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CYNGOR SIR
YNYS MÔN
ISLE OF ANGLESEY
COUNTY COUNCIL

Mr Richard Parry Jones, MA.
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RHYBUDD O GYFARFOD	NOTICE OF MEETING
PWYLLGOR ARCHWILIO	AUDIT COMMITTEE
DYDD MAWRTH, 23 MEDI, 2014 am 2 o'r gloch y prynhawn	TUESDAY, 23 SEPTEMBER 2014 at 2.00 p.m.
YSTAFELL BWYLLGOR 1, SWYDDFEYDD Y CYNGOR, LLANGFNI	COMMITTEE ROOM 1, COUNCIL OFFICES, LLANGFNI
Swyddog Pwyllgor	Ann Holmes 01248 752518 Committee Officer

AELODAU / MEMBERS

Cynghorwyr / Councillors:-

Annibynnol / Independent

Jim Evans, Richard Owain Jones, Dafydd Rhys Thomas

Plaid Cymru / The Party of Wales

T Lloyd Hughes (Cadeirydd/Chair), John Griffith (Is-Gadeirydd/Vice-Chair),
Vaughan Hughes

Grwp Chwyldroad / Revolutionist Group

Jeff Evans

Heb Ymaelodi / Unaffiliated

R Llewelyn Jones

AELODAU LLEYG / LAY MEMBERS

Mr Richard Barker, Mrs Sharon Warnes

A G E N D A

1 DECLARATION OF INTEREST

To receive any declaration of interest by any member or officer in respect of any item of business.

2 MINUTES 22 JULY, 2014 MEETING (Pages 1 - 8)

The minutes of the previous meeting of the Audit Committee held on 22 July, 2014 to be submitted for confirmation.

3 STATEMENT OF ACCOUNTS 2013/14 AND ISA 260 REPORT

- To present the Statement of Accounts 2013/14.
- To present the External Audit report on the Audit of the Financial Statements (ISA 260 Report)

REPORTS TO FOLLOW

4 ANNUAL GOVERNANCE STATEMENT 2013/14 (Pages 9 - 24)

To present the Annual Governance Statement for 2013/14.

5 EXTERNAL AUDIT - CERTIFICATION OF GRANTS AND RETURNS 2012/13
(Pages 25 - 54)

To present External Audit's Certification of Grants and Returns report for 2012/13.

6 EXTERNAL AUDIT PERFORMANCE WORK PROGRAMME UPDATE (Pages 55 - 58)

To receive an update on the External Audit Performance Work Programme.

7 PROGRESS ON THE COLLECTION OF DEBTS (Pages 59 - 62)

To submit a progress report by the Interim Head of Function (Resources) and Section 151 Officer.

8 COUNCIL RESERVES AND BALANCES (Pages 63 - 66)

To present the report of the Interim Head of Function (Resources) and Section 151 Officer.

9 CORPORATE HEALTH AND SAFETY ANNUAL REPORT 2013/14 (Pages 67 - 118)

To present the Corporate Health and Safety Annual Report for 2013/14.

10 PUBLIC SERVICE OMBUDSMAN FOR WALES SUMMARY OF PERFORMANCE 2013/14 (Pages 119 - 136)

To present the report of the Head of Council Business/Monitoring Officer.

- 11 **DATA PROTECTION AND INFORMATION GOVERNANCE** (Pages 137 - 142)
To receive an update by the Head of Council Business/Monitoring Officer.
- 12 **CORPORATE ASSESSMENT**
To receive a verbal update by the Deputy Chief Executive on preparations for the Corporate Assessment.
- 13 **AREAS OF OUTSTANDING INTERNAL AUDIT CONCERNS** (Pages 143 - 150)
To receive an update report by the Deputy Chief Executive with regard to addressing areas of outstanding Internal Audit concerns.
- 14 **INTERNAL AUDIT PROGRESS REPORT** (Pages 151 - 156)
To present the IA progress report for the period from 1 April to 31 August, 2014.

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AUDIT COMMITTEE

Minutes of the meeting held on 22 July, 2014

- PRESENT:** Councillor Trefor Lloyd Hughes (Chair)
Councillor John Griffith (Vice-Chair)
- Councillors Jeff Evans, R.Llewelyn Jones.
- Lay Members: Mr Richard Barker & Mrs Sharon Warnes
- IN ATTENDANCE:** Chief Executive
Interim Head of Function (Resources) & Section 151 Officer
Internal Audit Manager (JF)
Insurance & Risk Manager (JJ) (for item 7)
Transformation and Governance Business Manager (ET)
Senior Accountant (Strategic Planning) (BD) (for items 5 & 6)
Interim Accountant (RGJ) (for item 3)
Committee Officer (ATH)
- APOLOGIES:** Councillors Jim Evans, Richard Owain Jones, Dafydd Rhys Thomas, H.Eifion Jones (Portfolio Member for Finance)
- ALSO PRESENT:** Councillor Ieuan Williams (Leader of the Council), Councillor Alwyn Rowlands (Portfolio Member for Performance, Transformation, Corporate Plan & Human Resources), Mr Andy Bruce (Wales Audit Office), Mr Joe Hargreaves (PwC), Bev Symonds (Scrutiny Manager)

The Chair welcomed all those present and thanked his predecessor as Chair, Councillor R.Llewelyn Jones for his work and leadership during his period in that office.

1 DECLARATION OF INTEREST

Mr Richard Micklewright, Interim Head of Function (Resources) and Section 151 Officer declared an interest in respect of item 10 on the agenda.

Mr John Fidoe, Internal Audit Manager declared an interest in respect of item 12 on the agenda and withdrew from the meeting during the consideration thereof.

2 MINUTES

The minutes of the previous meetings of the Audit Committee held on the following dates were presented and confirmed as correct:

- 10th April, 2014 (extraordinary)
- 30th April, 2014 (extraordinary)
- 8th May, 2014 (election of Chair/Vice-Chair)

3 REVIEW OF THE STATEMENT OF ACCOUNTS 2013-14

The report of the Interim Head of Function (Resources) and Section 151 Officer incorporating an explanatory outline of the key areas of the Statement of Accounts for 2013-14 was presented for the Committee's consideration.

The Interim Head of Function (Resources) and Section 151 Officer reported that although completing the draft Statement of Accounts in line with the end of June statutory deadline had been a challenging process, the deadline was met and the draft Statement was signed by the Interim Section 151 Officer on 30th June. The Statement of Accounts will now be subject to external audit prior to its re-submission to the September meeting of the Audit Committee along

with the Auditors' opinion thereon. The Officer summarised the revenue and capital out-turn positions for the 2013-14 financial year which were reported to the Executive on 9th June.

The Interim Accountant (Closure of Accounts) said that thanks were due to the staff of the Finance Service Team for their efforts in ensuring the completion of the draft accounts within the prescribed timescale and he referred to the requirements involved in the closure process and what the Auditors will be examining in terms of the accuracy of the financial statements and the qualitative aspects of their presentation.

Mr Joe Hargreaves, PwC confirmed that the audit of the accounts had commenced and is proceeding, and that any issues arising therefrom will be reported to the Audit Committee at its September meeting.

The Chair echoed the sentiments expressed as regards the credit due to the Finance Service for meeting its obligations in closing the accounts on time and he invited the Committee to comment on the information presented.

In the discussion that ensued, Members of the Committee raised questions regarding the following matters –

- Doubtful Debts Impairment/Allowance. Concern was expressed in relation to Council's stated short-term debtor balance of £29.3m which it was felt was excessive especially at a time when the Authority is under increasing pressure to produce savings and to make the resources it has at its disposal go further. Members sought clarification of the situation in terms of the origins of the debts; any measures taken or planned to recover the monies owed and the length of time over which the debts have been allowed to accrue.

The Interim Head of Function and Section 151 Officer acknowledged the concern and said that a robust process has been put in place to address the issue in the coming months regarding which there is engagement with the SLT and Members, but because the matter of doubtful debts has been identified, then in the interests of accuracy, provision must be made for it in the accounts. The Officer said that the non-collection of debt can be due to a number of reasons and normally there would be a process for bringing forward doubtful debt to avert its accumulation over time. A progress report on the project for dealing with the matter will be presented to the September Executive and can also be brought to the Audit Committee if Members so wish. The immediate objective is to focus on a few high value debts which if resolved, will bring the total down considerably.

Mr Joe Hargreaves, PwC reported that a provision of £4.4m for doubtful/short-term debts was made in the 2012/13 Statement of Accounts. This has risen by approximately £1.2m in the intervening period. From an audit perspective, doubtful debt provision will be audited this year as a matter of course; although a large sum it is not considered a material increase based on the numbers. As regards the construction of the £29.3m, the accounts do contain a disclosure note which sets out the broad categories of debtors.

- The Local Government Pension Scheme and the situation with regard to the net Pensions liability and the apparent deterioration in the pension position. Mr Joe Hargreaves, PwC reported that the Gwynedd Pension Scheme has been formally revalued since the previous Statement of Accounts and the liability has increased. The factors involved are incorporated in the actuarial valuation. The Auditors will be auditing those assumptions and have already assessed the calculations underlying it. The Auditors will also audit the information which the Authority provides to the Gwynedd Council Pension Scheme. The Interim Accountant (Closure of Accounts) explained the factors which impact on the performance of the Pension Fund as well as the assessments and judgements on which the liability position as reflected in the accounts is based. The Audit Manager referred to the presentation on the Gwynedd Local Government Pension Fund made to the Audit Committee last year and said that it had been the intention to report back to the Audit Committee annually on the performance of the Pension Fund.
- The adequacy of the provision made in the accounts for Job Evaluation and Equal Pay liabilities. The Interim Head of Function (Resources) and Section 151 Officer said that the Authority has set aside a sum to cover equal pay liabilities. It successfully sought permission from the Welsh Government to capitalise any costs so monies paid out last year were funded

from the Council's capital resources meaning that there was negligible recourse to the revenue monies set aside. That money is still potentially available for any future claims.

- The rationale for maintaining an Internal Insurance Fund which seems to have flatlined over the past few years and on which very little call appears to have been made. It was asked whether the resources within this Fund could be diverted to more useful ends. The Interim Head of Function (Resources) said that the Fund provides a reserve on which the Council can draw to meet claims which would otherwise be met by an external insurance provider for which a premium would have to be paid. It is a way of managing liabilities and risks whereby the outlay is minimised. The Risk and Insurance Manager explained the purposes of the internal insurance Fund as opposed to the protection provided by the Authority's external insurance cover. The Interim Head of Function (Resources) and Section 151 Officer said that the extent of the Council's various reserves and balances and the rationale for having them will be the subject of a report to the September Executive which can also be brought to Audit Committee if Members so wish.
- It was asked whether the statement made in the report that the uncertainty about future levels of funding for local government is not judged sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision still holds true in view of an indicative reduction of 4.5 % in the grant from the Welsh Government. The Interim Head of Function (Resources) and Section 151 Officer said that the accounting process requires a judgment to be made and a view expressed on the financial viability of the Council and that the judgement expressed is that taking into account the mechanisms and processes which the Council has in place to address the financial challenges it faces, it remains a viable financial entity.
- Clarification was sought regarding the staffing situation and the apparent discrepancy between the current position whereby the Council is employing more staff than it did a year ago and service underspends which are partly accounted for in the report by unfilled vacancies. The Portfolio Member for Human Resources clarified the position and confirmed that staff are doing more with less and are working in different ways e.g. by adopting agile working practices.

It was resolved to note the report and the key items outlined within it along with the observations made thereon.

ACTIONS ARISING: Interim Head of Function (Resources) and Section 151 Officer to provide the Audit Committee at its September meeting with the following –

- **A progress report on the project tasked with addressing the Council's debtor position and balance.**
- **A report on the range and extent of the Council's reserve funds and balances and the rationale for them.**

4 GOVERNANCE AND ASSURANCE UPDATE AND DRAFT ANNUAL GOVERNANCE STATEMENT 2013-14

The report of the Deputy Chief Executive incorporating at Appendix B the draft Annual Governance Statement for 2013/14 was presented for the Committee's consideration. Attached at Appendix A to the report was the Governance and Assurance Action Plan which summarised progress to date in terms of the actions required to address the significant governance issues identified as requiring attention. The Committee was informed that the current draft of the AGS is still at consultation and challenge stage and will be updated as necessary for the results of the corporate self-assessment and any changes up to the date of the signing of the accounts. It will go on to Officers and Members for comment before being brought back to the Audit Committee for approval at its September meeting.

The Transformation and Governance Business Manager provided the Committee with a visual presentation on the outcome of the self-assessment workshop held on 17th July and the emerging themes and messages from that event. She referred to the action plan at Appendix A and said that the green coded areas attest to the significant progress made hitherto although further improvement needs to be made in respect of those areas coded red and amber. A revised and updated Action Plan will be presented to the Committee in September.

Members considered the information presented and highlighted the following as points of note:

- The departmental self-assessment scores from the self-assessment workshop and what they signified.
- The need for the revised Action Plan to be more detailed in terms of expected outputs, the impact of those outputs and the timescale for achievement. Members suggested that the current Action Plan format does not enable them to obtain a feeling for what the changes in terms of the step-up from red to amber and amber to green is meant to achieve and the tangible difference that will make. They sought assurance that those aspects are being considered and monitored. The Transformation and Governance Business Manager confirmed that the action plan model for next year will cover those elements.
- That senior management should take ownership of the Action Plan in terms of ensuring that the message as regards the work that is still to be done is cascaded down to middle managers and their staff.
- Questions regarding the outcome of the staff and customer satisfaction surveys were asked as regards what might be done to improve these areas still further.

It was resolved –

- **To note the update on governance as reflected by the Action Plan and the need for the Plan to be more specific on outputs and timescales.**
- **To note the draft Annual Governance Statement for 2013-14 as presented.**

NO FURTHER ACTION ARISING

5 ANNUAL TREASURY MANAGEMENT REVIEW 2013-14

The report of the Interim Head of Function (Resources) and Section 151 Officer incorporating the annual treasury management review of activities and actual prudential and treasury indicators for 2013/14 in accordance with the requirements of the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities was presented for the Committee's consideration.

The Senior Accountant (Strategic Planning) confirmed that the Authority had complied with the Treasury Management Strategy for 2013/14 as adopted by the Council in March 2013; the out-turn position is broadly in line with the prudential treasury indicators approved at the commencement of the year and that there were no significant variances from the updates provided during the course of the year.

It was resolved –

- **To note the actual 2013/14 prudential and treasury indicators as documented in the report.**
- **To accept the Annual Treasury Management review for 2013/14 and to forward it to the Executive without further comment.**

NO FURTHER ACTION ARISING

6 TREASURY MANAGEMENT QUARTER 1 2014/15

The report of the Interim Head of Function (Resources) and Section 151 Officer incorporating a review of treasury management activities during the first quarter of the 2014/15 financial year was presented for the Committee's consideration.

It was resolved to note the report and the update provided.

NO FURTHER ACTION ARISING

7 RISK MANAGEMENT

An update report by the Risk and Insurance Manager on the risk management position was presented for the Committee's consideration.

The Risk and Insurance Manager informed Members that due to the difficulties in embedding risk management practice throughout the Council, a review of current risk management arrangements will be undertaken by an external company who will examine those aspects outlined at section 2.2

of the report. The Corporate Risk Register was reviewed by the Heads of Service and the SLT in June, 2014 and the risks listed in section 3.1 of the report were identified as high risk. Following work to mitigate risks, the risks listed in section 3.5 of the report have been de-escalated to medium risk status.

Members considered the report and made the following comments on the information presented:

- Concern and disappointment were expressed that no demonstrable progress has been made since previous updates in terms of progressing risk management practice across the authority and questions were asked as to what are the expectations as regards entrenching risk management within the Council.
- Clarification was sought of the reasons for the de-escalation of budgetary risks YMO8 and YM33. It was suggested that these remain high level risks given they are dependent on the realisation of the savings programme.
- There was concern that risk YM31 in relation to Data Protection continues to be categorised as a high risk despite being highlighted by this Committee as an area requiring immediate remedial action. It was suggested that responsibility for ensuring that this matter is addressed and resolved is assumed at corporate level.
- It was pointed out that addressing risk YM49 in relation to effective income collection should offset risk YM47 in relation to not having sufficient budget to cover existing commitments.

The Leader of the Council said that progress has been made in terms of a Corporate Risk Register having been established and that that is now considered monthly by the Executive informally in consultation with the SLT. With reference to Data Protection, an Information Governance Project has been established and is working to address the issues around risk YM31 and a great deal of progress has been made in this respect. The Leader said he wished also to assure the Audit Committee that new capital bidding procedures have been introduced and when capital resources are required, as well as the usual processes, the Corporate Risk Register will be used to evaluate priorities.

It was resolved –

- **To note the update and the position it reflects.**
- **To request the Deputy Chief Executive to attend the next meeting of the Audit Committee to report on the position with regard to addressing Data Protection and Information Governance issues with the expectation that significant progress will have been made with regard to this matter.**

ACTION ARISING: Deputy Chief Executive to provide the Audit Committee at its next meeting with a report on progress on the Information Governance Project.

8 EXTERNAL AUDIT – PERFORMANCE WORK PROGRAMME UPDATE

- Mr Andy Bruce, WAO updated the Committee on the status of the Performance Work programme and he drew Members' attention to the re-designation of the audit output in relation to the improvement plan audit and the assessment of performance audit. The Officer also updated Members on the status of a piece of work not covered by the report in relation to whistleblowing arrangements across local authorities in Wales on which there will be local feedback.

A Member of the Committee sought clarification of whether the local review of financial management resources would cover the arrangements for setting base budgets and in areas where historically there have been underspends and overspends, whether those base budgets are appropriate. Mr Andy Bruce said that the review would focus on financial management in terms of planning and the information on which it is based, and the rationale for decisions. The Interim Head of Function (Resources) confirmed that the fieldwork for the review as relating to Anglesey had commenced. As regards the budget, the processes relating to setting the budget need to be reviewed. The 2015/16 budget setting process has already started. The draft budget when presented in the autumn will cover the matter of underutilised budgets. The Accountancy section is reviewing all the detailed budgets for every cost centre and service to

identify patterns of underspending, and also reviewing expenditure for certain headings across the board.

It was resolved to note the information.

NO FURTHER ACTION ARISING

- The 2014/15 Improvement Plan Certificate of Compliance was presented and noted.
- The Annual Improvement Report incorporating the External Audit evaluation of how well the Isle of Anglesey County Council delivered on its plans for improvement during 2012/13 was presented for the Committee's consideration. Mr Andy Bruce confirmed that overall the report was positive in its conclusions and bore testament to the Authority's continuing progress in most of its priority areas with the caveat regarding the challenges to be met in relation to ensuring capacity and stability in the corporate finance service and addressing weaknesses in the management of the financial ledger system.

The Committee highlighted the upward trend in the looked-after population and increased rates of children on the child protection register set against the Council's plans to spend less each year on children's services as a subject area in need of close monitoring.

It was resolved to accept the report and to note its contents.

NO FURTHER ACTION ARISING

9 INTERNAL AUDIT

The report of the Internal Audit Manager setting out the work of the Internal Audit for the period from 1 April, 2014 to 30 June, 2014 was presented for the Committee's consideration. The report provided information in relation to the outcome of IA review reports issued since the previous progress report and the areas covered along with current audit concerns and data with regard to internal audit recommendation implementation rates.

Members considered the information presented and sought clarification in relation to certain areas with regard to implementing the recommended Payroll arrangements and the need for consideration to be given to the inclusion of school governors within any whistleblowing arrangements. Particular attention was drawn by the Committee to the section documenting current audit concerns around risk management, information management, governance and the corporate procurement framework (section 6 of the report) as signifying a fundamental senior management weakness across several service categories to appreciate and apply policies, controls, processes and protocols as necessary or as prompted by current and/or previous audit recommendations and to disseminate that appreciation more widely to departmental staff. It was suggested that this shortcoming be brought to the attention of Senior Leadership/Management and that the Audit Committee be provided with an update on all those areas under section 6 of the report documenting ongoing audit concerns and unimplemented audit recommendations, the timescale for resolving the issues highlighted and the manager/officer accountable. It was also suggested that the Committee be furnished with information about senior managerial responsibilities to enable it to clarify who is responsible for what so that it can be assured that the matters highlighted will be taken forwards.

It was resolved:

- **To accept the report and to note its contents.**
- **To request the Deputy Chief Executive to attend the next meeting of the Audit Committee to report on the position with regard to those areas denoted as areas of ongoing audit concern, the actions planned to address them, the timescales involved and the responsible manager/officer.**

ACTION ARISING: Deputy Chief Executive to provide the Audit Committee at its next meeting with a report in line with the resolution above along with information about senior managerial responsibilities.

10 AGENCY WORKERS – REVIEW OF ARRANGEMENTS

The report of the Internal Audit Manager in respect of the current arrangements for procuring and deploying agency/consultancy staff across the Council and the expenditure involved was presented for the Committee's consideration. The report documented the conclusions of the audit review undertaken with regard to policy awareness in engaging agency/consultancy staff and the adequacy of and compliance with internal controls around their deployment.

Members of the Committee considered the information presented and highlighted the following points:

- The difficulty in reconciling the extent of the expenditure on agency/consultancy staff and the laxity of the arrangements around their deployment with the hard budget cuts the Council is having to make.
- That whilst the deployment of agency staff does meet a need at certain times, the Authority should seek to reduce its reliance on agency staff in key areas and try to identify patterns where there are skills gaps and,
- The Authority should consider re-introducing a graduate trainee scheme to foster and develop local/in-house expertise in areas where skills gaps have been identified.

The Internal Audit Manager informed the Committee that the review was forwarded to the SLT on 7th July and that subsequently the SLT has discussed the matter with Y Penaethiaid and has agreed that the Internal Audit Manager will meet with Heads of Service to explain the review and issues of policy compliance arising therefrom. The SLT has also determined that the recruitment of agency staff is to be recentralised under the Human Resources Department and that HR will decide whether agency staff are taken on or not after reference to the policy. The Leader of the Council said that a strategy for dealing with the deployment of agency staff has been incorporated into the Efficiency/Savings Strategy for next year.

It was resolved to note the report and the action being taken to address the issues highlighted by the internal audit review.

ACTION ARISING: Internal Audit Manager to provide the Committee with a further analysis of contractors and self-employed staff engaged by the Council.

As the meeting had now been in progress for three hours, in accordance with the requirements of para. 4.1.10 of the Constitution the Chair asked the Members present whether they wished the meeting to continue. Those Members present voted for the meeting to continue.

11 EXCLUSION OF PRESS AND PUBLIC

It was resolved under Section 100(A) of the Local Government Act 1972 to exclude the press and public from the meeting during the discussion of the following item on the grounds that it involved the disclosure of exempt information as defined in Schedule 12A of the said Act and in the Public Interest Test presented.

12 INTERNAL AUDIT SERVICE MANAGEMENT CONTRACT

The Internal Audit Manager was not present when this matter was considered.

The Interim Head of Function (Resources) and Section 151 Officer reported verbally to the Committee that the current contract for the management of the Authority's internal audit service expired in June, 2014. Having considered the matter, and the considerations that apply, it has been agreed with the Deputy Chief Executive that the current contract with Baker Tilly be extended to the end of March, 2015.

It was resolved to endorse the decision taken to extend the internal audit service management contract with Baker Tilly to the end of March, 2015.

**Councillor Trefor Lloyd Hughes
Chair**

DRAFT

ISLE OF ANGLESEY COUNTY COUNCIL	
COMMITTEE:	AUDIT COMMITTEE
DATE:	23 SEPTEMBER 2014
TITLE OF REPORT:	ANNUAL GOVERNANCE STATEMENT 2013-14
PURPOSE OF REPORT:	PRESENTING DRAFT OF THE GOVERNANCE STATEMENT FOR APPROVAL
REPORT BY:	DEPUTY CHIEF EXECUTIVE
ACTION:	TO APPROVE ANNUAL GOVERNANCE STATEMENT

1. Background

1.1 This is the covering report to enable final approval of the Annual Governance Statement for the last financial year. The current draft is an updated version of the draft brought to Audit Committee in July, and incorporates the comments of the Audit Committee, and those of officers and members.

2. Need for Annual Governance Statement

2.1 The Council is required to review at least once in a year of the effectiveness of its system of internal control and governance arrangements and publish a statement reporting on the review at the same time as the Statement of Accounts.

2.2 This requirement is based on the CIPFA/SOLACE Statement from 2007 on Delivering Good Governance in Local Government. It is now a statutory requirement in England and since 2011 has had almost the same status in Wales. The expectation is that each authority adopts a local code of governance based on the principles in the CIPFA/SOLACE framework then conducts a review against the framework and the local code. The Local Code of Governance appears on the Council's website at <http://www.anglesey.gov.uk/council-and-democracy/governance-and-performance-/corporate-governance/>

3. Role of the Audit Committee

3.1 The approval of the Annual Governance Statement (prior to signing by the Leader and the Chief Executive) is in the Terms of Reference of the Audit Committee.

3.4.8.1.1. (viii) to ensure that the authority has a sound system of internal control which facilitates the effective exercise of functions and which includes arrangements for the management of risk and adequate and effective financial management. To review the effectiveness of internal control at least once a year and approve an Annual Governance Statement for inclusion with the authority's Statement of Accounts.

3.2 Bringing this up to date: CIPFA's updated guidance on Audit Committees suggests the following responsibilities in relation to the AGS:

- "To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control."

4. **Amendments and Next Steps**

4.1 The main amendments to the draft considered in July are:

- to include a further item in the list of significant governance issues – the issue of compliance with policies raised by Internal Audit;
- the actions for the significant governance issues;
- an update to the section on management arrangements;
- completion of the small number of blanks;
- in response to the comments at the self-assessment workshop, those of officers and of other consultees.

4.2 The detailed action plan is being prepared in consultation with the officer corporate assessment group and will be brought back to this committee at its next meeting.

5. **Recommendation**

5.1 That the Audit Committee approves the Annual Governance Statement and refers the document to the Leader of the Council and the Chief Executive for signature.

EINIR WYN THOMAS

16 SEPTEMBER 2014

Corporate Transformation and Governance Business Manager

ANNUAL GOVERNANCE STATEMENT – 2013-14

1 BACKGROUND

This is the first Governance Statement for the Council elected on new wards in May 2013 at the end of a period of government intervention. It sets out the governance arrangements in place for the year focusing on those current significant governance issues in relation to the authority achieving its vision. It highlights changes made during the year and includes a brief evaluation where weaknesses or significant improvements are identified.

Aspects of the Council's governance arrangements had been strengthened and modernised in recent years across a number of governance themes, and these were then incorporated in the Transformation Plan for the authority which was adopted in January 2013 setting out the agenda for its work up to 2016. It was designed as a programme of change driven by the Council itself.

The Vision for the Council is that by 2016:

“we will be a professional and well-run Council, innovative and outward-looking in our approach, committed to developing people and partnerships in order to deliver efficient and effective services of good quality, that are highly valued by our citizens.”

We also emphasise that assurance and governance will be key to ensuring the delivery of corporate plan.

“In doing so, we will –

- provide an integrated performance management framework, linking the Corporate Plan to the Medium Term Financial Strategy down to the annual budget setting process and individual performance development reviews
- collect and use information to monitor our performance and take action to improve where required
- support the evolving strength of the Council's democratic decision making and scrutiny processes
- strengthen our engagement with and involvement of Anglesey citizens in the Council's decision making and accountability processes
- continue to strengthen our processes around finance and workforce reporting and monitoring
- put in place robust arrangements for dealing with our financial challenges, ensuring service transformation and innovative delivery is at the heart of what we do”

The six key themes supporting the vision are:

- **Professional and Well Run**
- **Innovative, Ambitious and Outward Looking**
- **Customer, Citizen and Community Focused**
- **Valuing and Developing our People**
- **Committed to Partnership**
- **Achieving**

The Governance Statement assesses the arrangements against the six principles of governance:

Focusing on the purpose of the authority and on outcomes for the community and creating a vision for the local area
Members and officers working together to achieve a common purpose with clearly defined functions and roles
Promoting values for the authority and demonstrating the value of good governance through upholding high standards of conduct and behaviour
Taking informed transparent decisions which are subject to effective scrutiny and managing risk
Developing the capacity and capability of Members and Officers to be effective
Engaging with local people and other stakeholders to ensure robust accountability

2 SCOPE OF RESPONSIBILITY

The Isle of Anglesey County Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government (Wales) Measure 2009 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk and adequate and effective financial management.

The Council has approved and adopted a local code of corporate governance which is consistent with the principles of the CIPFA/SOLACE Framework, Delivering Good Governance in Local Government. A copy of the local code is on our website at <http://www.anglesey.gov.uk/council-and-democracy/governance-and-performance/corporate-governance/>. This statement explains how the Council has complied with the code and it meets the requirements of non-statutory proper practice encouraging the publication of an Annual Governance Statement. It also meets the requirement of regulation 4(2) of the Accounts and Audit (Wales) Regulations 2005 in relation to the publication of a statement on internal control.

3 THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate and cost effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at the Council for the year ended 31 March 2014 and remains applicable up to the date of the approval of the Statement of Accounts. Where new arrangements have been introduced during the year this has been noted.

4 THE GOVERNANCE FRAMEWORK

The current framework as it relates to each of the six Corporate Governance principles is described in the schedules to the Local Code of Governance which is available at <http://www.anglesey.gov.uk/council-and-democracy/governance-and-performance-/corporate-governance/>.

The following summary focuses on the areas of weakness and work on development and strengthening of the framework during the 2013-14 financial year.

Principle One: Focusing on the purpose of the authority and on outcomes for the community and creating a vision for the local area

**Key Theme: Customer, Citizen and Community Focused
Committed to Partnership; Achieving**

The Council's Corporate Plan 2012-15 continued to guide the work of the Council until the Corporate Plan (2013-17) for the new Council was adopted in December 2013. Wales Audit Office (WAO) reported that the Plan describes the Council's priorities succinctly and clearly and explains how the priorities reflect the views of the public as well as those of the Council and other partners. The Transformation Plan, which was key to the governance improvements of 2013, continues to support the transformation of the Authority to achieve its Vision and priorities. Whilst the strategic aspects are embedded in the new Corporate Plan other aspects guide and help prioritise the work of the Authority's Transformation Boards.

The Single Integrated Strategic Plan developed under the oversight of the Local Services Board was in place by 1 April 2013 as required, superseding the Community Strategy and the strategies for Health, Social Care and Wellbeing; Children; and Community Safety. A Joint Local Services Board is now in place for Anglesey and Gwynedd and the Single Integrated Plans of both council areas are being merged to provide renewed focus on the main priorities for joint action.

An annual budget and high level Medium Term Revenue Budget Strategy was approved in March 2013 and updated in February 2014 following public consultation. Budget cuts continue to be applied across the Council's services. The budget process included discussion in the public domain on the adequacy of reserves; robustness of estimates and treasury management arrangements as required. Little progress was made during the year on the Medium Term Financial Strategy, which still needs to be developed. Work has also commenced on an Efficiency Strategy to identify and confirm the savings which are required to achieve a balanced budget. The continuing cuts to funding and increasing demand for services and for increased performance provide a significant challenge to focus on what is really important.

The Statement of Accounts were published with an unqualified audit opinion at the end of September 2013. The auditor's Annual Audit Letter highlighted an error in producing the draft accounts which had led to a material misstatement, subsequently corrected, and proposed improvements for the current year.

An Improvement Plan (Performance Review) report was approved by the County Council in October 2013. The Plan looked back to assess how we performed against the priorities and targets as set out in our 2012-13 Corporate Business Plan. This was assessed by WAO in its Improvement Assessment Letter as the Council having discharged its improvement reporting duties under the Measure and having acted in accordance with Welsh Government guidance. A Corporate Self-Assessment workshop was held in July 2014 and the results are being incorporated in a Self-Assessment statement.

Partnership governance arrangements are in place on a case by case basis but there is no overarching partnership framework in place. This has been identified as a weakness as partnering and commissioning becomes more of a priority for the Council and a programme of work is planned. However, governance and scrutiny arrangements are in place for the new Joint Local Services Board and the related Joint Partnership Unit. A transformation plan is being developed to ensure that these arrangements are effective and that the partnership is making a positive contribution to the objectives of the constituent organisations.

Progress is being made on the way service quality standards are set and measured, and the information needs are to be assessed and improved. Target setting was strengthened during the year although there is still room for improvement. Weaknesses in performance management and accountability had contributed to failings in both the Education and Children Services in recent years but it is now acknowledged that improvements in planning and accountability have improved the prospects for these key services. The good practices in these services will be extended to other areas of the Council.

A Performance Management Framework was in place throughout the year including quarterly score cards, half yearly challenges to Services and regular reports to the Executive and to Scrutiny. The framework continues to be developed to focus on self-assessment by Heads of Service, and on the key areas of risk and transformation. It is also focusing on improvements to reporting of workforce and financial information. During the autumn of 2013, a series of Service Reviews was undertaken which covered budgets and performance and which informed the budget process.

Financial Management arrangements were in place throughout the year, although there were recognised weaknesses in the old financial ledger and related systems which were used to close the 2012-13 accounts. The implementation of a new financial system which went live in April 2013 was intended to resolve these weaknesses but the implementation of the system led to delays and inaccuracies in the making and recording of some transactions. The effect was that there were gaps in financial controls and some non-compliance with system controls. Additional resource has been brought in to address the issues identified, the situation is being kept under review and an Action Plan is in place to resolve any outstanding issues.

The planned work on developing a commissioning strategy and updating procurement policies and procedures has been delayed. There are weaknesses of compliance and Value for Money relating to Procurement and a critical consultant's report was received during the year. An Improvement Programme for Procurement is underway.

Internal Audit review and report on processes that support the achieving of the Council's objectives and their annual report is an important part of the review of effectiveness described at Section 5 of this Statement.

