

# Public Document Pack



CYNGOR SIR  
YNYS MÔN  
ISLE OF ANGLESEY  
COUNTY COUNCIL

Mrs Annwen Morgan  
Prif Weithredwr – Chief Executive  
CYNGOR SIR YNYS MÔN  
ISLE OF ANGLESEY COUNTY COUNCIL  
Swyddfeydd y Cyngor - Council Offices  
LLANGFNI  
Ynys Môn - Anglesey  
LL77 7TW

Ffôn / tel (01248) 752500  
Ffacs / fax (01248) 750839

<b>RHYBUDD O GYFARFOD</b>	<b>NOTICE OF MEETING</b>
<b>PWYLLGOR LLYWODRAETHU AC ARCHWILIO</b>	<b>GOVERNANCE AND AUDIT COMMITTEE</b>
<b>DYDD MAWRTH, 21 MEDI, 2021 am 2:00 y. p.</b>	<b>TUESDAY, 21 SEPTEMBER 2021 at 2.00 pm</b>
<b>CYFARFOD RHITHIOL WEDI'I FFRYDIO'N FYW</b>	<b>VIRTUAL LIVE STREAMED MEETING</b>
<b>Swyddog Pwyllgor</b>	<b>Ann Holmes 01248 752518 Committee Officer</b>

## **AELODAU / MEMBERS**

Cynghorwyr / Councillors:-

## **PLAID CYMRU / THE PARTY OF WALES**

John Griffith, Dylan Rees, Alun Roberts, Margaret M. Roberts

## **Y GRWP ANNIBYNNOL / THE INDEPENDENT GROUP**

Gwilym O. Jones, Richard Griffiths

## **ANNIBYNNWYR MÔN / ANGLESEY INDEPENDENTS**

Jeff Evans, Peter Rogers (*Cadeirydd/Chair*)

## **AELOD LLEYG / LAY MEMBER**

Dilwyn Evans (*Is-Gadeirydd/Vice-Chair*)

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## **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 OF THE PREVIOUS MEETING** (Pages 1 - 12)

To present the minutes of the previous meeting of the Governance and Audit Committee held on 20 July, 2021.

**3     INFORMATION GOVERNANCE: ANNUAL REPORT OF THE SENIOR INFORMATION RISK OWNER (SIRO) 2020/21** (Pages 13 - 24)

To present the report of the Senior Information Risk Owner (SIRO).

**4     ANNUAL REPORT: CONCERNS, COMPLAINTS AND WHISTLEBLOWING 2020/21** (Pages 25 - 32)

To present the report of the Director of Function (Council Business)/ Monitoring Officer.

**5     ANNUAL POLICY ACCEPTANCE REPORT 2020/21** (Pages 33 - 46)

To present the report of the Director of Function (Council Business)/ Monitoring Officer.

**6     EXTERNAL AUDIT: FINANCIAL SUSTAINABILITY ASSESSMENT - ISLE OF ANGLESEY COUNTY COUNCIL** (Pages 47 - 60)

To present the report of External Audit.

**7     EXTERNAL AUDIT: PROGRESS REVIEW OF THE NORTH WALES GROWTH DEAL - NORTH WALES ECONOMIC AMBITION BOARD** (Pages 61 - 86)

To present the report of External Audit.

**8     EXTERNAL AUDIT: ISLE OF ANGLESEY COUNTY COUNCIL - WORKFORCE PLANNING** (Pages 87 - 96)

To present the report of External Audit.

**9     EXTERNAL AUDIT: AUDIT WALES REPORTS AND RECOMMENDATIONS - LETTER TO THE CHAIR** (Pages 97 - 98)

To present External Audit's Letter to the Chair of the Committee.

**10    INTERNAL AUDIT UPDATE** (Pages 99 - 108)

To present the report of the Head of Audit and Risk.

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**11     OUTSTANDING ISSUES AND RISKS** (Pages 109 - 122)

To present the report of the Head of Audit and Risk.

**12     UPDATED FORWARD WORK PROGRAMME** (Pages 123 - 126)

To present the report of the Head of Audit and Risk.

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## GOVERNANCE AND AUDIT COMMITTEE

### Minutes of the virtual meeting held on 20 July, 2021

- PRESENT:** Councillor Peter Rogers (Chair)  
Mr Dilwyn Evans (Lay Member) (Vice-Chair)
- Councillors Jeff Evans, John Griffith, Gwilym O. Jones,  
Dylan Rees, Alun Roberts, Margaret Roberts.
- IN ATTENDANCE:** Director of Function (Resources) and Section 151 Officer  
Head of Internal Audit & Risk (MP)  
Principal Corporate Health and Safety Advisor (SN) (for item 3)  
Committee Officer (ATH)
- APOLOGIES:** Councillor Richard Griffiths, Mrs Annwen Morgan, (Chief  
Executive), Mr Rhys Hughes (Director of Education, Skills and  
Young People)
- ALSO PRESENT:** Councillor Robin Williams (Portfolio Member for Finance), Mr  
Alan Hughes (Audit Lead – Performance Audit, Audit Wales),  
Yvonne Thomas (Financial Audit Lead – Audit Wales), Principal  
Internal Auditor (NW), Mr Gareth Williams (Local Democracy  
Reporter)
- 

The Chair welcomed everyone present to this virtual meeting of Governance and Audit Committee.

#### 1. DECLARATION OF INTEREST

No declaration of interest was received.

#### 2. MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting of the Governance and Audit Committee held on 23 June, 2021 were presented and were confirmed as correct.

#### 3. CORPORATE HEALTH AND SAFETY ANNUAL REPORT 2020/21

The report of the Principal Corporate Health and Safety Advisor setting out the Authority's performance with regard to Health and Safety during the period from 1 April, 2020 to 31 March, 2021 was presented for the Committee's consideration.

The Principal Corporate Health and Safety Advisor reported that the annual report is presented in a format prescribed by the Welsh Local Government Association (WLGA) which has developed a framework and guidance for the production of annual health and safety performance reports. The 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. The main points to be drawn from the report were as follows –

- The Covid 19 crisis has dominated the work carried out by the Council during 2020/21. The formation of the Emergency Management Response Team (EMRT) to oversee the corporate response to the Coronavirus pandemic and all activities and reactive work related thereto enabled the implementation of tight risk controls to address the health risk.
- The presentation of plans and risk assessments to the EMRT before work was allowed to be carried out ensured that work was undertaken in as safe a manner as possible. The scale of the work done to ensure continued service delivery by the Council should not be underestimated. During the year to which the report refers, new risk assessment formats, new guidance and new operational plans were developed to address the risk from Covid 19 as explained in further detail in section 9 of the report. A total of 482 risk assessments and reviews were undertaken during the year an analysis of which is provided at Table 15. The risk assessment process is a continual process with risk assessments reviewed on an ongoing basis to ensure they remain current and new risk assessments being developed.
- The Corporate Health and Safety Plan for 2020/21 was not implemented because of the need to address the immediate and evolving demands during the Covid 19 crisis. Most of the actions from the plan have been incorporated into the 2021/22 plan whilst recognising the additional risks and demand of living, working and delivering services in a Covid 19 world. There have been some amendments to the plan in acknowledgement of the possible need to address issues which may arise during the ongoing crisis situation.
- The report contains a comparison of the data for all accidents and incidents reported during 2020/21 and the data for employee only incidents with the same data for 2018/19 and 2019/20. For both categories there has been a significant decline in the number of incidents in 2020/21 (Tables 1 to 6 refer) on the previous two years which is directly related to the reduced number of services operating and reduced activities under Covid 19 restrictions. The figures show an increase in incidents for the second and third quarters of the year mirroring the periods during which schools re-opened which historically account for the largest number of incidents per service.
- The ongoing pandemic also had a significant impact on training provision during 2020/21 with classroom sessions being suspended and training moving online where feasible. Nevertheless, a total of 13 corporate health and safety sessions were successfully held and were attended by a total of 81; these included classroom sessions with limited capacity for which a Covid related risk assessment was undertaken beforehand. Table 7 of the report provides a breakdown of the corporate health and safety sessions held and the numbers attending and Table 8 shows the corporate health and safety E-Learning completions. As well as the corporate training provision, health and safety courses and E-Learning also continued to be arranged around the ongoing restrictions for the social care sector (Tables 9 and 10 refer).
- Staff health and well-being have been key priorities during the pandemic and several initiatives have been introduced in 2020/21 including a Working from Home well-being page. This has since evolved into a Health and Well-being section and now includes a number of pages around specific health and well-being themes and has registered 1,343 users in the last month of 2020/21. Table 12 in the report shows the number of corporate health and well-being sessions held in the year for the courses documented and the number attending whilst Table 13 provides the same data for social care health and well-being sessions; Table 14 provides information about health and well-being E-Learning Completions.
- The Health and Safety Executive has carried out some proactive work in the year in relation to Covid 19 including inspections of six Anglesey schools to assess Covid

control measures; no significant issues arose from the inspections. Compliance with an Improvement Notice issued by the HSE in December 2018 in relation to a Hand-Arm Vibration (HAVS) case was completed in January, 2020 and a letter of confirmation was received. Work has continued to monitor the controls implemented as a result of the Improvement Notice which include regular meetings with the Chief Executive, Head of Housing Services, the Housing Health and Safety Officer and Corporate Health and Safety.

- The management of the Covid 19 crisis by the EMRT can be seen as a key achievement over the year as can the continued supply and distribution of PPE. The capacity for the type of reporting that produces the weekly Situation Reports providing senior management with up to date information on staff capacity, work carried out and potential areas of concern should be considered for future monitoring of the Council's health and safety performance. Likewise, the speedy and efficient adaptation of the Learning Pool as a method of providing specific information and training on Covid 19 risks and controls has the potential to provide access to training and information on other health and safety topics.

The Committee thanked the Officer for the report and raised the following points on the information presented –

- Issues around the delivery of training and attendance at training, particularly the complications with delivering in person training during the Covid pandemic. The Corporate Health Advisor explained that where refresher training has been required, then efforts have been made to safely fulfil that requirement as opposed to holding training events where participants attend en masse, e.g. First Aid training certificates last for three years before they have to be renewed. The re-introduction of in-person training has only been considered in the past few months as restrictions allow otherwise the Human Resources Department has successfully adapted a great part of the training offerings to a virtual format.
- The health and well-being implications of remote working and increased screen time and whether these are being given more considered attention within the Corporate Health and Safety Action Plan. The Corporate Health and Safety Advisor confirmed that employee well-being was a consideration from the outset of the pandemic when home working arrangements were mandated. An online training module to enable staff to undertake their own Display Screen Equipment (DSE) assessment has been made available and helps staff to identify what they need to do to ensure their home work place and work station are suitable; all staff whose work regularly involves the use of display screen equipment are required to complete the module. This was an aspect of the workplace that was being looked at prior to the pandemic which has since been escalated because of Covid 19 and has been recognised as a significant risk. Where staff have identified issues after undertaking the DSE assessment, they have been provided with additional equipment to allow them to work safely from home.
- The delay in complying with the Improvement Notice issued by the HSE in relation to the HAVS case and the current situation. The Corporate Health and Safety Advisor clarified that the case is a historic case and was reported to the HSE because it involved an occupational condition (Hand arm vibration syndrome) that is reportable under RIDDOR; following an inspection by HSE an improvement notice was issued with a six month timeline in which to comply. The delay was due to the time taken to verify the information provided by the Council which included meetings with Council officials; once that process was completed to the HSE's satisfaction a closing meeting was held to review the documentation and a letter of confirmation was subsequently received. The current controls in place meet with HSE's stipulation regarding what needed to be done, and the situation is the subject of ongoing internal monitoring by the Council's Officers including by the Chief Executive.

**It was resolved to accept the Annual Corporate Health and Safety Report for 2020/21 and to endorse the recommendation therein that the Council should follow the strategic plan for the management of Health and Safety and implement the Corporate Health and Safety Action Plan whilst also acknowledging that due to the continued Covid 19 situation, the actions in the Corporate Health and Safety Action Plan may be delayed or replaced with more urgent actions to address the risk from Covid 19.**

#### **NO FURTHER ACTION WAS PROPOSED**

#### **4. ANNUAL TREASURY MANAGEMENT REPORT 2020/21**

The report of the Director of Function (Resources)/Section 151 Officer incorporating the Treasury Management Review for 2020/21 was presented for the Committee's consideration. The report is produced to comply with the regulations issued under the Local Government Act 2003 and with the Council's Treasury Management Scheme of Delegation for 2020/21 and forms one of a trio of treasury management reports that are issued in accordance with the minimum reporting requirements for 2020/21. The report provides an overview of the Council's borrowing and investment activities during the year and highlights performance against the Prudential Indicators set by the Council.

The Director of Function (Resources)/Section 151 Officer referred to the main points as follows -

- The external factors that have influenced treasury management activity and decisions in the year including interest rate movements, the state of the UK economy and the significant impact which the Covid pandemic has had thereon as well as the part conclusion of the Brexit process with the final agreement on a trade deal.
- The internal factors which determine the treasury management outturn position which include the following :
  - **Capital expenditure and financing** – the table at 3.1 shows the actual capital expenditure and how this was financed. Actual General Fund capital expenditure financed by borrowing was significantly lower than that projected (£20m actual against £39m estimated) due to the large underspend on the capital projects listed at 3.1 many of which were delayed as a result of Covid 19 restrictions.
  - **Reserves and cash balances** – the Council's cash balances comprise revenue and capital resources and cash flow monies. The Council's core cash resources are set out in the table at 3.2 of the report and they include the Council Fund General Reserve; the provisional pre-audit figures show that the General Reserve increased from £7.060m as at 31 March, 2020 to £11.594m as at 31 March, 2021. The Council's total usable reserves and provisions stood at £45.245m as at 31 March, 2021 (up from £31.124 at 31 March, 2020).
  - **Gross borrowing and the Capital Financing Requirement (CFR)** – The CFR reflects the Council's total underlying need to borrow to finance its capital expenditure and is a gauge of the Council's debt position. It results from the capital activity of the Council and the resources utilised to pay for the capital spend. It represents the 2020/21 capital expenditure financed by borrowing and prior years' capital expenditure funded by borrowing which has not yet been paid for by revenue or other resources. In order to ensure that borrowing levels are prudent over the medium term and is only for a capital purpose, the Council should ensure that its gross external borrowing does not except in the short-term, exceed the total of the capital financing requirements in the preceding year plus the estimates of any additional capital financial requirement for the current and next two financial years.



The gross borrowing of £124.5m at 31 March, 2021 is less than the forecast CFR for the following two years.

- **Internal borrowing** – at the beginning of the year, the internal borrowing position whereby the Council uses its own cash reserves to fund capital expenditure was overfunded by £2.3m. By repaying the £10m short term PWLB loan taken out in March, 2020 as contingency going into the Covid 19 crisis, and no other new loans taken out in the 2020/21 financial year, the internal borrowing position at 31 March, 2021 was underfunded by £12.1m. (CFR minus the gross borrowing position).
- **Debt repayments** – Three PWLB loans matured during the year as detailed in paragraph 3.5 of the report. No short-term borrowings are outstanding.
- **Investments** – Investment returns which had been low during 2019/20 plunged during 2020/21 to near zero. Average balances of £43.7m returned £0.035m at an average interest rate of 0.079% against an interest budget that was set at £0.053m. Limited investment in other local authorities and interest rates dropping to below that anticipated at budget setting contributed to this decrease in interest receivable. The forecast for interest rates in the 2020/21 Treasury Management Strategy was invalidated by the Covid pandemic which led to the Bank Rate being cut down to 0.1% to counter the impact of lockdown on large swathes of the economy. Part of the Council's deposits were held in no notice deposit accounts whilst there was one loan to another local authority.
- In accordance with the Treasury Management Strategy for 2020/21, no debt rescheduling was done in the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made it unviable. During the year, the Council did not borrow more than or in advance of its needs purely in order to profit from the investment of extra sums borrowed. The investment activity during the year conformed to the approved strategy and the Council had no liquidity difficulties. When the Council invests its surplus cash, the most important aspect of the investment is the security of the money invested followed by liquidity and then the yield. The strategy on investing surplus cash would be to borrow short term with other local authorities to maximise returns in a secure way.
- During 2020/21 the Council complied with its legislative and regulatory requirements. The key data for actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year with comparators are set out in the table at paragraph 6.1 of the report. Capital expenditure was lower than that forecast at the time of producing the Prudential indicators due to reasons of underspend on capital projects; likewise the CFR was significantly lower than that projected when agreeing the Prudential Indicators due to the underspend on the 21st Century Schools Programme thereby reducing the amount of unsupported borrowing needed in 2020/21. Neither the Authorised Borrowing Limit (£183m) nor the Operational Boundary (£178m) were breached in the year with the amount of external debt peaking at £139.2m only. The financing costs as a proportion of the net revenue stream for the General Fund (4.80%) was very close to the anticipated total (5.15%) meaning this indicator performed as expected and also in line with the previous year. The financing costs as a proportion of net revenue stream for the HRA (16.34%) was below the anticipated total (17.16%) due to lower financing costs the net revenue stream also being lower than expected when the proposed indicator for 2020/21 was set.
- The Council's treasury management performance during the year was in line with the strategy of low risk, low return on investments and a planned approach to borrowing to minimise interest charges. Performance against the strategy takes into account the external economic factors and is kept under regular review to ensure the strategy remains the most appropriate.
- The Council approved the Treasury Management Strategy Statement for 2021/22 in March, 2021; the strategy is not expected to change significantly as long as the Bank Rate remains at its current low level; however the Council will be guided by its Treasury

Advisors when making decisions about where and when to invest and/or borrow. It is forecast that the Council will need to increase its borrowing in the next three years to fund its capital programme which will in turn affect the General Fund with an increased Minimum Revenue Provision being charged to fund the capital financing costs.

In considering the report the Committee raised the following points –

- Clarity around the practice of investing with other councils, specifically whether that is done on the basis of a council's creditworthiness and whether the process incurs an administration fee. The Director of Function (Resources)/Section 151 Officer clarified that the process is normally undertaken via a broker whose fee is paid for by the borrowing authority. In instances where the Council has an established connection or relationship with the borrowing authority, e.g. in a case where Anglesey Council invested with another North Wales council, the initial investment was arranged via a broker but the subsequent rollover of the investment was undertaken without a brokerage service. While the local authority sector is viewed overall as a safe place for investment, the Council does undertake due diligence checks on the councils with which it invests by way of examining their accounts for example; additionally councils which are in financial difficulties are generally known within the sector and the Council also receives guidance from its Treasury Advisors about the councils that are financially sound and therefore safe to invest with, and those that are not.
- Whether in light of the significant increase in school balances in 2020/21 and past criticism of schools for having balances deemed as excessive, Head teachers and governing bodies should now be looking to spend the surplus cash on suitable schemes or whether they should retain their balances as "rainy day" money to mitigate any financial pressures that may arise in future. The Director of Function (Resources) and Section 151 Officer advised that school balances have reduced greatly over the past two years as schools have utilised their reserves to make up budget shortfalls. The increase in school balances is not unique to Anglesey and is attributable to three factors one being the provision by Welsh Government of additional grant funding late in the financial year to enable schools to help pupils catch up with their education which will be spent by schools in this financial year. Another factor is the reduced expenditure incurred by schools in 2020/21 due to periods of lockdown related closure in the year with the Authority deciding not to claw back the unused funding from the delegated school budget. The third factor which applies to secondary schools is the payment which the schools have made to the WJEC examining board which is significantly reduced from the payment that would have been due had the examinations taken place as normal. The advice to schools would be that whilst balances can be spent on specific projects that benefit the school, it is also useful to have balances available to draw upon to bridge the gap in a year when pupil numbers fall and the funding falls with it. Additionally, should there be an indication that budgets will decrease in the long term making savings necessary, then it is better that schools should implement those savings sooner in a planned way rather than later when it has to be done which only serves to weaken the financial position of the school.
- Reference was made to the interest rate forecast from Link Asset Services at Table 7.5 of the report as not being reflective of the rising inflation rate, and the implications for treasury management if the interest rate is increased to counter inflationary pressures. Additionally, it was suggested that given that interest rates are at historically low levels it might be prudent to consider undertaking borrowing now in readiness for the time when capital is required especially if capital expenditure which has consistently fallen short of the budget, can be speeded up. The Director of Function (Resources) and Section 151 Officer advised that the Bank of England's thinking is that the increase in inflation is temporary and is being driven by pent-up demand as restrictions are lifted and that it will reduce as demand evens out and life returns to normal. The long-term view is that the

inflation rate will return to under 2% and that a short-term increase in interest rate is not necessary. Although the view might change if inflation continues on an upward trend, there is no immediate desire to depress consumer spending as the economy tries to recover. With regard to whether or not to borrow to take advantage of low interest rates and accelerate capital expenditure, that would be possible if the capacity and schemes were available; rushing out schemes because money is available and because it is cheap to borrow may mean the Council ending up with a debt burden for schemes that are not in line with its priorities thereby restricting future borrowing when there may be schemes on which the Council wants to spend that meet its corporate objectives.

**It was resolved –**

- **To note that the outturn figures in the annual treasury management report for 2020/21 will remain provisional until the audit of the 2020/21 Statement of Accounts is completed and signed off; any resulting significant adjustments to the figures included in the report will be reported as appropriate.**
- **To note the provisional 2020/21 prudential and treasury indicators in the report.**
- **To accept the annual treasury management report for 2020/21 and to forward the report to the next meeting of the Executive without further comment.**

**5. ANNUAL COUNTER FRAUD, BRIBERY AND CORRUPTION REPORT 2020/21**

The report of the Head of Audit and Risk incorporating the Annual Counter Fraud, Bribery and Corruption report 2020/21 was presented for the Committee's consideration. The report presents the activity carried out in 2020/21 to minimise the risk of fraud, bribery and corruption occurring within and against the Council; it highlights some of the current and emerging areas of fraud risk including those related to the Covid-19 pandemic and provides a conclusion on the effectiveness of the Council's arrangements to minimise the risk of fraud.

