

GWYNEDD COUNCIL

COMMITTEE	AUDIT COMMITTEE
DATE	3 DECEMBER 2013
TITLE	REPORT OF THE CONTROL IMPROVEMENT WORKING GROUP
PURPOSE OF REPORT	TO REPORT ON THE MEETING HELD ON 11 NOVEMBER 2013
AUTHOR	TREVOR O EDWARDS, CHAIR OF THE AUDIT COMMITTEE
ACTION	TO RECEIVE THE REPORT AND CONSIDER THE RECOMMENDATIONS

1. INTRODUCTION

1.1 The executive summaries of 10 internal audit reports were presented to the Audit Committee meeting on 26 September 2013, which represented reports that had been released between 1 July 2013 and 31 August 2013. Three of these reports received a 'C' opinion.

1.2 Consequently, the Committee resolved:

a) That the following members would serve on the Working Group to consider reports that had received a 'C' opinion category –

The Chairman and Vice-chairman of the Audit Committee and Councillors Angela Russell, Bob Wright and Mr John Pollard.

2 WORKING GROUP MEETING

2.1 The Working Group meeting was held on 11 November in Ystafell Glyder Fach, with the Chair of the Committee, the Councillors Angela Russell and Bob Wright and Dewi Morgan, Senior Manager Audit and Risk, present. Apologies were received from John Pollard and Councillor John Pughe Roberts.

2.2 The reports that had received a 'C' opinion during the period under review were:

TITLE	DEPARTMENT	SERVICE
Health and Safety Risk Assessments	Corporate	
Officers' Interests Policy	Corporate	
Software Licences (Schools)	Customer Care	Information Technology

2.3 Officers attended to discuss the three reports.

2.4 These summaries were addressed in turn by the Working Group members. The Senior Manager Audit and Risk offers further background, including the introduction of relevant points of the full report. Senior Managers had been invited to attend the meeting to discuss issues that arise, and in particular the work that has been done since the publication of the report in order to strengthen internal controls in question.

2.5 Health and Safety Risk Assessments

2.5.1 The main findings of the report were:

We looked at a wide sample of services for this audit and found that a wide range exists in compliance i.e. there are examples of good practice in certain services and complete non-compliance in one service.

One of the main findings of the audit is that one manager was not aware of the requirement and responsibility for health, safety and welfare of the service. It is essential that every manager ensures that they have the appropriate processes in place to protect members of staff, the public and anyone else who comes in contact with them in their activities.

Of the other services / sites, we found that risk assessments are in place and that there were arrangements in all but one service for timely review. Of the services / sites which have prepared risk assessments, we found that the majority are comprehensive. However, managers should be reminded of the need to ensure that the content of registers are communicated to staff in a way that ensures that they are adequately understood to be able to operate efficiently.

2.5.2 Geraint Owen, Senior Manager Human Resources and Catrin Love, Senior Health, Safety and Welfare Advisor were welcomed to the meeting.

2.5.3 The Senior Manager Human Resources explained that the audit had been undertaken at his request, as he sees such a review as a valuable tool when trying to put a system in place so that health and safety issues are considered part of managers' day to day work rather than an additional burden. It was emphasised that managers are responsible for the Health and Safety of their staff and the environment in which they operate, including ensuring a safe environment for customers and visitors.

2.5.4 Following criticism of the Council's arrangements by the Health and Safety Executive (HSE) in 2004, there was a campaign within the Council to carry out health and safety risk assessments. The expectation was that services prepare risk registers in the usual way, by identifying risks, the actions that are already in place, and any other actions that are necessary. This audit was requested because there was concern that these registers have not been maintained and updated regularly since then.

2.5.5 Despite this, **the Control Improvement Working Group received assurances that the central Health, Safety and Welfare Unit continues to offer support in this area.** The following was presented as evidence:

- Health, Safety and Welfare Advisors are employed to support services, and a specific half-day training course on risk assessment is provided to Council managers. In the last 2 years, 38 sessions have been held with about 400 officers attending.
- Relevant managers can also receive a 4-day Managing Safely training course that is accredited by IOSH (Institute of Occupational Safety & Health). The Senior Manager was of the opinion that this is a course that changes ways of thinking and culture, and that difference can already be seen clearly in some departments as a result of it.
- The Human Resources Department has been working on the development of a risk assessment database, which will allow the central team access to all Health and Safety risk assessments. The database will be operational in the coming weeks, and will provide an opportunity to link risk assessments, and give an overview of which ones are in place, and when they were last reviewed.

- The Cabinet Member for Resources has been named the Council's Health and Safety Champion, and gave a presentation to the full Council in September 2013. A Task Group has been established under his chairmanship. Members of the Working Group agreed that the training offered to members is useful, as it provides an introduction to the area of Health and Safety at a strategic level.

