Performance of the Care and Social Services Inspectorate Wales (CSSIW)	2012-13	Care and Social Services Inspectorate Wales (CSSIW)	Local
3.	National Review of the Use of Deprivation of Liberty Safeguards (DOLS) in Wales 2014 - Gwynedd Local Authority and Betsi Cadwaladr University Health Board	May 2014	CSSIW	Local
4.	Good Scrutiny? Good Question	May 2014	Wales Audit Office	National
5.	Young People not in education, employment or training – Findings from a review of council in Wales	July 2014	Wales Audit Office	National
6.	2013-14 Annual Review and Evaluation of Performance of the Care and Social Services Inspectorate Wales (CSSIW)	2013-14	CSSIW	Local
7.	Local Authorities Safeguarding Children Arrangements Gwynedd Council	October 2014	Wales Audit Office	Local
8.	Delivering with less – the impact on Environmental health Services and citizens	October 2014	Wales Audit Office	National
9.	Managing early departures across Welsh public bodies	February 2015	Wales Audit Office	National
10.	Annual Improvement Report by the Wales Audit Office	2014-15	Wales Audit Office	Local
11.	A Review of Corporate Safeguarding Arrangements in Wales	July 2015	Wales Audit Office	National
12.	2014-15 – Annual Review and Evaluation of Performance of the Care and Social Services Inspectorate Wales (CSSIW)	2014-15	CSSIW	Local
13.	Supporting the Independence of Older People: Are Councils Doing Enough	October 2015	Wales Audit Office	National
14.	Delivering with Less – Leisure Services	December 2015	Wales Audit Office	National
15.	National inspection of care and support for people with learning disabilities- Gwynedd Council	June 2016	CSSIW	Local
16.	Community safety in Wales	October 2016	Wales Audit Office	National

Note: The full 'Gwynedd Financial Resilience' Wales Audit Office reports are submitted separately to the Audit Committee, and attention will be given at that time to any recommendations that apply to us.

Agenda Item 6

MEETING: Audit Committee

DATE: 1 December 2016

TITLE: Revenue Budget 2016/17 –
Second Quarter Review (September 2016)

PURPOSE: Monitoring Report on the Latest Financial Position

ACTION: Receive the information, consider the risks arising from the forecast expenditure against the budget, and scrutinise the Cabinet's decisions regarding budget management by the Council and its departments.

CONTACT OFFICER: Dafydd L Edwards, Head of Finance

CABINET MEMBER: Councillor Peredur Jenkins

1. In accordance with the requirements of the Local Government (Wales) Measure 2011, the Audit Committee is expected to scrutinise some financial matters including budget monitoring reports, as appropriate.
2. The attached report (Revenue Budget 2016/17 – Second Quarter Review) was submitted to the Cabinet on 22 November 2016.
3. The Chairman of the Audit Committee has asked us to present the Cabinet report to the Audit Committee, to be scrutinised together with the relevant decisions. It is intended to present the Cabinet's decisions "on the table" at the Audit Committee meeting.
4. The Audit Committee is requested to note the situation and the relevant risks regarding the budgets of the Council and its departments, consider the Cabinet's decisions and comment as necessary.

Enclosure:

Revenue Budget 2016/17 – Second Quarter Review report (Cabinet 22/11/2016)

REPORT TO THE CABINET

22 November 2016

Cabinet Member: Councillor Peredur Jenkins, Cabinet Member - Resources

Subject: The Revenue Budget 2016/17 -
Second Quarter Review (September 2016)

Contact Officer: Dafydd L Edwards, Head of Finance

1. The decision sought / Purpose of the report

The Cabinet is asked to:

- Receive the report on the second quarter review of the Revenue Budget (position as at 30 September 2016), and consider the latest financial situation regarding the budgets of each department / service, asking the Cabinet Members and relevant heads of department to take appropriate steps regarding the matters under their leadership/management.
- Transfer (£135k) from a corporate budget to the Adults, Health and Wellbeing Department to finance the additional costs resulting from the change in charging for the first six weeks of residential and nursing care.
- Allow the Regulatory Department to use (£200k) of their underspend to finance specific plans to improve the condition of car parks.
- Transfer (£300k) from the Regulatory Department to the Corporate Redundancy Fund to assist with the changes facing us as a Council.
- Harvest (£300k) from the favourable Council Tax collections, and (£290k) from the Benefits underspend, together with (£200k) of the underspend included within 'Other', and transfer as follows:
 - use (£20k) of the underspend as a financial contribution to the independent Harlech Swimming Pool as a one-off bridging payment for the period to 31 March 2017, in accordance with the Cabinet decision on 4 October 2016.
 - use (£135k) to finance the financial obligations of the change in the Care Act 2014 by the Adult, Health and Wellbeing Department.
 - the remainder (£635k) to be set aside in the Transformation Fund.

2. Introduction / Background

It is the Cabinet's responsibility to take action, as necessary, in order to secure appropriate management over the Council's budgets (e.g. approval of significant virements or supplementary budgets).

The first quarter budget review report was submitted to the Cabinet on 12 July 2016. This report submitted today is much more detailed.

This quarterly report presents the latest review of the Council's revenue budget for 2016/17, and a summary of the position by each Department is outlined in **Appendix 1**.

In **Appendix 2**, further details are given relating to the main issues and the budget headings where significant variances are forecasted, along with specific recommendations where appropriate.

2.1 Adults, Health and Wellbeing Department

The trend of overspending seen in 2015/16 by the Department continues, but a combination of underspends in some areas and overspends in others is evident. This year has seen specific changes regarding charging for the first six weeks of residential and nursing care emanating from the 2014 Care Act. It came into force on 1 April 2016, but was introduced too late to be reflected in the 2016/17 budget. Consequently, a shortfall was seen in the related income received by the Council. As the consequences of the change are an unavoidable additional burden on the Department, it will be subject to a bid for 2017/18. It is recommended that £135k is transferred to the Department to finance the additional costs this year.

2.2 Education Department

There was additional pressure on the Redundancy and Early Retirement in schools, and Additional Learning Needs headings, but the early achievement of 2017/18 savings schemes is assisting with the position this year. It is once again recommended that a reserve is used to mitigate the overspend relating to Redundancy and Early Retirement, in an effort to keep the position under control.

2.3 Regulatory Department

The favourable income situation and the early realisation of savings by the Regulatory Department this year have enabled the Department to finance some specific schemes to improve the Council's assets. By allowing this, it also enables the transfer of part of the underspend to the Corporate Redundancy Reserve.

2.4 Corporate

It is recommended that the underspends from the Council Tax base, Benefits and other Corporate heading are transferred to the Transformation Fund in order to assist with the changes ahead to fulfil the Council's priorities.

2.5 General

A combination of definite implementation steps and use of specific reserve resources is recommended, to ensure that resources are available for the Council's priorities. Thereafter, the net picture across the Council, for the time being, and in general, reflects acceptable financial control.

Next steps and timetable

Act on the recommendations submitted and present a follow-up report to the Cabinet on 14 February 2017 on the third quarter review.

Local member's views

Not relevant

Opinion of the Statutory Officers

Chief Executive:

The report highlights some cases where we are facing unexpected results in terms of the profile of revenue expenditure during the year. This is inevitable to some extent, but the report reveals that we are aware of these issues and are planning reasonably in response to them.

Monitoring Officer:

Nothing to add from a propriety perspective.

Head of Finance:

I have collaborated with the Cabinet Member in the preparation of this report and I confirm the content.

Appendices

Appendix 1 – Summary of Departments' net budget position.

Appendix 2 – Details of budgets and significant variances.

Revenue Budget 2016/17 - Summary of position by Department

	Second Quarter Review					First Quarter Review £ '000
	Revised Budget 2016/17 £'000	Overspend / (Underspend) 2016/17 £ '000	Movement to/from Reserves £ '000	Recommended Adjustments £'000	Revised Overspend/ (Underspend) £ '000	
Adults, Health and Wellbeing	50,016	303	0	(135)	168	334
Children and Families	13,945	168	0	0	168	120
Education	88,883	216	(203)	0	13	479
Economy and Community	11,570	73	0	0	73	65
Highways and Municipal	22,929	118	0	0	118	200
Regulatory (Planning, Transportation and Public Protection)	9,656	(523)	0	500	(23)	(214)
Gwynedd Consultancy	1,181	70	0	0	70	122
Corporate Management Team and Legal	642	(29)	0	0	(29)	0
Finance	943	(67)	0	0	(67)	0
Corporate Support	551	(88)	0	0	(88)	0
Corporate Budgets <i>(Variances only)</i>	*	(980)	0	790	(190)	(60)
Totals (net)	200,316	(739)	(203)	1,155	213	1,046

Revenue Budget 2016/17 - Second Quarter Review						
Adults, Health and Wellbeing Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Adult Services</u>						
Older People's Service						
Residential and Nursing - Homes	9,947	9,627	(320)	0	(320)	(131)
Home Care	6,354	6,356	2	0	2	177
Other	2,785	2,752	(33)	0	(33)	(60)
	19,086	18,735	(351)	0	(351)	(14)
Physical Disability Services						
Residential and Nursing	479	419	(60)	0	(60)	23
Home Care	1,016	1,041	25	0	25	36
Other	711	659	(52)	0	(52)	(1)
	2,206	2,119	(87)	0	(87)	58
Learning Disability Services	14,928	14,804	(124)	0	(124)	(290)
Mental Health Services						
Residential and Nursing	1,386	1,651	265	0	265	300
Other	2,004	1,899	(105)	0	(105)	0
	3,390	3,550	160	0	160	300
Other Services (Adults)						
Management	424	412	(12)	0	(12)	0
Older People and Physical Disability Team	2,412	2,403	(9)	0	(9)	0
	2,836	2,815	(21)	0	(21)	0
Adult Services Total	42,446	42,023	(423)	0	(423)	54

Revenue Budget 2016/17 - Second Quarter Review						
Adults, Health and Wellbeing Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
<u>Provider Services (showing net budget)</u>						
Residential Care	68	130	62	0	62	
Day Care	(20)	3	23	0	23	
Community Care	92	234	142	0	142	80
Other	26	(11)	(37)	0	(37)	(20)
<u>Provider Services Total</u>	166	356	190	0	190	60
<u>Other Services</u>						
Housing Services	4,392	4,420	28	0	28	20
Departmental Central Services <i>(including Department savings)</i>	3,012	3,520	508	(135)	373	200
<u>Total Other Services</u>	7,404	7,940	536	(135)	401	220
<u>Adults, Health and Wellbeing Total</u>	50,016	50,319	303	(135)	168	334

Adult, Health and Wellbeing

Older People's Services - an underspend of (£351k) is foreseen mainly as the number of clients in residential and nursing placements are reducing.

Physical Disability Services - an underspend of (£87k) is forecasted as a result of two residential and nursing cases being transferred to the responsibility of Health, a reduction in the number of direct payment cases, but an increase in the number of home care packages.

Learning Disability Services - following the same trend as the situation reported in Older People's Services above, an underspend on residential and nursing and day services but an overspend on support schemes and direct payments.

Mental Health Services - the same trend as in 2015/16 continues with a net overspend of £160k resulting from new residential and nursing cases, but an underspend on vacant staff posts.

Provider Services - an over and underspend on various headings within the Residential Care heading. An estimated overspend of £142k on community care, £85k of this resulting from an overspend on travelling costs, with the remainder on staffing and overheads.

Other Services - Departmental Central - a net £508k underachievement of the Department's savings schemes is forecasted, with slippage on a number of the schemes yet to be realised in 2016/17. The Department will be taking steps to ensure the situation improves by the end of the financial year, this will be done by re-assessing the savings schemes.

Specific changes were made relating to charging for the first six weeks of residential and nursing care in the Care Act 2014. This came into effect on 1 April 2016, but was introduced too late to be reflected in the 2016/17 budget. Consequently, a shortfall was seen in the related income received by the Council. As the consequences of the change is an unavoidable additional burden on the Department, it will be subject to a bid for 2017/18. It is recommended that £135k is transferred to the Department to finance the additional costs this year.

It is recommended that (£135k) is transferred from a corporate budget to the Adult, Health and Wellbeing Department to finance the additional costs resulting from the change to charging for the first six weeks of residential and nursing care.

Revenue Budget 2016/17 - Second Quarter Review						
Children and Families Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Service Management	467	445	(22)	0	(22)	0
Operational Services	1,864	2,059	195	0	195	80
Placement Services						
Out of County Placements	2,263	2,335	72	0	72	80
Agency Fostering	970	1,032	62	0	62	70
Internal Fostering	1,640	1,696	56	0	56	60
Support Services and Other	1,448	1,528	80	0	80	70
	6,321	6,591	270	0	270	280
Post-16 Services	1,037	843	(194)	0	(194)	(130)
Specialist Services/Derwen	1,445	1,391	(54)	0	(54)	(50)
Youth Justice Services	235	211	(24)	0	(24)	(20)
Early Years Services	107	56	(51)	0	(51)	(20)
Other Services	2,469	2,517	48	0	48	(20)
Children and Families Total	13,945	14,113	168	0	168	120

Children and Families

Operational Services - it is forecasted there will be an overspend of £195k by the financial year end on staffing and higher costs of financing complex care packages, which follows the same trend as the overspend of £175k reported in 2015/16.

Placement Services - an overspend of £270k is forecasted on placement services, with the estimate having reduced by £10k since the first quarter forecast. Whilst some cases have come to an end, it is forecasted that new out of county placements and agency fostering will lead to an overspend this year. An overspend on allowances, and the costs of the internal 'Cynllun Aros Ymlaen' fostering scheme overspending by £50k. Work continues in order to meet the savings scheme targets relating to this area.

Post 16 Services - an underspend of (£194k) is forecasted due to a reduction in demand for Post 16 support schemes.

Specialist Services / Derwen - an underspend of (£54k) is forecasted due to one off savings from staff turnover.

Early Years Services - additional fee income and a small underspend on numerous headings.

Revenue Budget 2016/17 - Second Quarter Review						
Education Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Delegated Schools	72,236	72,236	0	0	0	0
Transport	4,396	4,433	37	0	37	36
Redundancies and Early Retirement	347	550	203	(203)	0	267
Integration	140	140	0	0	0	0
Out of County	992	992	0	0	0	0
Catering and Cleaning	349	228	(121)	0	(121)	10
Nursery Education	597	576	(21)	0	(21)	0
Education Improvement Grant	529	529	0	0	0	0
Management	1,680	1,650	(30)	0	(30)	(20)
Additional Learning Needs Unit	1,933	2,118	185	0	185	186
Support for Underperforming Schools	30	30	0	0	0	0
Further Education	24	12	(12)	0	(12)	0
School Reserve Budgets	219	219	0	0	0	0
Contribution to Joint Committees	1,607	1,607	0	0	0	0
Other	3,804	3,779	(25)	0	(25)	0
Education Total	88,883	89,099	216	(203)	13	479

Education

Redundancies and Early Retirement - according to the latest information, an overspend position of £203k is forecasted on redundancies and early retirements, with 83% of the costs relating to secondary schools and 17% to primary schools. A reduction in pupil numbers, and accordingly demographic effects are the main reason for this situation. The Department will be using a specific reserve to mitigate the position.

Catering and Cleaning - according to the latest forecasts, an underspend of (£121k) is likely, mainly resulting from the early achievement of 2017/18 savings schemes relating to schools catering.

Additional Learning Needs Units - circumstances relating to one specific centre is responsible for the £185k overspend forecasted under this heading.

A fairly balanced position by the Department following the financing of the overspend on redundancies and early retirement from a reserve, with an underspend in some fields bridging the slippage of £64k in this year's savings.

