

Contents

Agenda	2
6 - Minutes of previous meeting	6
7 - Annual Financial Audit Outline 2013-14 of Gwynedd Council	12
8 - Annual Financial Audit Outline 2013-14 of the Gwynedd Pension Fund	28
9 - Report of the Control Improvement Working Group	42
10 - Output of the Internal Audit Section	54
11 - Head of Internal Audit Annual Report 2013-14	90
12 - Self Assessment of Governance Arrangements	109
13 - Reviewing the Council's Constitution	115
Section 4 - The Council	122
Section 5 - The Cabinet	139
Section 7 - Scrutiny Committees	144
Section 15 - Finance and Policy Procedure Rules	162
Section 19 - Councillor Protocol	166
Section 21 - Protocol on Member-Officer Relations	174



Gwasanaeth Democraidd
Democratic Service
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

Cyfarfod / Meeting

PWYLLGOR ARCHWILIO
AUDIT COMMITTEE

Dyddiad ac Amser / Date and Time

10.30am DYDD MAWRTH, 6 MAI 2014

10.30am TUESDAY, 6 MAY 2014

Lleoliad / Location

SIAMBR HYWEL DDA/CHAMBER,
SWYDDFEYDD Y CYNGOR/COUNCIL OFFICES,
PENCADLYS,
CAERNARFON

**** Nodwch y lleoliad ogydd / Please note venue ****

Pwynt Cyswllt / Contact Point

BETHAN ADAMS

01286 679020

BethanAdams@gwynedd.gov.uk

Dosbarthwyd/Distributed: 29-04-14

**PWYLLGOR ARCHWILIO
AUDIT COMMITTEE**

AELODAETH/MEMBERSHIP (19)

Plaid Cymru (9)

Y Cynghorwyr/Councillors

Edward Dogan
Chris Hughes
Dilwyn Morgan

Huw Edwards
Charles W Jones
Michael Sol Owen

Aled Ll. Evans
Dafydd Meurig
Gethin G. Williams

Annibynnol/Independent (5)

Y Cynghorwyr/Councillors

Trevor Edwards

Tom Ellis

John Brynmor Hughes

Angela Russell

John Pughe Roberts

Llais Gwynedd (3)

Y Cynghorwyr/Councillors

Anwen Davies

Aeron M. Jones

R.J. Wright

Llafur/Labour (1)

Y Cynghorydd/Councillor

Sion W. Jones

Aelod Lleyg/Lay Member

Mr John Pollard

Aelod Ex-officio/Ex-officio Member

Cadeirydd y Cyngor / Council Chairman
Is-Gadeirydd y Cyngor / Vice-Chairman of the Council

AGENDA

1. CHAIRMAN

To elect a Chairman for 2014/15

2. VICE-CHAIRMAN

To elect a Vice-chairman for 2014/15

3. APOLOGIES

To receive apologies for absence.

4. DECLARATION OF PERSONAL INTEREST

To receive any declaration of personal interest.

5. URGENT BUSINESS

To note any items that are a matter of urgency in the view of the Chairman for consideration.

6. MINUTES

The Chairman shall propose that the minutes of the meeting of this committee, held on 20 February 2014, be signed as a true record.
(copy herewith - **yellow** paper)

7. ANNUAL FINANCIAL AUDIT OUTLINE 2013/14 OF GWYNEDD COUNCIL

To submit the report of the external audit (copy herewith – **blue** paper)

8. ANNUAL FINANCIAL AUDIT OUTLINE 2013/14 OF THE GWYNEDD PENSION FUND

To submit the report of the external audit (copy herewith – **salmon** paper)

9. REPORT OF THE CONTROL IMPROVEMENT WORKING GROUP

To submit the report of the Chair of the Audit Committee outlining the feedback from the meeting of the Panel on 4 April 2014
(copy herewith – **green** paper)

10. OUTPUT OF THE INTERNAL AUDIT SECTION

To submit the report of the Senior Audit and Risk Manager outlining the work of the internal Audit Section for the period between 1 February and 31 March 2014 (copy herewith – **pink** paper)

11. HEAD OF INTERNAL AUDIT ANNUAL REPORT 2013/14

To submit the report of the Senior Audit and Risk Manager (copy herewith – **grey** paper)

12. SELF ASSESSMENT OF GOVERNANCE ARRANGEMENTS

To submit the report of the Senior Audit and Risk Manager (copy herewith – **white** paper)

13. REVIEWING THE COUNCIL'S CONSTITUTION

To submit the report of the Monitoring Officer (copy herewith - **salmon** paper)

AUDIT COMMITTEE, 20.02.14

Present:- Councillor Trevor Edwards (Chairman)
Councillor John Pughe Roberts (Vice-chairman)

Councillors:- Anwen Davies, Edward Dogan, John B. Hughes, Dafydd Meurig, Michael Sol Owen, Angela Russell, R. J. Wright and Peredur Jenkins (Cabinet Member for Resources).

Lay Member:- Mr John Pollard

Also Present: Dilwyn Williams (Corporate Director), Dafydd Edwards (Head of Finance Department), William E. Jones (Senior Finance Manager), Dewi Morgan (Senior Audit and Risk Manager), Caroline Lesley Roberts (Investment Manager), Alan Hughes (Team Leader – Financial Audit, Wales Audit Office) and Eirian Roberts (Member Support and Scrutiny Officer).

Apologies:- Councillors Tom Ellis, Aled Evans, Charles W. Jones and Dilwyn Morgan.

A member noted that as a result of the suspension of Councillor Aeron M. Jones until 21 April, the Llais Gwynedd Group had appointed a temporary member to the empty seat on the committee, but that the member in question could not be present at this meeting.

1. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received from any members present.

2. MINUTES

The Chairman signed the minutes of the previous committee meeting held on 3 December, 2013 as a true record.

3. 2014/15 BUDGET AND 2014/15 – 2017/18 FINANCIAL STRATEGY

Submitted –

- (a) the report of the Cabinet Member for Resources, submitting the budget that the Cabinet intended to recommend to the Council and requesting the Audit Committee to scrutinise the information in terms of its financial propriety.
- (b) the draft decision notice of the Cabinet meeting held on 18 February on the Financial Strategy.

The Cabinet Member for Resources set out the background and context of the report. He underlined the financial challenge facing the Council and noted that, historically, and in accordance with best practice, this Council had established its annual budget within the context of the medium term financial strategy in order to ensure that the budget was prepared for the situation ahead rather than meeting the requirements of one year only at a time. This had proven to be of benefit to us as it was possible to plan any required savings in a rational way, with full input from all members, without having to take rushed decisions, which often led to the wrong decisions in terms of the benefits to our citizens.

The Corporate Director highlighted the main financial risks within the 2014/15 budget and noted that he considered those risks to be reasonable.

Members were given an opportunity to ask questions and offer their observations. During the discussion the following main points were highlighted:-

- In reference to bid GCH1 – Purchase of new Community Care Management System – a follow-up to RAISE (Appendix 1 in the report), the need for the three installation support officers was questioned. In response, the Corporate Director explained that the Management Team had challenged the bids carefully. These were only temporary posts and there was a substantial risk in terms of care of the elderly, etc., in not making these appointments. The current system would disappear next year and it was required to employ people to ensure that the new system was installed properly. In terms of the risks, the Head of Finance Department added that the implementation of other savings within the Social Services field depended on having the new system in place and working properly.
- It was noted that the Council was facing difficult decisions, in particular in the fields of education and social services, and that this needed to be monitored closely.
- It was expressed that the use of the £382,000 to meet one-off requirements was appropriate in the current circumstances.
- Assurance was sought that implementing the recommendation to increase the pay of Council staff who received the lowest salaries would not lead to job losses in the Council. In response, the Corporate Director noted that the increase would be funded by means of the Council Tax and that nobody would lose their job because of this policy.

Councillor Anwen Davies asked officers to convey her personal thanks to the Council staff who had been clearing the roads and dealing with the recent flooding in Pen Llŷn.

The officers were thanked for their work in preparing the Financial Strategy.

RESOLVED

- (a) To accept that the Financial Strategy addresses the relevant risks and that due consideration is given to the risks faced over the four year period to come.**
- (b) To forward a message to the full Council that this committee is of the opinion that the use made of £382,000 to meet one-off requirements is appropriate in the current circumstances.**

4. TREASURY MANAGEMENT – TREASURY MANAGEMENT STRATEGY STATEMENT, MINIMUM REVENUE PROVISION STRATEGY AND ANNUAL INVESTMENT STRATEGY FOR 2014/15

Submitted – the report of the Head of Finance Department requesting the committee to recommend to the Council on 6 March to adopt the Treasury Management Strategy Statement and Annual Investment Strategy for 2014/15, the Prudential Indicators, the Minimum Revenue Provision Strategy and the merger arrangements with the Pension Fund in terms of investing daily cash flow.

The Head of Finance Department established the context and the Investment Manager elaborated on the content of the report.

It was noted with thanks that members of the Committee had been given an opportunity to question the officers and a specialist advisor from Arlingclose at an informal meeting on 30th January, 2014.

RESOLVED to recommend to the Full Council on 6 March 2014 to adopt the Treasury Management Strategy Statement and Annual Investment Strategy for

2014/15 (Appendix A), the Prudential Indicators (Appendix C), the Minimum Revenue Provision Statement (Appendix D) and the merger arrangements with the Pension Fund for the investment of daily cash flow.

5. REPORT OF THE CONTROLS IMPROVEMENT WORKING GROUP

Submitted - the report of the Chairman of the Audit Committee on a meeting of the abovementioned working group held on 22 January 2014 to consider revenue expenditure in the Waste field, the consultation document of the Auditor General on the Audit Code of Practice and Practice Statement and four audits that had received opinion category C during the period between 1 September and 31 October 2013, namely:-

- a) Corporate Complaints Procedure
- b) Ports
- c) Direct Payments
- ch) Subsidised Travel Tickets – Payments to bus companies

It was noted that assurance had been received at the working group that the issues highlighted by the Internal Audit Unit were receiving due attention and that steps were being taken.

In terms of the need to control expenditure in the field of waste, it was suggested that there were many things that the members themselves could do to assist the departments, e.g. by spreading the message in their areas regarding the importance of recycling.

RESOLVED to accept the report.

6. REVENUE BUDGET 2013/14 - THIRD QUARTER REVIEW (DECEMBER 2013)

Submitted –

- (a) The Head of Finance Department's monitoring report on the latest financial situation.
- (b) The draft decision notice of the Cabinet on 18 February on the third quarter review of the revenue budget.

The Cabinet Member for Resources set out the background and context of the report. He referred to an overspend in the Social Services, Housing and Leisure Department and Highways and Municipal Department and noted that there were specific reasons for this. He added that the Cabinet was satisfied that the departments in question had put measures in place to cope with the situation and that they had agreed to transfer the amounts in the report to reduce the deficit.

The Head of Finance Department noted that it had been asked at the Cabinet why an additional budget was being allocated to some departments, and not to others, and he explained that the two departments were overspending substantially because they faced difficult events that were beyond their control. Furthermore, both departments had taken general steps to seek to manage their budgets since the position for quarter two of 2013/14 had been reported. In the case of other departments, it was noted that the level of overspend was lower and it would be possible to manage it by using departmental funds etc.

Members were given an opportunity to ask questions and offer their observations. During the discussion the following main points were highlighted:-

- It was noted that the two departments in question tended to overspend on an annual basis and that this either suggested a lack of financial control within those

departments or that the money being earmarked for them was insufficient. In response, the Head of Finance Department noted that the 2014/15 budget addressed some of these requirements and referred to some examples of this. Then, the Senior Finance Manager explained that the Highways and Municipal Department had been struck hard by the floods in November 2012 and had had to use the money identified for the problem in the waste field towards the cost of responding to further inclement weather at the beginning of this year. Also, although the Social Services, Housing and Leisure field appeared problematic on a departmental level, there were movements within the different headings from year to year.

- It was noted by a member that the work of opening rivers and ditches had made a major difference and had averted further costs to the Highways and Municipal Department in the longer term.
- A discussion ensued on the impact of the recent inclement weather and the damage caused to the coastal paths of the county and reference was made to the types of financial assistance that could be available to the Council towards the costs of undertaking the remedial works. It was noted that the Westminster Government was contributing £100m to help with the situation in England but that the Welsh Government's contribution to the Welsh Councils was nowhere near this.

