

COMMITTEE	AUDIT AND GOVERNANCE COMMITTEE
DATE	19 JULY 2018
TITLE	REPORT OF THE CONTROLS IMPROVEMENT WORKING GROUP
PURPOSE OF THE REPORT	TO REPORT ON THE MEETING HELD ON 19 JUNE 2018
AUTHOR	COUNCILLOR RICHARD MEDWYN HUGHES
ACTION	TO ACCEPT THE REPORT

1. INTRODUCTION

1.1 A meeting of the Working Group was held on 19 June 2018 with the Chair of the Audit and Governance Committee, Councillor Richard Medwyn Hughes and Councillors Angela Russell, Alwyn Gruffydd, Cemlyn Williams, Dewi Roberts, Berwyn Parry Jones, Paul Rowlinson, Sion Jones, Charles Wyn Jones, John Pughe Roberts, Aled Evans, Sharon Warnes (Lay Member), Luned Fôn Jones (Audit Manager) and Eva Chan Williams (Audit Leader) present.

1.2 The reports that the Working Group addressed were:

TITLE	DEPARTMENT	AUDIT OPINION
Supported Housing	Adults, Health and Wellbeing	C
Y Frondeg	Adults, Health and Wellbeing	No Category
Staff Development Module	Corporate	C
Obtaining References, Proof of Identity and Evidence of Qualification	Corporate	C
Safeguarding Arrangements for Children and Adults – Field Workers’ Awareness of Policy	Corporate	C
School Schemes – Ysgol Glancegin	Environment	B
Smallholdings	Environment	Ch

1.3 Officers attended to discuss the individual reports.

2.1 Supported Housing

2.1.1 The main findings of the audit were as follows:

Three houses were visited during the audit, Bryn Afon, Dyffryn Ardudwy and 106 Lôn Abererch, Pwllheli, both managed by the Housing Support Manager, and 4 Bryn Rhos, Caernarfon, under the management of the Registered Care Manager. Generally, it appears that appropriate arrangements are in place, but there is need to tighten controls on the following aspects in order to reduce the risks identified.

Fire tests are not performed on time at 4 Bryn Rhos, whilst there is no record kept of Snowdonia Fire Service's visits and tests at 106 Lôn Abererch, even though confirmation was received by the Housing Support Manager that they visit regularly. In addition, the Fire Management Plan present at all three houses was dated 2008. The latest versions, dated 2017 was sent to the Managers following the visits.

Risk assessments are not dated or signed following reviews, giving the impression that no review was conducted since the date the assessment was originally produced. Confirmation was received that this would be done from now onwards.

When reporting accidents, no copy of the HS11 forms are kept. The Housing Support Manager confirmed that the original is sent to the Health and Safety Unit, leaving the houses with no record. It was suggested that a copy should be kept from now onwards.

No medication stock checks are conducted at Bryn Afon nor 106 Lôn Abererch, even though they should be done weekly. In the same instance, 4 Bryn Rhos do not monitor the temperature of the room where medication is kept. The Registered Care Manager confirmed that this would be done from now onwards.

Generally, it was seen that the Support Workers training was not current, with some workers 'qualifications' expired, and others not trained in certain areas. The records of 15 Support Worker were checked, 5 from each house. Only 5 had current training with regards to medication and fire. The Housing Support Manager confirmed that it was difficult booking fire training, with spaces being taken up at a rapid speed.

Imprest applications are not presented regularly. The Housing Support Manager was already aware of this, and confirmed that she was attempting to present them more often. At the beginning of March 2018 the accounts of 106 Lôn Abererch and Bryn Afon were in debt of £640 and £5,000 respectively.

It was seen that the clients of Bryn Afon's contribution towards food are paid out of the imprest account, before then being refunded to the account from the individual client's bank accounts. The Client Assets Management Officer confirmed that this arrangement was put in place because the location of the house makes it impractical for the Support Workers to visit the Council Offices in order to collect cash, which is the norm for many supported houses. He added that discussions have taken place in the past regarding the idea of opening an individual bank account for each house, with contributions to food being paid straight into it. The Support Worker could then visit any cash machine in order to debit funds. This would not only simplify the process for the Support Workers, freeing more of their time to support the clients, but would also allow every house to be constant in their arrangements. The idea was supported by the manager of the houses, however, even though discussions and meeting were held with the bank, no further action was taken.