Revenue Budget 2016/17 - Second Quarter Review						
Economy and Community Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Management	902	902	0	0	0	0
Business Support	173	192	19	0	19	40
Marketing and Customer Care	587	587	0	0	0	0
Community Regeneration	499	499	0	0	0	0
Skills and Enterprise	11	11	0	0	0	0
Strategic Projects Team	816	862	46	0	46	40
Strategy and Development	232	232	0	0	0	0
Archives	411	402	(9)	0	(9)	(5)
Museums	159	154	(5)	0	(5)	0
Galleries	77	77	0	0	0	0
Halls	278	289	11	0	11	0
Arts	272	269	(3)	0	(3)	0
Country Parks	116	100	(16)	0	(16)	0
Maritime	167	275	108	0	108	20
Youth Service	1,311	1,213	(98)	0	(98)	(80)
Healthy Communities Service - Leisure Centres	3,392	3,432	40	0	40	50
Sports Development	270	270	0	0	0	0
Libraries	1,897	1,877	(20)	0	(20)	0
Total Economy a Community	11,570	11,643	73	0	73	65

Economy and Community

Maritime - the latest forecasts suggest a £108k net overspend, mainly resulting from a shortfall of income at Hafan Pwllheli and other harbours, following a reduction in the demand for anchorages. An effort was made by the Department to reduce the gap in the income by reducing costs at the sites by £87k. It is forecasted that this trend will continue, and accordingly, the Department propose submitting a bid to mitigate the effects for 2017/18.

Youth Service - a (£98k) underspend is forecasted at year end by the Youth Service, (£78k) being on two vacant development officers positions, and (£20k) on youth clubs, as the Department endeavour to identify savings from 2017/18 onwards in these areas.

Revenue Budget 2016/17 - Second Quarter Review						
Highways and Municipal Summary Position (including Trunk Roads)	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Highways Services (including Trunk Roads)	9,158	9,189	31	0	31	
Engineering Services	450	469	19	0	19	
Municipal Services						
Waste						
Waste Disposal	2,316	2,151	(165)	0	(165)	0
Treatment and Transfer Sites	1,638	1,685	47	0	47	200
Waste Collection and Recycling	3,713	3,805	92	0	92	0
Commercial Waste	(20)	105	125	0	125	0
Other Waste	1,693	1,730	37	0	37	0
Waste Sub-total	9,340	9,476	136	0	136	200
Crematorium and Cemeteries	128	71	(57)	0	(57)	0
Other Municipal	3,869	3,876	7	0	7	0
	13,337	13,423	86	0	86	200
Municipal Works Unit	(16)	(34)	(18)	0	(18)	0
Highways and Municipal (including Trunk Roads) Total	22,929	23,047	118	0	118	200

Highways and Municipal Department (including Trunk Roads)

Waste - numerous reasons for the variations by the services within the waste field including:

- Waste Disposal - an underspend of (£165k) is forecasted as a result of less waste going into landfill.

- Treatment and Transfer Sites - the trend of lack of income seen last year continues, but the forecasts appear better by this year. Savings achieved early and staffing costs reducing the net overspend to the £47k reported.

- Waste Collection and Recycling - the latest forecasts suggest an overspend of £92k on the heading. A combination of early realisation of savings on green waste, but this is counterbalanced by a £48k grant reduction, higher operational and renewal costs and slippage in the recycling bank savings.

- Commercial Waste - following on from new arrangements of rationalising school bins, a £125k loss of income was seen. However, running in parallel, the rationalising effect is already evident as there has been a reduction in the waste going into landfill, and accordingly an underspend against the Waste Disposal budget reported upon above.

Crematorium and Cemeteries - it is forecasted that the income will be (£57k) higher than the budget by the end of the financial year.

Revenue Budget 2016/17 - Second Quarter Review						
Regulatory Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Department Management	371	343	(28)	28	0	0
Planning Services						
Development Control	372	343	(29)	29	0	0
Other	(33)	(46)	(13)	13	0	0
	339	297	(42)	42	0	0
Street Works and Transport Services						
Forward Planning	2,432	2,432	0	0	0	0
Structural Maintenance	1,136	1,136	0	0	0	0
Road Safety	297	267	(30)	30	0	0
Traffic and Statutory Arrangements	336	337	1	0	1	0
Parking Services and Parking Enforcement	(1,015)	(1,092)	(77)	77	0	(214)
Transport	2,112	1,984	(128)	128	0	0
Enforcement and Transport	426	287	(139)	139	0	0
Other	27	2	(25)	25	0	0
	5,751	5,353	(398)	399	1	(214)
Countryside and Access Services	1,163	1,159	(4)	0	(4)	0
Joint Planning Policy Unit	304	304	0	0	0	0
Public Protection Services	1,801	1,766	(35)	31	(4)	0
Catering, Cleaning and Caretaking Services	6	2	(4)	0	(4)	0
Property Services	(79)	(91)	(12)	0	(12)	0
Regulatory Total	9,656	9,133	(523)	500	(23)	(214)

Regulatory

An underspend situation is forecasted by a number of the services within the Department by the end of the financial year following the early realisation of 2017/18 staffing costs, including in Management, Development Control, Road Safety, Enforcement and Transport, and Public Protection.

Transport - a combination of underspend on staffing, fuel and supplies and services.

Parking Services and Enforcement - the trend of higher income than the target mirrors the situation seen last year, together with staffing savings.

Summary and Recommendation

A (£523k) underspend is forecasted this year, and therefore, subject to the Cabinet approval, is an opportunity for the Department to use (£200k) to self-finance specific plans to improve the condition of car parks, freeing up (£300k) to transfer to the Corporate Redundancy Fund to assist with the changes facing us as a Council.

It is recommended that the Regulatory Department use (£200k) of their underspend to finance specific plans to improve the condition of car parks. **It is recommended** that (£300k) is transferred from the Regulatory Department to the Corporate Redundancy Fund to assist with the changes facing us as a Council.

Revenue Budget 2016/17 - Second Quarter Review						
Consultancy Department	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Roads and Engineering Services	49	177	128	0	128	122
Flood Risk Management Unit Services	948	896	(52)	0	(52)	0
Building Services	184	178	(6)	0	(6)	0
<u>Consultancy Total</u>	1,181	1,251	70	0	70	122

Consultancy

Roads and Engineering Services - according to the latest forecasts, an overspend of £128k is likely resulting from a reduction in fee income, but the Department continue to try to identify other sources of income.

Flood Risk Management Unit Services - an underspend of (£52k) on staffing and travelling costs.

The Department is trying to manage it's budget, but if the overspend position continues at the end of the financial year, the Department propose using sources from a reserve to mitigate the position.

Revenue Budget 2016/17 - Second Quarter Review						
Central Departments	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Corporate Management Team and Legal	642	613	(29)	0	(29)	0
Finance	943	876	(67)	0	(67)	0
Corporate Support	551	463	(88)	0	(88)	0
Resources Total	2,136	1,952	(184)	0	(184)	0

Central Departments

Finance - an estimated underspend of (£67k) forecasted following the success of the Department to attract income and one-off staffing underspend.

Corporate Support - a net (£88k) underspend position is forecasted, mainly due to one-off staffing savings. Also included within this position is a £32k income shortfall within Galw Gwynedd and £18k within the Print Room.

Revenue Budget 2016/17 - Second Quarter Review						
Corporate (Only reflecting variances)	Revised Budget 2016/17	Estimated Final Position 2016/17	Estimated Gross Overspend / (Underspend) 2016/17	Use of Other Sources Or other Recommended Adjustments	Revised Overspend/ (Underspend)	Net Overspend/ (Underspend) 1st Quarter Review
Area:-	£'000	£'000	£'000	£'000	£'000	£'000
Council Tax	*	*	(300)	300	0	0
Benefits	*	*	(290)	290	0	(60)
Net Interest Income	*	*	66	0	66	0
Other	*	*	(456)	200	(256)	0
Corporate Total	*	*	(980)	790	(190)	(60)

Corporate

A favourable position is forecasted from the higher collection of (£300k) on Council Tax, mainly due to an increase in the number of new properties during the year. An underspend of (£290k) on Benefits, but a £66k reduction in Net Interest Income due to present market conditions.

Within the 'Other' heading is a net savings of (£295k) which includes savings that were realised early, (£100k) bid that is no longer required, (£31k) additional income receipt and an underspend of (£30k) on capital costs.

Harlech Swimming Pool - on 4 October 2016 the Cabinet agreed to contribute £20k this year as one off bridging finance towards the Harlech Swimming Pool venture. As a result of the favourable Corporate position that is forecasted this year, it is possible to finance this contribution from Corporate budgets.

It is recommended that (£300k) is harvested from the favourable Council Tax collections, and (£290k) from the Benefits underspend, together with (£200k) of the underspend included within 'Other', and transferred as follows:

- use (£20k) of the underspend as a financial contribution to the independent Harlech Swimming Pool as a one-off bridging payment for the period to 31 March 2017, in accordance with the Cabinet decision on 4 October 2016.
- use (£135k) to finance the financial obligations of the change in the Care Act 2014 by the Adult, Health and Wellbeing Department.
- the remainder (£635k) to be set aside in the Transformation Fund, to assist with the changes ahead of us to fulfil the Council's priorities.

Agenda Item 7

MEETING:	Audit Committee
DATE:	1 December 2016
TITLE:	Capital Programme 2016/17 – Second Quarter Review (September 2016)
PURPOSE:	Monitoring Report on the Expenditure and Financing of the Capital Programme
ACTION:	Receive the information, consider the risks regarding the Capital Programme, and scrutinise the Cabinet’s decisions
CONTACT OFFICER:	Dafydd L Edwards, Head of Finance
CABINET MEMBER:	Councillor Peredur Jenkins

1. In accordance with the requirements of the Local Government (Wales) Measure 2011, the Audit Committee is expected to scrutinise some financial matters including budget monitoring reports, as appropriate.
2. The attached report (capital programme’s second quarter review) was presented to the Cabinet on 22 November 2016 for decisions regarding the revised programme and its financing.
3. The Chairman of the Audit Committee has asked us to present the attached Cabinet report to the Audit Committee, to be scrutinised together with the relevant decisions. It is intended to present the Cabinet’s decisions “on the table” at the Audit Committee meeting.
4. The Audit Committee is asked to note the position and any risks regarding the Council’s capital programme, scrutinise the Cabinet’s decisions, and comment as necessary.

Enclosure:

Capital Programme 2016/17 - second quarter review report (Cabinet 22/11/2016)

REPORT TO THE CABINET

22 November 2016

Cabinet Member: Councillor Peredur Jenkins - Resource Cabinet Member

Subject: Capital Programme 2016/17 – Second Quarter Review
(30 September 2016 position)

Contact Officer: Dafydd L Edwards - Head of Finance

The decision sought / Purpose of the report

To accept the report on the second quarter review (30 September 2016 position) of the capital programme, and approve the revised financing as shown in part 4 of the report, that is:

- an increase of £1.367m in the use of other borrowing (including unsupported borrowing)
 - a decrease of £1.174m in the use of grants and contributions
 - an increase of £0.035m in the use of revenue contributions
 - an increase of £0.938m in the use of renewal and other reserves
-

1. Introduction

This technical report is presented as part of the 2016/17 budget monitoring procedure. The main purpose of the report is to present the revised capital programme and to approve the relevant financing sources. There is a summary in parts 3 and 4 of the report, with the recommendation in part 5:

Part 3: Analysis by Department of the £60.949m capital programme for the 3 years 2016/17 – 2018/19.

Part 4: An explanation of the sources of finance for the net increase of approximately £1.166m since the first quarter review.

The Cabinet has the authority to adapt the capital programme. Approval is sought for the programme (part 3) and financing (part 4).

The remainder of the report is for information:

- Appendix A: The main changes per source of finance
- Appendix B: Movements from 2016/17 to 2017/18
- Appendix C: The first 6 months expenditure in 2016/17.

2. Main Findings:

The main conclusions that arise from the revised position are:

- There are firm schemes in place to invest approximately £34.493m in 2016/17, with £9.895m of it being financed by attracting specific grants.
- There is £2.442m of proposed expenditure having been re-profiled from 2016/17 to 2017/18 but no loss of funding was caused to the Council where schemes have slipped.

3. Capital Programme 2016/17 to 2018/19

See below which shows the revised proposed capital programme.

DEPARTMENT	END OF SEPTEMBER REVIEW				INCREASE/ (DECREASE) SINCE THE LAST REVIEW £'000
	2016/17	2017/18	2018/19	TOTAL	
	£'000	£'000	£'000	£'000	
Education	17,155	9,573	237	26,965	(278)
Finance	549	895	-	1,444	135
Economy and Community	1,123	1,158	-	2,281	(254)
Adults, Health and Wellbeing - Housing Unit	2,301	2,323	-	4,624	200
Adults, Health and Wellbeing - Other	733	301	-	1,034	431
Children and Families	48	-	-	48	-
Highways and Municipal	4,898	2,963	3,650	11,511	569
Corporate Support	418	263	-	681	-
Regulatory	5,945	4,341	52	10,338	270
Consultancy	1,101	-	-	1,101	93
Corporate	222	700	-	922	-
TOTAL	34,493	22,517	3,939	60,949	1,166

4 Changes to the Sources of Finance

The budget for the three year programme shows an increase of £1.166m since the opening budget position. The proposed sources of financing for this are noted below:

SOURCE OF FINANCE	END OF SEPTEMBER REVIEW				INCREASE/ (DECREASE) SINCE THE LAST REVIEW £'000
	2016/17	2017/18	2018/19	TOTAL	
	£'000	£'000	£'000	£'000	
Supported Borrowing	6,652	6,352	321	13,325	-
Other Borrowing (including unsupported borrowing)	8,705	4,027	119	12,851	1,367
Grants and Contributions	9,895	4,187	-	14,082	(1,174)
Capital Receipts	591	1,257	-	1,848	0
Departmental & Corporate Revenue	2,443	1,644	-	4,087	35
Capital Fund	1,303	1,284	-	2,587	-
Renewals & Other Funds	4,904	3,766	3,499	12,169	938
TOTAL	34,493	22,517	3,939	60,949	1,166

5. RECOMMENDATION

The Cabinet is asked to:

- accept the 2016/17 to 2018/19 revised programme (part 3) and
- approve the relevant sources of finance (part 4 above).

6. Reasons for recommending the decision

It is necessary to ensure appropriate financing arrangements for the Council's plans to spend on capital, and the Cabinet must approve the capital programme and its sources of funding.

Incorporating funding via grant is a point of order, but it is also necessary to deal with situations where there has been a change in expenditure profiles between years and the value of capital receipts and contributions.

These are recommendations to ensure definite sources of funding for the 2016/17 – 2018/19 capital schemes.

7. Relevant considerations

These are technical issues regarding the financing of schemes and relevant implications and debates have already been addressed when the individual schemes were adopted.

8. Next steps and timetable

To implement the recommendations to finance the programme.

View of the Local Member

Not relevant.

Views of the Statutory Officers

Chief Executive:

It is good to see that the report offers the Cabinet a degree of certainty regarding the Council's cash flow and management. However, of course, any slippage or re-profiling, as in the schemes referred to in Appendix B, could result in a delay in realising benefits for residents, and constant monitoring is required to ensure that every effort is being made to avoid this.

Monitoring Officer:

Nothing to add from a propriety perspective.

Head of Finance:

I have collaborated with the Cabinet Member in the preparation of this report and I confirm the content.

Appendix

Appendix A, B and C.