2.5.6 The Working Group asked about the individual in the sample who did not understand the need to assess the risks, according to the report. The Senior Manager Human Resources explained that this is an example of a situation where the report has led to improvement. Officers from the Health, Safety and Welfare Team has met with this manager and their line manager, and a full day training session has been arranged for this manager's entire team.

2.5.7 The Senior Manager, Audit and Risk was keen to stress that only a sample of managers had been surveyed during the audit. In this case, one manager needed to improve their understanding, but it is possible that a different sample could have suggested a wider lack of understanding across the Council.

Schools

2.5.8 The scope of this audit did not include schools, which are the subject of a separate audit, which is currently underway. However, the Working Group was keen to have clarity about the different roles within the Council. It was explained that one Advisor from the Health, Safety and Welfare Team, as well as an officer from the Education Department, spends all their time in supporting schools with health and safety issues. Training on site management is given to head teachers, and in terms of First Aid, not all members of staff in schools have had the relevant training, but there is at least one. The number depends on the size of the school.

Reporting on Accidents

2.5.9 When an accident occurs, an HS11 form needs to be completed in order to report on it, whether the individual is an employee or a pupil in a school. Approximately 2500 HS11 forms are filled across the Council each year.

2.5.10 It was explained that overlap can occur between different policies. For example, risk assessments on entry to school buildings incorporates protection aspects as well as Health and Safety.

Member support

2.5.11 The Senior Manager Human Resources was asked if he accepted the report's recommendations. He replied that he did, and explained that the recommendations have been prioritised appropriately.

2.5.12 The Senior Manager Human Resources was keen to stress that the core principle is to get Managers to manage their site and take the responsibility themselves, and not to rely on the Health, Safety and Welfare Advisors to carry out the work on their behalf.

2.5.13 The Working Group is supportive of this approach, and was pleased to hear that the report has helped to raise the profile of the subject further. The Senior Manager Human Resources confirmed that the report is already bearing fruit.

2.5.14 Senior Manager Human Resources said that he welcomes the support of the Working Group and the Audit Committee.

2.5.15 It was noted by the Senior Health, Safety and Welfare Advisor that some managers think they need not attend the course because they do not think it's relevant, but when they do so, they realise its importance.

2.5.16 The Senior Manager Human Resources and Senior Health, Safety and Welfare Advisor were thanked for their presentation and the work that they undertake. The Working Group is keen to support the effort to raise the profile of the subject, and want the Audit Committee to send a message to the Heads of Department to ensure that those managers who have not yet attended the Health and Safety Risk Assessment course should do so.

2.6 Officers' Interests Policy

2.6.1 The main findings of this report were:

Following a change to the Local Government and Housing Act 1989 that came into force on 12 January 2010 posts are no longer restricted based on their salary. Instead there are two categories of jobs are restricted, politically sensitive posts and particular posts. There is therefore a need to update the Officers Interests Policy as well as the registers. It should be noted that these political changes do not affect the need to register interests and the threshold for voluntary registration remains at PO44.

The law states that a register of 'sensitive' posts should be kept but it was clear that the current list of 'sensitive' posts needs updating because many of the posts no longer exist within the Council. The Language and Compliance Manager agrees that it would be helpful to keep a list of particular posts as well.

No specific clause was included in contracts of employment / job descriptions of officers with politically restricted posts.

2.6.2 Sion Huws, Compliance and Language Manager (Democracy and Legal Department) was welcomed to the meeting to discuss the report.

2.6.3 In order to put the work in its context, the Manager explained that the Officers' Interests Policy consists of 3 different areas, namely:

- Interests
- External employment
- Political restrictions

Interests

2.6.4 The Compliance and Language Manager explained that an Officers' Interests Policy is not mandatory, but that Gwynedd Council's view was that there should be one. The Working Group accepted that this is good practice, so that any officials declare a personal connection that could affect their ability to fulfil their duties appropriately. This also applies to all officers who receive salaries in excess of point 44 on the Council's scale, who need to register all relevant connections.

External employment

2.6.5 It was noted that external employment can create personal links that can impact an individual's ability to perform their job with the Council in an objective manner, but that an element of discretion is needed, depending on the relevance of this employment to the post with the Council. However, it was noted that officers who receive a salary over a specific point (point 29) must have the consent of their Head of Department before accepting outside work. The Working Group heard that issues relating to the "Working Time Directive" also apply. What is important is that the external employment does not undermine propriety, and the Working Group accepted that external employment could be completely different work to the post within the Council, with no connection.

Political restrictions

2.6.6 The result of this restriction is that individuals in specific posts cannot engage in political activities, eg canvassing. The basic principle is the need for the public to be happy that officers who advise members cannot have a political impact. In the past, every post over salary point 44 was restricted by legislation, but now the restricted posts are the chief officers, heads of department or someone who reports directly to them, officials who advise committees or individuals speaking on behalf of the Council (the latter two being more ambiguous than the rest).

