

COMMITTEE	GOVERNANCE AND AUDIT COMMITTEE
DATE	09 FEBRUARY 2023
TITLE	OUTPUT OF THE INTERNAL AUDIT SECTION
PURPOSE OF REPORT	TO OUTLINE THE WORK OF INTERNAL AUDIT FOR THE PERIOD TO 25 JANUARY 2023
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 Internal Audit for the period from 1 May 2022 to 25 January 2023.

2. WORK COMPLETED DURING THE PERIOD

- 2.1 The following work was completed on the 2022-23 plan in the period to 25 January 2023:

Description	Number
Reports on Audits from the Operational Plan	24

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 up to January 25, 2023, indicating the relevant assurance level and a reference to the relevant appendix.

TITLE	DEPARTMENT	SERVICE	ASSURANCE LEVEL	APPENDIX
Harbours Statement of Accounts 2021-22	Finance	Accountancy	High	Appendix 1
Joint Planning Policy Committee Statement of Accounts 2021-2022	Finance	Accountancy	High	Appendix 2
Bonus Payments to Care Workers (Part 2)	Finance	Pensions and Payroll	High	Appendix 3
Additional Payments to Care Workers (Part 1)	Finance	Pensions and Payroll	High	Appendix 4
Ransomware	Finance	Information Technology	Satisfactory	Appendix 5
Council Tax Refunds	Finance	Revenues	Satisfactory	Appendix 6
Taxi Safety	Environment	Public Protection	Limited	Appendix 7
First Aid payments	Corporate	-	Satisfactory	Appendix 8
Socio-Economic Duties	Corporate	-	Satisfactory	Appendix 9
Ukraine Refugees Plan	Corporate	-	Satisfactory	Appendix 10
Welsh Church Fund	Economy and Community	Community Regeneration	High	Appendix 11

TITLE	DEPARTMENT	SERVICE	ASSURANCE LEVEL	APPENDIX
Lloyd George Museum Accounts	Economy and Community	Museums and Galleries	High	Appendix 12
Beach Management Plan	Economy and Community	Economic Development Programmes	Satisfactory	Appendix 13
Unofficial School Fund	Education	Resources	Limited	Appendix 14
Post-16 Provision in Schools Grant	Education	Resources	High	Appendix 15
Plas Gwilym Residential Home	Adults, Health and Wellbeing	Residential and Day	Limited	Appendix 16
Hafod Mawddach Residential Home	Adults, Health and Wellbeing	Residential and Day	Limited	Appendix 17
Bryn Blodau Residential Home	Adults, Health and Wellbeing	Residential and Day	Limited	Appendix 18
Use of Cash	Adults, Health and Wellbeing	Across the Department	Satisfactory	Appendix 19
Local Government and Elections (Wales) Act 2021	Corporate Management Team	Legal	High	Appendix 20
Arrangements for Returning Member Equipment	Corporate Support	Democracy	Satisfactory	Appendix 21
Member Training	Corporate Support	Democracy	Satisfactory	Appendix 22
Housing Support Grant	Housing and Property	Homelessness and Supported Housing	Satisfactory	Appendix 23

TITLE	DEPARTMENT	SERVICE	ASSURANCE LEVEL	APPENDIX
First Time Buyers Grant	Housing and Property	Support and Wellbeing	Satisfactory	Appendix 24

2.2.2 The general assurance levels of audits fall into one of four categories as shown in the table below.

LEVEL OF ASSURANCE	HIGH	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.
	SATISFACTORY	Controls are in place to achieve their objectives but there are aspects of the arrangements that need tightening to further mitigate the risks.
	LIMITED	Although controls are in place, compliance with the controls needs to be improved and / or introduces new controls to reduce the risks to which the service is exposed.
	NO ASSURANCE	Controls in place are considered to be inadequate, with objectives failing to be achieved.

3. WORK IN PROGRESS

3.1 The following work was in progress as at 25 January 2023:

- Advise and Consultancy and Supporting Gwynedd Reviews (*Corporate*)
- Supporting Departments – Services following the Covid-19 pandemic (*Corporate*)
- Psychological Safety (*Corporate*)
- Proactive Prevention of Fraud - National Fraud Initiative (*Corporate*)
- Staff Recruitment and Retention Arrangements (*Corporate*)
- Free School Meals (*Education*)
- Education Business Centre (*Education*)
- School Reserve Balances (*Education*)
- Schools – General (*Education*)
- Planning – Communication Arrangements (*Environment*)
- Smallholdings (*Housing and Property*)
- Data Protection (*Finance*)
- Cost of Living Support Payments (*Finance*)
- Neuadd Dwyfor (*Economy and Community*)

- Staff Recruitment and Retention Arrangements (*Adults, Health and Wellbeing*)
- Liberty Protection Safeguards (*Adults, Health and Wellbeing*)
- Project Management Arrangements (*Gwynedd Consultation*)
- Commercial Income (*Highways and Municipal*)
- Ash Dieback (*Highways and Municipal*)

4. RECOMMENDATION

- 4.1 The Committee is requested to accept this report on the work of the Internal Audit Section in the period from 1 May 2022 to 25 January 2023, comment on the contents in accordance with members' wishes, and support the actions agreed with the relevant service managers.

HARBOURS STATEMENT OF ACCOUNTS 2021-22

1. Background

- 1.1 The Harbours Act 1964 requires that Gwynedd, as a harbour authority, prepares an annual statement of accounts relating to Pwllheli, Porthmadog, Abermaw and Aberdyfi harbour activities.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to confirm the accounts on the Harbours' annual statement for the 2021/22 financial year, as well as to confirm that appropriate internal controls were in place.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
HIGH	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

4. Main Findings

- 4.1 Assurance can be given that the Harbours' accounting statement for the 2021/22 financial year was appropriate. Based on the tests carried out, an appropriate audit trail for the figures was seen and the internal controls could be relied upon to achieve their objectives. Appropriate accounts have been kept and bank reconciliations are made as part of Council wide bank reconciliation.
- 4.2 Based on the tests carried out on a sample of payments, supporting documents were appropriate such as invoices or receipts, and VAT had been properly treated. There was also an appropriate trail for a sample of internal transfers.
- 4.3 Staff costs are administered through Gwynedd Council's Payroll Unit where PAYE and National Insurance requirements have been appropriately applied. These staffing costs are appropriately recorded in the statement, and based on a sample of officers, these had appropriate employment contracts.
- 4.4 The fixed asset figure on the accounting statements is supported by an asset register.

**JOINT PLANNING POLICY COMMITTEE ACCOUNTS
(GWYNEDD AND ANGLESEY COUNCILS)**

1. Background

1.1 The Joint Policy Committee is a joint committee established in accordance with Section 101 of the Local Government Act 1972 by Gwynedd Council and the Isle of Anglesey County Council. Separate accounts are required for joint committees. As Gwynedd Council is the lead council in respect of the finance and accountancy service for the joint committee, it is Gwynedd Council's responsibility to complete the financial statements.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to confirm the accounts on the Committee's annual statement for the 2021/22 financial year, as well as to confirm that appropriate internal controls were in place.

3. Audit Level of Assurance

3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
HIGH	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

4. Main Findings

4.1 Assurance can be given that the Joint Planning Policy Committee (Gwynedd and Anglesey Councils) accounting statement for the financial year 2021/22 is appropriate. Based on the tests carried out, it was found that there is an appropriate audit trail of the figures and that the internal controls in place can be relied upon to achieve objectives. Appropriate accounts have been maintained and bank reconciliations are undertaken as part of activities across the Council.

4.2 Based on the tests carried out it was seen that there was an appropriate audit trail for a sample of internal transfers. In addition, a sample of payments were supported with invoices relevant to the period in question, and that VAT had been properly treated.

4.3 Staff costs are administered through Gwynedd Council's Payroll Unit where PAYE and National Insurance requirements have been appropriately applied. The staffing costs are appropriately accounted for in the statement, and for a sample of these officers, appropriate employment contracts were in place.