The Head of Audit and Risk guided the Committee through the annual report with reference to the following -

- The contextual information including the definition of fraud as advocated by the CIPFA Counter Fraud Centre and the reasons why countering fraud is important. Fraud poses a major financial threat for councils and can affect their reputation and divert funding from vital public services undermining public trust, financial sustainability and organisational efficiency. In Wales the Auditor General's 2019 report highlighted that Welsh public services could be losing anything up to £1 billion per year to fraud.
- The Wales wide arrangements for counter fraud. Following the transfer of fraud investigators from Local Government to the Department for Work and Pensions in 2014, most councils in Wales including the Isle of Anglesey County Council, no longer have a dedicated council wide fraud resource with the counter fraud role instead being assigned to Internal Audit. Neither is there any over-arching group or professional network that specifically promotes counter fraud in local government. To fill this gap in North Wales a sub-group of the North and Mid Wales Audit Partnership has recently been formed to share and drive good practice in relation to counter fraud.
- Current and emerging fraud risks. UK Councils reported that approximately 47,000 instances of fraud had been detected or prevented in 2019/20 with the biggest losses arising from Council Tax fraud (estimated at £35.9m) followed by disabled parking concession and housing fraud. The largest growing fraud area in the UK is housing tenancy with an estimated £60.1m lost in 2019/20 compared to £47.7m in 2018/19. The Head of Housing Services has assessed that generally, tenancy fraud is low in Anglesey. However, an awareness raising article was included within a newsletter circulated to all tenants informing them of what to do if they suspected anything in a neighbouring

property and the Service's Housing Management Officers have undertaken tenancy fraud training.

- Council Tax single person discount (SPD) is the next largest growing fraud area in the UK which has an estimated increase of £9.6m to an estimated value of £29m from cases detected/prevented in 2018/19. The Council uses an external company to review and validate its SPD claims on a periodic basis to identify claims at risk of fraud and error. The last exercise in August 2018 identified errors to the value of £340,347 with an error rate of 4.3%. The two highest perceived fraud risk areas for 2019/20 are procurement and Council Tax SPD followed by business rates, adult social care and tax reduction respectively. A review of the Council's vulnerability to procurement fraud will be undertaken in 2021/22.
- CIPFA endorses a common set of principles across the public services to improve counter fraud practice and these are set out in its 2014 Code of Practice on Managing the Risk of Fraud and Corruption. An assessment of the Council's practices benchmarked against the five principles within the Code has been carried out and the report provides a high level summary of the results.
- Fraud attempted against the Council during 2020/21. This included two malicious redirection frauds also known as mandate frauds when someone impersonates a third party such as a supplier, one of which was detected by the genuine supplier's bank and the other which was thwarted by a Payroll Officer. The Grants Team also detected and stopped a number of attempted fraudulent Covid 19 business grant applications.
- Some level of public sector fraud is likely even in normal times but 2020/21 was a year of unprecedented challenges as the Covid 19 pandemic dramatically transformed the work of the Council, the lives of its staff and lockdown restrictions significantly impacted on the economy. The planned work to improve the Council's counter fraud arrangements were put on hold while the team supported the Council's response to the pandemic. However, the redeployment of one member of the Internal Audit Team to the team distributing Covid 19 business grants helped ensure a rigorous and robust challenge to the payment of the grants. The effective management of fraud and corruption risks is a critical part of an effective, modern council that manages its resources efficiently to secure value for money.
- The government, law enforcement, security agencies, regulators and the private sector are continuing to work together to protect the public and businesses from all types of fraud. Fraud is hard to predict and while these organisations are monitoring crime trends carefully, the most important thing is to get the message out to staff and to the general public to be aware and to be alert. Therefore a comprehensive programme of counter fraud awareness raising via E-Learning and the refreshing of policies will be the cornerstone of the fraud prevention strategy for 2021/22. There is also a need for a tough stance supported by elected members, chief executives and those charged with governance. For anti-fraud and corruption measures to be successful they need to be embedded within the organisation creating a culture in which fraud is not accepted or tolerated.

The following points were raised by the Committee in discussing the annual report –

- In the context of housing tenancy fraud, reference was made to the difficulties caused when housing benefit is paid directly to tenants and the tenant has no intention of using it to pay rent to their landlord thereby leading to loss of funds to the Council and loss of income to landlords. Although recognising that legislation requires local authorities to make housing benefit payment directly to the tenant, in light of the magnitude of the problem, the losses it entails, and the wider problems it causes, it was queried whether the Council can take any steps to address the issue especially in cases where a tenant has a history of not paying rent. The Director of Function (Resources)/Section 151 Officer advised that housing benefit is a claim made by the tenant which is processed by

the Council which then issues payment based on the claim; the Council is not responsible for ensuring that claimants use the payment to clear any contractual obligations they have with the landlord. The legislation makes it is clear that it is the tenant's right to have the money paid directly to them; the Council administers the benefit but does not pay rent on the tenant's behalf. If the claim for benefit is fraudulent in that the claimant has no entitlement to it, then it becomes a matter for the DWP (fraud investigation having transferred from local authorities to DWP in 2014) to whom the Council will forward any evidence it has. Therefore the Council is limited in what it can do with regard to the matter since it is required to pay housing benefit to a claimant making a valid claim and, in cases where fraud is suspected the responsibility for prosecuting it now lies with the DWP.

- Reference was made to the publicity given in the local media to sanctions and enforcement in connection with cases of Council Tax fraud and Housing Benefit fraud so as to deter others but not so with cases involving the misuse of disabled parking concessions (blue badges) and whether this is due to failure to detect cases or to there being no such cases on Anglesey. The Head of Audit and Risk advised that in the UK context in which the reference in the report is made, the misuse of blue badges is a significant problem in large city and borough council areas where parking comes at a premium and where the costs to the local authority in lost parking income for example arising from this type of fraud can therefore be very high. In Anglesey, it is not considered a particular risk nor a fraud to which the Council is especially vulnerable.
- Whilst agreeing that publicity is an useful tool in deterring fraud, it was suggested that the creation of a counter fraud post would help in terms of proactive work to prevent fraud and also to gather information for enforcement action, and that a soft touch approach is not likely to yield the results which the Council is looking for. The Director of Function advised that it is the job of internal controls to prevent fraud; over time the nature and opportunity for fraud have changed as have the mechanisms to detect and counter fraud e.g. less use of cash and increased availability and digitisation of information making cross referencing and data checking easier. Being a smaller sized authority means that the risk of fraud is reduced and detection more likely, but it is not eliminated altogether. Fraudsters tend to target larger authorities where the returns for successfully perpetrating a fraud are likely to be that much higher. Where fraud occurs in Anglesey it is on a much reduced scale.
- Whether External Audit has a greater role to play in fraud detection. Mr Alan Hughes, Performance Audit Lead for Audit Wales advised that while Audit Wales can review the scope of its work when planning its work programme with corporate management at the beginning of the year and share examples of good practice, it is the Council's responsibility to put in place internal controls in the form of policies, systems and processes to manage the risk of fraud, to obtain assurance that those controls are operating effectively and to ensure that training is up to date and that staff across the organisation are sufficiently fraud aware.

Councillor Robin Williams, Portfolio Member for Finance highlighted the importance of educating staff about different types of fraud which should be refreshed at least once a year and obtaining staff buy-in to tackling fraud within and against the organisation.

**Having considered the information presented and commented thereon it was resolved to accept the Annual Counter Fraud, Bribery and Corruption Report for 2020/21 and to note its contents.**

**NO ADDITIONAL ACTION WAS PROPOSED**

## **6. UPDATE ON INTERNAL AUDIT STRATEGY AND PRIORITIES 2021/22**

The report of the Head of Audit and Risk updating the Committee on Internal Audit activity as at 12 July, 2021 was presented for consideration. The report provided a synopsis of the audits completed and current workload since the last report to Committee in April, 2021.

The Head of Audit and Risk referred to the assurance work completed since the last update to Committee as at Table 3 of the report with the first four reports (IT Service Continuity – Phishing; Covid 19 Emergency Management Assurance; Identification of Duplicate Invoices and Recovery of Duplicate Payments, and IT Resilience – First Follow-Up) having been presented to the Committee in May, 2021. The three remaining reports (Social Care Workforce Special Payments Scheme; Coping with Homelessness and the Effects of Covid 19 and Management of School Unofficial Funds - First Follow – Up) are presented with the agenda for today’s meeting and all have resulted in either a Substantial or Reasonable Assurance opinion with only one moderate issue having been raised in connection with the Management of School Unofficial Funds. She highlighted the contribution of the Learning Service’s staff to progressing the issues raised by the audit of the Management of Unofficial School Funds and to their having been fully engaged in the work, and she confirmed that all schools bar one have now been issued with an audit certificate for their school funds and that the remaining one is in progress. Audit work in progress is shown in Table 4 of the report and an overview of outstanding actions is provided by the dashboard at Appendix 1 of the report.

In reflecting on the information presented, the Committee queried the 35 outstanding issues/risks attributed to the Resources Service which appear disproportionate to the actions outstanding to other services. The Head of Audit and Risk clarified that as a great part of Internal Audit’s recent work has been in relation to aspects of service within Resources the greater the likelihood that a higher number of issues will be outstanding for the Resources function; however, only 7 of the 35 issues categorised as outstanding are overdue with the remainder not having reached their due date and being work in progress.

**It was resolved to accept the report and to note Internal Audit’s assurance provision going forward.**

**NO ADDITIONAL ACTION WAS PROPOSED**

## **7. EXTERNAL AUDIT: AUDIT WALES IOACC WORK PROGRAMME AND TIMETABLE**

The report of External Audit setting out the Audit Wales Work Programme and Timetable in relation to the Isle of Anglesey County Council was presented for the Committee’s consideration.

Mr Alan Hughes, Performance Audit Lead for Audit Wales advised that the report presents the Audit Wales work programme and timetable in relation to Anglesey and nationally in a new format and includes the work scheduled to be undertaken by other regulators. Also included is a summary of Audit Wales’s published and planned national reports and other outputs. The report represents a single point of information for regulatory activities both in the offing and completed at local and national levels and it will be generated quarterly and submitted to the next available meeting of the Governance and Audit Committee.

**It was resolved to accept and to note the Audit Wales IOACC Work Programme and Timetable.**

## **8. UPATED FORWARD WORK PROGRAMME**

The report of the Head of Audit and Risk incorporating minor amendments to the approved Forward Work Programme for 2021/22 due to workload issues and/or legislative changes was presented for the Committee's consideration.

**It was resolved to note the minor amendments to the approved Forward Work Programme for 2021/22.**

**Councillor Peter Rogers  
Chair**

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<b>CYNGOR SIR YNYS MON / ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>MEETING:</b>	<b>Governance &amp; Audit Committee</b>
<b>DATE:</b>	<b>21<sup>st</sup> September 2021</b>
<b>TITLE OF REPORT:</b>	<b>INFORMATION GOVERNANCE – SENIOR INFORMATION RISK OWNER’S ANNUAL REPORT FOR 1ST APRIL 2020– 31ST MARCH 2021</b>
<b>PURPOSE OF THE REPORT:</b>	<b>To Inform Members as to the Level of Compliance and Risk</b>
<b>REPORT BY:</b>	<b>SIRO/Monitoring Officer Ext. 2586 lbxcs@ynysmon.gov.uk</b>
<b>CONTACT OFFICER:</b>	<b>SIRO/Monitoring Officer Ext. 2586 lbxcs@ynysmon.gov.uk</b>

## **Purpose of this report**

To provide the Audit and Governance Committee with the Senior Information Risk Owner’s analysis of the key Information Governance (IG) issues for the period 1 April 2020 to 31 March 2021 and to summarise current priorities.

## **Introduction**

This report provides the Senior Information Risk Owner’s statement and overview of the Council’s compliance with legal requirements in handling corporate information, including compliance with the United Kingdom General Data Protection Regulation (UK GDPR); Data Protection Act 2018; Freedom of Information Act 2000; Regulation of Investigatory Powers Act 2000 (Surveillance) and relevant codes of practice.

The report provides information about the Council’s contact with external regulators and gives information about security incidents, breaches of confidentiality, or “near misses”, during the period.

Key data about the Council’s information governance is given below in Appendices 1-7.

## **Senior Information Risk Owner’s Statement**

As discussed in the report for 2019-2020, the Council’s data protection governance arrangements have achieved a sufficient degree of maturity and cultural embedding to be able to identify necessary change and improvement organically and without the stimulus of external regulatory intervention as drivers for change.

The Council has mechanisms and process in place to ensure that key intelligence about information governance compliance is captured, analysed and enabling prompt response and operational change and targeted development. Oversight by senior leaders of the Council is supported by the way that data protection is embedded into the culture of Services.

During this year, data protection training sessions have been delivered to staff based on their need for general or specialist role training. Training on the Regulation of Investigatory Powers

Act (RIPA) was provided for RIPA Authorising Officers, the RIPA Senior Responsible Owner and the RIPA Coordinator. Further information about training is provided below (see Appendix 7).

The Council's processes for compliance with the Regulation of Investigatory Powers Act were inspected by the Investigatory Powers Commissioner during the period of this report. Prior to the inspection, the Council's **new RIPA Social Media Guidance** had been produced and circulated to relevant services and the Council's Policy document had been revised. The inspection was favourable and no formal recommendations were made by the IPCO.

During the period of this report the **Council's Data Protection Agreement / Contract** was completely revised in order to accommodate Post- Brexit requirements. The new template is now being used by Services. The **Data Protection Impact Assessment template** and process was also completely revised and re-issued. All non-current data protection content was removed from the Council's intranet site shifting the focus towards the Policy Portal as a resource for data protection resources.

At the September 2020 meeting of the Audit & Governance Committee there was discussion about the possibility that the Council could make more information available in order to better **manage the impact of FOIA requests on Services**. The benefits of routine publication of information are set out in the Act: when a request for information is received for information that is readily available on the Council's website it engages an exemption, which can simplify the response.

In order to assess whether the Council's routine publication of information is currently an effective factor in minimising the impact of FOIA requests, a self-assessment tool was prepared and circulated to the Council's Services. Conclusions are provided in Appendix 8.

It is clear that, owing to demand for operational advice, the Council's information governance capacity is being invested on providing direct support to clients in accordance with the key obligations of data protection legislation. Consequently, there is no longer capacity for any non-essential strategic and corporate initiatives.

Therefore, I propose that rather than reporting on the progress of Services with action plans, future attention will shift to seeking assurance from the Heads of Service, as Information Asset Owners, on key compliance areas, which will be reported to this Committee.

As SIRO, I consider that there is significant documented evidence to demonstrate that the Council's data protection and information governance arrangements are good. I base my assessment on the information governance systems, processes, policies, and training that the Council has in place. I consider that information governance is embedded within the operational culture of the Council. Additional information about key information governance elements is provided in the appendices to my report.

## **Recommendations**

As SIRO, I make the following recommendations to the Committee, that:

- i. the SIRO's statement is accepted;
- ii. the Learning Service ensures that adequate resources are allocated to ensure that the long outstanding consent audit is completed and that it reports upon its completion to this Committee independently ;
- iii. the Council's development of its GDPR Article 30 Record of Processing Activities is supported by the Learning Service;
- iv. my future reports to this Committee report on assurances received by me from the Heads of Service as Information Asset Owners.

## Appendix 1 Information about Regulatory Oversight

### 1.1. The Investigatory Powers Commissioners Office

The Investigatory Powers Commissioners Office (IPCO) oversees the conduct of covert surveillance and covert human intelligence sources by public authorities in accordance with the Police Act 1997 and the Regulation of Investigatory Powers Act 2000 (RIPA). The RIPA regime aims to ensure that directed surveillance is carried out in a way that is compliant with human rights. This is achieved through a system of self-authorisation by senior officers who have to be satisfied that the surveillance is necessary and proportionate; the self-authorisation must then be judicially approved.

As the Council's SIRO, I am also the Senior Responsible Officer (SRO) for the Council's compliance with RIPA procedures.

The Council's processes and practices were inspected by the IPCO during the period of this report. The inspection was favourable and no formal recommendations were made. Although it is acknowledged that the Council makes responsible but limited use of RIPA, the relevant roles, policies, procedures and training are necessary and must be in place.

### 1.2 Information Commissioner

The Information Commissioner is responsible for enforcing and promoting compliance with the Data Protection Act 2018 and the GDPR; the Freedom of Information Act 2000; the Privacy and Electronic Communications Regulations; the Environmental Information Regulations; the Re-use of Public Sector Information Regulations; the INSPIRE Regulations. The Information Commissioner has power to assess any organisation's processing of personal data against current standards of 'good practice'.

#### **Information about the number of data protection complaints from individuals about the Council's processing of their personal information which were investigated by the Information Commissioner's Office (ICO) during the period of this report.**

The ICO contacted the Council in respect of 2 DPA complaints. Whereas the matters were not, ultimately, investigated by the ICO, the Council was asked to review its responses to the complainants and take any appropriate steps to ensure that the complaints were dealt with fully. The complaints have been reviewed and the matters are concluded.

#### **Freedom of Information Act Appeals to the ICO**

One appeal was lodged with the ICO in this period.

The appeal related to the refusal to disclose a report and due to the time lapse since the original response, it was deemed appropriate to disclose the report in full to the complainant

### 1.3. Surveillance Camera Commissioner

The office of Surveillance Camera Commissioner (OSCC) oversees compliance with the Surveillance Camera Code of Practice. The office of the Commissioner was created under the Protection of Freedoms Act 2012 to further regulate CCTV.

The Council has been using **the Surveillance Camera Commissioner's CCTV specific Data Protection Impact Assessment (DPIA)** since 2019-2020 and it is now used by the Council whenever a new CCTV system is proposed.

A CCTV Single Point of Contact was appointed during 2019 - 2020 at the suggestion of the SCC to local Authorities. The Data Protection Officer reviewed the Council's CCTV processes and resources during the period of the last report; this resulted in the **creation of a register of CCTV of systems, managers and operators**. Importantly, the review identified the governance gaps surrounding historic CCTV systems which existed before the introduction of the SCC Code. A **new CCTV resource** was also developed on the Council's IT Portal. The resource contains the CCTV Data Protection Impact Assessment Template, as well as Guidance. A further audit of CCTV systems is tabled to recommence outside of the period of this report.

During the period of this report, CCTV users and managers were trained in the data protection elements of using CCTV.

**Appendix 2. The number of data security incidents recorded by the Council during the year.**

**Data security incidents (20/21): 30 incidents**

Level 0 – Level 1 (near miss or confirmed as a data security incident but **no** need to report to ICO and other regulators) = 28

Level 2 incidents (data security incident that **must** be reported to the ICO because of the risk presented by the incident = 2

<b>Category Level 0 -1</b>	<b>Number</b>
Disclosed in error	26
Lost data/ hardware	1
Technical	1
<b>Category 2</b>	<b>Number</b>
Unauthorised disclosure	1
Other	1

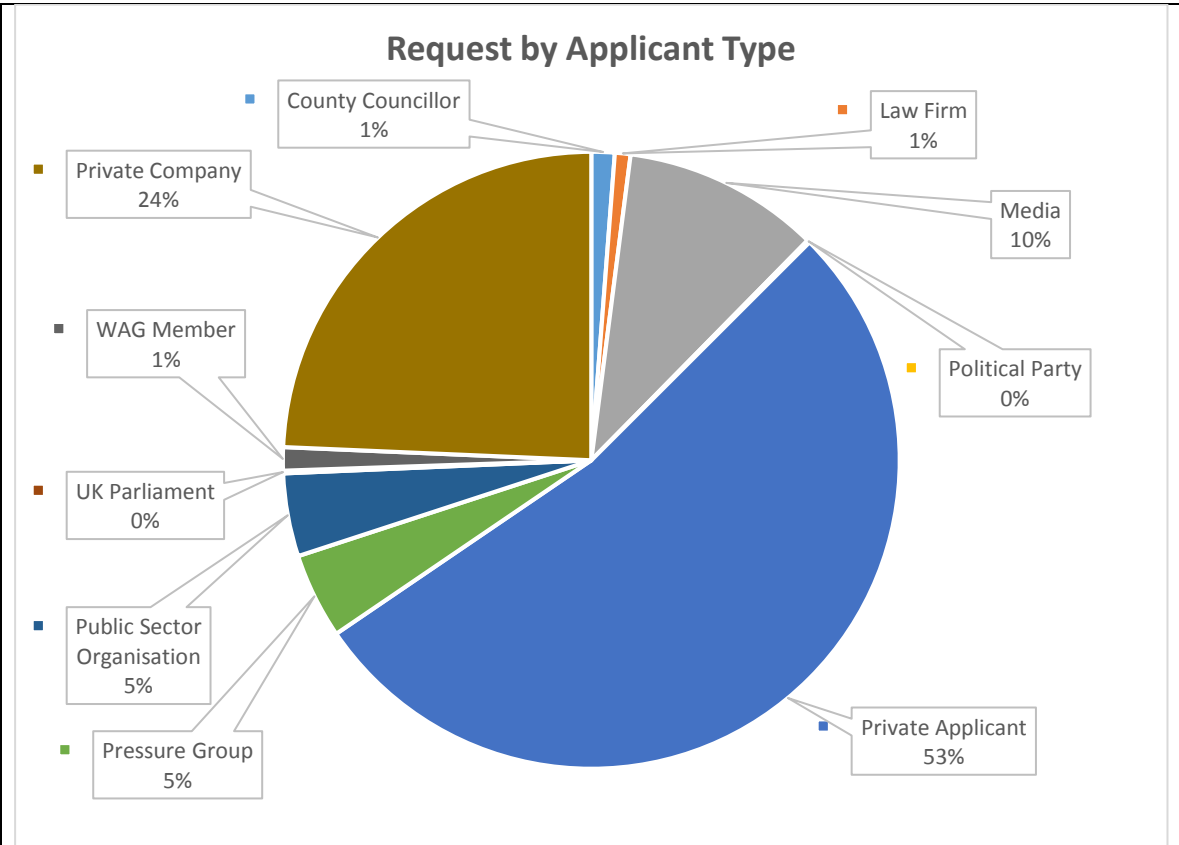
## Appendix 3. Information about Freedom of Information Act 2000 requests and complaints

### 3.1 Freedom of Information Act 2000 requests and Internal Reviews

During 1 April 2020 and 31 March 2021 the Council received 736 requests for information, comprising in total 5397 individual questions.

The Requests are broken down by applicant type, below.

<b>Total Number of Requests Received</b>	736
<b>Total Number of Questions Received</b>	5397
<b>Requests Per Service</b>	
Corporate (Authority wide) = Requiring a co-ordinated response.	134 requests (1214 questions)
Democratic Services	2 requests (20 questions)
Economic Development	5 requests (16 questions)
Elections	3 requests (8 questions)
Health & Safety	2 requests (40 questions)
Highways	76 requests (558 questions)
Housing	33 requests (290 questions)
HR	28 requests (129 questions)
ICT	31 requests (330 questions)
Learning	33 requests (411 questions)
Libraries etc	2 requests (30 questions)
Leisure	5 requests (28 questions)
Legal	8 requests (58 questions)
Maritime	2 requests (18 questions)
Planning	35 requests (232 questions)
Property	11 requests (75 questions)
Public Protection	82 requests (605 questions)
Resources	118 requests (635 questions)
Registration Service	1 requests (3 questions)
Social Services	91 requests (449 questions)
Transformation	1 requests (10 questions)
Waste	33 requests (238 questions)



### 3.2 Requests for Internal reviews

Of the 736 requests, 5 resulted in an Internal Review of the responses made by the Council. The outcomes are as follows:

- In 2 cases the original decision was upheld;
- In 2 cases, the original decision was upheld but the Internal Review required the disclosure of additional information.
- In 1 case, the original decision was overturned. A new response was sent and the requested data disclosed.