The Client Assets Management Officer expressed his desire to reconsider the notion. The Registered Care Manager agreed to discuss the matter with the Learning Disabilities Development and Provider Manager.

A significant overspend was seen against this years traveling costs budget for Lôn Abererch, where the other houses seem to under spend. It was discovered that the Housing Support Managers travelling claims, presented through the self-service facility, are all recorded against Lôn Abererch's even though visits are made to other houses. Support Services confirmed that the self-service facility does not at present facilitate splitting claim to different cost centres. The Accounts Assistant confirmed that they were happy for the Manager to continue producing claims through self-service, and they would make adjustment in the ledger.

- 2.1.2 Aled Davies, Head of Adults, Health and Well-being Department, Victoria Williams, Housing Support Manager, and Dylan Owen, Registered Care Manager (Housing Support) were welcomed to the meeting to discuss the audit.
- 2.1.3 The Head of Department stated that the service had endeavoured to respond to the issues that arose as a result of a "C" opinion audit report and had already taken steps to address the weaknesses and strengthen arrangements. He added that the opinion is a reflection of the extra work the service needs to do, rather than the service itself being poor.
- 2.1.4 A Member inquired on the importance of training and whether there was time for it. The Registered Care Manager reported that training was very important and that staff are encouraged to complete e-learning training. The Head of Department explained that the service was in the process of devising a new training programme and explained that it was not possible to arrange for everyone to be trained on a timely basis as staff are not easily released due to a lack of resources and there are often no places available on the courses, or due to the fact that training is not carried out regularly enough.
- 2.1.5 The Registered Care Manager was asked what had prevented fire tests from being carried out. The Registered Care Manager explained that the tests had not been carried out due to the responsible officer being on holiday for a fortnight and that the task had not been delegated in his absence. He explained that delegation arrangements have now been established and arrangements for weekly checks are already in place. He said staff had been reminded of the arrangements and that fire training was given every two years. He also pointed out that a "PowerPoint" presentation that is relevant to a specific house had been presented to the homes as an awareness raising session.

- 2.1.6 A Member expressed that the issues highlighted in the report were significant and therefore the service needed to verify their systems. The Audit Manager emphasized that risk assessments had been completed but had not been dated and that accidents had been identified and reported to the Health and Safety Service but there was no record to support that in the houses.
- 2.1.7 A Member suggested that because of the small number of staff that worked in the houses, that the Manager should have a simple approach for training. The Head of Department agreed that there was a need to have a process and that a corporate training programme is currently being developed which will enable them to identify those who need training and who has attended.
- 2.1.8 A Member requested clarification for the overspend on travel costs. The Audit Manager confirmed that it was not a real overspend but it seems to be an overspend due to the inability of the self-service travel costs system to allocate the travel costs appropriately.
- 2.1.9 In conclusion, the progress on the agreed action plan was queried. The Registered Care Manager explained that all the actions had been implemented and in relation to training, that approximately 80% of staff had received training, with the rest planned to do so in order to comply with the implementation schedule by 1st December, 2018.

2.2 Y Frondeg

2.2.1 The main findings of the audit were as follows:

A draft copy of the statement of purpose was received by the manager. It met the requirements from CSSIW's report (January 2018) and most of the requirements for a statement of purpose. Information was not included on the home's 'behaviour management' policy. There was also no information about the arrangements made to release a registered person's commitment under regulation 12(4)(b) of the Care Homes (Wales) Regulations (2002).

A sample of 3 residents' care plans were checked, one had been updated but the two other plans were not current. The plans were comprehensive but needed updating. The Manager stated that they were in the process of updating each care plan. There was no contract between the residents and the Council for the sample of 3 residents.

Certificates of training were seen within the individual files for members of staff. Most staff had received relevant training but some certificates had expired. The Manager agreed that a spreadsheet to monitor staff training dates would be useful.

The Manager confirmed that they were working towards a level 5 QCF qualification. This level of qualification is required for a registered manager so having 'no registered manager' does not comply with CSSIW requirements.

CSSIW were concerned with the lack of supervision, which has been a problem in the home for a few months. The Manager had successfully conducted supervision sessions with 13 staff at the time of the visit and supervision sessions were planned for the rest of the staff.

No 'Personal Items' forms were seen for the residents. The Manager had arranged to meet with Tan Y Marian's Manager to view examples of the required documents.