BONUS PAYMENTS TO CARE WORKERS

1. Background

- 1.1 On the 17 March 2021, it was announced by the Health Minister that the Welsh Government would fund bonus payments to staff in the NHS and social care staff as acknowledgment of their exceptional contribution during the COVID-19 pandemic. The one-off payment is equivalent to £735 a head, with deductions for income tax, National Insurance contributions and pensions. After deductions, most workers will receive approximately £500. The bonus is paid on top of the special payment of £500 to home care workers and home carers undertaken in May 2020, to acknowledge their work in midst of the first wave of the pandemic. This bonus payment will be given to a wider group of social care workers, it states in the guidelines 'Wales Government financial acknowledgement scheme for NHS and social care' that eligible social service jobs include: "all local authority social service staff with inclusion; social service directors, heads of service and all staff under these managers, including assisting staff, social workers and assistants of social workers."

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that suitable arrangements are in place for administering bonus payments to care workers. To conduct this, the procedures were reviewed for identifying, communicating, and validating payments, a sample of payments were checked to ensure eligibility, accuracy and done in a timely manner, in addition to reviewing procedures for the appeals process, reporting to Welsh Government and re-claiming payments.
- 2.2 This audit was conducted in two parts, first part (report issued in February 2022) looked at all the implementation of distributing guidelines and the application form to application providers, to pay applicants and present application for re-claiming monies to WG. Part 2 of the audit was conducted after March 2022 to ensure that the final application for re-claiming monies from WG is completely presented, following identification of duplicate payments checks, and that any outstanding matters such as invoicing duplicate payments have been implemented in a timely manner.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
HIGH	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

4. Main Findings

- 4.1 Suitable arrangements were in place for the administration and processing of applications for bonus payments to care workers. Appropriate arrangements for communicating guidance to all employees/managers, external providers and qualified individuals was seen.
- 4.2 All applications were found to have been implemented accurately and timely for a sample of external providers reviewed.
- 4.3 From the sample reviewed, payments had been implemented on the basis of receiving confirmation from the line manager that their officers were entitled to the payment by recording and submitting a spreadsheet to the supporting officer for implementation. In addition, a supporting application form had been completed by the officers by enquiring the line managers for a copy of the forms. 9/12 of these forms were received with 3 managers not responding to the request.
- 4.4 Only one appeal was received during the implementation of the bonus payments, and it appears that the application form had been dealt with appropriately, the applicant having received a response within an appropriate timeframe.
- 4.5 From the sample of bonus payments reviewed, the payments were seen to be taxable and have been handled correctly in the payroll system.
- 4.6 Checks for duplicate payments were carried out by the Council when implementing the applications received. In terms of identifying duplicates with other councils and the Health Board, it was reported that the data had been uploaded to the "Emyr" system by the Welsh Government, and quite a few duplicates were recognised, with most from the Health Board.
- 4.7 It has been confirmed that an adjusted repayment request has been submitted to WG in March 2022 showing the final figures following a late request from one of the external providers for additional NI and Pension payments. It was confirmed that the final application contained the adjustments for duplicate payments and the administrative element.
- 4.8 Payments had been reconciled back to the ledger and the final application appears to have been submitted correctly and completely i.e. including all the totals/costs that have been paid out to the applicant according to the reconciliation.
- 4.9 From the duplicate payment checks carried out, 9 debts were identified and invoiced to the external applicant/provider. 4/9 of the invoices had been paid in full, and the remaining with an outstanding balance on the Council debtor system (as at 20/06/2022).

ADDITIONAL PAYMENTS FOR CARE WORKERS

1 Background

- 1.1 On the 10th of February 2022, the Government issued in a written statement that additional payments will be made to social care staff to reflect the actual cost of living. Payments are relevant to registered workers in care homes and the care home industry, in the Adults and Children's Services and to personal assistants funded through Direct Payments. The payments are payable to social care staff that were employed in an eligible role on the 31 March 2022 and those commencing work in eligible roles between 1 April 2022 and 30 June 2022.
- 1.2 The sum of £1,498 gross is payable which means that social care workers on a basic tax rate receive approximately £1,000 take home pay after deductions. The Payment is available in one payment or in monthly instalments and is administered by the local authority on behalf of Welsh Government.

2 Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that suitable procedures are in place for administering additional payments to care workers. The audit entailed reviewing a sample of applications by ensuring appropriate procedures are in place to verify them before payment, and that they are administered in accordance with the instructions provided by the Welsh Government. The audit results are reported in two parts; Part 1 following verifying and paying claims to care workers up to August 2022 and part 2 reports on the procedure of recovering the monies from the Welsh Government in November 2022 to ensure accuracy and completeness of the work, in addition to identifying and recovering duplicate claims where relevant.

3 Audit Level of Assurance – PART 1

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
HIGH	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

4 Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	0
LOW	1

5 Main Findings

- 5.1 Instructions provided by the Welsh Government were seen and followed by the Council in administrating additional payments to care workers and in accordance with the timeframe.
- 5.2 Application forms were distributed to external providers for the purpose of identifying eligible workers for the payment. A sample was compared back to the ledger, and some discrepancies were seen in the applications compared with the payments. In addition, it was seen that duplicate payments and a claim without NI had been presented for payment. The Category and Development Officer was presented with a spreadsheet of exceptions for review and to confirm its accuracy. It was confirmed that duplicate payments have been identified and steps have been taken for its recovery. Apart from the exceptions identified and actioned, it was seen that the summary of payments to external providers agreed with the ledger and applications forms.
- 5.3 Reconciliations are carried out by the Group Accountant for the purpose of presenting figures to reclaim monies from the Welsh Government in September 2022. The Category and Development Officer confirmed that they are still waiting on late claims for pension and NI payments from external providers. It was explained that two applications for repayment will need to be presented to Welsh Government, one for payments up to September 2022 and the second application for the remainder of payments where the applicants have chosen for payments to be made in instalments, including the pension and NI elements. The second part of the audit will therefore be conducted following the second application for repayment after October 2022.
- 5.4 Certainty was obtained from the Category and Development Officer that line managers are responsible for validating and identifying eligible internal staff therefore only cases received through the line manager were implemented.
- 5.5 Information on payments to staff from the ledger was evaluated and a sample was reconciled to the Category and Development Officer's list of payments to internal staff. From the job titles seen, that these are relevant jobs and are entitled to the payment.

6. Actions

The Category and Development Officer has committed to implementing the following steps to mitigate the risks highlighted.

- **Reconcile and present final figures for the repayment claim to Welsh Government before the closing date.**

RANSOMWARE

1. Background

- 1.1 Ransomware attackers threaten to publish or encrypt a victim's personal data unless a specified payment is received. The software prevents access to files or encrypts files and paying the attackers does not guarantee the return of the data/access. The threat to local government is serious considering the damaging attacks carried out on Hackney Council in 2020.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that suitable arrangements are in place to ensure that the Council protects itself against ransomware attacks and can respond and recover effectively in the event of such an attack. To achieve this, the audit covered checking IT policies and procedures, checking staff training arrangements, data management and risk management.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects of the arrangements that need tightening to further mitigate the risks.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	4
LOW	0

5. Main Findings

- 5.1 There is no one specific policy covering all the relevant information about the Council's response to a ransomware attack. Copies of 3 relevant internal IT policies were received. Work is underway to consolidate information and improve the Incident Response Plan with external support. It is important that documents relevant to the Council's response in an emergency are updated or reviewed regularly. 1 of the 3 documents checked had no record of a review since February 2018.
- 5.2 Sufficient support is available to the Council from external bodies in relation to preparing for and responding to a ransomware attack. Appropriate arrangements are in place to ensure that 'Penetration Testing' are carried out on the Council.
- 5.3 No checks are carried out on the attack prevention arrangements of external companies that hold/process the Council's data. The Security Engineer and the Assistant Head - Information Technology agreed that carrying out suitability checks on external holders/processors of the Council's data's attack prevention arrangements would be a good control to mitigate the relevant risk.
- 5.4 A lot of information and appropriate training regarding IT security is available to staff. After recent Council-wide training by 'Bob's Business', an exercise was carried out to assess and improve the Council's resilience against 'Phishing' attacks. Seeing as the rates of staff clicking on false malicious links during the exercise fell, possibly due to the training, it would be beneficial for more Council staff to complete cyber security training.
- 5.5 Point D8 in the corporate risk register clearly highlights the risk of a cyber attack and identifies the steps in place to mitigate the risk.
- 5.6 The Assistant Head - IT and the Risk and Insurance Co-ordination Manager was questioned regarding the Council's cyber attack insurance arrangement. At the time of the audit, the Council had no such Insurance in place. The Assistant Head - IT expressed that it was something that had been considered in the past but perhaps hadn't received sufficient consideration. He agreed that the cost and benefits of obtaining such insurance should be considered and discussed with relevant officers.