**Appendix 4. Information about the number of data protection complaints made to the Council during the year by individuals about its processing of their personal information.**

Data protection legislation consolidates the rights of individual data subjects to complain about the way organisations have used or propose to use their personal data or otherwise infringed their data subjects rights.

**Data Protection Act Complaints to the Council**

5 DPA complaints were received, of which 4 were investigated:

- 1 related to requests for **erasure** of personal data;
- 2 related to requests for **rectification** of personal data
- 2 complaints related to an **objection** to the Council's processing of personal data

Following investigation by the Data Protection Officer, it was found that the 4 complaints were not upheld. The Council's processing was considered to be lawful and the data subject rights were not compromised.

The remaining complaint could not be investigated as the individual failed to provide adequate proof of their identity at the request of the DPO.

**Appendix 5. Information about the number of data protection Subject Access Requests and the Council's compliance.**

**Subject Access Requests and compliance**

25 SARs were received – of the 22 SAR's responded to, 78% responses sent within the appropriate deadline.

2 SARs are on hold and cannot be progressed as the necessary evidence has not been received and 1 was received at the end of the reporting period and was therefore not due a response within the period of this report.



## Appendix 6. Data Protection Work plan

The work plan for data protection, which was developed in the months following the implementation of the new data protection legislation in 2018, has been reported to the Committee previously.

The work plan is owned by the Council's Senior Leadership Team and this establishes data protection at the core of the Council's operations. The purpose of the work plan was to provide greater assurance regarding the Council's compliance. The various elements of the work plan were accompanied by *training*, *guidance notes* and *templates* to assist the Service's staff to complete the stages. All aspects of that work plan have long since been completed save for the information below.

The outstanding elements of the current work plan (to March 2021) and the Services which have not completed the actions are shown below:

Action	Non-compliant Service
1. To review the <b>use of consent as a lawful ground for processing</b> and to review consent recording processes in order to challenge the reliance on consent as a lawful basis by partners.	Learning Service
2. To <b>develop and monitor the Council's Article 30 ROPA</b> by including links to Privacy Notices, Sharing Protocols, major Contracts or Data Processing Agreements	Learning Service

## Appendix 7. Information Governance training

Subject	Category of Staff	Frequency of Training	Compliance Status
Data Protection/ Freedom of Information	<b>New staff - ALL</b>	On joining	Training delivered
Data Protection Policy Acceptance	<b>ALL</b> staff - mandatory	On joining, thereafter every 2 years	
Data Protection Training	<b>ALL</b> staff - mandatory  <b>ALL Members &amp; Co- opted Members.</b>	Every 2 years	Training delivered
Freedom of Information / Environmental Information Regulations	Current <b>DP / FOI Service Co-ordinators</b> (also Information Asset Administrators)	1 hour update sessions every 2 years – to be replaced by e- learning modules.	Training delivered
Subject Access Requests	Current DP / FOI Service Co-ordinators	As required	Services identify requirements and arrange training.
Information Governance	Senior Information Risk Owner (SIRO)	Bi-annual	Not required during the reporting period
Data Protection / Freedom of Information	IAO's ( Heads of Service)	Every 2 years	Not required during the reporting period
RIPA	RIPA SRO RIPA Authorising Officers RIPA Coordinating Officer	Every 2 years	Training delivered
CCTV	CCTV system administrators	Every 2 years or as required	Training delivered

## Appendix 8. Survey of Council Publication Scheme

1. At the September 2020 meeting of the Governance and Audit Committee there was discussion about the possibility that the Council could make more information available in order to better manage the impact of FOIA requests on Services.
2. The benefits of routine publication of information are set out in the Act: when a request for information is received for information that is readily available on the Council's website it engages an exemption, which can simplify the response.
3. In order to assess whether the Council's routine publication of information is currently an effective factor in minimising the impact of FOIA requests, a self-assessment tool was prepared and circulated to the Council's Services. All Services except for Resources participated in the self assessment.
4. Over 15 years ago, the Information Commissioner proposed a single cohesive publication scheme as the most suitable solution. However, the trend in website development has been to move away from this; compliance with the FOIA's publication requirements is achieved by means of the search-box facility on the website.
5. In terms of the findings of the survey, Services were able to demonstrate that they publish proactively in accordance with the Publication Scheme. However, as far as reducing the impact or burden on the Services of responding to FOIA requests is concerned, it is unlikely that the publication of information reduces the number of requests. FOIA applicants want to know the *why* as well as the *what*. Routine publication of documents rarely provides the context that FOIA applicants require. There is also evidence to suggest that published information results in additional requests.

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<b>CYNGOR SIR YNYS MON / ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>MEETING:</b>	<b>Governance &amp; Audit Committee</b>
<b>DATE:</b>	<b>21<sup>st</sup> September 2021</b>
<b>TITLE OF REPORT:</b>	<b>Concerns, Complaints and Whistleblowing 2020-2021</b>
<b>PURPOSE OF THE REPORT:</b>	<b>Assurance on Policy Compliance</b>
<b>REPORT BY:</b>	<b>Director of Function (Council Business) / Monitoring Officer</b>
<b>CONTACT OFFICER:</b>	<b>Corporate Information and Complaints Officer Ext. 2588 <a href="mailto:bjxcs@ynysmon.gov.uk">bjxcs@ynysmon.gov.uk</a></b>

## **CONCERNS AND COMPLAINTS**

### **Introduction & Summary**

1. This report provides information on issues arising under the Council's [Concerns and Complaints Policy](#) for the period 1<sup>st</sup> April 2020 – 31<sup>st</sup> March 2021. The report is also intended to include any whistleblowing disclosures made during the same period.
2. This report includes Social Services complaints but only those where the complainant is not a service user. Service user complaints are dealt with under the [Social Services Policy – Representations and Complaints Procedure for Children and Adults](#). These are reported annually to the Social Service Improvement Panel. These reports are not available to the public but high level statistical information would be provided upon receipt of a formal request.
3. Complaints may provide valuable information about how we are performing, what users think of our services, and how and where we should focus improvements.
4. During the period 1<sup>st</sup> April 2020 – 31<sup>st</sup> March 2021, 104 concerns were received and 43 complaints were made. Of the 43 complaints, 42 have received a full response by the 31<sup>st</sup> March with the remaining complaint requiring significant further investigation prior to providing a final response to the applicant.

The PSOW defines a “concern” as an expression of dissatisfaction that can be resolved ‘there and then’, at the initial point of contact, or very soon thereafter. A complaint is usually more serious in nature, may often not be possible to remediate, and generally requires an investigation into the circumstances before a response or resolution can be achieved.

5. Of the 42 complaints dealt with during the period, 2 were upheld in full, 1 was partly upheld and 39 were not upheld. 9 complaints that had been through the internal process were escalated to the PSOW and all 9 were rejected. Please also refer to paragraph 10.
6. The number of complaints investigated this year fell by 26, down from 69 in 2019/2020 and these are shown in the table below.

7. The Council also publishes [complaints data](https://www.anglesey.gov.uk/en/Get-involved/Official-complaints/Council-complaints-statistics.aspx) monthly  
<https://www.anglesey.gov.uk/en/Get-involved/Official-complaints/Council-complaints-statistics.aspx>
8. The overall rate of responses to complaints issued within the specified time limit (20 working days) was 90%. When responses are late, services are expected to send a 'holding response' to the complainant to keep them informed of progress and to explain reasons for the delay and to give an estimated response time.

### Summary of Concerns, Complaints and Compliments by Service for 2020 – 2021

Service	No. of concerns	No. of complaints	No. upheld	No. partly upheld	No. of complaints rejected	No. Late (x days)	Compliments
<b>Council Business</b>							
Legal	-	1	-	-	1	-	20
<b>Highways, Waste &amp; Property</b>							
Highways	8	4	-	-	4	1 (9 days)	43
*Highways /Planning	-	3	-	-	3	-	
Property	-	1	-	-	1	-	
Waste	21	3	-	-	3	-	33
<b>Housing</b>							
Housing	28	7	-	1	6	-	39
*Housing / Benefits	-	1	-	-	1	-	
<b>Lifelong Learning</b>							
Learning (excludes schools)	1	1	-	-	1	-	19
<b>Regulation &amp; Economic</b>							
Economic Development	6	-	-	-	-	-	33
Leisure	14	-	-	-	-	-	63
Planning	2	10	-	-	10	-	120
*Planning & Public Protection	-	1	-	-	1	-	
Public Protection	-	1	-	-	1	-	37
<b>Resources</b>							
Resources	24	10	2	-	7 (1 remains unresolved)	3 ( 37 days/ 8 days & 16 days)	41
<b>Corporate Transformation</b>							
Cyswllt Mon	-	-	-	-	-	-	16
<b>Totals</b>	<b>104</b>	<b>43</b>	<b>2</b>	<b>1</b>	<b>39</b>	<b>4</b>	<b>464</b>

\* Relates to more than 1 service

From an analysis of the table above, 9% (up from 8% in 2019/2020) of the complaints received resulted from escalated concerns but this continues to indicate that Services are dealing effectively with concerns and thereby limiting formal complaints. A further 9% (4 of the 43) were sent to the Council by the PSOW who refused to deal with them until the internal Council process has first been exhausted. Complainants may also take their complaints directly to the formal stage of the internal complaints process, and this accounts for the remaining 82% of the complaints received.

## 9. Lessons Learnt

The [Concerns and Complaints Policy](#) places an emphasis on learning lessons from complaints and thereby improving services. Previous recommendations endorsed by this Committee have now become embedded as part of business as usual when dealing with complaints.

As mentioned above, during 2020/21, 2 complaints were upheld and 1 complaint was partly upheld. **Appendix 1** explains what lessons have been learnt and any practice which has evolved as a consequence of these findings.

## 10. Complaints to the PSOW

### Complaints about Services

There is no internal right of appeal against a decision reached in response to a complaint, but the [Concerns and Complaints Policy](#) includes the option of escalating a complaint to the PSOW when the complainant remains dissatisfied with the Council's response.

There were 18 complaints relevant to this process, within the timescale of the report, lodged with the PSOW. 9 were escalated following formal responses under the Council's Complaints Procedure and 9 were complaints made direct to the PSOW. None of the complaints were taken into investigation.

### Complaints about Members

Any complaint against an elected member must be based on an alleged breach, or breaches, of the Members' Code of Conduct, with the PSOW exercising 'first sift' jurisdiction (i.e. assessing merit) before deciding if, and how, to proceed.

During 2020/21, no code of conduct complaint was received by the PSOW against a County Councillor.

Limited information about such complaints is formally reported to the County Council's Standards Committee twice a year.

<http://democracy.anglesey.gov.uk/ieListMeetings.aspx?CId=148&Year=0&LLL=0>

For the sake of completeness, complaints about the elected members of Town and Community Councils, in relation to the same Code of Conduct, are also reported twice a year to the County Council's Standards Committee.

There are also summaries available in the PSOW's quarterly Casebook Summary which can be found at <https://www.ombudsman.wales/code-of-conducts/>

## 11. Language Related Complaints

No formal complaint was received during the year.

However, one expression of concern were received and recorded. This related to the following issue:-

- A complaint concerning the acknowledgement received when registering on the Council's service app.

The issue was resolved without escalating into a formal complaint.

Any other issues relating to the Welsh language are reported annually in the [Welsh Language Standards Annual Report](#).

In addition, the public have the right to complain direct to the Welsh Language Commissioner but these complaints are not sent back to the Council to be investigated and are not therefore included in this report. Any such complaints are noted in the Welsh Language Standards Annual Report which is published on the Council's Website by the 30<sup>th</sup> June every year:- <https://www.anglesey.gov.uk/en/Council/Welsh-language-standards/Language.aspx>

## WHISTLEBLOWING

12. The Council's [Whistleblowing Policy](#) and local Guidance document was devised to encourage and enable employees to raise those concerns, which fall within the ambit of the Policy, without fear of victimisation or discrimination. Whistleblowing is the popular term used when a member of staff (it includes contractors but does not relate to the public or elected members) raise concerns about fraud, criminality, danger or serious risk that might threaten the public, their co-workers or the Council's reputation.
13. The level of information usually provided in this report has been agreed by the Senior Leadership Team as, owing to the inevitably sensitive nature of such matters, and the Council's legal obligation to protect Whistleblowers from detriment in the workplace, only limited information will ever be disclosed.



14. During 2020/21, 2 whistleblowing concerns were received and are noted below.

<b>Date Raised</b>	<b>Type of Disclosure/ Reported to</b>	<b>Nature of Concern</b>	<b>Investigated</b>	<b>Outcome</b>	<b>Lessons learned</b>	<b>Results fed back to the Whistleblower</b>
December 2020	First level/ Monitoring Officer	Safeguarding issue in a school	Yes	Safeguarding matter referred to the Social Services Department. Enquiries made in line with the All Wales Safeguarding Procedures (2019). The threshold for part 5 allegation against a professional not met. Employer responded within own process.	The interface between the whistleblowing policy and the duty to report under the Social Services & Wellbeing Act reviewed by the Service Manager and practice lead group. If a similar incident was to occur, then the staff member should be informed of the duty to report and be signposted to Teulu Mon.	Yes by the Monitoring Officer
February 2021	First level / Monitoring Officer	Planning matter	Preliminary investigation - insufficient evidence to proceed	Suitable arrangements put in place to ensure fair & transparent outcome to protect relevant staff, the applicant & public confidence in the process	Specific arrangements made regarding this matter but no changes made to procedure	Yes by the Monitoring Officer

\* A first level disclosure means reported within the Council, as opposed to second level disclosure (to Regulators) or third level disclosure (to the media).

## **15. Changes to the Concerns & Complaints Policy**

The Public Services Ombudsman (Wales) Act 2019 achieved Royal Assent in July 2019 and one aspect of the new powers was the creation of the “Complaints Standards Authority” Amended complaint handling guidance was produced with the aim to bring practices across Wales back into broad alignment – providing basic standards, a common language and a set of principles to underpin how complaints are handled throughout public services Every authority in Wales was asked to review their policy and ensure alignment with the new guidance. The Corporate Concerns & Complaints Policy was reviewed and minor amendments made although this did not result in any change to the process in force since April 2013. Confirmation was received from the Ombudsman on 26th May 2021 that “Isle of Anglesey County Council’s policy is deemed compliant” with the guidance.

## **16. The Local Government and Elections (Wales) Act 2021**

The Local Government and Elections (Wales) Act 2021, in force from 1<sup>st</sup> April, 2021 also has a relevance for complaints handling. The Governance & Audit Committee now has a duty to review and make reports on complaints handling.

The Council’s Constitution has been amended to reflect this new responsibility within the Committee’s Terms of Reference and Matthew Harris of the Complaints Standards Authority provided training to members of the G&A Committee on 21 July 2021; the first of its kind in Wales on the new responsibilities for audit committees.

## **17. Decision/Recommendations:**

The Committee accepts that this report provides reasonable assurance that the Council handles its complaints effectively and makes no recommendations in relation to the Council’s ability to handle complaints effectively

## Upheld & Partly Upheld Complaints Reporting Form

## Appendix 1

The Concerns and Complaints Policy places emphasis on learning from mistakes and putting measures in place so that the same mistakes are not repeated. An Annual Complaints Report is provided to the Council's Audit & Governance Committee in September each year. The lessons learned from upheld or partly upheld complaints are reported in a table as an attachment to that report. The table states the name of the service, the error identified and any remedial steps taken.

It is therefore essential that the information you provide at the end of each complaints investigation process clearly notes your findings and what action you have taken / intend to take, and by when, to ensure that there is no repetition of the identified error. The Committee has indicated that it may call Heads of Service to confirm that remedial actions have been taken within identified timescales.

In order to facilitate the writing of future reports you will be sent this form for completion every time you uphold or partly uphold a complaint. The information you provide will be shared with the Committee, in a public meeting.

<b>Guidance for Services on how to complete the form</b>		
<b>Category description</b>	<b>Details / examples</b>	<b>Examples of action taken</b>
Simple Error / no further action required	Genuine oversight / one off error that's been rectified/ issues experienced whilst a new system is embedded / times of high demand	Staff member spoken to and reminded of need to take care / data kept of times when demand is high
Customer Care Issue	Lack of response to correspondence / not phoning people back as promised	Clear instructions provided / customer care issues discussed at every Team meeting (minutes taken) / Services introduce and monitor some key performance indicators
Training or Supervision required	Behaviour issues or errors in interpreting instructions	Member of staff sent on training course/ supervision by more experienced member of staff
Change in policy or process	Errors in process / policy found as a result of a complaint investigation leading to changes being introduced	New forms introduced / different evidence required/ changes to routes (i.e. bin collections)

## Upheld & Partly Upheld Complaints Reporting Form

## Appendix 1

Summary of Lessons Learnt 2020/2021				
Ref No	Service	Error(s) identified	Remedial Action – please note category of fault (see above) and specify the action taken or intended to be taken and by when	Action completed
<b>Housing</b>				
F495	Housing	Partly Upheld – Damp issue first mentioned in 2017 but decision made on receipt of this complaint that survey of property required.	Simple Error - apology given for the frustration felt but no record of complaints since 2017. Tenant was re-housed and the property was later surveyed by an external company and refurbishment works completed and new tenant started tenancy in property 09.06.21.	Yes
<b>Resources</b>				
F507	Payroll	A complaint relating to the response received in respect of a payroll query	Training issue - apology given, all staff have been reminded of the standards required when dealing with clients and enquiries have been made about the availability of customer care courses.	May 2021 – staff reminded of standards & HR contacted re courses – most of the Payroll staff have already attended customer care courses, but a refresher is to be given & new staff to attend course when available.
F511	Pensions	Teachers' Pension data not up to date and complete.	One off issue - shortage of staff and a labour intensive procedure to correct, so will take time. If not done by end of August 2021, complainant to be contacted and informed of progress.	Ongoing

<b>Isle of Anglesey County Council</b>	
Report to:	<b>Governance and Audit Committee</b>
Date:	<b>21 September 2021</b>
Title:	<b>Policy Acceptance – September 2020 to August 2021</b>
Report by:	<b>Lynn Ball, Director of Function (Council Business / Monitoring Officer)</b>
Purpose of Report:	<b>To inform the Governance and Audit Committee of the current situation with regard to policy acceptance across the Council.</b>

## **1.0 Background**

This is the fourth compliance report to the Governance and Audit Committee.

The corporate policies currently included in the core set are listed below:

1. Display Screen Equipment Policy
2. Corporate Health and Safety Policy
3. Welsh Language Standards
4. Data Protection Policy
5. IT Security Policy
6. Corporate Safeguarding Policy
7. Officers' Code of Conduct
8. Whistleblowing Policy
9. Equality and Diversity Policy

These nine policies are subject to acceptance every two years, but will be compulsory for new staff throughout that time.

Due to Covid-19, the process was suspended in March 2020 but was re-started on 1 September 2020.

## **2.0 Monitoring compliance**

Compliance reports on a service-by-service basis are considered by the Senior Leadership Team (SLT) after the 6-week acceptance periods assigned for each policy. All policies remain available for acceptance after the closing dates so that users who have not completed a policy on time, for whatever reason, are able to catch up.

Weekly email reminders generated by the Policy Portal automatically list all outstanding policies for each user. In addition, as the Portal synchronises with the Council's Active Directory (AD) overnight, any new users added to service groups are included automatically within 24 hours.

All Directors/Heads of Service and their nominated staff also have direct access to the Portal to monitor compliance within their own services.

### 3.0 The current situation

#### 3.1 The core set of corporate policies

Since 1 September 2020, the following policies have been subject to re-acceptance. Compliance data per service as at 11 August can be seen in Appendix 1:

- 1 - Welsh Language Standards
- 2 - Data Protection Policy
- 3 - IT Security Policy
- 4 - Officers' Code of Conduct and Local Guidance
- 5 - Whistleblowing Policy and Guidance

The table below compares the average compliance rates as reported to this Committee over past four years:

Service	Jul 18 (7*)	Jul 19 (8*)	Jun 20 (3*)	Aug 21 (5)
Resources	96%	99%	100%	97%
Council Business	99%	98%	100%	100%
Learning	99%	96%	95%	97%
Adults Services	78%	92%	90%	96%
Children's Services	99%	100%	100%	96%
Chief Executive	100%	100%	100%	100%
Highways, Waste and Property	100%	97%	99%	97%
Regulation and Economic Development	96%	93%	94%	97%
Housing	99%	86%	78%	92%
Corporate Transformation	99%	99%	100%	97%
* - the number of policies included, as listed in Appendix 3.				

The above data which included the period up to June 2020 was reported to this Committee on 1 September 2020, when the declining compliance levels within Housing Services was questioned. This was brought to the attention of the Head of Service and members will see from the above table that the average compliance rate for Housing Services has significantly improved overall. Nevertheless, the data at Appendix 1 shows a marked decline in Housing Services' acceptance of the last policy issued (down to 76%). The data for all services indicates that the longer policies are available for acceptance the higher the compliance rate, but there appears to be more of a

time lag within the Housing Services. This is possibly due to the higher number of technical, rather than clerical/office-based, staff.

### 3.2 Managers' Pilot

A pilot requiring middle managers to accept three HR policies commenced on 14 September 2020 with each policy assigned to relevant officers nominated by each service.

The Managing Absence and Recruitment and Selection Policies were subject to acceptance between 14 September 2020 and 4 January 2021. In January 2021, the SLT considered a paper on the requirements of the new Socio-Economic Duty (part of the Equality Act 2010) which was due to commence on 31 March 2021. The SLT decided to take the opportunity to raise awareness by adding a briefing paper on the requirements of the Duty to the managers' pilot.

Compliance data per service for the three papers issued to date can be seen in Appendix 2.

The final paper – guidance for designating language skills for internal and external posts – will be issued for acceptance over the coming weeks.

As groups were created manually for the pilot, they will not update automatically to include managers joining the service. The system administrator will therefore need to be notified if services need to make any additions.

### 3.3 Staff without access to the Policy Portal

The Policy Portal relies on the Council's Active Directory (AD), and includes around 1000 active users. The Portal's reliance on the AD was recognised as a weakness from the outset and this Committee has previously raised concerns that staff who are not AD users – estimated at around 700 employees - are not included in the process, including:

Adults Services	Home Carers; Re-ablement; Care Homes; Day Services; Canolfan Byron, Supported Living	350
Children's Services	Specialist Support Workers	21
Learning	Libraries, Youth Workers, Relief Staff, Seasonal Assistants, Cleaner	94

Highways, Waste and Property	Cleaners (including schools), Môn Community Transport, Recycling Centres, Cycling Trainers, School Crossing Patrols	204
Regulation and Economic Development	Leisure centre cleaners, café staff, coaching staff	40

As noted previously, different approaches needed to be identified to reach the various categories of non-AD connected staff but a proposal to trial a paper-based process with Adults Services staff had to be suspended due to Covid-19.