There is a keypad on the doors to the Manager's office and the medication room. However, the codes for the room's keypads were written down and placed on the doorframe so that anyone could gain access. The Manager stated that they did not want their office locked so that staff could freely Access care plans, policies etc.

The home's fire documentation, including the Fire Log Book were all kept in the blue box and were checked. There were no clear records that tests were carried out as required. Some records were not complete, containing a signature but no date etc.

Risk assessments for the kitchen were completed and had been reviewed in January 2018 by the Cook. No risk assessments for the home in general were seen. 2 of the 3 residents from the sample's risk assessments were not up to date. The Manager stated that plans were underway to update these and that a visit by a Health and Safety Officer was organised to ensure standards.

One member of staff had no qualification at all and 5 had training that was over 3 years old and therefore needed renewing. All staff from the selected sample had attended safeguarding training but some were due to be renewed. DBS checks were up to date for all staff except one. The Manager was aware of the DBS case and agreed to take action.

A form containing both signatures and shorthand signatures of staff who are authorised to sign medication documents was situated in the medication room. The In-Charge Officer was asked about competency tests and stated that they were sometimes carried out but there was no arrangements in place for annual testing. Competency test records were seen in 2 members of staff's files. A copy of the Medication Policy was available to staff in the medication room but only 4 of those who administered medication had signed to confirm that they had read and understood the policy. A keypad was on the door to the medication room but the code was clearly visible on the doorframe meaning anyone could gain access to the room. The medication refrigerator's temperature records were checked and were correct and in order. However, the refrigerator's thermometer displayed 8.6°C during the visit, which is above the maximum of 8°C indicated in the Council's Medication Policy.

- 2.2.2 Delyth Hughes, Wellbeing & Accommodation Transformation Manager joined the Head of Adults, Health and Well-being Department to discuss the Frondeg report.

- 2.2.3 The Audit Manager explained that there was no opinion category on the report because the work had been undertaken to assist the Wellbeing & Accommodation Transformation Manager to create a work plan due to the highlighted concerns. The audit was designed following discussions with officials from the Department and that there was an understanding of what the audit objectives were.
- 2.2.4 The Head of Adults, Health and Wellbeing stated that he welcomed the report and explained that there were historical arrangements in Frondeg but there is now an opportunity to put in place new arrangements, but cannot be done immediately.
- 2.2.5 The Head of Department reported that the issues highlighted in the audit report had also been addressed in a report by Care Inspectorate Wales. He explained that changes had taken place, and there was an improvement, with more work to be done however that they were on the right track.
- 2.2.6 The training arrangements for the Manager were queried. The Audit Manager referred to the audit report, stating that the manager was “*working towards a level 5 QCF qualification.*” The Head of Department added that the Manager will be mentored as well.
- 2.2.7 The Wellbeing & Accommodation Transformation Manager stated that she welcomed the report and that the agreed action plan has been used as a work programme and that the audit had been of assistance to her.
- 2.2.8 The Audit Manager explained that there will be a full audit in Frondeg during 2018/19 and an opinion category will be given at that time, as well as ensuring that the recommendations of the Care Inspectorate for Wales have been addressed.
- 2.2.9 The Head of Department and the Wellbeing & Accommodation Transformation Manager were thanked for attending the meeting.

2.3 Staff Development Module

- 2.3.1 The main findings of the audit were as follows:

A copy of the project brief was received as well as other documentation regarding project management, such as a project application and a ‘backlog’ list. The information about the project’s initial objectives and what technical tasks needed to be completed and when was complete. There was a lack of evidence of long-term planning for the project. It was not part of an official plan but it was expressed in a presentation to the project’s stakeholders that the full ‘SIDD (Integrated Learning and Development System) would be live by summer 2017’. Schedules/plans were seen for periods of three (September – November 2017) and five months (October 2017 – February 2018) but there was little evidence that the project adhered to the timescales or recorded reasoning for its failure to do so. In the September – November Schedule, the system was scheduled to be live between the 6th and 17th of November.

Weekly meetings are now held between the IT officers and the Learning and Development Service Officers. At the time of conducting the audit, core elements of project management were not in place, such as a risk and significant matter register – although there was an issue log kept by the IT Service, the risks of the project as a whole were unknown; lessons learnt log and any Financial monitoring documentation.