6. Actions

The Assistant Head – IT and the Security Engineer have committed to implementing the following steps to mitigate the risks highlighted.

- **System administrators to check the attack prevention measures of external entities that hold/process the Council's data and assess their quality with the help of the Security Engineer.**
- **Ensure that relevant policies are reviewed annually or when circumstances change (whichever comes first).**
- **Ensure that cyber security training is available to staff and that it is possible to monitor which staff have completed it.**
- **Discuss the Council's need for cyber attack insurance with the relevant officers.**

COUNCIL TAX REFUND

1. Background

- 1.1 During the 2021/22 financial year, the Council collected approximately £93million of Council Tax revenue and refunded approximately £2.3million throughout the year.
- 1.2 The service can process refunds to any account that is in credit as a result of the taxpayer overpaying. It is possible for the taxpayer to request a Council Tax refund, or the system will implement this automatically where allowable i.e. to clear the credit when closing an account. The taxpayer will receive a refund by BACS onto the same account details used for direct debit or by cheque unless a BACS payment request has been made.

2. Purpose and Scope of Audit

- 2.1 Purpose of the audit was to ensure that appropriate procedures are in place for the administration of Council Tax refunds. The audit entailed reviewing a sample of refunds made during the financial year 2022/23 to ensure that they are implemented appropriately, and in accordance with the Council's financial regulations, and that a satisfactory audit trail is present.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects of the arrangements that need tightening to further mitigate the risks.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	1
LOW	0

5. Main Findings

- 5.1 Council Tax refunds are implemented weekly with officers being proactive when it comes to clearing credit balances on the council tax Capita system, Academy Revenues.
- 5.2 An audit trail was seen on the Capita system or supporting documents on the DIP filling system for all credits created on the system, including for transfers from bill to bill and transfers from account to account. It was confirmed that the rights to process transfers from account to account is restricted to senior officers only.
- 5.3 It was confirmed that transfers between systems had not taken place i.e. from the domestic tax system to non-domestic system by checking a sample of transfers from the transfers report created during 2021/22.
- 5.4 A sample of BACS payments were reconciled back to the BACS run / Academy reports and a sample of payments including cheque refunds from the ct6370a report to the ledger and reconciliations carried out by the service and all were seen to be appropriate. From the refunds checked, no refunds exceeding the remittance advice was made.
- 5.5 Staff permissions on inputting BACS payment details was checked. The Revenues System Consultant explained that any staff that has permission to create a refund (and with the right to input bank details for the purpose of creating direct debit) also has permissions to create and set up refunds through BACS on the system.
- 5.6 It was confirmed that a parameter is set to identify large sums of payments on the system i.e. the weekly refund authorisation report highlights each one over £1,000. The Revenues System Consultant stated as one of the four officers that has the right to authorise the refunds report to be paid, the weekly refund report is reviewed for any inconsistencies in terms of name/s on the accounts and is compared to the creditor and bank details set up. Because of the volume of refunds over £1,000 created, it is not practical to check and validate all refunds before authorising payments.
- 5.7 The Taxation Manager stated that taxpayers are likely to be able to present details to pay themselves through Open Banking and Self-Service portal in the future, which releases the Service from the process of setting up payments and mitigates the risk of processing invalid or fraudulent refunds. For the time being, the Taxation Manager and the Revenues System Consultant, with consideration of the resources available and 'Ffordd Gwynedd' mindset of working, to trust in its staff, accepts that an element of risk continues to exist. The Auditor accepts the response from the Council Tax Service and therefore no action plan has been presented.

TAXI SAFETY

1. Background

- 1.1 Gwynedd Council's Taxi Licencing Service is responsible for deciding whether an applicant or an existing licence holder is an appropriate and suitable individual to hold a driver/operator licence, for a private hire vehicle and/or a hackney vehicle, as well as processing applications for vehicle licences.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that suitable arrangements are in place for licencing taxis to ensure user safety. To achieve this, the audit scope included reviewing that a sample of applications since June 1st, 2021 has been processed in accordance with the criteria and the 2014 Licencing Policy for Private Hire and Hackney Vehicles, and that suitable checks were done on vehicles.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
LIMITED	Although controls are in place, compliance with the controls needs to be improved and / or introduce new controls to reduce the risks to which the service is exposed.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	2
MEDIUM	1
LOW	0

5. **Main Findings**

- 5.1 From a sample of 28 applications, the expected evidence had not been received for 50% of the applications, with DVLA checks, HMRC checks, and DBS certificates missing. The Public Protection Manager (Environment) confirmed that the relevant officers and the Administration Team are responsible for attaching every document to the relevant application on the 'Tascomi' system, adding that the documents had likely been received but not attached. Also, it was seen that one application for a new licence was granted, even though the DBS certificate was over 3 months old, with another new application having been processed without evidence of payment being received. It was explained that the Service has been under substantial pressure over the past year.
- 5.2 No evidence was seen that 5 drivers who presented new licence applications had completed the Safeguarding course. It was confirmed that this was not yet mandatory but would be soon. The Service is asking to see the certificates but for now continue to process applications when no certificates have been provided.
- 5.3 A sample of 30 applications was selected (7.7%) and were reviewed thoroughly. Relevant evidence was not received for several applications, with registration documents, MOT certificates, and insurance documents missing. One application was approved even though the insurance documents attached confirmed that the policy had expired. The application was received May 5th, 2022, with the policy having expired June 14th, 2021.
- 5.4 Due to workload and low numbers of staff, no information was received in relation to how many unannounced spot-checks the Service was able to complete last year, to ensure licence holders operated accordingly. However, records were seen of a recent spot-check, where the Service operated accordingly and swiftly in response to a claim that an unsuitable vehicle was being used to take children to school. The Public Protection Manager (Environment) confirmed that two licences had been suspended recently, one because of a positive drug test, and the second due to a serious safeguarding issue, proving that the service does punish any licence holder who don't operate in accordance with the rules.

6. **Actions**

The service has committed to implementing the following steps to mitigate the risks highlighted.

- **Ensure the relevant officers and the Administration Team receive and attach all relevant, current documents to the applications on the 'Tascomi' system, by reminding staff of the procedures, and the Manager to regularly do random checks to ensure continued improvement.**
- **Ensure that full payment is received before processing applications and attaching a receipt to the claim, by reminding staff of the procedures.**
- **Continue to draw up a new policy as well as providing any relevant training, to ensure continuity in the licencing processing arrangements across Gwynedd.**

FIRST AID PAYMENTS

1. Background

- 1.1 Staff designated as first aiders receive an allowance of £8 per month from the Council. They have a responsibility to respond to an incident in the office where first aid is needed. They must keep their training certificate up to date and ensure they have the necessary equipment in the workplace.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that appropriate arrangements are in place to administer first aid payments, ensuring that only qualified officers receive the payments. To achieve this, the audit encompassed reviewing the first aid qualifications of a sample of officers who receive payments, as well as reviewing the arrangements for managing first aiders.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects of the arrangements that need tightening to further mitigate the risks.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

Risk Level	Number
VERY HIGH	0
HIGH	0
MEDIUM	3
LOW	0

5. Main Findings

- 5.1 First Aid procedures state, "Each first aider will first attend a three day first aid course and then a two day refresher course every three years". A sample of 9 members of staff who were receiving first aid payments at the time of the audit were reviewed. 8 out of 9 members of staff had received full 3 day training or a 2 day refresher course in the last 3 years. 1 member of staff had continued to receive payments despite not having received first aid training since 2015.