At its last meeting, this Committee recognised the compliance issue with regard to staff without access to the Policy Portal as a risk and sought assurance that the matter was being pursued at the highest level. In response, I confirmed that the matter was receiving corporate consideration with the need for clear and simple communication with staff having been brought into greater focus by the Covid-19 emergency. However, I am advised that any digital solution to the problem is prohibitively expensive and that this remains the primary impediment to an effective resolution.

This aspect of corporate policy acceptance remains on hold, and will remain so indefinitely, until a digital and cost-effective solution becomes available. In the meantime, it is important to note that many of the areas covered by the core set policies are also included within the corporate induction and training programmes. However, it is accepted that this does not provide the same degree of assurance as the Policy Portal.

### **3.4 Staff who are not technically employed by the Council**

We have a number of staff who work for agencies, partnerships etc. They are included in the automatic service groups used by the Portal but are not included in the compliance reports as they are not technically 'employees' of the Council. However, the staff in question are still expected to work in accordance with our policies and procedures, particularly in terms of data protection, security, confidentiality and conduct. The Authority therefore needs assurance that these individuals are aware of and comply with the following corporate policies:

- Health and Safety Policy
- Welsh Language Standards / Policy
- Data Protection Policy
- IT Security Policy
- Corporate Safeguarding Policy
- Whistleblowing Policy
- Equality and Diversity Policy
- The principles within the Officers' Code of Conduct



Services have been provided with a template containing a declaration to be signed by staff who are not technically Council employees to ensure that they are aware of and abide by the above policies. The policies are available to them in the Portal to read beforehand, but completing the process in the Portal is optional.

## **4.0 Next steps**

### **4.1 Core set of corporate policies**

The Equality and Diversity Policy will shortly be subject to re-acceptance. This will be followed by the Corporate Safeguarding Policy which has been re-scheduled from March 2021 to ensure that it incorporates the requirements of the Wales Safeguarding Procedures 2019 before it is re-accepted.

All nine policies will then have been issued for re-acceptance. A report will now be presented to the SLT to confirm whether or not all of these core policies are to be retained as part of the compulsory acceptance process or whether some are to be replaced for the next two years.

### **4.2 Managers Pilot**

To complete the pilot, the final paper – guidance for designating language skills for internal and external posts – will be issued for acceptance over the coming weeks.

### **4.3 Staff without access to the Policy Portal**

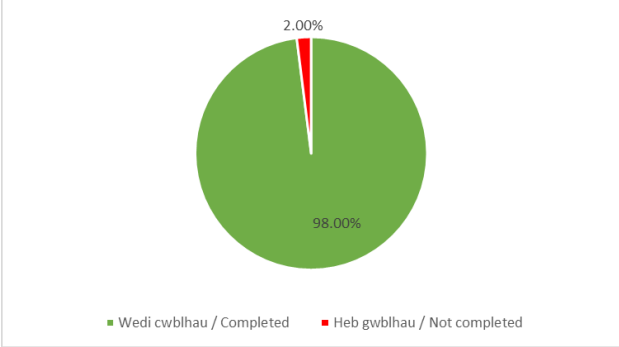
No further action is currently possible. Until the position changes, this will no longer be reported to Committee.

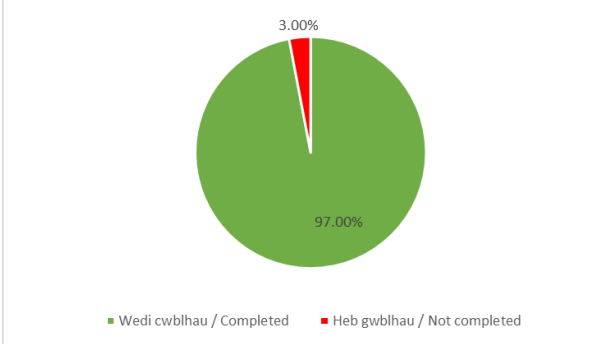
## **5.0 Recommendation**

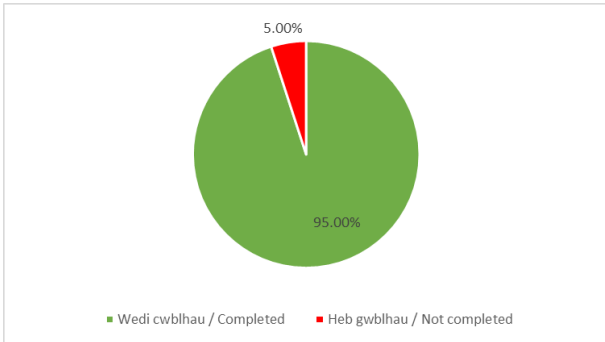
The Committee is requested to note the current position with regard to policy acceptance across the Council

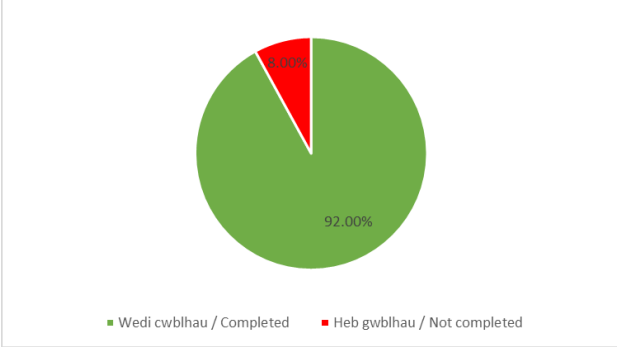
**9 September 2021**

<b>1 – Welsh Language Standards</b>		
Start date:	1 September 2020	
Total as at 11 August 2021:	972	
Completed:	959	99%
Not completed:	13	1%
<p>1.00%</p> <p>99.00%</p> <p>■ Wedi cwblhau / Completed   ■ Heb gwblhau / Not completed</p>		
<b>Resources (101)</b>		
Completed:	99	98%
Not completed:	2	2%
<b>Council Business (32)</b>		
Completed:	32	100%
Not completed:	0	-
<b>Learning (52)</b>		
Completed:	52	100%
Not completed:	0	-
<b>Adults Services (147)</b>		
Completed:	142	97%
Not completed:	5	3%
<b>Children's Services (172)</b>		
Completed:	170	99%
Not completed:	2	1%
<b>Chief Executive (3)</b>		
Completed:	3	100%
Not completed:	0	-
<b>Highways, Waste and Property (111)</b>		
Completed:	110	99%
Not completed:	1	1%
<b>Regulation and Economic Development (136)</b>		
Completed:	135	99%
Not completed:	1	1%
<b>Housing (143)</b>		
Completed:	141	98%
Not completed:	2	2%
<b>Corporate Transformation (75)</b>		
Completed:	75	100%
Not completed:	0	-

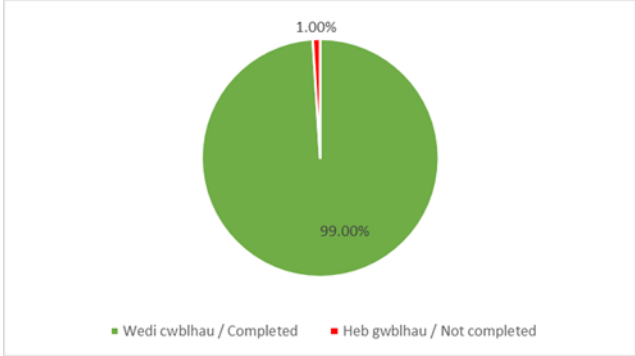
<b>2 – Data Protection Policy</b>		
Start date:	2 November 2020	
Total as at 11 August 2021:	972	
Completed:	954	98%
Not completed:	18	2%
 <p>2.00% 98.00%</p> <p>■ Wedi cwblhau / Completed ■ Heb gwblhau / Not completed</p>		
<b>Resources (101)</b>		
Completed:	98	97%
Not completed:	3	3%
<b>Council Business (32)</b>		
Completed:	32	100%
Not completed:	0	-
<b>Learning (52)</b>		
Completed:	52	100%
Not completed:	0	-
<b>Adults Services (147)</b>		
Completed:	141	96%
Not completed:	6	4%
<b>Children's Services (172)</b>		
Completed:	169	98%
Not completed:	3	2%
<b>Chief Executive (3)</b>		
Completed:	3	100%
Not completed:	0	-
<b>Highways, Waste and Property (111)</b>		
Completed:	110	99%
Not completed:	1	1%
<b>Regulation and Economic Development (136)</b>		
Completed:	133	98%
Not completed:	3	2%
<b>Housing (143)</b>		
Completed:	141	98%
Not completed:	2	2%
<b>Corporate Transformation (75)</b>		
Completed:	75	100%
Not completed:	0	-

<b>3 – IT Security Policy</b>		
Start date:	11 January 2021	
Total as at 11 August 2021:	972	
Completed:	941	97%
Not completed:	31	3%
 <p>3.00% 97.00%</p> <p>■ Wedi cwblhau / Completed ■ Heb gwblhau / Not completed</p>		
<b>Resources (101)</b>		
Completed:	98	97%
Not completed:	3	3%
<b>Council Business (32)</b>		
Completed:	32	100%
Not completed:	0	-
<b>Learning (52)</b>		
Completed:	50	96%
Not completed:	2	4%
<b>Adults Services (147)</b>		
Completed:	141	96%
Not completed:	6	4%
<b>Children's Services (172)</b>		
Completed:	169	98%
Not completed:	3	2%
<b>Chief Executive (3)</b>		
Completed:	3	100%
Not completed:	0	-
<b>Highways, Waste and Property (111)</b>		
Completed:	109	98%
Not completed:	2	2%
<b>Regulation and Economic Development (136)</b>		
Completed:	131	96%
Not completed:	5	4%
<b>Housing (143)</b>		
Completed:	134	94%
Not completed:	9	6%
<b>Corporate Transformation (75)</b>		
Completed:	74	99%
Not completed:	1	1%

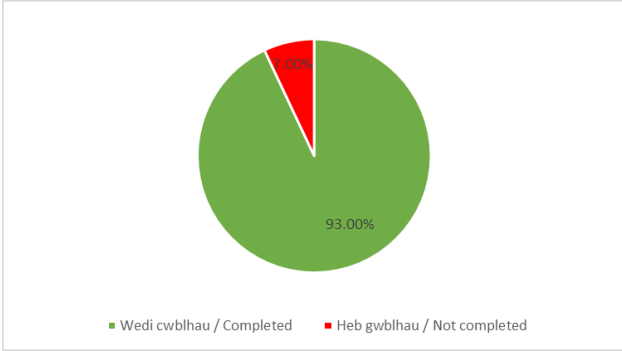
<b>4 – Officers' Code of Conduct and Local Guidance</b>		
Start date:	15 March 2021	
Total as at 11 August 2021:	971	
Completed:	926	95%
Not completed:	45	5%
 <p>A pie chart illustrating the compliance status. The chart is divided into two segments: a large green segment representing 95.00% (Completed) and a small red segment representing 5.00% (Not completed). A legend below the chart identifies the green color as 'Wedi cwblhau / Completed' and the red color as 'Heb gwblhau / Not completed'.</p>		
<b>Resources (101)</b>		
Completed:	98	97%
Not completed:	3	3%
<b>Council Business (32)</b>		
Completed:	32	100%
Not completed:	0	-
<b>Learning (52)</b>		
Completed:	51	98%
Not completed:	1	2%
<b>Adults Services (146)</b>		
Completed:	139	95%
Not completed:	7	5%
<b>Children's Services (172)</b>		
Completed:	161	94%
Not completed:	11	6%
<b>Chief Executive (3)</b>		
Completed:	3	100%
Not completed:	0	-
<b>Highways, Waste and Property (111)</b>		
Completed:	107	96%
Not completed:	4	4%
<b>Regulation and Economic Development (136)</b>		
Completed:	129	95%
Not completed:	7	5%
<b>Housing (143)</b>		
Completed:	134	94%
Not completed:	9	6%
<b>Corporate Transformation (75)</b>		
Completed:	72	96%
Not completed:	3	4%

<b>5 – Whistleblowing Policy and Guidance</b>		
Start date:	24 May 2021	
Total as at 11 August 2021:	968	
Completed:	887	92%
Not completed:	81	8%
 <p>A pie chart illustrating the compliance status for the Whistleblowing Policy and Guidance. The chart is divided into two segments: a large green segment representing 'Wedi cwblhau / Completed' at 92.00%, and a smaller red segment representing 'Heb gwblhau / Not completed' at 8.00%.</p>		
<b>Resources (101)</b>		
Completed:	95	94%
Not completed:	6	6%
<b>Council Business (31)</b>		
Completed:	31	100%
Not completed:	0	-
<b>Learning (52)</b>		
Completed:	48	92%
Not completed:	4	8%
<b>Adults Services (146)</b>		
Completed:	142	97%
Not completed:	4	3%
<b>Children's Services (172)</b>		
Completed:	160	93%
Not completed:	12	7%
<b>Chief Executive (3)</b>		
Completed:	3	100%
Not completed:	0	-
<b>Highways, Waste and Property (109)</b>		
Completed:	102	94%
Not completed:	7	6%
<b>Regulation and Economic Development (136)</b>		
Completed:	129	95%
Not completed:	7	5%
<b>Housing (143)</b>		
Completed:	109	76%
Not completed:	34	24%
<b>Corporate Transformation (75)</b>		
Completed:	68	91%
Not completed:	7	9%

<b>1 – Managing Absence Policy (Managers)</b>		
Start date:	<b>14 September 2020</b>	
Total as at 13 August 2021:	150	
Completed:	149	99%
Not completed:	1	1%
<p>1.00%</p> <p>99.00%</p> <p>■ Wedi cwblhau / Completed   ■ Heb gwblhau / Not completed</p>		
<b>Resources (11)</b>		
Completed:	11	100%
Not completed:	0	-
<b>Council Business (7)</b>		
Completed:	7	100%
Not completed:	0	-
<b>Learning (7)</b>		
Completed:	7	100%
Not completed:	0	-
<b>Adults Services (14)</b>		
Completed:	14	100%
Not completed:	0	-
<b>Children’s Services (9)</b>		
Completed:	9	100%
Not completed:	0	-
<b>Chief Executive (2)</b>		
Completed:	2	100%
Not completed:	0	-
<b>Highways, Waste and Property (36)</b>		
Completed:	36	100%
Not completed:		-
<b>Regulation and Economic Development (38)</b>		
Completed:	37	97%
Not completed:	1	3%
<b>Housing (15)</b>		
Completed:	15	100%
Not completed:	0	-
<b>Corporate Transformation (11)</b>		
Completed:	11	100%
Not completed:	0	-

<b>2 – Recruitment and Selection Policy (Managers)</b>		
Start date:	<b>24 November 2020</b>	
Total as at 13 August 2021:	139	
Completed:	138	99%
Not completed:	1	1%
		
<b>Resources (11)</b>		
Completed:	11	100%
Not completed:	0	-
<b>Council Business (7)</b>		
Completed:	7	100%
Not completed:	0	-
<b>Learning (7)</b>		
Completed:	7	100%
Not completed:	0	-
<b>Adults Services (14)</b>		
Completed:	14	100%
Not completed:	0	-
<b>Children’s Services (9)</b>		
Completed:	9	100%
Not completed:	0	-
<b>Chief Executive (2)</b>		
Completed:	2	100%
Not completed:	0	-
<b>Highways, Waste and Property (25)</b>		
Completed:	25	100%
Not completed:	0	-
<b>Regulation and Economic Development (38)</b>		
Completed:	37	97%
Not completed:	1	3%
<b>Housing (15)</b>		
Completed:	15	100%
Not completed:	0	-
<b>Corporate Transformation (11)</b>		
Completed:	11	100%
Not completed:	0	-



<b>3 – Guidance on the Socio-Economic Duty (Equality Act 2010) (Managers)</b>		
Start date:	9 June 2021	
Total as at 13 August 2021:	93	
Completed:	86	93%
Not completed:	7	7%
 <p>A pie chart illustrating the compliance data. The chart is divided into two segments: a large green segment representing 'Wedi cwblhau / Completed' at 93.00%, and a small red segment representing 'Heb gwblhau / Not completed' at 7.00%. A legend below the chart identifies the colors: green for 'Wedi cwblhau / Completed' and red for 'Heb gwblhau / Not completed'.</p>		
<b>Resources (8)</b>		
Completed:	8	100%
Not completed:	0	-
<b>Council Business (16)</b>		
Completed:	16	100%
Not completed:	0	-
<b>Learning (10)</b>		
Completed:	7	70%
Not completed:	3	30%
<b>Adults Services (4)</b>		
Completed:	4	100%
Not completed:	0	-
<b>Children’s Services (5)</b>		
Completed:	5	100%
Not completed:	0	-
<b>Chief Executive (2)</b>		
Completed:	2	100%
Not completed:	0	-
<b>Highways, Waste and Property (16)</b>		
Completed:	15	94%
Not completed:	1	6%
<b>Regulation and Economic Development (8)</b>		
Completed:	7	88%
Not completed:	1	22%
<b>Housing (15)</b>		
Completed:	13	87%
Not completed:	2	13%
<b>Corporate Transformation (9)</b>		
Completed:	9	100%
Not completed:	0	-

Policies issued for to acceptance between April 2017 and June 2018 as reported to the Audit and Governance Committee on 19 September 2018 (*ie* the situation as at **July 2018**):

1. Clear Desk Policy
2. Records Management Policy
3. Data Classification Policy
4. Managing Absence Policy
5. **Display Screen Equipment Policy**
6. **Corporate Health and Safety Policy**
7. **Welsh Language Standards**

Policies issued for acceptance between July 2018 and June 2019 as reported to the Audit and Governance Committee on 3 September 2019 (*ie* the situation as at **July 2019**):

1. **Data Protection Policy**
2. **IT Security Policy**
3. Financial Procedure Rules
4. IT Acceptable Usage Policy
5. **Corporate Safeguarding Policy**
6. **Officers' Code of Conduct**
7. Email and Instant Messaging Usage Policy
8. **Whistleblowing Policy**

Policies issued for acceptance between July 2019 and July 2020 as reported to the Audit and Governance Committee on 1 September 2020 (*ie* the situation as at **July 2020**):

1. **Equality and Diversity Policy**
2. **Display Screen Equipment Policy**
3. **Corporate Health and Safety Policy**

The policies highlighted in bold above form the core set of nine policies, as determined by the SLT on 10 June 2019. The remaining seven policies have reverted to 'information only' policies in the Portal.

## Financial Sustainability Assessment – Isle of Anglesey County Council

Audit year: 2020-21

Month/Year issued: August 2021

Document reference: 2442A2021-22

This document has been prepared as part of work performed in accordance with section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act) and section 18 of the Local Government (Wales) Measure 2009. It may also inform a study for improving value for money under section 41 of the 2004 Act, and/or an examination undertaken by the Auditor General under section 15 of the Wellbeing of Future Generations Act (Wales) 2015.

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

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## Summary report

What we looked at and why	4
Recommendation	5

## Detailed report

The Council has a good understanding of its financial position and currently delivers services within overall budget, but several financial challenges remain	6
The immediate impact of COVID-19 on the Council's financial sustainability has been mitigated by additional Welsh Government funding	6
Increasing budgets of demand led services has enabled the Council to deliver services within overall budget, but several financial challenges remain	7
The Council's financial strategy has restored the general fund to target level, but the Council continues to use reserves to balance the budget, this is not sustainable	8
The Council has delivered services within budget in 2019-20 and 2020-21 after deficits in the two preceding years	10
Identifying and delivering savings will be more challenging going forward	11
The Council's liquidity after a period of decline has recently stabilised	12

## What we looked at and why

- 1 We undertook this assessment as financial sustainability continues to be a risk to councils putting in place proper arrangements to secure value for money in the use of resources. In part, this was informed by experiences of some councils in England, our knowledge of the financial situation in councils in Wales, and the general trend of decreasing resources for local government combined with rising demand for some services. We undertook a similar project in 2019-20, before the COVID-19 pandemic.
- 2 Our 2020-21 assessment on councils' financial sustainability was in two phases. Phase 1 was a baseline assessment of the initial impact of COVID-19 on local councils' financial position. Phase 1 drew on: the year-end position for 2019-20; the position at the end of quarter 1 for 2020-21; and projections for quarter 2 for 2020-21. Following Phase 1, in October 2020 we published a national summary report – **Financial Sustainability of Local Government as a result of the COVID-19 Pandemic**<sup>1</sup>. We found that councils and the Welsh Government have worked well together to mitigate the impact of the pandemic to date, but the future sustainability of the sector is an ongoing challenge.
- 3 The pandemic has had an immediate and profound effect on public sector finances as a whole and, as a consequence, on councils' financial position. The summary report set a high-level baseline position, including the reserves position of local councils before the pandemic. It also set out the initial financial implications of the pandemic for local councils and the scale of the anticipated challenge going forward.
- 4 This report concludes phase 2 of our financial sustainability assessment work during 2020-21. As part of this we are producing a local report for each of the 22 principal councils in Wales.
- 5 We undertook this assessment during March 2021.

<sup>1</sup> Audit Wales, [Financial Sustainability of Local Government as a Result of the COVID-19 Pandemic](#), October 2020.

## Recommendation

### Exhibit 1: recommendation

The table below sets out the proposals for improvement that we have identified following this review.

Recommendation
<b>Asset Management Strategy</b>
R1 The Council's Asset Management Plan needs to be updated and approved.

# Detailed report

The Council has a good understanding of its financial position and currently delivers services within overall budget, but several financial challenges remain

## The immediate impact of COVID-19 on the Council's financial sustainability has been mitigated by additional Welsh Government funding

- 6 This section sets out the impact that COVID-19 has had to date on the Council's financial position and the extent to which this has been mitigated by additional funding from the Welsh Government.
- 7 We found that:
- the Council considered the financial impact of the pandemic with a detailed report to the Executive Committee on 13 July 2020: 'Financial Impact of the COVID-19 Pandemic' which considered the impact in 2020-21 and on the medium-term.
  - the Council will incur about £6.2 million of additional COVID-19 related expenditure and £2.4 million loss of income during 2020-21.
  - the Council has incurred £0.1 million additional expenditure and income loss that has not been covered by additional funding.
  - the Council assumes that Welsh Government will continue to compensate additional costs and loss of income in the next financial year.
  - the Council have assumed that there is no change in demand for services nor a reduction in income generating activities arising from dealing with the pandemic in setting its Medium-Term Financial Strategy and Budget.