RESOLVED to accept the information and risks deriving from the expenditure and income projections against the budget and accept the Cabinet's draft decision in the context of managing the budgets of the Council and its departments.

7. CAPITAL PROGRAMME 2013/14 – END OF THIRD QUARTER REVIEW (31 DECEMBER 2013)

Submitted –

- (a) the Head of Finance Department's monitoring report on expenditure and funding the capital programme.
- (b) the draft decision notice of the Cabinet meeting on 18 February on the third quarter review of the capital programme.

The Cabinet Member for Resources set out the background and context to the report and he thanked all staff that were involved with the Council's budgets for their thorough and hard work.

A member enquired about the plans for the former Seiont II Museum in Caernarfon and the Head of Finance Department agreed to ask the Economy and Community Department and inform the member about what was happening there.

RESOLVED to accept the information and the risks involved with the capital programme and accept the Cabinet's draft decision.

8. OUTPUT OF THE INTERNAL AUDIT SECTION

The work of the Internal Audit Section for the period up to 31 January 2014

Submitted – the report of the Senior Manager - Audit and Risk outlining the Internal Audit Section's work in the period between 1 November 2013 and 31 January 2014. In relation to the information on the work completed during the period, the officer referred to -

- 16 reports on audits of the operational plan with the relevant opinion category shown

- one other report (memoranda etc.)
- 4 grant reviews
- 3 follow-up audits

The Senior Audit and Risk Manager noted that there were five reports in opinion category C this time compared to four last time and three before then, and although it was too early to say that a pattern was emerging, this needed to be monitored. On the other hand, he also noted that there were more reports in opinion category A than were seen in the past.

Consideration was given to all the reports individually:

In reference to the audit of Area Regeneration Officers (Appendix 8 of the report), a member noted that it had been mentioned that the post in Dwyfor was coming to an end and the member asked whether or not that was true. In response, the Senior Audit and Risk Manager noted that the department's strategy was not included within the audit's scope, but he agreed to make enquiries on behalf of the member.

RESOLVED

- (a) **Resolved to accept the report on the Internal Audit Section's work for the period between 1 November 2013 and 31 January 2014 and to support the recommendations already submitted to the managers of the relevant services for implementation.**
- (b) **That the following members serve on the working group to consider the audits that received opinion category 'C':-**

The Chair and Vice-chair of the committee and Councillors John Brynmor Hughes, Dafydd Meurig and Angela Russell.

9. INTERNAL AUDIT PLAN 2013/14

Submitted – the report of the Senior Manager - Audit and Risk providing an update on the current situation in terms of completing the 2013/14 internal audit plan.

He provided details of the situation as at 31 January 2014 along with the time spent on each audit to date. The following table was highlighted, which revealed the current status of the work in the operational plan:-

Audit Status	Number
Planned	16
Field work started	20
Awaiting Review	6
Draft Report	2
Final Report	60
Closed	1
Total	105
Cancelled	7

Further to the contents of the report, the Senior Audit and Risk Manager added that more reports had been released since the end of January and that the nature of those audits meant that they could be worked through quicker.

RESOLVED to note the contents of the report as an update on progress against the 2013/14 audit plan.

10. DRAFT INTERNAL AUDIT PLAN 2014/15

Submitted – the report of the Senior Audit and Risk Manager providing details of the draft plan of the Internal Audit Section's work for the 2014/15 financial year in order for members to voice their opinions on it and approve it, subject to further discussions with officers.

The Senior Audit and Risk Manager added that he would submit the final plan before the committee in May.

RESOLVED to approve the draft Audit Plan for the period 1 April 2014 to 31 March 2015, subject to amendments deriving from further discussions with officers.

11. SELF ASSESSMENT OF GOVERNANCE ARRANGEMENTS

Submitted – the report of the Senior Audit and Risk Manager on the outcome of the Governance Workshop held on 29 January and presenting the work programme for the next three months.

RESOLVED to instruct the Governance Arrangements Assessment Group to draw up a programme which gathers evidence to support the findings of the main governance matters of the authority, and to report back to the Audit Committee after they have been prioritised.

12. REVIEWING THE COUNCIL'S CONSTITUTION

Submitted – the report of the Chair of the Council's Constitution Working Group on the work of the working group.

RESOLVED

- (a) To accept the report and note the work of the Working Group.**
- (b) To authorise the Working Group to submit its report on its amended Constitution to the Council on 1 May.**

The meeting commenced at 10.30am and concluded at 12.10pm.

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Annual Financial Audit Outline

Gwynedd Council (Including:

The Special Educational Needs Joint Committee

The Joint Planning Policy Joint Committee

GwE Joint Committee)

Audit year: 2013-14

Issued: April 2014

Document reference: 256A2014

Status of document

The Auditor General is independent of government, and is appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the National Assembly.

Together with appointed auditors, the Auditor General audits local government bodies in Wales, including unitary authorities, police, probation, fire and rescue authorities, national park authorities and community councils. He also conducts local government value for money studies and assesses compliance with the requirements of the Local Government (Wales) Measure 2009.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Assembly Commission and National Health Service bodies in Wales.

The Auditor General and staff of the Wales Audit Office aim to provide public-focused and proportionate reporting on the stewardship of public resources and in the process provide insight and promote improvement.

This document was produced by Derwyn Owen, Amanda Hughes and Alan Hughes.

Contents

Annual Financial Audit Outline

Introduction	4
Financial statements audit	4
Use of resources audit	10
Joint Committees Financial statements audit	10
Certification of grant claims and returns	11
Other work undertaken	11
Auditor General's Regulatory Programme	11
Fee, audit team and timetable	12

Appendices

Roles and responsibilities	15
----------------------------	----

Annual Financial Audit Outline

Introduction

1. This Annual Financial Audit Outline has been prepared by Derwyn Owen, Engagement Lead on behalf of Anthony Barrett, the Appointed Auditor.
2. As your external auditor my objective is to carry out an audit which discharges my statutory duties as Appointed Auditor and fulfils my obligations under the Code of Audit Practice, namely to:
 - examine and certify whether your financial statements are ‘true and fair’; and
 - assess whether you have made proper arrangements for securing economy, efficiency and effectiveness in the use of resources.
3. The purpose of this outline is to explain to you:
 - My audit team’s approach to:
 - the audit of your financial statements for the year ending 31 March 2014 including the significant risks of material misstatement in your financial statements and how we plan to address them; and
 - the assessment of your arrangements for securing economy, efficiency and effectiveness in the use of resources.
 - The planned timetable, fees and audit team.
 - The scope of the audit, our respective responsibilities and how we ensure independence and objectivity in our work.
4. There have been no limitations imposed on me in planning the scope of this audit.

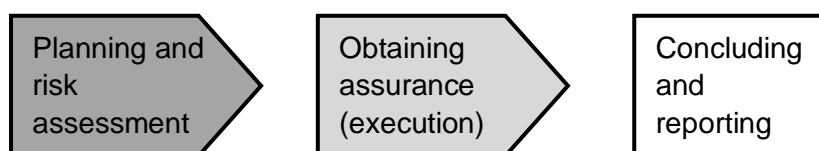
Financial statements audit

5. It is my responsibility to issue a report on the financial statements which includes an opinion on:
 - Whether or not the accounts give a ‘true and fair view’ of Gwynedd Council’s (the Council) financial outturn and position. This provides assurance that the accounts:
 - are free from material misstatement, whether caused by fraud or error;
 - comply with statutory and other applicable requirements; and
 - comply with all relevant requirements for accounting presentation and disclosure.
 - The consistency of information in the Explanatory Foreword with the financial statements.
6. My report must also state by exception if the Annual Governance Statement for 2013-14 does not comply with requirements.

Audit approach

7. My team's audit work uses a range of techniques to assess risk and obtain audit evidence and assurance and is based on a thorough understanding of your business. This understanding allows my team to develop an audit approach which focuses on addressing specific risks whilst providing assurance for the financial statements as a whole. Our audit approach consists of three phases as set out in [Exhibit 1](#).

Exhibit 1: Our audit approach

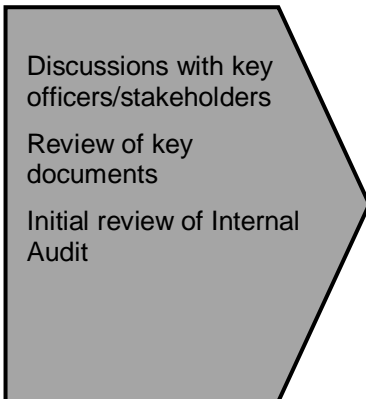


8. The work undertaken in each of these three areas is set out in more detail in [Exhibit 2](#).
9. I do not seek to obtain absolute assurance that the financial statements and related notes are true and fair, but adopt a concept of materiality. In planning and executing the audit, we aim to identify material misstatements in the financial statements and related notes, that is, those that might result in a reader of the accounts being misled. The levels at which I judge such misstatements to be material will be reported to the Audit Committee prior to completion of the audit.
10. For reporting purposes, we will treat any misstatements below a 'trivial' level (the lower of five per cent of materiality or £100,000) as not requiring consideration by those charged with governance and therefore will not report them.

Exhibit 2: Our audit approach

Planning and risk assessment

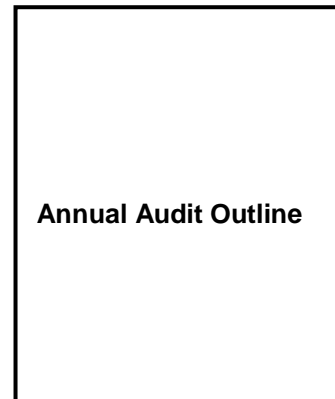
Key tasks



Objectives

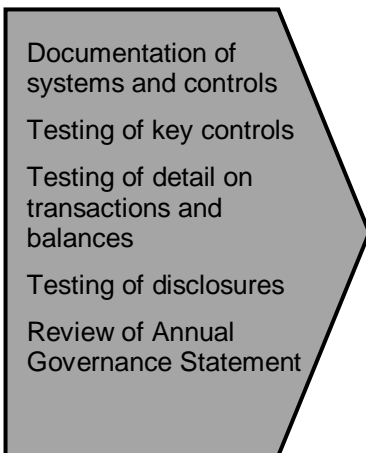


Output

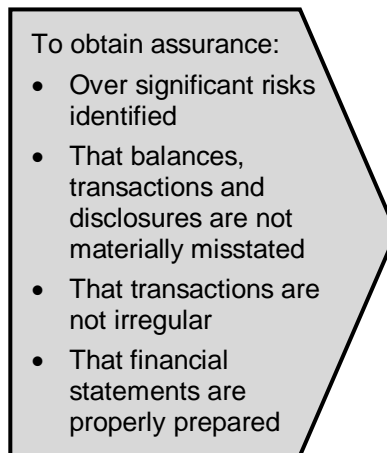


Obtaining assurance (execution)

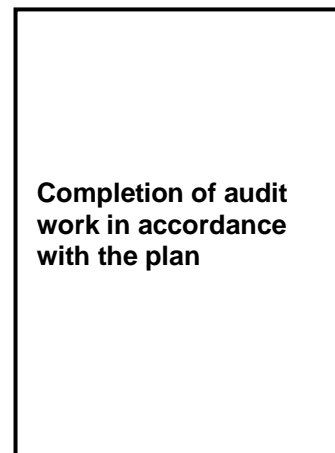
Key tasks



Objectives

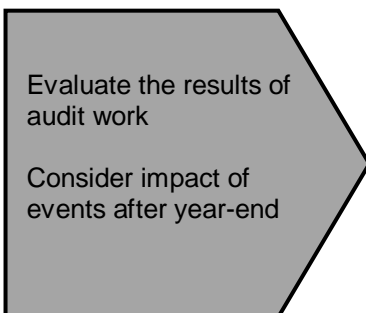


Output

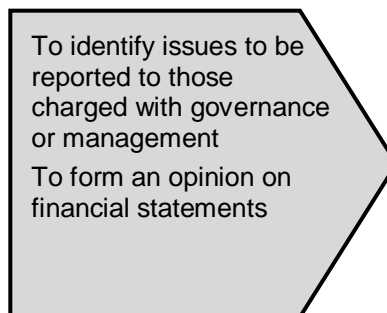


Concluding and reporting

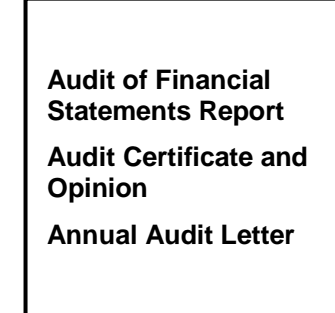
Key tasks



Objectives



Output



-
11. In planning my work and obtaining an understanding of the Council I consider the control environment including the activities of Internal Audit to determine the potential impact of its work on my planned procedures and to evaluate the extent to which I can rely on that work.
12. As part of the planning process, my staff considered the information which would be required to support the accounts submitted for audit. The fees, once agreed, will assume that this information will be provided by the timescales agreed and to the quality standards that we expect. My other main assumptions in setting the estimated fees will be that:
- the financial statements and supporting working papers have been subject to review and validation by management, to provide the Responsible Financial Officer with assurance that they are 'true and fair';
 - all appropriate officials will be available during the audit;
 - you have all the necessary controls and checks in place to enable the Responsible Financial Officer to provide all the assurances that I require in the Letter of Representation addressed to me; and
 - Internal Audit has completed its planned programme of work and that management has taken all necessary remedial action on issues that could have affected the financial statements.