- 5.2 A traffic light system has been established within the Staff Development Module. This shows first aid training with a green, amber or red indicator next to it. Green means the staff holds a valid training, amber means it needs to be renewed soon and red means the individual is past due a refresher course. It is possible to run a report from this information. The Learning and Development Support Officer stated that using this report would be beneficial to ensure that staff training is up to date and that no payments are made to staff who are now ineligible.
- 5.3 Following Covid, many staff have changed their workplace to working from home permanently. If they are not in the office, the staff are not available to offer first aid. Work has been carried out to ensure that staff, if working from home do not receive first aid allowance. Individual's work arrangements can change and occasional reviews should be carried out on first aider's work placements.
- 5.4 A sample of posters and staff first aid boxes were reviewed. It was seen that the posters are up to date and have been updated to display which staff are available as a first aider. All information about first aiders and their locations is also available on the first aid intranet. This information was compared against what was on the posters and it was seen that one member of staff was still named on the intranet who was no longer on the posters. It should be ensured that the intranet offers the most current information possible. The contents of the first aid boxes were seen to be appropriate.

6. Actions

The Team Leader (Offices) and the Learning and Organisational Development Support Officer have committed to implementing the following steps to mitigate the risks highlighted.

- **Periodically run MoDS reports to check which staff are eligible for payments, whilst terminating payments for staff who have not renewed their training.**
- **Conduct occasional reviews of the work placement of first aiders and terminate staff payments if they change to working from home permanently.**
- **Ensure that the first aid intranet is up to date.**

SOCIO-ECONOMIC DUTIES 2021

1. Background

1.1 The duty, which came into force on 1st of April 2021, aims to encourage better strategic decision-making, which places a duty on the Authority to consider inequalities arising from socio-economic disadvantages.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to review what steps have been put in place to comply with the duty on a day to day basis. This was done by reviewing what socio-economic data has been collected to inform strategic decisions, the training in place for officers members and the assessments that have been made to consider inequality. This audit revisits the area audited during 2021-22, where it was agreed that not enough time had passed to be able to form an opinion on compliance with the act.

3. Audit Level of Assurance

3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects of the arrangements that need tightening to further mitigate the risks.

4. Current Score Risk

4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	3
LOW	0

5. Main Findings

- 5.1 To assist officers with considering the impact of policy on equality, a new impact assessment template form has been created, which builds on the template that has been in place for a few years, in conjunction with the North Wales Public Sector Equality Network. Gwynedd's assessment form will be an electronic document, with integrated support available to the user when completing the sections to ensure quality and consistency. Unfortunately, the timetable for adopting the new form has slipped several times, with the latest delay resulting from IT resources being redirected to creating a dedicated system for Ukrainian refugees. At the time of the audit, an interim assessment form remains in place.
- 5.2 Reports presented to Cabinet since the duty came into effect on 1st April 2021 were reviewed. As reported in December 2021 internal audit report, many of the earlier reports used the old equality assessment template, instead of the interim form that has been adapted to include socio-economic aspects. However, it was seen that the interim version is now being used for strategic decisions. It depends on the context whether the decisions are strategic or not, but if there is any doubt the Monitoring Officer is in favour of incorporating the duty.
- 5.3 Impact assessments should be supported by data to justify the statements made. Statistics on their own are unlikely to be sufficient and so to gain an understanding of the lives and challenges of the public and organisations in different areas, the Service engages with organisations in order to collect the opinions and experiences of groups of individuals with protected characteristics, and the data will form part of the final electronics assessment form.
- 5.4 Training has been provided for officers and Members, and there is a dedicated page on equality on the Council's intranet, which includes details about the new duties. However, the numbers of Members who attended were low, and there is an intention to hold more. The e-learning module has been updated and a course called 'Your Responsibility for Equality' was provided which included a specific section on the impact assessment procedure.

6. Actions

The Equality Adviser has committed to implementing the following steps to mitigate the risks highlighted.

- **Continue to raise awareness amongst Members and managers of the new equality impact assessment form**
- **Engage with organisations to gather the opinions and experiences of groups of individuals with protected characteristics**
- **Use the socio-economic duty progress tracking tool to help the Council meet and go beyond the requirements to make meaningful change in the way important decisions are made.**

UKRAINE REFUGEE SCHEME

1. Background

- 1.1 Following Russia's attack on Ukraine, the UK Government has set up a Homes for Ukraine scheme to help those who wish to come to the UK, fleeing the war and have no family ties in the UK. The Scheme started on 18 March 2022, and by now over 200 refugees have arrived in Gwynedd.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that suitable arrangements were in place to support the Homes for Ukraine scheme. To achieve this, the audit encompassed reviewing what arrangements the Council has established to ensure that refugees in Ukraine receive the appropriate support, including ensuring that accountable officers have been appointed, and that basic DBS and safeguarding checks are carried out on the sponsors. In addition, additional support such as education and benefits were reviewed, and the financial arrangements including checking that the Service follows financial procedures in accordance with the requirements. The audit does not cover the Families from Ukraine scheme, which is part of the Welsh Government's super sponsor scheme.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects of the arrangements that need tightening to further mitigate the risks.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	2
LOW	0

5. Main Findings

- 5.1 Local authorities are required to carry out basic DBS checks for all adults who sponsor. In cases where the people arriving are children or vulnerable adults, a detailed DBS check with exclusion lists will be required. A sample of 84 sponsors was checked and it was seen that 25 had DBS Stage 1 status (Application received and verified), 2 sponsors with Stage 2 status (checks against the Police National Computer (PNC)) and 45 sponsors with Stage 3 status (checks against the Adult and Child Barring list). It was seen that 4/84 continued to wait for DBS. Of those 4, 3 were waiting for the refugees to arrive in the country and one was located since 6th of October 2022.
- 5.2 Sponsor's properties need to be inspected by the Council for safety. From the sample of 84 sponsors checked, it was seen that 60 properties had received an inspection, 18 were awaiting an inspection and 6 had withdrawn from the scheme. It was seen that 4 properties are awaiting an inspection since May 2022, 3 since June and 1 since September and the rest without refugees having been located. From the list of properties which have not received an inspection yet, it was seen that all have received DBS checks and welfare visits carried out since placement.
- 5.3 The Council works together with the Red Cross to provide an interim payment of £200 per person on 'pre-paid' cards towards subsistence costs for refugees once they have arrived in their accommodation. During the audit, the total of the £200 payments did not reconcile back to the Ukraine Refugees expenditure code in the ledger, but an explanation was received that most of the money had been paid for by the Children and Family Support Department expenditure code, and that arrangements were in hand to identify these payments and to correct the expenditure code.
- 5.4 Local authorities are required to provide a place in a school for the children and assist families to get work and/or any benefits they are eligible for. It was seen that welfare visits are organised once the individuals arrive in Gwynedd and a responsible officer will inquire about education for the children and benefits/work during the visit.

6. Actions

The Enforcement Team Leader (Housing) and Business Leader of Ukraine Team has committed to implementing the following steps to mitigate the risks highlighted.

- **Allocate cases for inspection, complete the inspections in a timely manner and upload the inspection to the CRM system as soon as possible after completion.**
- **Ensure that sponsors receive, complete, and submit a DBS check, and ensure that sponsors who do not have a DBS are identified and contacted as soon as possible.**

WELSH CHURCH FUND

1. Background

- 1.1 The Welsh Church Fund derives from the Welsh Church Act 1914. Gwynedd Council administrates the fund and allocates the interest from the fund in grant form annually to registered charities in Gwynedd to promote and support activities. Organisations such as the local Eisteddfod, activities within the arts, education, leisure and sports, conservation, and charities that support disabled people can apply for the grant. It is possible to apply for any amount, but individual grants will tend to be between £100 and £3,000.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to conduct an independent examination of the Welsh Church Fund accounts for 2021-22 financial year, in accordance with the requirements of the Charity Commission.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
HIGH	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

4. Main Findings

- 4.1 In accordance with the requirements of the Charity Commission, an independent audit of the accounts must be carried out if the fund's annual income is over £25,000. Fund money has been invested to attract better interest, so the income threshold was exceeded in the 2021-22 financial year.
- 4.2 Assurance can be given that the Welsh Church Fund accounts for the financial year 2021-22 are appropriate. Based on the tests carried out, it was seen that there was an appropriate audit trail for the figures.

LLOYD GEORGE MUSEUM ACCOUNTS

1. Background

1.1 The Lloyd George Museum and his childhood home, Highgate, Llanystumdwy, traces the life of the former Prime Minister of the UK. The museum is a registered charity and is administrated by Gwynedd Council with help from Friends of the Museum who support and assist with the development of the museum and its educational use. Because the museum's income exceeded the threshold of £25,000 through funding from Gwynedd Council, the trustees' account, an annual report for 2021-22 must be submitted to the Charities Commission, including an independent examiner's report of the accounts.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to complete the independent examiner's report on the museum's 2021-22 accounts, giving assurance that what is presented to the Charities Commission is correct. This was done by reconciling the accounts with the Council's main accounting system, ensuring that all transactions were relevant to the museum.