Main Changes Per Source of Financing:

See below the relevant schemes that have caused the main changes to the sources of finance during the last quarter:

	Increase / (Decrease)	
	2016/17 £'000	2017/18 £,000
Other Borrowing (including Unsupported borrowing)		
<ul style="list-style-type: none"> 21st Century Schools (Education Department) – an increase in borrowing due to a technical adjustment to the source of financing to reduce the level of grant and increase the level of supported borrowing following an instruction received annually from the Government (see also Grants and Contributions below). This technical adjustment to the financing will not impact on the schemes at all, and the Welsh Government will still finance 50% of the cost. 		1,500
Grants and Contributions		
<ul style="list-style-type: none"> 21st Century Schools (Education Department) – a reduction in the level of grant, see Other Borrowing above for details. 		(1,500)
<ul style="list-style-type: none"> Intermediate Care Fund Grant (Adults, Health and Wellbeing Department) – a grant received from the Government mainly to develop accommodation in the Caernarfon leisure Centre to create a community hub for clients with learning disabilities, to create a respite unit in Penrhyndeudraeth, and for adaptations to Llys Cadfan care home to admit dementia and specialised care beds. 		431
Departmental Revenue		
<ul style="list-style-type: none"> Various minor schemes 		35
Renewals and Other Funds		
<ul style="list-style-type: none"> Water Supply Pipe Renewal Programme for CCG Housing Estates (Highways and Municipal Department) – to finance unavoidable works to manage and renew water supply pipes on housing estates from a specific fund (see report to Cabinet 7/6/16). 		300
<ul style="list-style-type: none"> Cartgylchu (Highways and Municipal Department) - increased expenditure as a result of the change from recycling bins to this type of container. 		210
<ul style="list-style-type: none"> Briwet Bridge (Regulatory Department) – use of a specific fund to finance additional costs relating to the prevention of erosion on the river bed. 		200
<ul style="list-style-type: none"> VOIP (voice over internet protocol) Scheme (Finance Department) – expenditure on additional licences, new phones and payment to suppliers. 		136

Budget Re-profiling – Main Schemes:

See below the main schemes that have been re-profiled since the original budget:

	2016/17 £'000	2017/18 £'000
Carbon Management Schemes (Regulatory Department)	(1,350)	1,350
Information Technology Schemes for the Council (Finance Department)	(427)	427
Housing Schemes – Three Year Plan (Housing Department)	(323)	323
Relocation of Segontium Day Care Service (Adults, Health and Wellbeing Department)	(301)	301

Note:

The above re-profiling will not result in any loss in grant.

There is a variety of valid reasons behind the re-profiling in many cases, but the delay prior to implementing these schemes can mean that the services have to cope for longer with current assets which have not been improved.

Capital Expenditure First 6 Months 2016/17

SUMMARY	CAPITAL PROGRAMME FULL YEAR (reviewed September)	ACTUAL EXPENDITURE FOR THE 6 MONTHS TO
	2016/17 £'000	30/09/2016 £'000
Education	17,155	7,060
Finance	549	172
Economy and Community	1,123	204
Adults, Health and Wellbeing – Housing	2,301	663
Adults, Health and Wellbeing – Other	733	139
Children and Families	48	-
Highways and Municipal	4,898	944
Corporate Support	418	54
Regulatory	5,945	2,335
Consultancy	1,101	770
Corporate	222	-
TOTAL	34,493	12,341

Note: The percentage that has been spent this year (36%) is comparably lower than the position this time last year (39%). Despite this, it is not a cause for concern, as 2015/16 was an extraordinary year.

Agenda Item 8

COMMITTEE	AUDIT COMMITTEE
DATE	1 DECEMBER 2016
TITLE	OUTPUT OF THE INTERNAL AUDIT SECTION
PURPOSE OF REPORT	TO OUTLINE THE WORK OF INTERNAL AUDIT FOR THE PERIOD TO 18 NOVEMBER 2016
AUTHOR	LUNED FÔN JONES – AUDIT MANAGER
ACTION	TO RECEIVE THE REPORT, COMMENT ON THE CONTENTS AND SUPPORT THE ACTIONS THAT HAVE ALREADY BEEN AGREED WITH THE RELEVANT SERVICES

1. INTRODUCTION

1.1 The following report summarises the work of the Internal Audit Section for the period from 19 September 2016 to 18 November 2016.

2. WORK COMPLETED DURING THE PERIOD

2.1 The following work was completed in the period to 18 November 2016:

Description	Number
Reports on Audits from the Operational Plan	21
Follow-up Audits	3

Further details regarding this work are found in the body of this report and in the enclosed appendices.

2.2 Audit Reports

2.2.1 The following table shows the audits completed in the period to 18 November 2016, indicating the relevant opinion category and a reference to the relevant appendix.

TITLE	DEPARTMENT	SERVICE	OPINION	APPENDIX
Pupil Deprivation Grant	Education	Resources	B	Appendix 1
Education Improvement Grant for Schools	Education	Resources	B	Appendix 2
Budgetary Control – Ysgol Beddgelert	Education	Schools	B	Appendix 3
Budgetary Control – Ysgol Talsarnau	Education	Schools	C	Appendix 4
Budgetary Control – Ysgol Tregarth	Education	Schools	B	Appendix 5
Budgetary Control – Ysgol Santes Helen	Education	Schools	B	Appendix 6
Review of Checking Limits	Finance	Financial	-	Appendix 7
Coding Structure	Finance	Accountancy	-	Appendix 8
Discretionary Housing Payments	Finance	Revenue	A	Appendix 9
Bangor Aquatics and Healthy Lifestyles Centre	Economy and Community	Leisure	B	Appendix 10
Plas Silyn Leisure Centre	Economy and Community	Leisure	A	Appendix 11
Dwyfor Leisure Centre	Economy and Community	Leisure	B	Appendix 12
Bro Dysynni Leisure Centre	Economy and Community	Leisure	B	Appendix 13

TITLE	DEPARTMENT	SERVICE	OPINION	APPENDIX
Beaches – Income Collection	Economy and Community	Maritime and Country Parks	B	Appendix 14
Budgetary Control – Provider	Adults, Health and Wellbeing	Across the Department	B	Appendix 15
Supporting People Grant	Adults, Health and Wellbeing	Supporting People	A	Appendix 16
Plas Pengwaith, Llanberis	Adults, Health and Wellbeing	Residential and Day	B	Appendix 17
Llys Cadfan, Tywyn	Adults, Health and Wellbeing	Residential and Day	B	Appendix 18
Youth Justice Core Grant	Children and Family Support	Children and Families	B	Appendix 19
Flying Start Revenue Grant	Children and Family Support	Children and Families	B	Appendix 20
MOT Fees	Highways and Municipal	Fleet	B	Appendix 21

2.2.2 The opinion categories within the reports affirm the following:

- Opinion “A” Assurance of financial propriety can be expressed as the controls in place can be relied upon and have been adhered to.
- Opinion “B” Controls are in place, and partial assurance of financial propriety can be expressed as there are aspects where some procedures can be strengthened.
- Opinion “C” Assurance of financial propriety cannot be expressed as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered.
- Opinion “CH” Assurance of financial propriety cannot be expressed as acceptable internal controls are not in place; losses/fraud resulting from these weaknesses were discovered.

2.3 Follow-up Audits

2.3.1 The following table summarises the follow-up work completed during the period:

TITLE	DEPARTMENT	SERVICE	FOLLOW-UP OPINION
Plas Ffrancon Leisure Centre	Economy and Community	Leisure	Acceptable
Arfon Leisure Centre	Economy and Community	Leisure	Acceptable
Cefn Rodyn	Adults, Health and Wellbeing	Residential and Day	Acceptable

2.3.2 The conclusion of follow-up work is placed in one of four categories:

- Excellent** - all recommendations implemented as expected.
- Acceptable** - most recommendations implemented as expected.
- Unsatisfactory** - several recommendations not implemented.
- Unacceptable** - most recommendations not implemented, and no evidence of efforts to improve internal controls.

2.3.3 The list below shows the 'C' or 'CH' opinion category reports presented to the Audit Committee as appendices to the quarterly reports, where a report to the Committee regarding the follow-up remains outstanding. The list shows the target completion date for each of these follow-up audits:

Completion Target: Quarter ending 31 December 2016

- Secondary Schools Catering – Ysgol Ardudwy
- Secondary Schools Catering – Ysgol y Gader

Completion Target: Quarter ending 31 March 2017

- Plas y Don
- Plas Hedd
- Maintenance of Buildings and Sites

3. WORK IN PROGRESS

3.1 The following work was in progress as at 21 November 2016.

- Supporting Ffordd Gwynedd Reviews (*Corporate*)
- Safeguarding Arrangements – Disclosure and Barring Service Checks (*Corporate*)
- Health and Safety – Trees (*Corporate*)
- Safeguarding Arrangements – Establishments (*Corporate*)
- Information Management – Establishments (*Corporate*)
- Use of Credit Cards (*Corporate*)
- National Fraud Initiative (*Corporate*)
- The Arrangements for Safeguarding and Protecting Children (*Education*)
- Schools – General (*Education*)
- Benefits – Review of Key Controls (*Finance*)
- Storiell – Governance and Management Arrangements (*Economy and Community*)
- Youth Club Accounts (*Economy and Community*)
- Sale of Diesel (*Economy and Community*)
- Business/Service Continuity Plans (*Adults, Health and Wellbeing*)
- Deprivation of Liberty (*Adults, Health and Wellbeing*)
- Social Services Complaints Procedures (*Adults, Health and Wellbeing*)
- Direct Payments (*Adults, Health and Wellbeing*)
- Bryn Blodau, Blaenau Ffestiniog (*Adults, Health and Wellbeing*)
- Support Workers (*Children and Family Support*)
- Adoption (*Children and Family Support*)
- Animal Health (*Regulatory*)

4. RECOMMENDATION

4.1 The Committee is requested to accept this report on the work of the Internal Audit Section in the period from 19 September 2016 to 18 November 2016, comment on the contents in accordance with members' wishes, and support the actions agreed with the relevant service managers.

**PUPIL DEPRIVATION GRANT
EDUCATION**

1. Background

1.1 The purpose of the Pupil Deprivation Grant (PDG) is to improve the results of learners that are eligible to receive free school meals and looked-after children. It was seen that new arrangements had come into force for 2015/16 with a new element for early years children and looked-after children as well as the historical element of delegating money to the schools for primary and secondary pupils. The Local Education Consortium, namely GwE, is responsible for administrating the looked-after children element as well as ensuring that the schools complete the PDG requirements and for supporting the schools to that end.

2. Purpose and Scope of Audit

2.1 Ensure that there is appropriate internal management for administrating the PDG that involves elements of delegating money directly to schools as well as elements that involves supporting early years children and looked-after children, in order to mitigate risks in accordance with the grant's terms and conditions. Select a sample of payments in the form of invoices, journals and salaries prepared by Gwynedd Council and GwE in relation to the various elements of the grant, and ensure that they are reasonable and are in accordance with the grant's objectives. Confirm that the sum from the grant has been directly delegated to the schools and that appropriate arrangements are in place to monitor and claim the grant funding from Welsh Government.

3. Main Findings

3.1 It appears that good arrangements exist for the administration of the PDG. It was seen that the appropriate sum from the funding had been directly delegated to the schools. It was seen from the expenditure sample that was audited for the Early Years Unit, the Education Department and GwE that they are reasonable and correspond with the grant's objectives. In addition, there were appropriate arrangements in order to claim the funding in accordance with the grant's terms and conditions.

3.2 In auditing a sample of payments in relation to the grant, some cases were found where the pink slips (TR252b) were not always used for the payment of invoices. It was seen that these were invoices processed by the Council's Education Department that is responsible for Gwynedd Council's expenditure element of looked-after children. It is expected that the Council retains invoices and any documents relating to Welsh Government Grants until the Welsh Government advises that they can be destroyed, and therefore it is expected to attach a pink coding slip to each invoice which relates to the PDG.

3.3 A sample of Gwynedd's primary and secondary schools development plans were audited, and it was seen that an analysis of the total of the school's PDG allocation had been noted in the plans selected. Confirmation was also received from GwE's Business and Finance Manager that the statements had also been included either on the school's website or on GwE's website.

3.4 In auditing the total expenditure of the looked-after children element that is under the guidance of GwE, it was seen that there was a central underspend from GwE of £75,277.60. This is a substantial sum of underspend, however a clear explanation was given by the GwE Business and Finance Manager in relation to the underspend. The following explanation was received from GwE's Business and Finance Manager for the joint-committee:

"GAD-PDG - 2015/16 was the first year for the PDG to be administrated in accordance with new arrangements from Welsh Government. Confirmation of the arrangements were not received until the end of quarter one of the financial year. As a result, there was no Co-ordinator in place until the end of quarter one and they were only available for two terms to develop and provide the programme. We are confident that we are in a much better situation this year because we have had time to prepare and develop the programme that will be held over the entire year."

The auditor has received a copy of the programme that outlines the estimated expenditure for the Looked-After Children element of PDG that is under the control of GwE for the year 2016/17. Arrangements will be made by the Senior Accountant to pay the above underspend back to Welsh Government as part of the final underspend figure.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of financial propriety in the administration of the Pupil Deprivation Grant as there are controls in place, but there are aspects where some arrangements can be tightened. The Education Department has committed to implementing the following steps to mitigate the risks highlighted:

- Officer will ensure that TR 252b pink slips are attached with every invoice that involves the grant's expenditure in the future.

EDUCATION IMPROVEMENT GRANT FOR SCHOOLS
EDUCATION

1. Background

1.1 On 1 April 2015 the Welsh Government merged the following grants to create one main grant, called the Education Improvement Grant (EIG):

- Foundation Phase
- 14-19 Learning Pathways
- School Effectiveness Grant (SEG)
- Welsh in Education Grant (WEG)
- Minority Ethnic Achievement Grant
- Education of Gypsy and Traveller Children
- Induction of Newly Qualified Teachers
- Higher Level Teaching Assistants
- Lead and Emerging Schools
- Support for Reading and Numeracy Tests
- Funding for Band 4 & 5 Schools

The grant's fundamental principle is that the vast majority should be used for frontline provision, with the grant's terms and conditions for 2015/16 noting that it was expected that a minimum of the total gross funding of 80% should be delegated directly to schools. Gwynedd Council is the host Authority for the EIG. GwE is responsible for ensuring that the schools achieve the requirements of the EIG and for supporting the schools to that end.

2. Purpose and Scope of Audit

2.1 Following an internal audit undertaken in March 2016 on the grant, a further audit needed to be carried out in order to confirm that the final figures submitted on Gwynedd Council and GwE 'Statements of Local Authority Revenue Expenditure - Education Improvement Grant for Schools 2015-16' are accurate. It was not possible to do so back in March as the final figures were not available to be audited.

2.2 Confirm that there is a basis for the figures which will be submitted on Gwynedd Council and GwE expenditure statements in relation to the grant and trace the figures to the ledger to confirm their existence. Select an additional sample of payments in the form of invoices and journals in relation to the grant which was audited during the audit in March 2016 and ensure that they are reasonable and are in accordance with the grant's objectives.

3. Main Findings

3.1 It was seen that there is a basis for the figures recorded on the Gwynedd Council and GwE expenditure statements in relation to the grant and a sample of the figures were traced back to the Council's ledger and were found to be accurate.

3.2 It was seen that the further expenditure audited was reasonable to the grant's objectives.

3.3 It was seen that the final total administration cost of GwE had increased from the figure of £167,750 originally agreed to £210,348.25, because some specific schemes under GwE's control had underspent. It is understood from the Senior Accountant (DR) at Gwynedd Council that GwE had confirmed that the cost and time of some specific staff reached the administrative sum of £210,348.25. The terms and conditions of the grant allowed this as it is noted under Condition 5 'Administration and Management Costs':

“The administration level for the first year of the Funding will be set at no more than 1.5% of the total gross grant (including match funding).”