### Exhibit 2: the cost to the Council of COVID-19 over 2020-21

The table below shows the Council's additional expenditure and lost income over 2020-21 as a result of COVID-19 and how much of this was mitigated by extra funding from the Welsh Government.

The additional amount the Council will have spent as a result of COVID-19 over 2020-21.	£6.2 million
The amount of income the Council will have lost as a result of COVID-19 over 2020-21.	£2.4 million



The amount of additional funding the Council will receive from the Welsh Government over 2020-21 to mitigate the impact of COVID-19.	£8.5 million
The cost to the Council of COVID-19 over 2020-21 after extra funding from the Welsh Government is taken into account.	£0.1 million
Additional funding from Welsh Government to cover 'savings not achieved' and 'digital transformation'.	£1.3 million

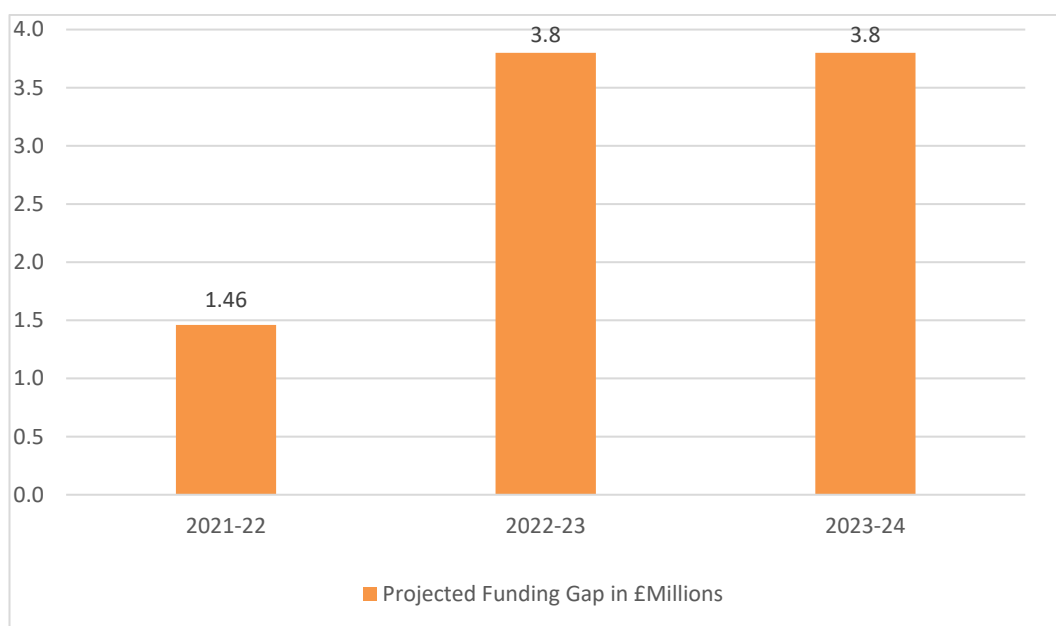
## Increasing budgets of demand led services has enabled the Council to deliver services within overall budget, but several financial challenges remain

### Why strategic financial planning is important

- 8 A clear and robust financial strategy is important to identify the likely level of funding available to a council, as well as the anticipated level of demand for, and cost of, providing services. Given the recent and anticipated funding pressures facing all councils it is also important to identify how it intends to respond to those pressures, and particularly how they will meet projected funding gaps.
- 9 We found that:
- the Council has allocated additional resources to budgets to key demand services as part of setting the budget in 2019-20 and 2020-21.
  - the Council uses service demand information to allocate additional resources to services.
  - the Councils Medium Term Financial Plan projects the standstill budget to give a funding gap before any increase in Aggregate External Financing and Council Tax. The Council has difficulties in estimating with any degree of certainty what future levels of Aggregate External Financing will be before the announcement of the draft settlement in December. The practice leads to the presentation of a significant aggregate funding gap in the Medium-Term Financial Plan.
  - the Council's Corporate Asset Management Plan for Land & Buildings for the period 2015-2020 is out of date and needs to be updated.
  - the Council, along with many other Councils in Wales, has limited access to capital funding which reduces its capacity to undertake capital investment.

**Exhibit 3: the Council has a total projected funding gap before changes to Aggregate External Finance and Council Tax for the three years 2021-22 to 2023-24 of £9.06 million**

This graph shows the funding gap before changes to Aggregate External Finance and Council Tax that the Council has identified for the following three years.



**The Council’s financial strategy has restored the general fund to target level, but the Council continues to use reserves to balance the budget, this is not sustainable**

**Why sustainable management of reserves is important**

10 Healthy levels of useable reserves are an important safety net to support financial sustainability. As well as being available to fund unexpected funding pressures, useable reserves can also be an important funding source to support ‘invest to save’ initiatives designed to reduce the ongoing cost of providing services. Councils that show a pattern of unplanned use of reserves to plug gaps in their revenue budget that result in reductions of reserve balances reduce their resilience to fund unforeseen budget pressures in future years.

11 We found that:

- the Council’s Usable Reserves decreased significantly in 2017-18 and has remained around £16 million for the next two years, rising to £29.7 million in on 31 March 2021.
- the Council had £16 million of useable reserves on 31 March 2020, which is 11.6% of net cost of services.

- the Council's level of usable reserves increased to £29.7 million by the end of 2020-21, which is 20.6% of the net cost of services.
- the combined schools reserves balance of the 46 Anglesey Schools is £197,000 as at 31 March 2020, and comprises 33 schools with a surplus of £1.42 million offset by 13 schools with a deficit of £1.227 million. The number of schools with a deficit balance was much improved by 31 March 2021 with one primary, one secondary and one special school in a deficit position by the year end<sup>2</sup>.
- the Council utilised £300,000 of reserves to fund the 2021-22 budget which allowed for a 0.75% reduction in council tax. Funding baseline commitments from one-off funding sources is not sustainable and leads to unresolved funding pressure in future years budget.

#### Exhibit 4: amount of reserves vs annual budget

This exhibit shows the amount of usable reserves the Council had during 2020-21 and the previous four years as a proportion of the net cost of the services the Council delivers.

	2016-17	2017-18	2018-19	2019-20	2020-21
Net Cost of Services in £ millions <sup>3</sup>	136.1	138.3	140.9	143.7	137.7
Total Useable Reserves in £ millions <sup>4</sup>	23.8	16.4	15.3	16.0	29.7
Total Useable Reserves as a % of net cost of services <sup>5</sup>	17.5%	11.9%	10.8%	11.1%	21.6%
Comparison with the other councils of Wales	13/22	15/22	15/22	14/22	-

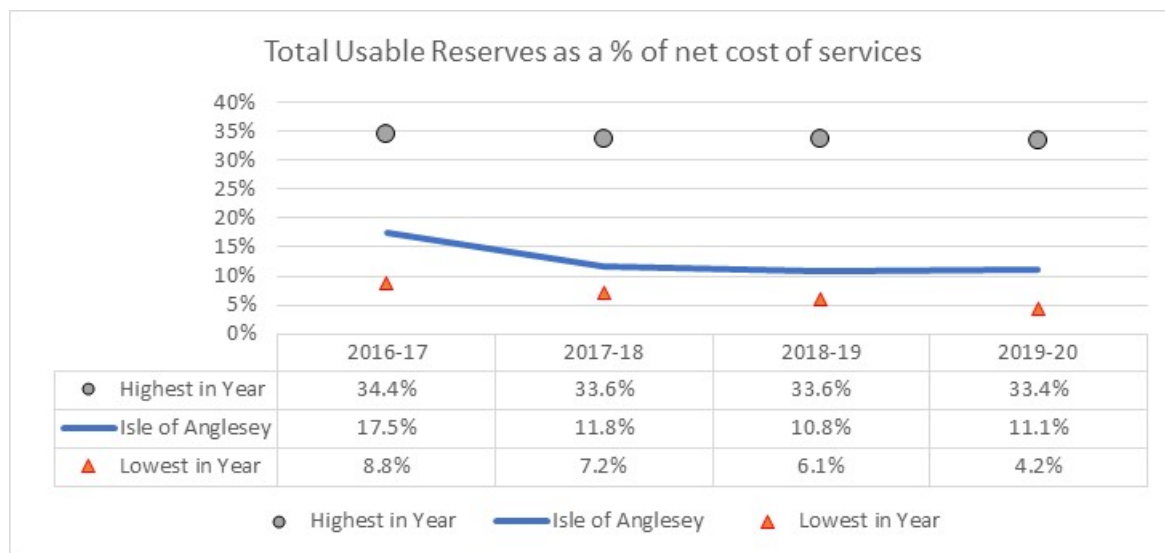
<sup>2</sup> Draft Statement of Accounts 2020/21

<sup>3</sup> Value used is the net cost of services charged to the general fund from the Expenditure Funding Analysis, less any Housing Revenue Account cost of services, plus precepts, levies and debt interest. Source: Statement of Accounts

<sup>4</sup> By usable reserves we mean the total general fund balance, together with earmarked reserves that councils are not legally prevented from redirecting to use for another purpose. Source: Statement of Accounts

<sup>5</sup> Audit Wales calculation.

**Exhibit 5: Total Usable Reserves as a percentage of Net Cost of Services of principal councils in Wales 2019-20**



**The Council has delivered services within budget in 2019-20 and 2020-21 after deficits in the two preceding years**

**Why accurately forecasting expenditure is important**

- 12 It is important that overspending and underspending are kept under control and that actual expenditure is as close to the levels planned as possible. A council that is unable to accurately forecast and plan expenditure runs the risk of creating unforeseen financial pressures that may compromise the ability to set a balanced budget. Significant patterns of underspending may be reducing the ability of a council to deliver its key objectives or meet its statutory responsibilities.
- 13 We found that:
  - the Council had an overall budget deficit in 2017-18 and 2018-19 which was funded from the Council Fund Balance.
  - demand in Adult and Children Services were the greatest cause of deficit, and the Council increased budgets in Children’s (2019-20) and Adults Services (2020-21).
  - the Council delivered services within budget in 2019-20 and 2020-21.

## Exhibit 6: amount of overspend/underspend relative to total net revenue budget

The following exhibit shows the amount of overspend or underspend for the Council's overall net revenue budget for the last four years and the year to date as at quarter 2 Revenue Budget Monitoring reported to the audit committee in November 2020.

	2016-17	2017-18	2018-19	2019-20	2020-21
Original Net revenue budget £ millions <sup>6</sup>	124.0	126.2	130.9	135.2	142.1
Actual Net Revenue Outturn <sup>7</sup>	123.6	127.8	131.5	134.9	137.9
Amount of overall (surplus)/overspend <sup>8</sup>	-0.4	1.6	0.6	-0.3	-4.2
Percentage difference from net revenue budget	-0.3%	1.3%	0.5%	-0.2%	-3.0%

## Identifying and delivering savings will be more challenging going forward

### Why the ability to identify and deliver savings plans is important

- 14 The ability to identify areas where specific financial savings can be made, and to subsequently make those savings, is a key aspect of ensuring ongoing financial sustainability against a backdrop of increasing financial pressures. Where savings plans are not delivered this can result in overspends that require the use of limited reserves whilst increasing the level of savings required in future years to compensate for this. Where savings plans are not delivered and service areas are required to make unplanned savings, this increases the risk either of savings not being aligned to the Council's priorities, or of 'short-term' solutions that are not sustainable over the medium term.
- 15 What we found:
- the Council delivered 86% of the planned savings in the 2019-20 budget, £2.2 million of £2.56 million.
  - the Council has delivered 79% of the planned savings in the 2020-21 budget, £244,000 of £307,000.

<sup>6</sup> Value used is the net cost of services charged to the general fund from the Expenditure Funding Analysis, less any Housing Revenue Account cost of services, plus precepts, levies and debt interest. Source: Statement of Accounts.

<sup>7</sup> By usable reserves we mean the total general fund balance, together with earmarked reserves that councils are not legally prevented from redirecting to use for another purpose. Source: Statement of Accounts.

<sup>8</sup> Audit Wales calculation.

- failure to deliver savings can have its greatest impact when planned individual savings areas were high monetary value, as was the case in the four previous years.
- the Council is of the view that whilst there are limited opportunities to deliver efficiency savings, the need to deliver a substantial amount of savings quickly will effectively mean cuts in services.

### Exhibit 7: savings delivered during 2020-21 as a percentage of planned savings

The following exhibit sets how much money the Council intended to save from its savings plans during 2016-17 to 2020-21 and how much of this it actually saved.

	2016-17	2017-18	2018-19	2019-20	2020-21
Total planned savings in £ millions <sup>9</sup>	3.060	2.444	2.522	2.561	0.307
Planned savings achieved in £ millions <sup>10</sup>	2.544	1.704	2.064	2.205	0.244
Planned savings not achieved in £ millions	0.516	0.740	0.458	0.356	0.063
Percentage of savings achieved	83.1%	69.7%	81.8%	86.1%	79.5%

## The Council's liquidity after a period of decline has recently stabilised

### Why the Council's liquidity position is important

16 Why gauging current assets to current liabilities (liquidity) is important:

- an indicator of how a council manages its short-term finances.
- while it is commonly used to examine whether organisations are able to pay their debts in the short term, this is unlikely to be a risk for councils given their ability to take short-term borrowing. It does also, however, act as an indicator of how a council manages its short-term finances.
- councils with low liquidity ratios should ensure they have arrangements in place to meet their liabilities.

<sup>9</sup> Value used is the net cost of services charged to the general fund from the Expenditure Funding Analysis, less any Housing Revenue Account cost of services, plus precepts, levies and debt interest. Source: Statement of Accounts.

<sup>10</sup> By usable reserves we mean the total general fund balance, together with earmarked reserves that councils are not legally prevented from redirecting to use for another purpose. Source: Statement of Accounts.

- there may be additional costs for councils that rely on short-term borrowing to pay debts.
- councils with very high liquidity ratios should consider whether they are managing their current assets in the most effective way.

17 We found that:

- Anglesey Council's liquidity reduced from 1.8 to 1.0 over the period 2016 to 2018 and recovered to 1.4 by the 31 March 2020, rising again to 1.8 by the 31 March 2021; and
- the Council have not projected liquidity over 2021-22 and 2022-23.

**Exhibit 8: working capital ratio 2015-16 to 2020-21**

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Current Assets <sup>11</sup>	47.8	39	34.7	47.3	56.7	66.3
Current Liabilities <sup>12</sup>	26.0	28.9	35.3	28.9	39.7	37.0
Working Capital Ratio	1.8	1.4	1.0	1.6	1.4	1.8

Source: Statement of Accounts

<sup>11</sup> Current Assets, includes: Short Term Investments; Assets held for sale; Inventories; Short Term Debtors; and Cash and equivalent.

<sup>12</sup> Current Liabilities, includes Short Term Borrowing; Short Term Creditors; and Provisions due in one year.



Audit Wales

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: [info@audit.wales](mailto:info@audit.wales)

Website: [www.audit.wales](http://www.audit.wales)

We welcome correspondence and telephone calls in Welsh and English.  
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.



## Progress Review of the North Wales Growth Deal – North Wales Economic Ambition Board

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This document is also available in Welsh.

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# Summary report

## Summary

- 1 The North Wales Economic Ambition Board (NWEAB) was established to support the development of the region's economy. It has placed considerable emphasis on the successful delivery of its North Wales Growth Deal. The Growth Deal is seen by partners as an opportunity to transform the region and help rebalance the North Wales economy.
- 2 The North Wales Growth Deal aims to:
  - deliver inclusive economic growth;
  - generate £2.0- £2.4 billion in net additional Gross Value Added by 2036;
  - create 3,400 to 4,200 net additional jobs by 2036; and
  - deliver a total investment of £1.15 billion in the North Wales Economy through the Growth Deal. £240 million Growth deal funding, £184 million wider public funding, £722 million private sector investment.
- 3 The NWEAB has substantial funding to manage as it delivers the Growth Deal. It has ambitious programmes of work, there are complexities of partnership working and the impact of the COVID-19 pandemic on public services and the local economy are significant. This review sought to assess progress made by the NWEAB on its journey to support the development of the region's economy and delivery of the North Wales Growth Deal.
- 4 We focused our review on how the NWEAB was making progress in delivering the low carbon energy programme and in doing so examined:
  - governance arrangements;
  - support provided by the programme management office;
  - impact of COVID-19 on planned delivery; and
  - shared learning for the ambition overall.

The review sought to answer the question: In delivering its overall goals, is the NWEAB ready and able to adjust to meet the changing economic circumstances?
- 5 We found that the NWEAB has clear and established governance arrangements and is supported by a developing Portfolio Management Office, external factors may impact on the planned ambitions and NWEAB is adapting to accommodate these. We concluded this because:
  - partners have agreed ambitions for the North Wales economy and have established a clear governance framework, although not all elements are operational;
  - the NWEAB has established a well-resourced Portfolio Management Office to support delivery of its ambitions; where it finds gaps in skills, knowledge, or capacity, it is resourceful in filling shortfalls; and

- the success of the Growth Deal is dependent on many external factors that may change planned ambitions: the NWEAB is adapting to overcome these emerging challenges and risks.

## Proposals for improvement

### Exhibit 1: proposals for improvement

**Exhibit 1** summary: The table below contains our proposals for ways in which the councils through the North Wales Economic Ambition Board could improve their delivery their overall goals.

Proposals for improvement	
P1	The North Wales councils, through the NWEAB, should develop a risk management strategy and develop a risk register which includes consideration of new risks to projects presented by external circumstances such as Brexit, COVID-19 and other pressures on the local economy.
P2	The North Wales councils, through the NWEAB, should widen their contacts with the business community to increase opportunities to support delivery of their objectives.
P3	Ensure that policies and procedures reflect the need to uphold public sector transparency and values in decision making whilst operating in the very competitive and commercial business environment.
P4	Establish formal, timely scrutiny of the NWEAB that provides public transparency and keeps sponsoring councils informed.
P5	Develop agreements that clearly set out the support provided to the PMO by Gwynedd Council such as governance, human resources and finance.
P6	When reviewing feasibility of individual projects, define how each contributes to delivery of the Well-being of Future Generations (Wales) Act 2015's seven Well-being Goals.

# Detailed report

The NWEAB has clear and established governance arrangements and is supported by a developing Portfolio Management Office, external factors may impact on the planned ambitions and NWEAB is adapting to accommodate these

**Partners have agreed ambitions for the North Wales economy and have established a clear governance framework although not all elements are operational**

## High level strategic aims and funding commitments

- 6 In 2016 the North Wales Economic Ambition Board (NWEAB)<sup>1</sup> adopted **A Growth Vision for the Economy of North Wales**. That Vision was subsequently adopted by all six North Wales councils. Based on the Growth Vision Strategy, a Growth Deal bid was prepared and agreed by all the partners, working with both the UK and Welsh Governments and the private sector in October 2018. In November 2019, the NWEAB and the Welsh and UK Governments agreed the Heads of Terms<sup>2</sup>, and the Final Deal Agreement was completed in December 2020.
- 7 The aim of the Growth Deal is to build a more vibrant, sustainable and resilient economy in North Wales, building on its strengths to boost productivity while tackling long-term challenges and economic barriers to delivering inclusive growth. The NWEAB's approach is to promote growth in a scalable, inclusive and sustainable way in line with the Well-being of Future Generations (Wales) Act 2015. The Growth Deal is based on the delivery of 14 transformational projects across five programmes. The programmes have been defined as either high growth programmes or enabling programmes.
- 8 The Vision is to develop 'a confident, cohesive region with sustainable economic growth, capitalising on the success of high value economic sectors and NWEAB's connection to the economies of the Northern Powerhouse and Ireland. The Growth Vision was founded on three key principles for North Wales:

<sup>1</sup> The North Wales Economic Ambition Board (NWEAB) is a Joint Committee comprising the six councils in North Wales (Conwy, Denbighshire, Flintshire, Gwynedd, Isle of Anglesey and Wrexham the two colleges (Coleg Cambria and Grŵp Llandrillo Menai), two universities (Bangor and Wrexham) and the private sector.

<sup>2</sup> Heads of terms evidence serious intent and have moral force, but do not legally compel the parties to conclude the deal on those terms or even at all.

- Smart – with a focus on innovation and high value economic sectors to advance economic performance;
  - Resilient – with a focus on retaining young people, increasing employment levels and skills to achieve inclusive growth; and
  - Connected – with a focus on improving transport and digital infrastructure to enhance strategic connectivity to and within the region.
- 9 The NWEAB has sought to ensure that its work complies with the Well-being of Future Generations (Wales) Act 2015 (WFG). In terms of the five ways of working, its programme is long term in nature, there is clear partnership working which demonstrates collaboration and projects are clear about their intended impact and what they seek to prevent. As planning of projects continues to develop there is more scope for integration across the region and involvement in their shaping and delivery.
- 10 In the Autumn Budget 2018, the then Chancellor of the Exchequer, announced £120 million in capital funding for the North Wales Growth Deal. The Welsh Government confirmed that it would match the UK Government's financial contribution to the North Wales Growth Deal, securing commitment for £240 million as a grant contribution in capital funding from governments.
- 11 The Growth Deal is seeking to deliver a total investment of up to £1.1 billion in the North Wales economy including the £240 million from the Growth Deal, to create between 3,400 and 4,200 net additional jobs and generate between £2 billion and £2.4 billion in net additional Gross Value Added<sup>3</sup>.
- 12 Partners recognise that the vision was originally set out in 2016 and the local economy and demographics will have changed, particularly due to the impact of the COVID-19 pandemic. As a result, they plan to refresh the vision to reflect the current economic position.
- 13 In agreeing to work together in North Wales to deliver a shared vision, partners have put aside any potential political differences, to ensure they maximise the benefits for the region as a whole. This is a long-term project and partners have agreed principles that they hope will see delivery of the Growth Deal in full. It will remain in full force and effect until such time as either all the parties have withdrawn, or all parties agree to terminate the agreement. Its so called 'lock in period' is an agreement that no party may operate the withdrawal provisions for the initial six years of the governance agreement. Withdrawal after this period is possible on notice, however, any partner who wishes to withdraw will be required to indemnify the remaining partners against the financial impact of that withdrawal and in particular any existing and continuing contractual commitments.

<sup>3</sup> Gross value added is the measure of the value of goods and services produced in an area, industry or sector of an economy.