3. Audit Level of Assurance

3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
HIGH	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

4. Main Findings

4.1 The accounts for 2021-22 were found to be appropriate and so the independent examiner's report was completed to state this.

BEACH MANAGEMENT PLAN

1. Background

- 1.1 Gwynedd's coastline and beaches attract locals and many visitors, especially during the summer months. The very nature of beaches mean safety to life is an area of high risk, which has been identified as such on the corporate risk register, where Gwynedd Council needs to mitigate risks as much as is practical.

2. Purpose and Scope of Audit

- 2.1 The aim of the audit was to ensure that appropriate and proportionate controls are in place to safeguard visitors to Gwynedd's beaches, by mitigating or highlighting risks, as well as ensuring that processes are in place to respond to incidents. To achieve this, the audit encompassed reviewing the Beach Management Plan, ensuring that the risk assessments are current and complete, and reviewed what steps are in place to mitigate the risks.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects of the arrangements that need tightening to further mitigate the risks.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	4
LOW	0

5. Main Findings

- 5.1 The Beach Management Plan is a live document prepared in 2019 for a period up to 2022.

- 5.2 As the coast is so broad, the Maritime Service relies on the public to assist by reporting any faults and dangers or any incidents along the coast and beaches. Although not an official procedure, it is effective for the Maritime Service to identify and act on defects or dangers as soon as possible. It's worth considering if this could be taken advantage of further to strengthen the controls and mitigate risks, especially outside the high season.
- 5.3 Historically, Gwynedd Council has been seeking the Blue Flag award to recognise the quality of their beaches and attract visitors. Today, the Service does not prioritise it. However, standards aimed for by the Service are equivalent to the requirements of the Blue Flag. The process of applying for Blue Flag status is costly and bureaucratic for the Council and Keep Wales Tidy requires applicants to submit risk assessments in a specific format. Gwynedd uses an internal risk assessment system which means that compliance with the requirements will involve duplicating work and elements that do not add value.
- 5.4 Emergencies are inevitable from time to time. The implications of this vary from the need for basic first aid provision to calling for the emergency services. It is essential that staff do not endanger themselves on any occasion regardless of how difficult the situation is, or when under pressure from the public.
- 5.5 The Service is trying to reduce the use of cash when visitors pay to gain access and to launch. Morfa Bychan beach deals with a lot of cash during the season and the ability to use a reliable PDQ/POS payment system would be more beneficial and efficient, also reducing the associated risks and time spent by staff dealing with cash. The intention is to provide electricity and 'Wi-Fi' access in the staff cabin.
- 5.6 Due to the nature of beaches, it's inevitable that risks will continue to be ever present, despite all practical efforts to mitigate them. The Service tries to supervise the main popular beaches during the season, but outside of daylight hours and the rest of the year is not practical or possible with respect to available resources. It is only possible to advise users and visitors rather than enforce and as a result an element of risk remains unavoidable. It is therefore not appropriate to provide a high level of assurance in this area, although this is not a reflection of the arrangements and performance of the Service.

6. Actions

The Maritime Service has committed to implementing the following steps to mitigate the risks highlighted.

- **Update and adapt the Beach Management Plan for beyond the end of 2022**
- **Prepare a questionnaire targeting beach users to receive opinions on the quality and safety issues of beaches and review arrangements for prompt action on defects and dangers**
- **Consider the value for Gwynedd Council to continue to seek Blue Flag Status**
- **Investigate further into the possibility of increasing the use of the PDQ payment system, reducing the reliance on dealing with cash.**

SCHOOL FUNDS (PART 2)

1. Background

1.1 Paragraph 16.22.1 of the Council's constitution states:

'Where an officer of the Council is, by virtue of his official position, responsible for money or goods which are the property of a fund connected with a Council establishment, the purpose of which are analogous to the service provided by the Council:

- (a) The officer shall keep all monies or goods, the property of the unofficial fund, separate from those of the Council.*
- (b) Proper records of account shall be maintained and be kept separately from those of the Council.*
- (c) The fund's controlling body shall appoint a competent person as auditor, to audit the fund's activities annually and report to the fund's controlling body or in the case of schools and colleges the Board of Governors.*
- (d) Such annual reports shall be held available for inspection by the Internal Auditors if requested.'*

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to ensure that suitable management and administration arrangements were in place for school funds. To achieve this, a sample of schools were selected, and a full audit was carried out on the accounts up to 2021-22.

3. Audit Level of Assurance

3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
LIMITED	Although controls are in place, compliance with the controls needs to be improved and / or introduce new controls to reduce the risks to which the service is exposed.

4. Current Score Risk

4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	1
MEDIUM	0
LOW	0

5. Main Findings

- 5.1 A sample of 14 schools was selected, ensuring a cross-section of secondary, primary, special, and all-through schools. Fund balances varied, but one of the schools had a significant amount of money. The schools will not receive an individual report following this audit, but they have been informed of the weaknesses relevant to their fund.
- 5.2 9 of the schools had a school fund policy with most of them using the current policy which is 'Guidelines for Governors and Headteachers on the Management of School Funds 2010'. Although this is the current policy, it dates back to 2010 and does not encompass processes that are more common today, e.g. online payments and use of bank cards, as well as the procedure regarding closing funds. It was recognised that the policy needed to be reviewed during the School Funds (Part 1) Audit, but this has not happened yet.
- 5.3 When examining the accounts, it was discovered that several schools did not have a cash book, which is a full record of the account's income and expenditure. Other cases were seen where records of the income and expenditure were copied from the bank statements rather than being recorded when the income was received, or when the payment was made. Although most of the schools have monthly reconciliation arrangements, these arrangements were not sufficient in all cases.
- 5.4 Funds were mainly used for the pupils, but some controversial expenditure was discovered. In addition, some schools did not bank all the cash received as they used it to reimburse staff for resources.
- 5.5 Several schools plan to or have already moved away from using cheques by adopting online banking or bank cards. The schools seem to have appropriate arrangements in place, except for one where no segregation of duties existed.
- 5.6 Several schools did not have a procedure for carrying out an audit of their funds, which should be carried out by a competent and independent person. Evidence was received from 5 schools that they only submit the audited accounts to the Governing Body, with some others not having been audited for several years.

6. Actions

The relevant officers have committed to implementing the following steps to mitigate the risks highlighted.

- **Raise the awareness of new primary Headteachers' of the school fund and the appropriate administration arrangements.**
- **Offer additional support to administer the fund records of the primary schools which already receive support from the school support officers.**
- **Distribute the current version of the policy 'Guidelines for Governors and Headteachers on the Management of School Funds 2010' to the schools.**

POST-16 PROVISION IN SCHOOLS GRANT

1. Background

- 1.1 Gwynedd Council received funding for the provision of post-16 education, which included £3.7m for the provision of 6th form education in mainstream schools and funding of up to £180k for adult learning. Additional funding of £300k was allocated to Gwynedd to provide additional teaching hours for full-time learners. This additional money was provided to acknowledge the effect of the coronavirus pandemic on learners and the need for additional support during the 2021-22 academic year to remain on their educational path and to successfully achieve their qualifications.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that the 'Sixth Form and Adult Community Learning' grant allocation certificate for 2021-22 was correct.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
HIGH	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

4. Main Findings

- 4.1 Certainty can be provided that the 'Sixth Form and Adult Community Learning' grant allocation certificate for 2021-22 was correct. Based on the tests carried out, an appropriate audit trail for the figures was seen and that the internal controls in place can be relied upon to achieve objectives.