Audit risks and issues

Risks of material misstatement in the accounting statements

13. **Exhibit 3** provides information regarding the main operational and financial risks faced by the Council that could affect my audit. These are the main risks that I have identified during the initial audit planning process, based upon information currently available, and the actions proposed to address them. I may need to change the audit plan if any new risks emerge. I will not make any changes to the audit plan without first discussing them with officers and, where relevant, those charged with governance.

Exhibit 3: Summary of main audit risks and proposed responses

Risks	Action proposed
Control environment risks	
<p>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk. In addition, the Council continues to face significant financial pressures, including funding cuts. The current financial pressures on the Council increase the risk that management judgements and estimates could be biased in an effort to meet its financial challenges.</p>	<p>We will:</p> <ul style="list-style-type: none"> • test the appropriateness of journal entries and other adjustments made in preparing the financial statements; • focus its testing on areas of the financial statements which could contain reporting bias; and • evaluate the rationale for any significant transactions outside the normal course of business.
<p>There is a risk of material misstatement due to fraud in revenue recognition and as such it is viewed as a significant risk.</p>	<p>We will review the design and test the operation of controls in the systems relating to:</p> <ul style="list-style-type: none"> • treasury management; • grant income; and • other income sources.
<p>Following an issue identified in the 2013-14 audit, there is a risk that membership data provided to the actuary for use in the preparation of the annual disclosures under International Accounting Standard 19 (Employee Benefits), is not sufficiently robust.</p>	<p>We will review the exercise undertaken by Council staff to review the accuracy of the data provided to the actuary and consider whether we can obtain assurance over its accuracy.</p>
Financial systems risks	
<p>Risk that the Council's high level financial controls are not designed or operating effectively to prevent and detect material misstatements in the financial statements.</p>	<p>We will review the design and test the operation of high level controls in the:</p> <ul style="list-style-type: none"> • main accounting system; • budgetary control system; and • the accounts preparation process.
Preparation of the accounts risks	
<p>There is a risk that exit packages for officers leaving local government do not fully comply with the requirements of the Code and individual council's policy. Such payments are considered sensitive and material by nature.</p>	<p>We will consider the accounting treatment and disclosure of exit packages.</p>

Risks	Action proposed
<p>The preparation of the Statement of Accounts will involve the estimation of a number of account figures such as provisions for the Council's liabilities (e.g. equal pay claims, legal disputes).</p>	<p>We will review:</p> <ul style="list-style-type: none"> the annual assessment made by officers of the basis on which estimates are made and revised in line with the latest information; and documentation held to support estimates derived and judgements made, and refer to papers provided in support of them. <p>We will also ensure that appropriate accounting and disclosure requirements are included within the financial statements.</p>
Financial statements risks	
<p>Risk of material misstatement in the financial statements arising from error or omission of transactions, balances and disclosure.</p>	<p>We will undertake a programme of audit testing to address risks identified as part of our planning work and review of the draft financial statements.</p>
<p>We have identified a number of disclosures as being material by nature. These include the disclosure of Related Parties and the Remuneration note.</p>	<p>We will design detailed testing to obtain the required assurance that disclosures identified as material by nature have not been misstated.</p>

Accounting and reporting issues

14. In addition to the significant audit risks set out above, I also need to consider any new financial accounting and reporting requirements which impact on my responsibilities. I summarise the more significant accounting and reporting changes that apply to 2013-14 in [Exhibit 4](#).

Exhibit 4: Significant accounting and reporting changes for 2013-14

Accounting and reporting change
<p>IAS 1 <i>Presentation of Financial Statements</i></p> <p>The Comprehensive Income and Expenditure Statement has been amended as a result of the June 2011 amendments to IAS 1 <i>Presentation of Financial Statements</i> (where relevant to an authority) and the June 2011 amendments to IAS 19. The requirement for Financing and Investment Income and Expenditure to include 'pensions interest cost and expected return on pensions assets' has been replaced by 'net interest on the net defined benefit liability (asset)'. Financing and Investment Income and Expenditure also now includes 're-measurements of the net defined benefit liability (asset) for long-term employee benefits recognised in accordance with section 6.2'.</p>

Accounting and reporting change

IAS 19 *Employee Benefits*

Chapter 6 of the code includes revisions as a result of the June 2011 amendments to IAS 19 *Employee Benefits*:

- amendments to the definitions in section 6.1;
- updated terminology, amendments to the recognition requirements and clarifications of the disclosure requirements in section 6.2;
- amendments to the recognition requirements of section 6.3 Termination Benefits and clarification of the disclosure requirements; and
- amendments to the classification, recognition, measurement and disclosure requirements in section 6.4 Post-employment Benefits.

Use of resources audit

15. To discharge my responsibilities regarding the arrangements that the Council has established to secure economy, efficiency and effectiveness in its use of resources, I shall place reliance upon:
- the results of the audit work undertaken on the financial statements;
 - the Council's system of internal control, as reported in the Annual Governance Statement and my report thereon;
 - the results of work carried out by the Auditor General, including work carried out under the Local Government (Wales) Measure 2009 (the Measure), certification of claims and returns, and data-matching exercises;
 - the results of the work of other external review bodies where relevant to my responsibilities; and
 - any other work that addresses matters not covered by the above, and which I consider necessary to discharge my responsibilities.

Joint Committee Financial Statements Audit

16. Gwynedd Council is the lead authority for three Joint Committees, namely, the Special Educational Needs Joint Committee, GwE Joint Committee and the Joint Planning Policy Joint Committee.
17. All Committees are required to either prepare financial statements, or an annual return that are subject to audit.
18. My audit approach for the Joint Committees will, in principle, be the same as set out above for the Council.
19. **Exhibit 5** provides information regarding the main operational and financial risks faced by the Joint Committees that could affect my audits.

Exhibit 5: Summary of Joint Committee main audit risks and proposed responses

Risks	Action proposed
GwE Joint Committee	
This is the first year of operation of the Joint Committee and therefore it is the first time that financial statements have been prepared.	We will design detailed testing to obtain the required assurance that the accounts have been prepared in accordance with proper practices and are materially stated.

20. I will issue my report on the financial statements to the respective committee for consideration prior to the Appointed Auditor issuing his opinion.

Certification of grant claims and returns

21. The Appointed Auditor, acting as an agent of the Auditor General, undertakes certification work on the Council's grant claims and returns in accordance with instructions issued by the Auditor General.
22. In 2012-13 my team audited 62 grant claims and returns. This work will be summarised in a separate report 'Certification of Grants and Returns 2012-13', which will be issued in May 2014.
23. In 2013-14 I expect to audit a similar number of claims, a number of which are complex in nature, namely; the Housing Benefits and Council Tax Benefits claim; the Teachers Pension Return; Communities First grant claims; and, a number of European Funds grant claims.

Other work undertaken

24. In addition to my responsibilities in respect of the audit of the body's statutory financial statements set out above, I am also required to certify a return to the Welsh Government which provides information about the council to support preparation of Whole of Government Accounts.

Auditor General's Regulatory Programme

25. A separate document, the Auditor General's Regulatory Programme for Performance Audit, will be issued setting out the work to be delivered by the Auditor General under the Measure.

Fee, audit team and timetable

Fee

- 26.** We are currently unable to provide you with an estimate of our fee for our 2013-14 audit work.
- 27.** Owing to the requirements of the Public Audit (Wales) Act 2013, we have needed to revise our approach to fee setting. This act introduces a slightly revised fee-setting requirement on the new Wales Audit Office for all our audit work once its provisions come into effect from 1 April 2014. In anticipation of this new requirement, we have needed to take legal advice to clarify a number of its provisions. In the light of that advice, we have reviewed our cost allocation and apportionment processes to ensure that going forward our fee setting will fully comply with these new statutory requirements. This unfortunately has been a time-consuming process. The exercise has now been completed and the Auditor General has consulted on his fee scales, which take account of revisions made in anticipation of the new legislation. That consultation provides further information about the new legislative requirements.
- 28.** We are currently considering the consultation responses and we anticipate being able to provide you with an estimate of your 2013-14 fee in April 2014.
- 29.** Planning will be ongoing, and changes to my programme of audit work and therefore my fee may be required if any key new risks emerge. I shall make no changes without first discussing them with the Director of Finance. Further information on the new Wales Audit Office fee scales and fee setting will be provided once finalised.
- 30.** In previous years, there have been no formal objections to the Council's financial statements. However, I do receive a number of queries and items of correspondence from members of the public and other interested parties. A small amount of time will be included within the fee to deal with minor queries, as part of the overall management of the audit.
- 31.** Any detailed investigations or other work required to respond to queries and objections will result in an additional fee. Any such additional fee will be charged at daily rates based on the specific grade or skill mix required for the work, but will be discussed with the Council, prior to undertaking the work.

-
32. The Auditor General is required to recover, in respect of each grant or return, an amount that covers the full cost of the relevant work undertaken. Grant and return certification work is charged on a daily basis in line with the skill-related fee scales set out in the Auditor General's local government fees letter. The fees will reflect the size, complexity and particular issues relating to the specific grants.
33. Further information on the Auditor General's fee scales and fee setting can be found on our website at: www.wao.gov.uk/aboutus/4240.asp.

Audit team

Exhibit 7: My team

Name	Role	Contact number	E-mail address
Derwyn Owen	Engagement Lead – Financial Audit	02920 320651	derwyn.owen@wao.gov.uk
Amanda Hughes	Financial Audit Manager	07969 919986	amanda.hughes@wao.gov.uk
Alan Hughes	Financial Audit Team Leader	01286 679158	alan.hughes@wao.gov.uk

34. **Exhibit 7** highlights the key members of the audit engagement at the Council. I can confirm that with the exception of one member of staff, there are no known threats to my independence as Appointed Auditor or on the independence of staff or contractors working for me.
35. With regards to the exception noted above, one member of the audit team is related to a temporary junior member of the Council's internal audit staff. As a result we have taken steps to ensure that our member of staff is not involved in any work we may do that covers the review of internal audit or its programme of work.

Timetable

36. I will provide reports, or other outputs as agreed, to the Audit Committee covering the areas of work identified in this document. My key milestones are set out in **Exhibit 8**.

Exhibit 8: Timetable

Planned output	Work undertaken	Report finalised
Annual Financial Audit Outline for 2014	December 2013 – March 2014	April 2014
Financial accounts work: <ul style="list-style-type: none">• Audit of Financial Statements Report• Opinion on Financial Statements• Whole of Government Accounts	July - September 2014 September 2014 September 2014	September 2014 September 2014 September 2014
Use of Resources Work	September – October 2014	November 2014
Annual Audit Letter 2014	October 2014	November 2014

Appendix 1

Roles and responsibilities

This Annual Financial Audit Outline has been prepared to meet the requirements of auditing standards and proper audit practices. It provides Gwynedd Council (the Council) with an outline of the financial audit work required for the 2013-14 financial statements.

The Public Audit (Wales) Act 2013 (the 2013 Act) sets out that the Auditor General is to be the auditor of local government bodies in Wales. The 2013 Act does, however, provide transitional arrangements where the appointment of a person as an auditor under section 13 of the Public Audit (Wales) Act 2004 continues to have effect until the end of the period for which the appointment was made (subject to any earlier termination). The Auditor General has appointed me as the auditor of the Council's accounts for the year ending 31 March 2014.