## **Governance arrangements**

- 14 The NWEAB is well established and acts as the Sponsoring Group and the Decision-Making Body. The Board is responsible for the consideration and approval of project business cases within the portfolio and has responsibility for delivery delegated to the relevant programme and project boards. The Board generally meets monthly and consists of council leaders and chief executives, advisors from the colleges, universities and Business Delivery Board, officers from Gwynedd Council as host authority and the Portfolio Management Office. Only the six council leaders who represent their respective councils have voting rights.
- 15 The NWEAB has focused on delivery of the Growth Deal and in particular securing government funding as a priority. Having secured this funding, the Board will focus more on delivering the programmes and projects and its wider aims and vision around being smart, resilient and connected.
- 16 NWEAB has established an Executive Support Group (Portfolio Board) which is the advisory body to the Economic Ambition Board. It acts as the Portfolio Board for the Growth Deal and is made up of senior officers from each of the Economic Ambition Board partner organisations. This group plays a pivotal role in advising the NWEAB as it develops and delivers the Growth Deal projects.

## **Cultures and working arrangements**

- 17 Delivery of the Growth Deal brings together very different cultures and governance arrangements. The councils are governed by their constitutions and delegated powers and are accountable to the electorate. Higher education partners operate within their constitutions, charters and statutes, and business partners are accountable to boards and shareholders. As delivery of the Growth Deal progresses, partners will need to ensure a good mix of speedy decision making whilst maintaining adherence to governance structures designed to ensure public accountability and transparency in the use of public money. At this stage it is unclear how NWEAB supported by the PMO will satisfy the requirements of these different cultures.
- 18 Officers and councillors working in partnership must ensure that their sponsoring organisations are fully informed of key decisions and, where necessary, approval is sought. As the Growth Deal was nearing sign off, we observed councils as they debated and approved the final proposal. Leaders clearly articulated the important issues around the proposal and spoke with enthusiasm about the prospects for the region.
- 19 At earlier stages of the work, we understand that Leaders briefed Cabinet or Executive Members and we believe that opposition groups were kept informed through councillor briefings. Whilst it is positive that all councillors are well informed, that members of the public have access to reports via Gwynedd Council's website, and that scrutiny committees have considered the bid and deal, ongoing scrutiny arrangements will need to be formalised.



20 Delivery of the Growth Deal will be supported by five Programme Boards; one for each of the agreed programmes as follows:

- innovation in high value manufacturing;
- agri-food and tourism;
- land and property;
- digital; and
- low carbon energy.

A member of the Executive Support Group has the role of Senior Responsible Owner (SRO) for each of the programmes and leads the relevant Programme Boards. At the time of our review, the Programme Boards were at various stages in their development with the Low Carbon Energy Programme Board being the most well established. We observed the January 2021 meeting of the Low Carbon Energy Programme Board meeting which showed a clear focus on delivery and a developing approach to managing the projects within the programme, such as developing benefits realisation and business cases.

21 The NWEAB plans that all projects within the Growth Deal will be managed via 14 project boards. Each will have an allocated SRO, project manager and project sponsor. These boards will be focused on the development and delivery of the agreed business cases, which will focus on the delivery of specified outputs. Projects will report through to the relevant Programme Board. At the time of our review, terms of reference for Project Boards had not been agreed.

22 Albeit that most projects are at the early stages of their development, we sought to identify if interdependencies between the projects were being managed effectively. We understand that projects were established first then grouped together to form the programmes. As such these are not programmes with interdependent projects; rather they are a collection of individual projects that if successful will help to deliver the programme outcomes.

## **The NWEAB has established a well-resourced Portfolio Management Office to support delivery of its ambitions; where it finds gaps in skills, knowledge, or capacity, it is resourceful in filling shortfalls**

### **The Portfolio Management Office**

23 Initially, professional networks have played their roles such as planners and senior officers from all the North Wales councils and other partners in setting up the Growth Deal. This professional input guided the development of the Growth Deal projects, the regional vision and the governance structures which have now been established. This professional support continues.

- 24 The NWEAB established a Portfolio Management Office (PMO) to progress the development and delivery of the Growth Vision and Growth Deal. During 2020-21, recruitment to key posts such as programme and project managers and support posts proceeded and as at January 2021 recruitment continued.
- 25 The PMO has a budget of £1,673,690 in 2020-21 funded by councils, universities, the European Social Fund, Transport Wales Bill grant and Earmarked reserves. In 2020-21, NWEAB forecasts an underspend of £78,000.
- 26 Gwynedd Council 'hosts' the PMO by providing governance, employing PMO staff, human resources and financial advice/services. This enables the PMO to draw on professional services and support without incurring unnecessary additional infrastructure costs. This arrangement has developed over time and is not yet supported by a service level agreement which would formalise the relationship between the PMO and Gwynedd Council.
- 27 Where the PMO has needed extra capacity around specialist or additional support, it has commissioned this from the private sector. For example, recently it commissioned work around tourism, an impact assessment and a situational analysis
- 28 Where the PMO has identified gaps in its own skills and knowledge it has commissioned specific training. For example, Welsh Government staff were commissioned to provide training on drafting and reviewing business plans.
- 29 The PMO has well developed relationships with staff from North Wales councils involved in delivering core regeneration and economic development services and has engaged well with them through the COVID-19 related North Wales Regional Economic Recovery Group. The PMO chaired and administered these meetings, drawing together these valuable regional resources. The PMO has already become a valuable regional source of information around regeneration and economic development because of its skills, knowledge and local intelligence but will need to be clear over time about the distinction between its role in delivering the growth deal and vision and the core functions and responsibilities of individual councils.
- 30 The PMO recognises that it has further work to do. It plans to:
- develop the NWEAB website;
  - develop a reserves strategy; and
  - set out its medium-term financial plan.

## **Learning from and engaging with others**

- 31 Flintshire and Wrexham Councils are members of the Mersey Dee Alliance (MDA). The aim of the MDA is to enhance the profile and identity of the North Wales/North West border region. Engaging with the MDA provides an external perspective to the NWEAB and helps it to look around the borders for wider opportunities in the delivery of its economic vision.

- 32 The Draft Procurement Strategy sets out a commitment to be innovative in its approach to maximise social value working with partners, in particular the Public Services Boards to support building community resilience. Engagement with the Public Services Boards has not yet commenced.
- 33 The PMO speaks regularly to people in similar roles who support government funded initiatives across Wales such as the Cardiff City Deal and the Mid Wales Growth Deal. This provides a valuable source of information and enables the sharing of valuable learning.
- 34 The NWEAB and the PMO continue to maintain regular contact with the UK and Welsh Governments over delivery of the Growth Deal, which provides routine challenge and guidance.

## Plans to deliver the Growth Deal

- 35 Within the five programmes, there are 14 individual projects as follows:

### **Innovation in high value manufacturing programme**

- Centre for Environmental Biotechnology
- Enterprise Engineering & Optics Centre

### **Agri-food and tourism programme**

- Tourism TALENT Network
- Glynllifon Rural Economy Hub
- The Llysfasi Carbon Neutral Centre

### **Land and property programme**

- Holyhead Gateway
- Regional Land and Property
  - Wrexham Gateway;
  - Parc Bryn Cegin: former North Wales Hospital;
  - Key Strategic Sites:
    - Bodelwyddan; and
    - Warren Hall

### **Digital programme**

- Digital Connectivity Project
  - Connected Campuses;
  - Connected Corridors;
  - Last few percentages; and
  - Full fibre at key sites
- Digital Signal Processing Centre Project (DSP)

### **Low carbon energy programme**

- Morlais

- Trawsfynydd Power Station
  - Low Carbon Energy Centre of Excellence
  - Smart Local Energy
  - Transport Decarbonisation
- 36 Some of the projects are at concept stage with assumptions around the level of private sector funding that will be needed to support delivery. With the signing of the Growth Deal agreement, the NWEAB plans to revisit its original project and planning assumptions to ensure that they remain feasible before progressing with delivery.
- 37 Having clarified the assumptions for each programme and the projects that support them, the NWEAB will need to approve business cases for each. Work has already begun on some project business cases whilst others remain at an early stage of development. Once approved, business cases will pave the way for procurement and further Gateway reviews.
- 38 As projects develop there is opportunity to define how each contributes to delivery of the seven Well-being Goals. The PMO has completed WFG Act, Equalities Act and Welsh Language Act impact assessments against its portfolio and plans to carry out similar for programmes and projects.

### **The success of the Growth Deal is dependent on many external factors that may change planned ambitions; the NWEAB is adapting to overcome these emerging challenges and risks**

- 39 The local economic landscape in Wales has changed since the NWEAB approved the original Growth Deal programmes and projects. The impact of external factors such as COVID-19 on business and employment has been unprecedented and the effect on the local economy can be better assessed following clarity on the Brexit agreement.
- 40 The Growth Deal programme is subject to a series of Welsh Government Assurance Hub independent Gateway reviews at agreed points of time. Release of government funding will be dependent on the NWEAB receiving positive rating through these reviews. In September 2020, such a review was carried out and the review team reported that successful delivery appeared feasible, but significant issues required management attention which contributed to an overall Amber rating. The review was positive around the regional ethos, PMO and involvement of stakeholders. However, it also noted some concerns around benefits management, risk management, monitoring, timescales and feasibility of some projects. Risks are significant and we would highlight the need for a risk management strategy as a key priority for the NWEAB with Brexit, COVID-19 and reliance on private sector funding potentially affecting the viability of some projects.

- 41 The PMO has responded positively to the review findings and has informed Welsh Government and the NWEAB what actions it plans to take or is already taking to address the review recommendations.
- 42 Ongoing support and engagement with the business sector are critical to delivery of the Growth Deal and the regional vision. The North Wales Mersey Dee Business Council was a founding member of the NWEAB and has worked in close collaboration with partners and regional stakeholders to shape and influence the Growth Deal. In August 2020, due to challenges caused by COVID-19, the Business Council withdrew membership of the NWEAB but remains a key stakeholder and plans to be an integral, albeit more distant, partner moving forward. Over the lifetime of the Growth Deal and delivery of the regional vision, partners, both public and private sector will need to adjust their involvement with the programmes and projects as external factors affect their priorities.
- 43 Whilst the NWEAB has many well-established business relations it is important that it expands this network. The Business Council brings much needed experience, knowledge and opportunities to inform the Growth Deal but there will inevitably be some gaps with businesses not currently aware of the potential opportunities afforded by the Growth Deal and delivery of the vision to which they may be able to contribute.
- 44 As with everybody, the NWEAB has been affected by the COVID-19 pandemic. Local economies have been affected as have ways of working. NWEAB and the PMO have continued to be creative through the use of technology to comply with national restrictions but maintain an air of 'business as usual'. As such, it has met important deadlines and continued to progress projects where it could.



Audit Wales  
24 Cathedral Road  
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: [info@audit.wales](mailto:info@audit.wales)

Website: [www.audit.wales](http://www.audit.wales)

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## Management response

**Report title:** Progress Review of the North Wales Growth Deal – North Wales Economic Ambition Board

**Completion date:** March 2021

**Document reference:** 2317A2021-22

Ref	Recommendation	Intended outcome/benefit	High priority (yes/no)	Management response	Completion date	Responsible officer
P1	<b>Risk management</b> <ul style="list-style-type: none"> <li>The North Wales councils, through the NWEAB, should develop a risk management strategy and develop a risk register which includes consideration of new risks to projects presented by external circumstances such as Brexit, COVID-19 and other pressures on the local economy</li> </ul>	Risks are assessed, recorded and mitigated against.	Yes	<p>A Portfolio Risk Register has now been produced and implemented. This captures the broad risks to delivery of the Growth Deal portfolio. The Portfolio Risk Register is reported to the NWEAB quarterly.</p> <p>In addition, programme risk registers are developed and implemented for each of the five programmes and as project boards are established the same format</p>	Portfolio Risk Register in place since October 2020.	Hedd Vaughan-Evans

Ref	Recommendation	Intended outcome/benefit	High priority (yes/no)	Management response	Completion date	Responsible officer
				for risk management will be implemented.		
P2	<p><b>Engaging business community</b></p> <ul style="list-style-type: none"> <li>The North Wales councils, through the NWEAB, should widen their contacts with the business community to increase opportunities to support delivery of their objectives.</li> </ul>	Opportunities are maximised by engaging with more businesses	Yes	<p>The PMO are currently implementing a broader communications strategy, supported by the design and launch of a new on-line portal, working in collaboration with Tinint digital creative agency. Strategic relationships are also in place with communication partners i.e. Wales Week in London, Business News Wales, Ateb Cymru consultancy.</p>	On-going	<p>Alwen Williams Nia Medi Williams Erin Gwenlli Thomas</p>



Ref	Recommendation	Intended outcome/ benefit	High priority (yes/no)	Management response	Completion date	Responsible officer
				<p>It is accepted that opportunities to engage directly with business should be widened and the new strategy will support the PMO and its partners to take appropriate and relevant messages out to key audiences in a targeted and strategic way.</p> <p>Additionally the PMO has a procurement officer now in place. The PMO intends to conduct timely and regular meet the buyer opportunities ahead of the large scale procurement exercises in order to engage with and inform the local supply chain.</p>		

Ref	Recommendation	Intended outcome/benefit	High priority (yes/no)	Management response	Completion date	Responsible officer
P3	<p><b>Transparency</b></p> <ul style="list-style-type: none"> <li>Ensure that policies and procedures reflect the need to uphold public sector transparency and values in decision making whilst operating in the very competitive and commercial business environment.</li> </ul>	Decisions remain transparent whilst operating in a business environment	Yes	<p>All NWEAB meetings take place in accordance with local government regulations. All decisions taken by the Economic Ambition Board are recorded and available from the host authority website - <a href="https://democracy.gwynedd.llyw.cymru/ielistmeetings.aspx?cid=418&amp;year=0">https://democracy.gwynedd.llyw.cymru/ielistmeetings.aspx?cid=418&amp;year=0</a></p> <p>A policy and process for managing any conflicts of interest arising has now been implemented and is being rolled out across the EAB, Business Delivery Board, Programme Boards and Project Boards.</p> <p>Transparency is one of the Procurement Principles adopted by the NWEAB and</p>	On-going	<p>Iwan Evans (Monitoring Officer)</p> <p>&amp;</p> <p>Hedd Vaughan-Evans</p>

Ref	Recommendation	Intended outcome/benefit	High priority (yes/no)	Management response	Completion date	Responsible officer
				is a key feature of all procurement activity.		
P4	<b>Scrutiny</b> <ul style="list-style-type: none"> <li>Establish formal, timely scrutiny of the NWEAB that provides public transparency and keeps sponsoring councils informed.</li> </ul>	Those who make decisions are held to account within the partnership and by their sponsoring organisation	Yes	A Q4 quarterly Progress report as well as an Annual Report have been presented to the Economic Ambition Board and are currently going through scrutiny committees in each of the Local Authorities. Quarterly progress reports will be presented moving forward, with a commitment from PMO to attend one scrutiny committee a year should they be required to attend with	Agreed as part of Governance Agreement 2 in December 2020.	Iwan Evans (Monitoring Officer) & Hedd Vaughan-Evans

Ref	Recommendation	Intended outcome/ benefit	High priority (yes/no)	Management response	Completion date	Responsible officer
				local authority officers. Both Quarterly and Annual reports are presented to all EAB partners and are available publicly.		
P5	<b>Support arrangements</b> <ul style="list-style-type: none"> <li>Develop agreements that clearly set out the support provided to the PMO by Gwynedd Council such as governance, human resources and finance.</li> </ul>	Clarity over what support is to be provided to avoid potential disagreement	Yes	Discussions ongoing with Monitoring Officer and Section 151 Officer.	On-going	Hedd Vaughan-Evans

Ref	Recommendation	Intended outcome/benefit	High priority (yes/no)	Management response	Completion date	Responsible officer
P6	<p><b>Review of projects</b></p> <ul style="list-style-type: none"> <li>When reviewing feasibility of individual projects, define how each contributes to delivery of the Well-being of Future Generations (Wales) Act 2015's seven Well-being Goals.</li> </ul>	Confidence that projects remain in the programme and that they meet legislative requirements	Yes	<p>The PMO has put in place a robust assurance and approvals process for projects including consideration through gateway reviews, project boards, programme boards, portfolio board and NWEAB. All business cases are accompanied by an Impact Assessment considering the impact on Future Generations (Wales) Act, Equalities and the Welsh Language.</p> <p>Our approach is founded on the goals within the Wellbeing of Future Generations Act to drive inclusive economic growth for the region in the right way.</p>	April 2021	Hedd Vaughan-Evans



## Isle of Anglesey County Council – Workforce Planning

Audit year: 2020-21

Date issued: July 2021

Document reference: 2486A2021-22

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and Audit Wales are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to Audit Wales at [infoofficer@audit.wales](mailto:infoofficer@audit.wales).

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.



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# Detailed Report

Having experienced workforce challenges in the Children and Families Service, the Council is now more focused on workforce planning and has further opportunities to realise benefits across all services

## **The Council developed a Workforce Strategy in 2012 but did not embed it across all services**

- 1 In 2012, the Council approved a Workforce Planning and Talent Management / Succession Planning Strategy. The Council seconded an officer in 2013-14 to develop the workforce planning approach further.
- 2 Although, the Council had created an overall workforce planning strategy, individual departments had not formalised, approved, or implemented workforce plans. Officers told us that whilst they discussed workforce plans in conversations with HR support officers, there were no live, formal documents in place.
- 3 In the Council's [Annual Improvement Report 2014-15](#), we concluded that, 'The Council's approach to the planning and management of its workforce is not sufficiently strategic to mitigate the significant risks to future capacity and capability.'
- 4 In March 2017, a report by Care Inspectorate Wales (CIW) reviewing the Council's [Children and Families Service](#) recommended that a robust workforce strategy should be developed urgently to include short, medium and long term aims for recruitment and retention of social workers.

## **The approach to workforce planning taken by the Council's Children and Families Service helped it respond to the challenges it faced**

- 5 In 2017, the Children and Families Service had trouble in recruiting and retaining a skilled and suitably qualified and experienced workforce. It also found it challenging recruiting to posts with Welsh Language requirements. The service had high absence rates and was reliant on short-term agency staff. This resulted in inconsistencies in practice and decision making. As a result, in their report CIW recommended that the Service produce a robust workforce plan.
- 6 The Children and Families Service and the Council's HR team acted together to address the issues. The scope of the plan would cover the whole service area.
- 7 In tackling its workforce issues the Children and Families Service:
  - analysed its current workforce using HR data metrics;

- investigated trends in performance data, such as the number of looked after children;
- reviewed the wider environment to understand workforce issues and the wider labour market;
- re-structured the service to introduce a new model of working where Practice Leaders were responsible for Practice Groups to strengthen supervision, direction, and learning;
- increased flexibility by introducing generic job descriptions for Social Workers to allow them to move more easily between teams in response to changes in caseloads or team remits;
- worked in partnership with Bangor University to support social work students with placements; and
- focused on ‘growing its own’ talent by providing traineeship opportunities for non-qualified social workers, offering qualifications via the Open University gain as people worked.

8 As a result of this work, the turnover in the Children and Families Service decreased by 9% between 2017 and 2020.

**Exhibit 1 : Children and Families Service staff turnover**

The turnover in Isle of Anglesey’s Children and Families Service since 2017

	2017	2018	2019	2020
Children and Families Service staff turnover	20%	18%	13%	11%

9 Whilst the Council’s response was reactive, it is clear the Children and Families Service improved its workforce position. Had the Council implemented its 2012 workforce planning approach and/or taken heed of external comment the difficulties it experienced may have been avoided. Effective workforce planning actively identifies changing needs to enables the service to proactively adapt to demand.

10 Learning from this, the Children and Families Services’ Strategic Plan 2017-2020 focuses on having ‘a confident and competent workforce with sufficient capacity to provide a consistent and effective service’. Elements of workforce planning are included in the strategy. A focused Children and Family Services Workforce Strategy 2019-2022 sits behind the Strategic Plan. This document identifies national workforce issues in the sector, explains key trends faced by the Council in the Children and Families Service and the impact of those trends on the workforce for the Council. It also describes the workforce profile and identifies three workforce priorities for the service, with short (0-6 month) medium (6-12 month) and longer (12-18 month) term actions with their associated anticipated outcomes.

## **The Council is now more focused on workforce planning and by maintaining this focus it can realise more benefits across all services**

- 11 Following the success of the work in the Children and Families Service, the Council has continued to improve workforce planning processes across the organisation. The Director of Social Services presented key learning on workforce planning to the Senior Leadership Team (SLT).
- 12 The Council revised its Workforce Planning Strategy in 2019, and defined its vision as, “Getting the right people, with the right skills, in the right place, at the right time.” The Strategy includes a ‘Five Step Approach to Workforce Planning’ which mirrors the good practice identified by the Chartered Institute of Personnel and Development (CIPD):
  - Defining the plan;
  - Understanding the current workforce;
  - Defining the required workforce;
  - Gap analysis and action plan; and
  - Implementation, monitor and review.
- 13 The Council’s People Strategy 2020-24 recognises the need to, “ensure effective workforce planning is an integral part of the Council’s business processes”. The Council’s HR Service has worked with Heads of Service to identify five, key priorities for workforce planning. All services must:
  - formalise their workforce plans in a written document;
  - ensure alignment between staff needs and workforce plans and create staff development plans;
  - consider ‘new blood’ by using the range of recruitment and retention options provided in the ‘Denu Talent’ programme;
  - identify the issues that make recruitment difficult; and
  - create and open, flexible, and moving culture to support recovery planning and shape future ways of working.
- 14 The Council’s ‘Attracting and Developing Talent 2021-2022’ strategy demonstrates, and highlights efforts made to ensure “that the people of Anglesey can thrive and realise their long-term potential” via the range of recruitment opportunities and activities undertaken by the HR Service. It defines a suite of opportunities that covers a broad range of ages, skills, and abilities. It also states talent management should be fully integrated with Business Planning Processes and workforce planning as well as all the employee related processes of the organisation.
- 15 The Council recognises the need to give more focus and commitment to workforce planning in the Children and Families Service and across the Council. The councillors and officers we spoke to expressed a clear commitment to achieving the Council’s vision and strategic priorities.