The Learning and Development Officer and the Training Co-ordinator and Business Development Officer emphasized that MoDS is a system for everyone not just the Learning and Development Service. It is therefore important for the system to meet the needs of each Council department. Overall, MoDS meets a large part of each department's needs with some departments such as YGC and Highways and Municipal eager for the launch of the module. Additional features and improvements were added following consultation with departments, particularly in relation to CPD. Despite the fact that the module will meet the needs of the majority, officials of the Workforce Development Unit within the Adults, Health and Wellbeing Department explained that many individuals who are not employed by the Council receive training from the Council and cannot be registered for staff self-service. Arrangements are now in place to enable the recording of training of workers from external agencies, however this will be done by the Workforce Development Unit from the Adults, Health and Wellbeing Department. No request for this function was received at the beginning of the "life" of the project as there was no communication with the Adults, Health and Wellbeing Department regarding the project at the time. The Support Service have arrangements in place to register the Council's field workers on the staff self-service system that will enable access to the MoDS.

An external IT consultant was employed through an agency to undertake the project. The consultant ceased working with the Council on 17 November 2017. Details were extracted from the financial ledger and it was seen that a total of approximately £90k excluding VAT had been paid to the agency for the 12 month period. A 6 month contract was originally established with two further 3 month extensions. The project is funded by the Corporate Support Department. Responsibility for the operational development of the project has been transferred back to the Council's IT Service following the termination of the external IT Consultant service. It was explained that because of the lack of a clear and definitive brief of the needs and direction of the project, much of the consultant's time was spent collecting information and details rather than focusing on the technical elements.

The Internal Audit Service will conduct an audit on the use of the MoDS across the Council during the 2019/20 financial year.

- 2.3.2 Ian Jones, Corporate Support Senior Manager and Alun Williams, Senior Learning and Development Officer were welcomed to the meeting.
- 2.3.3 The Audit Manager gave an outline of the audit, and explained that training matters are often highlighted in audits and that this corporate solution should help meet learning and development needs.

- 2.3.4 The Corporate Support Senior Manager stated that changes had occurred since the publication of the report. He explained that, historically, projects were being implemented separately but in the last 6 months a board was set up to have an overview of the needs. He explained that the projects that are being addressed by the Human Resources Systems Board include the Staff Development Module, travel costs, accident reporting, illness, equality, timetables and staff payments. It was explained that a member of the Information Technology Service also sat on the Board and that the Information Technology Service prioritised the work.
- 2.3.5 The Chair requested clarification about the lack of clear briefing for the development. The Senior Learning and Development Officer stated that the brief given was not sufficiently detailed enough for the IT element but was sufficient at the time to prepare a clear business case with estimates of savings over time.
- 2.3.6 It was asked from where the £90K used to employ an external consultant for the project came from. The Senior Manager explained that the money had been provided by the Corporate Support Department. A Member inquired if this expenditure was a cost without benefits. The Senior Manager responded that it is currently too early to assess but there should be benefits in the long term. He explained that when the project was planned in 2014, it included a one-off expenditure of £134K and a permanent £33K to employ a developer, and that the £90K had been spent to employ an external consultant in order to complete the system quicker because of a lack of capacity within the Information Technology Service.
- 2.3.7 The Senior Manager explained that the Wales Audit Office was conducting an audit of the project. A Member asked what was the rationale for developing an internal system rather than an "off the shelf" product. The Senior Manager stated that the decision had been made to develop a system internally due to linguistic needs.
- 2.3.8 A Member inquired if the time taken to be cost neutral had been taken into account in the savings. The Senior Manager responded that it had not been considered within the savings.
- 2.3.9 To close, the Senior Learning and Development Officer confirmed that a clear timetable for implementing the agreed action plan had now been established and the MoDS would be made available to users by October 2018. The Audit Manager stated that a follow up audit of the Staff Development Module would be undertaken in 2018/19.
- 2.3.10 The Corporate Support Senior Manager and Senior Learning and Development Officer were thanked for attending the meeting.

2.4 Obtaining References, Proof of Identity and Evidence of Qualifications

2.4.1 The main findings of the audit were as follows:

It was found that arrangements were in place but they did not receive the necessary attention. Officers have been appointed to administer the arrangements but it is essential that all Council officers co-operate with them.

The correspondence confirming the date and time of the interview notes that it is essential that the candidate brings any certificates or evidence of qualifications requested in the 'Person Specification' as well as proof of their identity with them to the interview. It is the responsibility of the relevant Service Managers to ensure that the evidence is appropriate, however, this does not happen in most cases.