As Appointed Auditor, I am required by the Public Audit (Wales) Act 2004 to examine and certify the accounts of the Council. In accordance with professional standards that apply by virtue of the Code of Audit Practice set under the act, this involves giving an opinion on whether the accounts give a true and fair view of the Council's financial position and of its income and expenditure for the year. The act also requires me to satisfy myself of these things:

- that the accounts are prepared in accordance with regulations under section 39 of the act (the Accounts and Audit (Wales) Regulations 2005);
- that the accounts comply with the requirements of all other statutory provisions applicable to them;
- that proper practices have been observed in the compilation of the accounts; and
- that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

I am also required to certify that the audit has been completed in accordance with the Public Audit (Wales) Act 2004.

The audit does not relieve the Council of its responsibility to:

- establish systems of internal control to ensure the regularity and lawfulness of transactions and to ensure that its assets are secure;
- maintain proper accounting records;
- prepare a Statement of Accounts in accordance with relevant requirements; and
- establish and keep under review appropriate arrangements to secure economy, efficiency and effectiveness in its use of resources.

The Public Audit (Wales) Act 2004 sets out the rights of the public and electors to inspect the Council's financial statements and related documents, to ask me, as the Appointed Auditor questions about the accounts and, where appropriate, to challenge items in the accounts.

The Auditor General is required to certify certain grant claims and returns. The Appointed Auditor, acting as an agent of the Auditor General, undertakes the audit work relating to those claims and returns.

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@wao.gov.uk

Website: www.wao.gov.uk

Swyddfa Archwilio Cymru
24 Heol y Gadeirlan
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

E-bost: info@wao.gov.uk

Gwefan: www.wao.gov.uk

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Annual Financial Audit Outline

Gwynedd Pension Fund

Audit year: 2013-14

Issued: April 2014

Document reference: 255A2014



Status of document

The Auditor General is independent of government, and is appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the National Assembly.

Together with appointed auditors, the Auditor General audits local government bodies in Wales, including unitary authorities, police, probation, fire and rescue authorities, national park authorities and community councils. He also conducts local government value for money studies and assesses compliance with the requirements of the Local Government (Wales) Measure 2009.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Assembly Commission and National Health Service bodies in Wales.

The Auditor General and staff of the Wales Audit Office aim to provide public-focused and proportionate reporting on the stewardship of public resources and in the process provide insight and promote improvement.

This document was produced by Derwyn Owen, Amanda Hughes and Alan Hughes.

Contents

Annual Financial Audit Outline

Introduction	4
Audit of Pension Fund accounts	4
Pension fund annual report	9
Fee, audit team and timetable	10

Appendices

Roles and responsibilities	12
----------------------------	----

Annual Financial Audit Outline

Introduction

1. This Annual Financial Audit Outline has been prepared by Derwyn Owen on behalf of Anthony Barrett, the Appointed Auditor.
2. As your external auditor, my objective is to carry out an audit which discharges my statutory duties as Appointed Auditor and fulfils my obligations under the Code of Audit Practice to examine and certify whether the Gwynedd Pension Fund (the Pension Fund) accounting statements are 'true and fair'.
3. The purpose of this outline is to explain to you:
 - my audit team's approach to the audit of your Pension Fund accounting statements for the year ending 31 March 2014 including the significant risks of material misstatements in your accounting statements and how we plan to address them;
 - the planned timetable, fees and audit team; and
 - the scope of the audit, our respective responsibilities and how we ensure independence and objectivity in our work.
4. There have been no limitations imposed on me in planning the scope of this audit.

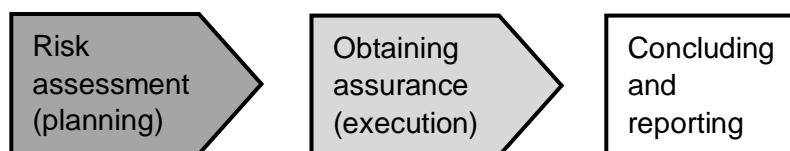
Audit of Pension Fund accounts

5. It is my responsibility to issue a report on the accounting statements which includes an opinion on their 'truth and fairness', providing assurance that they:
 - are free from material misstatement, whether caused by fraud or error;
 - comply with statutory and other applicable requirements; and
 - comply with all relevant requirements for accounting presentation and disclosure.

Audit approach

6. My team's audit work uses a range of techniques to assess risk and obtain audit evidence and assurance, and is based on a thorough understanding of your business. This understanding allows my team to develop an audit approach which focuses on addressing specific risks whilst providing assurance for the Pension Fund accounts as a whole. Our audit approach consists of three phases as set out in [Exhibit 1](#).

Exhibit 1: Our audit approach

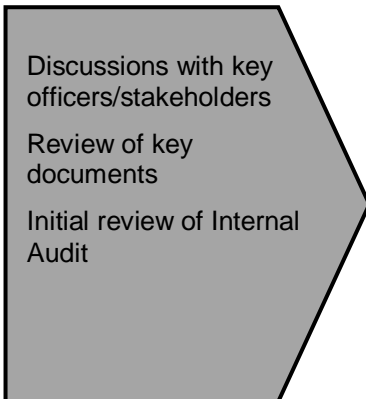


7. The work we undertake in each of these three areas is set out in more detail in [Exhibit 2](#).
8. I do not seek to obtain absolute assurance that the Pension Fund accounting statements are true and fair, but adopt a concept of materiality. In planning and executing the audit, we aim to identify material misstatements in the accounts and related notes, that is, those that might result in a reader of the accounts being misled. The levels at which I judge such misstatements to be material will be reported to the Audit Committee as the administering authority of the Pension Fund as a whole, prior to completion of the audit.
9. For reporting purposes we will treat any misstatements below a 'trivial' level (the lower of five per cent of materiality or £100,000) as not requiring consideration by those charged with governance and therefore will not report them.

Exhibit 2: Our audit approach

Risk assessment (planning)

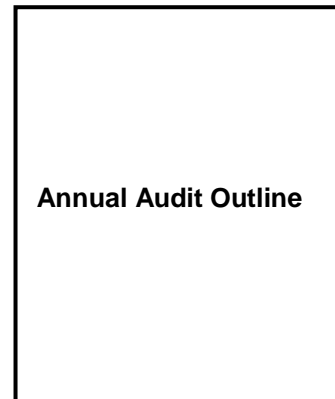
Key tasks



Objectives

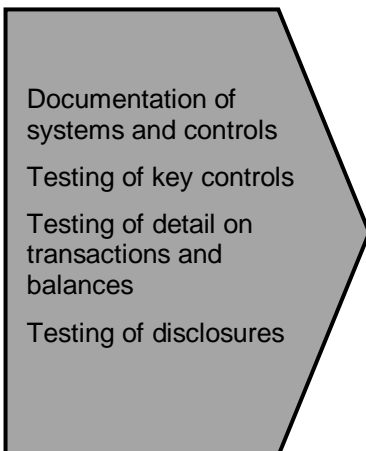


Output

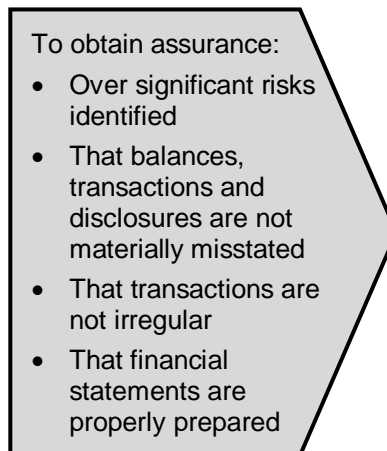


Obtaining assurance (execution)

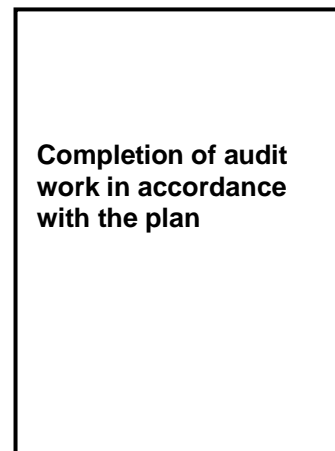
Key tasks



Objectives

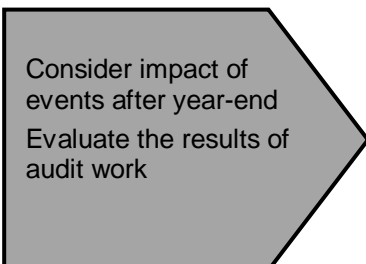


Output

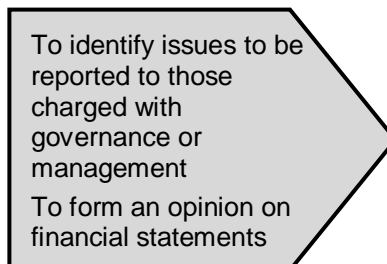


Concluding and reporting

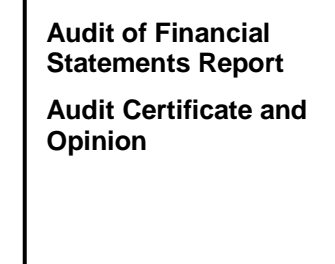
Key tasks



Objectives



Output



-
10. In planning my work and obtaining an understanding of the Pension Fund, I consider the control environment including the activities of Internal Audit to determine the potential impact of its work on my planned procedures and to evaluate the extent to which I can rely on that work.
11. As part of the planning process, my staff considered the information which would be required to support the accounts submitted for audit. The fees, once agreed, will assume that this information will be provided by the timescales agreed and to the quality standards that we expect. My other main assumptions in setting the estimated fees will be that:
- the financial statements and supporting working papers have been subject to review and validation by management, to provide the Responsible Financial Officer with assurance that they are 'true and fair';
 - all appropriate officials will be available during the audit;
 - you have all the necessary controls and checks in place to enable the Responsible Financial Officer to provide all the assurances that I require in the Letter of Representation addressed to me; and
 - Internal Audit has completed its planned programme of work and that management has taken all necessary remedial action on issues that could have affected the financial statements.

Audit risks

12. **Exhibit 3** provides information regarding the main operational and financial risks faced by the Pension Fund that could affect my audit. These are the main risks that I have identified during the initial audit planning process, based upon information currently available, and the actions proposed to address them. I may need to change the audit plan if any new risks emerge. I will not make any changes to the audit plan without first discussing them with officers and, where relevant, those charged with governance.

Exhibit 3: Summary of main audit risks and proposed responses

Risks	Action proposed
Control environment risks	
<p>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk.</p>	<p>We will:</p> <ul style="list-style-type: none"> • test the appropriateness of journal entries and other adjustments made in preparing the financial statements; • focus its testing on areas of the financial statements which could contain reporting bias; and • evaluate the rationale for any significant transactions outside the normal course of business.
<p>Following an issue identified in 2012-13 there is a risk that membership records held in the pensions administration system are not up to date as some Employer bodies do not always provide appropriate information on a timely basis.</p>	<p>We will review the process undertaken by the pensions administration to work with Employer Bodies to ensure that data has been brought up to date.</p>
<p>There is a risk of material misstatement due to fraud in revenue recognition and as such it is viewed as a significant risk.</p>	<p>We will review the design and test the operation of controls in the systems relating to income and treasury management.</p>
Financial systems risks	
<p>Risk that the Council's high level financial controls are not designed or operating effectively to prevent and detect material misstatements in the financial statements.</p>	<p>We will review the design and test the operation of high level controls in the:</p> <ul style="list-style-type: none"> • main accounting system; • budgetary control system; and • the accounts preparation process.
<p>External investment managers are appointed to manage the investment portfolio. Their own systems and records will generate account entries made to the Pension Fund account and net assets statement.</p>	<p>We will obtain direct confirmation from the fund managers of year-end investment balances, and consider whether investment managers' internal control reports indicate specific risks to these balances.</p>

Risks	Action proposed
Preparation of the accounts risks	
<p>The preparation of the Statement of Accounts will involve the estimation of a number of account figures.</p>	<p>We will review:</p> <ul style="list-style-type: none"> the annual assessment made by officers of the basis on which estimates are made and revised in line with the latest information; and documentation held to support estimates derived and judgements made, and refer to papers provided in support of them. <p>We will also ensure that appropriate accounting and disclosure requirements are included within the financial statements.</p>
Financial statements risks	
<p>Risk of material misstatement in the financial statements arising from error or omission of transactions, balances and disclosure.</p>	<p>We will undertake a programme of audit testing to address risks identified as part of our planning work and review of the draft financial statements.</p>

Accounting and reporting issues

13. In addition to the significant audit risks set out above, I also need to consider any new financial accounting and reporting requirements which impact on my responsibilities.
14. There are no significant new financial accounting and reporting requirements that I wish to draw to your attention.