PLAS GWILYM RESIDENTIAL HOME

1. Background

- 1.1 Plas Gwilym is located in the village of Penygroes and offers short-term and long-term intermediate care, as well as respite care for up to 27 residents over the age of 50.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that adequate arrangements are in place to effectively manage and maintain the home in accordance with relevant regulations and standards. To Achieve this, the audit scope included ensuring that the home has sufficient arrangements with regards to administration and staffing, budgetary control, procurement and accepting income, health and safety, and performance management, as well as ensuring that the service users and their belongings are protected.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
LIMITED	Although controls are in place, compliance with the controls needs to be improved and / or introduce new controls to reduce the risks to which the service is exposed.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	7
MEDIUM	5
LOW	0

5. Main Findings

- 5.1 The resident's care plans are not reviewed regularly. A sample of 3 resident care plans were checked during the visit to the home. For the sample of 3 plans checked, there was no record of personal items listed for each resident. The Manager confirmed that the plans were in the process of being updated.
- 5.2 Not every staff member receives quarterly supervision as expected. Out of a sample of 4 staff supervision records checked, 2 had been supervised in the last 3 months, with the remaining not having received supervision since June 2021.
- 5.3 The home does not have a current record of its inventory.
- 5.4 The visitor book had not been completed as expected i.e., signing out when leaving and noting the time of departure.

- 5.5 Not every fire test is completed as required.
- 5.6 Not every risk assessment is reviewed annually. Evidence was seen that some generic risk assessments, as well as resident's risk assessments hadn't been reviewed since May 2021.
- 5.7 Before the visit, it was reported that the home could not locate £160 worth of pocket money belonging to one of the residents, and it was suspected to have been stolen. It had not been checked since April 2022 before identifying the discrepancy in August
- 5.8 A sample of 10 staff training records were selected and checked. Of the 10, only 7 have had the current 'Moving and Handling' training, with only 3 having completed '1st Aid' training in the last 3 years. It was seen that only 3 have undertaken the current 'Safeguarding' training, with only 1 having completed the Councils mandatory e-learning modules.
- 5.9 No evidence was seen that the residential staff have read and adopted the 'Safeguarding Vulnerable Adults' Policy. The Manager confirmed that she did not keep a record of this.
- 5.10 Of the 10 staff training records checked above, 5 continue to dispense medicine, even though they have not completed a competency test in the last year.
- 5.11 The amount of medicine kept in the home did not agree with the stock check totals on every occasion.
- 5.12 The home has not implemented on all areas of improvement following the most recent visit from CIW.

6. Actions

The Manager has committed to implementing the following steps to mitigate the risks highlighted.

- **Ensure that care plans are reviewed on time, including daily notes.**
- **Ensure that all staff members are supervised every 3 months.**
- **Ensure the home's inventory record is up to date and receives an annual review.**
- **Ensure that resident's pocket money is checked at least every 3 months, is kept in a secure location and consider to restricted access.**
- **Ensure that a record of all resident's belongings are kept in their care plans.**
- **Remind staff that all visitors need to complete the visitor's book.**
- **Ensure that fire tests are completed on time.**
- **Ensure that risk assessments, generic and for residents, are reviewed annually.**
- **Ensure that all staff members complete 'Moving and Handling', '1st Aid', and 'Safeguarding' training, as well the Councils mandatory e-learning modules.**
- **Ensure all staff read the 'Safeguarding Vulnerable Adults' policy, signing a declaration.**
- **Ensure that all staff responsible for dispensing medication complete a competency test annually.**
- **Remind staff to be thorough when completing medication stock checks, reporting any discrepancies to the Manager immediately.**

HAFOD MAWDDACH RESIDENTIAL HOME

1. Background

- 1.1 Hafod Mawddach residential home offers permanent and short-term care to up to 23 residents who find it difficult to live independently within the community and who have been assessed as needing support. Plans are underway to open a new Dementia Unit within the home in the future which will offer care to up to 8 additional residents.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that suitable arrangements are in place for appropriately managing and maintaining the home in accordance with relevant regulations and standards. To achieve this, the audit encompassed reviewing the adequacy of the home's arrangements in terms of administration and staffing, budgetary control, procurement of goods, receipt of income, health and safety, performance monitoring, together with ensuring that the service users and their possessions are protected.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
LIMITED	Although controls are in place, compliance with the controls needs to be improved and / or introduce new controls to reduce the risks to which the service is exposed.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	5
MEDIUM	6
LOW	0

5. Main Findings

- 5.1 Not every resident's care plan is reviewed monthly as is required.
- 5.2 Not all staff members receive supervision every 3 months as expected. Of the 4 supervision records reviewed, only 1 has been supervised within the last 3 months, with the other 3 members of staff not being supervised since 2021.
- 5.3 The timesheets submitted to the Payroll Service have not been completed as expected on all occasions. The hours claimed on the time sheet did not agree with the work 'rota'.

- 5.4 The home's asset register has not been reviewed within the last year as required.
- 5.5 It was seen that fire tests were not carried out on the escape routes or the fire extinguishers on a regular basis, where they are expected to be carried out weekly.
- 5.6 The home's generic risk assessments and the residents' risk assessments are not reviewed annually.
- 5.7 Not all members of staff have completed the Safeguarding training, with several employees yet to complete the mandatory E-learning modules.
- 5.8 Medicine competency tests are expected to be carried out annually. From the sample of 10 staff members selected, only 6 administer medication to residents. Although the 6 have completed full medication training within the last 3 years, only 1 has completed a competency test in the last year.
- 5.9 Medicine stock checks were not signed by staff on all occasions.
- 5.10 It was seen that there were periods where the temperature of the medicine room or the fridge was not recorded, where it is expected to be carried out daily.
- 5.11 The Clerk does not include the Manager in the e-mails in order to ensure accuracy and approve expenditure.

6 Actions

The relevant officers have committed to implementing the following steps to mitigate the risks highlighted.

- **Ensure that care plans are reviewed monthly.**
- **Ensure that all members of staff receive supervision every 3 months.**
- **Ensure that the home asset register is up to date and reviewed annually.**
- **Remind staff members of the need to sign timesheets on all occasions to confirm accuracy, and any additional hours are recorded on the 'rota' for consistency.**
- **Remind staff that all visitors to the home need to fill in the relevant details in the visitor's book, and the staff to carry out any additional checks.**
- **Ensure that fire alarm, escape routes and fire extinguishers tests are carried out in a timely manner.**
- **Ensure that risk assessments, resident and generic, receive an annual review.**
- **Ensure that staff complete the mandatory e-learning training modules.**
- **Ensure that all members of staff who are responsible for providing medication receive an annual competency test.**
- **Record the temperature of the medicine room and fridge daily.**
- **Ensure that the Manager is included in every email to the Payments service where an invoice is requested to be paid.**

BRYN BLODAU RESIDENTIAL HOME

1. Background

Bryn Blodau residential home offers care for up to 41 adults. This includes an 8-bed Dementia Unit, as well as intermediate care facilities, which provide respite care and rehabilitation. It was noted during the audit that the home was not operating at full capacity, with 9 empty beds. It became clear that staff shortages had led to many of the deficiencies identified in the audit.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to ensure that suitable arrangements are in place for appropriately managing and maintaining the home in accordance with relevant regulations and standards. In order to achieve this, the audit encompassed reviewing the adequacy of the home's arrangements in terms of administration and staffing, budgetary control, procurement of goods, receipt of income, health and safety, performance monitoring, together with ensuring that the service users and their possessions are protected.

3. Audit Level of Assurance

3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
LIMITED	Although controls are in place, compliance with the controls needs to be improved and / or introduce new controls to reduce the risks to which the service is exposed.

4. Current Score Risk

4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	5
MEDIUM	5
LOW	0

5. Main Findings

5.1 Not every resident's Care Plan is reviewed monthly as is required.

5.2 Not all staff members receive quarterly supervision as expected.

5.3 No regular tests were seen to have been carried out on the fire alarm, emergency lights, escape routes or the fire extinguishers.

- 5.4 Not all residents' risk assessments are reviewed annually. A sample of 3 risk assessments were inspected, and only 1 was seen to have been reviewed in the last year with the rest remaining unreviewed since August 2021.
- 5.5 Not all staff members have up to date training.
- 5.6 Medicine competency tests are expected to be carried out annually. From the sample of 8 staff members selected, only 5 provide medication. Of these, only 3 have completed a competency test in the last year.
- 5.7 The medicine present in the home did not agree with the stock records on every occasion.
- 5.8 Several members of staff had not reviewed and accepted the Medicines Policy.
- 5.9 No evidence was seen that the home's staff had adopted the Protection of Vulnerable Adults Policy, or that there was a copy of the policy in the home.
- 5.10 The home does not keep a record of all the hours staff claim on their timesheets.