The administration cost implemented by the consortia against the grant remains lower than the rate of 1.5%, despite increasing the GwE administration costs against the grant.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of financial propriety in the administration of the Education Improvement Grant 2015/16 as there are controls in place, but there are aspects where some arrangements can be tightened. The recommendations made in the audit report dated March 2016 have already been addressed.

BUDGETARY CONTROL - PRIMARY SCHOOLS
YSGOL BEDDGELERT

1. Background

1.1 The school Governing Body is responsible for managing and running the school and delegated powers are given to Head Teachers to run the school on a day to day basis. The Head Teacher's rights in terms of financial decisions vary from one school to the next as this has been determined by the Governing Body and has been recorded in the school's policy. The Head Teacher is responsible for reporting to the Governing Body on a regular basis on the school's financial situation and on any issue that affects that situation.

2. Purpose and Scope of the Audit

2.1 To ensure that appropriate budgetary control arrangements exist at Gwynedd's primary schools. Schools from each area in Gwynedd were selected for the sample based on budget, namely two schools with a low budget (less than £200,000), two schools with a medium budget (between £200,000 and £350,000) and two schools with high budgets (over £350,000).

3. Main Findings

3.1 It appears that good budgetary control arrangements exist at Ysgol Beddgelert with budgetary matters being discussed in detail with the governing body and there is evidence that expenditure is monitored against the budget. However, some issues require attention as follows:

3.1.1 The e-procurement system is not used in the school for the purposes of ordering goods and services. The Head Teacher expressed that she and the teacher would appreciate further training on the system. Following further enquiries, the auditor was informed that Cynnal would be providing training on the system during October 2016.

3.1.2 No use is made either by the school of an official order book. Though the Head Teacher is aware of the goods/services that she has ordered, having a procedure of keeping details of what has been ordered as well as the details of the invoices that have been received and sent to be paid would be very beneficial especially if the Head Teacher were absent for a long-term period and someone else were responsible for administrating the system. The Head Teacher was informed of the existence of the 'Order Notification Form' booklet and she noted that she would use the booklet to record details of orders and invoices which have been sent to be paid.

3.1.3 A sample of invoices was audited and it was seen that one invoice for data protection registration had been referenced to code AA04 3319, namely 'Other Educational Materials' rather than to the correct code of AA04 4806, namely 'Data Protection Registration Fee'. This means that the expenditure has been referenced against the incorrect expenditure code.

- 3.1.4 There is no system in place for dating invoices when they are received at the school to confirm the date on which they were received at the school. It is important to note the date the invoice is received at the school, because, that date is the one that the Sims Assistants should record in the 'Pwynt Treth' (Tax Point) box on the T.R.252 coding slip.
- 3.1.5 Upon auditing the minutes of the governing body, it appears that the body does not review the fees under its discretion on an annual basis in accordance with Estyn's standards and the financial rules for schools with devolved budgets.
- 3.1.6 The school is hired by external societies and despite a good system to complete a 'Request to Hire Outside School Hours' form, no contract is completed from the 'Building Hire TR184' booklet. The 'Building Hire TR184' booklet lists the hire conditions and by completing the contract the person hiring agrees to those conditions.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of the propriety in the budgetary control of Ysgol Beddgelert as there are controls in place, but there are aspects where some arrangements can be tightened. The establishment and / or Education Department have committed to implement the following steps to mitigate the risks highlighted:

- The Head Teacher and teacher will attend training on the e-procurement system that will be conducted by Cynnal in October 2016.
- Following receipt of the 'Order Notification Form' booklet, the Head Teacher will complete the booklet to record details of orders and details of the date invoices are sent to be paid.
- SIMS Assistants will ensure that the expenditure is referenced accurately on the TR252 reference slips.
- The Head Teacher will date and sign each invoice, in order to confirm the date that the school has received the invoices.
- The Head Teacher will note on the agenda of the next governing body meeting that there is a need to discuss hire fees.
- Create a current contract between the external organisations that hire the school, and the school, by using the TR184 'Building Hire' book.

BUDGETARY CONTROL - PRIMARY SCHOOLS

YSGOL TALSARNAU

1. Background

1.1 The school Governing Body is responsible for managing and running the school and delegated powers are given to Head Teachers to run the school on a day to day basis. The Head Teacher's rights in terms of financial decisions vary from one school to the next as this has been determined by the Governing Body and has been recorded in the school's policy. The Head Teacher is responsible for reporting to the Governing Body on a regular basis on the school's financial situation and on any issue that affects that situation.

2. Purpose and Scope of Audit

2.1 It was ensured that appropriate budget management arrangements exist at Gwynedd's primary schools. Schools from each area in Gwynedd were selected for the sample based on budget, namely two schools with a low budget (less than £200,000), two schools with a medium budget (between £200,000 and £350,000) and two schools with high budgets (over £350,000).

3. Main Findings

3.1 It was seen that good budgetary control arrangements existed at Ysgol Talsarnau, however, some issues require attention as follows:

3.1.1 The 'Delegation of Budgetary Responsibilities Policy', namely a written record of the body's duties and rights, had not been reviewed since 2013 although it is noted in the policy that the rights are reviewed annually.

3.1.2 The Finance Sub-committee meets once a year to discuss the budget for the following year; the balances are also discussed but there are no official minutes.

3.1.3 Following this annual meeting, the Finance Sub-committee submitted the 'Report of the Finance Sub-committee (Draft budget 2016-17) + Cut' to the Full Body on 18 May 2016. The Full Body met three times over the course of the 2015/16 financial year but the financial situation was not discussed at these other meetings.

3.1.4 There were no reliable records of dates on which supply teachers were at the school. The 'Weekly General Procedures' leaflet was checked and one record was found dating back to 6 October 2015. The Head Teacher suggested that these weekly leaflets could be used to record if a supply teacher was in the school from now on.

3.1.5 The e-procurement system is not used in the school for the purposes of ordering goods and services and there was no order book or any other record of orders in the school either. The Head Teacher was aware of the 'Order notification form' booklet and was eager to use it at the school. The auditor has now made arrangements for the Head Teacher to receive the Council's 'Order notification form' receipt book.

3.1.6 In addition, it was suggested that the Assistant Head should attend training on the e-procurement system as he would be responsible for ordering from September 2016 onwards.

- 3.1.7 When checking a sample of invoices, it was seen that the former Clerk had certified them; ideally it is only officers on a higher level that should certify payments.
- 3.1.8 A sample of invoices was audited and it was seen that one invoice for furniture had been referenced to reference AA04 3319, namely 'Other Educational Materials' rather than to the correct reference of AA04 3001, namely 'Furniture - Purchase'.
- 3.1.9 There is no system in place for dating invoices when they are received at the school to confirm the date they were received at the school. It is important to note the date the invoice is received, because, that date is the one that the SIMS Assistants should use to record in the 'Pwynt Treth' (Tax Point) box on the TR252 coding slip.
- 3.1.10 Three TR34 forms were selected from the financial ledger to be reconciled against the school records; however, the Head Teacher was not aware if there were records in the school apart from the record on the TR34 forms. Nor was she aware of whether there was a receipts book in the school. The Head Teacher was eager to have a new receipts book, this has now been arranged.

4. Audit Opinion

(C) Audit opinion is that no assurance of propriety can be given with the budgetary control arrangements of Ysgol Talsarnau as the current situation weakens the controls. The establishment and / or Education Department is committed to implement the following steps to mitigate the risks highlighted:

- Review of the 'Delegation of Budgetary Responsibilities Policy' at the next Governors' meeting.
- Arrange that the Finance Sub-committee meets every term and that official minutes are provided for each meeting.
- Report on the school's financial situation regularly to the finance sub-committee/the Body.
- Record when supply teachers are at the school on the 'Weekly General Procedures' form.
- Auditor to arrange that the school is sent a 'Order Notification Sheet' booklet from the Education Office in Pwllheli. The Assistant Head to make use of the booklet when ordering goods and services and then when he has received training on the e-procurement system to make use of the system for ordering and then only make use of the booklet for goods and services not ordered via the e-procurement system.
- Arrange for the Assistant Head to attend training on the e-procurement system that will be conducted by Cynnal in October 2016.
- Ensure a separation of duties where possible when completing an order and certifying payments.
- SIMS Assistants will ensure that the expenditure is referenced accurately on the TR252 reference slips.
- Establish a system of dating and signing each invoice, in order to confirm the date that the school has received the invoices.
- Ensure that an official receipt from the TR32a receipt book for the music training income collected.

**BUDGETARY CONTROL - PRIMARY SCHOOLS
YSGOL TREGARTH**

1. Background

1.1 The school Governing Body is responsible for managing and running the school and delegated powers are given to Head Teachers to run the school on a day to day basis. The Head Teacher's rights in terms of financial decisions vary from one school to the next as this has been determined by the Governing Body and has been recorded in the school's policy. The Head Teacher is responsible for reporting to the Governing Body on a regular basis on the school's financial situation and on any issue that affects that situation.

2. Purpose and Scope of Audit

2.1 It was ensured that appropriate budgetary control arrangements exist at Gwynedd's primary schools. Schools from each area in Gwynedd were selected for the sample based on budget, namely two schools with a low budget (less than £200,000), two schools with a medium budget (between £200,000 and £350,000) and two schools with high budgets (over £350,000).

3. Main Findings

3.1 It was seen that good budgetary control arrangements existed at Ysgol Tregarth, however, some issues require attention as follows:

3.1.1 The Head Teacher has not received specific training regarding finance from the Authority. It was said that training in the field would be very beneficial as she does not have a financial background. This has arisen in several schools during the Budgetary Control audit. The Accountants and education officers are aware of the situation as Head Teachers raise this with them regularly. No solution has been provided as yet but the Accountants continue to hold surgeries with the Head Teachers several times a year.

3.1.2 The 'Delegation of Budgetary Responsibilities Policy', namely a written record of the body's duties and rights, had not been reviewed since 2014 although it is noted in the policy that the rights are reviewed annually. It was explained that arrangements had slipped a little the previous year due to workload but the policy remains operational.

3.1.3 The e-procurement system is not used in the school for the purposes of ordering goods and services as the system had locked the Clerical Assistant out. It was suggested that they should contact Cynnal in order to obtain access to the system once again. It was noted that further training on the system would be beneficial to the Clerical Assistant so that it could be used in the future. Following further enquiries, the auditor was informed that Cynnal would be providing training on the system during October 2016.

- 3.1.4 Purposeful leaflets are being used for recording the invoices received but there was no record of the orders that had been made; however, the Clerical Assistant keeps a copy of every order where possible, invoice and receipt in order to ensure an audit trail. It was suggested that it would be possible to add columns to the table in order to ensure that there is a record of each order - the Head Teacher and the Clerical Assistant agreed and were happy to do so.
- 3.1.5 When checking a sample of invoices, two cases were discovered where the Head Teacher had ordered goods/services and certified the payment. The need to ensure a separation in duties where possible was explained to the Head Teacher.
- 3.1.6 There is no system in place for dating invoices when they are received at the school to confirm the date on which they were received at the school. It is important to note the date the invoice is received at the school, because, that date is the one that the SIMS Assistants should use to record in the 'Pwynt Treth' (Tax Point) box on the TR252 coding slip.
- 3.1.7 Copies of receipts to match the income which had been recorded on the relevant TR34 forms in the sample were obtained, which dated back to October 2015. However, the Clerical Assistant said that receipt arrangements had slipped recently, but, historically these were completed as is seen with the sample audited. It is intended to restart this procedure.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of the propriety in the budgetary controls of Ysgol Tregarth as there are controls in place, but there are aspects where some arrangements can be tightened. The establishment has committed to implement the following steps to mitigate the risks highlighted:

- Review of the 'Delegation of Budgetary Responsibilities Policy' at the next Governors' meeting.
- Arrange for the Clerical Assistant to attend training on the e-procurement system that will be conducted by Cynnal in October 2016.
- Add columns to the invoice recording sheet in order to ensure that there is a record of the details of each order.
- Ensure a separation of duties where possible when completing an order and certifying payments.
- Establish a system of dating and signing each invoice, in order to confirm the date that the school has received the invoices.

BUDGETARY CONTROL - PRIMARY SCHOOLS
YSGOL SANTES HELEN

1. Background

1.1 The school Governing Body is responsible for managing and running the school and delegated powers are given to Head Teachers to run the school on a day to day basis. The Head Teachers' rights in terms of financial decisions vary from one school to the next as determined by the Governing Body and recorded in the school's policy. The Head Teacher is responsible for reporting to the Governing Body on a regular basis on the school's financial situation and on any issue that affects that situation.

2. Purpose and Scope of Audit

2.1 It was ensured that appropriate budgetary control arrangements exist at Gwynedd's primary schools. Schools from each area in Gwynedd were selected for the sample based on budget, namely two schools with a low budget (less than £200,000), two schools with a medium budget (between £200,000 and £350,000) and two schools with high budgets (over £350,000).

3. Main Findings

3.1 It was seen that good budgetary control arrangements existed at Ysgol Santes Helen; however, some issues require attention as follows:

3.1.1 The Head Teacher has not received specific training regarding finance from the Authority. It was said that training in the area would be very beneficial as she does not have a financial background. This has arisen in several schools during the Budgetary Control audit. The Accountants and education officers are aware of the situation as head teachers raise this with them regularly. No solution has been provided as yet but the Accountants continue to hold surgeries with the Head Teachers several times a year.

3.1.2 The school had an underspend of £52,935 in 2014/15 - any underspend will be carried forward to the next financial year, namely 2015/16. The Finance Unit had not received a 'Balances Questionnaire' from the school for 2014/15.

3.1.3 One teacher was receiving additional payments (TLR payments¹) during 2015/16 but the Education Contracts and Salaries Unit had not received the 'Annual Salary Review - September 2015' form for this teacher despite this being a requirement in the Gwynedd Teachers' Salaries Policy (2015).

3.1.4 A 'Staff Absence Record' is kept on the wall of the office where absences are recorded e.g. illness of teachers and assistants as well as the name of the supply teacher covering. The sheet did not reconcile with the sample of timetables selected. In addition, a record is kept of the supply teachers who cover for non-contact time (PPA²) and training in the school diary; these records agreed with the timetables.

1 TLR - Teaching and Learning Responsibility
2 PPA - Planning, Preparation and Assessment

- 3.1.5 Some use is made of the e-procurement system in the school. The Clerical Assistants have attended training and are aware of how to use the system. There was no order book or any other record of orders made in the school. It was suggested that it would be ideal if they kept a record of every order not placed via the e-procurement system.
- 3.1.6 When checking a sample of invoices, one case was discovered where the Head Teacher had ordered goods and certified the payment. The need to ensure a separation in duties where possible was explained to the Head Teacher.
- 3.1.7 There is no system in place for dating invoices when they are received at the school to confirm the date on which they were received at the school. It is important to note the date the invoice is received at the school, because, that date is the one that the Sims Assistants should record in the 'Pwynt Treth' (Tax Point) box on the TR252 coding slip.
- 3.1.8 It was clear that the Clerical Assistants had a system of issuing receipts after receiving income but there was no way of reconciling the receipts with the sample of TR34 forms and monies analysis.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of the propriety in the budgetary control of Ysgol Santes Helen as there are controls in place, but there are aspects where some arrangements can be tightened. The establishment has committed to implement the following steps to mitigate the risks highlighted:

- Ensure that the 'Balances Questionnaire' is completed for any underspend of the budget which has a balance higher than 5% of the school's budget or £10,000, whichever is lower.
- Ensure that 'Annual Salary Review' forms are completed annually and forwarded for the attention of the Schools Salaries and Contracts Services.
- Keep a record in the diary of every supply teacher providing cover including sickness absence.
- Auditor to arrange that the school is sent an 'Order Notification Sheet' booklet from the Education Office. Clerical Assistant to make use of the booklet for goods and services not ordered via the e-procurement system.
- Ensure a separation of duties where possible when completing an order and certifying payments.
- Establish a system of dating and signing each invoice, in order to confirm the date that the school has received the invoices.
- Ensure that a receipt is completed for each music lesson income received.