Pension Fund annual report

15. In addition to including the Pension Fund accounts in their main accounting statements, administering authorities are required to publish a Pension Fund annual report which must include the Pension Fund accounts.
16. I am required to read the Pension Fund annual report and consider whether the information it contains is consistent with the audited Pension Fund accounts included in the Council's main accounting statements.
17. I also issue an audit statement confirming the consistency of the accounts included in the annual report with the audited Pension Fund accounts.

Fee, audit team and timetable

Fee

18. We are currently unable to provide you with an estimate of our fee for our 2013-14 audit work.
19. Owing to the requirements of the Public Audit (Wales) Act 2013, we have needed to revise our approach to fee setting. This act introduces a slightly revised fee-setting requirement on the new Wales Audit Office for all our audit work once its provisions come into effect from 1 April 2014. In anticipation of this new requirement, we have needed to take legal advice to clarify a number of its provisions. In the light of that advice, we have reviewed our cost allocation and apportionment processes to ensure that going forward our fee setting will fully comply with these new statutory requirements. This unfortunately has been a time-consuming process. The exercise has now been completed and the Auditor General has consulted on his fee scales, which take account of revisions made in anticipation of the new legislation. That consultation provides further information about the new legislative requirements.
20. We are currently considering the consultation responses and we anticipate being able to provide you with an estimate of your 2013-14 fee in April 2014.
21. Planning will be ongoing, and changes to my programme of audit work and therefore my fee may be required if any key new risks emerge. I shall make no changes without first discussing them with the Director of Finance. Further information on the new Wales Audit Office fee scales and fee setting will be provided once finalised.
22. Further information on the Auditor General's fee scales and fee setting can be found on our website at: www.wao.gov.uk/aboutus/4240.asp.

Audit team

Exhibit 4: My team

Name	Role	Contact number	E-mail address
Derwyn Owen	Engagement Lead – Financial Audit	02920 320651	derwyn.owen@wao.gov.uk
Amanda Hughes	Financial Audit Manager	07969 919986	amanda.hughes@wao.gov.uk
Alan Hughes	Financial Audit Team Leader	01286 679158	alan.hughes@wao.gov.uk

23. **Exhibit 4** highlights the key members of the audit engagement at the Council. I can confirm that with the exception of one member of staff, there are no known threats to my independence as Appointed Auditor or on the independence of staff or contractors working for me.

-
24. With regards to the exception noted above, one member of the audit team is related to a temporary junior member of the Council's internal audit staff. As a result we have taken steps to ensure that our member of staff is not involved in any work we may do that covers the review of internal audit or its programme of work.

Timetable

25. I will provide reports, or other outputs as agreed, to the Audit Committee covering the areas of work identified in this document. My key milestones are set out in [Exhibit 5](#).

Exhibit 5: Timetable

Planned output	Work undertaken	Report finalised
Annual Financial Audit Outline for 2014	December 2013 – March 2014	April 2014
Financial accounts work: <ul style="list-style-type: none">• Audit of Financial Statements Report• Opinion on Financial Statements• Pension fund annual report 'consistent with' opinion	July - September 2014 September 2014 October 2014	September 2014 September 2014 October 2014
Annual Audit Letter 2014	October 2014	November 2014

Appendix 1

Roles and responsibilities

The Council is the administering authority of the Pension Fund. This Annual Financial Audit Outline has been prepared to meet the requirements of auditing standards and proper audit practices. It provides the Council with an outline of the financial audit work required for the 2013-14 Pension Fund accounts.

The Public Audit (Wales) Act 2013 (the 2013 Act) sets out that the Auditor General is to be the auditor of local government bodies in Wales. The 2013 Act does, however, provide transitional arrangements where the appointment of a person as an auditor under section 13 of the Public Audit (Wales) Act 2004 continues to have effect until the end of the period for which the appointment was made (subject to any earlier termination). The Auditor General has appointed me as the auditor of the Pension Fund accounts for the year ending 31 March 2014.

As Appointed Auditor, I am required by the Public Audit (Wales) Act 2004 to examine and certify the accounts of the Pension Fund. In accordance with professional standards that apply by virtue of the Code of Audit Practice set under the act, this involves giving an opinion on whether the accounts give a true and fair view of the Pension Fund's financial transactions and of the amount and disposition of the fund's assets and liabilities. The act also requires me to satisfy myself of these things:

- that the accounts are prepared in accordance with regulations under section 39 of the act (the Accounts and Audit (Wales) Regulations 2005);
- that the accounts comply with the requirements of all other statutory provisions applicable to them; and
- that proper practices have been observed in the compilation of the accounts.

I am also required to certify that the audit has been completed in accordance with the Public Audit (Wales) Act 2004.

The audit does not relieve the Council of its responsibility regarding the Pension Fund to:

- establish systems of internal control to ensure the regularity and lawfulness of transactions and to ensure that its assets are secure;
- maintain proper accounting records;
- prepare accounts in accordance with relevant requirements; and
- establish and keep under review appropriate arrangements to secure economy, efficiency and effectiveness in its use of resources.

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@wao.gov.uk

Website: www.wao.gov.uk

Swyddfa Archwilio Cymru
24 Heol y Gadeirlan
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

E-bost: info@wao.gov.uk

Gwefan: www.wao.gov.uk

GWYNEDD COUNCIL

COMMITTEE	AUDIT COMMITTEE
DATE	6 MAY 2014
TITLE	REPORT OF THE CONTROL IMPROVEMENT WORKING GROUP
PURPOSE OF REPORT	TO REPORT ON THE MEETING HELD ON 4 APRIL 2014
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 16 internal audit reports were presented to the Audit Committee meeting on 20 February 2014, which represented reports that had been released between 1 November 2013 and 31 January 2014. Five of these reports received a 'C' opinion.

1.2 Consequently, the Committee resolved:

(a) To accept the report on the Internal Audit Section's work for the period between 1 November 2013 and 31 January 2014 and to support the recommendations already submitted to the managers of the relevant services for implementation.

(b) That the following members serve on the working group to consider the audits that received opinion category 'C':-

The Chair and Vice-chair of the committee and Councillors John Brynmor Hughes, Dafydd Meurig and Angela Russell.

2 WORKING GROUP MEETING

2.1 The Working Group meeting was held on 4 Ebrill in Ystafell Gwyrfai, with the Councillors John Brynmor Hughes, Dafydd Meurig ac Angela Russell and Dewi Morgan, Senior Manager Audit and Risk, present. Apologies were received from the Chair and Vice Chair of the Committee, who were both absent due to illness. The meeting was chaired by Councillor Angela Russell.

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

TITLE	DEPARTMENT	SERVICE
Use of Cetus / CALMS	Human Resources	Learning and Development
Data Protection - Clauses in Job Descriptions	Corporate	
Country Parks	Economy and Community	Maritime and country parks
Laptop Security	Customer Care	Information Technology
Bryn Blodau, Llan Ffestiniog	Social Services, Housing and Leisure	Residential and Day

2.3 Officers attended to discuss the five reports.

2.4 These summaries were addressed in turn by the Working Group members. The Senior Manager Audit and Risk offered further background, which included presenting the relevant points of the full reports. 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 Bryn Blodau, Llan Ffestiniog

2.5.1 The main findings of the report were:

It was found that examples of good practice are in place in some of the arrangements of the Home. However, it seems that there are examples of acting in contravention of the Council's administrative procedures and as a result in contravention of the Financial Procedure Rules. This was checked in different areas of the home such as financial arrangements, the appropriate process for ordering, receiving and paying for goods and services, arrangements for resident's pocket money and arrangements for the residents' amenity fund. Additional weaknesses were found in the arrangements for approving annual leave and these need to be reviewed as soon as possible. Because of this, appropriate measures should be taken to strengthen the arrangements within the area examined.

2.5.2 Gwenno Williams, Senior Executive Manager, was welcomed to the meeting.

2.5.3 It was noted by the Senior Manager Audit and Risk that this audit has been conducted at the request of the Senior Executive Manager, who had asked Internal Audit to review some specific issues in the home. It was decided to conduct a full establishment audit, and in the end the report contained 29 recommendations.

2.5.4 The Senior Executive Manager explained that the issues had arisen in the home following the secondment of the permanent manager to manage another home, with another officer who worked at the home being appointed as Acting Manager.

2.5.5 In light of the weaknesses highlighted in the report, another experienced manager has been seconded to Bryn Blodau since January.

2.5.6 Bryn Blodau is one of the Council's largest residential homes. There are 34 residents, as well as 8 further occupants of the Dementia Unit that is on site. The Residential Home and Dementia Unit are administered as a single establishment

2.5.7 The Senior Manager noted that not all of the risks that have been highlighted in the report are major risks. However, she acknowledged that there were a number of recommendations because as a lot of paperwork is not in place.

2.5.8 In addition to the weaknesses identified, the Senior Manager acknowledged further staffing problems, including long-term illness. She acknowledged that risks arise from appointing an inexperienced person to manage a large home.

2.5.9 A member asked if a common Staff Management System is in place. The Senior Manager replied that this is the next step to implement. Clerks go to every home at the moment, but there is some inconsistency in the way that different clerks undertake their duties. The intention, therefore, is to introduce a common system.

2.5.10 It was noted that holiday rights had caused particular complication because of shift work, and due to a combination of full time, part time and casual; a total of up to 40 staff work at the home. Members of the Working Group acknowledged that the work of the staff in residential homes is not easy.

2.5.11 A message that the Working Group was keen to emphasise is that while allowing flexibility is important, the core administrative work needs to be common for everyone.

2.5.12 Much work has been done to address the report's recommendations. It was noted by the Senior Manager Audit and Risk that follow-up work on Bryn Blodau is scheduled for the summer; it was also noted that similar audit work at other homes is included in the 2014/15 plan.

2.5.13 The Senior Executive Manager was asked that since an experienced manager has now been seconded to Bryn Blodau, is there now a risk of weaknesses being caused in the usual home of that manager. The Senior Manager's response was that she was confident that appropriate arrangements are in place in that home which means that similar problems should not arise there. She also noted that CSSIW rules mean that no person may be a manager on more than one home. However, the manager of homes meet once a month to share ideas and experiences.

2.5.14 The Senior Executive Manager was thanked for her ready answers. The Working Group was satisfied that arrangements have been put in place to address the weaknesses identified in the report.

2.6 Use of Cetus / CALMS

2.6.1 The main findings of this report were:

The main finding of this audit is the failure of the system to inform staff of new policies. Officers are informed that a new policy needs to be accepted by a "pop-up" that appears after switching their computer on. However, a "pop-up blocker" prevents these from appearing, so information about the new policies is not received. This is believed to be the reason why the response to the Child and Adults Protection Policy and Guidelines are so low (4.75% have accepted it). In addition, it is believed that policies need to be reviewed periodically to ensure that the information is current.

2.6.2 Carey Cartwright, Learning and Development Manager, was welcomed to the meeting. The Chair congratulated him on winning the "Respect" award at the recent "The Council at its Best" awards ceremony.

2.6.3 The Senior Manager Audit and Risk explained that CALMS is a software package that has been bought by the Council to make staff aware of policies that are important to them - its former name was Cetus. When new policies are published, a summary of the policy appear in CALMS, with a need for the officer to answer quiz questions, and then to agree to accept and comply with the policy. However, the audit had shown that the percentage of staff who had accepted some of these policies are very low, and technical problems have meant that not everyone has the system appearing when starting their computers. Because CALMS is seen as an important tool to ensure the spread of important policies, the failure of the system creates a risk to the Council.

2.6.4 The Learning and Development Manager reiterated that reading a summary of the policy alone is not enough. The policy is followed by a test, to show that the individual has understood. He noted that a threshold could be set for passing the test, and the number of questions can be varied.