6. Actions

The relevant officers are committed to implementing the following steps to mitigate the risks highlighted:

- **Staff are to be reminded that a monthly review of care plans needs to be completed. This will be every 3 months in the new care plans which are currently being implemented by the Assistant Manager.**
- **Ensure that all members of staff receive supervision every 3 months.**
- **Discuss with staff that fire tests are carried out in a timely manner, including changing the day the tests are carried out so as not to fall on a bank holiday. Fire tests are monitored by the management team regularly.**
- **Resident risk assessments are to receive an annual review and are updated as part of the new care plans.**
- **Ensure that all staff have up-to-date Movement and Handling, First Aid and Safeguarding training, as well as completing mandatory e-learning modules.**
- **Ensure that all members of staff who are responsible for providing medication receive an annual competency test.**
- **Remind staff to be thorough when carrying out medication stock checks, and to report any discrepancies immediately to the Manager. Weekly stock checks carried out and monthly audits carried out by managers.**
- **Ensure that all members of staff read and sign the Protection of Vulnerable Adults Policy, and the Medicines Policy.**
- **Move to submit monthly timesheets, which are reviewed weekly in detail against the work rota with any discrepancies to be investigated.**
- **Ensure that the Manager is included in all emails to the Payments Service where an invoice is requested to be paid.**

USE OF CASH

1. Background

- 1.1 In response to the COVID pandemic the Adults, Health and Wellbeing Department together with the Children and Family Support Department established a new procedure to replace the old imprest accounts used for distributing cash to front line staff. Responsible officers now use a Barclaycard Credit Card to directly pay for goods. Where cash use is unavoidable, some officers have the right to withdraw cash from cash machines using authorised credit cards. As part of the Council's credit card use agreement, the Finance Department permit individual's when applying for a credit card to note whether they wish to receive the facility to withdraw cash provided there is justification for the request.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that appropriate procedures are in place for administrating cash use using Council credit cards. To achieve this, the audit encompassed reviewing a sample of credit cards with the permission to withdraw cash and review the arrangements behind the procedures and ensuring they are in line with the Council's policies and Constitution. In addition, the audit reviewed what monitoring controls are in place for the use of credit card and cash use.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects of the arrangements that need tightening to further mitigate the risks.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	3
LOW	0

5. Main Findings

- 5.1 The Barclaycard Spend Management (BSM) system can identify cash withdrawals made and a high percentage of transactions are receipts from cash machines that have been attached to the invoices to allow the administrators to code and authorise the transaction on the system.
- 5.2 It was seen that the Credit Card Regulations comply with section 16 of the Council's Constitution by requesting for invoice/receipts to verify spending and recover VAT. However, it states in section 2.6 of the Credit Card Regulations 'Credit card expenditure should only be used for Gwynedd Council', however 16.20.33 of the Constitution states 'private spending using credit cards or any similar payment cards is not permitted for any reason'. The Regulations does not refer to cash use and its responsibilities.
- 5.3 Officers that authorise expenditure through the BSM system operate separately from those responsible for managing the cash and authorise expenditure on the basis that a cash withdrawal receipt is attached onto BSM. Validating the cash use is the responsibility of the officer that manages and administrates the cash. Although no instructions were seen to support this in the credit cards regulations
- 5.4 From the 8 teams in the Children's team, it was seen that 7 have withdrawn cash with 5 of the teams without receipts presented and only 1 has noted the VAT element.
- 5.5 No evidence that the VAT element for expenditure have been recognised to be recovered.
- 5.6 The Senior Management Technician stated that no reviews are carried out on credit card expenditure or the use of the cards. No identification of those without use after a certain period are carried out and to check whether the facility to withdraw cash is still required which could lead to card misuse and therefore should be cancelled.

6. Actions

The Finance Department has committed to implementing the following steps to mitigate the risks highlighted.

- **Change point 2.6 of the credit card regulations to:-**
In accordance with section 16.20.33 of the Constitution, credit card expenditure should only be used for Gwynedd Council. If the card is used for personal expenditure by mistake, then this must be reported to your line manager and also to DesqBarclaycard@gwynedd.llyw.cymru to make arrangements to repay the Council as soon as possible.
- **Add a new point 4 to the Credit Card Regulations, in specifically for those with the rights to withdraw cash.**
- **The Finance Accountants to ensure that they provide the rules and establish controls for cash management in their services, monitor and manage cash distribution.**
- **Monitor the use of cards annually.**

THE LOCAL GOVERNMENT AND ELECTIONS ACT (2021)

1. Background

1.1 The Local Government and Elections Act (2021) establishes a new legislative framework for elections, democracy, governance, and local government performance. The Act makes it mandatory for Chief Councils and Community and Town Councils in Wales to continue to review, through self-assessment, the extent to which they carry out their functions in effectively and using their resources economically, effectively, and efficiently.

2. Purpose and Scope of Audit

2.1 The purpose of the audit was to ensure that Gwynedd Council meets the requirements of the Local Government and Elections (Wales) Act (2021) which introduces changes and powers of Local Government governance in Wales. To achieve this, the audit encompassed reviewing the self-assessment and the work programme, as well as reviewing reports and minutes of relevant committees to ensure the Council's compliance with the Act.

3. Audit Level of Assurance

3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
HIGH	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

4. Current Score Risk

4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	0
LOW	2

5. Main Findings

5.1 There are nine main parts to the Act which apply to Chief Councils, Community and Town Councils and other Authorities. Overall, that the Council complies with the Act in accordance with the timetable, and that the work program is constantly updated.

- 5.2 It was seen that the Local Government and Elections Act Implementation Program (2021) had been presented to the Governance and Audit Committee in October 2022 and that the majority of the actions arising from the provisions of the Act had been completed and carried out. The work programme provides an overview and assurance of the actions, and it was seen that constant work is being prepared to ensure that strategies, plans and guidelines are prepared in accordance with the timetable.
- 5.3 It was seen that the Full Council had adopted changes to the Constitution, but it was not seen that these modifications had been updated on the Constitution page on the Council's website.

6. **Actions**

The Legal Services and the Corporate Support Department has committed to implementing the following steps to mitigate the risks highlighted.

- **That the Constitution is updated on the Council's website as a result of the changes that have been approved.**
- **Ensuring that the Petitions plan, Constituent Guidance Participation Strategy is prepared in accordance with the timetable.**

ARRANGEMENTS FOR RETURNING MEMBER EQUIPMENT

1. Background

- 1.1 Following the May 2022 elections, several Gwynedd Members' terms as representatives of their constituency came to an end. Like other 'employees' of the Council, Members are expected to return any equipment in their possession that is owned by the Council.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that suitable arrangements are in place to manage assets that belong to the Council, which are in the possession of former Members. To achieve this, the audit encompassed ensuring that a record is kept of what assets Members had, and what arrangements are in place to ensure that these were returned to the Council when Members terms came to an end.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects of the arrangements that need tightening to further mitigate the risks.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	1
LOW	0

5. Main Findings

- 5.1 Most former Members have parking badges, identification cards and IT assets that are owned by the Council. No record or evidence was seen to prove that all parking badges and identification cards had been returned, so no assurance can be given that appropriate controls are in place to mitigate the risk of their misuse. However, there are effective controls to ensure that former Members' identification cards cannot open doors after their term has come to an end. A sample of 10 former Members was reviewed and the identity cards of all 10 had been deactivated according to a report received by the Information Technology Support Service Manager.

- 5.2 Out of 82 IT assets which were expected to be returned or purchased by former Members, such as tablets, 8 had not been returned or arranged to be purchased according to the asset register at the time of the audit. Arrangements are in place to ensure that these IT assets are returned in due course.
- 5.3 The asset register is comprehensive and effective as it is possible to identify the return status of any asset and the individual responsible for that asset.
- 5.4 There are effective controls to ensure that former Members do not have access to the Council's IT systems after they have left. After their term has ended, their accounts are closed within the 'Active Directory' system which prevents them from accessing the Council's intranet and data.
- 5.5 Effective data protection arrangements are in place. All assets that are returned or purchased must be handed in to the IT Service to wipe the data they contain. If the assets are returned, they are kept by the IT Service, or alternatively sold to the former Members.