REVIEW OF CHECKING LIMITS FINANCE

1. Background

- 1.1 As part of the process of releasing creditors' payments, invoices with a value of £10,000 (gross) and above are transferred from the Payments Unit to the Central Accountancy Unit in order for specific officers to verify them before releasing them to be paid. The threshold has been £10,000 since 2005, and over the years inflation has increased the number of invoices that are over this threshold.
- 1.2 The invoices are paid through the medium of BACS or cheque. Further checks will be completed on totals and the number of BACS transactions, and also the payments by cheques. The thresholds for counter-signing cheques are reliant on the nature of the expenditure (general expenditure, pensions, benefits etc.). It is required for officers to initial uncrossed cheques. With uncrossed cheques, it's possible for the payee to exchange them for cash rather than pay them into a bank account. The current threshold for an uncrossed cheque in the Council is £350.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to review the procedures that have been established to verify and pay invoices that have a value of over £10,000, as well as the authorising arrangements through the medium of cheques, and consider whether the current procedure continues to be suitable.
- 2.2 The audit included analysing creditors' records for the 2014/15 and 2015/16 financial years, as well as the first quarter of 2016/17, considering the suitability of the arrangements and the thresholds for verifying invoices, counter-signing cheques as well as submitting uncrossed cheques.

3. Main Findings

- 3.1 A four-week timetable is fixed beforehand in order to designate the task of completing the checks to the officers of the Central Accountancy Unit.
- 3.2 The purpose of verifying the invoices is to ensure that the supplier's details are correct within the financial ledger, and that the invoice is valid. The nature of the expenditure is not considered, because the information regarding the background of the payment is not available to officers in the Central Accountancy Unit. These invoices are already subject to such verifications from the Payments Unit.
- 3.3 Officers of the Central Accountancy Unit expressed that inconsistencies discovered by them have been very rare over the recent years. It is considered that the inconsistencies can be found by completing one verification only, which is already being completed by the Payments Unit. The need for officers in the Payments Unit, as well as the Central Accountancy Unit to complete the same verification, was therefore questioned.

- 3.4 When verifying the cheques, the officers reconcile the number in the batch with the list provided to them, and then sign the cheques with a value above the threshold and initial any uncrossed cheque. The nature of the expenditure is not verified, because it is only the cheque being sent to the officers for verification, not the details of the goods or the services paid for.
- 3.5 It was seen that every batch of invoices paid are being recorded by hand in a day book by the Payments Unit. It was questioned whether this procedure was necessary by now, bearing in mind that the audit trail is also seen within the computerised system.
- 3.6 By verifying the uncrossed cheques from the financial ledger (sub type 07), it was seen that four cheques had been opened during 2015/16 and the first quarter of 2016/17 that were above the threshold of £350. Three of the four were Repayment of the Imprest Account, and one was 'family support money'. Confirmation had been received from the responsible officers that these payments had received attention and a procedure had already been established of highlighting uncrossed cheques that are over the threshold and that there is an appropriate action as a result.

4. Audit Opinion

The Audit opinion is that it is timely for the Finance Department to consider the benefits of completing additional independent verifications in the Central Accountancy Unit against the possible reduction in the workload in administrative work, and therefore the possibility of streamlining the process of releasing creditors' payments. This matter has already been discussed with the Finance Manager - Resources and Corporate.

CODING STRUCTURE FINANCE

1. Background

1.1 The Council's current coding structure has been in place since 2001, when a move was made from the PPL system to efinancials. The PPL system had been set-up so that each code was in a 12-digit format. The efinancials system accepts 8- or 12-digit codes - *Cost Centre* (4 digits), *Account* (4 digits) and *Job* (4 digits). There is no need for a *Job* on every occasion, which means that some codes are 12-digits and others are 8. There are over 4,000 *Account* codes in the system currently, and over 3,000 of those are active.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to assess if the Council's expenditure and income coding structure has been set up in a way which offers transparency to the users, while considering the appropriateness of the codes within the structure in order to reduce the number of cases of miscoding.

2.2 The audit involved reviewing the revenue income and expenditure coding structure, checking the arrangements that have been established in order to ensure that there is control over the number and type of codes available, and that transactions are coded appropriately.

3. Main Findings

3.1 Once an *Account* code has been created in the system, it cannot be deleted. The only options are to make them inactive, or change the description. The situation is the same with *Cost Centre* or *Job*.

3.2 It was seen that creating *Account* codes over the years has led to a number of implications which are considered unfavourable; it was considered whether there was suitable action for them. The matters were discussed with the responsible officers, and a summary is provided below:

3.2.1 A vast number of *Account* codes exist which haven't been used for years (the checks were made back to the 2010/11 financial year). We were informed that it would be possible to make them inactive, but that that would likely have a detrimental effect on the miscoded accounts. The codes would still exist, but it would not be possible to post into them and, therefore, the expenditure would be put against the mis-coded accounts as a result. This would place a burden on the Finance Units who clear the miscoded accounts. There are already a substantial number of transactions placed in the mis-coded accounts, and the Accountancy Units informed us that consideration was being given to contacting the relevant services if they were miscoding regularly.

3.2.2 The *Account* codes which have a 'general' description (for example 3319: Other Educational Uses, 3439: General Materials, 3939: Stationery, 4110: General Fees) are used for expenditure on a wide range of goods and services; it is considered that this could affect the transparency of the information within the accounting system. However, this contradicts the consideration in point 3.2.1, where it was questioned if it is possible to reduce the number of *Account* codes, which would, possibly, create a more 'general' nature for the remaining ones.

3.2.3 There are cases where there is more than one *Account* code which has the same description, or similar descriptions. We were informed that, although the codes have similar / identical descriptions, in some of the cases raised the 'Parent' was different. For example:

Account 3301: Stationery (Parent 33: Educational Materials);

Account 3939: Stationery (Parent 39: Office Goods).

3.3 It was proposed that the only action which would not lead to further unfavourable implications would be to re-start the structure, keeping the same hierarchy. It is anticipated that this would ultimately lead to the same situation, as there are over 3,000 codes that are being used and they would need to be recreated within the new structure. It is also considered that there has been justification for creating the *Account* codes which already exist and, therefore, ultimately the same situation would arise with the new structure.

4. Audit Opinion

The audit opinion is that there is no suitable action which would lead to streamlining the *Account* codes entirely, which would not cause further unfavourable implications. The Systems Manager agreed that there is room to refine here and there within the structure, but that this would not fully resolve any of the issues raised above.

DISCRETIONARY HOUSING PAYMENTS FINANCE

1. Background

1.1 During 2016/17, Gwynedd Council will receive £659,887 from the Government's Department of Work and Pensions to be distributed at its discretion to individuals or families who require additional support with their housing costs. These Discretionary Housing Payments (DHP) are in addition to Housing Benefit and are payable and used to go part of the way to cover the shortfall when the Housing Benefit is not enough to cover the entire rent. Since 2015/16, the Council has a written Policy in order to ensure that the payments are transparent and based on merit. The Council worked with other local authorities in Wales to develop a common model.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to ensure that the DHP is allocated to the residents of Gwynedd in a consistent and transparent manner, and that these payments are appropriate. This was done by reviewing a sample of DHP applications made during the 2016/17 financial year to date. The audit ensured that the decisions made were based on the "Operational Policy for Sharing the Discretionary Housing Payments Allocation 2016/7".

3. Main Findings

- 3.1 The budget of £659,887 for DHP includes an additional allocation for families who are affected by the 'bedroom tax', and a further allocation to reflect the rural status of Gwynedd. This rural element gives significant additional benefits compared with the basic allocation, with Gwynedd receiving over £450,000 more in DHP budget than similar neighbouring counties who do not receive the rural element.
- 3.2 Since 2015/16, the Council has a Policy in order to ensure that the DHPs made are transparent and allocated based on merit. As the budget is limited, the Policy is used to prioritise the specific circumstances of each application. The Policy details in which cases the DHP should be paid, with circumstances categorised into priority groups together with the applicant's ability to control the situation. This is the basis of the Policy's scoring matrix which is used to calculate the payment made to applicants.
- 3.3 Though this scoring matrix is of assistance to officers to make consistent decisions, section 30 notes; *"This policy is not intended to restrict Gwynedd Council's discretion when making DHP decisions. It is a discretionary scheme and some cases will always have special or extraordinary circumstances when the decision-maker considers that awarding a DHP can be justified."* Essentially, the Policy cannot encompass all the different circumstances which can arise in the applications and the Benefits Officers must interpret them as appropriate.

- 3.4 This Audit must take into account the fact that the Council needs to allocate this significant budget to residents, some of whom could be at risk with their tenancies. As the payments are optional and subject to the Benefits Officers' discretion, the Audit was limited to reviewing a sample of applications to ensure that they are decided upon consistently and in accordance with the principle of the Policy and prevent the approval of unsuitable applications.
- 3.5 A sample of applications was reviewed and it was seen that there are examples where the decision made is not entirely in-keeping with the Policy, but subject to the discretion of the Benefits Officer. However, no cases of payments which were entirely contrary to the Policy were seen, and several applications are refused.
- 3.6 The Policy is reviewed annually in order to ensure that the payment rates are in-keeping with the budget allocated, as there is no certainty that the additional allocation Gwynedd receives will continue from one year to the next. The 2016/17 Policy was submitted by the Cabinet Member on 21/02/16. Though the Policy cannot encompass all the circumstances which can arise in the applications, it was seen that the financial assessment part could be strengthened as it does not mention all the costs which should be disregarded in the assessment, such as the costs of repaying any benefits overpayment, and any high expenditure which it is expected could be reduced when considering their ability to control the situation.

4. Audit Opinion

- (A) The audit opinion is that assurance can be given of propriety in the arrangements for Discretionary Housing Payments, as it was seen from the sample chosen that the payments were appropriate and in line with the principles of the Policy, but subject to the discretion of a Benefits Officer.**

**BANGOR AQUATICS AND HEALTHY LIFESTYLES CENTRE
ECONOMY AND COMMUNITY**

1. Background

1.1 Gwynedd Council Leisure Centres are within the Healthy Communities service which is part of the Economy and Community Department. There are four Area Managers who are responsible for managing the Centres under the Authority's control. Bangor Aquatics and Healthy Lifestyles Centre provides a number of services for the public, including a swimming pool, fitness room and all-weather pitch.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that robust arrangements exist in the Centre in order to control and alleviate risks and in accordance with the Council's internal procedures and other relevant legislations.
- 2.2 The audit involved visiting a sample of four Leisure Centres unannounced in order to ensure that appropriate arrangements are in place for managing risks which could exist in the areas of collection of income, budgetary control, procurement, storage of goods and health and safety.

3. Main Findings

- 3.1 It was seen that robust internal controls are in place at Bangor Aquatics and Healthy Lifestyles Centre, but that the following aspects need to be tightened:
- 3.1.1 When checking 'FIN07.01 Vending Machine Reconciliation Forms' for the three vending machines, it was seen that they had not emptied the money from the machines in several weeks. It is noted in the IMS guidelines that the 'Rijo' machine needs to be emptied weekly and the other machines at least once a month. The Area Manager explained that the officers that are usually responsible for emptying them had been on courses during the last few weeks, however the officers that were covering their posts should have completed the duties.
- 3.1.2 It appears that the money from the hairdryer (£10.60) had not been banked since 11/07/16. The sum had been inputted into the Gladstone system and at the end of the day there was a £1.45 inconsistency on the 'Z Reading' receipt, but due to £10.60 not being banked, there was a surplus of -£9.15 on the TR34 sheet. The Area Manager was not aware of what had happened to this money.
- 3.1.3 Direct debit packages are available at the centre, the information is kept in an 'in-tray' in the reception ready to be sent by internal post. They are not kept locked.
- 3.1.4 The accounts of five children were checked on the Gladstone system in order to see if there was a membership picture for them on the system. There was a membership picture on only one of them.
- 3.1.5 The centre's cleaning cupboard is in the family changing room. When visiting the room during the audit, it was seen that the key had been left in the door and the door was open. Staff were cleaning at this time. However, the room should not have been open because members of the public were around.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of the propriety in the arrangements of Bangor Aquatics and Healthy Lifestyles Centre as there are controls in place, but there are aspects where some arrangements can be tightened. The establishment has committed to implement the following steps to mitigate the risks highlighted:

- Explain to the Duty Manager that the officers that are on their shift need to complete their tasks. In addition, the centre uses the Legend system that sends a reminder of the need to complete tasks.
- Ensure that the forms are kept locked in the cupboard behind the reception by sending an e-mail to the Duty Managers, Receptionist and the Bangor and Caernarfon Area Administrator.
- Send an e-mail to the Duty Managers and the Receptionist to check that there is a picture on a child's account when they come into the centre.
- Put a note on the staff's notice board to remind them of the need to lock the cleaning room.

**PLAS SILYN LEISURE CENTRE
ECONOMY AND COMMUNITY**

1. Background

1.1 Gwynedd Council Leisure Centres are within the Healthy Communities service which is part of the Economy and Community Department. There are four Area Managers who are responsible for managing the Centres under the Authority's control. Plas Silyn Leisure Centre, Penygroes, provides a number of services for the public, the area's schools and several sports clubs; including a fitness room, sports hall and outside fields.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to ensure that robust arrangements exist in the Centre in order to control and alleviate risks and in accordance with the Council's internal procedures and other relevant legislations.

2.2 The audit involved visiting a sample of four Leisure Centres unannounced in order to ensure that appropriate arrangements are in place for managing risks which could exist in the areas of collection of income, budgetary control, procurement, storage of goods and health and safety.

3. Main Findings

3.1 The centre provides a good service to its customers and clearly the centre's staff are conscientious and committed. The arrangements in relation to the centre's financial managements were good with records completed appropriately and in full. It was seen that the elements such as health and safety, safeguarding arrangements and providing training also receive appropriate attention.

4. Audit Opinion

(A) Certainty of propriety can be expressed in the administration and financial arrangements of Plas Silyn Leisure Centre as it is possible to depend on the internal controls in place and they have been followed.

**DWYFOR LEISURE CENTRE
ECONOMY AND COMMUNITY**

1. Background

1.1 Gwynedd Council Leisure Centres are within the Healthy Communities service which is part of the Economy and Community Department. There are four Area Managers who are responsible for managing the Centres under the Authority's control. Dwyfor Leisure Centre, Pwllheli, provides a number of services for the public, the area's schools, Coleg Meirion Dwyfor and several sports clubs; including a fitness room, sports hall and outside fields.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to ensure that robust arrangements exist in the Centre in order to control and alleviate risks and in accordance with the Council's internal procedures and other relevant legislations.

2.2 The audit involved visiting a sample of four Leisure Centres unannounced in order to ensure that appropriate arrangements are in place for managing risks which could exist in the areas of collection of income, budgetary control, procurement, storage of goods and health and safety.

3. Main Findings

3.1 The centre provides a good service to its customers and the staff are conscientious when administrating and providing a service to the public. However, unexpected staffing problems at the centre made it difficult to cope with every task in full and a few risks arise in this situation. Despite this, controls were in place to cope to an extent with these risks, and it was seen that staff can be promoted to be responsible for the majority of duties.