2.6.5 After passing the test, a message asks the employee to agree to accept the policy.

2.6.6 Therefore, there are three steps: **Reading, Understanding, Accepting.**

2.6.7 The latest policy to be placed on CALMS is the Child and Adult Protection Policy. At the time of the audit, not much time had passed since the policy was installed on the system, and only 4.75% of staff had accepted it. This is a more challenging, longer policy which is more difficult to pass. By now, the percentage that have received the test is more encouraging: 459 have begun the work and 424 have been completed it.

2.6.8 The Learning and Development Manager was keen to stress the need to be aware of the requirement to reach the entire workforce and reliance cannot be placed solely on CALMS to share information – the entire workforce does not have access to a computer. However, it was noted that the system is now available in schools.

2.6.9 With regard to the failure of the system to open on all computers, the Learning and Development Manager recognises that technical problems have arisen. When opening a computer, a script is run to see if there are new policies that need to be accepted. It seems that the necessary message does not appear to all, but the IT Unit has looked into the issue and there is no obvious pattern in terms of who gets the required messages, and who does not.

- 2.6.10 It was noted that one other thing that comes out of the report was the role of different teams in the process, and in particular ownership of policies. The procedure that has now been adopted is that an email is sent out by the head of the department that owns the policy to inform everyone that a new policy is on the system, since they are responsible for ensuring compliance with the policy.
- 2.6.11 Ensuring ownership of the policy is an important step forward, as Learning and Development only administers the system, and the policy owners are expected to seek performance information and statistics and act on this if necessary.
- 2.6.12 It was noted by one of the members that there is a danger for some of the questions on the test to be too technical without really adding to the understanding and appreciation of the area (e.g. in which year was the applicable legislation was passed).
- 2.6.13 The Learning and Development Manager was thanked for attending the meeting and he expressed that he would appreciate the support to push for a solution to the information technology problem.**

2.7 Data Protection - Clauses in Job Descriptions

2.7.1 The main findings of this report were:

An email was sent to all Council managers in February 2013 expressing the need to include formally the information management clause in all job descriptions within the Service / Department as it is "another step to reinforce the message that the responsibility is common to all, regardless of the role."

The Council's job advertisements were checked from the website and it was discovered that the clause has been included in several of the job descriptions. We found that a pattern appears and that some services within the Council has advertised for many jobs but have not included the clause in the job descriptions.

The final job descriptions included in the personnel files of a sample of randomly selected employees were also checked. Most of these did not contain the clause either.

2.7.2 This audit was conducted at the request of the Head of Customer Care; since February 2013 a request has been sent to all heads of departments asking them to add the following clause to the job descriptions of all employees as part of the process of ensuring information security:

"Responsibility for managing information in accordance with the Council's information management standards and guidelines. Ensure that personal information is treated in compliance with Data Protection legislation."

2.7.3 It was reported to the Working Group that the Head of Adults, Health and Well-being (the former Head of Customer Care) and the Information Manager has been invited to attend the meeting. Unfortunately, due to illness and bereavement, it was not possible for either of them to attend the meeting. The Senior Manager Audit and Risk reported that he had received information from the Head of Adults, Health and Well-being and that he was happy that this was sufficient for the purposes of the Working Group .

2.7.4 The auditors had looked at a sample of job descriptions for posts that had been advertised since the message had been sent to departments. The audit highlighted that the arrangements have been inconsistent across the Council. Only four departments – the Trunk Road Agency, Finance, Economy & Community and Strategic & Improvement – had included the clause in every job description in the sample. However, it was noted that the number of posts that had been filled during this period is relatively low.

2.7.5 The Senior Manager Audit and Risk reported that the Head of Adults, Health and Well-being – who continues to have responsibility for this area following the recent restructuring – had informed him that she has now had a chance to review the situation. Rather than trying to replicate the original arrangements and ensure that managers place the clause in new job descriptions and review current job descriptions, the Information Unit has decided to try to deal with the matter in a different way.

2.7.6 The Head had noted that it is clear from the audit work that the first attempt had not received much attention, and so she felt it would be more effective to use a different approach.

2.7.7 The Human Resources Department has now put an arrangement in place where Support Unit staff will go through each job description before their publication on the web, in order

to ensure it contains the relevant clause: if not, it will be returned to the relevant manager for amendment.

2.7.8 In addition, it was reported that the Senior Manager Human Resources is leading a workstream within “The Gwynedd Way” to review job descriptions. This will mean adding several clauses to job descriptions, and the aim is to include the Data Protection clause as one of this package.

2.7.9 The Senior Manager Audit and Risk reported that he was satisfied with this way of proceeding, and if implemented properly this should be more effective than the original arrangements. The follow-up work will be held before 30 June, which will then provide an opportunity to ensure that the new procedures are in place and working effectively.

2.7.10 The Working Group welcomed the message and agreed that this should be a more effective approach.

2.8 Country Parks

2.8.1 The main findings of this report were:

The main findings of the audit were issues relating to the lease of the shop at Glynllifon Country Park, and there was no clause in the lease with regards to key matters.

Current risk assessments did not exist in the Parks.

2.8.2 Llyr B Jones (Senior Manager Economy and Community) and Barry Davies (Maritime and Country Parks Officer) were welcomed to the meeting.

2.8.3 The final report included 18 recommendations. The Senior Audit and Risk reported that this audit has focused on the Council's two country parks, looking at the following areas :

- Salary payments are complete and accurate.
- Income is being properly administered.
- That there is a proper process of ordering, receiving and paying for goods and services.
- Adequate Budgetary Control exists.
- Appropriate use of the imprest account.
- Appropriate control on the use of council vehicles.
- Adequate health and safety arrangements are in place.

2.8.4 It was noted by the Senior Manager Economy and Community that this is a time of great changes in the country parks. These changes are already in operation in Parc Glynllifon, and pending at Parc Padarn.

2.8.5 It was noted that the management of Parc Glynllifon has been identified as an area for efficiency savings and cuts. The number of jobs there has reduced from 4 to 2; the post of Park Manager and shop worker have been repealed. This has led to a wholesale change in the management of the site.

2.8.6 The Senior Manager Audit and Risk reported that defects in the original lease with the tenant of the cafe was the main weakness had been identified in the audit. The Senior Manager Economy and Community acknowledged this, but noted that the lease had to be implemented quickly at the time because of the need for it to be in place before the Urdd National Eisteddfod in Glynllifon in June 2012. It was emphasized that the lease has been strengthened since.

2.8.7 Although there are craft units on the site, in terms of the administration of Glynllifon, the Senior Manager Economic and Community stated that there are 3 main elements: the shop, the Cafe and the Country Park. Historically, the Council has run the shop and park, and the cafe outsourced to a tenant. Before the current arrangement, the cafe has been put out to tender, but quality issues had arisen.

2.8.8 A decision was made to transfer the shop to the private sector, offering the café and shop as one package, but some complications arose due to TUPE requirements which resulted in additional costs.

- 2.8.9 By now the lease has expired, with the current tenant retaining the cafe, but with a new company running the shop since just before Christmas 2013. Interim agreements are currently in place, with the Legal Unit working on a new agreement.
- 2.8.10 Since the current system of collecting entrance fee is not ideal, but income must be generated, the Glynllifon Working Group is looking at options at the moment.
- 2.8.11 In terms of the recommendations of the report, it was noted that all had been implemented by now, except for:
- A16 (Ensure that a current inventory is kept of furniture, fixtures and equipment at the Parks) - this has not yet completed*
- A18 (There should be a system in place where copies are received annually of the tenants' public and employer liability insurance policies) – there is a need to look further on this because of the reduction in staff resources. There are no arrangements to monitor annually, because of the capacity of existing staff .*
- 2.8.12 A member asked about the harm that had been caused in the country parks by the recent severe weather. It was reported that the damage at Glynllifon has been significant, with the team from Parc Padarn working at Glynllifon for a week to make the site safe. The Maritime and Country Parks Officer was keen to stress that the two officers who remain at Glynllifon are highly enthusiastic and active.
- 2.8.13 Going forward, it was reported by the Senior Manager Economy and Community that there will be fewer complications with TUPE. In addition, grants have been received to allow new work in the yard and improve the link between the shop and the craft units.
- 2.8.14 In terms of goods ordered, the service has moved on to an electronic ordering system instead of paper-based ordering. This should improve the efficiency of the arrangements.
- 2.8.15 Enquiries were made about any upcoming changes in Parc Padarn. The Senior Manager Economy and Community noted that discussions need to be carried out, and added that the provision of country parks in the long term will have to be look at because of the financial situation.
- 2.8.16 The officers were thanked for attending and for their ready answers. Members of the Working Group were satisfied that the Economy and Community Department has appropriate arrangements to deal with the issues that were highlighted in the report.**

2.9 Laptop Security

2.9.1 The main findings of this report were:

There is a need to establish an arrangement that improves control over the laptops that are issued by the IT Service. It would be appropriate for this arrangement to be the initial step for setting up a corporate procedure for the management of all assets which the Council has provided for staff to perform their duties.

Over the years, the IT Service has not been in a position to be able to update their records of users and location of laptops and there are now a number that can not be accounted for. It is not possible to state whether this has led to a compromise of data security because the contents of the discs of these devices cannot be established. However, it is certainly not appropriate for the situation to continue. It is reasonable to suggest that there is a strong likelihood that the deficiencies in establishing responsibility for managing laptops after they are issued to users by the IT Service will result in financial losses where the devices cannot be accounted for, but there has been no conclusive evidence of that in during the fieldwork conducted for this audit.

There is a need to designate official responsibilities for the laptops that are issued to consumers and the consequent duties and accountability needs to be made clear.

Consumers need to be made fully aware of the expectations of them in relation to the use of laptops from a security perspective.

The standard images that are installed on laptops by the IT Service currently ensures that the discs are encrypted and there are other security controls such as firewall and anti-virus software. This reduces security risks in relation to these laptops.

At the time of this audit, there is a continuing process of transferring each client device to an operating system that will continue to be supported and patched in accordance with the requirements of appropriate safety standards. Following achievement of this process it would be appropriate to establish a system that would prevent successful links to data and network resources to any client device that is not running the appropriate operating system.

2.9.2 Huw Ynyr, Senior Manager Information Technology, was welcomed to the meeting.

2.9.3 The Senior Manager Audit and Risk said that discussions had been held with the Senior Manager Information Technology during the work, and that while this audit focussed on the security of laptops in particular, it was agreed that a discussion is to be had about safety of all assets that are issued to Council officers (e.g. phones, keys, ID cards, etc.).

2.9.4 The Senior Manager Information Technology noted that he wished to report to the Working Group on where we are now, and where he wants to be. He reported that he was confident about the regime that is in place when new computer assets now come into the Council. When an asset is received it is scanned with the serial number being noted in a dedicated database containing details of the assets used. For example, members were assured that if an iPad is lost there is a way – as long as the battery has not run out – to discover it and remotely destroy the information contained on it.

2.9.5 What happens in practice, however, is that when a person leaves a job the asset is transferred to another person. If the person leaves the employment of the Council, there is no trail to demonstrate where the asset is.

2.9.6 As part of the scheme to transfer Council computers to using Windows 7 as an operating system rather than Windows XP, bespoke software is added on the computer that creates a database to show where the computer is. If the laptop has not connected with the network for some time, this can be identified. However, it is possible to say now if that

computer has connected to the network. Also, the software within Windows 7 means that the laptop is useless if it falls into the wrong hands.

2.9.7 The main weakness so far in the field of tracking computer asset is a lack of resources to do the job. However, a Security Engineer post is being advertised at the moment, and interviews will be held during the week commencing 7 April. The post has an extensive program of work – the work described here is just one part of the job. After the end of July the work of comparing information will occur. There will be a work programme at that time, but the information is not mature enough at the moment.