Managing grant claims has been a weakness over a number of years and there was a large percentage of qualified claims for 2013. This area continues to be monitored by the Audit Committee. There is an action plan in place and new procedures are due to be issued.

Principle Two: Members and officers working together to achieve a common purpose with clearly defined functions and roles

Key Theme: Professional and Well Run

The Council has adopted an Executive system with a Leader elected by the Council and an Executive of up to six members appointed by the Leader. The Executive makes decisions on key strategic issues and is responsible for implementing the agreed policies of the Council. Each Executive Member has a portfolio for a particular council function. Two scrutiny committees hold the Executive to account, these are made up of councillors not on the Executive. There are also regulatory committees including Planning, Licensing, Appeals and Audit, together with a number of other committees set up for specific purposes.

Arrangements for committees and a scheme of delegation to officers and members are included in the Council's constitution. Significant changes have been made to the committee structure and to the scrutiny function over recent years, especially so in the run-up to the May 2013 elections to cater for the reduction in the number of members from forty to thirty and for multi member wards.

There is a new Relationship Protocol for Members and Officers and during 2013 a programme of work supported by the Welsh Local Government Association (WLGA) was implemented to help develop the Executive and the way members and senior officers work together; this includes the key roles of Leader and Chief Executive, and the Shadow Executive.

The Council's new senior management structure was completed during 2012. A review of the next tier of Head of Service was undertaken in 2013-14 and this led to a reduction of six posts at this level. The exercise was substantially complete in December 2013.

The approved senior management structure includes a Chief Executive who is the designated Head of Paid Service; a Deputy Chief Executive who is responsible for leading the internal functions of the Council and for ensuring good corporate governance; and three Directors who lead the agenda for their group of services, taking responsibility for the policy, planning and performance of those functions. These five officers form the Authority's Senior Leadership Team (SLT).

Heads of Function for Resources and for Council Business are respectively the authority's designated Chief Financial Officer (CFO) and Monitoring Officer. They both report to the Deputy Chief Executive who is responsible for the management of their performance and for coordinating their governance roles within the wider corporate governance and performance and change management framework.

The approved management model is that the SLT leads on developing the vision and strategic direction of the Council and is held to account in that role; and that the extended management team has an implementation role. The CFO and Monitoring Officer attend SLT meetings as required and are key members of the Heads of Service management team. They have ready access to the Chief Executive and the SLT and its individual members. The Executive has requested that the Chief Executive reviews the functions and composition of SLT.

It is a requirement that local authorities assess their arrangements on an annual basis against the CIPFA Statement on the Role of the Chief Financial Officer in Local Government and report on compliance or explain any alternative arrangements. Since January 2013, the approved management model has been in place which is a different model to that envisaged

by CIPFA but which is intended to have an equivalent impact to that envisaged by the CIPFA Statement. The effectiveness of the protocol for committee papers has been reviewed, and was amended and implemented in February 2014. The effectiveness of these arrangements is being reviewed by management in Autumn 2014.

The Council implemented the Public Service Internal Audit Standards in April 2013. There is also an expectation that local authorities are compliant with the CIPFA Statement on The Role of the Head of Internal Audit in Public Service Organisations: the Council's arrangements are consistent with the principles set out in the statement. A review of effectiveness of Internal Audit will be conducted.

Some corporate services were strengthened as part of the response to the Corporate Governance Inspection in 2009. During the year, as a result of the budget cuts, and difficulties in recruitment, a number of corporate services are now looking at ways of managing client demand to front line functions and is currently the subject of review by the Deputy Chief Executive.

Allowances are paid to members in accordance with a local scheme based on the decisions of the Independent Remuneration Panel for Wales. The Panel published specific reports for this Council in respect of the year. Decisions on discretionary matters are taken by the Full Council and both the schemes, and the payments made to members under the scheme, are published on the Council's website.

A Pay Policy Statement has been adopted as required and this was reviewed and updated in March 2013 and 2014.

Principle Three: Promoting values for the authority and demonstrating the value of good governance through upholding high standards of conduct and behaviour

Key Theme: Professional and Well Run

The Corporate Plan for 2012-15 set out the Council's values and these became embedded in the Vision of the Transformation Plan and the Transformation Culture. The Six Key Themes underpin the corporate way of working and the importance of good governance is emphasised in the new Corporate Plan.

The Local Code of Corporate Governance was updated in September 2013.

There are a number of codes of conduct and protocols in place as part of the Constitution to ensure high standards of conduct and behaviour. There is a Policy for the Prevention of Fraud and Corruption in the Constitution with subsidiary plans in place.

An active and effective Standards Committee is in place and it reported on its work in an annual report at the end of the year. There has been a history of complaints against council members, often by other members. The number of these complaints has reduced very significantly with no complaints upheld during the year, and the Chair of the Standards Committee refers to a huge improvement in standards within the council which has naturally lead to a reduction in conduct issues and complaints being raised.

Principle Four: Taking informed transparent decisions which are subject to effective scrutiny and managing risk

Key Theme: Innovative, Ambitious and Outward Looking

The arrangements for delegation of Executive decisions to individual Members are becoming better understood across the Authority and guidance was reissued in August 2013 and its effectiveness will be reviewed by management in the Autumn.

In 2012, the Council introduced new systems to ensure easy access to the Council's agendas, papers and minutes and from May 2013 members and the public have had the full benefit of access to committee papers and supporting information. Members have direct access to this electronic system during meetings.

The role of Scrutiny was strengthened as part of the Commissioners' programme of work and an Annual Report was published in May setting out the work done by the Committees during the year. Scrutiny was also the subject of a national WAO Improvement Study in early 2013 and the Council conducted a self-evaluation as part of the study. The results of the self-evaluation show a perception that scrutiny is not yet positively supporting the Council and its Services. The results of the self-evaluation will be considered in the context of changes made since May 2013 and the national report and guidance and an improvement plan is being put in place. From June 2013 the number of scrutiny committees has been reduced from five to two and the effectiveness of this change is being reviewed. The Deputy Chief Executive is working with Scrutiny to bring in a more corporate way of working, with a view to Scrutiny effectively adding value to service performance and to the Council achieving its objectives. A Working Group has been established to review the terms of reference of the Scrutiny Committees.

Risk Management arrangements have been developing over the last two years and the policies and guidance were reaffirmed and formally adopted in 2012. Arrangements continue to be embedded in services and corporately but progress is slow. Additional resources have been identified to support progress.

The management of change had been weak within the authority and project management not embedded. During the year, significant steps have been taken to develop a new programme and project management framework and to provide capacity to support the Transformation Plan. The effectiveness of the framework is being reviewed.

An effective Audit Committee is in place. The committee conducted a self-assessment during the year and reported on its work at the end of the year.

There are transparent and accessible arrangements for dealing with complaints and a new Concerns and Complaints Policy came into force in April 2013 based on the Model Policy developed with the Public Services Ombudsman for Wales. Internal Audit has undertaken sample testing of compliance and a report has been produced. Areas of service non-compliance were addressed corporately through an agreed Action Plan. The number of complaints to the Ombudsman were again relatively low and none were investigated.

The Council has recently updated and re-launched its Policy on Whistleblowing to comply with the new statutory legal test. The Policy has been given more prominence on the Council's website. However, it is acknowledged that there are deficiencies, namely a documented procedure is required, there is a need to increase awareness/training and to develop a centralised corporate database to capture the information and ensure that it is analysed and

appropriately reported. It is proposed that there will shortly be training for middle managers through the Middle Managers Conference and that dealing with whistleblowing complaints will form part of the investigation skills training which is currently being arranged.

Principle Five: Developing the capacity and capability of Members and Officers to be effective

KeyTheme: Valuing and Developing our People

During the year, the Council achieved the Welsh Charter for Member Support and Development which has been developed by the WLGA and authorities to provide a guide, some impetus and recognition for authorities wishing to provide high standards of support for their members. Member job descriptions have been in place since 2012. Most members have completed personal development reviews. The Member Development Plan takes account of these reviews. An induction programme for new members was undertaken in June 2013 onwards. The Democratic Services Committee oversees these areas and its Chair serves as Member Development Champion. Job descriptions/person specifications and personal development reviews for elected Members have now been extended to include the seven coopted members of the Standards Committee. The job descriptions of the Executive members have been revised recently to take account of evolving issues. From 2014, members also prepare individual annual reports which are published on the Council website.

A Democratic Renewal Strategy was completed in preparation for the elections held in May 2013. This strategy contributed to increased participation and increased voter turnout. There are still concerns about lack of diversity of candidates and membership.

We have a People Strategy and Strategies for Workforce Development, Talent and Succession Planning and the Council has Investors in People accreditation. There was an induction programme in place for staff and managers throughout the year.

It had been planned that the Corporate Personal Development Review be further embedded and developed in the year. The scheme covers all staff including senior managers. As it turned out, the compliance rate was lower than in previous years, partly due to management changes. A target of 70% has been set to ensure a higher rate during 2014-15. Arrangements are being made to target training and development on a more consistent and focused basis, linked to appraisal, as budgets are reduced.

As a consequence of the priority afforded to completing the corporate Job Evaluation project, there has been less progress on developing the strategic HR plans. These strategies will be updated to incorporate the needs of the Transformation Plan and outcomes of the staff survey.

There is a lively Middle Managers forum and the Ignite Club provides inspirational learning sessions which are open to all staff. As part of the activity on the Transformation Plan and staff engagement activity, individuals across the authority have been given an opportunity to work on corporate projects and strategies.

Principle Six: Engaging with local people and other stakeholders to ensure robust accountability

Key Theme: Customer, Citizen and Community Focused

The Community Engagement Strategy produced in 2011 was still in place during the year and was supported by Good Practice Consultation and Engagement Guidelines for staff. This strategy is now dated and is to be replaced by a Customer Care Charter and by the Corporate Communication Strategy. Effective public consultation was achieved as part of the corporate planning and budget setting processes as well as in developing strategies for future delivery of key services. As a result of public engagement activity over the last few years, there is a pool of citizens who have volunteered to assist the Council as consultees in the future. The Council is working closely with Menter Mon via the Local Voices project to optimise consultation opportunities.

Arrangements for engagement with groups of stakeholders are in place and include a Community Council Charter and a Voluntary Sector Compact.

The Council conducted a surveys of its residents in 2012 but is now using the results of the National Survey for Wales to obtain feedback on a comparable basis annually across Welsh authorities. The 2014 survey shows that 59% of Anglesey respondents agree that the Council provides high quality services. This rate is higher than the average for Wales and is a significant improvement on last year (48%). The Survey also showed that slightly more respondents agree than disagree that the Council is good at letting people know how it is performing – also better than average and a significant increase on last year.

Arrangements are in place to engage with Welsh Government, External Audit and other regulators and WLGA. These have been strengthened during the recent periods of intervention and need to be sustained as part of the continuing governance arrangements.

A Communication Strategy is in place for the year. The strategy has four strands: Citizen and Community Engagement; Media; the Council Brand; and Internal Communication. Internal Communication is a key area for development in the Transformation Plan.

Annual reports on their work were published by Scrutiny as well as the Standards and Audit Committees. From June 2014, individual members also publish annual reports.

The Council's first staff survey for some years attracted a response rate of 32% and results were encouraging. Of those staff who responded, most (71%) are proud to work for the Council and 75% are satisfied with the Council as an employer. 89% of staff enjoy their work most of the time and 85% are satisfied with their job.. The survey has highlighted that work needs to be done at all levels to make staff feel valued, to communicate and consult better on major issues affecting staff and to inform them about decisions taken which affect Anglesey as a whole.

There are longstanding arrangements for engaging with employees: with Trade Unions through the Local Joint Consultative Committee and less formal meetings, and communication with staff generally through e.g. monthly staff bulletins. Managers and staff are being consulted and involved in decision making as part of the Transformation Programme.

5 REVIEW OF EFFECTIVENESS

The Isle of Anglesey County Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

The effectiveness of the governance framework has been evaluated by a combination of:

- the results of the regular in-year review and monitoring by officers and committees;
- a review of relevant documents prepared during the year or relating to the year;
- the review of progress against the Transformation Plan;
- a review of the six themes which underpin the authority's values
- reviews of feedback from Estyn and CSSIW and the related recovery boards on the improvement work in relation to Education and Children's Services;
- a series of interviews with key officers;
- discussion with, and receiving comments from, groups of officers and members including the SLT and the Executive.

Regular in-year review and monitoring includes:

- formal risk management activity, including specific consideration of those risks linked to governance processes;
- Internal Audit, whose work takes account of identified risks through regular audits of the major systems, establishments, major projects and major governance processes; including risk management, in accordance with the annual internal audit plan, and which includes 'follow-up' work to ensure that senior officers implement agreed recommendations;
- the annual assessment of Internal Audit by the Council's external auditors;
- the work of the Council's Scrutiny and other Committees, including its Audit and Standards committees;
- the opinions and recommendations of the Council's external auditors and other review agencies and inspectorates;
- the regular monitoring of improvement and performance against the Corporate Plan and its supporting plans and strategies by members and senior managers.

Key policies, and any amendments to them, are approved by the Executive and where appropriate, formally adopted by the County Council.

In July, a Corporate Self-Assessment workshop was conducted by Senior Members and Officers, based on the evidence collected for this Governance Statement and the Annual Performance Report and other information. The results of the self-assessment will be consulted on and made available to staff and stakeholders. It has also informed this Statement and the related Action Plans.

The Audit Committee was asked for views on the effectiveness and completeness of the assurance and governance framework and comments on a draft version of this AGS before final draft was taken back to the Committee for approval.

6 SIGNIFICANT GOVERNANCE ISSUES

Good progress was made across a number of governance themes during the year leading to an Annual Improvement Report (AIR) from Wales Audit Office concluding “that the Council is likely to make arrangements to secure continuous improvement for 2014-15. [they] found that:

- “the Council made steady progress in delivering improvements in most of its priority areas for 2012-13 but further improvements are required in some key services.”;
- “more thorough and consistent procedures and developing governance arrangements have strengthened the Council’s ability to evaluate and improve services.”; and
- “if delivered effectively, the Council’s plans for improvement and its arrangements to support improvement should help it to meet the financial and other challenges that lie ahead..”

They also made a proposal that “To make progress and achieve the objectives of the Transformational Plan, the Council should:

- secure sufficient capacity, capability and stability in its corporate finance service; and
- identify and improve weaknesses in the management of the financial ledger system.”

The report of the Head of Internal Audit gives assurance on the framework for internal control. It identifies one review carried out during the year which received a “red” assurance opinion. This review related to Creditor Payments made through the new CIVICA system which went live at the beginning of the year, and identified some control gaps and some non-compliance with system controls. Reports on another two financial systems based on CIVICA (debtors and ledger) were given a red/amber assurance for similar reasons. The report of the Head of Internal Audit also identifies five areas where significant weaknesses in control would prevent the Council placing reasonable reliance on the systems of internal control in respect of those systems reviewed during the year. These areas were:

- Business Continuity;
- Risk Management;
- Governance: compliance with key corporate policies and procedures;
- Information Management; and
- System Implementations, especially with regard to replacement of key financial systems.

Good progress was made on a number of the actions identified in the 2012-13 Annual Governance Statement as Significant Issues:

- We established Transformation Programme Boards; a Corporate Programme Management Office and related governance arrangements;
- Progress has been made in the management of data security and information assets, but there is still more to do;

but progress was slower on planning for and delivering the savings required of the Council although progress is being made now.

Progress is also slower on some of the other areas in the Governance and Assurance Action Plan:

- Risk Management,
- Business Continuity;
- Compliance with key corporate policies;
- Information Systems.

These items are reflected in the report of the Head of Internal Audit; in the Self-assessment; or in the AIR and are included in the governance action plan for 2014-15.

Based on the review outlined above, and in particular, the annual report of the Head of Internal Audit; the corporate self-assessment, and the Annual Improvement Report by the

Wales Audit Office, the following issues have been identified as the current significant governance issues in relation to the authority achieving its vision:

Significant Governance Issues	
Issue	Actions Identified
<i>The need to plan for and deliver the savings required of the Council</i>	<p><i>Develop a Medium Term Budget Strategy based on existing plans and projections</i></p> <p><i>Establish the Efficiency Strategy as part of the Council's core strategic plans</i></p> <p><i>Introduce Commissioning and Procurement Policy and Strategy</i></p>
<i>Taking appropriate technical and organisational measures against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data</i>	<p><i>Complete the agreed action plan</i></p> <p><i>Work with ICO on the planned re-inspection and our response to their report</i></p>
<p><i>Corporate Services Capacity</i></p> <p><i>To include Finance, ICT, Legal, HR and Scrutiny</i></p>	<p><i>Review current and future arrangements</i></p> <p><i>Services are drafting the corporate service "offer" for discussion in order to ensure resourcing of corporate and service priorities.</i></p>
<i>Financial Systems, especially the ledger system</i>	<i>Action Plan being implemented following a post implementation review</i>
<i>Risk Management</i>	<i>Programme of work due in the Autumn</i>
<i>Procurement</i>	<i>Procurement Improvement Programme being put in place</i>
<i>Compliance with Key Corporate Policies</i>	<p><i>Identify relevant policies</i></p> <p><i>Agree corporate format for relevant policies</i></p> <p><i>Specify automated system for policy and procedure management</i></p>

A detailed action plan is available on the Council's website.

7 CERTIFYING THE ANNUAL GOVERNANCE STATEMENT

We have been advised on the implications of the result of the **review of the effectiveness of the governance framework** by the Audit Committee and that the arrangements **continue to be regarded as fit for purpose in accordance with the governance framework**. The areas already addressed and those to be specifically addressed with new actions planned are outlined in the document.

We propose to take appropriate steps to address these and the other weaknesses identified in the Annual Governance Statement and to further enhance our governance and assurance arrangements in the forthcoming year. We will monitor the implementation and operation of improvements through the Audit Committee and as part of our next annual review.

Leader of the Council

Date:

On behalf of the Isle of Anglesey County Council

Chief Executive

Date:

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Certification of Grants and Returns 2012-13

Isle of Anglesey County Council

Audit year: 2012-13

Issued: July 2014

Document reference:

Status of report

This document has been prepared for the internal use of Isle of Anglesey County Council as part of work performed in accordance with statutory functions, the Code of Audit Practice and the Statement of Responsibilities issued by the Auditor General for Wales.

No responsibility is taken by the Auditor General, staff of the Wales Audit Office and, where applicable, the appointed auditor in relation to any member, director, officer or other employee in their individual capacity, or to any third party.

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This document was produced by PricewaterhouseCoopers LLP ('PwC') on behalf of the Appointed Auditor

Contents

Summary	4
Headlines	5
Summary of certification work outcomes	7
Recommendations	20
Fees	27

Summary

1. Under Paragraph 20 of Schedule 8 to the Government of Wales Act 2006 the Auditor General shall, if required by a local government or other grant-receiving body, make arrangements for certifying claims and returns (referred to as grant claims, hereafter).
2. We undertook our work with the aim of certifying individual claims and to answer the question:
'Does Isle of Anglesey County Council (the Authority) have adequate arrangements in place to ensure the production of co-ordinated, accurate, timely and properly documented grant claims?'
3. We have completed the audit and conclude that while the Authority had generally adequate arrangements in place for the production and submission of its 2012-13 grant claims, there is scope for improvement. We are continuing to work with the Authority to make these improvements for 2013-14. Our conclusion for 2012-13 is based on the following overall findings:
 - The Authority worked closely with us to ensure that an accurate and up-to-date schedule of 2012-13 grants was in place throughout the year; and
 - There is scope to improve the Authority's arrangements for submitting its grant claims for audit. With the exception of the Housing Benefit and Council Tax Benefit and the School Effectiveness Grant claims, the number of significant findings is low. We have made a number of recommendations for the Authority to further improve performance in managing grant schemes and their associated claims
4. We certified 39 grant claims and financial returns for 2012-13 with a total value of £88,609,446– 10 claims more than 2011-12 with a total value approximately £32,397,299 higher. Of the 39 grant claims certified, 4 claims related to earlier financial years. These had a total value of £27,298,295.
5. The Authority submitted 62 per cent of its 2012-13 grant claims to us on time. We can confirm that we have certified all of the claims, at a total audit cost of some £163k. The audit adjustments identified during the audits reduced the amount claimed by the Authority by £254,258.
6. 1:1.5 of the claims were qualified or adjusted; this is worse than the Welsh average of 1:3 for 2012-13.

Headlines

Introduction and background

This report summarises the results of work on the certification of the Authority's 2012-13 grant claims and returns

- As appointed auditors of the Authority, we are asked on behalf of the Auditor General, to certify grant claims made by the Authority.
For 2012-13, we certified 39 grants and returns with a total value of £88,609,446. Of the 39 grant claims certified, 4 claims related to earlier financial years. These had a total value of £27,298,295.
- The Authority has an appointed grants coordinator who worked closely with us to ensure that an accurate and up-to-date schedule of 2012-13 grants was in place throughout the year.
- A joint working protocol was put in place prior to the start of the work.
- We have produced this report so that we can provide feedback collectively to those officers having the responsibility for grant management so that we can work together to identify further improvements which can be made to the processes operating.

Pages 7-19

Timely receipt of claims

- Our analysis shows that 62 per cent of grants received during the year were received by the Authority's deadline. Of the claims submitted late for audit, 8 were not received until a fortnight after the Authority's deadline, with the remaining 5 claims having only minimal delays.
- In future, the grant co-ordinator should ensure that all grant claims are submitted by the deadlines and, importantly, that replies to audit queries are provided within no more than two working days. We acknowledge that audit queries that relate to third party expenditure take longer to address. However, it is imperative that queries are answered in a timely manner in order for the auditor certification deadline to be met.

Pages 7-11

Certification results	<p>We issued unqualified certificates for 11 grants and returns but qualifications were necessary in 24 cases (62 per cent)</p> <ul style="list-style-type: none"> • We have made 6 recommendations for the Authority to further improve performance in managing grant schemes and their associated claims. • We will continue to work with the Authority to deliver these improvements for 2013-14. • A detailed table of our recommendations is presented on pages 20 to 26. 	Pages 7-19
Audit adjustments	<p>Adjustments were necessary to 14 of the Authority's grants and returns as a result of our auditor certification work this year</p> <ul style="list-style-type: none"> • There were 5 significant adjustments (i.e., over £10,000) as shown on pages 8 to 11. • The net adjustment of the 14 grants is a reduction of £254,258 in funds payable to the Authority. Excluding the significant adjustments, the net adjustment of the other 9 grants is an increase of £5,051. 	Pages 7-11
The Authority's arrangements	<p>The Authority has adequate arrangements for preparing its grants and returns and supporting our certification work but some improvements are required in some areas</p> <ul style="list-style-type: none"> • Extra procedures should be put in place to ensure that individual grant scheme rules are fully adhered to. • The Authority should put in place systems and controls to ensure that where grant is passed to a third party to spend, that the organisation is complying with grant scheme rules by keeping adequate records of expenditure. 	Pages 20-26
Fees	<p>Our overall fee for certification of grants and returns for 2012-13 is £163,206 which is over our original estimate of £120k to £140k. This is due to the increase in the volume of grants and returns which required certification compared with the prior year.</p>	Pages 27-28

Summary of certification work outcomes

7. Detailed on the following page is a summary of the key outcomes from our certification work on the Authority's 2012-13 grants and returns, showing where either audit amendments were made as a result of our work or where we had to qualify our audit certificate.
8. A qualification means that issues were identified concerning the Authority's compliance with a scheme's requirements that could not be resolved through adjustment. In these circumstances, it is likely that the relevant grant-paying body will require further information from the Authority to satisfy itself that the full amounts of grant claimed are appropriate.

Key information for 2012-13

Overall, we certified 39 grants and returns:

- 11 were unqualified with no amendment
- 4 were unqualified but required some amendment to the final figures
- 14 required a qualification to our audit certificate
- 10 were qualified and required some amendment to the final figures

Ref – Para 8	Grants and returns	Claim due	Claim received	Late	Qualified certificate	Adjustment (>£10,000)	Adjustment (<£10,000)	Unqualified certificate
RG02	Communities first - Amlwch Core	31/07/2013	22/02/2013	No				
RG02	Communities first - Amlwch Non-Core	31/07/2013	22/02/2013	No				
RG02	Communities first - Amlwch Exit Strategy	31/07/2013	25/07/2013	No		£12,754		
RG02	Communities first - Central office	31/07/2013	17/04/2013	No			£0	
RG02	Communities first Morawelon & London Road Core	31/07/2013	27/09/2013	Yes				
RG02	Communities first Morawelon & London Road Non-Core	31/07/2013	05/09/2013	Yes				
RG02	Communities first - Porthyfelin	31/07/2013	23/07/2013	No				
RG02	Communities first - Tudur Ward	31/07/2013	15/07/2013	No			£0	
RG01	Communities First - Amlwch Outcomes	31/07/2013	02/07/2013	No				
RG01	Communities First - Porthyfelin Outcomes	31/07/2013	22/10/2013	Yes				
BEN01	Housing benefit and council tax benefit 12-13	30/04/2013	29/04/2013	No		£29,355		
LA01	NNDR	31/05/2013	06/06/2013	Yes		(214,995)		

PEN05	Teachers' pensions returns	30/06/2013	24/05/2013	No			£0	
EDU15	School Effectiveness Grant 12-13	30/09/2013	08/10/2013	Yes				
EDU18	Transitional SBIG	30/09/2013	15/10/2013	Yes		(30,305)		
EDU44	Welsh in Education	30/09/2013	06/11/2013	Yes				
EYC01	Flying start	30/09/2013	30/09/2013	No			£0	
EYC14	Families First (Cymorth)	30/09/2013	19/07/2013	No			(£3,255)	
HC02	Substance Misuse Action Fund: Revenue	30/09/2013	03/07/2013	No			£0	
HC03	Learning Disabilities Resettlement	31/08/2013	08/01/2014	Yes				
RG19	Strategic Regeneration Areas (SRAs) Improving Energy Efficiency Anglesey Business Centre	30/09/2013	05/09/2013	No				
RG19	Strategic Regeneration Areas (SRAs) Amlwch & Holyhead Leisure Centres Energy Efficiency Scheme	30/09/2013	27/09/2013	No				
RG19	Strategic Regeneration Areas PEG Property & Environment Grant	30/09/2013	01/10/2013	Yes				
RG19	Strategic Regeneration Areas	30/09/2013	27/09/2013	No				

	Beaumaris, Treaddur Bay and Amlwch Streetscapes and Environmental Works								
RG19	Strategic Regeneration Areas Improving Energy Efficiency & Performance at Llangefni & Holyhead Leisure Centres	30/09/2013	03/09/2013	No					
TRA16	Regional Transport Consortia Grant	30/09/2013	02/07/2013	No					
TRA23	Free Concessionary Travel	30/09/2013	16/10/2013	Yes					
TRA26	Maes Awyr Mon - Anglesey Airport	31/10/2013	23/07/2013	No					
LA12	Sustainable Waste Management	31/10/2013	29/10/2013	No					
HOU03	HRA subsidy	30/09/2013	29/04/2013	No			£8,306		
EDU43	Learning pathways	31/10/2013	02/10/2013	No			£0		
SOC07	Social Care Workforce Development Programme	28/09/2013	27/09/2013	No			£0		
EUR01	The Development of Anglesey's coastal environment	21/10/2013	02/12/2013	Yes					
EUR01	North West Wales local investment fund 12-13	21/01/2014	27/01/2014	Yes					
EUR01	Strategic Infrastructure on Anglesey Sites and Premises 12 - 13	21/01/2014	28/01/2014	Yes					

BEN01	Housing benefit and council tax benefit 11-12	30/04/2012	30/04/2012	No		(£56,118)		
EDU15	School effectiveness grant 11-12	30/09/2012	26/09/2012	No				
EUR01	North West Wales local investment fund 11-12	03/04/2013	10/04/2013	Yes				
EUR01	Strategic Infrastructure on Anglesey Sites and Premises 11-12	21/01/2013	26/03/2013	Yes				
Total					24	(£259,309)	£5,051	11

9. This table summarises the key issues behind each of the adjustments or qualifications that were identified on pages 7 to 11.

Ref	Summary observations	Amendment
1	<p>Communities first - Amlwch Exit Strategy</p> <ul style="list-style-type: none"> Redundancy payments of £12,753.26 made were approved by the Welsh Government, and were defrayed in September 2013, outside the period being certified. Additional funding of £12,754.00 was received from the Welsh Government in October 2013. 	£12,754

Ref	Summary observations	Amendment
2	<p>Communities first - Central office</p> <ul style="list-style-type: none"> • Removal of expenditure included twice in error £12,512.06 • Amendment of £349.68 in respect of correcting the allocation of the total expenditure across each category. 	<p>N/A –This expenditure does not impact the grant entitlement because the total expenditure incurred by the Authority was above the approved grant expenditure.</p>
3	<p>Communities first Morawelon & London Road Core</p> <ul style="list-style-type: none"> • The partnership was unable to provide an invoice for one item totalling £110.23 selected as part of our substantive testing. 	<p>N/A – Claim qualified.</p>
4	<p>Communities first Morawelon & London Road Non-Core</p> <ul style="list-style-type: none"> • One item of expenditure totalling £160.00 selected as part of our substantive testing was ineligible. • Additionally, we noted an overstatement of £567.00 in the detailed listing of Youth Worker costs provided to us by the partnership. 	<p>N/A – Claim qualified. This ineligible expenditure does not impact the grant entitlement because the total expenditure incurred by the Authority was above the approved grant expenditure.</p>

Ref	Summary observations	Amendment
5	<p>Communities first - Tudur Ward</p> <ul style="list-style-type: none"> It was identified that one item of expenditure of £250 was incurred as a contribution towards a Christmas lunch for the volunteers of the partnership. This is not eligible in line the guidance issued in the certification instructions. The allocation of the total expenditure across each category was amended by £187.20. 	N/A – Claim qualified for the first observation. The Authority did not amend the claim for the first observation. The second observation did not impact the amount claimed as it is a reclassification of expenditure.
6	<p>NNDR</p> <ul style="list-style-type: none"> A Rateable Value (RV) decrease notified by the Valuations Office Agency (VOA) had not been processed. It was noted that management are in the process of reconciling the total RV per the VOA listings to the total RV for properties included in the Authority's Northgate system. Errors noted with implementation of the following reliefs; <ul style="list-style-type: none"> Mandatory charitable relief. Discretionary top-up relief – Lines 17 and 18 It was also noted that applications for deferred payment had been received and approved but that Line 1 of the claim had not been amended to reflect this. An amendment was made to the claim relating to a manual adjustment posted relating to mandatory Community Amateur Sports Club relief. 	(£214,995)

Ref	Summary observations	Amendment
7	<p>School Effectiveness Grant 2012-13</p> <ul style="list-style-type: none"> We identified that an underspend from secondary schools of £634.77 in respect of PDG expenditure against allocation had not been included in the computation to arrive at the under spend amount due to the Welsh Government. Expenditure incurred should be reduced by this amount from £637,286.11 to £636,651.34, and the underspend due to WG should be increased to £6,398.66 from £5,763.89. The Council has not been able to provide us with evidence to validate that expenditure of £2,613.60 incurred by schools relating to the purchase of two programmes has been defrayed. The amount of grant funding directly delegated to schools is £417,775 (56% of total funding), which is less than the 75% minimum threshold required by the Welsh Government. The Council has not been able to provide us with evidence that the spending plan prepared and submitted to the Welsh Government for the grant has been reviewed and approved by the Welsh Government. Our certification is not qualified in this respect. 	N/A – Claim Qualified
8	<p>Teachers Pensions Return</p> <ul style="list-style-type: none"> The contributory salary figure has been calculated by grossing up the employer contributions as the payroll system used by the Authority is not capable of providing a contributory salary report to support the claim form. It was identified that the contributions relating to two of the twenty teachers that we tested had been calculated using the incorrect tiered rate. Both instances relate to supply teachers whose full-time equivalent salaries were based on time recorded on their timesheets. 	No impact on the amount of contributions paid.
9	<p>Transitional School Buildings Improvement Grant</p> <ul style="list-style-type: none"> Amended to remove ineligible expenditure incurred in 2011/12 	(£30,305)
10	<p>Welsh in Education</p> <ul style="list-style-type: none"> Paragraph 20 of the Certification Instructions states that grant funding from the Welsh in Education Grant is not to be used to support the procurement of ICT equipment or connectivity costs. From our testing of prime documents we have identified £2,937 of expenditure which relates to ICT equipment. This expenditure relates to Additional Outcome 2 projects, for which the Authority has £17,000 allocated grant and incurred expenditure of £18,949. The claim form has not been amended in respect of this finding. 	N/A – The Authority did not amend the claim.

Ref	Summary observations	Amendment
11	<p>Flying Start</p> <p>Amendment of £1,234 in respect of correcting the allocation of the total expenditure across each category.</p>	Reclassification of expenditure, therefore nil impact.
12	<p>Families First</p> <ul style="list-style-type: none"> Absence of adequate third party monitoring procedures. Amendment of £3,255 to remove ineligible expenditure incurred in 2013/14 	(£3,255)
13	<p>Substance Misuse Action Fund</p> <ul style="list-style-type: none"> Amendment of £553 in respect of correcting the allocation of the total expenditure across each category. 	Reclassification of expenditure, therefore nil impact.
14	<p>Learning Disabilities Resettlement</p> <ul style="list-style-type: none"> The Council was not able to provide us with a signed copy of a Service Level Agreement (SLA) in place with a third party. The Council has apportioned staff costs for four members of staff to eligible expenditure under grant funded activities. Staff costs are allocated based on an estimation of time and not on a specific time allocation through the use of time sheets. The Council could not, therefore, provide evidence support the percentage of staff time apportioned. 	N/A – Claim Qualified.
15	<p>Strategic Regeneration Areas: Property & Environment Grant (PEG)</p> <ul style="list-style-type: none"> Three of the six projects led by the Isle of Anglesey County Council that received funding from the PEG grant scheme in 2011/12 could not be identified on the asset register. This is because the projects have been included as part of larger schemes. However, there is no audit trail to identify which schemes they have been included within. The Authority has since changed its procedure for recording fixed assets and all projects funded in 2012/13 could be traced to the asset register. 	N/A – Claim Qualified.