3.1.1 Though two people sign the banking forms at the end of the day, there are times when only one person counts the money from the till, which is an accepted risk when officers work alone in centres; but consideration should be given to whether the risk needs to be taken where it can be avoided. This happens due to the current staffing situation, and is one of the risks that arise because of that.

3.1.2 Mistakes on the till happen at times when the tills don't work. Though there is an effort currently to resolve the problems with tills and the system, a risk now stems from the back-up arrangements.

3.1.3 Apart from a few exceptions, there was good control on the administration of banking forms. Nevertheless, some weaknesses appeared in the controls. An example was discovered where £391.85 of income had been collected but it was only possible to account for £147.45. Following enquiries, an explanation was given for the surplus, and steps were taken to rectify it.

3.1.4 Bad-debtors and unpaid invoices were being addressed; however, the centre manager was keen to be able to monitor bad-debtors herself live on the ledger, so that income is claimed earlier.

- 3.1.5 It was seen that members' accounts remained on the system after they had ended their membership including frozen accounts. In addition, membership forms are kept beyond the necessary period. The centre had not discussed this risk of acting contrary to the Data Protection Act with the information management service.
- 3.1.6 It is understood that the staffing problems had meant that the property register had not been updated as timetabled, but that the work was in the pipeline and it will be completed and kept on the new iGwynedd system, when staff will have returned. However, property and equipment critical to the centre's work are checked on a daily basis.
- 3.1.7 A Legionella risk assessment had not been completed, which is the responsibility of the property service.
- 3.1.8 It may be that an opportunity is being lost in using the expertise of staff who have a first aid trainer qualification to train staff in other centres.
- 3.1.9 Management of the CCTV system was inadequate, stemming from the lack of training and selecting responsibility for the system, though the centre reported that they had been able to provide a tape to the police with external assistance.

4. Audit Opinion

(B) Partial assurance can be expressed of propriety in the administration of Dwyfor Leisure Centre as there are controls in place, but there are aspects where some arrangements can be tightened. The service is committed to implement the following steps to alleviate the risks highlighted:

- Manager to receive training on the ledger system in order to be able to manage the budget in a timely manner.
- Update the property register.
- Discuss the risk of keeping data beyond the required period, and the implications of the Data Protection Act for this with the information management service.
- Arrange training on administrating the CCTV system.

**BRO DYSYNNI LEISURE CENTRE, TYWYN
ECONOMY AND COMMUNITY**

1. Background

1.1 Gwynedd Council Leisure Centres are within the Healthy Communities service which is part of the Economy and Community Department. There are four Area Managers who are responsible for managing the Centres under the Authority's control. Bro Dysynni Leisure Centre, Tywyn, provides a number of services for the customers, including a swimming pool, fitness room and all-weather pitch.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that robust arrangements exist in the Centre in order to control and alleviate risks and in accordance with the Council's internal procedures and other relevant legislations.
- 2.2 The audit involved visiting a sample of four Leisure Centres unannounced in order to ensure that appropriate arrangements are in place for managing risks which could exist in the areas of collection of income, budgetary control, procurement, storage of goods and health and safety.

3. Main Findings

- 3.1 It was seen in general that appropriate internal controls are in place at Bro Dysynni Leisure Centre, but that the following aspects need to be tightened in order to alleviate the risks highlighted.
- 3.1.1 The Area Manager is responsible for managing finance at the Centre, and it was noted that the responsibility had not been delegated to the Duty Managers in his absence e.g. during periods when he is located at other Centres under his control. Although no budgetary control weaknesses had been highlighted, it was seen that the Area Manager had not received formal training in the field.
- 3.1.2 Inconsistencies in terms of payment method variances were seen on many of the till reports produced as staff count and check receipts at the end of the shift. This meant that the system had recorded more / less cash than received in reality, and on the contrary with card payments. We were informed that this was mainly due to customers initially wanting to pay with cash, for example, before changing to wanting to pay with another method, such as a card, after the staff had recorded the method of payment on Gladstone.
- 3.1.3 The 'For Office Use Only' section on the Request to Hire Facilities forms had not been filled by the Centre officers on all occasions. This section includes administrative information which records the steps which are a part of the process of raising an invoice, and it also provides an audit trail.
- 3.1.4 There were occasions where the customer was charged for VAT when the Gladstone system notes that the activity is tax exempt. It was seen that this had happened because the officers who had completed the Request to Raise an Invoice had not noted the relevant VAT code (namely 'X').

- 3.1.5 There are specific spreadsheets in the Centre to control expenditure, income and stock of goods sold e.g. from catering machines. However, examples were seen where the money received was very different from what the spreadsheets suggest.
- 3.1.6 It was seen that the risk assessments in the Centre were out of date, but we were informed that they were about to be transferred to the Health and Safety Data Base which would allow them to be updated more often.
- 3.1.7 The clock on the CCTV system was half an hour off the correct time. A member of staff corrected it there and then. However, as the access to the CCTV system is restricted, it is considered that there is a risk of unauthorised access here.
- 3.1.8 On the whole, the staff of the Centre have not completed the mandatory e-Gwynedd modules on Safeguarding and Protecting Children and Vulnerable Adults.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of the propriety in the arrangements of Bro Dysynni Leisure Centre as there are controls in place, but there are aspects where some arrangements can be tightened. The establishment has committed to implement the following steps to mitigate the risks highlighted:

- Relevant staff to be informed that the 'For Office Use Only' section on the Request to Hire Facilities forms is to be filled in on all occasions.
- Relevant staff to be informed that code 'X' should be noted on the Request to Raise an Invoice forms when the facility hired is VAT exempt.
- Ensure that access to the CCTV is restricted, and that it displays the right time and date.
- All the staff of the Centre, including casual staff, to complete the mandatory e-Gwynedd training, including Safeguarding and Protecting Children and Vulnerable Adults.

**BEACHES - INCOME COLLECTION
ECONOMY AND COMMUNITY**

1. Background

1.1 The Council provides services to park and launch maritime vessels on many of the County's beaches, together with a management and monitoring service at the beaches over the summer season, for the enjoyment of residents and visitors. Gwynedd has an extensive coastline, which includes a number of popular and famous beaches. Many of Gwynedd's beaches have won a blue flag award including Abersoch and Morfa Bychan, which is a sign that the beaches are of the highest standard.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to ensure that adequate arrangements were in place on the Council's beaches in order to manage risks in the areas of income collection and banking.

2.2 A sample of beaches in Gwynedd was chosen to audit by visiting the beaches without prior notice to undertake checks to ensure that they comply with the main principles in relation to the collection of Council income. The beaches at Abersoch, Machroes and Morfa Bychan were audited as a sample of beaches for the purposes of the audit. There are two entrances for Morfa Bychan beach, namely entrance A and entrance B.

3. Main Findings

3.1 It appears that good arrangements exist for the administration of income of the beaches. It was seen that the relevant receipts are issued to customers. A sample of the TR34 forms 'Receipts and Banking' was audited to ensure the accuracy and detail of the documents. There are robust arrangements in place, on the whole, for banking the money as well as adequate facilities to safeguard the income which hasn't been banked. Also, it was found that the beaches charge the right fee by advertising the fees publicly on the beaches. Nevertheless, it was seen that the following aspects, involving Abersoch beach mainly, needed to be tightened:

3.1.1 While attempting to reconcile the income on the day of the audit, it was seen that there was a substantial sum of money in the cash-box at Abersoch beach. An attempt was made to check how many receipts/launching tickets had been issued to obtain a total for the day but it had not been possible to check this either as the launching tickets book had not been dated on the day of the audit. As a result, the auditors were not able to reconcile the income on the day of the audit.

3.1.2 A sample of 'Cash Reconciliation Statements' forms, which are completed at the end of the day, was audited. It was seen that Machroes and Morfa Bychan beaches complete them on a daily basis but it appears that this wasn't the system for Abersoch beach. This was highlighted in a previous audit held in November 2014.

3.1.3 While auditing the beaches' banking arrangements it was seen that Morfa Bychan beach banked every day, particularly during busy periods in the summer. Cases were seen where Abersoch and Machroes beaches did not bank regularly.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of financial propriety in the income collection arrangements of Beaches as there are controls in place, but there are aspects where some arrangements can be tightened. The service has committed to implement the following steps to alleviate the risks highlighted:

- Ensure that arrangements will be in place to ensure compliance with the procedure. Monthly audit to be held for April-September by the Senior Beaches Officer in order to ensure compliance with the requirements. Ticket system, as used on Morfa Bychan beach, to be put in place.
- Present information in our induction to ensure compliance with the requirements. Principal Beaches Officer to ensure that the procedure is followed by receiving copies of the documentation.
- Regular banking procedures to be established and shared with staff and monitored on a weekly basis in 2017.

BUDGETARY CONTROL – PROVIDER ADULTS, HEALTH AND WELL-BEING

1. Background

1.1 The Provider Services are involved in four areas: Residential Care, Day Care, Community Care and Supported Accommodation. Within the Residential Care field, there are eleven residential homes, with a designated Manager for each one. The Provider Service's final accounts for 2015/16 show an overspend, and Residential Care has contributed significantly to this.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to ensure that the budgets of residential homes are managed effectively, and that any significant over/underspend is justified.

2.2 The audit encompassed selecting a sample of residential homes and checking that responsibilities had been designated appropriately, that the nature of the information received by the budget holders is suitable for their needs, and that this information is used in a purposeful way. Consideration was given to the possibility of sharing good practices and investigations were held into any cases of significant under/overspend.

3. Main Findings

3.1 A sample of four residential homes was selected for audit purposes; of those, two had shown an overspend at the end of 2015/16 and two had underspent significantly. When undertaking the audit, it was seen that the reason for the overspend on the whole was not shortcomings in the Service's monitoring arrangements. The Area Managers and the Senior Operational Manager were seen to be giving proactive input when attempting to get to grips with the areas where there is significant overspend. The following is an outline of what is considered to be the main cases of overspend over the course of 2015/6 and to date in 2016/17:

3.1.1 In the two homes which have overspent in 2015/6, the majority of the overspend stems from staffing costs. We were informed that staff absences levels had been high in the homes in general, which is a cause of concern for the Service and, therefore, work has been underway for some time now in an attempt to manage the situation. Although the Managers feel that there have been periods of improvement at times, the problem remains on the whole. This was confirmed by the sickness figures where it was seen that there had been 40,020 hours (5,408 days) of sickness between the Council's homes during 2015/16 and 19,476 hours (2,632 days) up to half way through 2016/17.

3.1.2 The homes seem to have a significant overspend on the Furniture - Purchase (3001) code. When auditing down to the level of individual transactions, it was seen that the expenditure does not necessarily stem from furniture purchase. Expenditure such as repair works on the home's property (including washing machines) and servicing of hoists is seen here. It is considered that these are unavoidable costs.

- 3.1.3 Disposing of clinical waste by Cannon adds to the unavoidable costs of the homes. We were informed that an exercise had been held to see whether it was possible to make savings here, but it was found that the current arrangements were the cheapest.
- 3.1.4 For one of the homes audited, it was seen that the travelling costs were significantly higher than the other three homes. We were informed that this was as a result of staff relocation costs. The budget of £250 a year has not been enough to pay for the costs, and as this home is one of the ones facing staffing difficulties, this budget is under pressure in general.
- 3.1.5 It was seen that one home had spent nearly £650 on the Stationery code (3939) approximately half way through the current financial year, and that approximately £600 of that was expenditure on printer ink. This is significantly higher than the other homes and is, therefore, a matter that requires attention.
- 3.1.6 It appears that the phone costs of two of the homes audited were high, and it is considered that action is required here to ensure that the service does not pay more than is needed on phone contracts.
- 3.1.7 It was enquired whether the Managers and Clerks of the homes have or want access to the financial ledger in order to see individual transactions, and possibly reduce the work load of the Payments and Accounts Units in relation to responding to enquiries. The staff of one home expressed that having access to the ledger would be useful.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of the propriety in the Budgetary Control - Provider arrangements, as there are controls in place within the Service to address the overspend across the homes but, the vast majority of the overspend stems from staffing difficulties, which is a matter that is being addressed regularly by the Managers. The service is committed to implement the following specific steps to alleviate the risks highlighted:

- Continue with the proactive work of seeking to manage the staff absences level;
- Investigate the homes' printing costs, and consider if savings can be made here;
- Hold an investigation into the phone costs of the homes, in order to ensure value for money.

**SUPPORTING PEOPLE GRANT
ADULTS, HEALTH AND WELL-BEING**

1. Background

- 1.1 Gwynedd Council received over £5 million in grant money from Welsh Government during 2015-16 as part of the Supporting People scheme. The scheme commissions and funds over 25 providers to offer support to vulnerable individuals to keep their tenancies and avoid homelessness, with the aim of enabling the individual to live independently by providing support services associated with housing. The service can be provided in the individual's home or in a hostel, sheltered homes or any house where support is provided. The scheme provides support to a wide range of people, such as older people, people with domestic violence issues, people who are at risk of becoming homeless, people with mental health issues, and people with substance misuse needs as well as people with learning disabilities.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure the accuracy of the Supporting People grant audit certificate for 2015-16, by checking the costs claimed and the number of cases reported, as well as ensuring that the Unit has complied with the conditions of the grant letter, good practice and the Council financial procedure rules.

3. Main Findings

- 3.1 It was discovered that Gwynedd had claimed and spent the Supporting People grant in full during 2015-16. The expenditure was reconciled with the ledger and a sample of costs was tracked back to their source, including checking invoices paid to external providers as well as journals when the care was provided by other Units within the Council.
- 3.2 A sample of payments made to the external providers was tracked back to their contracts with the Council, and they were found to be appropriate.
- 3.3 As part of the contract, the Supporting People Unit carries out periodic monitoring visits of the providers in order to ensure that what is provided meets the expected standards.
- 3.4 Several 'outcomes' reported to Welsh Government were checked, for the two phases within the year. The intention with this was to collect information about the number and type of support provided. The providers submit this information for each individual to Conwy County Borough Council as the lead body of the North Wales Supporting People Region, which in turn sends a summary report of the data base to Gwynedd Council to check and send to Welsh Government. In addition, a spreadsheet is received which includes all the details of every individual who receives assistance. This information is used by the Unit in order to select a sample of outcomes to audit when carrying out monitoring visits with the providers. It was seen that these reports reconcile with that which was reported to Welsh Government, and that the Unit validates these when visiting them.

3.5 The Supporting People Unit publishes a Local Commissioning Plan every year, with the intention of outlining the existing supply of support services which involve housing, assessing the needs of vulnerable people in the future in the housing context and to review projects which already exist. However, at the time of the audit it was seen that the Plan which was on the Council's website was relevant to 2013-15, with an appendix which had a 'draft' watermark. The Unit agreed to replace this report with the 2015-18 Operational Plan, and it was seen that this has now been implemented.

4. Audit Opinion

(A) The Audit Opinion is that certainty of appropriateness can be expressed with the administration of the Supporting People Grant 2015-16 as appropriate controls are in place, which have been followed. It can be expressed that the details on the audit certificate are accurate. The Unit has committed to implement the following steps to mitigate the risks highlighted:

- Updating the Supporting People Operational Plan which is on the Council's website.