- 16 There is positive indication that workforce planning is now becoming an ongoing process rather than a one-off event. HR officers meet quarterly with Heads of Service to discuss workforce issues. In these meetings, actions are agreed and recorded and then reviewed in the following meeting.
- 17 There is an immediate opportunity for Adults Social Services to capitalise on the workforce planning work already completed in the Children and Families Service. The Director for Social Services told us that he intends to develop a Workforce Strategy and Succession Plan for Adults' Services. This would provide consistency across the whole of the Social Services Directorate.
- 18 The Council has found it increasingly difficult to appoint suitably qualified professional staff in several areas across the Council. The Council is now more able to proactively consider emerging risks to the workforce across the whole Council. For example, officers told us parts of Public Protection and Environmental Health Service are at risk of their workforce moving to other organisations where the salaries are more competitive.
- 19 In its meeting in January 2021, the Council's Executive approved a budget of £250,000 for the appointment of between eight and 10 trainees which would provide opportunities for local people to start a career in local government and help address future skills shortages the Council faces.
- 20 At present workforce planning process tend to involve senior managers only. The Council should consider ways to further engage and train all levels of the organisation in workforce planning and share good practice.
- 21 The Council has identified the importance of monitoring and reviewing workforce plans as one of the steps in its five-step approach. The Council should design and embed clear evaluation processes into all stages of the process to assure itself that it is considering and responding to workforce planning and service demand issues appropriately and thereby managing its risks effectively. The officers we spoke to told us that workforce planning should be an ongoing process and that future workforce plans would be 'living documents', updated as they are reviewed.
- 22 In addition, during 2020 the Council focused on improving the quality of its employee appraisals documents. Building on feedback it had already received, the HR service's revised appraisal documents were trialled in Social Services. This engagement provided opportunity to for Social Services department to shape the documents and ensure it was relevant and useful. This approach supports the improvement of workforce planning. For example, as part of the appraisal process, the Council is monitoring and reviewing Welsh Language ability. The new appraisal document requires any training related to Welsh Language skills to be included in the training needs section. This will support improvement in terms of assessing Welsh Language ability and improve workforce planning by helping to identify areas of strength and weakness in providing Welsh speaking employees.
- 23 In spring 2020, the COVID-19 pandemic had an unprecedented impact on the Council. The Council has worked hard to deal with the pandemic whilst maintaining momentum on delivery of key services. The pandemic highlighted workforce issues

to the Council, such as the limited availability of Welsh language agency staff, and the need to adapt the existing staff employment contract to facilitate redeployment during a crisis.

- 24 The COVID-19 pandemic has also presented opportunities to work differently, and the Council now needs to consider its future workforce needs. As the Council reshapes its business, it has opportunities to be ambitious and set out what the future workforce might look like. It is important the Council considers the long-term demand for services. An embedded workforce planning process will help all Council services set out what the future looks like.

## Recommendations

### Exhibit 2: recommendations

Recommendations	
<b>Workforce plan implementation</b>	
R1	The Council needs to ensure that departmental workforce plans are formalised, adopted and implemented across all services.
<b>Assurance that Workforce Plans are living documents</b>	
R2	The Council must design and embed clear evaluation processes, with performance measures, into all five stages of the process to assure itself that it is proactively considering and responding to workforce planning and service demand issues appropriately and thereby managing its workforce risks effectively.





Audit Wales  
24 Cathedral Road  
Cardiff CF11 9LJ

Tel: 029 2032 0500  
Fax: 029 2032 0600  
Textphone: 029 2032 0660

E-mail: [info@audit.wales](mailto:info@audit.wales)

Website: [www.audit.wales](http://www.audit.wales)

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24 Cathedral Road / 24 Heol y Gadeirlan  
Cardiff / Caerdydd  
CF11 9LJ

Tel / Ffôn: 029 2032 0500

Fax / Ffacs: 029 2032 0600

Textphone / Ffôn testun: 029 2032 0660

[info@audit.wales](mailto:info@audit.wales) / [post@archwilio.cymru](mailto:post@archwilio.cymru)

[www.audit.wales](http://www.audit.wales) / [www.archwilio.cymru](http://www.archwilio.cymru)

Cllr Peter Rogers  
Isle of Anglesey County Council  
Council Offices  
Llangefni  
Anglesey  
LL77 7TW

**Reference:** DO21-04

**Date issued:** 3 June 2021

Dear Governance and Audit Committee Chair

## Audit Wales Reports and Recommendations

I hope you are well.

You may recall that at the end of November 2020, some Audit Wales staff came along to a meeting of the Audit Committee Wales chairs' network to talk about the implications for audit committees as a result of the then Local Government and Elections (Wales) Bill. As part of this session, we also briefly mentioned our expectation that audit committees actively consider our reports. The purpose of this letter is to clarify and expand upon this.

As you will be aware, our performance audit work comprises national studies, local government studies (such as our recent report about discretionary services), thematic work (such as our financial sustainability assessments) and more locally risk-based work. We consult audited bodies about potential topics for our national and local government studies, and our local risk-based work is determined through our assurance and risk assessment process. Our programme of work for each council is set out in our annual audit plans.

We have found that councils' approaches to dealing with our performance audit reports, proposals for improvement and Local Government studies' recommendations are variable. Councils' approaches vary from regular reviews, audit trackers and action plans to reports and recommendations only being seen when we present our annual audit summary. We are, therefore, not assured that all councils are consistently actively considering the findings of our reports.

Given the role of the Governance and Audit Committee is to review and assess the risk management, internal control, performance management and corporate governance arrangements of the Council, we would expect that all councils' Governance and Audit Committee formally consider all reports of external review bodies – principally; Audit Wales, Estyn and the Care Inspectorate Wales (CIW).

As well as actively considering reports we would expect committees to assure themselves that there are arrangements in place to monitor and evaluate progress against any recommendations contained in them. The focus here should be on holding executives and officers to account to ensure that reports and recommendations have been acted upon. Some of our reports may be relevant for consideration by scrutiny committees also.

To help councils to do this, we will have a more targeted approach of distributing final reports upon publishing, set out our expectations of how councils should deal with our recommendations and find out whether these expectations have been met. In addition, under the Local Government and Elections (Wales) Act, the Auditor General for Wales must produce a timetable which sets out the dates or periods when Audit Wales, Estyn and Care Inspectorate Wales will be undertaking their work. We intend to issue this timetable to councils and cc to Governance and Audit Committee chairs every quarter. We don't intend to formally present this to Governance and Audit Committees each quarter but will liaise with councils to discuss our local approach.

Audit Wales staff will continue to work flexibly to deliver our programme of work. In response to any government advice and subsequent restrictions, we will continue to work remotely, building on the arrangements made in 2020, until such time that it is safe to resume on-site activities. I remain committed to ensuring that the work of Audit Wales staff will not impede the vital activities that public bodies need to do to respond to ongoing challenges presented by the COVID-19 pandemic.

I hope you find this letter helpful. Please liaise with our local team if you have any specific needs or concerns.

Yours sincerely



Derwyn Owen

Audit Director

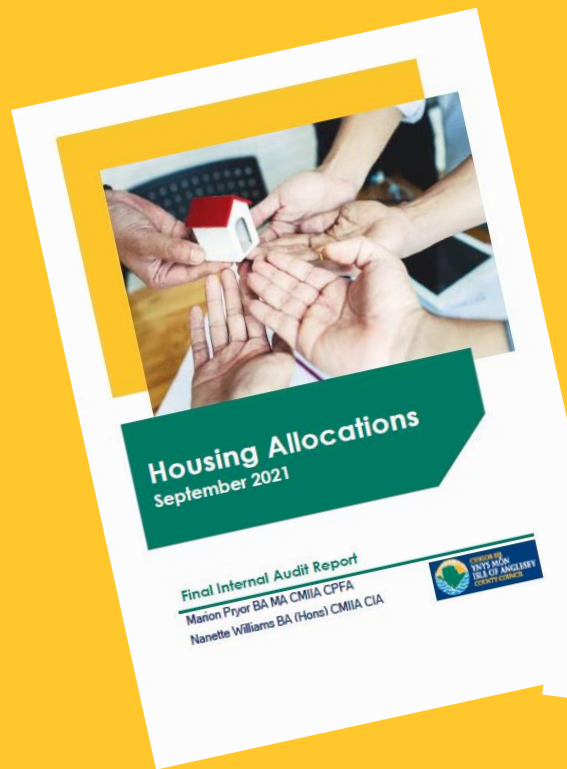
<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Adroddiad i: Report to:</b>	Governance and Audit Committee
<b>Dyddiad: Date:</b>	21 September 2021
<b>Pwnc: Subject:</b>	Internal Audit Update
<b>Pennaeth Gwasanaeth: Head of Service:</b>	Marc Jones Director of Function (Resources) and Section 151 Officer 01248 752601 <a href="mailto:MarcJones@ynysmon.gov.uk">MarcJones@ynysmon.gov.uk</a>
<b>Awdur yr Adroddiad: Report Author:</b>	Marion Pryor Head of Audit and Risk 01248 752611 <a href="mailto:MarionPryor@ynysmon.gov.uk">MarionPryor@ynysmon.gov.uk</a>
<p><b>Natur a Rheswm dros Adrodd / Nature and Reason for Reporting:</b>            In accordance with the Council's 'Strategy for Committee Meetings', this report meets the requirements of the Local Government (Wales) Measure 2011, which sets out the legislative duties to be performed by a council's audit committee, specifically, to oversee the authority's internal audit arrangements.</p>	

## 1. INTRODUCTION

1.1. This report updates the Committee, as at 1 September July 2021, on the audits completed since the last update as at 20 July 2021, the current workload of internal audit and our priorities for the short to medium term going forward.

## 2. RECOMMENDATION

1.2. That the Governance and Audit Committee notes Internal Audit's assurance provision and priorities going forward.



# INTERNAL AUDIT UPDATE SEPTEMBER 2021

**Marion Pryor BA MA CMIIA CPFA, Head of Audit & Risk**

[MarionPryor@YnysMon.gov.uk](mailto:MarionPryor@YnysMon.gov.uk)

01248 752611



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## ASSURANCE WORK COMPLETED SINCE THE LAST UPDATE

1. This section provides an overview of internal audit reports finalised since the last meeting, including the overall assurance rating and the number of issues/risks raised.
2. Members of the committee and the relevant portfolio holder have received copies of the reports separately.
3. We have finalised **two** reports in the period, summarised below:

Title	Corporate Risk Register Ref.	Date Final Report	Assurance Level	Critical	Major	Moderate	Total
Housing - Allocations	n/a	September 2021	Reasonable Assurance	0	3	3	6
Leavers' Process - First Follow Up	n/a	September 2021	Reasonable Assurance	0	0	3	3

### Housing Allocations

Reasonable Assurance	Issues/Risks	
	0	Critical
	3	Major
3	Moderate	

4. Following poor performance reported to the Executive regarding the time taken to re-let void properties, the Executive asked Internal Audit to review this performance measure.
5. Our review therefore sought to answer the following key question:
 

**Does the Council have adequate arrangements in place to ensure that processes for managing empty (void) properties and re-letting them to new tenants are both economic and efficient to maximise rental income, and effective to ensure properties are let to the right tenant and meet the required quality standards?**
6. Overall, our review concluded that the Council has adequate arrangements in place for managing and re-letting empty (void) properties. However, we identified some areas within the housing allocations and voids process, which would benefit from review and improvement.

7. Specifically, with regards to the appropriateness of the performance measure, we concluded that, in recent years, the Council has revised its approach to how it allocates its housing stock; initiatives such as the introduction of a sensitive lettings policy as well as community and parish connection requirements, are intended to support an overall ambition to improve community cohesion, increase sustainability of tenancies and consequently reduce the overall number of void properties. Despite this change of policy and approach however, the measure of performance in this area continues to focus solely on speed of turnaround, rather than also considering these additional factors. We concluded that the lack of alignment between current housing allocation policy and this indicator of performance, has in part contributed to the reported poor performance in this area.
8. We also highlighted the absence of a performance measure to highlight the Council's ambitious target for purchasing, renovating, and letting former council properties, with a view to increasing its housing stock and the provision of social housing options on the Isle of Anglesey.
9. We raised six issue/risks, which require management attention. While they pose a risk to the service's ability to meet its performance targets in this area, we are satisfied that they are containable at service level and do not pose significant risks to the Council's overall achievement of objectives. As a result, we are able to provide a **reasonable assurance** rating. We have agreed an action plan with management, which we have detailed in a separate document.

## Leavers' Process – First Follow Up

Original Report (September 2020)			Current Report (September 2021)		
<b>Limited Assurance</b>	Issues/Risks		<b>Reasonable Assurance</b>	Issues/Risks	
	<b>0</b>	Critical		<b>0</b>	Critical
	<b>1</b>	Major		<b>0</b>	Major
	<b>3</b>	Moderate		<b>3</b>	Moderate

10. Currently, we follow up all reports with an assurance rating of 'Limited' or below, and others we wish to monitor going forward.
11. We undertook a review of the Council's arrangements for dealing with leavers and issued a final report in September 2020. We raised four issues/risks for management action, with one classed as 'major' due to the potential impact of the risk. At the time, due to the number of payroll errors and inconsistencies of process identified during our review, we were only able to provide '**Limited Assurance**' for the Council's arrangements.
12. We undertook a follow up review in May 2021 to determine progress with addressing the risks identified.
13. We concluded that management has addressed the risk we classified as 'major' and is making progress to address the remaining risks. We have therefore been able to increase the assurance provided to '**Reasonable**'.

## WORK IN PROGRESS

14. The following audits are currently in progress:

Audit Area	Corporate Risk Register Ref	Service	Reason for Audit	Stage
Recovering Council Debts and the impact of Covid-19	n/a	Resources	Director of Function (Resources) and Section 151 Officer request	Draft Report issued
Investment in Assets	YM49	Resources	Corporate Risk Register	Fieldwork
Gypsies and Traveller Accommodation	YM29 YM30	Housing	Corporate Risk Register	Fieldwork
Rent Smart Wales Grant	n/a	Public Protection	Grant Certification	Fieldwork
Software Licence Management	YM38	Transformation	Corporate Risk Register	Fieldwork

## Investigations

15. The team is also currently involved in three complex investigations.

## National Fraud Initiative

16. The first tranche of the NFI 2020/21 matches were released in January 2021. Matches highlight potential fraud and error in the Council's systems. In order to protect the public purse against fraud and error, we are in the process of reviewing the matches to stop potential overpayments from increasing.
17. Many investigations take a long time, and some matches may not be an issue as there is a valid reason for the match. We have identified some data quality issues, and are working with the Cabinet Office to resolve so we can improve the quality of matches in future to ensure our valuable investigative resources are used efficiently.
18. Currently, we are working on investigating the following matches:
- Payroll to Payroll
  - Payroll to Companies House
  - Payroll to Creditors
  - Deceased Persons to Blue Badges
  - Housing Tenants Waiting Lists



## OUTSTANDING ACTIONS

19. Work is progressing to support services with implementing all outstanding actions. The 4action dashboard at [Appendix 1](#) provides an overview of the status of actions as at 1 September 2021.
20. It is notable that there are currently no overdue actions.
21. A separate detailed report is submitted to this meeting.

# PRIORITIES FOR 2021-22

## Current Capacity

22. Despite staff returning from redeployment and the additional responsibilities due to the pandemic reducing somewhat, the team is still not at full capacity.
23. The Senior Leadership Team approved the recent recruitment proposal to fill the Senior Auditor vacancy and it is currently being advertised, with a closing date of 20 September 2021. Interviews will be held the following week and it is hoped a successful candidate will commence in post as soon as possible afterwards.
24. Filling this post will mean that the team will almost be up to full strength, with only half a full time equivalent post remaining vacant, due to flexible working. However, a further member of the team's secondment to Accountancy has recently been extended until 31 March 2022, so essentially we will remain at a reduced capacity until at least the end of the year.
25. However, the savings from these posts are being used to fund the IT Audit programme and some contracts for specific pieces of work.

## Short/Medium Term Priorities

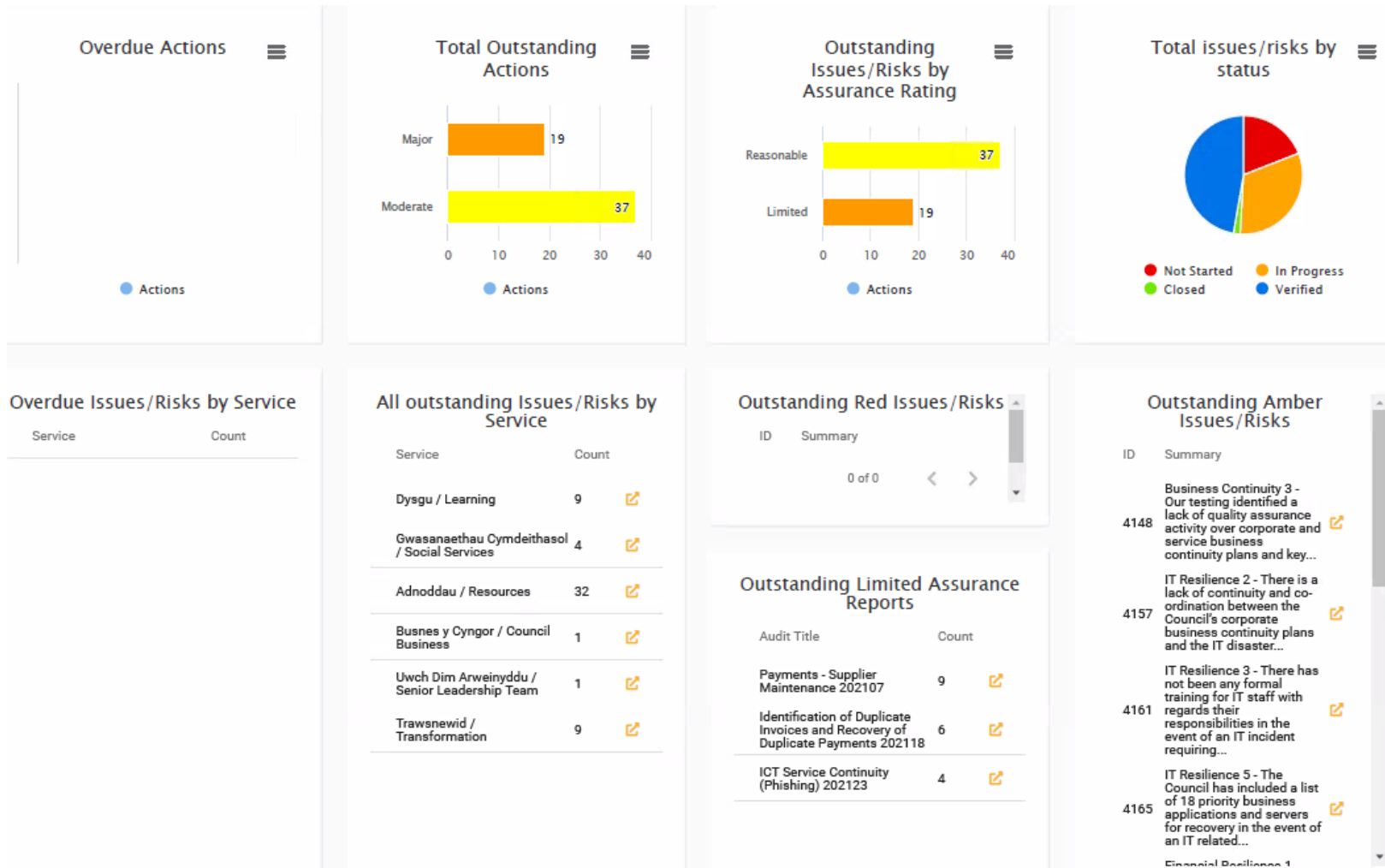
26. Additional risks with a red or amber residual rating have been added to the Corporate Risk Register, and the residual risk rating has increased to red or amber in some risks. It is also over two years since we have reviewed some of the corporate risks assessed as having a red or amber residual rating.
27. Our immediate priority is to review the new red and amber residual risks (six risks), followed by the risks we have not reviewed in over two years (six risks).
28. We will also continue to actively promote and monitor the addressing of outstanding internal audit issues/risks.

## Longer Term Priorities

29. A review of the management of fraud risk identified a number of actions, which will be addressed before the end of the year:
  - the development of a counter fraud and corruption strategy to support the Council's 'Policy for the Prevention of Fraud and Corruption'
  - an assessment of the level and capability of the resource invested in counter fraud and corruption, proportionate to the level of risk identified.
  - the development of a programme to improve the counter fraud culture within the Council, including an eLearning package and a counter fraud working group.

# APPENDIX 1 – OUTSTANDING ACTIONS (4ACTION DASHBOARD) AS AT 1 SEPTEMBER 2021

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<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>		
<b>Report to:</b>	Governance and Audit Committee	
<b>Date:</b>	21 September 2021	
<b>Subject:</b>	Outstanding 'Issues/Risks'	
<b>Head of Service:</b>	Marc Jones Director of Resources / Section 151 Officer 01248 752601 <a href="mailto:MarcJones@ynysmon.gov.uk">MarcJones@ynysmon.gov.uk</a>	
<b>Report Authors:</b>	Marion Pryor Head of Audit and Risk 01248 752611 <a href="mailto:MarionPryor@ynysmon.gov.uk">MarionPryor@ynysmon.gov.uk</a>	Nanette Williams Principal Auditor 01248 751809 <a href="mailto:NanetteWilliams@ynysmon.gov.uk">NanetteWilliams@ynysmon.gov.uk</a>
<b>Nature and Reason for Reporting:</b> The Governance and Audit Committee's terms of reference provide a responsibility for it to monitor the implementation of agreed actions. This report provides an update on the status and detail of the outstanding risks that Internal Audit has raised.		

## 1. INTRODUCTION

- 1.1. In March 2020, the Council implemented a new and upgraded version of its action tracking system 4action. This has facilitated more effective monitoring and reporting on issues/risks identified during audit work.
- 1.2. We have developed a dashboard, which displays a real-time snapshot of current performance in addressing outstanding actions and facilitates effective tracking and reporting of this information. The Head of Audit and Risk regularly shares this dashboard with the Governance and Audit Committee as part of her internal audit update reports.
- 1.3. Prior to the upgrade of the 4action system, the Governance and Audit Committee received a report of all the outstanding 'Issues/Risks' twice a year. We presented the first detailed report to the Committee, outlining overall performance in addressing audit actions, since the implementation of the new 4action system on 20 April 2021. At this time, the Committee requested that a report of this nature be presented to them bi-annually. As such, this is the second, mid-year update report.

## 2. RECOMMENDATION

2.1. That the Governance and Audit Committee:

- notes the Council's progress in addressing the outstanding Internal Audit 'Issues/Risks'.
- determines whether the level of detail included in the report meets its assurance needs in this area.