Ref	Summary observations	Amendment
16	<p>Regional Transport Consortia Grant</p> <ul style="list-style-type: none"> The Authority was able to provide evidence of the approved amount of grant funding provided to the consortium as a whole with respect of the Road Safety Capital and Revenue schemes. However, the Authority was unable to provide evidence to support the allocation of these amounts to each Authority within the consortium. As a result we were unable to agree the total allocation figure on the outturn statement. 	N/A – Claim Qualified.
17	<p>Sustainable Waste Management</p> <ul style="list-style-type: none"> During testing of prime documents we identified an item of ineligible expenditure with a value of £27,944 relating to waste disposal. In addition, further ineligible expenditure was identified during testing of in-house charges relating to fleet vehicles totalling £2,244.21. This ineligible expenditure does not impact the grant entitlement because the total expenditure incurred by the Authority on the above programme during the claim period was £2,286,265.43, representing an overspend of £422,471.43 compared to the approved grant expenditure of £1,863.794.00. 	N/A – Claim Qualified. This ineligible expenditure does not impact the grant entitlement because the total expenditure incurred by the Authority was above the approved grant expenditure.
18	<p>HRA Subsidy</p> <ul style="list-style-type: none"> We note that the amount paid by the authority on the claim form is £1,885,950. The authority's underlying records indicate this amount should be £1,885,975, a difference of £25. The Authority has not amended the 2012/13 return in respect of this difference. The opening capital funding requirement should be used as basis to calculate cell 0385 rather than the opening subsidy capital financing requirement. Various amendments were made due to incorrect values extracted from working papers and from the prior year claim. 	£8,306

Ref	Summary observations	Amendment
19	<p>Learning Pathways</p> <ul style="list-style-type: none"> The work performed over this year's claim included confirmation that signed Service Level Agreements (SLAs) were in place for all three partner organisations. However, it was noted that expenditure had been incurred before the SLA had been signed for one partner. Amendment in respect of capping the eligible expenditure amount to reflect the grant allocation. This has no impact on the grant entitlement. 	N/A – Claim Qualified.
20	<p>Social Care Workforce Development Programme</p> <ul style="list-style-type: none"> During testing of prime documents we identified where a difference of £3 between the invoice balance of £1,947 and the amount recorded on the general ledger of £1,950. The total expenditure incurred by the Authority on the above programme during the claim period was £313,752.53 above the approved grant expenditure of £309,710. 	N/A – Claim Qualified. This ineligible expenditure does not impact the grant entitlement because the total expenditure incurred by the Authority was above the approved grant expenditure.
21	<p>The Development of Anglesey's coastal environment</p> <ul style="list-style-type: none"> Items of expenditure not defrayed until after the end of the claim period were included in the amount claimed. 	N/A – Claim Qualified.

Ref	Summary observations	Amendment
22	<p>School Effectiveness Grant 2011-12</p> <ul style="list-style-type: none"> We noted that the Looked After Children (LAC) minimum expenditure incurred by the Authority of £16,348 is below the amount required by the Welsh Government of £19,351. We identified that the percentages of expenditure incurred in relation to priority areas of Literacy, Numeracy and Poverty are simply estimates of the proportion of each cost code that relates to each priority. We have, therefore, been unable to determine whether the amounts shown as expenditure for each priority area per the claim form are accurate. The Authority has not been able to evidence that the funding delegated to schools has been defrayed for the purposes for which it was given. The Authority has not been able to evidence that the funding devolved to collaboration partners has been defrayed for the purposes for which it was given. The Authority has delegated 70% of funding to schools rather than 75%. The Authority has not provided the Welsh Government with a specific rationale for this, but has advised the audit team that the outcome achieved by using the grant funding centrally rather than in a delegated fashion was the same and that the activities delivered were in accordance with the original plan. We were advised that the reduced delegation is a function of the Authority paying centrally for a number of the activities. We were unable to determine the eligibility of 10 from 25 items of testing (totalling £121,658.22 out of £184,312.16) due to a lack of information to confirm the nature of this expenditure. Due to the problems encountered and noted above, we have been unable to determine the correct classification for 22 out of 25 test items. We have been unable to determine whether apportionments to the claim for 10 out of 25 items tested (totalling £103,810.33 out of £184,312.16) are fair as the Authority has not provided an adequate rationale for the method of apportionment adopted. 	N/A – Claim qualified.

Ref	Summary observations	Amendment
23	<p>North West Wales local investment fund 11-12</p> <ul style="list-style-type: none"> For two invoices sampled, we were unable to trace the original invoices for expenditure of £838 and £20 although the authority was able to provide us with uncertified copies. For two of items sampled within the staff costs sub-category, we identified salary expenses that were defrayed in 2011 and which have been claimed in 2012. The amount involved was £10,759.12. We tested the procurement of two capital expenditure contracts for compliance with the relevant grant guidance and the authority's own guidelines. We noted that whilst contracts were procured in accordance with NWW LIF Grant Processing Protocol, the process for procurement of one of the contracts did not comply with the authority's internal procurement rules, which require that it is subject to full tendering procedures. The authority did not do this, but did obtain three quotes for the contract. We note that the grant claim was not provided by the Council to the auditors until 15th April 2013, which exceeds both the two weeks preparation time suggested in the certification instructions and the Accountants Report completion date of six weeks following the end of the claim period. 	N/A – Claim Qualified.
24	<p>Strategic Infrastructure on Anglesey Sites and Premises 11-12</p> <ul style="list-style-type: none"> An advance payment of £74,379 was made for a service which has not been delivered with no indication of when it will, or whether it may be outside of the life of the project. We note that the grant claim was not provided by the Council to the auditors until 15th April 2013, which exceeds the two weeks preparation time suggested in the certification instructions. 	N/A – Claim qualified
25	<p>Housing Benefit and Authority Tax Subsidy 11-12 and 12-13</p> <p>A number of issues were identified during the course of our certification of this claim. We have identified these issues in detail in the letter accompanying the certified claim.</p> <p>The issues highlighted during the 2011-12 and 2012-13 audits are being discussed separately with the Authority's Housing Benefits staff.</p>	(£26,763)
	Total effect of amendments to the Authority	(£254,258)

Recommendations

10. We have given each recommendation a risk rating and agreed what action management will need to take. We will follow up these recommendations during next year's audit.

Priority 1	Priority 2	Priority 3
Issues that are fundamental and material to your overall arrangements for managing grants and returns or compliance with scheme requirements. We believe that these issues might mean that you do not meet a grant scheme requirement or reduce (mitigate) a risk.	Issues that have an important effect on your arrangements for managing grants and returns or complying with scheme requirements, but do not need immediate action. You may still meet scheme requirements in full or in part or reduce (mitigate) a risk adequately but the weakness remains in the system.	Issues that would, if corrected, improve your arrangements for managing grants and returns or compliance with scheme requirements in general, but are not vital to the overall system. These are generally issues of best practice that we feel would benefit you if you introduced them.

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
<p>Claim not prepared correctly</p> <p>Eg:</p> <ul style="list-style-type: none"> • Arithmetic • Apportionment/ estimated/ % rates used • Accruals/cash basis • Payments on account • Incorrect classification 	<ul style="list-style-type: none"> • Claims may be qualified • Grant may be reclaimed by the Welsh Government • If qualified any over claim will need to be recovered by the Welsh Government • The Authority may not have claimed its full entitlement • The Authority has not complied with the terms and conditions of grant 	<p>R1 In order to confirm that claim forms are completed in full and in accordance with the completion guidance all completed forms should be independently checked to supporting documentation to minimise the risk that an error will go undetected.</p>	<p>2</p>	<p>There is a procedure that requires that all final claims submitted for audit are independently reviewed. This existing procedure will be updated for issues raised and reissued to the team with a particular emphasis on accruals. There is an expectation that audit working papers have to be compiled at this point to ensure that supporting documentation is checked and reconciled to claim and to the grant conditions and certification instructions. This will be highlighted in the revised procedure document.</p>	<p>Grants Coordinator</p> <p>31 December 2014</p>

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
<p>Lack of supporting evidence to support the claim for funding</p> <p>Eg:</p> <ul style="list-style-type: none"> No evidence provided No invoices available No working papers to support apportionment 	<ul style="list-style-type: none"> Claims may be qualified If qualified any over claim will need to be recovered by the Welsh Government The Authority has not complied with the terms and conditions of grant Lack of audit trail to confirm the appropriate us of public monies 	<p>R2 The Authority should put in place systems and controls to ensure that the claim is fully supported by appropriate documentation such as ledger prints/invoices/calculation of apportionments.</p>	<p>2</p>	<p>For 2013-14 onwards all invoices are now scanned onto the Civica system and so are easily retrievable where expenditure is being directly incurred by the Authority. Where expenditure is being incurred by 3rd Party Organisations evidence of their expenditure should be submitted as part of the monitoring process referred to in R4.</p> <p>Apportionment of costs should be supported by working papers and this will be included in revised grant instructions.</p>	<p>Project Managers and Grant Accountants</p> <p>Ongoing</p>

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
<p>Unapproved/ ineligible expenditure included</p> <p>Eg:</p> <ul style="list-style-type: none"> Activity not in agreed plan Value of activity exceeds that in agreed plan Activity outside the claim period 	<ul style="list-style-type: none"> Claims may be qualified Grant may be reclaimed by the Welsh Government If qualified any over claim will need to be recovered by the Welsh Government The Authority may be claiming grant for instalments already received The Authority has not complied with the terms and conditions of grant Suspended payment Suspension or reduction in future years' grant 	<p>R3 Only eligible expenditure, and that incurred within the claim period, should be included within the claim. Welsh Government advice should be sought prior to claim completion if there is any doubt about the eligibility of expenditure.</p> <p>The Authority should ensure that the terms and conditions of the grant funding are carefully reviewed to identify any additional/specific requirements which must be complied with. Systems and processes should be implemented as appropriate to minimise the risk that these requirements are not satisfied.</p>	1	<p>Grant Accountants to ensure that terms and conditions for all grants are held on file and referred to in completion of the claims. Advice to be sought by Grants Co-ordinator from the relevant funding body around eligibility of expenditure included in the year end statement if there is any doubt over eligibility. Grant instructions will also be revised to limit the expenditure for testing to the grant transactions rather than entire cost centres to minimise the risk of inclusion of ineligible expenditure.</p>	<p>Grants Coordinator</p> <p>31 December 2014</p>

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
<p>Lack of monitoring of third parties Eg:</p> <ul style="list-style-type: none"> No systems in place between the Authority and the third party to ensure grant has been used for the purposes intended Monitoring arrangements not in place or inconsistent. 	<ul style="list-style-type: none"> Claims may be qualified The Authority has not complied with the terms and conditions of grant Lack of audit trail to confirm the appropriate use of public monies 	<p>R4 The Authority must have adequate procedures in place to satisfy itself, its auditor and the grant-paying body that only eligible expenditure incurred by third parties is included in the claim. Such procedures may include obtaining independently certified statements from third parties; signed SLA's in place with all partners; quarterly monitoring reports to be provided by the partner to the Authority; periodic visits to partners and spot checking of eligibility on a sample basis; and agreement of targets and key performance indicators with partners to monitor outcomes.</p>	1	<p>Where there are failures in monitoring systems it will be raised with the Project Managers individually and monitoring systems put in place by the Grants Co-ordinator. 3rd Party Monitoring is also covered within the Audit Workshop and the Grants Protocol. Project Managers to ensure compliance.</p>	<p>Project Managers and Grant Accountants</p> <p>Ongoing</p>

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
<p>Non compliance with standing orders for awarding contracts. Eg:</p> <ul style="list-style-type: none"> Authority procurement procedures not followed. 	<ul style="list-style-type: none"> Claims may be qualified The Authority has not complied with the terms and conditions of grant 	<p>R5 All contracts to be funded by grant funding should be awarded in accordance with the Authority's standing order. A full contracts listing should be maintained for each grant claim together with copies of tender awarding documentation.</p>	<p>1</p>	<p>Audit Workshop to be delivered on an annual basis to provide advice to Project Managers and reinforce the compliance issues including procurement. Guidance is also available to Project Managers through Monitor. Heads of Service to ensure compliance. The contract issue was one isolated case.</p>	<p>Project Managers and Grant Accountants</p> <p>Ongoing</p>

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
<p>Claim does not reconcile to the general ledger. Eg:</p> <ul style="list-style-type: none"> • Use of estimated figures. • Manual adjustments made to claim forms but not reflected in the general ledger. 	<ul style="list-style-type: none"> • Claims may be qualified • Grant may be reclaimed by the Welsh Government • If qualified any over claim will need to be recovered by the Welsh Government • The Authority may not have claimed its full entitlement • The Authority may be claiming grant for instalments already received • The Authority has not complied with the terms and conditions of grant • Lack of audit trail to confirm the appropriate use of public monies 	<p>R6 A reconciliation should be performed prior to every audit to confirm that the figures in the claim reconcile to the general ledger and a copy of the reconciliation should be held on file.</p>	<p>1</p>	<p>A reconciliation was provided with the majority of claims for 2012-13. The Grants Accountants will ensure that reconciliations are prepared for all grant claims for 2013-14. This will be reflected in revised Grant Instructions.</p>	<p>Grant Accountants</p> <p>Ongoing</p>

Fees

11. Our overall fee for certification of grants and returns for 2012-13 is £163,206 which is over our original estimate of £120k to £140k. This is due to the increase in the volume of grants and returns which required certification compared to the prior year.

Breakdown of fee by grant/return	2012-13	2011-12
Communities first: 2012/13: 10 claims (2011/12: 7 claims)	£16,360	£11,353
Housing benefit and council tax benefit	£42,746	£54,354
NNDR	£9,583	£9,631
Teachers' pensions returns	£3,238	£3,317
School effectiveness grant	£8,937	£9,089
Transitional SBIG	£3,048	n/a
Welsh in Education	£4,040	n/a
Flying start	£3,065	£3,157
Families First (Cymorth)	£4,573	£3,997
Substance Misuse Action Fund: Revenue	£3,372	£3,397
Learning Disabilities Resettlement	£3,226	£3,313
Strategic Regeneration Areas (SRAs): 2012/13: 5 claims (2011/12: 1 claim)	£19,257	£3,963
Regional Transport Consortia Grant	£1,978	£2,076

Breakdown of fee by grant/return	2012-13	2011-12
Free Concessionary Travel	£2,394	£2,428
Maes Awyr Mon - Anglesey Airport	£1,032	£1,051
Sustainable Waste Management	£3,224	£2,631
HRA subsidy	£6,053	£4,442
Learning pathways	£2,691	£2,395
Social Care Workforce Development Programme	£2,356	£2,350
The Development of Anglesey's coastal environment	£5,880	£5,536
North West Wales local investment fund	£7,533	£8,194
Strategic Infrastructure on Anglesey Sites and Premises	£7,373	£7,540
Transport Grant	n/a	3,220
Land Drainage	n/a	3,611
Data Return	£400	n/a
Annual Grants Report	£852	n/a
Total fee	£163,206	£151,045

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Performance work programme update for Audit Committee 23 September 2014 **Isle of Anglesey County Council**

Improvement Plan Audit

Audit of discharge of duty to publish an improvement plan. This replaces the Improvement Assessment Letter 1 (IAL1).

Timing – Work complete and certificate issued to the Council in June 2014.

Assessment of Performance Audit

Audit of discharge of duty to publish an assessment of performance. This replaces the Improvement Assessment Letter 2 (IAL2).

Timing – Planned for November 2014.

Corporate Assessment

The second year of the four-year cycle of corporate assessments commences in 2014. Anglesey's corporate assessment is planned for Winter 2014-15 and is a review of the Council's capacity and capability to deliver continuous improvement. The corporate assessment will replace the need for an Annual Improvement Report in 2015.

Timing – February 2015.

Financial Position review

Financial position work focussing on financial health, the effectiveness of budget setting arrangements, financial governance systems and progress/track record in delivering on required savings.

Timing – May to August 2014.

National summary - This study will summarise local work on councils' financial position and give an all-Wales picture of financial resilience. Expected completion by November 2014.

Governance review

A local review of the effectiveness of scrutiny and Programme Board arrangements. This work will feed into the corporate assessment.

Timing – July to October 2014.

Performance management review

Review of the effectiveness of joint Local Service Board arrangements for Isle of Anglesey and Gwynedd County Councils.

Timing – July to September 2014.

Local Government studies

Joined-up working to address Health and Social Care demand – Independence of Older People

This study will focus on supporting older people to maintain their independence outside of the health and care system by assessing how effective ancillary services are at supporting them to live independently.

Timing – To be confirmed.

Delivering with less – Leisure Services

This study will track the levels of investment in leisure services over the last few years using the methodology developed for the 2013-14 delivering with less study on environmental health services.

Timing – To be confirmed.

Previous Local Government studies 2013-14

Delivering with less – the impact on Environmental Health Services and citizens

The study is complete and the report is being drafted.

Welfare reform

The study is complete and there will be no local specific output from this work, only a single national level report.

Safeguarding

The study is complete and the main outputs from the study will be a national report and a short local summary consisting of the main findings from the fieldwork.

Work specific to Anglesey

Local review

Finance

Local review of financial management resources. A key strand of our Corporate Assessment will focus on the Council's management of its financial resources. However, the proposed timing of our Corporate Assessment will be too late for its conclusions to inform the Council's planning for 2015-16. The Council has therefore agreed that we should review the robustness of its financial management arrangements during early 2014-15.

Timing – July to August 2014.

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ISLE OF ANGLESEY COUNTY COUNCIL	
REPORT TO:	AUDIT COMMITTEE
DATE:	23 SEPTEMBER 2014
SUBJECT:	PROGRESS REPORT ON THE COLLECTION OF DEBTS
PORTFOLIO HOLDER(S):	COUNCILLOR H E JONES
LEAD OFFICER(S):	RICHARD MICKLEWRIGHT
CONTACT OFFICER:	GERAINT H. JONES
ACTION:	FOR INFORMATION
<p>INTRODUCTION</p> <p>The Committee, at its meeting on 22 July 2014 considered the Council's Draft Statement of Accounts for 2013/14 which covered the period 1 April 2013 to 31 March 2014. In the discussion at the Committee, Members expressed concern regarding the level of Debtors and provision for bad or doubtful debts within the Draft Statement of Accounts (Note 24). Members expressed a view that a short-term debtor balance of £29.3m was felt to be excessive having regard to increasing financial pressures on the Authority.</p> <p>Members requested that a progress report be brought to the Audit Committee in September on any action taken or planned to reduce this figure.</p> <p>ACTION TAKEN</p> <p>Key areas were identified to attempt to reduce this figure –</p> <p><u>Sundry Debtors (Civica)</u></p> <ul style="list-style-type: none"> • Debt owed to the Authority by public bodies - £1.1m; • Debt over £10,000 owed to the Authority by limited companies - £0.5m; • Debt over £10,000 owed to the Authority by individuals - £0.5m; • Debt that had been deferred with a charge placed on a property where the person had died but sale of property had not been completed - £0.5m; • Debt that was approaching limits set by the Statute of Limitation i.e. 6 years - £0.1m (this is £0.4m but £0.3m is included in the above four categories); • Debt over £10,000 owed by charities or non-profit making organisations - £0.04m. <p><u>TOTAL £2.74m</u></p> <p><u>Council Tax and Business Rates (Northgate)</u></p> <ul style="list-style-type: none"> • Identify cases for potential bankruptcy/committal to prison action or where a charge could be placed on the property - <u>£0.3m</u>. <p>ADDITIONAL RESOURCES</p> <p>The following additional resources were immediately recognised:-</p> <ul style="list-style-type: none"> • Corporate Debt Recovery Team to allocate a Recovery Officer Full Time on Sundry Debtor recovery • Extend Agency staff contract, which was already for 3 months covering both Revenue Supervisors absence, for a further 4 – 6 months to specifically deal with large debtors and if required, provide bankruptcy proceedings special knowledge. 	

Both staff members have been contacting the debtors concerned and liaising with service departments to obtain proof of debt with a view to obtain payment.

Further additional resources have now been identified, mainly clerical assistance work to support Income, Cashier and Recovery Officers. 3 additional staff have been appointed for 3 months to maximum of 6 months to provide further clerical support in -

- the Income Section as that small team introduces additional Civica Software functionality, such as Direct Debit as a payment method;
- clerical support in the Cash Office to ensure that direct payments into the Authority's bank account are updated promptly against outstanding debts and the ledger, as they introduce the Civica automated bank reconciliation software; and
- further clerical support for the Corporate Debt Recovery Team caused by the additional work being generated.

This additional staff has been resourced from staff at risk or the general clerical temporary pool.

A firm of private solicitors will be appointed to provide legal advice with regard to certain outstanding debt and also to undertake debt recovery and court work.

Service departments have also been asked to identify key staff members which the Corporate Debt Recovery Team can liaise with when queries are raised or proof of debt is required.

The main aim is that the additional cost of this staff resource will be more than met from additional income being collected. This of course will be closely monitored.

COLLECTION RATE - BACKGROUND WITH REGARD TO SUNDRY DEBTORS, COUNCIL TAX AND BUSINESS RATES

Appendices A, B and C attached respectively give the overall collection rate per year for each debt type being targeted.

As the appendices show values to be collected have significantly increased over the years.

PERFORMANCE TO DATE ON THE AREAS TARGETED

Council Tax and Business Rates (including costs)

As at 31 March 2014 the debt outstanding as represented in the draft Statement of Accounts was £4.5m. This comprised of –

Council Tax £3.4m

Business Rates £1.1m

Welsh Government Debt due to over contribution to the NNDR POOL £2.0m

Less: Bad Debt Provision

Council Tax £1.3m

Business Rates £0.7m

The £2.0m owed by the Welsh Government is subject to the final external audit of the NNDR3 Final Contributions claim for 2013 - 2014. This is to be completed by the end of November 2014 in accordance with the Welsh Government timetable. Payment will then be made by the Welsh Government based on the agreed audited figure.

The arrears of Council Tax for debt have been reduced by £0.4m as at the end of June 2014 for years prior to 31 March 2014. Business Rates however, balances owed for years prior to 31 March 2014 3 have increased – this is due to adjustments to the rateable value affecting previous years.

Sundry Debtors (Civica)

As at 31 March 2014 the balance outstanding in total was £4.3m which by 15 August 2014 the total balance outstanding was £3.4m (of which £2.1m referred to debt dated prior to 31 March 2014). How has the collection performance been against the targeted areas mentioned earlier in the report which are reproduced here again?

- Debt owed to the Authority by public bodies - £1.1m;
- Debt over £10,000 owed to the Authority by limited companies - £0.5m;
- Debt over £10,000 owed to the Authority by individuals - £0.5m;
- Debt that had been deferred with a charge placed on a property where the person had died but sale of property had not been completed - £0.5m;
- Debt that was approaching limits set by the Statute of Limitation i.e. 6 years - £0.1m (this is £0.4m but £0.3m is included in the above four categories);
- Debt over £10,000 owed by charities or non-profit making organisations - £0.04m.

TOTAL £2.74m

The current position against each targeted area is as follows:-

- Debt owed to the Authority by public bodies - £0.5m;
- Debt over £10,000 owed to the Authority by limited companies - £0.2m;
- Debt over £10,000 owed to the Authority by individuals - £0.4m;
- Debt that had been deferred with a charge placed on a property where the person had died but sale of property had not been completed - £0.4m;
- Debt that was approaching limits set by the Statute of Limitation i.e. 6 years - £0.1m (this is £0.4m but £0.3m is included in the above four categories);
- Debt over £10,000 owed by charities or non-profit making organisations - £0.01m;

TOTAL £1.61m

Of the targeted debt, £0.04m has been identified as non-recoverable due to insolvency or bankruptcy and the debt now being statute barred or no adequate evidence to prove the debt. A further £0.05m has been identified where the Authority's has a deferred charge on a property but the debt has not been repaid even though the property has been sold.

Proposed action in future

- Ensure service departments have robust procedures in place to prove the debt i.e. order number or signed letter or signed agreement.
- Continue to target the areas identified and work closely with the firm of solicitors.
- Ensure that the Sundry Debtor Recovery Policy time scales are being met.
- Complete a review of procedures as regards deferred charges on property for Social Services debt to ensure that the Authority's interest is protected.

Recommendation

Members to note the content of this report.

ATODIAD A/APPENDIX A

Graddfa Gasglu - Man Ddyledion/Sundry Debtors - Collection Rate (18.08.14)

Blwyddyn Ariannol Financial Year	Nifer o Anfonebau No of invoices	Gwerth Cyfartaledd Anfoneb Average value of invoice £	Dyled Codwyd Debt Raised £	Dyled Casglwyd Debt Collected £	Dyled Dileuwyd Debt Written Off ^① £	Dyled sy'n weddill Debt Outstanding ^② £	Canran Casglwyd Percentage Collected %	Dyledion wedi eu nodi i'w dileu Debt Marked for Write off ^③ £
cyn/before 2000					25,819.79	3,236.21		522.36
2000/2001	13,799	359.63	4,962,596.77	4,829,551.06	132,832.48	213.23	97.3	1.68
2001/2002	12,273	547.19	6,715,711.93	6,584,024.91	131,226.16	460.86	98.0	3.48
2002/2003	12,209	536.22	6,546,690.14	6,450,734.69	91,946.42	4,009.03	98.5	13.73
2003/2004	12,674	603.06	7,643,153.35	7,550,948.69	90,540.86	1,663.80	98.8	9.43
2004/2005	13,217	652.96	8,630,207.97	8,530,075.74	93,170.07	6,962.16	98.8	6.85
2005/2006	13,068	673.38	8,799,743.20	8,658,662.21	137,430.24	3,650.75	98.4	7.78
2006/2007	13,703	643.05	8,811,771.04	8,601,313.73	137,928.17	72,529.14	97.6	1,179.79
2007/2008	12,768	752.77	9,611,381.04	9,482,006.63	85,526.32	43,848.09	98.7	7,507.73
2008/2009	12,135	841.08	10,206,487.54	9,955,383.69	72,763.06	178,340.79	97.5	974.52
2009/2010	12,269	989.43	12,139,318.14	11,879,812.36	63,342.39	196,163.39	97.9	6,927.26
2010/2011	11,412	1,066.37	12,169,460.68	11,909,626.52	61,065.58	198,768.58	97.9	33,037.46
2011/2012	11,538	984.00	11,353,391.50	11,063,785.76	33,526.21	256,079.53	97.4	4,645.82
2012/2013	12,246	1,082.81	13,260,129.28	12,865,134.71	8,515.88	386,478.69	97.0	13,745.47
2013/2014	16,471	671.14	11,054,335.63	10,315,592.32	0.00	738,743.31	93.3	6,716.09
2014/2015	5,677	653.02	3,707,183.17	2,468,239.26	0.00	1,238,943.91	66.6	10.89
Total	185,459	731.22	135,611,561.38	131,144,892.28	1,165,633.63	3,330,091.47	96.7	75,310.34

①mae'r ffigurau yn cynnwys dyledion sydd wedi eu dileu ac/neu wedi ei nodi i'w dileu ar yr hen system SD na chafodd eu trosglwyddo i system SD CIVICA h.y status 95

figures include debt written off and/or already identified for write off on old SD system which were not transferred onto Civica SD system i.e. status 95

②mae'r ddyled sy'n weddill yn cynnwys yr holl eitemau trosglwyddwyd o'r hen system SD i system SD CIVICA **heblaw** am eitemau hefo cod 95 h.y. wedi eu dileu ac/neu wedi eu clustnodi i'w dileu ar yr hen system SD

debt outstanding includes all items transferred from old SD system to Civica SD system but not items coded 95 i.e. written off and/or marked for write off on old SD system.

③mae'r ffigurau yn rhoi dyled sydd wedi ei adnabod i'w dileu ar system SD CIVICA SD h.y. status WOF ond dal yn Dyled sy'n Weddill,

figures give debt identified for write off on Civica SD system i.e. status WOF but still in the Debt Outstanding,

Graddfa Casglu'r Dreth Cyngor/ Council Tax Collection Rate 30.06.14

Blwyddyn Year	Dyled Codwyd Debt Raised	Talwyd Paid £	Dileuwyd Written off £	Sy'n weddill Outstanding £	Canran Casglwyd Percentage collected %
Cyn/Before 2004					
Debyd/Debit	128,160,716.35	127,586,516.85	603,892.40	-29,692.90	99.6%
Costau/Costs	225,311.20	168,080.73	40,952.75	16,277.72	74.6%
	128,386,027.55	127,754,597.58	644,845.15	-13,415.18	99.5%
2004					
Debyd/Debit	19,683,088.09	19,577,057.16	38,922.89	67,108.04	99.5%
Costau/Costs	32,624.00	23,323.16	1,744.70	7,556.14	71.5%
	19,715,712.09	19,600,380.32	40,667.59	74,664.18	99.4%
2005					
Debyd/Debit	21,139,602.17	21,007,757.11	45,019.97	86,825.09	99.4%
Costau/Costs	60,013.37	47,146.86	2,666.47	10,200.04	78.6%
	21,199,615.54	21,054,903.97	47,686.44	97,025.13	99.3%
2006					
Debyd/Debit	22,071,984.46	21,874,445.94	65,031.74	132,506.78	99.1%
Costau/Costs	80,246.61	59,483.83	4,029.61	16,733.17	74.1%
	22,152,231.07	21,933,929.77	69,061.35	149,239.95	99.0%
2007					
Debyd/Debit	23,726,821.46	23,508,462.61	67,174.23	151,184.62	99.1%
Costau/Costs	106,408.71	79,405.08	5,259.21	21,744.42	74.6%
	23,833,230.17	23,587,867.69	72,433.44	172,929.04	99.0%
2008					
Debyd/Debit	24,500,382.00	24,251,506.11	57,262.14	191,613.75	99.0%
Costau/Costs	123,807.59	90,964.90	4,564.59	28,278.10	73.5%
	24,624,189.59	24,342,471.01	61,826.73	219,891.85	98.9%
2009					
Debyd/Debit	25,246,688.70	24,978,515.80	46,935.25	221,237.65	98.9%
Costau/Costs	140,166.70	100,934.22	4,416.70	34,815.78	72.0%
	25,386,855.40	25,079,450.02	51,351.95	256,053.43	98.8%
2010					
Debyd/Debit	26,324,827.25	26,055,151.69	41,236.79	228,438.77	99.0%
Costau/Costs	132,632.96	94,329.88	3,452.96	34,850.12	71.1%
	26,457,460.21	26,149,481.57	44,689.75	263,288.89	98.8%
2011					
Debyd/Debit	27,468,426.95	27,145,242.30	26,029.52	297,155.13	98.8%
Costau/Costs	141,690.00	98,085.17	2,750.00	40,854.83	69.2%
	27,610,116.95	27,243,327.47	28,779.52	338,009.96	98.7%
2012					
Debyd/Debit	28,859,131.34	28,423,404.08	17,550.77	418,176.49	98.5%
Costau/Costs	138,180.00	86,460.31	1,750.00	49,969.69	62.6%
	28,997,311.34	28,509,864.39	19,300.77	468,146.18	98.3%
2013					
Debyd/Debit	30,601,076.87	29,773,578.86	1,298.34	826,199.67	97.3%
Costau/Costs	153,640.00	66,377.33	210.00	87,052.67	43.2%
	30,754,716.87	29,839,956.19	1,508.34	913,252.34	97.0%
2014					
Debyd/Debit	32,515,357.85	10,037,793.95	0.00	22,477,563.90	30.9%
Costau/Costs	62,620.00	5,343.01	0.00	57,276.99	8.5%
	32,577,977.85	10,043,136.96	0.00	22,534,840.89	30.8%
Y Cyfanswm/ Cumulative					
Debyd/Debit	410,298,103.49	384,219,432.46	1,010,354.04	25,068,316.99	93.6%
Costau/Costs	1,397,341.14	919,934.48	71,796.99	405,609.67	65.8%
	411,695,444.63	385,139,366.94	1,082,151.03	25,473,926.66	93.5%