2.9.8 The Senior Manager was thanked for his contribution, and for explaining the situation and technical issues in an open and simple manner. Following the discussion, the Working Group was keen to make the following recommendations to the Audit Committee:

- 1. That work is commissioned on all assets that are allocated to officers, not just information technology equipment.**
- 2. Departments should face the cost of replacing items that have gone missing – these items should not be paid for from the renovation fund.**
- 3. That a report is submitted to the Audit Committee highlighting how much money is saved when buying an iPad tablet for Council members and to moving away from paper documentation.**

GWYNEDD COUNCIL

COMMITTEE	AUDIT COMMITTEE
DATE	6 MAY 2014
TITLE	OUTPUT OF INTERNAL AUDIT
PURPOSE OF REPORT	TO OUTLINE THE WORK OF THE INTERNAL AUDIT SECTION FOR THE PERIOD TO 31 MARCH 2014
AUTHOR	DEWI MORGAN, SENIOR MANAGER AUDIT AND RISK
ACTION	TO RECEIVE THE REPORT, COMMENT ON THE CONTENTS AND SUPPORT THE RECOMMENDATIONS THAT HAVE ALREADY BEEN PRESENTED TO SERVICES FOR IMPLEMENTATION

1. INTRODUCTION

- 1.1 The following report summarises the work of the Internal Audit Section for the period from 1 February 2014 to 31 March 2014.

2. WORK COMPLETED DURING THE PERIOD

- 2.1 The following audit work was completed in the period to 31 March 2014:

Description	Number
Reports on Audits from the Operational Plan	30
Other Reports (memoranda etc)	3
Grant Reviews	3
Follow-up Audits	2

Further details regarding this work are found in the body of this report and in the enclosed appendices.

2.2 Audit Reports

2.2.1 The following table shows the audits completed in the period to 31 March 2014, indicating the relevant opinion category and a reference to the relevant appendix.

TITLE	DEPARTMENT	SERVICE	OPINION	APPENDIX
Health and Safety Risk Assessments in Schools	Education	Resources	B	Appendix 1
Schools Effectiveness Grant and Pupil Deprivation Grant	Education	Resources	C	Appendix 2
Administration of Student Grants and Loans	Education	Resources	B	Appendix 3
GwE	Education	GwE	A	Appendix 4
School Statistics and Censuses	Education	Schools	C	Appendix 5
Partnership Working	Corporate		A	Appendix 6
Verification of Performance Measures	Corporate		C	Appendix 7
Control over Ordering and Payment for Property Repairs and Maintenance	Corporate		C	Appendix 8
eProcurement System	Finance	Financial	B	Appendix 9
Payments System - Review of Key Controls	Finance	Financial	B	Appendix 10
Bank Reconciliation - Review of Key Controls	Finance	Accountancy	A	Appendix 11
Gwynedd Pension Fund - Review of the Key Controls of the Administration Systems	Finance	Pensions and Payroll	A	Appendix 12
Payroll System - Review of Key Controls	Finance	Pensions and Payroll	B	Appendix 13
Benefits System - Review of Key Controls	Finance	Revenue	A	Appendix 14
Council Tax System - Review of Key Controls	Finance	Revenue	A	Appendix 15
NNDR System - Review of Key Controls (2013-14)	Finance	Revenue	A	Appendix 16

TITLE	DEPARTMENT	SERVICE	OPINION	APPENDIX
Arrangements for Registering Births, Deaths and Marriages	Democracy and Legal	Registration	C	Appendix 17
Wales Rural Development Plan Projects	Economy and Community	Strategy and development Programmes	B	Appendix 18
"Our Heritage" Project	Economy and Community	Tourism, marketing and customer care	B	Appendix 19
Emergency Planning and Business Continuity	Customer Care	Emergency Planning	B	Appendix 20
Social Services - Security of Files and Data	Social Services, Housing and Leisure	Across the department	B	Appendix 21
Youth Justice Service	Social Services, Housing and Leisure	Children and Families	B	Appendix 22
Overnight Arrangements at Council Homes	Social Services, Housing and Leisure	Residential and Day	C	Appendix 23
Community Gangs	Highways and Municipal	Waste Management and Streetscene	B	Appendix 24
Payments to Taxi Firms	Regulatory	Environment	B	Appendix 25
Trading Standards	Regulatory	Public Protection	B	Appendix 26
Enforcement and Transport	Regulatory	Transportation and Street Care	B	Appendix 27
Member Training	Strategic and Improvement	Democracy	B	Appendix 28
Project Management Arrangements	Strategic and Improvement	Performance and Scrutiny	B	Appendix 29
Overtime Claims Procedures	Cross-departmental		C	Appendix 30

2.2.2 The opinion categories within the reports affirm the following:

- Opinion "A" Assurance of financial propriety can be expressed as the controls in place can be relied upon and have been adhered to.
- Opinion "B" Controls are in place, and partial assurance of financial propriety can be expressed as there are aspects where some procedures can be strengthened.
- Opinion "C" Assurance of financial propriety cannot be expressed as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered.

Opinion “CH” Assurance of financial propriety cannot be expressed as acceptable internal controls are not in place; losses / fraud resulting from these weaknesses were discovered.

2.2.3 In addition to the above, the following audits were undertaken where a memorandum was produced, rather than a full report, and an opinion category was not given:

- **Pensions - Contributions from employers** (Finance). The arrangements within a sample of pension fund employers was reviewed to obtain assurance that their contribution were correct and reflected the scheme requirements. The audit this time did not look at the three unitary authorities, but rather on a sample of smaller employers. On the basis of the tests undertaken, we were able to give assurance that the arrangements at these employers are appropriate, although there were some weaknesses.
- **Contract Management - Sailing Academy** (Economy and Community). The contract for building the Sailing Academy was awarded shortly before the ends of the financial year. Despite this, Internal Audit were able to undertake tests to obtain assurance that appropriate arrangements are in place, such as a risk register and a project plan. It was seen that these have been drawn up; further work will be undertaken during 2014/15.
- **Planning Service - Performance Measure CT02A** (Regulatory). This audit was undertaken at the request of the Achievement Panel of the relevant Cabinet Member, in order to have an independent review to establish the reasons for the time taken to come do a decision on major planning applications. It was seen that the reasons vary between individual applications, but that the decisions are made when the applicant’s agent engages with planning officers. Following discussions with the Head of Regulatory and the relevant Senior Manager, a further audit, with a larger sample, will be undertaken in 2014/15.

2.3 Grants

2.3.1 The administrative procedures for the following grants were reviewed during the period:

- Youth Crime Prevention Fund (*Strategic and Improvement*)
- SMAP Fund (*Strategic and Improvement*)

2.3.2 Although these grants have been reviewed by Internal Audit, this does not mean that external auditors from the Wales Audit Office or other agencies may undertake audits of these grants. However, it is expected that the work that Internal Audit has undertaken, and the assurance that can be stated with regards to the control environment, means that less audit work will be needed by these organisations. This, in turn, should mean a reduction in the fees that the Council will have to pay for an external audit.

2.4 Follow-up Audits

2.4.1 The following table summarises the follow-up work completed during the period:

TITLE	DEPARTMENT	SERVICE	FOLLOW-UP OPINION
Siopau Gwynedd	Customer Care	Customer Contact	Unsatisfactory
Change Control, IT Systems	Customer Care	Information Technology	Acceptable

2.4.2 The conclusion of follow-up work is placed in one of four categories:

Excellent – all recommendations implemented as expected.

Acceptable – most recommendations, including the majority of “essential” recommendations, implemented as expected.

Unsatisfactory – several recommendations not implemented.

Unacceptable – most recommendations (including essential recommendations) not implemented, and no evidence of efforts to improve internal controls.

2.4.3 The list below shows the ‘C’ or ‘CH’ opinion category reports presented to the Audit Committee as appendices to the quarterly reports, where a report to the Committee regarding the follow-up remains outstanding. The list shows the target completion date for each of these follow-up audits:

Completion Target: Quarter ending 31 December 2013

Contract Terms - DBS Checks
Staff DBS Checks

Completion Target: Quarter ending 30 June 2014

Use of Cetis / CALMS
Health and Safety Risk Assessments
Officers' Interests Policy
Software Licences (Schools)
Direct Payments
Data Protection Clause in Job Descriptions
Subsidised Travel Tickets

Completion Target: Quarter ending 30 September 2014

Schools Effectiveness Grant and Pupil Deprivation Grant
Bryn Blodau, Llan Ffestiniog
School Statistics and Censuses
Verification of Performance Measures
Ports
Corporate Complaints Procedure
Country Parks
Overnight Arrangements at Council Homes

Completion Target: Quarter ending 31 December 2014

Arrangements for Registering Births, Deaths and Marriages
Overtime Claims Procedures
Laptop Security

3 WORK IN PROGRESS

3.1 The following work was in progress as at 1 April 2014.

3.2 Draft reports released

- Leasing Arrangements in Schools (*Education*)

3.3 Work in progress

- Playgrounds (*Highways and Municipal*)
- Public Footpaths and Recreational Routes (*Regulatory*)
- Follow-up to Reviews on Gwynedd Consultancy (*Gwynedd Consultancy*)

4. RECOMMENDATION

4.1 The Committee is requested to accept this report on the work of the Internal Audit Section in the period from 1 February 2014 to 31 March 2014, comment on the contents in accordance with members' wishes, and support the recommendations already presented to the relevant service managers for implementation.

HEALTH AND SAFETY RISK ASSESSMENTS IN SCHOOLS

Education

Purpose of the Audit

The purpose of the audit is to ensure that Heads, Teachers, School Governors and Support Staff are aware of their responsibilities for ensuring that risks are identified and appropriate action is taken to mitigate them. In addition, ensuring that suitable and sufficient risk assessments are produced for all expected areas relating to schools.

Scope of the Audit

A sample of both primary and secondary schools was selected for the audit.

The schools were visited to carry out checks to ensure that risks have been identified and that suitable and sufficient risk assessments are produced.

A total of two secondary schools and nine primary schools were selected. The primary schools represented one small primary, one medium sized and one large primary school from each of the three areas.

Main Findings

The main finding from the audit is the need to establish a procedure for conducting practical training sessions on health and safety and risk assessments for the schools' Heads / Health and Safety Coordinators as well as the remainder of the school staff. It was also found that there is a need to ensure that appropriate risk assessments are in place in all schools and that they are reviewed annually or when there is any significant change to the risk.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in Health and Safety Risk Assessments in Schools as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **When the health and safety policies are reviewed they should be adopted immediately by the governing body and a record of the process is made in the minutes of the meeting of the governing body.**
- **There should be consultation between the Health, Safety and Welfare Service and the Education Department to discuss the training requirements to see what type of training would be best for school headteachers and staff in the field of risk assessment and health and safety. It would be an idea to contact Gwynedd schools to obtain the views of the Heads of the matter. Once the type of training has been agreed then a suitable information pack should be prepared for training school headteachers and staff.**
- **Schools should be reminded again of the link that exists on the weekly newsletter which details the risk assessments that should exist in the schools.**
- **Risk assessments should be completed fully with the initial risk score and the residual risk score recorded on the assessment on all occasions .**

SCHOOL EFFECTIVENESS GRANT AND PUPIL DEPRIVATION GRANT Education

Purpose of the Audit

The purpose of the audit is to ensure that there is an agreed strategy between the Council and the Welsh Government for the School Effectiveness Grant and the Pupil Deprivation Grant, and that the grant money is used to meet these objectives. To ensure that adequate arrangements are in place to monitor the expenditure and targets of the strategy and ensure that the Council complies with grant terms and conditions.

Scope of the Audit

Verify that the agreement signed between the Council and the Welsh Government contains the grant strategy, terms and conditions, and that the Council complies with these terms and conditions. Check that the grant money is used to meet the expected objectives of grants, and verify that the arrangements for monitoring expenditure and agreed targets are sufficient. Visit a sample of schools with Pupil Deprivation Grant audit, checking that they incur the expenditure in accordance with the priorities of the grant, with sufficient evidence in place to justify the expenditure.

Main Findings

We found that the Council had a strategy and specific plans in place for the SEG and the Pupil Deprivation Grant in 2012-13, and that a signed agreement was in place between the Council and the Welsh Government for the grant, with a strategy in place for 2012 -13. However, it was found that no supporting documentation and evidence have been retained to support the grant output figures presented by the Council to the Welsh Government for 2012-13. In addition, it was found that the Education Department does not have ownership of all of the relevant grant documentation for 2012-13, and that adequate arrangements were not in place to keep grant documents for the retention periods set by the Welsh Government in the terms and conditions.