Human Resource Assistants are responsible for requesting references from the Referees, they also receive them before presenting them to the relevant Managers. In some cases they do not receive references and these need to be followed up which may be troublesome. If a period passes without receiving a reference then they ask the Manager to speak with the applicant and may ask them for another Referee. If it is an external candidate, the Manager will need to complete a risk assessment for them until a reference is received. The same procedure is administered for internal officers, but only one reference is required by the current Manager. In addition, if the officer receives promotion there is no need for a reference as they will have the same Manager.

A sample of 20 individuals who had received a new job during the last year was selected. Their personnel files were checked for evidence of their qualifications, references and proof of identity and the following was found:

a) evidence of qualifications for 10 in the sample but there was no record in the files of the remainder that may mean that officers are in a job but lack the required qualifications;

b) references were received for 10 in the sample but there was no need for references for 7 other individuals in the sample as it appeared they had been promoted or seconded. No references were found for the other 3 in the sample. It was also noted that one of the certified references was not appropriate and was completed by the individual's Accountant.

c) proof of identity for 13 individuals in the sample.

New arrangements have come into force since 2018. Following appointment, the individual will receive a request from the Human Resources Assistants to visit Siop Gwynedd with evidence of their identity and qualifications if applicable. In addition, officers will receive the DBS forms of individuals (if applicable) at the same time, so that the process can be moved forward faster. It was inevitable to bring these arrangements into force due to failure on behalf of managers to receive evidence

A sample of Managers across Council Departments were asked regarding their arrangements for receiving references and if they follow any specific guidance. It was expressed that they did not have a formal guide to follow but it was clear that they were aware of the need to receive references.

It was discovered when checking the Council's intranet, in particular the References (FAQ) site - it is stated that if references are not received within a period of one month to the appointment, the Council will have the right to withdraw the post.

However, the '1.6 Disclosure of Offences and Criminal Records Check' policy, expresses in part 1.11 "The Council will allow an individual to commence in the post in a situation where the references have not been received but the period for receipt of those will be limited to two months following commencement in the post.". The Human Resources Advisory Services Manager confirmed that the information was inconsistent and needed to be adapted so that it is consistent with the Crime Disclosure Policy. The FAQ's also states that it is the responsibility of the individual to ensure that the Council receives references within a period of one month of their appointment which is also incorrect. However, it should be noted that this page is in the process of being developed.

The audit opinion does not reflect the work of the Council's Support Service but rather the lack of proper implementation of the Council Managers.

- 2.4.2 Mari Powell Jones, Support Services Manager joined Ian Jones, Corporate Support Senior Manager to discuss the report.
- 2.4.3 The Audit Manager gave an outline of the audit explaining that it is the responsibility of managers to ensure that evidence of applicants' qualifications is received and verified, and that the Support Service is responsible for receiving references.
- 2.4.4 The Support Service Manager explained that new arrangements were now in place and that the Support Service, under the old arrangements, did not receive evidence of qualifications because the appointing managers are responsible for checking the documents when conducting interviews. Managers now receive an email every 3/6 months to remind them of their responsibilities in relation to recruitment and appointments.
- 2.4.5 Under the new arrangements, the Support Service Manager explained that following any appointment, a letter would be sent to the applicant asking them to present the relevant documents to one of the 'Siopau Gwynedd' before their start date is provided. The Manager stated that these arrangements appear to be working.
- 2.4.6 The Audit Manager confirmed that this is a corporate procedure only, the same arrangements are not implemented for Education, Municipal Work and Community Care.
- 2.4.7 The Support Service Manager stated that these arrangements are not being followed for urgent appointments, e.g. school cleaners. The Support Service Manager explained that staff are under supervision until they received their "DBS" disclosure.
- 2.4.8 A Member expressed concern that formal processes were not being followed and that it could lead to appointments being made before any evidence and references were verified. He stated that there should be a process to ensure that the Council as an employer is protected, together with the applicant.

- 2.4.9 A discussion was held on short notice emergency appointments, the number of and who sits on interview panels, what training has been given, and the paperwork that needs to be completed during and following interviews.
- 2.4.10 The Audit Manager explained that the principles of Ffordd Gwynedd needs to be adhered to and that Managers had been empowered to carry out their duties and that Members only have a role in chief officer appointments.
- 2.4.11 The Support Services Manager and Corporate Support Senior Manager were thanked for attending the meeting.