Graddfa Casglu'r Dreth Fusnes/ Business Rates Colletcion Rate 30.06.14

Blwyddyn Year	Dyled Codwyd Debt Raised £	Talwyd Paid £	Dileuwyd Written off £	Sy'n weddill Outstanding £	Canran Casglwyd Percentage collected %
Cyn/Before 2004	92,487,958.65	91,253,858.36	1,188,074.60	46,025.69	98.7%
	9,371.10	6,537.76	1,761.64	1,071.70	69.8%
	92,497,329.75	91,260,396.12	1,189,836.24	47,097.39	80.9%
2004					
Debyd/Debit	11,748,659.61	11,649,568.01	94,377.46	4,714.14	99.2%
Costau/Costs	3,042.60	1,732.60	575.40	734.60	56.9%
	11,751,702.21	11,651,300.61	94,952.86	5,448.74	99.1%
2005					
Debyd/Debit	11,415,482.96	11,279,634.94	64,516.53	71,331.49	98.8%
Costau/Costs	6,772.10	4,396.40	895.20	1,480.50	64.9%
	11,422,255.06	11,284,031.34	65,411.73	72,811.99	98.8%
2006					
Debyd/Debit	11,777,565.76	11,642,894.85	72,665.51	62,005.40	98.9%
Costau/Costs	6,930.50	4,565.71	621.50	1,743.29	65.9%
	11,784,496.26	11,647,460.56	73,287.01	63,748.69	98.8%
2007					
Debyd/Debit	12,689,627.92	12,525,043.21	78,954.08	85,630.63	98.7%
Costau/Costs	9,476.00	5,934.50	734.50	2,807.00	62.6%
	12,699,103.92	12,530,977.71	79,688.58	88,437.63	98.7%
2008					
Debyd/Debit	13,232,787.48	13,056,151.23	54,888.29	121,747.96	98.7%
Costau/Costs	11,226.50	7,656.30	517.00	3,053.20	68.2%
	13,244,013.98	13,063,807.53	55,405.29	124,801.16	98.6%
2009					
Debyd/Debit	13,974,427.98	13,757,740.05	77,134.96	139,552.97	98.4%
Costau/Costs	12,060.00	8,276.97	585.00	3,198.03	68.6%
	13,986,487.98	13,766,017.02	77,719.96	142,751.00	98.4%
2010					
Debyd/Debit	13,015,969.62	12,842,421.44	53,236.46	120,311.72	98.7%
Costau/Costs	10,200.00	6,532.58	665.00	3,002.42	64.0%
	13,026,169.62	12,848,954.02	53,901.46	123,314.14	98.6%
2011					
Debyd/Debit	13,475,713.71	13,324,945.56	22,943.02	127,825.13	98.9%
Costau/Costs	4,330.00	2,510.00	0.00	1,820.00	58.0%
	13,480,043.71	13,327,455.56	22,943.02	129,645.13	98.9%
2012					
Debyd/Debit	13,344,900.28	13,165,310.77	37,538.27	142,051.24	98.7%
Costau/Costs	5,717.50	3,124.01	267.50	2,325.99	54.6%
	13,350,617.78	13,168,434.78	37,805.77	144,377.23	98.6%
2013					
Debyd/Debit	13,518,167.48	13,239,112.97	11,875.84	267,178.67	97.9%
Costau/Costs	5,800.00	1,838.03	70.00	3,891.97	31.7%
	13,523,967.48	13,240,951.00	11,945.84	271,070.64	97.9%
2014					
Debyd/Debit	14,695,078.01	7,143,921.15	0.00	7,551,156.86	48.6%
Costau/Costs	2,070.00	160.00	0.00	1,910.00	7.7%
	14,697,148.01	7,144,081.15	0.00	7,553,066.86	48.6%
Y Cyfanswm/ Cumulative					
Debyd/Debit	235,376,339.46	224,880,602.54	1,756,205.02	8,739,531.90	95.5%
Costau/Costs	86,996.30	53,264.86	6,692.74	27,038.70	61.2%
	235,463,335.76	224,933,867.40	1,762,897.76	8,766,570.60	95.5%

ISLE OF ANGLESEY COUNTY COUNCIL	
REPORT TO:	AUDIT COMMITTEE
DATE:	23 SEPTEMBER 2014
SUBJECT:	RESERVES AND BALANCES
PORTFOLIO HOLDER(S):	COUNCILLOR H E JONES
LEAD OFFICER(S):	RICHARD MICKLEWRIGHT
CONTACT OFFICER:	BETHAN H OWEN
ACTION:	FOR INFORMATION
<p>1. Purpose of report</p> <p>This report outlines the current position on both Revenue Reserves and Capital Reserves.</p> <p>2. Executive Summary</p> <p>2.1 The Council, as at 1 April 2014 held £27.27m of Total Useable Reserves, which includes £5.677m General Fund Reserves, £18.4m of Earmarked Revenue Reserves, £1.671m in HRA Reserves and £1.518m in Schools balances. In 2015/16 the Council is looking at making approximately £7m worth of efficiency savings. In future years, if no further savings or efficiencies are identified, the reliance on reserves will mean that the reserves will fall below the minimum level.</p> <p>2.2 The Capital Receipt Reserve and the Capital Grants Unapplied are both Capital Reserves. At the 31 March 2014 there were nil balances on both Reserves.</p> <p>There are two Revenue Reserves earmarked for Capital purpose, the Capital Expenditure Reserve and the Leisure Improvement Grant. At the 31 March 2014 the balance on the Capital Expenditure Reserve was £0.565m, with the balance on the Leisure Improvement Grant being £0.196m.</p> <p>There is a new capital strategy in place to predict the estimate of the Capital Reserves by the 2014/15 year end. There is no current minimum level of Capital Reserves set.</p> <p>2.3 The use of reserves should be governed by a policy agreed by Members and the reliance on reserves to balance the revenue budget in future years should be reduced so that the revenue budget is fully funded from other forms of income.</p> <p>3. Appendices</p> <p>Appendix 1: The use of Reserves 2013/14.</p> <p>4. Background</p> <p>4.1 The use and level of reserves will be an essential part of the Council's financial strategy for the coming year. In response to this, the budget process for future years should focus on delivering a plan which reduces the reliance on reserves and ensures the Council's finances are sustainable.</p> <p>4.2 Although the level of general fund reserves is currently sufficient to support the revenue budget for the next year, they are not renewable forms of finance and, at some point, will fall below the current minimum level. The Council needs to use the reserves prudently to ensure that they enable the delivery of a balanced budget in future years, whilst remaining at a level to allow for any risks to be mitigated.</p>	

4.3 There is a Capital Strategy document now in place for the 2015/16 budget round and it is for this reason that a policy that governs the use of reserves is needed to ensure that these balances are used wisely to create maximum flexibility and value for the Council.

5. Discussion

5.1 Setting the level of general reserves is one of several related decisions in the formulation of the Medium Term Financial Strategy (MTFS) and the annual budget. This decision requires account to be taken of the strategic, operational and financial risks facing the Authority. Specifically, the, MTFS requires the Council to build then maintain general reserves sufficient to cover the key factors that it faces. The S151 Officer will need to consider many factors in determining the precise level of reserves, many of which involve an assessment of the risk of assumptions included in the budget and the MTFS, together with the Council's financial standing and management.

5.2 The Council recognises the need to hold and maintain reserves but also recognises that, by choosing to hold or increase reserves, the Council is allocating resources away from other potential uses and, as such, there are 'opportunity costs' of holding balances as reserves. For this reason it is important to set out clearly, and regularly review, the framework through where reserves are managed.

5.3 Sections 32 and 43 of the Local Government Finance Act 1992 require Local Authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

5.4 There is no specified minimum level of reserves that an authority should hold and Section 25 of the Local Government Act 2004 requires the Chief Financial Officer (Section 151 Officer) to report formally on the adequacy of proposed reserves when setting a budget requirement and to ensure that there are key protocols for their establishment and use.

5.5 It is prudent financial management to review all reserves periodically in order to ensure that the reserves are adequate, relevant and set at the right level to guard against known future liabilities.

5.6 As recommended in official guidance, the review of reserves is closely aligned to the formulation of the budget for the forthcoming year and the MTFS, which contains estimates of the use of earmarked reserves and general fund balances.

5.7 The relevance and adequacy of reserves will be reviewed on an ongoing basis and formally reviewed on an annual basis.

6. Legal Powers

- Sections 32 and 43 of the Local Government Finance Act 1992
- Section 25 of the Local Government Act 2004

7. Financial and Value for Money implications

7.1 This report details use of reserves and balances for the future and has no direct financial or value for money implications of its own.

7.2 The balances in this report are subject to approval of the Auditor on the 26th September 2014.

THE USE OF RESERVES 2013/14

EARMARKED RESERVES	Balance as at 01 April 2012 £000	Transfers In 2012/13 £000	Transfers Out 2012/13 £000	Balance as at 31 March 2013 £000	Transfers In 2013/14 £000	Transfers Out 2013/14 £000	Balance as at 31 March 2014 £000
Capital Expenditure	1,000	1,209	-1,209	1,000	904	-1,339	565
Penhesgyn Waste Landfill Site Reserve	886	0	-886	0	2,000	0	2,000
Service Reserves	1,507	1,540	-1,156	1,891	0	-268	1,623
Restricted Services	1,781	4,037	-754	5,064	1,996	-754	6,306
Equal Pay, Single Status and Job Evaluation	1,966	701	0	2,667	0	-311	2,356
Recycling	1,473	302	-986	789	108	-667	230
Performance Management Reserve	1,054	412	-26	1,440	0	0	1,440
Major Repairs Reserve (HRA)	0	860	0	860	0	0	860
Insurance Fund	2,529	0	-178	2,351	184	0	2,535
Other	686	0	-121	565	11	-85	491
TOTAL EARMARKED RESERVES	12,882	9,061	-5,316	16,627	5,203	-3,424	18,406
HRA	247	1,251	-1,016	482	1,232	-43	1,671
Schools	1,252	0	-68	1,184	334	0	1,518
General Fund	5,796	2,775	-2,661	5,910	1,837	-2,070	5,677
TOTAL	20,177	13,363	-9,061	24,479	8,606	-5,813	27,272

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CYNGOR SIR
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ISLE OF ANGLESEY
COUNTY COUNCIL

Health and Safety Report 2013/2014

Corporate Health and Safety Annual Report

CONTENTS

		Page
1	Introduction	3
2	Corporate Management	4
3	Statistical Information	5
4	Partnerships	16
5	Joint Consultation	17
6	Occupational Health Provision	17
7	Key Achievements (overview	18
8	Monitoring Health and Safety Performance	19
9	Strategic Action Plan (long term corporate)	23
10	Conclusion and Development Plan	24

1 Introduction

The Isle of Anglesey County Council's Corporate Health and Safety Policy includes a commitment to the preparation and publication of an Annual Health and Safety Report which details progress towards targets set out in the Annual Corporate Health and Safety Action Plan.

Welsh Local Government Association (WLGA) had developed a framework and guidance for the production of an Annual Health and Safety Performance Report. The framework and guidance provides a series of headings to assist with the reporting of health and safety performance. This framework was not intended to be a comprehensive analysis of health and safety but should assist in identifying the commitment, ability and direction of the management of occupational health and safety.

This report follows the format provided by WLGA.

During the past twelve months there has been significant focus on major change and work programmes required as part of the Transformation Plan within the Authority. The amount of work required by Management may have detracted from many day to day functions and some aspects of Health and Safety. This report should assist in assessing future needs for Health and Safety within the Authority.

2 Corporate Management

During 2013/14 there has been significant change within the management structure for IACC. A Senior Leadership Team (SLT) has been installed and a number of Heads of Services have had additional services to cover. The assessment process for the management team had been assisted by an external consultant.

Regular meetings of the Penithiaid Group should enable escalation of any issues to SLT to ensure appropriate action can be taken to resolve matters, health and safety related or other.

The constitution of the council identifies responsibilities within the management structure. With regard to Health and Safety a Corporate Responsibilities Document outlines the responsibilities of councillors, all employees, school governors and teaching staff. The latest draft of the Corporate Responsibilities Document and Corporate Health and Safety Strategy is present in the appendix (Appendix 1). This document should be considered and endorsed as a corporate document.

Action 1	Read and consider Corporate Responsibilities Document and endorse as a corporate document
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The introduction of the Performance Review work to include the production of annual business plans, assessment and approval of the plans by SLT should allow for more control of the council as a whole. This should introduce more accountability across the council with targets and goals identified in business plans. The inclusion of Health and Safety considerations should be included in the business plans. This would allow Health and Safety to be integrated into business plans rather than add on during implementation of business plans.

Action 2	Health and Safety Plans to be integrated into Service Business and presented to Performance Review Group for comment before being presented to SLT
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3 Statistical Information

Accident/incident

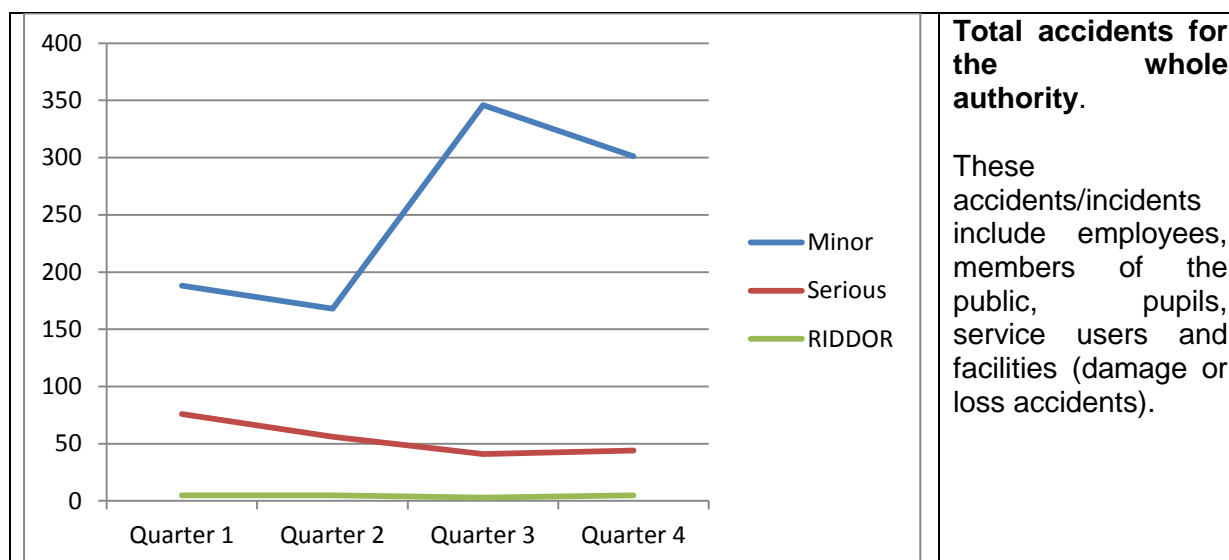
The data presented below was with regard to all accidents and incident reported during 2013/14. The internal classification of accident and incidents has been in main three categories, these were minor, serious and RIDDOR.

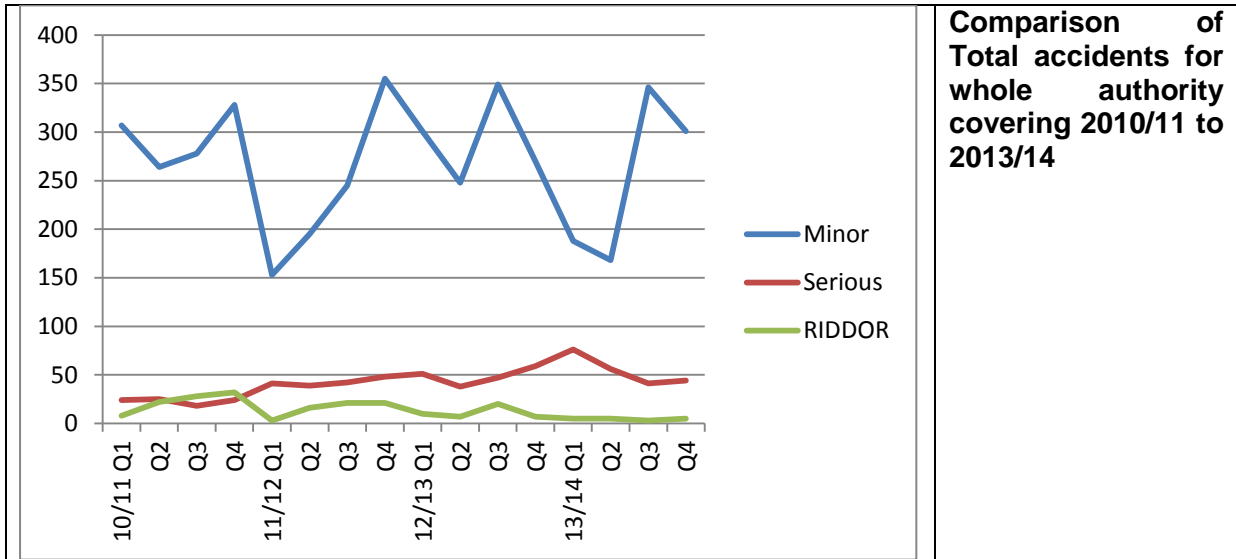
Minor accidents and incidents would have been accidents / incidents where the resulting injury or loss was insignificant. This includes accident and incidents which resulted in no injury or loss but the potential outcome may be insignificant if injury or loss had occurred.

Serious accidents / incidents were where the outcome resulted in significant injury or loss or where there was potential for significant injury or loss. This includes accident and incidents which resulted in no injury or loss but the potential outcome may be significant if injury or loss had occurred.

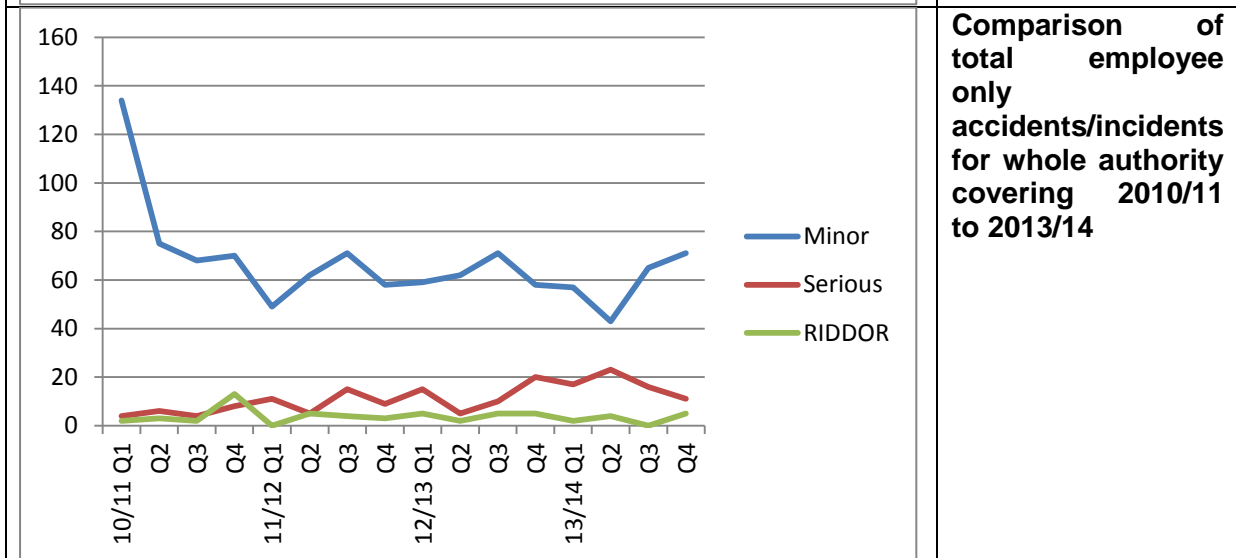
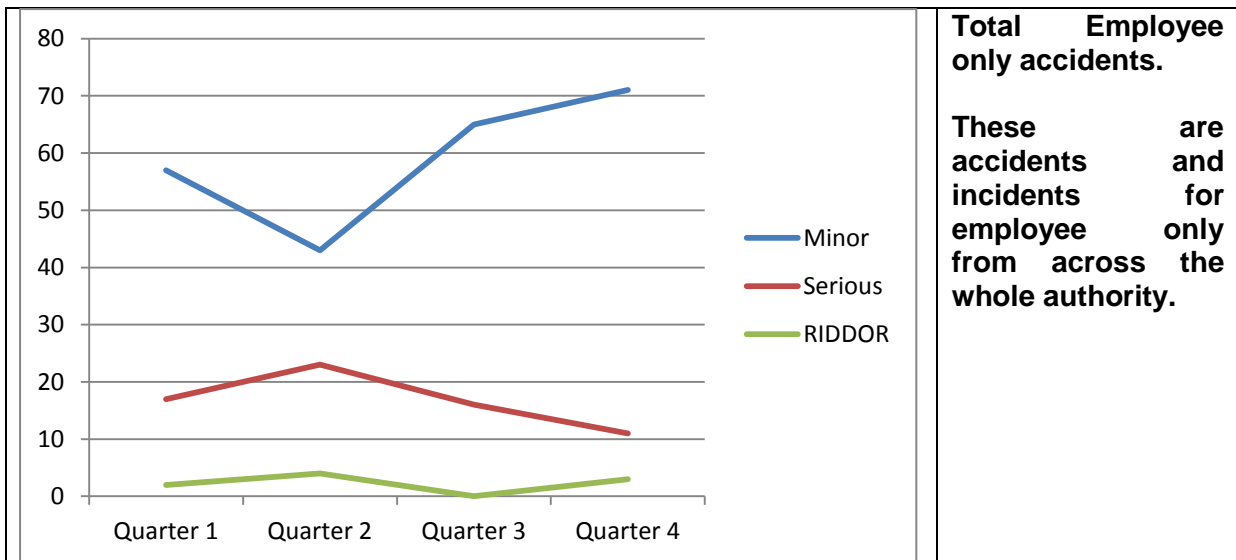
RIDDOR accidents and incidents were accidents or incidents which met specific criteria that required reporting to the HSE. The criteria for reporting types of accidents and incidents are provided within the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations.

The table below presents the number of accident and incidents for the whole authority. This includes incidents involving members of the public, service users, school pupils, contractors, facilities as well as employees.





The chart below represents the number employee only of accident and incidents for the whole authority.



Benchmarking with North Wales Local Authorities

In order to make comparisons with other Authorities common factors must be established. The use of incidents per an average number of employees as a factor assists comparison. The number of incidents per 100 employees was considered reasonable to be used as a common factor.

Criteria for recording and classifying accidents and incidents may vary within each Authority in North Wales therefore using general accident statistics may be an inaccurate method of benchmarking.

The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) provide specific criteria for the reporting of accidents and incidents. The criteria should therefore provide a common factor for the reporting and recording of accidents across the North Wales Authorities.

In order to carry out reasonably accurate benchmarking the use of an average per 100 employees and the criteria for RIDDOR has been used.

Benchmarking with North Wales Local Authorities						
End of Year 2012 - 2013			Qtr 1 2013/14		Qtr 2 2013/14	
No. RIDDORs x 100 No. Employees	IACC	1.4	5	0.166	5	0.166
	GCC	0.9	16	0.22	24	0.34
	DCC	0.8	5	0.101	6	0.14
	CCC	No figure	10	0.17	13	0.23
	FCC	No figures				
	WCC	No figures				

Note: Figures beyond the second quarter 2013/14 have not been available from other Authorities to date.

Breakdown of Accident/Incident statistics

The following pages provide a further breakdown of accidents statistics. The breakdown is of accident / incident type with regard to principle cause

Table 1 - Total accidents and incidents

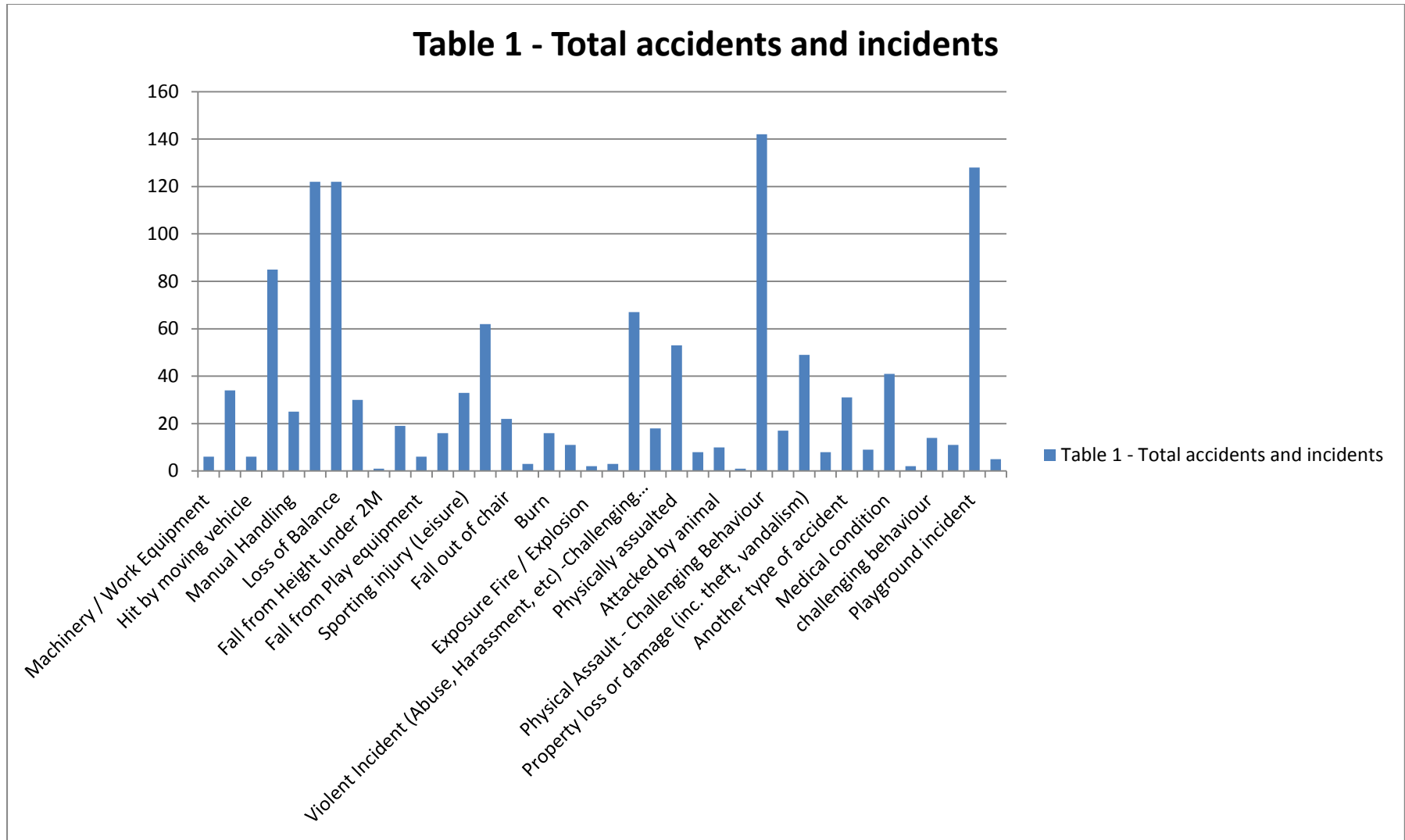


Table 2 - Total accidents and incidents (Employees)

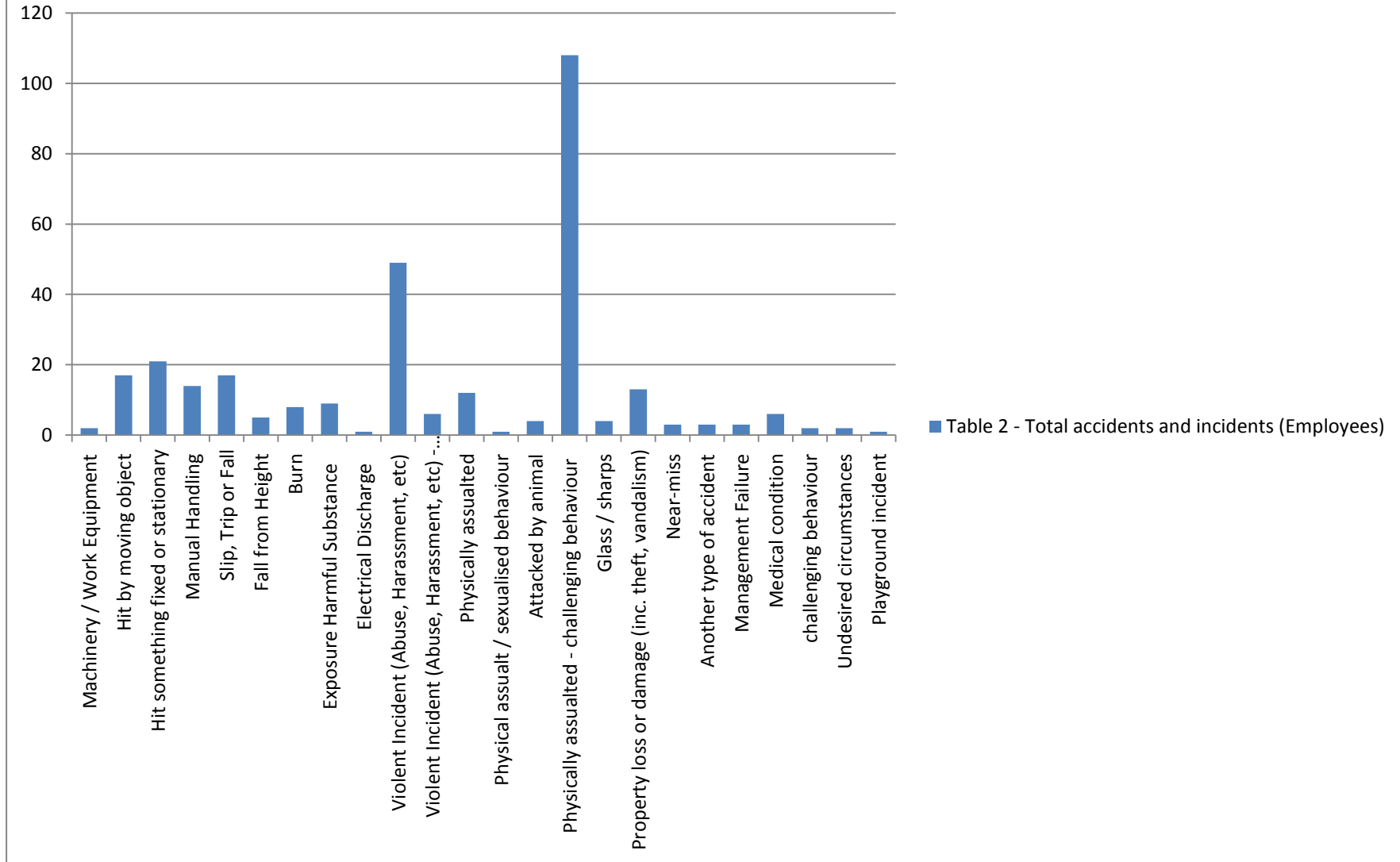


Table 3 - Total accidents and incidents (Pupils)

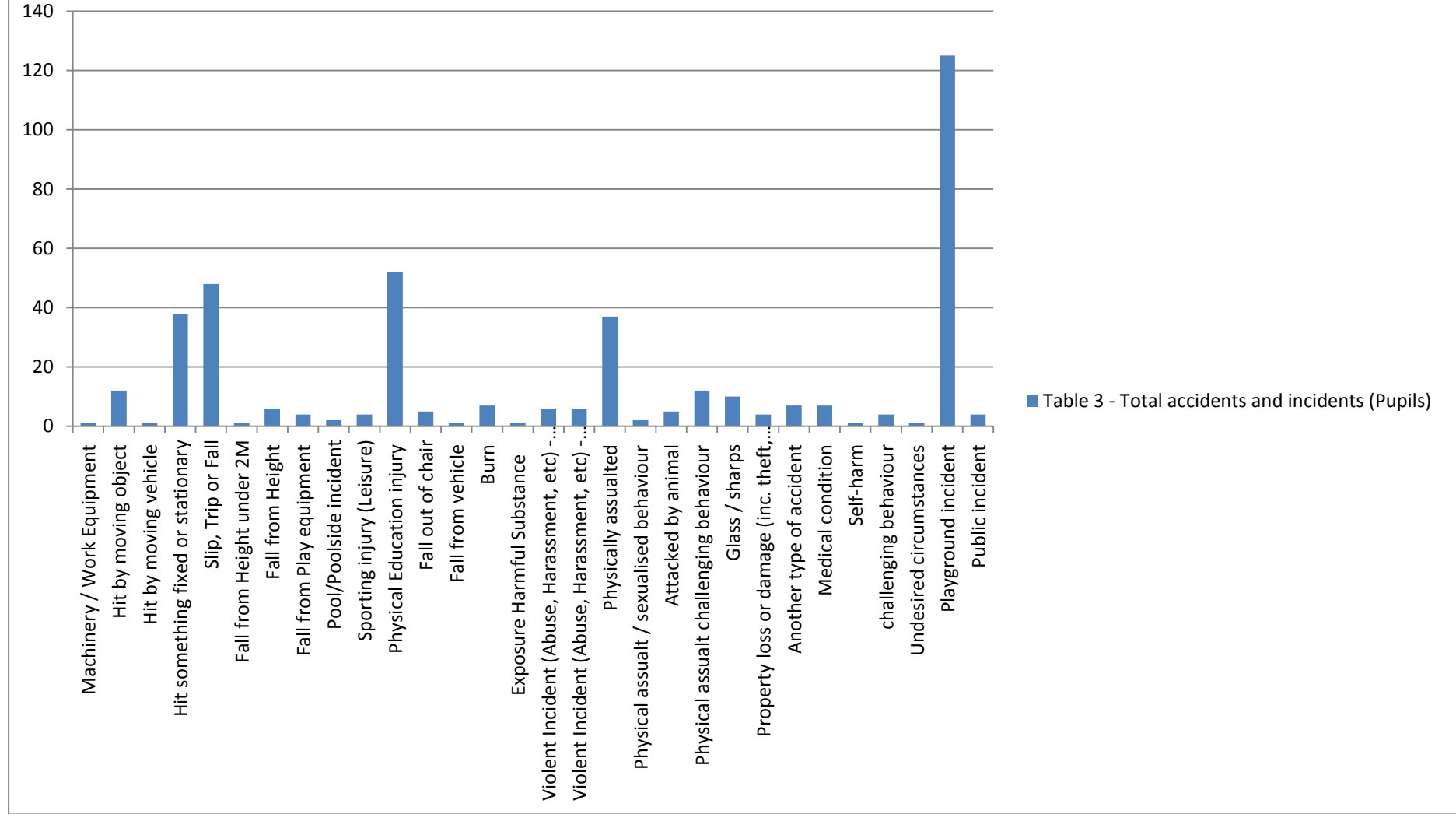


Table 4 - Total accidents and incidents (Service Users)