**PLAS PENGWAITH RESIDENTIAL HOME, LLANBERIS
ADULTS, HEALTH AND WELL-BEING**

1. Background

- 1.1 Plas Pengwaith Residential Home is located in the village of Llanberis. The home is registered to provide care for 32 people, and 26 residents were registered in the home on the day of the visit. The home also offers day care to non-residents who wish to use the service.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that the financial arrangements of Plas Pengwaith residential home are appropriate and in accordance with relevant regulations and standards. The audit encompassed checking that the home's arrangements were sufficient in terms of administration and staffing, procurement of goods and receiving income, health and safety, and monitoring performance along with ensuring that the service users and their property are safeguarded.

3. Main Findings

- 3.1 It was seen that there was generally good control over the home's arrangements, with robust input offered from the Home's Manager and Deputy Manager. It was felt that arrangements could be tightened in some areas, mostly in order to strengthen the controls that already exist, as outlined in the points below.
- 3.2 Staff training is not completely up to date. However, the Home's Manager was aware of the situation and had already addressed the matter.
- 3.3 There was no formal evidence available (e.g. on certificate form) of the staff's qualifications. This is a responsibility that has been delegated to the staff themselves, and it was seen on the whole that their files are not kept up to date.
- 3.4 The staff do not receive formal supervision every two months, which is an expectation set in the Care Homes (Wales) Regulations and the National Minimum Standards.
- 3.5 Minor calculation mistakes were seen in one member of staff's timesheet from the sample that was checked. Nevertheless, it was seen that some of them had been corrected during the process of approval to be paid. The mistakes are not considered material so far, however, it was agreed that the matter would receive further attention.
- 3.6 Mistakes were seen in two members of staff's holiday cards, in terms of the number of hours owed that were given to them for the holiday year. As a result, it was agreed that the Manager and the Clerk would check all of the holiday cards, and confirmation was received from them the following day that they were correct.
- 3.7 A date stamp is not used on invoices, which could cause the time taken to pay suppliers seem longer than it actually is.
- 3.8 It is considered that there is room to refine arrangements in terms of fire tests, because it was seen from the log book that some tests had been omitted.

3.9 The 'Diogelu' / 'Safeguarding' posters were not seen in the home, therefore some of them were provided on the day of the audit and they were displayed at once.

3.10 Not all members of staff who provided medication had signed to express that they had read and understood the Medication Policy, but it was said that this is a process in the pipeline anyway.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of propriety in administrating Plas Pengwaith Residential Home as regulations have been established, but there are some aspects where arrangements can be tightened. The service has committed to implement the following steps to alleviate the risks highlighted:

- Continue with the work of ensuring that staff training is up to date.
- Remind the staff to include certificates in their training files, checking the situation periodically.
- Refine the arrangements in terms of staff to ensure that they satisfy the regulations.
- Check the number of owed hours that have been recorded on every member of staff's current holiday card.
- Use a date stamp to mark invoices when they are received in the home.
- Keep a closer eye on the fire tests (fire log book), ensuring that no test is omitted.
- Continue with the work of circulating the Medication Policy, ensuring that every relevant member of staff has signed to express that they have read and understood it.

**LLYS CADFAN RESIDENTIAL HOME, TYWYN
ADULTS, HEALTH AND WELL-BEING**

1. Background

- 1.1 Llys Cadfan residential home is located in the town of Tywyn. It has 28 bedrooms, eight of which are specialist units for individuals with complex or severe needs. Two of the beds have been kept for respite and intermediate care. The home also offers day care to non-residents who wish to use the service.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that the management and maintenance arrangements of Llys Cadfan residential home are appropriate and in accordance with relevant regulations and standards. The audit encompassed verifying that the home's arrangements were sufficient in terms of administration and staffing, procurement of goods and receiving income, health and safety, and monitoring performance along with ensuring that the service users and their property are safeguarded.

3. Main Findings

- 3.1 There is a homely and friendly feel to the home and managers clearly appreciate the staff's commitment to their work.
- 3.2 It was seen that the staff do not receive formal supervision as often as is expected in the Care Homes (Wales) Regulations and the National Minimum Standards, which state the need for staff to be supervised every two months. Supervision is used to improve service, with additional supervision undertaken as and when necessary. It was agreed to ensure that staff do not go for much longer than two months without supervision, apart from in special circumstances such as illness or leave.
- 3.3 In the context of the fact that the home is likely to move to the e-procurement ordering system in the near future, there was no purpose in auditing the invoice processing arrangements thoroughly. However, it was seen that stamping invoices on the day of receipt is a step which has already been implemented recently to improve control and the prompt payment of invoices indicator.
- 3.4 Only one person signs and, therefore, checks, the TR34 money banking forms, which is contrary to the financial regulations. This increases the risk of failure to identify mistakes, or income not reaching the Council.
- 3.5 It was seen that the home delays before reclaiming imprest money from the Council. The Area Manager was not aware of the guidelines for the imprest accounts and the need not to spend over 2/3 of the account total before reclaiming the money was discussed.
- 3.6 On the day of the visit, it was discovered that the medication fridge thermometer had broken; therefore, the temperature had not been recorded over the weekend. Though the fridge was cold and likely to be working properly, something could have gone wrong and there was no procedure to inform the manager that the thermometer was deficient.

4. Audit Opinion

(B) Partial assurance can be expressed of the propriety in the administration of Llys Cadfan home as there are controls in place, but there are aspects where some arrangements can be tightened. The service has committed to implement the following steps to alleviate the risks highlighted:

- Change the supervision system in order to ensure that staff are supervised regularly every two months or as close as possible to that in a case of illness or leave.
- Continue to stamp invoices when they reach the home.
- Ensure that a second responsible person checks the TR34 banking forms and signs them to certify that this has been done.
- Make imprest claims more often taking into consideration the rule of not spending over 2/3 of the total before making a claim of re-payment.
- Procure a new thermometer for the home's medication fridge.
- Discuss and create a procedure with staff where deficiencies are reported and resolved immediately, specifically when medication and safety of clients are in question.

**YOUTH JUSTICE CORE GRANT
CHILDREN AND SUPPORTING FAMILIES DEPARTMENT**

1. Background

1.1 The Crime and Disorder Act 1998 places a statutory responsibility on local authorities to collaborate with the Police, Health service, Probation service and Fire and Rescue service and to establish a Youth Justice Team for their areas, ensuring that appropriate resources are provided to hold various youth justice services in accordance with Section 38(4) of the Act. A grant was received from the Youth Justice Board for England and Wales to be used in accordance with the conditions of section 41(5) of the Act. The purpose of the grant has been amended by "*Youth Justice Board for England and Wales Order 2015, Article 2c*".

The money is used to deliver the following results:

- a reduction in youth re-offending,
- a reduction in the numbers of new offenders in the criminal justice system,
- a reduction in the use of youth custody,
- effective public safety,
- effective defence,
- access to services for the young people in the youth justice system.

The Grant is administrated by the Youth Justice Service for the Gwynedd and Anglesey areas with Gwynedd Council leading.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to ensure that the Youth Justice Service complied with the terms and conditions of the Youth Justice Core Grant and that appropriate budgetary control, ordering and receipt of goods and employment arrangements existed.

3. Main Findings

3.1 It appears that robust internal controls exist in the Youth Justice Service for administrating the Youth Justice Core Grant in Gwynedd and Anglesey. However, some issues require attention as follows:

3.1.1 When auditing a sample of invoices, it was seen that 4 out of the 16 invoices had not been stamped with the date on which they were received. It is important to note the date the invoice is received, because, that date is the one that the Office Manager should record in the 'Pwynt Treth' (Tax Point) box on the TR252 coding slip.

3.1.2 During the audit, it was not possible to reconcile the orders against the invoices which had been paid, as there was no procedure of completing orders for everything which had been ordered. The Service confirmed that they would be moving over to the e-procurement system in the near future for ordering goods and services. However, in the meantime, it is good practice to raise orders when goods/services are ordered so that an adequate trail exists. It is also helpful when officers who have

ordered the goods/services are absent, in order to allow other officers to check the goods received together with processing the invoices which have been received.

- 3.1.3 The grant terms and conditions note that the Youth Justice Team is expected to submit a summary of income and expenditure detailing the expenditure against the grant together with the entire budget of the Youth Justice Service for the period from 01/04/15 to 30/09/15 to the Youth Justice Board by 30/11/15. This summary was not submitted to the Youth Justice Board until February 2016.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of the propriety in the administration arrangements of the Youth Justice Core Grant in Gwynedd and Anglesey as there are controls in place, but there are aspects where some arrangements can be tightened. The establishment has committed to implement the following steps to mitigate the risks highlighted:

- Service to ensure that each invoice is stamped with the date received and processed and sent to the Payments Section within the week.
- Service to ensure that each official order is completed every time.
- Ensure that each party is aware of the mid-term closing dates and that the Youth Justice Service Manager collects the information on time.

**FLYING START REVENUE GRANT
CHILDREN AND SUPPORTING FAMILIES DEPARTMENT**

1. Background

1.1 Flying Start is a part of the Early Years Programme for families and children aged under 4 years old who live in the most deprived areas of Wales. There are four core elements to Flying Start, namely free childcare of a high standard for children aged 2-3 years old, extended service from Health Visitors, access to Parenting Schemes and early language development. The programme is funded by Welsh Government. It was seen that Flying Start brings several agencies together, which includes collaborating with the Betsi Cadwaladr Local Health Board. The Flying Start programme is offered in a number of catchment areas in Gwynedd.

2. Purpose and Scope of Audit

2.1 Ensure that there is appropriate internal control for administering the Flying Start Grant which involves ensuring that the grant funding is spent in accordance with the terms and conditions of the grant. Select a sample of payments in the form of invoices, journals and salaries prepared by Gwynedd Council in relation to the various elements of the grant, and ensure that they are reasonable and are in accordance with the grant's objectives. Confirm that appropriate arrangements are in place to monitor the grant and claim the grant funding from Welsh Government for 2015/16.

3. Main Findings

3.1 It appears that robust internal controls exist for administering the Flying Start Revenue Grant; however, some issues require attention as follows:

3.1.1 When auditing a sample of invoices, it was seen that 12 out of the 17 invoices had not been stamped with the date on which they were received by the service. It is important to note the date the invoice is received, because that date is the one that the administrative officers should record in the 'Pwynt Treth' (Tax Point) box on the TR252 coding slip.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of the propriety in the administration arrangements of the Flying Start Revenue Grant as there are controls in place, but there are aspects where some arrangements can be tightened. The establishment has committed to implement the following steps to mitigate the risks highlighted:

- The administrative staff at Plas Pawb and Tŷ Cegin have been reminded to stamp the date on which the invoices are received. Also have reminded staff who certify invoices that they require a date received stamp.

MOT FEES HIGHWAYS AND MUNICIPAL

1. Background

- 1.1 Gwynedd Council has two workshops which provide an MOT service for vehicles; one in Caernarfon and one in Dolgellau. The workshops provide a service to the Council's fleet (up to 3.5 tonnes) and are also open to the public.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that appropriate internal controls are associated with the Council's MOT service. This was undertaken by reviewing the transactions of the financial ledger for 2015-16 and 2016-17, including checking that arrangements to collect income are adequate and that payments to external MOT workshops are appropriate.

3. Main Findings

- 3.1 The ledger for MOT tests expenditure and income was checked and it showed that the Council's Departments make appropriate use of the Council's MOT workshops. However, it was also seen that the Council makes use of external MOT workshops. This stems from the fact that the Council is not able to perform MOT tests on vehicles of over 3.5 tonnes; therefore, external providers must be used in such cases. In addition, the Council does not have an MOT workshop in Pwllheli, therefore, vehicles in this area are taken to a local company.
- 3.2 The Government has issued a list of maximum prices that any MOT Test providers can charge customers. Since 2010, the Council does not have the right to charge more than £54.85 for a category 4 MOT, namely ordinary cars. The Council charges £50 for such an MOT. It can be seen from the Cabinet Member Decision Notice, 17/02/15, that the 2015/16 fees were agreed on an appropriate level; however, the corresponding record for 2016/17 fees was not received.
- 3.3 As the Council has stations which provide MOT tests, by law the service must also be available to the public. The Council does not advertise this service very much, nor does it offer low prices to attract customers. This stems from criticism aimed at the Council in the past for drawing customers from local businesses which also provide this service. This business strategy and the option of changing the fees have not been considered as part of the 'Highways Service Strategic Review' (January 2016).
- 3.4 It was found that the Dolgellau Workshop does not bank money often enough. It was seen that there is no additional information on the TR34 (other than 'MOT Tests' and the total paid into the bank) and only one officer signs them.

3.5 It was seen that the Cibyn Workshops bank money more often with a lower value on average. The TR34 also lists every payment individually, including the receipt number and who made the payment. In order to reduce the risks associated with keeping money on the site, and to assist the customers, the Service is looking into the possibility of having machines which will enable them to accept payments by card.

4. Audit Opinion

(B) The Audit opinion is that partial assurance can be expressed of the propriety of the MOT Fees, as there are controls in place, but there are aspects where some arrangements can be tightened. The service has committed to implement the following steps to alleviate the risks highlighted:

- Inform the Dolgellau Workshop that there is a need to increase the frequency with which money is banked, and provide more details on the TR34.
- Continue to consider the possibility of introducing card payment machines at the workshops.

COMMITTEE	AUDIT COMMITTEE
DATE	1 DECEMBER 2016
TITLE	INTERNAL AUDIT PLAN 2016/17
PURPOSE OF REPORT	TO GIVE THE COMMITTEE AN UPDATE ON PROGRESS AGAINST THE 2016/17 AUDIT PLAN
AUTHOR	LUNED FÔN JONES – AUDIT MANAGER
ACTION	FOR INFORMATION

1. INTRODUCTION

1.1 This report is a progress report on completion of the 2016/17 Internal Audit Plan.

2. SUMMARY OF PROGRESS AGAINST THE PLAN

2.1 The 2016/17 internal audit plan is included in Appendix 1 with the status of the work as at 16 September 2016 noted, together with the time spent on each project. The status of the work in the operational plan at that date was as follows:

Audit Status	Number
Planned	19
Working Papers created	1
Field work started	17
Manager Review	1
Draft Report	1
Final Report Issued	43
Total	82
Cancelled	8

2.2 The performance target for 2016/17 is to have 95% of the audits in the plan to be either closed or with the final report released by 31 March 2017. The quarterly profile of this indicator is as follows:

End of quarter 1	8%
End of quarter 2	20%
End of quarter 3	50%
End of quarter 4	95%

- 2.3 As seen from the table above, Internal Audit's actual achievement up to 18 November 2016 was **52.44%** - out of **82** individual audits contained in the 2016/17 plan, **43** had been released in a finalised version.

3. AMENDMENTS TO THE PLAN

- 3.1 The audit of 'Personal Independence Payments' which was in the original plan has been cancelled. This decision was taken following the requirement that Internal Audit conducts a review of the outcomes of the 'Supporting People Grant' in accordance with the grant's terms and conditions. 15 days had been allocated to the original audit which were transferred to conduct a review of the 'Supporting People Grant' outcomes.
- 3.2 A total of 5 days had been allocated to the audit of the 'Welsh Church Fund', however, again this current year, the income did not exceed the threshold requirement for an audit of £25,000, therefore it was decided that the days allocated will be utilised for an audit of the 'Project Closure Arrangements' at Storiel.
- 3.3 One member of the Team left the Council at the end of October 2016, therefore it is vital that the Audit Plan is reviewed in accordance with the available resources. The audit that has been cancelled to reflect the shortage in resources is 'Managing Early Departures' (20 days). There is a high probability that the cancellation of further audits will be inevitable if the present situation continues.

4. RECOMMENDATION

- 4.1 The Committee is asked to note the contents of this report as an update on progress against the 2016/17 audit plan, and offer comments thereon, approve the amendments, and accept the report.