The report's recommendations

2.6.7 The Manager accepts the report's recommendations, but felt the need for a deeper revisit of the Policy; whilst accepting the recommendations, the Council could go further:

- When the current policy was written, it was decided to merge the three elements together to facilitate arrangements; prior to that, the Human Resources Department was responsible for the External Employment Policy. We now need to have a discussion to see if it would be appropriate to move the element on external employment back to Human Resources, because of the mechanism that is now in place.
- The Working Group heard that an element of duplication occurs at the moment as the Finance Department asks officers (and members) to submit a statement of "connected transactions" each year. The Manager feels that there is room to send out one form instead of two. It would be a better situation, and an opportunity to update the database annually. The Senior Manager Audit and Risk acknowledged that is also the view of the Finance Department.

2.6.8 The Council has a separate Gifts and Hospitality Policy Interests, and this is also due for review. However, this was outside the scope of this audit.

2.6.9 The Language and Compliance Manager was thanked for the discussion. The Working Group supports the proposal to develop a form for the purposes of both the Finance Department and the Democracy and Legal Department, and recommends to the Audit Committee that it encourages collaboration between the two departments to achieve this.

2.7 Software Licences (Schools)

2.7.1 The main findings of this report were:

Caution must be exercised when expressing an opinion on the overall situation within schools because the percentage of responses to the questionnaire sent to schools is so low. However, the variation in the content of the answers highlight the variation in the situations of schools in this area.

Templates of software management policies have been produced by the Education Department and have been adopted by some schools. Some other schools have developed their own policies based on good practice. It seems that it would be appropriate to reintroduce the template for the schools with the objective of having a formal policy management software in all schools.

There is scope to introduce a form for schools to identify the contents of their computers to enable them to reconcile with the usage agreements that are in place. At the time of the audit, a resource that offers a solution in this area is being piloted.

During discussions in relation to this work, various options were seen that are offered by manufacturers for establishing software use agreements with schools. At the time of the audit, it is understood that one major manufacturer has introduced a new licensing scheme that has the potential to put schools in a situation of non-compliance with copyright legislation in light of the manner in which some items of software that have already been ordered have been installed on hardware

It is understood that schools face a situation of financial loss due to re-ordering software but there is a need to balance that against the estimated cost of the fine for breach of contract.

2.7.2 Owen Owens, Senior Manager Resources Service at the Education Department, was welcomed to the meeting. Although the Education Department offers support, it was emphasised that schools are individual entities. It was noted that this issue had been addressed by Internal Audit in the past, and that the templates have been prepared and distributed to schools by the Education Department.

2.7.3 It was noted that only 21% of schools had responded to Internal Audit's request for information.

2.7.4 The Working Group heard that schools do not have to purchase computer equipment from one place. The Senior Manager Resources Service explained that the money has been devolved to schools and that it is their decision who to buy from. Most purchase through Cynnal, but not all. Cynnal also offers support and maintenance of the equipment.

2.7.5 The Senior Manager was absolutely clear that it would be the school, not the Education Department, who would have to pay a fine if one is being levied. This is similar to the situation with data protection.

Further developments

2.7.6 Work is currently ongoing to upgrade the provision of broadband to all schools, setting a minimum connection to each school, including wireless provision. As a result of this, the Service Level Agreement with Cynnal will be reviewed to reflect the changes.

2.7.7 With regard to the use of personal devices, it was reported that the Council is far from being in a position to apply "Bring your own device" processes at the moment, which would allow students to use their own devices in school.

2.7.8 However, the Working Group heard that the Council is taking part in Hwb, a Welsh Government scheme, which is intended to create a virtual learning environment. This project has the potential of providing software in the cloud which means that there would be no need for pupils to have the software on their own machines. The Working Group heard that Hwb is being rolled out at the moment, and the Council has received a grant from the Government for its implementation.

The report's recommendations

2.7.7 The Senior Manager confirmed that the Education Department accepts the recommendations, and sees them as a way of supporting what the Department is already doing. The Senior Education Quality Improvement Officer is responsible for promoting policies as part of his duties, and fulfills the requirements of three of the report's recommendations which relate to the promotion of policies and sharing of good practice.

2.7.8 With regards to the other recommendation, which is to promote computer contents interrogation packages, it was reported that the pilot had started some time ago and that the software is being trialled by Cynnal.

2.7.9 The Working Group was disappointed at the low number of schools that had responded to the request for information from Internal Audit, and wanted the Audit Committee to send a message to schools that information requests by the Auditors need to be taken seriously.

2.7.10 The Panel also want the message to go to all the schools that they should ensure that they have the appropriate licenses for their software and if not, that it is their responsibility to pay any fines arising from contravening software license conditions.