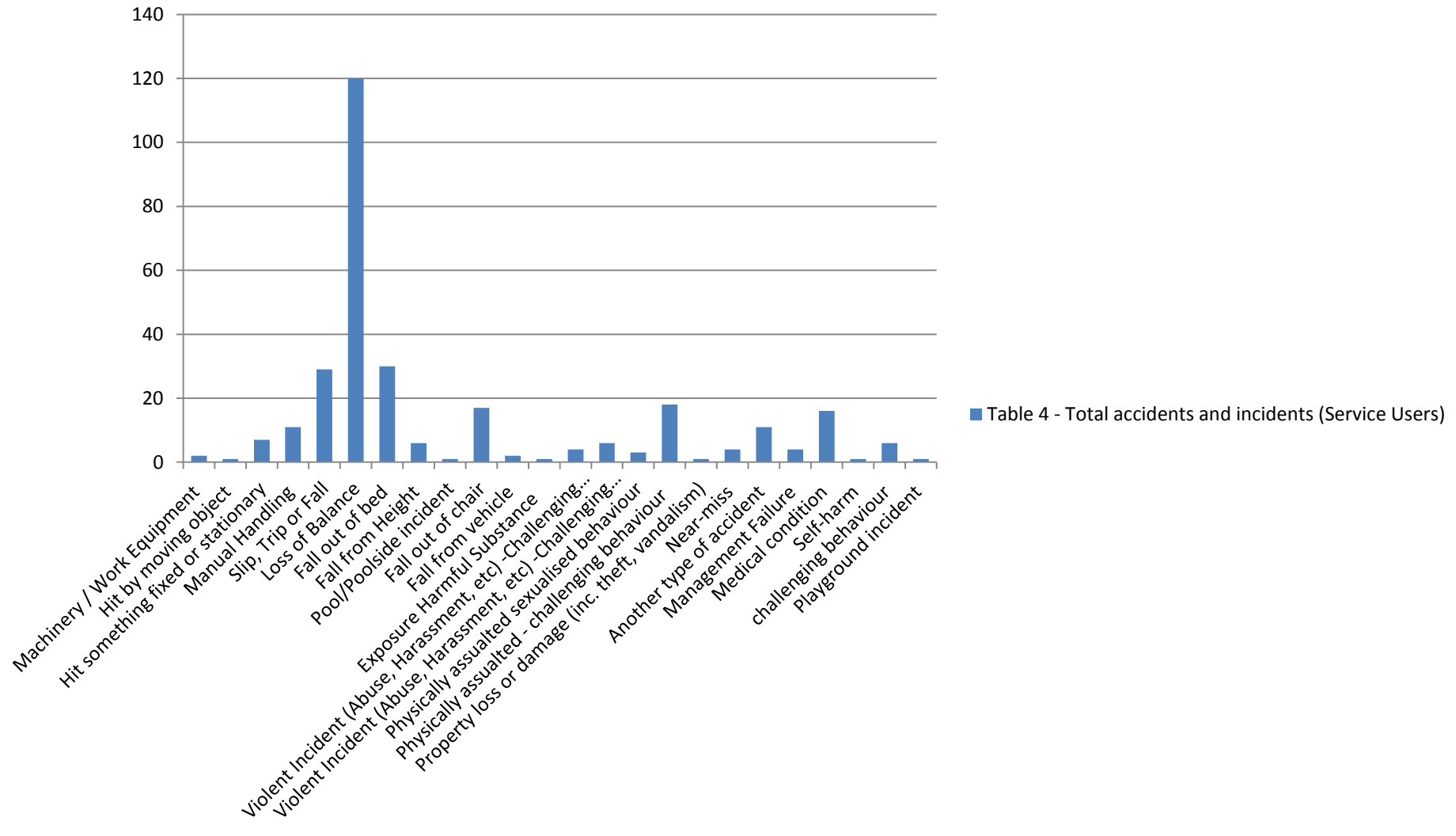
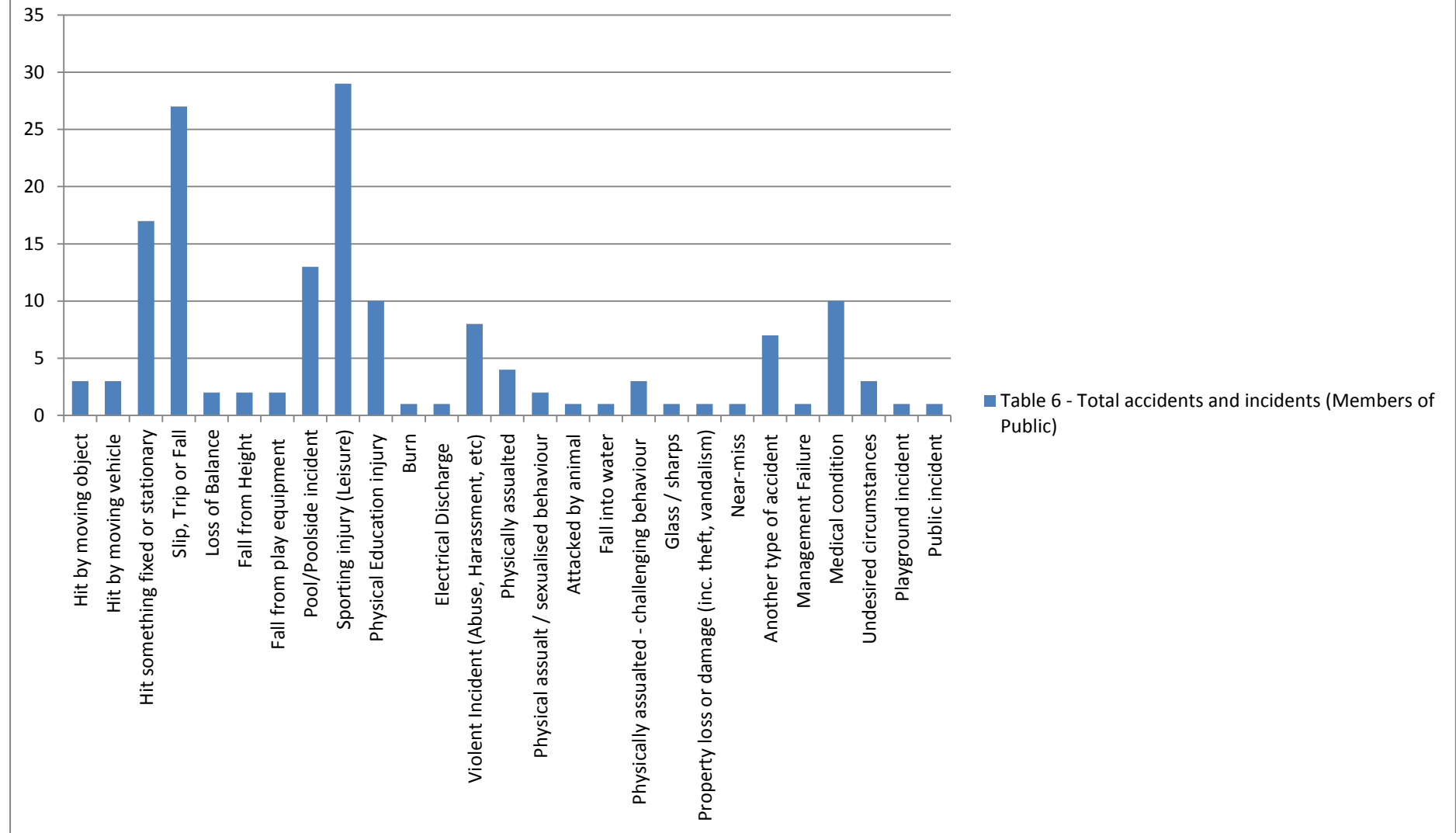


Table 6 - Total accidents and incidents (Members of Public)



Analysis of Accident / Incident Data

Violence and Aggression

The accident / incident information presented previously identifies violent incidents as the highest number of recorded incidents. These incidents can be anything from abusive or threatening comments to actually being struck by another person.

The HSE description of violence in the workplace is:

Any incident in which a person is abused, threatened or assaulted in circumstances relating to their work. This can include verbal abuse or threats as well as physical attacks.

The council provides care service which involves dealing with clients with potentially challenging behaviour. Due to the possibility of challenging behaviour being a factor, the intention to harm may not be present.

The highest number of incidents for violence and aggression recorded was where challenging behaviour was considered to be the main factor (142). This could be a person lashing out but no intention to harm. The number of abusive incidents where challenging behaviour was a factor was 18.

The number of abusive incidents where it was not considered challenging behaviour was a factor was 67. The type of incident was generally discontent members of the public directing abuse at employees.

The figure for physical assault was 53 incidences, the description of assault being to physically strike another person. 13 incidents occurred in Community, this was where clients lashed out and challenging behaviour was not considered a factor.

The majority of incidents were within Lifelong learning and involved pupils striking other pupils. These incidents were recorded in the work place figures as there is a duty of care for pupils as well as employees.

Action 3	Carry out a more in depth analysis of the violence and aggression incidents to identify causes and possible solutions. This should include a breakdown of groups receiving incidents eg: finance receiving abusive calls from employee, carers from clients, other front line services from general public
-----------------	--

Playground incidents

The second highest figure in the total accidents and incidents was for Playground incidents. This was the highest recorded figure for incidents within Lifelong Learning were Playground incidents. These were mainly incidents of pupils running into each other, accidentally hitting each other or falling over each other. The main injury sustained was bumps to the head, the schools have a policy to report bumps to the head. These figures were recorded in case of future repercussions.

Slip, Trip and Fall and Loss of Balance

Within the total accident and incident figures Slip, Trip or Fall on the level and Loss of Balance were the third highest figures. Slip, Trip and Fall incidents appeared to be spread across figures for Employees, Service Users, Pupils and Members of the Public.

Loss of balance was the highest figure incidents involving Service Users. Slip, Trip and Fall and Fall out of bed being the next two highest figures for Service Users. These incidents had previously been identified and work is ongoing to reduce the number further.

Enforcement notices

HSE

On 21st January 2014 an accident occurred in Canolfan Byron, Mona Ind Estate. The accident resulted in serious injury to a member of staff. The accident resulted in the HSE having to be notified that a serious accident had occurred (RIDDOR classification Major injury).

Due to the severity of injury and injured party being a vulnerable adult, the HSE investigated the incident with prosecution for breach of Section 2 of the Health and Safety at Work etc Act as an option.

A report was provided to the HSE by the internal Corporate Health and Safety Team. The HSE accepted the report as a sufficient investigation of the accident and considered the direct cause of the accident was stacking of "jigs" in an upright position against a wall.

A HSE inspector visited the site and served a Prohibition Notice on the activity. The Prohibition Notice was very specific for a single activity of "stacking of jig panels against the wall within the CNC Platix 48NST enclosure in an uncontrolled manner". The cost of the intervention was £620.00 based on 5 hours recoverable time.

A closure meeting was held with the HSE Inspector who informed IACC no prosecution would be sort due to it not being in the public interest to do so. A further ½ hour time cost recovery was expected for the closing meeting.

Fire and Rescue Service

During 2013/14 the Fire and Rescue Service inspected two premises (schools). Ysgol Garrefglefn was inspected as a follow up to an incident when the LPG gas tank at the site leaked and the FRS attended, Ysgol Beaumaris was a routine visit. Both schools received Notification of Notice of Minor Deficiencies. Work has been carried out to assist with compliance with the notices.

Training

Information provided by the Human Resources unit presented below illustrates training courses relevant to Health and Safety and the number of attendees for those courses.

Course	Number attendees
DSE Assessors	5
Emergency First Aid (Half Day)	14
Emergency First Aid (Full Day)	51
First Aid at Work (3 Days)	50
First Aid Refresher (2 Days)	50
Fire Marshal	65
Fire Safety	82
How to Carry Out a Risk Assessment	7
Infection Control Awareness	33
IOSH (4 Day)	25
IOSH Refresher	6
Ladders & Steps	10
Passport A-B	3
Passport A-F	23
Passport Refresher	86
Violence Level 1 & 2	71
Working at Height	11
Certificated Health and Safety	15
Managing Stress Workshop	14
4x4 Training (Driving)	4
Basic Food Hygiene	37
One Day Medication	17

The figures above indicate a significant number of employees have undertaken health and safety training. The training needs for each employee should be assessed during appraisal. Additional training requirements may be identified by the needs of the service areas for example first aid provider or fire marshal.

Maintenance of the training records are held at a local level and it would be the line management for a service area to ensure the employees are adequately trained and there is sufficient cover for key roles such as first aiders, DSE assessors or fire marshals.

A central record of current training would assist on a corporate level when assessing the capacity of the authority as a whole or individual service. This would also assist with training budgets.

Action 4	Collate health and safety training records to provide a central register of trained staff for key roles.
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4 Partnerships

The North Wales Health and Safety Managers' Meeting

Meetings are held on a quarterly basis with the Health and Safety Managers of the North Wales Authorities attending. The purpose of the meetings would be to share knowledge of good practice and successes between all the authorities.

A work stream which has been developed from this group is with regard to Private Residential Homes. This has been with regard to private residential homes in which local authorities have placed clients. The HSE had previously shown an interest with this as a topic for Control of Contractors.

Anglesey Conwy and Gwynedd have been looking at a method of inspection which could be sustainable and not too intrusive. Private Homes were inspected by CSSIW, EHOs and the Health Board, the inspections carried out by these organisations may not address certain health and safety issues.

Working Well Together

IACC is a member of the Working Well Together a HSE driven partnership which seeks to provide small contractors with Health and Safety Training and Advice. In previous years events have been held at the Coleg Menai site Llangefni which enable local construction businesses to attend and gain valuable health and safety information.

Due to reduced numbers in the Corporate Health and Safety Team, active involvement in the group has not been achieved during 2013/14.

North West Wales Health and Safety Group

IACC is a member of North West Wales Health and Safety Group which provides Health and Safety educational talks at the Bangor University. The University attempts to gain the services of guest speakers on a monthly basis to provide informative presentations. Membership is £25 per annum and any employee from IACC can attend a talk at no extra cost should the topic be relevant to their work area. Attending the group assists employees with relevant CPD where required.

Fire and Rescue Service

A meeting was held between the Corporate Health and Safety Team and the Fire and Rescue Service (FRS) to discuss the inspections carried out by the FRS. During the meeting it was agreed where possible joint inspections would take place. This would enable the Corporate Health and Safety Team to be present during the inspections and provide information which facility managers may not have readily to hand.

This should assist in gaining knowledge of the FRS approach to inspections, identify areas of possible weakness in IACC management of fire safety and reduce the likelihood of Notice of Deficiencies being issued against IACC.

5 Joint Consultation

Health and Safety Liaison Group

The Health and Safety Liaison Group has been jointly chaired by the Corporate Health and Safety Team and the Corporate Director for Sustainable Development for the majority of meetings. The group comprises of health and safety co-ordinators from services across the whole of the council. Union representation has been present at most meetings.

The meetings provide a forum to inform health and safety co-ordinators of progress with health and safety matters and enable the co-ordinators to table concerns from individual services.

The group had been meeting on a monthly basis but this stopped in October due to relatively slow progress and little to report on the development of health and safety within the authority. This was due to focus shifting to Transformation and Job Evaluation. The reduction in the number of the Corporate Health and Safety Team also reduced the capacity of the team to develop constructive agendas for the group.

Rather than taking up officers' time with relatively little to report, it was considered the best option was to postpone the meetings until more progress could be made with regard to health and safety and more useful agendas could be brought to the meeting.

Unison Inspection Safety In Numbers

During September Unison carried out joint inspections with the Corporate Health and Safety Team. The inspections were part of a Unison campaign to raise awareness of health and safety in the workplace. Inspections were carried out at the Anglesey Business Centre, Plas Penlan residential home and Gors Felen day centre, the BMU Depot at Gaerwen and Plas Arthur Leisure Centre.

Inspections took place between 16th and 19th of September 2013 with a single return visit on November 1st. No major issues were found during the inspections, with the return visit to inspect a broken electrical socket which had been identified during inspection and repaired the same day.

6 Occupational Health Provision

Occupational Health Provision is currently provided under contract with Gwynedd Council. The contract is managed by the HR section, information on the services should be provided by HR.

During 2007 to 2010 an Occupational Health Advisor / Back Care Advisor was based within the Corporate Health and Safety Team. This allowed for joint work on many projects and individual cases. During the initial stages of the Occupational Health contract being in place there was little communicate between Corporate Health and Safety and Occupational Health. Over the last twelve months there has been significant improvement in communication and potential for joint work.

There is still work to be done with regard to identifying potential gaps in the services provided by Corporate Health and Safety and Occupational Health due to potential restrictions in the contracted service delivery

Action 5	Continue to improve communication between Corporate Health and Safety and Occupational Health. Identify potential gaps between the two services. Consider where joint working would be of benefit to both services and the council as a whole.
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7 Key Achievements

LPG

In 2010 the HSE began an inspection campaign with regard to LPG installations. The campaign was due to an accident in Scotland where 9 people died after a gas explosion involving LPG.

The inspection was to assess the tanks, compounds, pipelines and regulators at each installation. The HSE inspector inspecting the installations took the inspection within the buildings, in effect inspection from the tank to the appliance in the kitchen or boiler house.

A key issue with the inspection campaign was to replace any “metal” pipework in the ground. This had been based on an assumption all metal pipework was steel. The pipework at installations under the control of IACC was plastic coated copper. As this was considered metal in the context of the campaign and as such needed to be replaced or inspected on an annual basis and signed off as safe by a competent person.

Replacement pipework would be manufactured from HDPE (plastic) and required inspection every 50 years.

During the summer months of 2013 all copper pipework was replaced with HDPE at all sites under the control of IACC. This enabled the HSE to close the inspection file on this campaign with regard to the sites under IACC control.

Asbestos

During 2013 the HSE began a campaign with regard to the control of asbestos on Civic Amenity Sites. This was to consider the control measures in place when members of the public were disposing of asbestos at the CA sites and how it was handled / control to removal from site.

Due to previous inspections of the CA site at Gwlachmai and the considered good standards at the site, the Senior HSE inspector at Wrexham directed two inspectors to visit the site at Gwlachmai. This was to enable a benchmark of standards to be achieved when carrying inspection elsewhere in North Wales.

8 Monitoring Health and Safety Performance

2010 to 2012 health and safety was developed in line with a Corporate Health and Safety Action Plan. This allowed for monitoring of the individual actions in the plan and to report on progress. Presented below are figures relating to the progress of the 2010/12 plan

Legionella (Commercial Properties) – 82%
Legionella (Domestic Properties) – 100%
Asbestos Commercial Properties – 100%
Asbestos Domestic Properties – 60%
Asbestos DLO Maintenance – 93%
LPG Property – 100%
LPG Highways – 98%
LPG Housing – 100%
Violence & Aggression and Lone Working – 50%
Violence & Aggression and Lone Working (RMS) – 32%
Control of Contractors – Construction Major/ Minor and Reactive Works (Major – 74% Minor - 82%)
Control of Contractors – Construction Housing – 58%
Control of contractors – Services – 50%
Transport – 99%
Transport – Maintenance – 100%
Stress – 100%
Fire Safety – 80%
Fire safety – Domestic – 70%
Ensure core function of Health and Safety Team – 100%
Monitoring – 50%
Training – 80%
Procurement – 10%
Accident Reporting - 93%
Leadership and Ownership – 99%

Note: This was a measurement of progress in regard to the specific actions in the plan for each topic.

A plan to cover 2012 to 2014 was develop to follow on from the 2010/12 plan and the formation of a Corporate Health and Safety Group formed. The group consisted of Heads of Service and Senior officers each with an aligned topic to drive forward. An initial meeting was held and a request for a Corporate Health and Safety Strategy was made by the group.

The purpose of the group was to ascertain whether the actions in the Corporate Health and Safety Plan were relevant to the impending changings within IACC.

Due to activity with the Transformation Plan and Job Evaluation the group has not to date reconvened and development of the plan has not progressed. Due to changes in structure within the authority and the departure of members of staff there is potential for some of the topic areas to have had progress compromised. Where

physical alterations or controls have been carried out or implemented there should be no change.

Where managerial controls had been implemented there may be a reduction or loss of control.

LPG and Ventilation

The reduction in number of staff within the Property Engineering Section may have an impact on control of legionella and LPG controls. There was significant work carried out on ventilation systems in school canteens after a number of “At Risk” notices were issued by the maintenance engineer contractor. This work was being monitored by the Property Engineering Section current and future work with regard to the canteens will need to be monitored.

Action 6	Action plans devised to improve the standards of LPG installations, kitchen appliances and ventilation systems should be monitored and reviewed to establish current status and future work
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Violence and Aggression and Lone Working

Violence and Aggression and Lone Work were identified as issues during the 2010/12 plan and continued in the 2013/17 plan. No additional progress was made in this area. The Civica Risk Management System (RMS) was an electronic records management system to record names, addresses or other details of potential risks to officers such as potentially violent persons. The RMS had been in place from 2007 and became dormant in 2011 has had issues with connectivity due to the ICT move from 32bit to 64bit computers. There are no records on the system as no incidents were recorded relevant to the persons recorded on the system. All records on the system were deleted to comply with the holding of relevant data and Data Protection issues.

Investigation work had been completed in 2012 – 2013 on other available systems which could replace the RMS, this included assessment of systems in other local authorities. This should continue and a system should be chosen and implemented.

Taking into account accident / incident data Violence and Aggression incidents appear to be the highest recorded incidents for all accident / incident figures and Employee only figures. This would indicate work is required in this area.

There is potential for an increased level of lone working due to the Transformation Plan which would identify the need to re-assess the controls in place and possibly implement new systems.

Action 7	A system should be identified to replace the RMS system to record known hazards and enable communication of the known hazards to all relevant parties as and when required.
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Stress

To address the actions of the 2010/12 plan, a Stress Group was formed. The purpose of the group was to assess the measures in place to control stress and assist post event with aiding employees back to work. Controls identified included a fast track counselling service to assist with return to work. The counselling service is currently still offered but as stated this is reactive treatment.

As part of the 2012/14 plan the continuation of this group was identified as an action. Again due to Transformation and Job Evaluation little progress has been made in this area.

Action 8	The stress group should form to assess whether the controls previously identified are still relevant and functioning as desired. Due to changes in the authority there may be a need for alternative approaches to stress. The changes themselves could be considered a stressor therefore assessment of the change process and effect on staff should be considered.
-----------------	---

Corporate Health and Safety

Action identified for the core function of the Corporate Health and Safety Team was seen as complete in the 2010/12 plan. Unfortunately in 2013 one member of the team left to employment elsewhere and a second went off on long term sickness to be followed by maternity leave. No replace or cover was afforded to these two posts. This had led to a reduction in the capacity of the team and the service provided. A report (11/11/13) was provided by the Corporate Health and Safety Team Leader providing options on the capacity of the team.

No response was received to the report and at the year-end it was considered only two directorates were being provided with health and safety support. A meeting was held on the 16/4/14 between the Head of Service Planning and Public Protection, Chief Officer Environmental Health and Team Leader Corporate Health and Safety to devise a plan to assist the Corporate Health and Safety Team with the workload.

Assessment of the capacity of the Corporate Health and Safety Team post improvement notice 2006 was one Health and Safety Manager, four Health and Safety Advisors and support from admin/technical officer.

The current plan is the Corporate Health and Safety Team (two advisors) provide support to Community and Lifelong Learning and Environmental Health provide support to Sustainable Development and Resource.

Action 9	An assessment of the required service provision from health and safety should be carried out to ascertain what capacity is required within the team. This should take into consideration the possible need to close possible gaps between Occupational Health provision and Health and Safety provision. Consideration should be given to the significant change in the authority and the need for additional support for Managers with inherited hazards and risks.
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Procurement

Health and Safety issues being considered at procurement stage was identified in the 2010/12 plan with little progress made. The actions were continued into the 2012/14 plan. The development of the procurement team and the North Wales Collaborative Procurement Project should address actions from the plan and possible future issues.

Accident / Incident Reporting

Accident reporting was identified as an issue in 2007 and work has been carried out to develop the reporting system. To address some of the issues the Corporate Health and Safety Team developed an electronic form (Word document), information and the form presented on the Monitor intranet system and a central e-mail address for the Corporate Health and Safety Team. This should have allowed for easier reporting of incidents.

The Corporate Health and Safety Team use the Environmental Health Civica system to record the information from accident / incident forms. This involved double inputting of information and is time consuming. There have been some complaints regarding the format of the forms and amount of information required.

This system was devised as a limited cost alternative to the carbon copy books previously used and a more efficient method of sending and receiving the forms. It is considered there is under reporting of incidents within the authority and the system of report may be part of the reason.

There are modern electronic reporting systems available which could reduce or remove the double inputting of information and be more efficient and effective at recording and reporting accident / incident data.

Many incidents recorded by the Health and Safety Team may not necessarily be health and safety incidents. Employees report these incidents on the accident / incident system due to there being no alternative system to record incidents. A central recording system for all types of incident may assist with this issue.

Action 10	The need for a system to report and record incidents (not just health and Safety) should be investigated and implemented. A system for recording all incidents should enable the use of a more efficient and cost effective system to be implemented. This should be of benefit to all departments and enable a more appropriate response to an incident to be instigated, rather than a first response from Health and Safety of investigating who should be informed of certain incidents.
	Should in not be considered there is a requirement for a central system to report all incidents, investigation should be carried out for a more efficient accident / incident reporting system.

9 Strategic Action Plan

The Corporate Health and Safety Team Leader had prepared a Corporate Health and Safety Strategy and Corporate Responsibilities Document (presented in appendix, Appendix 1). The strategy is presented in three elements Leadership, Process and Culture.

Key to the strategy is the Corporate Health and Safety Steering Group, this would assist in addressing the first element of the strategy, Leadership.

The Process element of the Corporate Strategy draws reference to Regulation 5 of the Management of Health and Safety at Work Regulations:

5. (1) Every employer shall make and give effect to such arrangements as are appropriate, having regard to the nature of his activities and the size of his undertaking, for the effective planning, organisation, control, monitoring and review of the preventive and protective measures.

Planning and Organisation should be carried out by the annual business plans put forward by the individual services to the Performance Unit for comment before approval by SLT.

This would also provide an element of Control as in awareness of what work is to be carried out and what are the outcomes of the work.

Monitoring to be carried out by line management and report to Heads of Service, Performance Unit and SLT.

Review to be carried out on the delivery of the service and assessed against the targets and goals identified when the business plans were put forward.

A copy of the full Corporate Health and Safety Strategy is presented in the appendix (Appendix 1).

10 Conclusion and Development Plan

During the last twelve month period attention has been focused on Transformation and Job Evaluation. Due to cuts in the budgets and external pressures to ensure both pieces of work are completed it could be understandable as to the reasons for such focus.

The concern would be some day to day issues and progress with improving health and safety standards may have fallen. The restructuring of the council could mean certain roles have been left vacant and tasks assigned to those roles not completed.

Due to restructuring there are Heads of Service who have inherited hazards new to them. The possible lack of familiarity of inherited services could result in insufficient controls and management systems being in place.

This may also be the case as the council moves forward with Transformation. The possible introduction of new methods of work and relocating of staff may result in the introduction of new hazards or a different risk from existing hazards.

The formation of the Corporate Health and Safety Steering Group is essential to gaining leadership for health and safety. Having health and safety topics driven forward by senior managers (Heads of Service) will demonstrate the commitment of senior managers to health and safety.

This will assist in installing a more safety conscious culture within the authority. The pre-planning and organising of business plans, projects and even minor work tasks should ensure adequate resources are allocated to work before starting. Pre-planning in turn should allow for work to be more efficient, less down time waiting for resources to be put in place.

A table of actions from the report is presented below. Actions considered a priority are marked as such.

Action 1	Read and consider Corporate Responsibilities Document and endorse as a corporate document Priority
Action 2	Health and Safety Plans to be integrated into Service Business and presented to Performance Review Group for comment before being presented to SLT To be in place for 2014/15 Service Business Plans
Action 3	Carry out a more in depth analysis of the violence and aggression incidents to identify causes and possible solutions. This should include a breakdown of groups receiving incidents eg: finance receiving abusive calls from employee, carers from clients, other front line services from general public Priority
Action 4	Collate health and safety training records to provide a central register of trained staff for key roles. To be developed in time for 2014/15 Service Business Plans

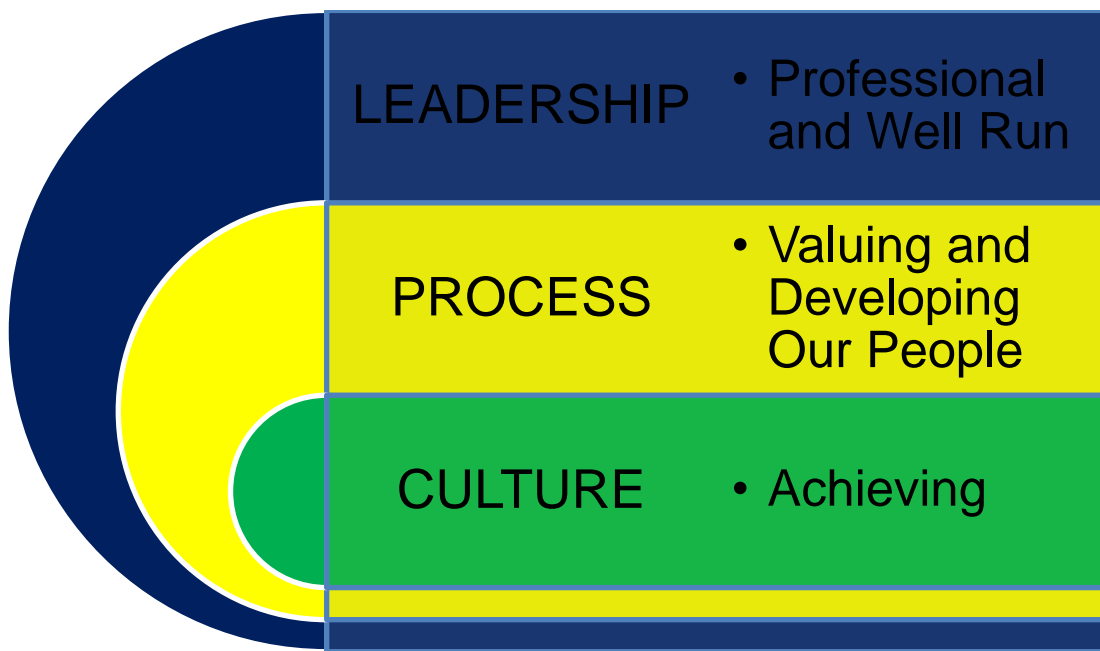
Action 5	Continue to improve communication between Corporate Health and Safety and Occupational Health. Identify potential gaps between the two services. Consider where joint working would be of benefit to both services and the council as a whole. Priority
Action 6	Action plans devised to improve the standards of LPG installations, kitchen appliances and ventilation systems should be monitored and reviewed to establish current status and future work To continue in line with LPG Action Plan
Action 7	A system should be identified to replace the RMS system to record known hazards and enable communication of the known hazards to all relevant parties as and when required. Priority
Action 8	The stress group should form to assess whether the controls previously identified are still relevant and functioning as desired. Due to changes in the authority there may be a need for alternative approaches to stress. The changes themselves could be considered a stressor therefore assessment of the change process and effect on staff should be considered. Priority
Action 9	An assessment of the required service provision from health and safety should be carried out to ascertain what capacity is required within the team. This should take into consideration the possible need to close possible gaps between Occupational Health provision and Health and Safety provision. Consideration should be given to the significant change in the authority and the need for additional support for Managers with inherited hazards and risks. Priority
Action 10	<p>The need for a system to report and record incidents (not just health and Safety) should be investigated and implemented. A system for recording all incidents should enable the use of a more efficient and cost effective system to be implemented. This should be of benefit to all departments and enable a more appropriate response to an incident to be instigated, rather than a first response from Health and Safety of investigating who should be informed of certain incidents. To be in place prior 2014/15</p> <hr/> <p>Should in not be considered there is a requirement for a central system to report all incidents, investigation should be carried out for a more efficient accident / incident reporting system. To be in place prior 2014/15</p>

APPENDIX

- 1 Corporate Health and Safety Strategy and Corporate Health and Safety Responsibilities Document

**ISLE OF ANGLESEY COUNTY COUNCIL
HEALTH & SAFETY STRATEGY**

2013 – 2017



**Corporate Health and Safety
Sustainable Development
November 2013**

HEALTH & SAFETY STRATEGY 2013 to 2017

Foreword

The Council's vision for the future comprises of six themes. The themes of **Professional and Well-Run**, **Value and Develop our People** and **Achieving** would have particular relevance to Health and Safety.

A **Professional and Well-Run** organisation recognises the need for good standards of Health and Safety and in turn those good standards of Health and Safety should demonstrate that an organisation **Values and Develops** its people. This in turn should assist with the process of **Achieving** the Council's Health and Safety Vision.

The Health and Safety Vision of the council is to be confident in achieving compliance with relevant legislation and ensuring a safe place of work, safe working practises and a safe working environment.

To achieve this vision a strategy of three key principles will be adopted:

Leadership: senior management will demonstrate commitment to health and safety by inclusion and integration into day to day working and at each stage of the transformation process.

Process: ensuring all aspects of work follow a standard process of Planning, Organising, Monitoring and Reviewing to all aspects of work

Culture: a culture of safety where forward thinking and acceptance of responsibility will identify any risks to people, property and business and ensure they are avoided or controlled.

This strategy seeks to provide guidance and support for the development of the Corporate Health and Safety Action Plan and individual Departmental Health and Safety Action Plans.

This Health and Safety strategy is endorsed by the Leader of the County Council, the Chief Executive Officer, Deputy Chief Executive Officer, Corporate Directors and recognised Trade Unions. The document will inform the annual corporate and departmental action planning process during the period to 2017 and will itself be the subject of annual review to gauge suitability.

Principle 1 Leadership

Professional and Well Run

We are committed to developing a democratic and professional partnership that will deliver effective, strong leadership and establish the necessary professional, and organisational behaviours required, to secure improvement.