Audit Code	Audit Name	Original Plan	Adjustment	Revised Plan	Actual Days	Audit Status
CORPORATE						
1-CORFF-09/2017	Supporting Ffordd Gwynedd Reviews	20.00	0.00	20.00	8.81	Field Work Started
1-CORFF-09/2017dep	Managing Early Departures	20.00	-20.00	0.00		Cancelled
1-CORFF-11/2017DBS	Safeguarding Arrangements - Disclosure and Barring Service Checks	10.00	0.00	10.00	7.57	Field Work Started
1-CORFF-14/2017coed	Health and Safety - Trees	10.00	0.00	10.00	2.72	Field Work Started
1-CORFF-19/2017/001	Safeguarding Arrangements - Field Workers' Awareness of Policy	10.00	0.00	10.00	0.27	Planned
1-CORFF-19/2017/002	Safeguarding Arrangements - the Operational Structure	20.00	0.00	20.00		Planned
1-CORFF-19/2017/003	Safeguarding Arrangements - Establishments	0.00	4.00	4.00	0.94	Field Work Started
1-CPGV-01/2017cor	Corporate Assessment	10.00	-10.00	0.00		Cancelled
1-CPGV-02/2017	Proactive Prevention of Fraud and Corruption	20.00	0.00	20.00	2.26	Planned
2-ADN CGC-DPA/2017	Information Management	10.00	0.00	10.00	15.51	Final Report Issued
2-ADN CGC-DPA/2017cy	Information Governance - Establishments	0.00	6.00	6.00	1.14	Field Work Started
AO-AR-01/2017	Use of Credit Cards	20.00	0.00	20.00	4.23	Field Work Started
AO-AR-05/2017	National Fraud Initiative	50.00	0.00	50.00	17.46	Field Work Started
Emergency Planning						
BC-PER-01/2017tan	Fuel Supplies - Local and Regional Plans	12.00	0.00	12.00	12.51	Final Report Issued
EDUCATION						
Resources						
4-DAT-X-ADD/2017GAD	Pupil Deprivation Grant	5.00	7.00	12.00	17.07	Final Report Issued
4-DAT-X-ADD/2017GGA	Education Improvement Grant for Schools	20.00	-7.00	13.00	10.86	Final Report Issued
4-DAT-X-ADD/2017ol16	Post-16 Provision in Schools Grant	2.00	0.00	2.00		Planned
EADDA03/2017	The Arrangements for Safeguarding and Protecting Children	25.00	0.00	25.00	6.53	Field Work Started
Across the department						
EADDA06/2017hlon	Dwyfor Meirionnydd Special School	15.00	0.00	15.00	18.81	Final Report Issued
Schools						
EADDA15/2017	Statistics and Census - Secondary School	15.00	0.00	15.00		Planned

Audit Code	Audit Name	Original Plan	Adjustment	Revised Plan	Actual Days	Audit Status
EADDA18/2017	Budgetary Control - Primary Schools	25.00	-25.00	0.00		Cancelled
EADDA18/2017/2010	Budgetary Control - Ysgol Beddgelert	0.00	4.10	4.10	7.86	Final Report Issued
EADDA18/2017/2048	Budgetary Control - Ysgol Bro Plenydd	0.00	4.20	4.20	8.23	Final Report Issued
EADDA18/2017/2104	Budgetary Control - Ysgol Eifion Wyn	0.00	4.20	4.20	7.59	Final Report Issued
EADDA18/2017/2210	Budgetary Control - Ysgol Talsarnau	0.00	4.10	4.10	8.10	Final Report Issued
EADDA18/2017/3029	Budgetary Control - Ysgol Tregarth	0.00	4.20	4.20	7.90	Final Report Issued
EADDA18/2017/3300	Budgetary Control - Ysgol Santes Helen	0.00	4.20	4.20	8.47	Final Report Issued
EADDA35/2017	School - General	10.00	0.00	10.00	9.91	Field Work Started
EADDAYC/2017	Information Governance in Schools	25.00	-25.00	0.00		Cancelled
EADDAYC/2017/2008	Information Governance - Ysgol Abererch	0.00	2.80	2.80	3.20	Final Report Issued
EADDAYC/2017/2028	Information Governance - Ysgol Penybryn	0.00	2.80	2.80	3.41	Final Report Issued
EADDAYC/2017/2039	Information Governance - Ysgol Crud y Werin	0.00	2.80	2.80	3.32	Final Report Issued
EADDAYC/2017/2085	Information Governance - Ysgol Penisarwaen	0.00	2.80	2.80	3.37	Final Report Issued
EADDAYC/2017/2089	Information Governance - Ysgol Bro Lleu	0.00	2.80	2.80	3.59	Final Report Issued
EADDAYC/2017/2103	Information Governance - Ysgol Sarn Bach	0.00	2.70	2.70	3.32	Final Report Issued
EADDAYC/2017/2187	Information Governance - Ysgol Dinas Mawddwy	0.00	2.70	2.70	3.40	Final Report Issued
EADDAYC/2017/2192	Information Governance - Ysgol Edmwnd Prys	0.00	2.80	2.80	3.54	Final Report Issued
EADDAYC/2017/2213	Information Governance - Ysgol Bro Hedd Wyn	0.00	2.80	2.80	3.24	Final Report Issued

CORPORATE SUPPORT

Procurement and Efficiency

BE-POL-08/2017	E-proc System - Tolerance Levels	10.00	0.00	10.00	8.82	Final Report Issued
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Registration

BB-YSG-05/2017	Coroner	10.00	0.00	10.00	10.08	Final Report Issued
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FINANCE

Across the department

AW-TG-12/2017tg	IT System Security	30.00	0.00	30.00		Planned
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Financial

AD-DY-01/2017	Debtors System - "Cancelled" Invoices	12.00	0.00	12.00	11.88	Final Report Issued
AE-TAL-01/2017tro	Review of Checking Limits	10.00	0.00	10.00	8.73	Final Report Issued

Audit Code	Audit Name	Original Plan	Adjustment	Revised Plan	Actual Days	Audit Status
Accountancy						
AN-ACY-09/2017	Coding Structure	8.00	0.00	8.00	8.70	Final Report Issued
Revenue						
AB-BD-01/2017dhp	Discretionary Housing Payments	10.00	0.00	10.00	9.89	Final Report Issued
AB-BD-01/2017kc	Benefits - Review of Key Controls	12.00	0.00	12.00	4.84	Field Work Started
AC-TR-01/2017dis	Council Tax - Reductions and Exemptions (People)	12.00	0.00	12.00	10.95	Final Report Issued
AC-TR-01/2017ipo	Council Tax System - Connect	10.00	0.00	10.00		Planned
AC-TR-11/2017dis	Business Rates - Charitable Reductions	8.00	0.00	8.00	8.28	Final Report Issued
ECONOMY AND COMMUNITY						
Community Regeneration						
EADDZ-01/2017	Welsh Church Fund	5.00	-5.00	0.00		Cancelled
Record offices, museums and the arts						
EDIW-MU-03/2017	Storiell - Governance and Management Arrangements	15.00	0.00	15.00	7.12	Field Work Started
EDIW-MU-03/2017/002	Storiell - Project Closure Arrangements	0.00	5.00	5.00		Planned
Leisure						
E-DG001/2017	Leisure Centres	40.00	-40.00	0.00		Cancelled
EHAMAC6404/2017	Bangor Aquatics and Healthy Lifestyles Centre	0.00	10.00	10.00	12.46	Final Report Issued
EHAMAC6405/2017	Plas Silyn Leisure Centre	0.00	10.00	10.00	10.56	Final Report Issued
EHAMAC6422/2017	Dwyfor Leisure Centre	0.00	10.00	10.00	18.28	Final Report Issued
EHAMAC6448/2017	Bro Dysynni Leisure Centre	0.00	10.00	10.00	10.15	Final Report Issued
Libraries						
EADDI01/2017	Youth Club Accounts	15.00	0.00	15.00	6.20	WP Created
Maritime and country parks						
EHAMM-01/2017	Hafan	10.00	0.00	10.00	2.21	Planned
EHAMM-02/2017	Sale of Diesel	10.00	0.00	10.00	9.82	Field Work Started
EHAMT-01/2017	Beaches - Income Collection	10.00	0.00	10.00	13.75	Final Report Issued
ADULTS, HEALTH AND WELLBEING						
Across the department						
5-GOF-GCY-ARALW/2017	Business-Service Continuity Plans	20.00	0.00	20.00	19.92	Draft Report Issued

Audit Code	Audit Name	Original Plan	Adjustment	Revised Plan	Actual Days	Audit Status
5-GOF-X-CYLL/2017	Budgetary Control - Provider	15.00	0.00	15.00	14.26	Final Report Issued
GCC-02/2017	Deprivation of Liberty	15.00	0.00	15.00	11.28	Field Work Started
GDAPR-GC05/2017	Support Workers - Adults	15.00	0.00	15.00		Planned
Business						
5-GOF-CWYN/2017	Social Services Complaints Procedures	15.00	0.00	15.00	5.50	Field Work Started
Supporting People						
GDAPR-SP01/2017	Supporting People Grant	0.00	15.00	15.00	10.42	Final Report Issued
Community Care						
GDAPR-GC02/2017gw	Holidays of Community Carers	10.00	0.00	10.00	13.19	Final Report Issued
Adults						
GCC-07/2017	Direct Payments	15.00	0.00	15.00	5.62	Planned
GGWAS-C01/2017	Personal Independence Payments	15.00	0.00	15.00	0.20	Cancelled
Residential and Day						
5-GOF-CART1340/2017	Plas Pengwaith, Llanberis	12.00	0.00	12.00	12.28	Final Report Issued
5-GOF-CART1344/2017	Plas Gwilym, Penygroes	12.00	0.00	12.00	13.46	Final Report Issued
5-GOF-CART1355/2017	Bryn Blodau, Blaenau Ffestiniog	12.00	0.00	12.00	13.10	Manager Review
5-GOF-CART1357/2017	Llys Cadfan, Tywyn	12.00	0.00	12.00	16.51	Final Report Issued
GDARP-D07/2017	Housing Support	15.00	0.00	15.00	1.08	Planned
CHILDREN AND FAMILY SUPPORT						
Children and Families						
5-GOF-X-PL/2017	Grants	24.00	-24.00	0.00		Cancelled
5-GOF-X-PL/2017CI	Youth Justice Core Grant	0.00	12.00	12.00	16.42	Final Report Issued
5-GOF-X-PL/2017DD	Flying Start Revenue Grant	0.00	12.00	12.00	17.20	Final Report Issued
5-GOF-X-PL/2017pgg	Gyda'n Gilydd Project	15.00	0.00	15.00	0.34	Planned
GGWAS-P03/2017	Support Workers	15.00	0.00	15.00	2.69	Field Work Started
GGWAS-PLANT4/2017	Adoption	20.00	0.00	20.00	2.94	Field Work Started
HIGHWAYS AND MUNICIPAL						
Fleet						
PGW-TR-02/2017	MOT Fees	10.00	0.00	10.00	5.70	Final Report Issued

Audit Code	Audit Name	Original Plan	Adjustment	Revised Plan	Actual Days	Audit Status
PPR-GW03/2017	Fleet Management	12.00	0.00	12.00	1.09	Planned
Waste Management and Streetscene						
PBW-05/2017	Commercial Waste	15.00	0.00	15.00	0.68	Planned
REGULATORY						
Public Protection						
2ADN-GGYC-GYC/2017fl	Flare System	15.00	0.00	15.00		Planned
2ADN-GGYC-GYC/2017ia	Animal Health	15.00	0.00	15.00	4.66	Field Work Started
Council Land and Property						
BA-EID-05/2017	Capital Schemes - Property	15.00	0.00	15.00		Planned
GWYNEDD CONSULTANCY						
Buildings and Environmental						
PYM01/2017	Recruitment and Selection	10.00	0.00	10.00		Planned
Across the department						
PYMGCON/2017gor	Overtime	15.00	0.00	15.00	15.69	Final Report Issued
PYMGCON/2017pp	Project Plans	15.00	0.00	15.00		Planned

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Agenda Item 10

COMMITTEE:	AUDIT COMMITTEE
DATE:	1 DECEMBER 2016
TITLE:	REVIEW OF THE CONSTITUTION
PURPOSE OF THE REPORT:	REPORT ON THE REVIEW CONSTITUTION
AUTHOR:	IWAN G D EVANS – MONITORING OFFICER
ACTION:	FOR DECISION

1. Background

The revised Constitution was adopted by the Council in July 2014. It was based on a model constitution developed nationally.

Obviously the adoption of a new constitution was a considerable piece of work from a governance perspective and a Working Group from the Audit Committee supported the Monitoring Officer in this work. You will be aware that changes to the constitution have been reported to Council from time to time since its adoption. These changes stem primarily from changes to legislation and some matters which needed to be strengthened or explained. However following 2 years operating the constitution I was of the opinion that it was timely to review its implementation and open a discussion. It was not the intention to re-write the constitution but rather to ensure that it worked for the Council and identify areas where improved clarity or amendments were needed.

2. Establishing a Working Group

This initial work has given rise to some matters which need more detailed and deeper consideration. Although these matters are not inevitably fundamental changes there may be a need to measure the implications of some changes from the perspective of the Council's arrangements. Therefore to this end and by mapping out the path for bringing these matters before Council I would be keen to re-establish the Working Group of 7 members to support this work. I do not anticipate that there will be many meetings but it would be a forum to provide a view on the way forward.

3. Amendment of Financial Procedure Rules

As the review proceeded some matters became apparent which could be addressed immediately. A report will be going before the Council in December on amendments to the Officers Delegated Powers which reflect changes to departments and statutes. In addition a request was made to amend the Financial Procedure Rules.

Currently the following provision is found in the Financial Rules

16.6.37 Following receipt of capital from the disposal of property, unless there is a decision to the contrary by the Cabinet, 20% will go to the department (up to a maximum of £20,000) and the remainder to the corporate fund. The Chief Officer will have the right to use capital receipts that are within the

control of the department where the value of that use is not in excess of £50,000. Approval by the Cabinet will be required for such use where the amount is in excess of £50,000.

It is fair to say that this arrangement was established at a point in time where the Council's financial situation was completely different to that which is seen today. At that point there was less central control on property matters and it related to a period before the adoption of the Asset Management Plan.

By today all the Council's property has been declared to be a corporate asset and is managed centrally. By today the financial situation has changed completely of course and there is little incentive needed for departments to release underutilised property because it will enable them to make revenue savings.

The Council faces significant cuts in the capital budget which is available to achieve the priorities in its capital programme, the opportunity needs to be taken to maximise the capital which is available from the sale of assets to achieve our priorities. As a result of the current arrangements allowing Departments to keep 20% of every capital receipt (up to a maximum of £20,000) means some £877,000 has been allocated to departmental priorities as opposed to diverting it directly towards the priorities which have been included in the Capital Programme. If a Department has a valid case to keep part of the capital receipts in future then it will be possible to make a specific application. At that point members can consider the advantages and risks attached to that specific plan.

The proposed change is to remove the first part of the paragraph:

~~16.6.37 Following receipt of capital from the disposal of property, unless there is a decision to the contrary by the Cabinet, 20% will go to the department (up to a maximum of £20,000) and the remainder to the corporate fund. The Chief Officer will have the right to use capital receipts that are within the control of the department where the value of that use is not in excess of £50,000. Approval by the Cabinet will be required for such use where the amount is in excess of £50,000.~~

The Committee's view is sought on the proposed change.

Recommendation :

1. Note the Report
2. Appoint a Working Group of 7 Members to consider the results of the Review of the Constitution
3. Recommend the change in the Financial Rules.