2.5 Safeguarding Arrangements for Children and Adults – Field Workers’ Awareness of Policy

- 2.5.1 The main findings of the audit were as follows:

Several establishments were visited in order to discuss face to face with field workers, and question them about their awareness of the Council's policy and its contents. In addition, we asked about the types of abuse they would report and to whom they would report it. The auditors succeeded in collecting 63 responses from employees who do not have a Gwynedd Council email address by visiting Community Carers meetings, as well as Residential Homes, Leisure Centres and Depots.

The results of the discussions show that 76% of staff, out of the sample of 63, are aware that the Council has a Policy and Guidelines for Safeguarding Children and Adults. This result was expected as field workers do not receive as much contact compared to employees with Gwynedd Council email addresses.

It was explained to the employees that the 'Policy and Guidelines for Safeguarding Children and Adults' is Gwynedd Council's policy and that it differs from external policies such as POVA (Protection of Vulnerable Adults). Although several employees expressed that they are aware of the policy, the discussions that took place suggested that this was not true in all cases. In addition, when discussing aspects of the Policy, such as that it related to out-of-work life, the role of Departmental Designated Managers etc. it was found that those who had expressed themselves as being aware of the content may not be so familiar after all.

Many expressed that they had completed the e-learning safeguarding module and others noted that they needed to complete the module before the end of the year but that they were having difficulty accessing the system.

The different forms of abuse and their signs were discussed as set out in the Policy and the vast majority of employees were aware of them. However, it does not mean that they are aware of the policy and its contents. It was discussed if the workers were concerned about individuals being abused, whether in the workplace or not, would they refer their concerns and to whom.

The responses varied, but most of the employees noted that they would first express their concerns and to get advice from their Line Manager, although the Auditors reinforced that the policy encompasses life and concerns outside work as well. Other responses received included, contacting CSSIW, following POVA guidelines, Childline or contacting Social Services directly. One worker stated that he would have a word with the family if he had concerns about financial abuse. In addition, if he had concerns about an individual being emotionally abused, he would talk to the person causing the concern.

Following emphasizing that the policy also covers life outside work, many expressed that they would either contact Social Services or the Police. But when inquiring further about abuse such as organizational, financial and emotional, some individuals were unsure of what they meant.

It was explained that, although it was reasonable to discuss concerns with their Line Managers, this is not a 'referral' in the true sense, and not practical if the concern was about something outside of work. The role of the Departmental Designated Safeguarding Manager was discussed and that it was possible to speak to the Children's Services Duty Team, Adult Service Advisory and Assessment Team, or the Social Services Out of Hours Team on 01766 772577 or the Public Protection Unit - Police (number telephone - 101), and it was explained that if they thought that the child or adult was at risk immediately, then the Police should be called. Several employees expressed that they were unaware of the telephone number for referrals.

During the discussions with the employees, the Council's safeguarding pamphlets were distributed as well as the information cards. It was explained that the pamphlets contained information about types of abuse, the referral telephone number and what the next steps would be. Some of the sample stated that they were not aware of the safeguarding picture of a hand while others said they had already received a pamphlet and information card. These were distributed to the workers and to Line Managers / Supervisors during our meetings.

- 2.5.2 Janet Roberts, Corporate Support Senior Manager was welcomed to the meeting in her capacity as a member of the Safeguarding Strategic Panel.
- 2.5.3 The Audit Manager explained that the Safeguarding Strategic Panel had commissioned Internal Audit to assess awareness among staff of the policy. In the past, similar audits had concentrated on office based staff i.e. those with an e-mail address, but the audit carried out in 2017/18 was aimed specifically at field workers.
- 2.5.4 The Corporate Support Senior Manager gave the Working Group a background of the Safeguarding Executive Panel and expressed her appreciation for Internal Audit's work and the different approach taken to assess field workers' awareness.

- 2.5.5 A Member inquired for further details on the percentages in the report and if they were as expected. The Senior Manager responded by explaining that awareness was high within the Highways and Municipal Department and that the Department has provided stickers for their vehicles and because they were visible to the public, were very important.
- 2.5.6 A Member inquired as to what assurances could be given that employees understand their role and how to respond. The Senior Manager responded that information is given to the employees and that discussions on training completion statistics were being held at the Safeguarding Strategic Panel. The Senior Manager explained the intention to implement a system that identifies and remind employees who need training.
- 2.5.7 To close, the Audit Manager explained that the Internal Audit Service will carry out another Safeguarding audit in 2018/19 on the subject of Domestic Violence.
- 2.5.8 The Senior Manager was thanked for attending the Working Group.