A Corporate Health and Safety Steering Group comprising of nominated Heads of Service and chaired by a Corporate Director will devise an improvement framework in the form of a Corporate Health and Safety Action Plan. The improvement framework will consider the health and safety requirements for the Transformation Plan, day to day function of the Authority, financial restrictions and realistic achievable goals.

Monitoring of progress and delivery will be carried out by the Corporate Health and Safety Steering Group with assurance monitoring carried out by the Corporate Health and Safety Team.

Both processes of monitoring will be reported to the Corporate Director to enable the Corporate Director to report to the Executive Committee and SLT.

The Corporate Health and Safety Steering Group will act as the driver for improvement across the whole Authority.

Principle 2 Process

Valuing and Developing our People

We will value and develop our people, so that they are skilled and motivated, and always professional in the way that they work. We will recognise success, innovation and a commitment to providing exceptional customer service.

Planning: To consider the health and safety requirements when planning the direction and work the council needs to undertake in order to provide services

A key component of business planning is the requirement to identify the business risks and mitigating controls. The principal is the same for health and safety. As service delivery plans are drawn up year on year the expectation is to provide a risk register for the business. A register for health and safety risk and mitigating controls will be drawn up. Once risks have been identified the management system for them will be planned.

Organising: To ensure the arrangements and resources are in place to effectively control health and safety

Elements of effective organisation include communication, control and competence. Communication is to be provided via meetings of different levels, control is to be provided via the management structure, competence is to be provided from initial selection, appraisal and training.

Monitoring: To ensure effective monitoring arrangements are in place and systems to report and record progress

Monitoring will take many forms, inspection, test, audit and general observation. This will be carried out by numerous officers at different times. The key aspect of the monitoring is the recording, reporting and acting on information gained to rectify issues.

Reviewing: To ensure effective arrangements are in place for health and safety performance.

The review will take into consideration the whole function cycle of the service, planning, organising and monitoring. The review process should include comparing performance data with expected standards to establish any shortfalls and consider methods of addressing.

Principle 3 Culture

Achieving

We are results and outcome orientated and strive to improve our performance in the important areas of our work

By following the first two principles, forward looking culture will be instilled in the Authority to consider what can go wrong and what harm can come from it. This considered approach should avoid or control the risks to the Authority, its employees, customers and public in general before they can be realised.

In order to ensure there is a good health and safety culture all employees must take responsibility for their actions. The Corporate Responsibilities Document outlines the expected responsibilities at all levels. All employees should be aware of these responsibilities and accept them as part of their job role.

Within the Transformation Programme key components to building the foundations for the Plan identify the development of a high performing culture for Ynys Mon. The development of the culture of high performance should enable staff at all levels not to accept poor standards of Health and Safety.

Current strategic Challenges

The Health and Safety Strategy provides principles to enable improvement with regard to Health and Safety standards. Whilst developing work streams from these principles consideration must be given to the challenges and restraints the Council faces. These challenges and restraints will create additional issues to be considered. These challenges are similar to those expected with regard to the Transformation Plan.

- Financial climate and the efficiency strategy
- Modernising Children's Services
- Modernising Adult Social Care
- Leisure Services Review
- Enterprise Island
- Welfare Reform
- Positioning the council regionally and nationally

In addition to these challenges consideration will be given to the effects of change. These would include possible loss of technical, local and historical knowledge within departments. The possible increase in pressure of work must be considered during any period of change.

Leadership	
	Transformation plan – identify aims/goals of plan and what is required for HS compliance – actions/projects required to achieve compliance develop into part of a Corporate Health and Safety Plan
	Day to day function - assessment of the standards of Health and Safety for the day to day function of the council to identify possible deficiencies (reported on in Service meetings and monitored by Heads of Service) – actions/projects required to achieve compliance with Health and Safety legislation to be developed into part of a Corporate Health and Safety Plan
	Health and Safety Plan developed from above points – allocation of topics/actions to specific senior management to ensure delivery and monitor – becomes the Health and Safety Steering group to ensure delivery/monitor (quarterly meetings to consider progress and report – [independent monitoring HS Team])
Process	
	<p>Planning Transformation plan – identifying how the council will function, what arrangements and resources are required Service delivery plans – identifying how services will be delivered, what arrangements and resources are required Policy and procedures for topics and methods of work</p>
	<p>Organising Communication – Transformation plan / Service plans/Policies and Procedures communicated at all levels to ensure effective operation of the systems Control – approval of Service Plans prior to implementation and managers taking full responsibility for controlling factors to oversee delivery of plans Competence – initial selection process for individual posts considering competence required followed by annual appraisal and training for employees / contractor selection process identifying competence and capacity for contract work (includes review of previous contracts)</p>
	<p>Monitoring – line management monitoring progress/HS inspection/performance reviews/audit inspections/maintenance reports/insurance inspection/contract management /progress meetings/incident investigation/health surveillance/sickness absence</p>
	<p>Review – performance review , audit reports, scrutiny reports all to provide feedback to SLT and Committee to consider and compare results to expected outcome from planning stage this identifies future improvement required. This enables a return to stage one of Planning to address short fall and develop actions for future Health and Safety Plans</p>
Culture	
	<p>Leadership to communicate the message of performance and the avoidance of loss demonstrates the councils desire to improve. Forward planning during the operational process of the council indicates the considered approach, provision of adequate resources and monitoring and review are the actions to achieve improvement. Staff observing the Leadership and actions in the Process will receive the message of accountability and desire to improve.</p>
	<p>The Corporate responsibility document (appendix) provides direction to all staff of their responsibilities with regard to Health and Safety. For all members of staff these are ensuring to take care of themselves, consider others and report issues of concern.</p>

Appendix to Strategy

Corporate Responsibilities Document

Corporate Health & Safety Policy Responsibilities

This document should be read in conjunction with Section 3 of the Health and Safety Policy General Statement.

Revision July 2013

Page **35** of **52**

Page 101

The Council

1. Shall provide an effective Corporate Policy for Health and Safety and provide effective arrangements to ensure safe working environments and practises
2. Shall ensure, so far as is reasonably practicable, that sufficient resources are available to satisfy health, safety and welfare requirements, including sufficient health and safety support.
3. Shall periodically appraise the effectiveness of the corporate policy and ensure necessary amendments are incorporated into revised policies.
4. Shall ensure there are effective decision making processes at elected member level to demonstrate an unequivocal commitment to effective health, safety and welfare arrangements within the organisation.
5. Shall attend training / briefing sessions provided to ensure that elected members have a clear understanding of their responsibilities within the County Council's overall health, safety and welfare arrangements.

The Executive

1. Shall, through direct decision making and / or delegation to portfolio holders and officers, give practical effect to health, safety and welfare responsibility of the County Council as a corporate body.
2. Shall, in consultation with the County Council's Strategic Leadership Team agree targets for year on year or longer term improvements in health, safety and welfare performance at corporate level within the organisation.

The Portfolio Holder Planning and Environment / Performance Transformation; Corporate Plan and Human Resources

1. Shall Take direct interest in and support the County Council's Chief Executive Officer and Corporate Directors in fulfilling their roles and responsibilities within the County Council's overall health, safety and welfare arrangements.
2. Shall, as chair of the Performance Management Panel, be responsible for the effective, regular monitoring of the management of health, safety and welfare within the organisation.

Service Portfolio Holders

1. Shall develop a reasonable appreciation of health and safety policies relevant to the services and activities for which they hold portfolio responsibilities.
2. Shall ensure appropriate time is given, during meetings with directors and managers, to discuss and appraise health, safety and welfare performance within their service areas.
3. Shall support the actions of the head of service and other service managers to implement and maintain programmes for the improvement of health, safety and welfare.
4. Shall attend any formal joint health and safety meeting where an issue relevant to their portfolio responsibility is being considered.

The Chief Executive Officer

1. Shall have overall responsibility to the County Council for the effective development and implementation of Health, Safety and Welfare strategies, policies, programmes and arrangements within the organisation
2. Shall ensure that responsibilities for the effective management of health, safety and welfare at work are properly assigned and accepted at all levels with sufficient resources available to ensure compliance with relevant legislative requirements.
3. Bring to the notice of the County Council recommendations for additional resources where these are deemed necessary for purposes of legislative compliance.
4. At Strategic Leadership Team level, be responsible for the effective and regular monitoring – at directorate level - of the management of health, safety and welfare and shall support the portfolio holder Personnel, Policy and Performance in ensuring effective monitoring at corporate level.
5. Shall have an awareness of health and safety issues within his directorate and attend training / briefing sessions relevant to his role and responsibilities.
6. Shall provide managerial leadership and support to services located within his own directorate and oversee the monitoring of health, safety and welfare performance across the directorate.

The Corporate Director Sustainable Development

1. Shall be responsible for the provision of an effective central health, safety and welfare advisory service within the County Council with appropriate resources.
2. Shall ensure that the County Council's corporate policy is understood at all levels and across the organisation.
3. Shall ensure effective processes are in place for the provision of information and training on all health, safety and welfare policies, strategies, programmes and processes to all employees, volunteer and casual workers and elected members.
4. Shall fulfil the role of Health and Safety Champion within the County Council and shall –
 - a. Take a direct interest in health and safety initiatives and actively promote and support them within the County Council.
 - b. Actively encourage and support all in discharging their responsibilities with respect to the effective management of health and safety and the implementation of legislative requirements.
5. Shall support the overview, monitoring and review of general safety performance, strategies, policies, processes etc. with a view to initiating reviews to gain improvement.
6. Shall ensure that arrangements are in place to involve work force safety representatives and recognised trade unions in health and safety committees.
7. Shall ensure an effective link is maintained with external organisations active in the field of health and safety and welfare incl. the Health and Safety Executive
8. Shall undertake health and safety responsibilities as a Corporate Director for those activities within his remit.

Corporate Directors

1. Shall be responsible for all aspects of Health and Safety within the control of their directorate
2. Shall ensure a suitable and sufficient Health and Safety Management system is implemented and monitored within their directorates.
3. Shall ensure sufficient resources are identified and provided to enable work activities to be carry out in a safe manner and in compliance with legal requirements
4. Shall integrate Health and Safety into Business Delivery Plans for the directorate to enable the development of suitable and sufficient Health and Safety Plans to be developed to provide constant improvement in standards

Head of Service

1. Shall be responsible for all aspects of Health and Safety within the control of their Service
2. Shall ensure a suitable and sufficient Health and Safety Management system is implemented and monitored within their Service.
3. Shall ensure sufficient resources are identified and provided to enable work activities to be carry out in a safe manner and in compliance with legal requirements
4. Shall integrate Health and Safety into Service Delivery Business Plans for their Service to enable the development of suitable and sufficient Health and Safety Plans to be developed to provide constant improvement in standards

Service and Other Managers

1. Shall be responsible for all aspects of Health and Safety within the control of their work area
2. Shall ensure a suitable and sufficient Health and Safety Management system is implemented and monitored within their work area.
3. Shall ensure sufficient resources are identified and provided to enable work activities to be carry out in a safe manner and in compliance with legal requirements
4. Shall assist the Head of Service to integrate Health and Safety into Service Delivery Plans for the relevant Service to enable the development of suitable and sufficient Health and Safety Plans to be developed to provide constant improvement in standards

All Individual Employees (including temporary, casual and volunteer workers)

1. Shall take reasonable care of their own health, safety and welfare and for the safety of others who may be affected by their work

2. Shall assist line managers with Health and Safety by observing policies, procedures, safe systems of work and site rules where required
3. Shall use all safety equipment as required in the manner it is required to be used and must not interfering with or misuse anything provided in the interests of health, safety and/or welfare.
4. Shall immediately inform their supervisor or manager when an accident occurs or if there is a dangerous occurrence.
5. Shall, as soon as is reasonably practicable, report to their supervisor or manager any potential health or safety hazards identified in the course of the work.
6. Shall participate fully in any health and safety or welfare training activity which their departmental management consider essential to their duties and responsibilities.

The Corporate Health and Safety Team

1. Shall promote and assist with the maintenance of health, safety and welfare within the organisation
2. Provide a health and safety advisory service to all staff
3. Assist SLT, HoS and managers to develop and maintain a comprehensive health and safety management system at service level and for the whole organisation
4. Assist with the development of health and safety action plans within the organisation and monitor progress of the plans
5. Liaise with HR Services on matters relating to employee health
6. Ensure effective accident and incident investigation and where required report such events to the HSE (as required by RIDDOR)
7. Liaise with the enforcing authorities on matters relating to health and safety
8. Facilitate Health and Safety meetings including Health and Safety Liaison Group meetings and Health and Safety Steering Group meetings

The Head of Professional Services

1. Shall ensure at recruitment stage that the person specification includes the relevant qualification and competence to satisfy legal requirement and health and safety needs
2. Shall ensure an effective support and advisory service is in place to assist departmental managers with all aspects of case management of sickness absence and industrial injury
3. Shall ensure a confidential counselling service for individual cases of stress and similar conditions
4. Shall ensure health and safety information and guidance is included in all induction processes.
5. Shall liaise with the Corporate Health and Safety Team to provide effective health and safety training at all levels
6. Shall provide a central co-ordination of activities and programmes to fulfil the corporate health strategy.

All Other Person on Council Premises

1. Shall observe the County Council's health and safety rules and any instruction given by officers - including those receiving visitors or those with whom there is a specific appointment / meeting.

Hirers of Council Premises (incl. schools)

1. Shall conduct them self and carry out their activities in such a manner that all health, safety and welfare requirements are met at all times.
2. Shall identify one competent individual who will be in overall charge for the hire period and who will be expected to liaise with the relevant council officer(s) on health and safety matters.
3. Shall comply with all health, safety and welfare guidance / instructions provided by the Council's officers.
4. Shall not, without the prior permission of an officer of the County Council, alter or adjust any fixed installation, nor remove or interfere with safety, fire or first aid notices or equipment.

Contractors & Sub-Contractors

N.B. Where work is undertaken on behalf of the County Council by a contractor, that work will be supervised by officers of the authority to ensure both that the work undertaken is in accordance with specification and that the authority's employees and / or members of the public are not endangered by the contractor's work.

Please see a separate guidance for staff supervising contractors

1. Tender documentation shall include reference to the contractor's duties and responsibilities in relation to health and safety at work and stipulate that all works are to be carried out to a safety standard compatible with that required by legislation.
2. The County Council shall bring to the attention of the contractor, details of any known or foreseeable hazards which may be encountered in the course of work.

Staff Responsible for Purchasing/Procurement

1. Shall reasonably ensure all goods, substances, equipment etc. purchased for use within the County Council or by its agents, are so manufactured, designed and constructed as to be safe and without risks to health when properly used and provided with relevant safety information.
2. Shall ensure that any modifications to basic equipment specified to improve performance must be considered beforehand in consultation with the relevant Health and Safety Advisor.

***N.B.** In any case where the procurement is of a contract for service by a third party, staff responsible for purchasing / procurement shall familiarise themselves with the requirements of staff supervising contractors insofar as they apply to procurement and to any published guidelines for contractors.*

Staff Supervising Contractors

1. Familiarise themselves with the Council's policies in relation to contractors / sub-contractors.
2. Shall ensure that the successful contractor works to the arrangements of an effective health and safety policy and there is an effective safety organisation in place with a nominated senior executive with overall responsibility for health, safety and welfare matters.
3. Shall bring to the contractor's attention, information on known / foreseeable hazards which the contractor could potentially encounter in the course of his work.
4. Shall familiarise themselves with all safety legislation, codes of practice etc. in relation to the work to be undertaken by the contractor.

5. Shall in the event of any health, safety or welfare problem arising in the course of the contract work, liaise immediately with the relevant health and safety officer to attempt to rectify the problem with the contractor.

6. In the event of continual problems in relation to compliance with health, safety and welfare requirements by the contractor, shall inform senior management so that consideration may be given to further action (which could include the termination of the contract arrangement)

Trade Unions (including Education)

Although there is no specific responsibility on Trade Unions under existing legislation, as a representative or organised "group" of individual employees, they are required - as a logical extension of section 7(b) of the Health and Safety at Work ETC. Act - to co-operate with the employer so far as necessary to enable statutory requirements to be complied with.

Furthermore, the Human Resource policy framework which operates within the County Council recognises certain Trade Unions and is based on the principal, wherever practicable, of joint working to achieve aims and objectives and joint agreement on many policies and processes.

Departmental Health and Safety Co-ordinators

1. Shall take a direct interest in health, safety and welfare initiatives and actively promote and support them within their respective directorates.

2. Shall act as representative of their directorate on the Corporate group.

3. Shall ensure that their Directorate Management Team is appraised of the latest developments in health and safety and informed of discussions and actions agreed by the Corporate group.

4. Shall assist the Corporate Director in bringing Council policies and procedures to the attention of all employees.

5. Shall seek to encourage an effective link between their respective directorates and the Council's corporate health and safety advisory service.

The Corporate Director Lifelong Learning (with specific reference to schools)

1. Shall ensure that all health, safety and welfare policies, guidance, instructions and advice issued corporately by, or on behalf of the County Council, are brought to the attention of the Governing body and head teacher of all schools within the County Council's jurisdiction, together with any DFE, ESAC or HSE guidance etc. concerning health, safety and welfare in school establishments and activities.
2. Shall maintain an overview to ensure, so far as is reasonably practicable that schools are complying with the general County Council policy framework for health, safety and welfare matters wherever relevant.
3. Shall arrange occasional audits for the management of health, safety and welfare within schools.

Governing Bodies

These responsibilities are set in the context that ultimately the responsibility for health, safety and welfare at work rests with the County Council as the employer.

1. Shall have overall responsibility for ensuring that the school has an effective policy and arrangements for the health, safety and welfare of it's staff, pupils, parents and others on school premises involved in school activities outside the school premises.
2. Shall, in consultation with the Head Teacher, agree targets for the year on year improvement in health, safety and welfare performance within the school.
3. Shall reasonably ensure sufficient resources are made available to satisfy health, safety and welfare requirements within the school within the delegated budget.
4. Shall periodically monitor the effectiveness of health, safety and welfare management within the school and appraise the effectiveness of the health and safety policy, ensuring that any necessary amendments are incorporated within the policy.
5. Shall attend training / briefing sessions provided to ensure that the governing body have a clear understanding of their role and responsibilities as regards health, safety and welfare at work.

Head Teachers

1. Shall have overall responsibility to their governing body for the effective development and implementation of health, safety and welfare policies and programmes for their school and for the establishment of effective health and safety arrangements within the school.
2. Shall ensure that responsibilities for the effective management of health, safety and welfare at work are properly assigned and accepted at all levels.
3. Shall ensure that all the necessary health and safety training for schools is planned and provided.
4. Shall, where necessary, bring to the notice of the governing body, recommendations for additional resources where these are deemed necessary for purposes of legislative compliance and also any significant problems encountered in implementing health and safety policies.
5. Shall take out a direct interest in health and safety programmes within the school and publicly and actively support staff involved in carrying them out.
6. Shall ensure that all staff, pupils, parents and other relevant individuals are made aware of the school's health, safety and welfare policy and of their roles and responsibilities as defined in that policy.
7. Shall be responsible for the effective and regular monitoring of the management of health, safety and welfare within individual departments and units of the school and for the preparation and presentation of monitoring reports to the governing body.
8. Shall seriously consider any representation about health, safety or welfare from any member of staff of the school and shall consult with workplace safety representatives on health, safety and welfare issues as appropriate.
9. Shall attend training / briefing sessions relevant to their roles and responsibilities.
10. Shall ensure, so far as is reasonably practicable that no member of the public or others attending at school premises are exposed to health and safety risks by the activities of the school.

Heads of Department in Schools

1. Shall have direct responsibility for the effective management of health safety and welfare within their school department.
2. Shall familiarise themselves with the schools health, safety and welfare policies and codes of practice and all County Council corporate policies which are of relevance.
3. Shall ensure that all members of teaching staff and other support staff are adequately trained and in particular that any new, temporary or volunteer workers are instructed in their duties with due cognisance to the requirements of safety legislation.
4. Shall attend training / briefing sessions relevant to their role and responsibilities.
5. Shall ensure that all defects, accidents, dangerous occurrences and hazards are promptly reported and dealt with.
6. Shall ensure good housekeeping is maintained in the department at all times
7. Shall ensure that risk assessments have been undertaken for all activities and jobs within the department, actions arising from those risk assessments are addressed promptly, findings from those risk assessments communicated to the relevant individuals and that those risk assessments are reviewed and revised as often as is appropriate in each case.
8. Shall provide information on their department's health, safety and welfare performance to the head teacher to the frequency and in the format specified by the head teacher.
9. Shall seriously consider any representation about health, safety and welfare from any member of the department's staff.
10. Shall liaise with any workplace safety representative as necessary.
11. Shall from time to time undertake health and safety audits within their departments.

Teachers, Teaching Support & Administrative Staff

1. Shall take responsible care of their own health, safety and welfare and for the health, safety and welfare of others who may be affected by their acts or omissions in the same manner as all individual employees (as stated previously in this document)
2. Shall reasonably ensure that pupils and teaching support staff also wear and/or use the relevant safety equipment whenever appropriate.
3. Shall reasonably ensure the classroom / teaching / activity / work area is safe prior to the commencement of lessons / activity / work.
4. Shall participate fully in any health and safety or welfare training activity which their head of department consider essential to their duties and responsibilities.

APPENDIX

2 Accident / Incident Data

Accident / Incident Data

Presented below are the figures for all accidents/incidents across the whole Authority. This includes employees, pupils, service users, members of public and damage or loss incidents for facilities and equipment.

All accident / incidents (including members of the public)					
Year	2013/14				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year End
Minor	188	168	346	301	1003
Serious	76	56	41	44	217
RIDDOR	5	5	3	5	18
Total	269	229	390	350	1238
Comparison with previous years					
All accident / incidents (including members of the public)					
Year	2012/13				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year End
Minor	301	248	349	270	1168
Serious	51	38	47	59	195
RIDDOR	10	7	20	7	44
Total	362	293	416	336	1407
Year	2011/12				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year End
Minor	153	195	245	355	948
Serious	41	39	42	48	170
RIDDOR	3	16	21	21	61
Total	197	250	308	424	1179
Year	2010/11				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year End
Minor	307	264	278	328	1177
Serious	24	25	18	24	91
RIDDOR	8	22	28	32	90
Total	339	311	324	384	1358

Presented below are the figures for all accidents/incidents across the whole Authority. This includes employees only figures/

Employee only accident / incidents					
Year	2013 /14				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year End
Minor	57	43	65	71	236
Serious	17	23	16	11	67
RIDDOR	2	4	0	3	9
Total	76	70	81	85	312
Comparison with previous years					
Employee only accident / incidents					
Year	2012/13				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year End
Minor	59	95	76	64	294
Serious	15	5	10	20	50
RIDDOR	5	2	5	5	17
Total	79	102	91	89	361
Year	2011/12				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year End
Minor	49	62	71	58	240
Serious	11	5	15	9	40
RIDDOR	0	5	4	3	12
Total	60	72	90	70	292
Year	2010/11				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Year End
Minor	134	75	68	70	347
Serious	4	6	4	8	22
RIDDOR	2	3	2	13	20
Total	140	84	74	91	389

Information by Directorate

All accident/incidents				
Directorate 2013/14				
	Chief Exec & Finance	Community	Lifelong Learning	Sustainable Development
Minor	14	409	320	122
Serious	2	70	96	19
RIDDOR	0	7	5	6
Total	16	487	421	147
Accidents / incidents (employee only)				
Directorate 2013/14				
	Chief Exec & Finance	Community	Lifelong Learning	Sustainable Development
Minor	12	79	69	48
Serious	2	11	40	3
RIDDOR	0	3	1	5
Total	14	93	110	56

ISLE OF ANGLESEY COUNTY COUNCIL

COMMITTEE:	Audit Committee
DATE:	23 September 2014
TITLE OF REPORT:	Public Services Ombudsman for Wales – Annual Summary of Performance 2013 /14
REPORT BY:	Head of Council Business / Monitoring Officer
PURPOSE OF REPORT:	For Information

1. Background:

Since 2006 the Public Services Ombudsman for Wales (PSOW) has published an annual report on the work undertaken by his office over the previous 12 months, producing an Annual Summary of Performance for each public authority.

The PSOW's current Summary Report is attached at **Enclosure 1**. This covering report seeks to put the PSOW's Report in context, and provide a year on year comparison of our performance from 2011/12.

The focus is on service complaints, but there is a section on complaints under the Members' Code of Conduct.

2. Main Heading – Service Complaints

A. Comparison of complaints across Wales, adjusted for population

The number of complaints received by the PSOW against IOACC has fallen from over 50% more than the local authority average in 2010/11; to over 27% more in 2011/12; to over 28% more in 2012/13 and to over 23% more for 2013/14.

B. Complaints received

The number of service complaints received, about this Council by the PSOW during 2013/14, was 26 which is one more than 2012/13, the same as for 2011/12 and down by 9 from those received during 2010/11.

C. Comparison of complaints by subject category with local authority average

CC-017095-LB/225402

The categories tend to vary every year, depending on the nature of the complaints received.

However,

D. Complaints accepted for investigation

Of the 26 complaints in 2013/ 14, none was selected for investigation. This compares with 2 out of 25 in 2012/13 and 5 out of 26 during 2011/12.

E. Comparison of complaints investigated, adjusted for population

As noted above, the PSOW did not investigate any complaints against IOACC during 2013/14 so, there is no comparative data available.

F. Comparison of complaint outcomes with average outcomes, adjusted for population

As noted above, the PSOW did not investigate any complaints against IOACC during 2013/14 so there is no comparative data.

G. Comparison of IOACC times for responding to requests for information with average local authority and average all Wales response times 2010/11

As noted above, the PSOW did not investigate any complaints against this Council during 2013/14 so there is no comparative data available.

For information, the way that average response times are calculated is:-

“the ‘clock’ for measuring response times starts when an investigation is commenced (i.e. the date on the letters sent seeking information) and the ‘clock’ stops when the PSOW’s office has received a full response – not a partial response –on all the points raised in that initial letter”.

This does not reflect the fact that initially the authority is asked to provide the PSOW with information within 20 working days. Neither does it reflect any agreements between local authorities and the PSOW for further time to provide information in complex cases.

H. Enclosure 2 contains a Summary of Internal Concerns and Complaints 2013/14

3. Main Heading - Conduct Complaints

The PSOW’s Summary Report does not provide any comparison with the average for this category, but it contains statistical information. This is at **Enclosure 3.**

CC-017095-LB/225402

In all, the number of closed Code of Conduct complaints across Wales is down by 48 and the data shows that for 2013/14 IOACC, with 2 closed cases, shared equal 2nd place with Ceredigion Council as compared to equal 13th place with Blaenau Gwent and Caerphilly in 2012/13 (6 closed cases).

The highest recorded number of closed cases was for Swansea with 30 closed cases and the lowest recorded number was 1 for Conwy, Wrexham and the Vale of Glamorgan.

4. Main messages and any action required in response to the Report.

- The PSOW notes that there is a noticeable increase across Wales in social services complaints, but this is not reflected in the data for IOACC.
- The PSOW's Report shows that IOACC is improving against its own historical performance and against the Wales average.

A copy of the full PSOW's Annual Report is at:-

<https://www.ombudsman-wales.org.uk/en/publications/Annual-reports.aspx>

- In addition, the IOACC's own service complaints data is published on the Website on a rolling monthly basis at:-

<http://www.anglesey.gov.uk/council-complaints-statistics/111531.article>

- The IOACC's own Code of Conduct Complaints data is published quarterly on the Standards Committee Agenda

5. Recommendation:-

To note the contents of the Report and its attachments.

Our ref: MG/jm

Ask for: James Merrifield

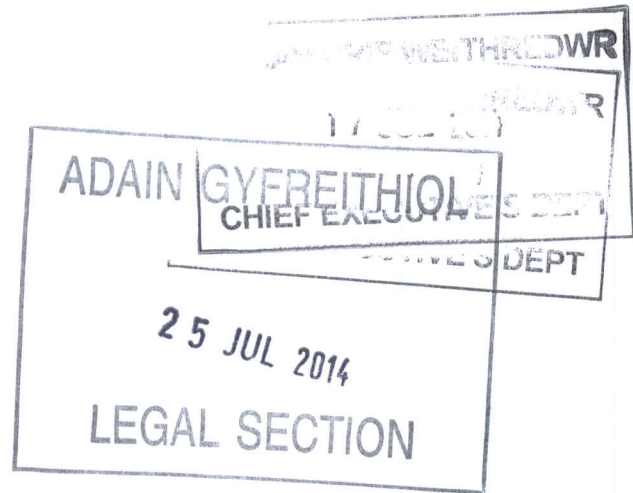
Your ref:

 01656 644 200

Date: 15 July 2014

 James.Merrifield@ombudsman-wales.org.uk

Mr Richard Parry Jones
Chief Executive
Isle of Anglesey County Council
Council Offices
Llangefni
Anglesey
LL77 7TW



Dear Mr Parry Jones

Annual Letter 2013/14

Following the recent publication of my Annual Report, I am pleased to provide you with the Annual Letter (2013/14) for Isle of Anglesey County Council.

Whilst health complaints have continued to rise, and remain the most numerous type of complaint, there has also been a noticeable increase in social services complaints. This suggests that service user discontent with social service provision is now beginning to manifest itself in a similar way to service users of health provision. My office will continue to monitor this area of growth, particularly in view of the changes to the Ombudsman's jurisdiction as a result of the Social Services and Well-being (Wales) Bill and the changes to the statutory social services complaints procedure. This growth is clearly a matter of concern, and I would urge local authorities to monitor trends in the complaints made to them in this area of service delivery.

In reference to the overall performance of county and county borough councils in Wales, my office has issued fewer reports, compared with 2012/13. There has also been a slight drop in the number of cases closed by way of 'quick fix' or 'voluntary settlement'- In view of the benefits to all parties in resolving certain types of complaints quickly and without the need for full investigation, I would encourage all Councils to be receptive to redress proposals from my office which would enable cases to be resolved in this way. Finally, the figures show that the largest number of complaints relate to 'Planning and Building Control' and 'Housing', followed by complaints about 'Children's Social Services' and 'Roads and Transport'.

I have issued nine Public Interest Reports during 2013/14, the majority of which related to health complaints. Some of these reports have identified serious failings in respect of clinical care provided to patients, and the lessons to be learnt from such reports are most relevant to health bodies. However, other public interest reports have identified failings in respect of making reasonable adjustments to accommodate a patient's deafness; acting in accordance with, or implementing guidelines; and, incomplete record-keeping. These are serious failings which could potentially occur within any public body or service provider, and I would therefore encourage you to review all public interest reports to identify any lessons which may apply to your Council.

In reference to the amount of time taken by public bodies in Wales in responding to requests for information from my office during 2013/14, whilst there has been an increase in the percentage of responses received within four weeks, 36% of responses from public bodies have taken more than 6 weeks. I have outlined my concerns in the Annual Report over the way in which complaints are handled, and have also previously referred to 'delay', and the consequences of it, in The Ombudsman's Casebook. Clearly, there remains work to do to ensure that public bodies are providing information promptly and I would encourage all bodies to consider whether their performance in this area warrants further examination.

In reference to your Council, whilst there has been a slight increase in the number of complaints received, compared with 2012/13, my office has not commenced any investigations against your Council in 2013/14. The largest single area of complaint is again 'Planning and Building Control'. My office has issued one 'upheld' report and one 'not upheld' report against your Council during the past year. Finally, as my office did not commence any investigations against your Council during 2013/14, there were no response times recorded in relation to your Council.

The new Ombudsman will be taking up his post in August and I am sure he will be in touch at an appropriate time to introduce himself and possibly to discuss some of the above matters. Finally, following the practice of previous years, a copy of the annual letters issued to county and county borough councils will be published on the PSOW's website.

Yours sincerely



Professor Margaret Griffiths
Acting Ombudsman

Appendix

Explanatory Notes

Section A compares the number of complaints against the Council which were received by my office during 2013/14, with the local authority average (adjusted for population distribution) during the same period.

Section B provides a breakdown of the number of complaints about the Council which were received by my office during 2013/14. Section C compares the number of complaints against the Council which were received by my office during 2013/14, with the local authority average for the same period. The figures are broken down into subject categories.

Section D provides the number of complaints against the Council which were taken into investigation by my office during 2013/14. Section E compares the number of complaints taken into investigation with the local authority average (adjusted for population distribution) during the same period.

Section F compares the complaint outcomes for the Council during 2013/14, with the average outcome (adjusted for population distribution) during the same period. Public Interest reports issued under section 16 of the Public Services Ombudsman (Wales) Act 2005 are recorded as 'Section 16'.

Section G compares the Council's response times during 2013/14 with the average response times for all local authorities, and all public bodies in Wales during the same period. This graph measures the time between the date my office issued an 'investigation commencement' letter, and the date my office receives a full response to that letter from the public body.

Section H provides a breakdown of all Code of Conduct complaints received against Councillors during 2013/14. Finally, Section 'I' contains the summaries of all reports issued in relation to the Council during 2013/14.