6. **Actions**

The Democracy and Language Manager has committed to implementing the following steps to mitigate the risks highlighted.

- **Ensure that former Members' identification cards and parking badges are returned and that appropriate records are kept.**

MEMBERS' TRAINING

1. Background

- 1.1 Section 7 of the Local Government (Wales) Measure 2011 states that Local Authorities must secure the provision of reasonable training and development opportunities for its members as well as making available to each member of the authority an annual review of the member's training and development needs.
- 1.2 The 'Development Framework for Councillors in Wales' outlines the knowledge and skills necessary for Welsh local authority Members to complete their duties. The framework was designed as part of a continuous professional development programme for members, in line with the Wales Charter for Member Support and Development.

2. Purpose and Scope of Audit

- 2.1 The purpose of the audit was to ensure that appropriate arrangements are in place to fulfil the training needs of new Gwynedd Council members following the May 2022 election. To achieve this, the audit covered assessing the procedure for providing training to new members in accordance with their needs and the requirements of the Local Government (Wales) Measure 2011.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects of the arrangements that need tightening to further mitigate the risks.

4. Current Score Risk

- 4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	3
LOW	0

5. Main Findings

- 5.1 2 induction sessions were held for Members following the May 2022 elections. The sessions' contents were reviewed and proved to contain important, foundational information for Members as well as activities such as signing contracts and receiving IT devices. However, there is no record of attendance for the sessions.
- 5.2 A Member's intranet was created to centralise all the required information for Members. It is comprehensive and simple to use. It contains information about different role descriptions, training program and any upcoming events. The training program is based on the WLGA induction framework. However, it came to light that there was no information regarding roles within the 'Role Description' 'tile'.
- 5.3 There are effective arrangements to receive feedback about specific training through the Staff Development Module (MoDS). Feedback about the member's training program in general is presented to the Democracy Services Committee. However, there is no system in place to identify Members' more specific requirements. If one Member has a lack of training in a specific field, there is currently no platform set up for them to present the problem or their need for training. This was discussed with the relevant officers, and it was agreed that a system should be established that streamlines the process for Members to express their individual training needs. There are plans to use occasional questionnaires to check Members' requirements, ask if they have any requests for training and to promote the fact that the Member Development Officer is available if any Member has a request or question about training.
- 5.4 Gwynedd Council applied to the Welsh Local Government Association (WLGA) to obtain a Charter, or the 'Members' Charter', and it was renewed in 2018. Authorities are required to renew every 3 years based on a self-assessment, and consideration has been given to submit an application during 2022/23.

6. Actions

The Members Development Officer and the Democracy and Language Manager have committed to implementing the following steps to mitigate the risks highlighted.

- **Ensure that "Role Description" is functional on the Members' Intranet.**
- **Ensure that Members' individual training needs are supported and regularly checked.**
- **Apply to the Welsh Local Government Association to renew the Charter.**

HOUSING SUPPORT GRANT

1. Background

1.1 A grant of up to £6.8 million was allocated to Gwynedd Council by the Welsh Government during 2021-22 as part of the Housing Support scheme. The scheme commissions and funds several providers to offer support to vulnerable individuals to retain their tenancy and avoid homelessness, with the aim of enabling individuals to live independently through the provision of housing related support services. The service can be provided at the home of the individual or in a hostel, sheltered homes, or any supported housing. The scheme provides support to a wide range of people, such as older people, people with domestic violence problems, people at risk of homelessness, people with mental health problems, substance misuse as well as learning disabilities.

2. Purpose and Scope of the Audit

2.1 The purpose of the audit was to certify the Housing Support grant's audit certificate for the 2021-22 financial year, by reviewing the costs claimed, as well as ensuring that the Service had complied with the conditions of the grant offer letter.

3. Audit Level of Assurance

3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects where the arrangements can be tightened to further mitigate the risks.

4. Current Score Risk

4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	1
LOW	0

5. Main Findings

5.1 Assurance can be given that the entries on the Housing Support grant audit certificate for the 2021-22 financial year are fairly stated. Based on the tests carried out, it was seen that there is an appropriate audit trail for the figures.

5.2 The audit certificate requires the Internal Auditor to confirm that the expenditure is appropriate, and contributes towards achieving the objectives of the grant, in accordance with the requirements of the grant offer letter. As the grant is used to fund payments to various external service providers, the Council normally carries out monitoring visits to ensure the appropriateness of the service provided and the payments made. However, due to staffing shortages, the monitoring work was not carried out during 2021-22. However, at the time of the audit, monitoring arrangements have now restarted.

6. Actions

The Service has committed to implementing the following to mitigate the risks highlighted.

- **Restart monitoring visits to external providers to review the services provided**

GRANTS FOR FIRST TIME BUYERS

1. Background

1.1 Gwynedd Council's Housing Strategy 2019-24 was adopted in July 2019, with the vision of: "Ensure that the people of Gwynedd have access to a suitable home of a high standard, that is affordable and improves their quality of life." Five objectives have been identified that need to be greeted to achieve this vision:

1. No one is homeless in Gwynedd
2. Social housing available to everyone who needs one
3. Everyone's home in Gwynedd is affordable to them
4. Gwynedd Housing are environmentally friendly
5. Homes having a positive influence on the health and well-being of the people of Gwynedd.

1.2 Gwynedd Council's Housing Action Plan 2020/21 - 2026/27 was drawn up to try to respond to these objectives, the plan was adopted in December 2020. One of the schemes is First Time Buyer Grants scheme, namely, "Grants to help first time buyers to renovate empty houses to an acceptable living standard."

2. Purpose and Scope of Audit

2.1 The aim of the audit was to ensure that suitable arrangements were in place for checking first time buyers' applications for financial support, as well as issuing the grants. To achieve this, the audit covered checking the internal controls that are in place by checking a sample of applications together with the relevant documents/evidence to ensure that the administered grants have been processed appropriately.

3. Audit Level of Assurance

3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
SATISFACTORY	There are controls in place to achieve objectives but there are aspects where the arrangements can be tightened to further mitigate the risks.

4. Current Score Risk

4.1 The audit's risks are as follows:

<u>Risk Level</u>	<u>Number</u>
VERY HIGH	0
HIGH	0
MEDIUM	3
LOW	1

5. Main Findings

5.1 The first-time buyer grants scheme received a lot of publicity in June 2021, but the criteria was modified later in the year i.e.

- The 'Acceptable Cost Guidance' figures were increased which is the maximum property price allowed (per Council tax band and size of the family).
- Disposal of the maximum number of bedrooms allowed in the property.
- Reduce the number of months the property needs to be empty from 12 months to 6 months.

These modifications were not publicised at the time.

5.2 The criteria state that one or two of the applicants must have lived for at least the previous 5 years in the Community Council area (or adjacent area) of the newly purchased property. The evidence that had been provided was checked and it was seen that not enough evidence had been received in the two cases below:

1. Property 1 – purchase date of the property 10/08/22 - bank statements received for August 2018 to August 2022 - 4 years only.
2. Property 2 – purchase date of the property 03/05/22 - bank statements received for November 2017 to May 2022 - 4.5 years only.

5.3 A sample of invoices and work certificates (where applicable) were checked. A case was seen where a certificate had not been received for window and door installation work.

5.4 Once the grant is approved, the applicants are asked to sign and return the agreement to the service. The Legal Service then applies to the Land Registry to register a legal restriction against the property. There have been problems with this process, but the Legal Service has now formally agreed on the way forward with Land Registry where applications for restrictions in relation to grant agreements will be for standard form restrictions.

6. Actions

The relevant officers have committed to implementing the following steps to mitigate the risks highlighted.

- **Complete the dedicated form for the Temporary Housing Schemes Communication Officer detailing on what needs to be advertised and when.**
- **Ensure that months are checked rather than just the years when checking the evidence that applicants have lived for at least the previous 5 years in the Community Council area (or adjacent area) of the newly purchased property.**
- **Ensure that work certificates are provided before making any payments.**
- **Collaborate with the Legal Service to ensure that eligible applicants of the first time buyers grants (including those who have already received grant payments) sign the agreement and the appropriate legal form so that a legal restriction can be registered against the property with the Land Registry.**