2.6 School Schemes – Ysgol Glancegin

- 2.6.1 The main findings of the audit were as follows:

The original contract was valued at £4,439,000. Project Management Controls and arrangements were in place but there were some aspects, which could be improved for future projects.

6 companies who were part of the North Wales Contractors Framework (NWCF) were invited to tender but only two presented a tender. The Framework has not had the desired effect in Gwynedd and is being reviewed at present. Gwynedd were not satisfied with the original terms for the second version of the framework but following discussions and negotiations have decided to remain part of the framework. The aim is to share expertise within the sector and develop community benefits within Gwynedd while also including smaller companies/contractors.

Only the Property Development Manager had signed the final scoring sheet, all individuals who are part of the scoring process are expected to sign this document. However, the scoring process took place in December 2015 and the Project Manager has since agreed to this step in a separate audit, which was completed in July 2016. During a follow up audit this year, a scoring sheet dated February 2017 was seen which confirmed this step had been implemented.

Some of the payments for the 'interim valuations' were late compared to the due date and date of the valuations. However, it was seen that Gwynedd had not received the 'valuations' for several days after the issue date. It was found that the contract had been modified to reflect these terms regarding the payment date which indicated that the payments should be made within 14 days of receipt of the 'valuations' rather than by the due date.

The plans had to be adapted and additional work was carried out as some elements of the original designs and architect designs did not meet Health and Safety requirements. As a result, some elements of the construction have had to be re-done with Gwynedd responsible for the additional costs. Consultation earlier in the process and receiving consistent input from Health and Safety would avoid similar situations in the future. It was highlighted that other current projects have already started this consultation and collaboration process. The intention is to either avoid problems or discover them earlier during the construction to reduce the implications on the budget and the project's time/progress.

- 2.6.2 Dafydd Gibbard, Corporate Property Senior Manager, was welcomed to the meeting.
- 2.6.3 The Chair referred to the audit report, in particular the scoring document and the expectation that the document be signed by an individual. The Corporate Property Senior Manager explained on this occasion, it was a mistake that the scores were not signed, but there was evidence to show that three people had scored the tenders with no signatures to confirm this, however it had not impaired the tender's fairness. A member inquired to how will the Department ensure that the same situation will not occur again. The Senior Manager explained that the service receives feedback from each manager at the end of each plan as lessons learned before moving onto the next plan.
- 2.6.4 A Member referred to the health and safety element in the report and sought clarification for the failure to meet health and safety requirements. The Senior Manager explained that different layers of health and safety were passed as the plan progressed and that there were many regulations in the field.
- 2.6.5 The Corporate Property Senior Manager explained that new requirements had arisen with the Ysgol Glancegin scheme as a result of not consulting the Health and Safety Service and stressed that this was one of the lessons learned and confirmed that it would not happen again.
- 2.6.6 The Corporate Property Senior Manager stated that the design of each school was unique and that this was also the case at Ysgol Glancegin.
- 2.6.7 The Corporate Property Senior Manager was thanked for attending the meeting and it was agreed that the issues had been answered.

2.7 Smallholdings

2.7.1 The main findings of the audit were as follows:

Plans are in place to change the way smallholdings are managed, with a ring-fenced budget from the 2018/19 financial year, and so to that end it was agreed that Internal Audit resources would be more effective by re-visiting the new procedures in due course. Accordingly, this audit was limited to the income process. Income transactions over several years were extracted from the financial ledger, ensuring that invoices were created on a regular basis and arrangements are in place for monitoring and receipt of the income.

The Financial ledger shows that the Council uses recurring billing, which means that invoices are automatically generated on a specific time of the year, for a certain number of years in line with the current lease, but controls within the financial system limited the years that this could be done. Although recurring billing is generally a good control to ensure that invoices are raised, there may have been too much reliance on the procedure to look after itself, and failures were not found. An invoice for £7,500 was created on the 25/06/13, which is a cumulative payment for a three year rent for Unit 5255 (job number), as the recurring billing between 11/01/10 and 12/01/14 had not occurred. There was also an invoice for £20,700 on 30/10/17 for Unit 5309 due to a failure to raise invoices for £6,900 on 28/05/15 and 28/05/16. The customer had been paying £575 per month, but now pays £625, which means that at this rate it will take 23 years to pay the arrears of £13,800.