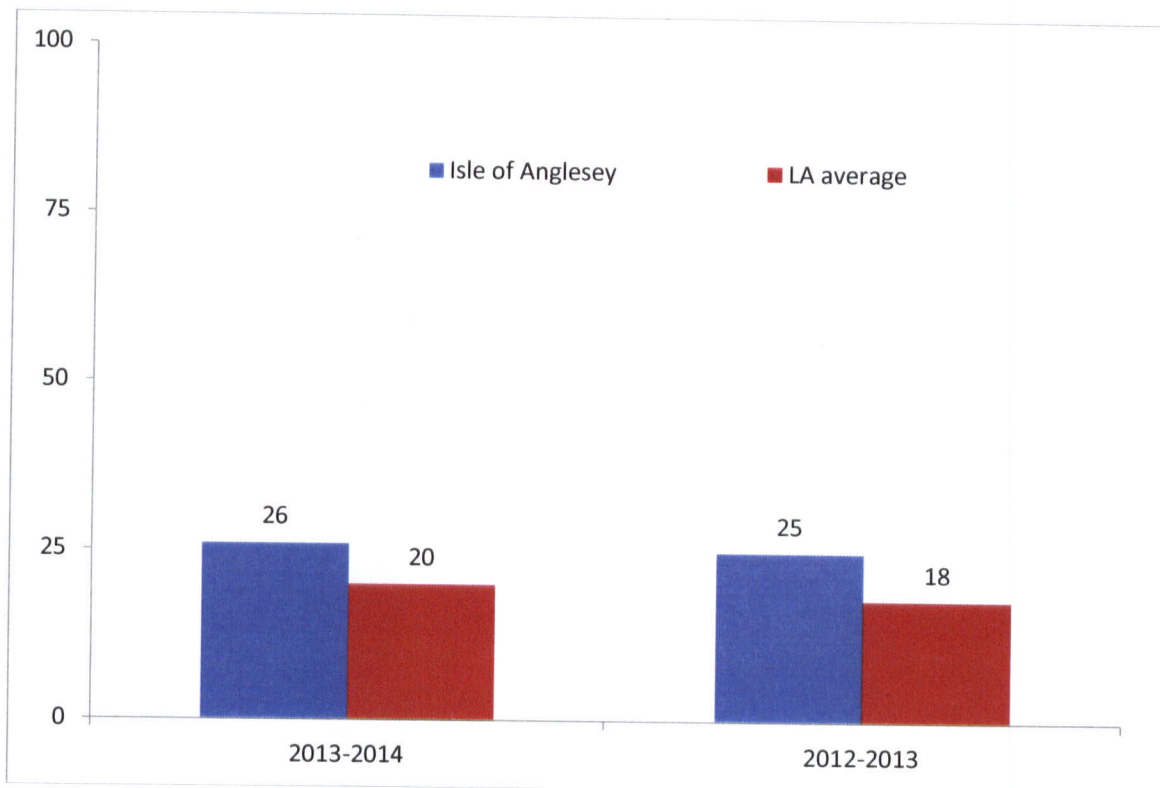
Housing Stock

As with previous exercises, the figures for 2013/14 have not been adjusted to take account of the transfer of housing stock. However, it is noted that there is likely to be a higher proportion of Housing complaints where local authorities have retained their housing stock.

Feedback

We welcome your feedback on the enclosed information, including suggestions for any information to be enclosed in future annual summaries. Any feedback or queries should be sent to james.merrifield@ombudsman-wales.org.uk.

A: Comparison of complaints received by my office with average, adjusted for population distribution

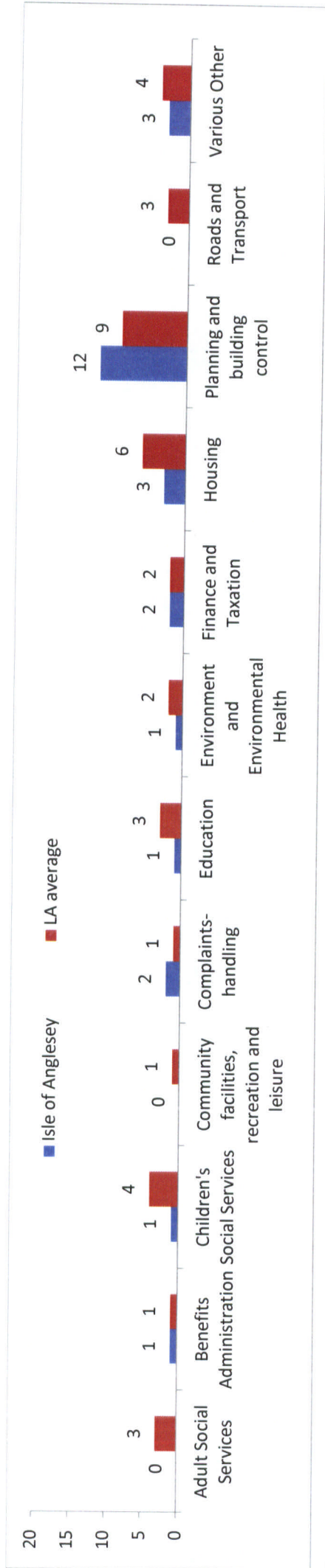


B: Complaints received by my office

Subject	2013/14	2012/13
Adult Social Services	0	1
Benefits Administration	1	1
Children's Social Services	1	1
Complaint-handling	2	0
Education	1	2
Environment and Environmental Health	1	1
Finance and Taxation	2	0
Housing	3	2
Planning and building control	12	13
Roads and Transport	0	2
Various Other	3	2
Total	26	25

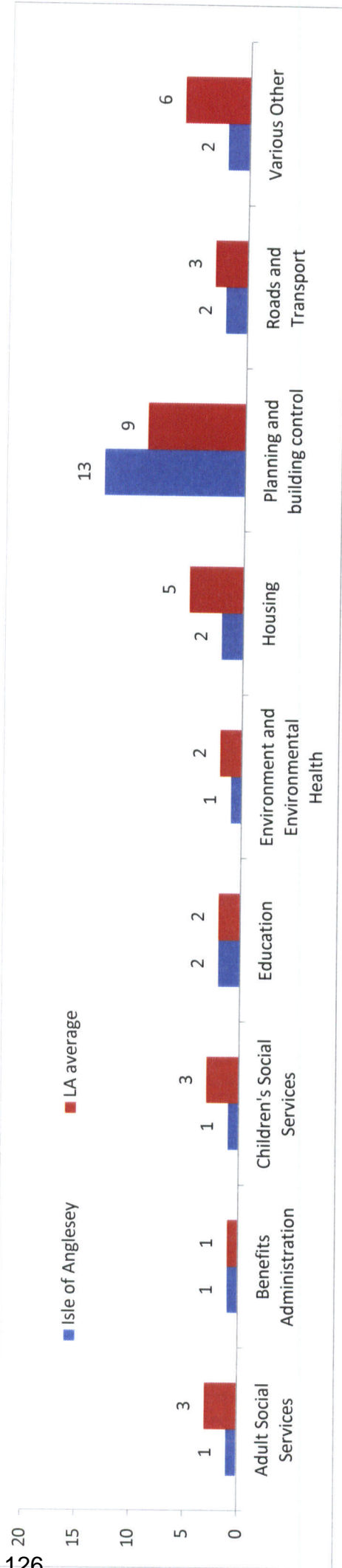
C: Comparison of complaints by subject category with LA average

2013/14



2012/13

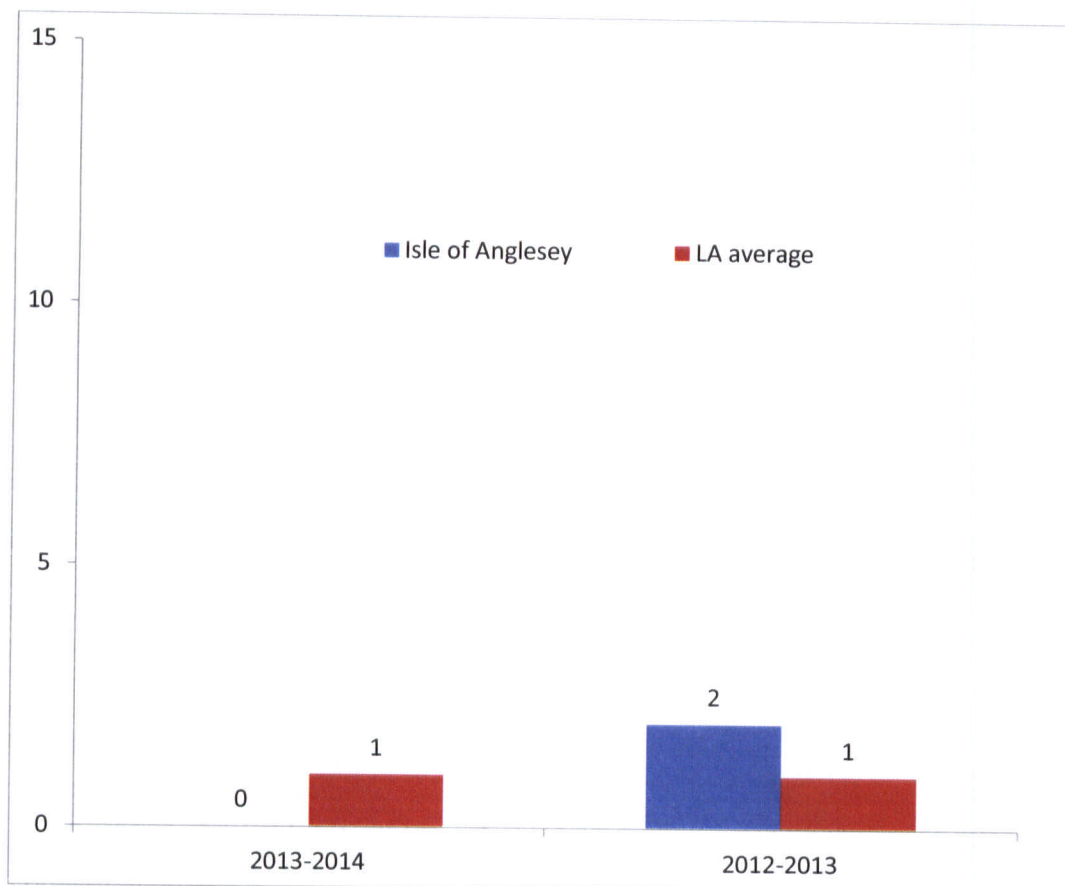
Page 126



D: Complaints taken into investigation by my office

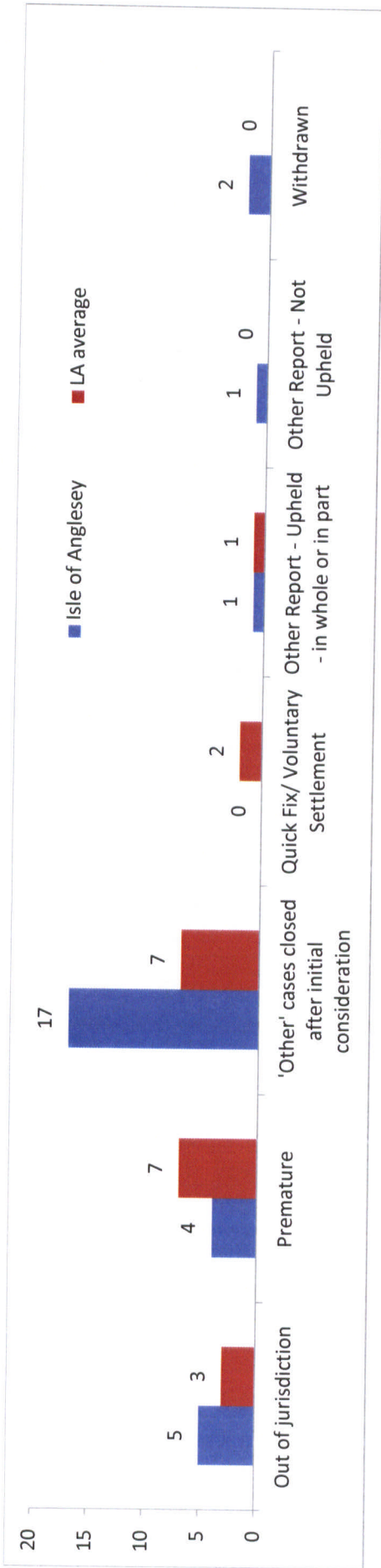
	2013/14	2012/13
Number of complaints taken into investigation	0	2

E: Comparison of complaints taken into investigation by my office with average, adjusted for population distribution

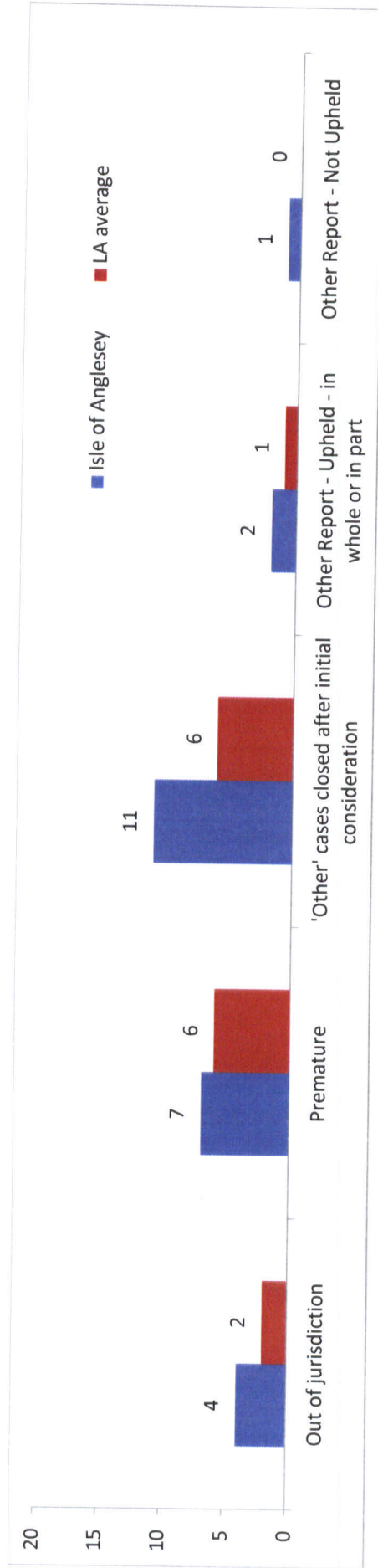


F: Comparison of complaint outcomes with average outcomes, adjusted for population distribution

2013/14

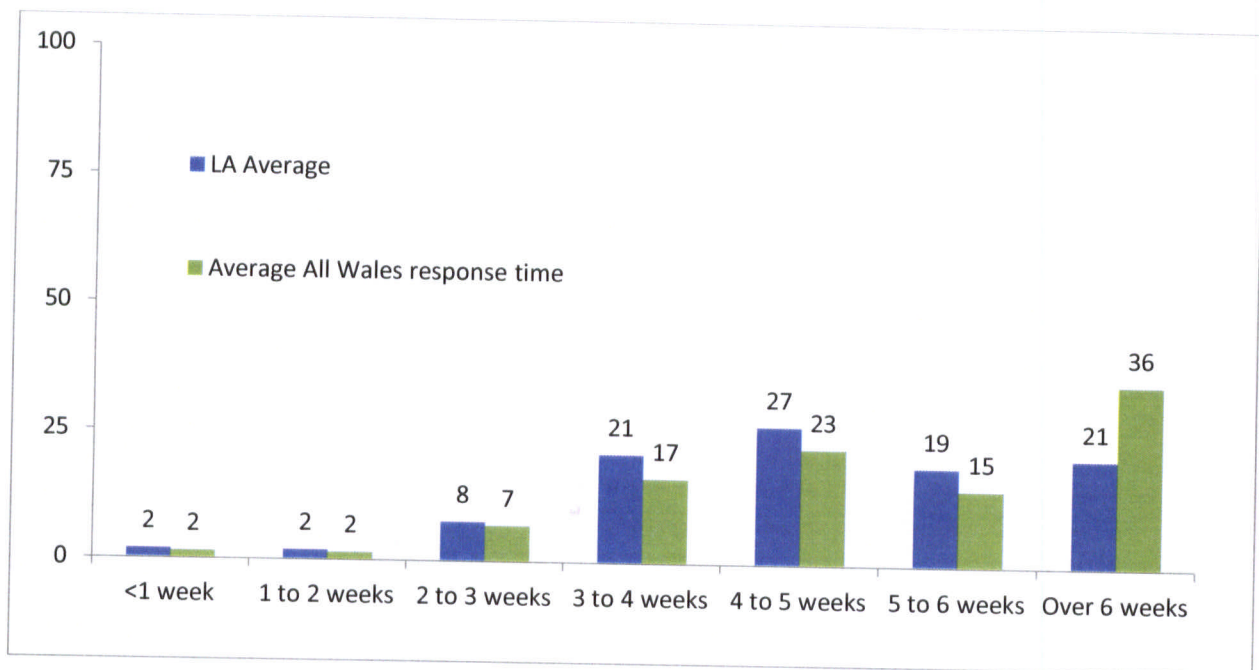


2012/13

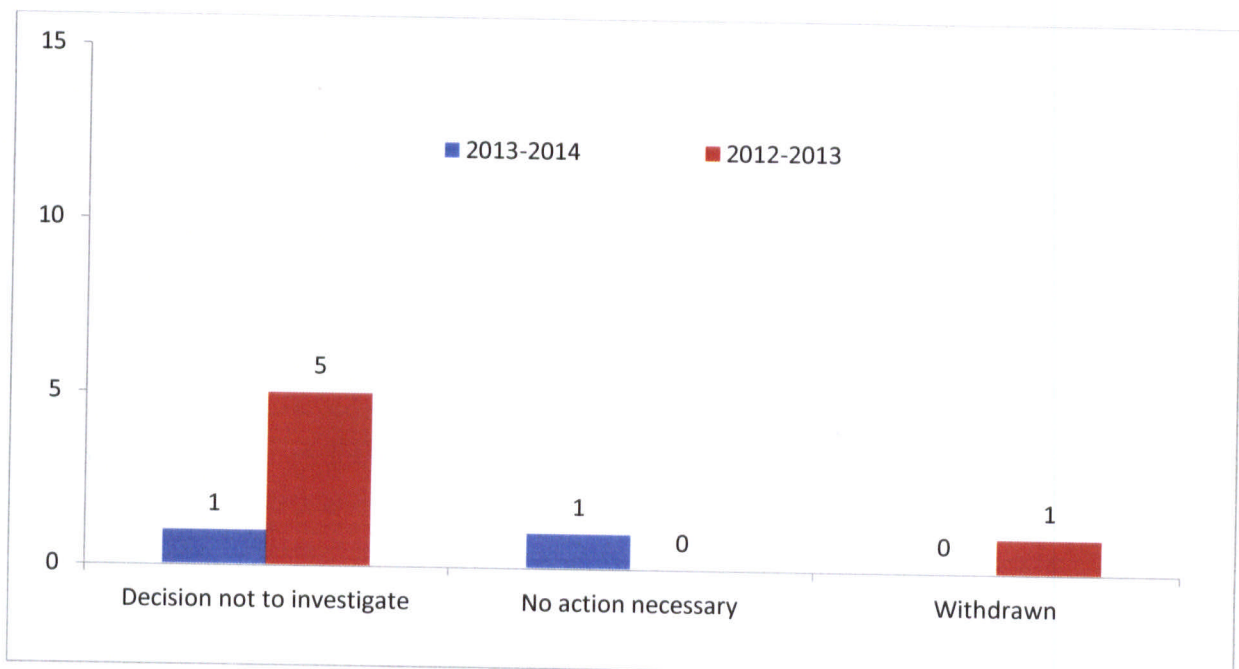


G: Comparison of Council times for responding to requests for information with average LA and average All Wales response times, 2013/14 (%)

Graph G relates to those investigations which were commenced during 2013/14. As there were no investigations commenced against Isle of Anglesey, there are no response times for Isle of Anglesey. However, we have included the average Local Authority response times and the average response times for all bodies in Wales for your information.



H: Code of Conduct complaints



I: Summaries

Finance and Taxation

Upheld

May 2013 – Finance and Taxation – Isle of Anglesey County Council

Mr D is the executor of his late sister's estate ("the estate"). On 28 December 2012, he complained to the Ombudsman that he was dissatisfied with the service he had received from the Council. He said that in August 2012 he returned a cheque to the Council with a request that it be reissued to the estate. He said that instead, the Council offset the cheque against a Council Tax account. He also said that the Council lost the Grant of Probate and failed to handle his complaints about the matter properly.

The investigation considered The Council Tax (Administration and Enforcement) Regulations 1992 as amended ("the Regulations") and guidance issued by the Ombudsman in March 2008, entitled "Principles of Good Administration" and "Principles for Remedy" ("the Guidance"). The Regulations are silent on how such matters should be dealt with; the Council should therefore have considered the Guidance.

I concluded that the decision about what to do with the cheque was not one for the Council to take; the cheque did not belong to the Council, it belonged to the estate. I also determined that there was a delay in the Council's consideration of Mr D's complaint. The Council's handling of Mr D's request, the loss of the Grant of Probate and its consideration of his complaint was maladministrative. I upheld his complaint and recommended that the council should apologise; cover the direct costs of replacing the Grant of Probate; pay an additional £50 for Mr D's time and trouble and revised its applicable procedures.

Case reference 201203447

Planning and Building Control

Not Upheld

Isle of Anglesey County Council – Handling of planning application Case reference 201203899 – Report issued February 2014

Councillor A complained, on behalf of a local action group, about the grant of planning permission for a large-scale marina development. The complaint alleged:

- that the Council failed to adequately publicise the proposals, or to engage with the public over the significant development;
- that consideration of the application did not take sufficient account of policy documents and plans;
- that insufficient consideration was given to the impact of the proposed development on the conservation area and the environment.

The Ombudsman took advice on the complaint from an experienced planning consultant. The Ombudsman identified failings in the officer's report to the Planning Committee of the Council, and was critical of the interpretation which the Council had put on a letter from the Welsh Government. However, she was content that the report was on the whole adequate and fair, and that the errors and failings which she identified were not material to the decision to grant permission for the development. Nevertheless, she asked the Council to reflect on her report with a view to avoiding such failings in the future.

Casebook and Lessons Learned

Introduction & Background

1. This Report constitutes a summary of the concerns and complaints received by the Council, and dealt with under the Concerns & Complaints Policy for the period 1st April 2013 (when the Policy was introduced) up to the 31st March 2014. (This Report does not cover Social Services who have their own complaints Policy)
2. For the first time the Council recorded "concerns" in addition to formal complaints.
3. During the period, 92 concerns were recorded and 66 formal complaints were received (1 was withdrawn prior to investigation). The number of formal complaints received has fallen from 79 in 2012/13; 89 in 2011/12 and 72 in 2010/11.
4. The concerns and complaints per Service are shown below:-

Service	Number of concerns	Number of complaints	Number of complaints upheld
Education	5	4	1 (partly)
Education / Transport (joint complaint)	-	1	-
Electoral Services	-	1	-
Finance	8	16	3 upheld & 1(partly)
Finance / Housing (joint complaint)	-	1	-
Finance/Legal (joint complaint)	-	1	1 (partly)
Highways	4	5	-
Housing	9	11	1
Housing/Legal (joint complaint)	-	1	1 1 (partly)
Legal / Land Charges (joint complaint)	-	1	1
Leisure	10	1	1 (partly)
Maritime	-	3	1
Planning	4	10	1 (partly)
Planning /Highways (joint complaint)	-	1	-
Property	-	2	1 (partly)
Property & Maritime	1	1	-

CC-017095-LB/225404

Property/Legal (joint complaint)	-	1	-
Waste	11	4	1 (partly)
Yr Oriel (negative comments)	40	-	-

5. The overall rate of responses sent within the specified time limit is 79% for formal complaints (i.e. within 20 working days). When responses are late, a "holding response" is sent to keep the complainant informed of progress.

Service	Number of complaints	Number of late responses
Education	4	
Education / Transport (joint complaint)	1	
Electoral Services	1	
Finance	16	3 (3, 4 & 6 days late)
Finance / Housing (joint complaint)	1	
Finance/Legal (joint complaint)	1	
Highways	5	1 (40 days – very complex issue)
Housing	11	3 (1, 10 and 18 days late)
Housing/Legal (joint complaint)	1	
Legal / Land Charges (joint complaint)	1	1 (22 days late as needed input from Council's Insurers)
Leisure	1	
Maritime	3	2 (1 & 2 days late)
Planning	10	
Planning /Highways (joint complaint)	1	1(2 days late)
Property	2	1 (13 days late)
Property & Maritime	1	
Property/Legal (joint complaint)	1	
Waste	4	1(6 days late)

CC-017095-LB/225404

6. Of the 65 formal complaints, 7 were upheld in full, 8 partly upheld and 50 not upheld. Two complaints were referred to the Public Services Ombudsman for Wales but these were not investigated.
7. The Council also records compliments received and 545 were recorded during this period with 2275 positive comments also being received at Yr Oriel.

Service	Compliments
Environmental Services	13
Finance	8
Highways	60
Housing	33
Human Resources	21
ICT	39
Leisure	7
Planning	131
Policy	3
Property & Maritime	5
Trading Standards	145
Waste	93
Yr Oriel	2275

8. Lessons Learned

The new policy places an emphasis on learning lessons from complaints and thereby improving services. The issues noted below were identified as lessons learned but neither required any formal action plans to be put in place:-

- The need for better communication between Services, as well as with the public, was identified. This arose following an emergency call out on a Sunday and due to a delay in forwarding the relevant information to the Service on the following Monday, the customer made a complaint. This would not have happened had communications been prioritised at the beginning of the working week.
- The Council should formulate policies for specific equalities issues. This is being worked on but an incident in one of the Leisure Centres highlighted an issue. The complaint was successfully resolved with both parties content with the outcome.

CC-017095-LB/225404

- Other minor system and training issues were also identified and these have been addressed at service level.

COUNTY/COUNTY BOROUGH COUNCILS

County/County Borough Councils	Closed after initial consideration	Discontinued	No evidence of breach	No action necessary	Refer to Standards Committee	Refer to Adjudication Panel	Withdrawn	Total Cases Closed
Blaenau Gwent	2		1					3
Bridgend	4							4
Caerphilly	4			2			1	7
Cardiff	5		1				1	7
Cardiff	5		1				1	7
Cardiff	5		1				1	7
Carmarthenshire	1						3	4
Ceredigion	2							2
Conwy	1							1
Denbighshire	2							2
Denbighshire	2						2	4
Flintshire	2	2						4
Gwynedd	4							4
Isle of Anglesey	1							1
Isle of Anglesey	1						1	2
Monmouthshire	1	2						3
Newport	8							8
Pembrokeshire	3						1	5
Powys	1							1
Powys	1						2	3
Rhondda Cynon Taf	14							14
Swansea	22	2	5	1			1	30
The Vale of Glamorgan								
Torfaen	5						1	6
Wrexham	1							1
Total	83	6	9	6	1	1	9	114

ISLE OF ANGLESEY COUNTY COUNCIL

COMMITTEE:	Audit Committee
DATE:	23 September 2014
TITLE OF REPORT:	Data Protection and Information Governance – Progress Update
REPORT BY:	Head of Council Business / Monitoring Officer
PURPOSE OF REPORT:	For Information

1. Background:

Following a number of breaches of the Council's statutory duty to keep people's personal information secure, the Council was required to sign 'undertakings' (a formal commitment to implement improvements) with the Information Commissioner. As part of the Information Commissioner's (ICO) follow-up, the Council's compliance with the Data Protection Act 1998 was audited during July 2013. The audit looked at three scope areas, which were likely to present risks to the security of personal information:

- Data Protection
- Records Management
- Security of Personal Data

Over 100 recommendations were made. In response, the Council devised an agreed Action Plan to be delivered under five key themes:

- Theme 1 - Policies & Strategies
- Theme 2 - Communication, Training & Guidance
- Theme 3 - Records Management
- Theme 4 - Access to Buildings, Information and Third Parties
- Theme 5 - Governance (Ownership) / Reporting Procedures

2. Information Governance Project Board

As reported to the Audit Committee in December 2013, it was the work of the Information Governance Project Board to deliver the Action Plan. The work of the Board began on 1st November 2013 and ended on 4th September 2014.

The Policies and Strategies required have all been drafted, consulted upon and rolled out. They are available on MonITor at <http://monitor.anglesey.gov.uk/corporate-resource/information-governance-data-protection/data-protection/data-protection-policy-information-on-security-policies-and-related-documents/>

CC-017095-LB/226243

In addition, the attached Highlight Report provides the details of all the activities achieved during the Project. These will be reported to the ICO when his team returns during the week commencing 13.10.14.

3. What Next?

A new group, called the *Corporate Information Governance Board*, will now take over responsibility for any “loose-ends” remaining from the Project Board, and will ensure that the Council continues to monitor and improve the standard of its information governance. Terms of Reference, a work programme, membership and meeting dates have been fixed for 2014/15.

Training events have been programmed for the next few months with the Information Asset Owners (the Heads of Service) receiving training on 3.10.14 and mandatory sessions for all staff during October, November and December 2014.

In addition, the Council now has a framework to corporately monitor information governance issues. The SIRO has overall responsibility for this and will receive quarterly reports on key performance indicators, data breaches and progress on the Corporate Information Asset Register, including the identification and re-assessment of risk. The SIRO will produce an Annual Report which will be reported to the SLT and the Executive and will provide assurance that the Council is proactively mitigating information risk, in a way which meets its legal obligations and its operational needs.



Project Highlight Report

10th September 2014

Project Title:	Information Governance	Project Start Date:	1st November 2013
Project Lead: <i>(e.g. HoS/Manager)</i>	Lynn Ball	Project Expected End Date:	31st August 2014
Project Manager: <i>(include contact details):</i>	Laura James-Mowbray ljmed@anglesey.gov.uk	Reporting Period:	25/07/2014 – 01/09/2014

RAG STATUS KEY:

Red – Definite problem identified and to be addressed;

Amber – Potential problems have been identified;

Green - This element of the programme/project is currently okay

1	Overall Status <i>[This is the mechanism that the Project Manager uses to show <u>their</u> assessment of how the project is progressing.]</i>	A
1.1	<p>Of the 64 activities listed on the project plan in its entirety, all activities are now either completed or in progress, however as the project has formally come to an end with actions outstanding although not showing definite signs of problems in completing those outstanding (red status), the project does require to be in an amber status as a result of this. The last board meeting took place on the 4th September 2014 where the Terms of Reference and Work Plan for the new board were agreed.</p> <p>Completed to date: 54 (8 since the last report on the 24th July 2014)</p> <p>In progress: 10</p> <p>Actions needed to sign off those outstanding:</p> <ol style="list-style-type: none"> 1. Return date for all departmental signed confidentiality register by staff (1.13) was due by the 8th September; only two received to date namely Transformation and HR. <p>Support Required: SLT to request these urgently in light of the ICO's return in 32 days, suggested deadline date Monday 29th September.</p> <ol style="list-style-type: none"> 2. Release of the HR bulleting (anticipated release w/c 22nd September) referring to the requirement in next PDR's for managers to explore individuals' understanding of the DPA policy and its impact on their roles. (1.15) 3. Confirmation of logistics around the PIA training for PM's on the 30th September asap (2.7) 4. Confirmation of training to members during the Charitable Trust on the 11th November asap (2.9) 5. Photographic evidence of a clear 'Ysgol y Graig' pending completion on the 26th September (3.4/6) 	



	<p>6. Completion of Economic Development onto new dual use swipe cards (4.3) Support Required: SLT to ensure this is progressing with urgency, a deadline date for completion needs to be set.</p> <p>7. Do's and Don'ts guidance regarding accessing e-mails from personal devices to be sent to all staff via Y Ddolen (w/c 22nd September) with guidance on how to access MonITor remotely and a copy of both the e-mail policy and ICT security policy. (4.11) Support Required: SLT to accept (or decline) risk of staff accessing work e-mails and associated downloadable documents onto personal devices.</p> <p>8. Formal appointment/designation of DPO role required to sign off, deadline date for completion is required. (5.1)</p> <p>9. Formal assignment of the security brief required to sign off, deadline date for completion is required. (5.2) Support Required: SLT to agree assignment</p> <p>10. Clear desk policy to be circulated to all staff via Y Ddolen (w/c 22nd September) Support Required: SLT to sign off Clear Desk policy for circulation</p> <p>The following actions (not discussed above) have been passed onto the Terms of Reference and/or Work Plan (appendix 1.) for the new replacement Information Governance Board. As indicated below:</p> <p>RT 4.7 ICT – Audit of permissions, currently 40% complete, end date of 30th September 2014 amended at last project board meeting to reflect progress to date and is now agreed as the end of May 2015.</p> <p>RT 3.1 / 3.2 CIO - Completion of draft Corporate Information Assets Log and Retention Schedule (to include introduction) is required to present to the ICO on their return for guidance/confirmation of suitability, end date agreed as 08/10/2014</p>
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2	On Budget		G
2.2	The percentage over or under budget is: 0%	The amount over or under budget is:	

3	On Time		A
3.1	<p>The project was scheduled to complete on the 31st August 2014, there are a few of actions that although largely complete may be being held up by minor requirements of assurance i.e. photographic evidence, staff communication etc. The actions that will complete outside of this date are discussed in 1.1 above.</p> <p>With these in mind it is estimated that the project will be fully complete by the 29th of September (with the exception of point 6, 8 and 9 which require deadline dates) of, which will be – 29 days.</p>		

4	Key Activity This Period		A
	<p>Over half of the activities within this period were not completed on-time. This is however not down to lost momentum, but moreover awaiting decisions and communication opportunities in order to complete.</p> <p>Elements completed and progress made include:</p>		



	<ul style="list-style-type: none"> ✓ 300 boxes of Legal files have been transferred to Anglesey Archives ✓ Finance have 900 boxes identified for shredding and 600 that must be kept. There are also an additional 170 boxes in 2 containers that need to be kept. Property is looking for a suitable location where these can be securely stored, managed and destroyed by the service when the destruction dates are attained. ✓ Children services are in the process of moving their 170 boxes of files from their container to Anglesey Archives where they will be prepared for archiving. ✓ Information Security Policy made available on MonITor ✓ Corporate E-mail policy made available on MonITor ✓ MFD Policy made available on MonITor ✓ An approved Training/Support framework and roll out timeline to include DPA training for all staff, PIA training for Project Managers, supporting the Records Management Policy, Training package for Members etc. ✓ Communication regarding the training dates and locations undertaken ✓ 470 members of staff to date have booked onto the 1 hour sessions ✓ 22 members of staff (IAO and Compliance officers etc.) have booked onto the full day course ✓ A separate course has been scheduled for 60/70 leisure centre and library staff for the 17th December. ✓ Paragraph relating to staff responsibility for DP drafted and passed for inclusion in JE negotiations, this statement will be included in all NEW job descriptions moving forward. ✓ Internal Audit agreed to check access logs of most sensitive systems for ICT as part of their yearly audit plan. ✓ On-line acceptance passed to DCE to progress via the group responsible for preparations in advance of the February Corporate Assessment. <p>Project Management:</p> <ul style="list-style-type: none"> ✓ Lessons Learnt Log finalised at 04/09/14 meeting ✓ Updated web pages (MonITor) ✓ Messages released on Y Ddolen for staff ✓ Comprehensive assurance document complete (pending completion of actions discussed in 1.1) ✓ Further project related posters finalised and in circulation ✓ ToR and Work Plan for replacement board agreed at 04/09/14 meeting ✓ Stickers for removable media (phones/i-pads/laptops) and for printers/faxes etc. created and printed.
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Project Lead Name:	Lynn Ball	Date:		Additional Comments:	
HoS Name (if different from Lead)	N/A	Date:	N/A	Additional Comments:	N/A

ISLE OF ANGLESEY COUNTY COUNCIL

COMMITTEE:	Audit Committee
DATE:	23 September 2014
TITLE OF REPORT:	Data Protection and Information Governance – Progress Update
REPORT BY:	Head of Council Business / Monitoring Officer
PURPOSE OF REPORT:	For Information

1. Background:

Following a number of breaches of the Council's statutory duty to keep people's personal information secure, the Council was required to sign 'undertakings' (a formal commitment to implement improvements) with the Information Commissioner. As part of the Information Commissioner's (ICO) follow-up, the Council's compliance with the Data Protection Act 1998 was audited during July 2013. The audit looked at three scope areas, which were likely to present risks to the security of personal information:

- Data Protection
- Records Management
- Security of Personal Data

Over 100 recommendations were made. In response, the Council devised an agreed Action Plan to be delivered under five key themes:

- Theme 1 - Policies & Strategies
- Theme 2 - Communication, Training & Guidance
- Theme 3 - Records Management
- Theme 4 - Access to Buildings, Information and Third Parties
- Theme 5 - Governance (Ownership) / Reporting Procedures

2. Information Governance Project Board

As reported to the Audit Committee in December 2013, it was the work of the Information Governance Project Board to deliver the Action Plan. The work of the Board began on 1st November 2013 and ended on 4th September 2014.