# OUTSTANDING ISSUES / RISKS

SEPTEMBER 2021

Marion Pryor BA MA CMIIA CPFA, Head of Audit & Risk

Nanette Williams BA (Hons) CMIIA, Principal Auditor



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## INTRODUCTION

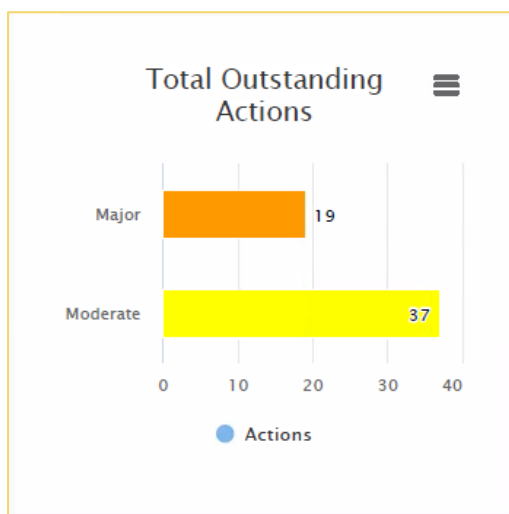
1. We are now into the second full year using the new and upgraded version of the Council's action tracking system 4action. We are pleased to report that the new system has proved very successful in improving our internal audit follow up and action tracking processes.
2. We have developed and refined our dashboard, which displays a real-time snapshot of current performance in addressing outstanding actions and facilitates effective tracking and reporting of this information. We continuously monitor 'overdue' actions and so are able to promptly obtain updates from management as to progress with addressing them.
3. We have also developed a bespoke service dashboard to assist Heads of Service and their management teams in monitoring and providing updates on their actions. We are currently piloting this with the Resources service and if successful will continue to roll out further across the Council during 2021-22. Unfortunately, the COVID-19 emergency has limited our ability to roll out the new 4action system to services and provide training etc. so that management are able to fully utilise its functionalities. As the pandemic subsides, we will resume this work.



## CURRENT PERFORMANCE

4. The following six graphs show the position of outstanding actions across the Council as at 31 August 2021. A detailed status update of all outstanding 'major' rated issues/risks is also shown at [Appendix 1](#). Inevitably, the impact of the COVID-19 emergency on some services has affected their ability to address their outstanding actions over the past year.
5. It should be noted that no 'Red' issues/risks were raised during the year and there are no Red 'issues/risks' currently outstanding.

1

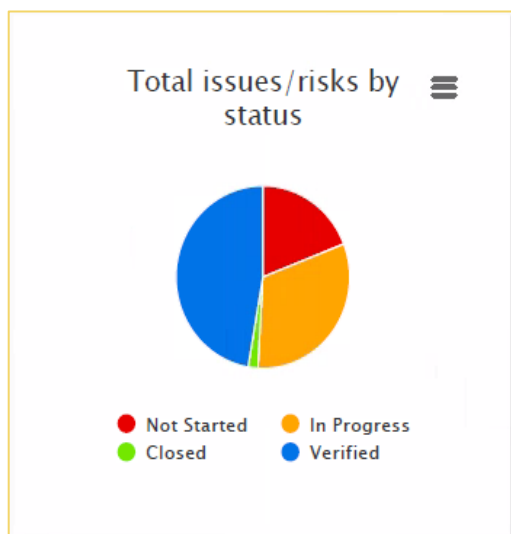


2

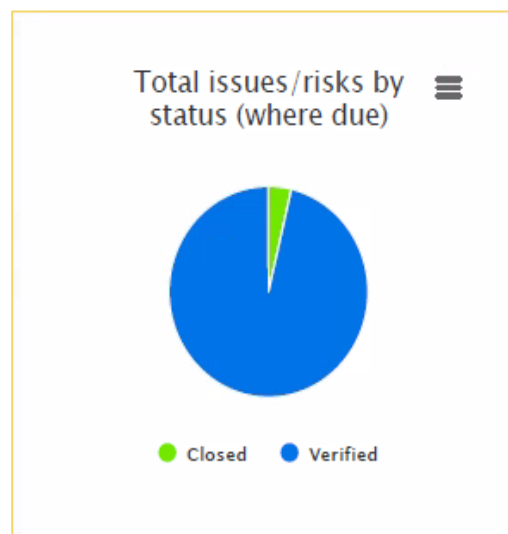


6. As at 31 August 2021, there are 56 outstanding actions being tracked in 4action. Of these 19 are rated 'major' (amber) and 37 'moderate' (yellow) in risk priority, as shown in graph 1.
7. We actively monitor all actions and pursue them with management when they become due to ensure they are addressed. At the time of writing, there are currently no actions that have reached their target date for completion and become 'overdue', as shown by the screenshot taken from the 4action dashboard, at figure 2.

3

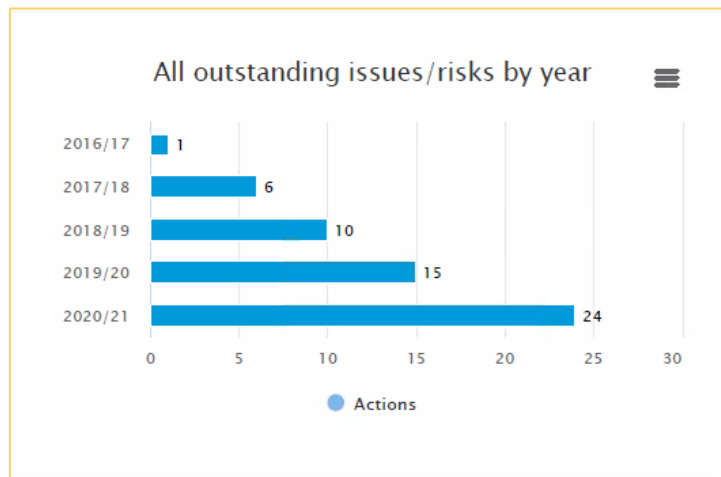


4



8. The graphs above show the current status of all actions i.e. whether they are 'in progress'; 'not started' or 'closed' if the action has been addressed. Internal audit verifies all 'closed' actions to ensure we are satisfied that the risk originally identified has been addressed by the action taken by management.
9. Graph 3 shows the status of all actions irrespective of the date management agreed to address them by. It shows that management have now addressed 49% of them. Internal audit have verified completion for 47% of these. The remaining 2% relate to actions from an audit of Payments Supplier Maintenance, which we will be following up formally in January 2022. We will verify completion of these actions during this piece of work.
10. Around 20% of the actions shown here as 'not started' on 4action, relate to two audits finalised towards the end of the 2020/21 financial year, namely, 'Payments - Supplier Maintenance' and 'Corporate Parenting Panel'. The issues/risks identified as a result of these audits have not yet reached the dates by which management agreed for their completion. When these dates approach, we will actively pursue updates from management to determine progress.
11. In contrast, Graph 4 shows the status of all actions that have reached their target date. It shows that where due, 100% have been addressed. Of these, Internal Audit have verified virtually all, however as detailed above, those that have yet to be verified relate to an audit of Payments Supplier Maintenance which will be followed up formally in the new year. We must note however, that we will on occasions extend target dates for some actions, but only if the service can demonstrate a legitimate reason for the extension e.g. it becomes clear that the original target date is unachievable, as significantly more work is needed to address the issue/risk. Due to the COVID-19 emergency, we have extended several target deadlines for services whose priority over the last 18 months has clearly been focussed on responding to the pandemic.

## 5



12. As detailed above, there are a total of 56 outstanding actions which have yet to be fully completed.
13. These are spread between 2016/17 and 2020/21. While the graph indicates the majority relate to the last two financial years, there is a single 'old' action, dating back to 2016/17 that has yet to be fully addressed by management. This relates to the requirement for services to provide assurance that their procurement activity is effective in the annual service challenge process. This is rated as 'moderate' or 'yellow' in risk priority, and work to address it is nearly complete with management assuring that it will be resolved in time for the next service challenge process in November 2021.
14. It should be noted that there are no 'major' or 'amber' rated issues/risks dating back further than 2019/20, as shown in graph 6 below. This demonstrates that management are prioritising addressing risks of higher risk priority.

## 6

Internal Audit Report	Count
2019/20	7
2020/21	12

15. A detailed status update of all outstanding 'major' or 'amber' rated issues/risks currently being tracked in 4action is shown at [Appendix 1](#).
16. We will endeavour to pursue all outstanding actions to ensure completion.

# APPENDIX 1: OUTSTANDING 'MAJOR' RATED ISSUES/RISKS DETAILED STATUS

Audit Title	Audit Year	Report Issue Date	Current Target Date	Assurance Rating*	Issue /Risk Summary	Current Status
Business Continuity	2019/20	January 2020	30/11/21	Reasonable	Our testing identified a lack of quality assurance activity over corporate and service business continuity plans and key documents.	Action 50% complete. Much of the work associated with addressing this issue/risk is dependent on the work outlined below regarding aligning service Business Continuity Plans with IT disaster recovery arrangements. Additional work by the regional emergency planning service to revise and standardise guidance and action cards is ongoing. However, this work has inevitably been impacted by the COVID 19 pandemic.
IT Resilience	2019/20	February 2020	30/09/21	Reasonable	There is a lack of continuity and co-ordination between the Council's corporate business continuity plans and the IT disaster recovery plan.	Action 80% complete. Work to align Corporate Business Continuity plans with IT Disaster Recovery plan is ongoing with services.
IT Resilience	2019/20	February 2020	30/09/21	Reasonable	The Council has included a list of 18 priority business applications and servers for recovery in the event of an IT related incident in its IT Disaster Recovery plan. However, the process for selecting these systems was done quickly in response to a recent IT incident, rather than formally in consultation with services.	Action 50% complete. Successful completion of this action is reliant on the work outlined above regarding aligning service Business Continuity Plans with IT disaster recovery arrangements to ensure mutual understanding of both recovery capabilities and criticality of systems.

Audit Title	Audit Year	Report Issue Date	Current Target Date	Assurance Rating*	Issue /Risk Summary	Current Status
IT Resilience	2019/20	February 2020	30/09/21	Reasonable	There has not been any formal training for IT staff with regards their responsibilities in the event of an IT incident requiring invocation of the Disaster Recovery Plan.	<p>Action 75% complete. As part of a wider training change in IT and in response to the COVID 19 emergency, the IT Unit has subscribed to a technology e-learning platform, with the IT Management team assigned two courses for completion;</p> <ul style="list-style-type: none"> <li>• Designing, Implementing and Maintaining a Disaster Recovery Plan</li> <li>• Disaster Recovery Planning: Step by Step</li> </ul> <p>Progress in completing the training is underway, with relevant staff expecting to have completed both modules within the next 1-2 months.</p>
Financial Resilience	2019/20	April 2020	30/09/21	Reasonable	The Council's annual governance statement (AGS) includes an action plan to identify and address any weaknesses in the Council's governance arrangements. However, it does not clearly outline what the individual issues are, instead simply referencing broad governance areas. While it lists remedial actions, it is difficult to assess the effectiveness if the underlying problem is not clearly stated.	<p>Action 90% complete. The current AGS has been amended to reflect the current issues and will be submitted for final approval to the governance and audit committee in October 2021.</p>
Financial Resilience	2019/20	April 2020	31/12/21	Reasonable	Progress with undertaking an exercise to map sources of assurance to support the Council's governance framework and ensure it continues to receive adequate assurance provision across its services has been slow. This is particularly important in respect of services delivered via partnership, contract, and alternative service delivery models (ASDMs).	<p>Action 50% complete. A review of assurance mapping across the local government sector in Wales has been completed and in response to its findings, meetings of a group of Council wide officers to consider mapping assurances are currently being arranged.</p>

Audit Title	Audit Year	Report Issue Date	Current Target Date	Assurance Rating*	Issue /Risk Summary	Current Status
Management of School Funds	2019/20	September 2020	30/09/21	Reasonable	The Learning Service does not obtain assurance that school funds are being independently audited. Our review identified that less than half of all schools have had their school funds independently audited on an annual basis.	Action 87% complete. The Learning Service has now received audit certificates for all but one schools for the 2019/20 financial year, with the one outstanding currently in the process of being audited. They have also established arrangements and responsibility for ongoing monitoring of school fund audit certificates  The internal audit service is currently undertaking a quality assurance exercise for all school fund audit certificates received to ensure they are of an appropriate standard.
Payments - Supplier Maintenance	2020/21	January 2021	30/09/21	Limited	Procedure notes exist for the Payments Team - 'Guidance Notes for the Payments of Invoices (Creditors)'. However, they have not been updated for a number of years and do not include the process for checking and amending supplier bank details. The Finance Manager is currently in the process of updating them.	Formal follow up by Internal Audit scheduled for January 2022
Payments - Supplier Maintenance	2020/21	January 2021	30/09/21	Limited	There is no evidence that the Civica 'Alerter' report produced weekly, giving a list off all changes to supplier bank details is being checked back to the supporting documentation. Testing changes made to supplier accounts highlighted that there is a lack of documented records to confirm what changes were requested, by whom and if any checks were carried out to support the amendments.	Formal follow up by Internal Audit scheduled for January 2022

Audit Title	Audit Year	Report Issue Date	Current Target Date	Assurance Rating*	Issue /Risk Summary	Current Status
Payments - Supplier Maintenance	2020/21	January 2021	31/12/21	Limited	Since the Council upgraded a server in September 2019, the payments system no longer accepts 'pdf' invoices directly and all must first be printed and then scanned, before uploading to the system. The issue of the scanners not being configured correctly following this upgrade has been raised with the IT department and remains unresolved. With the current Covid-19 pandemic uploading invoices is proving to be an issue as staff cannot do this remotely.	Formal follow up by Internal Audit scheduled for January 2022
Payments - Supplier Maintenance	2020/21	January 2021	31/12/21	Limited	The high volume of invoices raised without a supporting purchase order creates an unnecessary increase in the workload for the Payments team as well as being contrary to the Financial Procedure Rules, which requires a purchase order to be raised for all invoices other than recurring or utility invoices, before or at the time of ordering. Testing highlighted that a number of purchase orders were also raised retrospectively, i.e. after the invoice date.	Formal follow up by Internal Audit scheduled for January 2022
Payments - Supplier Maintenance	2020/21	January 2021	31/12/21	Limited	Staff in services are not raising purchase orders properly, i.e. inserting a separate line for each goods or services ordered which would enable each item to be marked as received individually. This would enable an invoice that arrives for only part of the order to be automatically matched and paid without the need for any intervention from the service or Payments team.	Formal follow up by Internal Audit scheduled for January 2022

Audit Title	Audit Year	Report Issue Date	Current Target Date	Assurance Rating*	Issue /Risk Summary	Current Status
Corporate Parenting Panel	2020/21	January 2021	30/09/21	Reasonable	While the Chief Executive Officer chairs the Corporate Parenting Panel and the Director of Social Services co-ordinates and attends, there is not regular representation from senior leadership of other key services such as the Learning and Housing services. Nor does the panel currently have formal representation from the authority's looked after children.	Action 75% complete. The Learning and Housing service are now represented and fully embedded into the corporate parenting panel function. Work to ensure effective representation of the authority's looked after children is ongoing with partner organisation Voices from Care Cymru.
Corporate Parenting Panel	2020/21	January 2021	31/12/21	Reasonable	Despite being identified in 2017 as the necessary framework to enable and ensure the Council fulfils its corporate parenting responsibilities, the Council has not yet finalised and published its 'Looked After Children and Care Leavers Strategy'. Similarly, nor has the Council articulated its commitment or 'pledge' to its looked after children and young people, as also determined as a priority in 2017.	Action not yet due for completion.
ICT Service Continuity (Phishing)	2020/21	May 2021	30/04/22	Limited	Results of the recent phishing test commissioned by ICT showed that too many users would fall for a phishing email, despite having completed the cyber awareness training.	Formal follow up by Internal Audit scheduled for April 2022
ICT Service Continuity (Phishing)	2020/21	May 2021	30/04/22	Limited	There is no formal escalation process for users who continue not to comply with cyber secure practices, where it is clear cyber and information security training and awareness is not having an effect.	Formal follow up by Internal Audit scheduled for April 2022



Audit Title	Audit Year	Report Issue Date	Current Target Date	Assurance Rating*	Issue /Risk Summary	Current Status
Identification of Duplicate Invoices and Recovery of Duplicate Payments	2020/21	May 2021	30/09/21	Limited	The guidance document is an overview and does not refer to the need to identify duplicate invoices before, during or after scanning or duplicate invoices before or after making a payment. Detailed procedure/desk notes would provide beneficial support for new staff and useful reference for all the team ensuring a consistent process and application of controls.	Formal follow up by Internal Audit scheduled for September 2021
Identification of Duplicate Invoices and Recovery of Duplicate Payments	2020/21	May 2021	30/09/21	Limited	There is no agreed formal policy for the recovery of duplicate payments and consequently, the treatment of the recovery is not consistent. For example, credit notes or refunds. In addition, procedure notes for this issue are brief and vague.	Formal follow up by Internal Audit scheduled for September 2021
Identification of Duplicate Invoices and Recovery of Duplicate Payments	2020/21	May 2021	30/09/21	Limited	The in-built system control to identify duplicate invoices is ineffective. The system cannot identify duplicate invoices where there have been scanning or user input errors; for example, where either a duplicate supplier exists, the incorrect supplier has been selected or the system or user has incorrectly recorded the invoice number due to either character recognition issues such as not being able to differentiate between S/5; 8/B; 0/O; 1/I/I; or gaps where there should not be a gap; commas, and additional characters etc.	Formal follow up by Internal Audit scheduled for September 2021

\*Current assurance rating - either as at time of original audit or following follow up review.

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<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Adroddiad i: Report to:</b>	Governance and Audit Committee
<b>Dyddiad: Date:</b>	21 September 2021
<b>Pwnc: Subject:</b>	Updated Forward Work Programme 2021-22
<b>Pennaeth Gwasanaeth: Head of Service:</b>	Marc Jones Director of Function (Resources) and Section 151 Officer 01248 752601 <a href="mailto:MarcJones@ynysmon.gov.uk">MarcJones@ynysmon.gov.uk</a>
<b>Awdur yr Adroddiad: Report Author:</b>	Marion Pryor Head of Audit and Risk 01248 752611 <a href="mailto:MarionPryor@ynysmon.gov.uk">MarionPryor@ynysmon.gov.uk</a>
<b>Natur a Rheswm dros Adrodd / Nature and Reason for Reporting:</b> To inform the members of the Governance and Audit Committee of the amendments to the Forward Work Programme for 2021-22 for the Committee.	

## Introduction

1. The Governance and Audit Committee approved the proposed Forward Work Programme at [Appendix A](#) at its meeting of 25 May 2021, and some minor amendments at its meeting of 20 July 2021.
2. Further amendments have been made since to take account of management requests due to workload or other factors, and the inclusion of the additional special meeting in the calendar to consider the finalised Statement of Accounts and Annual Governance Statement. Amendments are highlighted in **bold**.

## Recommendation

3. That the Governance and Audit Committee:
  - notes the minor amendments to the approved Forward Work Programme for 2021-22.

## Appendix A – Updated Forward Work Programme 2021-22

Core Function	Tuesday 25/05/21	Wednesday 23/06/21	Tuesday 20/07/21	Tuesday 21/09/21	Wednesday 20/10/21	Thursday 09/12/21	Tuesday 08/02/22	Tuesday 19/04/22
Accountability arrangements (3.4.8.3)	Annual Chair's Report 2020-21 (3.4.8.3.1)  Review of Forward Work Programme 2021-22 (3.4.8.3.2)					Annual Review of Committee's Terms of Reference		Committee Self-assessment (3.4.8.3.2)
Governance (3.4.8.4)		Draft Annual Governance Statement (3.4.8.4.1/2/3)			<b>Final Annual Governance Statement (3.4.8.4.1/2/3)</b>	Local Code of Governance (3.4.8.4.1/3)	Annual Report of the Partnerships and Regeneration Scrutiny Committee (3.4.8.4.4)	
Treasury Management (3.4.8.5)			Annual Report 2020-21 (3.4.8.5.1/2/3/4)			Mid-year Report (3.4.8.5.3)	Strategy and Prudential Indicators 2022-23 (3.4.8.5.3/4)	
Assurance Framework (3.4.8.7) Risk Management (3.4.8.8)						Risk Management Framework (3.4.8.7.1/2) (3.4.8.8.1)  <b>Corporate Risk Register (3.4.8.7.1/2) (3.4.8.8.1)</b>		

## Appendix A – Updated Forward Work Programme 2021-22

Core Function	Tuesday 25/05/21	Wednesday 23/06/21	Tuesday 20/07/21	Tuesday 21/09/21	Wednesday 20/10/21	Thursday 09/12/21	Tuesday 08/02/22	Tuesday 19/04/22
Countering Fraud and Corruption (3.4.8.9)			Annual Fraud Report 2020-21 (3.4.8.9.4)	Annual Comments, Complaints & Whistleblowing Report (3.4.8.9.1)		Counter Fraud Strategy (3.4.8.9.2/3)		
Internal Audit (3.4.8.10)	Annual Internal Audit Report 2020-21 (3.4.8.10.6/7/8/9/12/14/15) (3.4.8.6)		Internal Audit Update Report (3.4.8.10.10/11) (3.4.8.6)	Internal Audit Update Report (3.4.8.10.10/11) (3.4.8.6)  Outstanding Issues/Risks (3.4.8.10.11)		Review of Internal Audit Charter (3.4.8.10.3/13)  Internal Audit Update Report (3.4.8.10.10/11) (3.4.8.6)	Annual Internal Audit Strategy 2022-23 (3.4.8.10.1/2/5/6)  Internal Audit Update Report (3.4.8.10.10/11) (3.4.8.6)	Internal Audit Update Report (3.4.8.10.10/11) (3.4.8.6)  Outstanding Issues/Risks (3.4.8.10.11)
External Audit (3.4.8.11)				Audit of Accounts Report (3.4.8.11.2) (3.4.8.12.3)		Annual Audit Summary 2021 (3.4.8.11.3)		Annual Audit Plan 2021-22 (3.4.8.11.1/3)
Financial Reporting (3.4.8.12)		Draft Statement of Accounts 2020-21 (3.4.8.12.1/2)			<b>Final Statement of Accounts 2020-21 (3.4.8.12.1/2)</b>			

## Appendix A – Updated Forward Work Programme 2021-22

Core Function	Tuesday 25/05/21	Wednesday 23/06/21	Tuesday 20/07/21	Tuesday 21/09/21	Wednesday 20/10/21	Thursday 09/12/21	Tuesday 08/02/22	Tuesday 19/04/22
Other regulators and inspectors (3.4.8.13)			Annual Health & Safety Report (3.4.8.13.1)	Annual Information Governance Report 2020-21 (3.4.8.13.1)  Annual Policy Acceptance Report 2020-21 (3.4.8.13.1)		Annual Information Governance in Schools Report 2020-21 (3.4.8.13.1)  <b>Annual Insurance Report 2020-21 (3.4.8.13.1)</b>  <b>Annual ICT Security Report 2020-21 (3.4.8.13.1)</b>		
Complaints Handling (3.4.8.14)				Annual Comments, Complaints & Whistleblowing Report 2020-21 (3.4.8.14.1/2)				
Panel Performance (3.4.8.15) <sup>1</sup>								

<sup>1</sup> Will be submitted next year in line with the requirements of the new legislation.