The recurring billing process seems to have failed because the period during which the invoices are periodically created, which were limited within the financial system, had expired, and the monitoring arrangements of the Property Service and the Finance Department did not discover it. As a result, the Income Unit began creating periodic reports to identify when the recurring billing of smallholdings (as well as others) end and renew them in accordance with the terms of the current lease. However, following discussions as part of this audit, it was discovered that it was possible to extend the recurring billing periods in the system well into the future and therefore arrangements are in place to increase the billing periods of smallholdings accordingly. This will alleviate the risk of failing to raise a bill on a tenant.

A credit note for £4,800 was raised on 30/03/11 as the tenant had left Unit 5332 since March 2009, and credit notes totalling £19,500 was raised on 27/05/15 as the tenant had left Unit 5260 since 27/05/13. The failure to cancel the recurring bills and the need to raise credit notes suggests there are weaknesses in the tenancy monitoring process. However, the Income Unit explained that some recurring billing arrangements had been programmed for longer periods than the lease, in order to ensure that invoices were raised, as it was easier to raise a credit note as necessary instead of risking a failure to raise an invoice. Because recurring bills can now be extended well into the future, it is intended that the billing period for each lease would be extended within the financial system.

Should an invoice remain outstanding, then the Council's normal recovery arrangements will be followed to recover the debt. However, the ledger and the Income Unit records show that long delays can occur between raising an invoice and receiving payment, with the promptness of payments varying from one tenant to another.

Some invoices have to be written off, including a number of back-dated rent invoices between 25/03/09 and 25/03/11 and one case where a cumulative debt of £38k over a number of years will be written off, due to a failure to re-posses Unit 5329 as there was no lease in place, despite efforts from the Legal Service to recover the debt. However, this arrangement was set under a historical process and the same failures are not expected to re-occur in the future.

Therefore, it seems the newer procedures require a strengthening of the current income monitoring arrangements, by ensuring that invoices are raised in accordance with the agreement and incorporating the status of invoices with regards to outstanding sums and the punctuality of paying invoices into the monitoring system, in order to address bad-debtors before the debt accumulates excessively. Naturally, some tenants are better payers than others, but it seems that the system of paying in instalments does not lead to such problems.

- 2.7.2 Dewi Morgan, Senior Manager - Revenue & Risk and Stephen Williams, Income Manager joined Dafydd Gibbard, Corporate Property Senior Manager to discuss the Smallholdings report. The officers were welcomed to the meeting.
- 2.7.3 A Member inquired what the customer's responsibilities were, and who had negotiated with the customer to agree on part payments that would take 23 years to pay off the debt. The Income Manager responded that it was the responsibility of the Income Service to arrange payments but in this case, it was the customer who had offered to pay the sums. The Income Manager explained that the debt had not gone through court proceedings because the failure to raise the debt was the Council's mistake. He added that there was no formal payment agreement established and that they would contact the customer with the hope that the customer will be in a position to make greater payments in the future.
- 2.7.4 A Member inquired about the reason for not raising an invoice. The Income Manager explained that the system failed to raise an invoice because the date for recurring bills was not extended accordingly in the system's parameters and added that this issue had now been resolved and confirmed that the same thing would not happen in the future.
- 2.7.5 The Corporate Property Senior Manager expressed the fact that in spite of the report receiving an "Ch" opinion, he welcomed the report as improvements had already been made and that collaboration had taken place to solve the problem easily.
- 2.7.6 A Member inquired why a cumulative debt of £38K had not been recovered. The Corporate Property Senior Manager explained that the case had gone to court and it appeared that the complete information was not presented to the Auditor during the course of the audit. The Senior Manager - Revenue & Risk emphasized the importance for managers to check the wording of draft reports before they were finalised.

- 2.7.7 A Member inquired what improvement arrangements had been put in place since the release of the report. The Corporate Property Senior Manager explained that the Estates Unit manages the smallholdings and it has already been referred to the Scrutiny Committee. The service will look at the resource and the work in more detail with the Scrutiny Committee.
- 2.7.8 The Chair inquired about the progress with the Agreed Action Plan. The Income Manager explained that the three agreed actions had already been implemented.
- 2.7.9 A Member requested an update of the situation within 6 months but the Audit Manager stated that a follow up audit would be carried out to monitor progress in line with the usual process, and the results of the audits will be reported to the Audit and Governance Committee.