The Policies and Strategies required have all been drafted, consulted upon and rolled out. They are available on MonITor at <http://monitor.anglesey.gov.uk/corporate-resource/information-governance-data-protection/data-protection/data-protection-policy-information-on-security-policies-and-related-documents/>

CC-017095-LB/226243

In addition, the attached Highlight Report provides the details of all the activities achieved during the Project. These will be reported to the ICO when his team returns during the week commencing 13.10.14.

3. What Next?

A new group, called the *Corporate Information Governance Board*, will now take over responsibility for any "loose-ends" remaining from the Project Board, and will ensure that the Council continues to monitor and improve the standard of its information governance. Terms of Reference, a work programme, membership and meeting dates have been fixed for 2014/15.

Training events have been programmed for the next few months with the Information Asset Owners (the Heads of Service) receiving training on 3.10.14 and mandatory sessions for all staff during October, November and December 2014.

In addition, the Council now has a framework to corporately monitor information governance issues. The SIRO has overall responsibility for this and will receive quarterly reports on key performance indicators, data breaches and progress on the Corporate Information Asset Register, including the identification and re-assessment of risk. The SIRO will produce an Annual Report which will be reported to the SLT and the Executive and will provide assurance that the Council is proactively mitigating information risk, in a way which meets its legal obligations and its operational needs.



Project Highlight Report

10th September 2014

Project Title:	Information Governance	Project Start Date:	1st November 2013
Project Lead: <i>(e.g. HoS/Manager)</i>	Lynn Ball	Project Expected End Date:	31st August 2014
Project Manager: <i>(include contact details):</i>	Laura James-Mowbray ljmed@anglesey.gov.uk	Reporting Period:	25/07/2014 – 01/09/2014

RAG STATUS KEY:

Red – Definite problem identified and to be addressed;

Amber – Potential problems have been identified;

Green - This element of the programme/project is currently okay

1	Overall Status <i>[This is the mechanism that the Project Manager uses to show <u>their</u> assessment of how the project is progressing.]</i>	A
1.1	<p>Of the 64 activities listed on the project plan in its entirety, all activities are now either completed or in progress, however as the project has formally come to an end with actions outstanding although not showing definite signs of problems in completing those outstanding (red status), the project does require to be in an amber status as a result of this. The last board meeting took place on the 4th September 2014 where the Terms of Reference and Work Plan for the new board were agreed.</p> <p>Completed to date: 54 (8 since the last report on the 24th July 2014)</p> <p>In progress: 10</p> <p>Actions needed to sign off those outstanding:</p> <ol style="list-style-type: none"> Return date for all departmental signed confidentiality register by staff (1.13) was due by the 8th September; only two received to date namely Transformation and HR. <p>Support Required: SLT to request these urgently in light of the ICO's return in 32 days, suggested deadline date Monday 29th September.</p> <ol style="list-style-type: none"> Release of the HR bulleting (anticipated release w/c 22nd September) referring to the requirement in next PDR's for managers to explore individuals' understanding of the DPA policy and its impact on their roles. (1.15) Confirmation of logistics around the PIA training for PM's on the 30th September asap (2.7) Confirmation of training to members during the Charitable Trust on the 11th November asap (2.9) Photographic evidence of a clear 'Ysgol y Graig' pending completion on the 26th September (3.4/6) 	



	<p>6. Completion of Economic Development onto new dual use swipe cards (4.3) Support Required: SLT to ensure this is progressing with urgency, a deadline date for completion needs to be set.</p> <p>7. Do's and Don'ts guidance regarding accessing e-mails from personal devices to be sent to all staff via Y Ddolen (w/c 22nd September) with guidance on how to access MonITor remotely and a copy of both the e-mail policy and ICT security policy. (4.11) Support Required: SLT to accept (or decline) risk of staff accessing work e-mails and associated downloadable documents onto personal devices.</p> <p>8. Formal appointment/designation of DPO role required to sign off, deadline date for completion is required. (5.1)</p> <p>9. Formal assignment of the security brief required to sign off, deadline date for completion is required. (5.2) Support Required: SLT to agree assignment</p> <p>10. Clear desk policy to be circulated to all staff via Y Ddolen (w/c 22nd September) Support Required: SLT to sign off Clear Desk policy for circulation</p> <p>The following actions (not discussed above) have been passed onto the Terms of Reference and/or Work Plan (appendix 1.) for the new replacement Information Governance Board. As indicated below:</p> <p>RT 4.7 ICT – Audit of permissions, currently 40% complete, end date of 30th September 2014 amended at last project board meeting to reflect progress to date and is now agreed as the end of May 2015.</p> <p>RT 3.1 / 3.2 CIO - Completion of draft Corporate Information Assets Log and Retention Schedule (to include introduction) is required to present to the ICO on their return for guidance/confirmation of suitability, end date agreed as 08/10/2014</p>
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2	On Budget	G
2.2	The percentage over or under budget is: 0%	The amount over or under budget is:

3	On Time	A
3.1	<p>The project was scheduled to complete on the 31st August 2014, there are a few of actions that although largely complete may be being held up by minor requirements of assurance i.e. photographic evidence, staff communication etc. The actions that will complete outside of this date are discussed in 1.1 above.</p> <p>With these in mind it is estimated that the project will be fully complete by the 29th of September (with the exception of point 6, 8 and 9 which require deadline dates) of, which will be – 29 days.</p>	

4	Key Activity This Period	A
	<p>Over half of the activities within this period were not completed on-time. This is however not down to lost momentum, but moreover awaiting decisions and communication opportunities in order to complete.</p> <p>Elements completed and progress made include:</p>	



- ✓ 300 boxes of Legal files have been transferred to Anglesey Archives
- ✓ Finance have 900 boxes identified for shredding and 600 that must be kept. There are also an additional 170 boxes in 2 containers that need to be kept. Property is looking for a suitable location where these can be securely stored, managed and destroyed by the service when the destruction dates are attained.
- ✓ Children services are in the process of moving their 170 boxes of files from their container to Anglesey Archives where they will be prepared for archiving.
- ✓ Information Security Policy made available on MonITor
- ✓ Corporate E-mail policy made available on MonITor
- ✓ MFD Policy made available on MonITor
- ✓ An approved Training/Support framework and roll out timeline to include DPA training for all staff, PIA training for Project Managers, supporting the Records Management Policy, Training package for Members etc.
- ✓ Communication regarding the training dates and locations undertaken
- ✓ 470 members of staff to date have booked onto the 1 hour sessions
- ✓ 22 members of staff (IAO and Compliance officers etc.) have booked onto the full day course
- ✓ A separate course has been scheduled for 60/70 leisure centre and library staff for the 17th December.
- ✓ Paragraph relating to staff responsibility for DP drafted and passed for inclusion in JE negotiations, this statement will be included in all NEW job descriptions moving forward.
- ✓ Internal Audit agreed to check access logs of most sensitive systems for ICT as part of their yearly audit plan.
- ✓ On-line acceptance passed to DCE to progress via the group responsible for preparations in advance of the February Corporate Assessment.

Project Management:

- ✓ Lessons Learnt Log finalised at 04/09/14 meeting
- ✓ Updated web pages (MonITor)
- ✓ Messages released on Y Ddolen for staff
- ✓ Comprehensive assurance document complete (pending completion of actions discussed in 1.1)
- ✓ Further project related posters finalised and in circulation
- ✓ ToR and Work Plan for replacement board agreed at 04/09/14 meeting
- ✓ Stickers for removable media (phones/i-pads/laptops) and for printers/faxes etc. created and printed.

Project Lead Name:	Lynn Ball	Date:		Additional Comments:	
HoS Name (if different from Lead)	N/A	Date:	N/A	Additional Comments:	N/A

ISLE OF ANGLESEY COUNTY COUNCIL	
MEETING:	AUDIT COMMITTEE
DATE:	23 SEPTEMBER 2014
TITLE OF REPORT:	UPDATE ON OUTSTANDING AREAS OF CONCERN HIGHLIGHTED BY INTERNAL AUDIT
PURPOSE OF REPORT:	FOR INFORMATION
REPORT BY:	DEPUTY CHIEF EXECUTIVE
ACTION:	FOR INFORMATION.

1. INTRODUCTION

1.1 At its meeting held on 22 July 2014 the Audit Committee resolved:

‘To request the Deputy Chief Executive to attend the next meeting of the Audit Committee to report on the position with regard to those areas denoted as areas of ongoing audit concern, the actions planned to address them, the timescales involved and the responsible manager/officer.’

The following action arising was also agreed at this meeting:

‘Deputy Chief Executive to provide the Audit Committee at its next meeting with a report in line with the resolution above along with information about senior managerial responsibilities.’

1.2 The Deputy Chief Executive has met with Internal Audit to discuss the areas of concern and this report sets out action/comments on each of these areas.

2 CONTEXT: TRANSFORMATION PLAN AND GOVERNANCE ACTION PLAN

2.1 Our aim is to ensure that there is a consistent corporate approach to addressing weaknesses in the council’s governance and performance. Since last year significant work has been undertaken to draw together, prioritise and implement solutions to known weaknesses. Work is complete in a number of these areas but other areas still need addressing.

2.2 The Council’s Transformation Plan, approved in early 2013, built on the improvements made in previous years and set the scene for updating and strengthening the basic building blocks of governance. That action plan was monitored by the Improvement Board and good progress was made across the plan.

- 2.3** Every year, there is a review of governance which has regard to the annual report by the Audit Manager. In 2013, following the review, an action plan was drawn up by management which focused on the most significant weaknesses, prioritised the work and identified where resources were required. Some of the larger items were treated as programmes, projects or tasks under the Council's Transformation arrangements.
- 2.4** The Governance and Assurance Action Plan was brought to the committee in December 2013. It was intended that this Plan should continue to be updated and monitored by Audit Committee but unfortunately that was not sustained during the year.
- 2.5** As part of the preparation for the forthcoming Corporate Assessment the Governance and Assurance Action Plan is being refreshed and updated. The planning process ensures that there is a responsible officer and a timetable for each action, with a link to the relevant Transformation Programme Board if appropriate. This plan already includes the six corporate matters raised by the Audit Manager.
- 2.6** An Officer Monitoring Group has been established across Transformation, Council Business and Resources.

3 PROGRESS UPDATE

- 3.1** The areas of concern reported by Internal Audit to the Audit Committee on 22 July 2014 and the current management actions/comments aimed at addressing these are provided below in the Progress Update section of this report.
- 3.2** It must be remembered that significant progress has been made in relation to the governance of the Council. 2013 was very much a transition year moving away from the management of the Council by Welsh Government appointed Commissioners back to the Executive and the Senior Leadership Team.
- 3.3** It is fair to comment that a number of areas may not have progressed as well as I would have liked during this period such as Procurement, however others such as Information Governance have been well led and managed. I am however now confident that there is a plan to address each of the concerns
- 3.4** Additionally there are now regular updates by the Audit Manager to SLT, to ensure that Management are aware of the concerns that Audit identify, enables them to put in place management solutions and also to allow the monitoring of progress. All RED Audit Reports are now reported to SLT. Previously there was a disjoint between the managerial leadership of the Council and audit conclusions.

2. PROGRESS UPDATE

2.1 Business Continuity

Ref	Current Concern	Management Action/Comment	Timescale: By	Responsible Manager
2.1.1	<p>The Council has a duty* to prepare, maintain and exercise adequate Business Continuity Management (BCM) arrangements. BCM arrangements should ensure the maintenance of its own service provision during a crisis and support other Cat 1 & 2 responders if necessary.</p> <p>BCM should be embedded in the council's normal business activity and practise.</p> <p>Previous audit reports both from Internal Audit and other assurance providers have identified weaknesses in the Council's BCM arrangements including the lack of a formally documented and tested Business Continuity Plan and clear assignment of responsibility for embedding BCM within the Council.</p> <p><i>* Under the Civil Contingencies Act 2004</i></p>	<p>North Wales Council's Emergency Planning Service - All six North Wales Local Authorities have signed up to this new service which is the first of its kind in Wales. Since 1st July 2014, the Emergency Planning function for the Council has been undertaken via the North Wales Emergency Planning Service. Each member Council has a dedicated liaison officer, along with regional officers, responsible for BCM across the region. The regionalised provision of Emergency Planning is aimed at providing increased resilience across North Wales.</p> <p>The North Wales Emergency Planning Service has a role to co-ordinate and support the production of a Business Continuity Plan for the Isle of Anglesey County Council.</p> <p>The Deputy Chief Executive has commissioned an internal review (SWOT) in order to understand the current position, service by service in relation to Business Continuity; and as to whether the service provided by the new Regional set up will provide the support needed to services to develop their Business Continuity Plans and thereby enable the Council to meet its duties in relation to BCM.</p>	December 2014	<p>Transformation – Business and Governance Manager (SWOT)</p> <p>Head of Democratic Services (Operationally)</p>

2.2 Risk Management:

Ref	Current Concern	Management Action/Comment	Timescale: By	Responsible Manager
2.2.1	<p>The Council is in the process of reviewing its Risk Management Framework to facilitate and embed risk management within the organisation. The Corporate Risk Register is still in development and an effective routine maintenance regime has not developed.</p>	<p>The Council has in place a Risk Management Strategy and Risk Management Guidance which were endorsed by the Executive on the 15th October 2012. However the process has not been fully embedded within the Council and it is considered that increased emphasis needs to be placed on progressing in this area. Therefore an external to review of the Council's current arrangements has been commissioned.</p> <p>This review will commence in September 2014 and will;</p> <ul style="list-style-type: none"> i. Review the existing Risk Management Strategy and Guidance and propose improvements; ii. Engage with Members, Managers and Services to improve their understanding and approach to risk management; iii. Review the current Service Risk Registers, assist in identifying gaps in the risks identified, and suggesting a method for ensuring consistency in the language used to describe risks and the likelihood and impact scoring; iv. Review the arrangements for escalating Service, Project and Partnership risks to the Corporate Risk Register, recommending improvements into these arrangements; v. Review the Corporate Risk Register and assist in identifying gaps in the risks identified. <p>It is envisaged that this review will facilitate risk management being fully embedded and aligned with</p>	September/October 2014	<p>Risk and Insurance Manager</p> <p>Business Planning and Project Manager</p>

		other working practices.		
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2.3 Information Governance / Management

Ref	Current Concern	Management Action/Comment	Timescale: By	Responsible Manager
2.3.1	<p>The Information Commissioner's Office has undertaken a review of the Council's arrangements for Information Management and Governance and identified similar issues and control weaknesses to those identified by the WAO, PWC and Internal Audit in previous reports.</p> <p>A Programme Board has been established to implement the Action Plan from the Information Commission's report. A significant number of actions have been implemented since the ICO's report.</p>	<p>The Committee is to be presented with a separate report detailing the progress made in the area of Information Management and Governance under the agenda item 'Data Protection and Information Governance – Progress Update.'</p> <p>The Committee will see that significant progress has been made.</p>	As per separate report	Head of Function - Council Business

2.4 Corporate Governance

Ref	Current Concern	Management Action/Comment	Timescale: By	Responsible Manager
2.4.1	<p>Policy and Procedure - The Council's Policies and procedures are key elements of the governance framework of the Council.</p> <p>A number of Internal Audit reports and reports from other assurance agencies have reported instances of non-compliance with Council policy and procedure. Recent reports have also identified instances where relevant staff have not been aware of the Council's policies in, for example, the areas of Agency staffing, Fleet Management and Contract Procedure Rules (Procurement).</p> <p>An Internal Audit report concerning these issues was issued in 2011-12, however a number of key recommendations remained</p>	<p>The Council is in the process of compiling a Central Register of all key Council Policies. The register includes details of the version reference, author, contact name and the review dates of policies and by whom this should be undertaken by when.</p> <p>The Deputy Chief Executive has requested a report on the inclusion of this register into a comprehensive Policy Management system to include a policy compliance element.</p> <p>In the meantime the DCE has arranged a meeting of senior managers in September 2014 to further progress this issue.</p>	December 2014	Head of Democratic Services

	<p>unimplemented at the end of 2013-14.</p> <p>The Council stopped the use of its electronic policy compliance and sign off of policies system which recorded users as having read, understood and agreed to abide by policies. Without such record of sign off it is more difficult to show that the policies have been adequately disseminated to relevant staff.</p>			
	<p>External Assurance Reports- There is an expectation that all external assurance reports are shared with and held in the corporate centre. A corporate register of all such reports is however not currently maintained and monitored.</p> <p>There is a risk therefore that the outcomes from such external reports are not properly monitored and learning shared.</p>	<p>Discussions have taken place to determine the most appropriate method of bringing together and analysing recommendations and other outcomes from external assurance reports.</p> <p>Regular meetings are held with the Wales Audit Office and PWC, at an operational level with the Business Planning and Projects Manager, to ensure that the corporate centre is made aware of their forward work programmes and of the results of their work. All Terms of Reference and reports are shared with the Business Planning and Projects Manager.</p> <p>The Chief Executive and Deputy Chief Executive also meet regularly with the WAO and PWC, to discuss more strategic issues.</p> <p>The Council is currently working to procure a performance management system which it is proposed will be able to provide a central register of reports and outcomes.</p>	Procurement Timetable by April 2015	<p>Business Planning and Projects Manager</p> <p>Transformation – Business and Governance Manager</p>

2.5 Corporate Procurement Framework

Ref	Current Concern	Management Action/Comment	Timescale: By	Responsible Manager
2.5.1	Internal Audit reported in December 2012 that Procurement practice needed improvement.	Work was carried out during 2012 to set in place improvements in procurement, under the leadership of the then Interim S151 Officer.	April 2015	Head of Function Resources -/ Procurement Officer

	<p>A KPMG Procurement Fitness Check for the Isle of Anglesey issued in 2014 reinforced Internal Audit findings and included a more in depth review of the weaknesses of the current arrangements.</p> <p>A Project is being established to implement the recommendations made in this report to strengthen the Corporate Procurement Framework.</p>	<p>This progress was not continued during 2013. It is not clear why this was not the case.</p> <p>A project has now gained approval from SLT and a request is being made to the Executive for resources to be released on a Spend to Save basis. In order to increase capacity within the Corporate Procurement Unit.</p> <p>In addition the role of leading procurement will be more prominent in the Job Description for the Head of Function Financial Services (Previously Resources) when this post is advertised.</p>		
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2.6 Collaboration Framework

Ref	Current Concern	Management Action/Comment	Timescale: By	Responsible Manager
2.6.1	<p>The Council does not have a formal Collaboration Framework in place to provide assurance that all partnerships have adequate governance, management and performance arrangements in place to meet their stated objectives and that they provide value for money in relation to the Council's financial and other resources invested in them.</p> <p>The Council does have a register of partnerships detailing the purpose and the responsibilities or reporting lines of significant partnerships.</p> <p>However current arrangements do not provide the necessary assurances that the stated benefits of partnership are being achieved or that the negative risks of partnership working identified by the Audit Commission and others are not being</p>	<p>A review of collaboration was carried out in November 2012.</p> <p>The environment for Collaboration changed during 2013 and early 2014 with very few new collaborations being commenced.</p> <p>It is however timely with the publication of the White Paper on Reforming Local Government that all current collaborations are reviewed and recorded in more detail and importantly that a statement/vision for collaboration is developed which will guide collaborative work going forward.</p>	<p>November 2014 for Register Update; and</p> <p>March 2015 for Vision</p>	<p>Co-ordinated by the Transformation – Business and Governance Manager.</p> <p>Chief Executive</p>

	realised within existing Council partnerships.			
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2.7 Schools Recommendation Implementation

Ref	Current Concern	Management Action	Timescale: By	Responsible Manager
2.7.1	There is a continuing issue with regards to schools implementing internal audit recommendations. These recommendations relate to financial and governance issues within schools which should be of concern to Head Teachers and to the Education Department.	<p>Internal Audit has liaised with Education concerning the implementation of recommendations relating to schools. Education have now introduced a new procedure which involves following up on recommendations after two terms from date of report and the provision of support where implementation of recommendations has not evidenced after that time period.</p> <p>Internal Audit will continue to monitor implementation rates of such recommendations to provide assurance over the effectiveness of these arrangements.</p>	<p>From 01 September 2014</p> <p>(new academic year)</p>	Head of Service Education

ISLE OF ANGLESEY COUNTY COUNCIL	
COMMITTEE:	AUDIT COMMITTEE
DATE:	23 SEPTEMBER 2014
TITLE OF REPORT:	PROGRESS REPORT ON INTERNAL AUDIT 01 APRIL 2014 – 31 AUGUST 2014
PURPOSE OF REPORT:	FOR INFORMATION
REPORT BY:	AUDIT MANAGER
ACTION:	N/A

1. INTRODUCTION

- 1.1 The Operational Plan for 2014-15 was presented to and accepted by the Audit Committee at its meeting held on 10 April 2014. The Plan was produced in consultation with the External Auditor, the Section 151 Officer and various meetings and communications with Heads of Service.
- 1.2 The following report summarises the work of the Internal Audit Section up to the 31 August 2014 and gives a summary for each of the final reports issued since the last Audit Committee.
- 1.3 Final reports which result in a 'Red Assurance' opinion will be subject to a Follow Up review which will include an audit opinion on the progress of management in implementing the recommendations categorised as High and Medium within the original final report. The results of the Follow Up review will be presented to the next Audit Committee.
- 1.4 There was one review in the previous period which resulted in a 'Red Assurance' opinion. This review of Agency Staff arrangements was reported to the Senior Management Team which has determined that arrangements will in future be centralised within Human Resources.
- 1.5 The Internal Audit Service uses a Risk Based approach wherever possible but may use System Based, Key Controls, Establishment or Advisory reviews if these approaches are more appropriate.
- 1.6 The individual final reports are available to members of this Committee, in confidence, on request to the Audit Manager.

2. REPORTS ISSUED SINCE LAST UPDATE REPORT

Listed below are the Final Internal Audit Reports issued since the last progress report to Committee along with a summary of the results of each review.

- 2.1.1 **Home Care Hours** - An audit of Domiciliary Care - Home Care Working Hours was undertaken following a request from the former Head of Service for this

area. Management of the Home Care Service comes under the Council's Provider Unit which has been partly privatised since 2012. Since the reduction in Services commissioned from the Provider Unit client management has had concerns that there appeared to be an increase in the number of non-worked hours (contracted hours not used but paid to contract workers) per week.

The review found that arrangements have been put in place to reduce the number of unworked hours paid. These include not recruiting staff on a relief basis and the introduction of a three week rolling rota of staff.

Opinion: An overall GREEN/AMBER audit opinion resulted from the review with one High, three Medium and one Low category recommendation being agreed with management.

- 2.1.2 Charitable Trust – Governance and Financial** - The Isle of Anglesey Charitable Trust (Registered Charity number 1000818) was established following a legacy left by Shell UK for the benefit of the people of Anglesey. Land at Rhosgoch representing over 190 acres (value stated in accounts approx. £3million) was passed to the Council, with the asset value of the trust being: - £18.1 million as at the 31 March 2013.

The audit was limited to a review of the Isle of Anglesey Charitable Trust's governance arrangements and the arrangements in place to monitor the performance on investments made on behalf of the Trust.

Advisory Review Conclusion – The review did not identify any significant weaknesses in control.

- 2.1.3 Penalty Charge Notices** - An audit of Penalty Charge Notices 2013 - 2014 was undertaken as part of the approved internal audit periodic plan for 2014/15.

The purpose of the audit is to provide assurance that the figures recorded for Penalty Charge Notices (PCNs) within Anglesey as reported to PATROL – the Joint Committee of England and Wales for the civil enforcement of the Parking and Traffic Regulations outside London - are a true reflection of the number of PCNs issued.

The PATROL Adjudication Joint Committee has decided that expenses shall be shared between member authorities in proportion with the number of PCNs issued.

In consequence member authorities are required to complete an annual Certificate of the number of Penalty Charge Notices issued, certified as correct by the Parking Manager and Chief Financial Officer of Anglesey County Council.

Opinion: An overall GREEN audit opinion resulted from the review which based on the sample testing undertaken concluded that the Authority can take assurance that the figures produced on the Certificate of the number of Penalty Charge Notices issued for the financial year 2013/14 are a true reflection of the number issued in the area of the Isle of Anglesey County Council in this period.

- 2.1.4 Porth Amlwch** – The review was concerned with the arrangements in place for the allocation of berthings and the fees and charges relating to berthings.

The main finding from the review was that there were no reviewed and approved fees and charges for Maritime facilities and berthings for 2014/15 and therefore no billing for such use of facilities and berthings had been undertaken for 2014/15 at the time of our review.

Opinion: The review found some control weaknesses concerning the setting and collection of related fees and charges at Porth Amlwch. Nine recommendations have been agreed with management to strengthen the control framework in place.

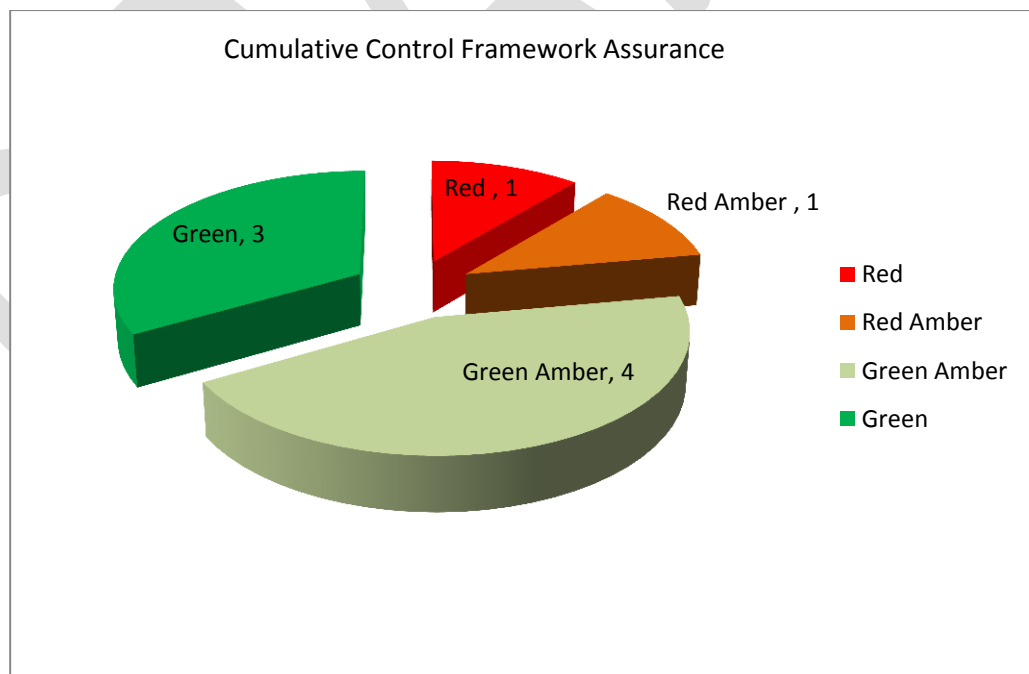
2.1.5 Housing Rents - An audit of Housing Rents - Orchard System was undertaken as part of the approved internal audit periodic plan for 2013/14. The Council's Housing Services manages 3,802 dwellings, 767 garages and 32 leased properties across the County.

The main findings from the review related to a lack of segregations of duties within the Orchard system and the lack of clear procedures for managing and maintaining prompt recovery of arrears and evictions. The review also identified that the reconciliation of the Rent Account had not been completed to date at the time of review.

Opinion: An overall GREEN/AMBER audit opinion resulted from the review with two Medium category and six low category recommendations being agreed with management.

2.2 Summary of Outcomes of Reports Issued to Date – since the 01 April 2014 we have issued seven final reports from the Internal Audit Operational Plan 2013-14; and six from the 2014-15 plan. To date therefore a total of thirteen final reports have been issued in 2014-15.

A summary of the grades given for the nine final reports issued with RAG opinions is shown in the pie chart below:



This pie chart will be updated cumulatively in each subsequent Internal Audit Progress Report and will therefore provide an indicator of the audit opinion of the overall control framework which will be reported in the Annual Report of the Chief Audit Executive.

3 INTERNAL AUDIT FORWARD WORK PROGRAMME

Scheduled Review Title	Service Area	Current Status
Ysgol Pentraeth	Lifelong	Draft Report Issued
Ysgol Henblas	Lifelong	Draft Report Issued
Third Sector Scheme	Corporate	Draft Report Issued
Logical Access Controls - Compliance	Corporate	Draft Report Issued
Closure of Accounts - Processes	Finance	Draft Report Issued
Maritime Fuel	Community	Draft Report Issued
Gaerwen Diesel Stocks	Highways	Draft Report Issued
Homelessness	Housing	Work in Progress
School Financial Management – Budgets	Lifelong	Work in Progress
Sports Development	Community	Work in Progress
Follow Up – Outstanding High Recommendations	Corporate	Work in Progress
Plas Arthur – Leisure Centre	Community	Work in Progress
Amlwch Leisure Centre	Community	Work in Progress
Teachers' Payroll	Education	Work in Progress

4. REFERRALS

- 4.1** During the course of the year the Internal Audit Section is required to carry out work on matters which come to light during the programmed audit work, or matters which are brought to its attention by other Departments, or work which other Departments request the Internal Audit Section to carry out. Work may also be requested by the External Auditor to provide information or to assist in the provision of information. Some of these referrals result in the issue of formal audit reports whilst others will be recorded in File Notes (e.g. where the allegation / information is found to be incorrect and therefore there is nothing to report, or the amount of work is not sufficient to warrant a full audit report or the matter is covered by an External Auditor's report).
- 4.2** A number of File Notes have been produced in the period to date in 2014/15. None of the work resulting in a File Note has identified any evidence of fraud or irregularity.
- 4.3** As previously reported at the last Audit Committee one referral from 2012/13 is being investigated by the Police. The Internal Audit Team received a draft statement from the Police which was completed and returned in August 2014. The Committee will be informed of the outcome of this case in due course.

5. RECOMMENDATION TRACKING

- 5.1 For reporting to this Committee only recommendations made since 01-04-2012 have been included in the recommendation tracking analysis.
- 5.2 The percentage implementation rate at 28 August 2014 was 67% of 'High' and 'Medium' recommendations having been recorded as implemented. The performance in relation to recommendations other than those in Education is 88% (Figures as at 01-09-14).

We are currently liaising with the Education Service on improvements to the process for the reporting of implementation rates within schools.

- 5.3 A graph showing the breakdown of recommendation implementation by Service is provided at Appendix A.

6. CURRENT AUDIT CONCERNS

- 6.1 A report on progress made on the previously reported areas of Internal Audit concern is scheduled to be presented to the Committee by the Deputy Chief Executive.

AUDIT MANAGER
05 SEPTEMBER 2014

APPENDIX A

Recommendation Tracking Table – Non Education High & Medium Recommendations Created Since 01-04-2012 Progress Table: % implemented / non implemented of high and medium category recommendations by service where over 10 recommendations made But excluding Education; which total at the end of the period was **88%** of all such recommendations.

In our opinion therefore based on the self assessed data in the Progress Table above the Council has made ‘**good progress**’ in the period in implementing High and Medium categorised Internal Audit recommendations.

NB it should be noted that the increased implementation rate is the result of data cleansing of recommendations by Internal Audit and the amendment of a number of target dates for implementation due to recommendations ‘being partly implemented’ with some work ongoing or where the assigned ‘responsible officer’ for implementation has changed.