Audit Opinion

(C) The audit opinion is that assurance of financial propriety cannot be expressed in the School Effectiveness Grant and Pupil Deprivation Grant as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered. The main recommendations of the report are as follows:

- **For such grants in the future, arrangements should be in place to keep supporting documents and evidence on file to support the figures and performance results and outputs that are presented to the financial body in accordance with what is required.**
- **Documents relating to the 2012-13 School Effectiveness Grant and Pupil Deprivation Grant that are held by Cynnal should be transferred to the Education Department, listing what documents have been received, and listing the documents cannot be found.**

ADMINISTRATION OF STUDENT GRANTS AND LOANS

Education

Purpose of the Audit

Ensure that the expected internal controls exist in the way that applications for student grants and loans are administered and that there is compliance with Welsh Government guidance.

Scope of the Audit

Audit a sample of relevant applications for academic year 2013/14, checking the accuracy of the application forms, accuracy of input, assessment and approval of applications as well as treatment of confidential documents and administration of the 'Portal' system.

Main Findings

The main findings from the audit is the requirement of the Audit Guidance for Administration of Student Finance 2013/14 for the Authority to make a % of additional checks on some areas; although the checks are made, records of them are not always kept as evidence. There is also a need to establish a due process within the Authority for keeping files together for a certain period when the work of assessing students' eligibility for assistance is transferred to Student Finance Wales offices in Llandudno Junction in April 2015.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in Administration of Student Grants and Loans as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **It should be ensured that it is possible to find the list of checks made in case a matter arises in the future where the Welsh Government wants evidence of the checks undertaken.**
- **A full record of the name and date of child care providers contacted should be kept as evidence that checks are made.**
- **Arrangements should be made to transfer all the files in April 2015 to a safe place, preferably to the same place, so that they can be easily accessed.**
- **Consideration should be given to moving the permission to create new users on the system from the Administrative Assistant to the Senior Manager Resource Service.**

GWE Education

Purpose of the Audit

The purpose of the audit is to ensure that proper corporate governance is in place by the Service and that Gwynedd Council as the host authority complies with the requirements.

Scope of the Audit

Examine the following aspects:

- Corporate Governance;
- Financial Management;
- Appropriate DBS arrangements for staff;
- Correct Employment Arrangements exist.

Main Findings

The main finding from the audit is that good Corporate Governance is in place by the Service as well as proper financial management. It is understood that Service policies are currently being reviewed by GwE, Gwynedd Council's Human Resources Department and Unions and a some work remains to be done before the work is completed.

Audit Opinion

(A) The audit opinion is that assurance of financial propriety can be expressed in GwE as the controls in place can be relied upon and have been adhered to. Despite this, the auditor offers the following recommendations:

- **The work of reviewing the policies should continue to ensure that the work is completed as soon as possible.**
- **Invoices should be stamped with the date they are received in the office.**

SCHOOL STATISTICS AND CENSUSES

Education

Purpose of the Audit

The purpose of the audit is to ensure that adequate processes exist for receiving statistics and censuses by schools and that schools present information that is complete, accurate and timely. To ensure that there are adequate arrangements for enrolling new pupils and daily school attendance on the SIMS system, and that adjustments to the budgets of schools following exclusions are undertaken correctly.

Scope of the Audit

To select a sample of schools, checking that instructions have been issued to them on how to gather statistics and calculations, and verify that statistics and censuses presented by the schools are complete, accurate and timely in accordance with the arrangements. Check that there is supporting documentation to justify the statistics and censuses submitted by schools and a reasonable explanation given for any discrepancies. Check that all the arrangements for entering pupils and pupil attendance on the SIMS system exist and that it is being properly followed by our sample of schools. Select a sample of permanent exclusions and check that they have been reported to the Development Finance Unit on a regular basis, with adjustments to the schools' budgets being completed correctly.

A sample of 4 Schools in Gwynedd was selected for audit.

Main Findings

It was seen that the relevant forms and specific arrangements are in place to collect statistics and census figures by schools annually, with guidance distributed to schools to guide them through the process. However, when examining a sample of schools, instances were identified where mistakes have been made by schools with the statistics and census figures presented, with discrepancies appearing between the statistic figures and the pupil register at the school. This lead to incorrect calculations and statistics figures being submitted to the Education Department by the schools. We found that adjustments to the school budgets following exclusions have been calculated correctly. It was also found that some schools in our sample did not have a current registration with the Information Commissioner's Office.

Audit Opinion

(C) The audit opinion is that assurance of financial propriety cannot be expressed in School Statistics and Censuses as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered. The main recommendations of the report are as follows:

- **Schools should be reminded of the importance of presenting accurate figures in their statistics and censuses annually in September, by checking the figures and comparing them with the figures for school attendance register, prior to submission to the Education Department to ensure that the correct figures are presented each time.**
- **Schools should be reminded of the need to notify the Education Department immediately of any discrepancies or errors which are identified on their statistics and census forms, after they are submitted to the Education Department.**

PARTNERSHIP WORKING Corporate

Purpose of the Audit

Ensure that internal controls are in place to mitigate the risks that exist for the Council due to its involvement with the Gwynedd Environmental Partnership, Gwynedd Economic Partnership and Local Housing Partnership.

Scope of the Audit

The internal controls that exist within the three partnerships were checked and evidence was gathered that encompassed the financial periods 2012/13 and 2013/14.

Main Findings

Strong examples of good practice were found within the Gwynedd Environmental Partnership, Gwynedd Economic Partnership and Local Housing Partnership in terms of the rationale for the partnership, the added value provided by the partnerships, governance arrangements, performance management, financial management, risk management, termination arrangements and serving the public.

Audit Opinion

(A) The audit opinion is that assurance of propriety can be expressed in the Gwynedd Environmental Partnership, the Gwynedd Economic Partnership and the Local Housing Partnership as the controls in place can be relied upon and have been adhered to.

VERIFICATION OF PERFORMANCE MEASURES Corporate

Purpose of the Audit

The purpose of the audit was to ensure the accuracy of the performance measures of all Council departments by selecting a sample of measures and checking that working papers and any other relevant evidence exists to support the outcome. In addition, the audit will verify that there is adequate challenge of measures within the department, by the managers who have ownership over the measures and the Performance and Efficiency Improvement Officers, to ensure that the measure is relevant to the purpose of the department, the ambition is realistic, and that the basket of measures reflect a true and fair view of the area.

Scope of the Audit

The scope of the audit was to ensure the accuracy of performance measures all Council departments by selecting a sample from a cross section of the Council's performance measures, i.e. measures at all levels, i.e. Gwynedd Council's Strategic Plan, Tier 1 or Tier 2.

Main Findings

It was discovered during the audit that deficiencies exist in the system for performance measures. Although the value of measures are considered prior to selection, it was observed that not all measures are SMART (Specific, Measurable, Specific, Realistic and Timely). We found that a lot of time and resources are going to collect some data for measures and despite the effort, no benefit resulted to the customer from them.

There was insufficient verification on 'green' measures on the RAG scale, and the owners of measures had not been required to present evidence to the relevant officers in Strategic and Improvement to support their performance.

It was also seen that the details of relevant officers for the purpose of the measure was inconsistent between the record cards and the Ffynnon system.

Audit Opinion

(C) The audit opinion is that assurance of propriety cannot be expressed in the arrangements for the Verification of Performance Measures as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered. The main recommendations of the report are as follows:

- **The resources – whether financial or time resource – taken to produce statistics or data collection should not outweigh any benefit derived from the performance measure.**
- **Each performance measure in should be SMART (Specific, Measurable, Specific, Realistic and Timely).**
- **Consideration should be given to the quality assurance sheets that have been prepared for a series of the Departments' measures.**
- **The details of the relevant officials as well as other details should be up to date and accurate in both sources (Ffynnon and Record Cards).**
- **The value of using record cards in their current form should be considered to avoid duplication of work and to consider developing the Ffynnon system so that all information is collected and recorded only once.**

CONTROL OVER ORDERING AND PAYMENT FOR PROPERTY REPAIRS AND MAINTENANCE

Corporate

Purpose of the Audit

The purpose of the audit was to review the procedures and processes in place within the Property Maintenance Service for ordering and paying for services for responsive work together with the monitoring and control of expenditure.

Scope of the Audit

The review focuses on the processes around ordering and paying for the service of contractors for repairs in Council buildings through the computer system that is in place. Attention was given to the short-term plans of the Maintenance Service in relation to the processing of invoices through the system.

Main Findings

The electronic system that is in place for the production of orders for property repairs by the Maintenance Team has been in use by the Property Service for a considerable period. Recently, the team has been the subject of streamlining review processes with the result that a number of traditional expected controls have been abolished. The relevant principle in the present process is that trust in the staff, and managers have to accept the inherent risks that result from this. At the time of the audit, processes of establishing payments through the system are being tested and the process is expected to be operational by financial year 2014/15.

Some issues arising from the tests of this audit were noted as needing to be addressed by the Maintenance Team. There is a need to continue to transfer paper invoices to the Payments Service because of taxation requirements whilst avoiding a significant delay in the process. There is a need to establish a system of delegating the task of processing invoices in the absence of a member of staff. It is possible to create a payment for an item of work that has already been recorded as being completed and it would be appropriate to prevent this.

There need to be processes within establishments in order to prevent reporting more than once for the same issue to avoid duplicate orders. There is scope to modify slightly the clauses that appear on official orders so that the impact of contractors not acting as expected are made clear.

Audit Opinion

(C) The audit opinion is that assurance of financial propriety cannot be expressed in Control over Ordering and Payment for Property Repairs and Maintenance as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered. The main recommendations of the report are as follows:

- **The records of the three contractors that have been highlighted in this report should be modified within the Tribal K2 system so that the reference is consistent with the references in the main accounting system to ensure that integration is possible between the two systems.**
- **Steps should be taken to ensure that the absence of a member of staff does not result in a delay in the payment of invoices, by ensuring that a system of deputising is in place.**

e-PROCUREMENT SYSTEM Finance

Purpose of the Audit

The purpose of the audit was to review the controls in place for the e-procurement system.

Scope of the Audit

The scope of the audit was to review the measures in place for creating and authorising orders, along with measures for paying invoices related to orders from the e-Procurement system. Attention was also given to the measures in place to promote the system in accordance with procurement agreements.

Main Findings

We found that key controls have been incorporated into the e-Procurement system and proved that they are implemented and effective.

However, it became apparent that one of the settings in place for tolerance value of a commodity or service that is received allow the value of an official order to be raised to an unlimited amount whilst avoiding authorisation steps. It would be appropriate to evaluate the risk in this regard and introducing measures to control or remove it as appropriate.

On the whole, it appears that the e-Procurement system is only used for a small percentage of orders that the Council completes. It is recognised that the Procurement Team and the Project Team for the system is taking steps to try to widen its use. The auditors believe that this action should include a plan and timetable for phasing out the use of the paper-based ordering process.

It was noted that no measures are in place to monitor the use of the e-Procurement system, e.g. acting in accordance with corporate procurement contracts or ensuring that official orders are sent in a timely manner. Due to the relatively low use of e-procurement system, it appears that there is a desire not to criticise users of the system excessively in case that they discouraged from using it.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in the e-Procurement System as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **The orders that are established for specific areas should be monitored in order to ensure implementation of the corporate procurement contracts.**
- **The risk associated with using tolerances for goods received notes (GRN) within the e-Procurement system that allow raising the value of official orders to an unlimited amount without the input of an authorising officer should be evaluated, and consideration given to the introduction of monitoring or revoke the tolerance altogether.**
- **When considering the resource investment that has been put into the incorporation of the e-Procurement system, along with controls that are offered in addition to the paper orders, consideration should be given to substantially phasing out the use of real paper orders within the Council, and demand that orders are completed through the e-Procurement system if there is no valid reason why that cannot be done.**

PAYMENTS SYSTEM - REVIEW OF KEY CONTROLS

Finance

Purpose of the Audit

The Code of Audit Practice of the Auditor General for Wales, April 2010, states that the external auditors, when carrying out their audit of the Council's accounts, will rely where possible on the work of Internal Audit (and others). As a result, the Joint Protocol between External Audit and Internal Audit, approved by the Audit Committee on 17 November 2011, states:

“As part of their key role in reporting upon the adequacy of internal control, and providing a basis for the authority's Annual Governance Statement, which is required to be published with the Council's annual statement of accounts, it is expected that Internal Audit will test key controls of the Council's major financial systems on an annual basis.”

The payments system is considered a "major financial system" in accordance with the Wales Audit Office's definition.

The purpose of the audit was to ensure that appropriate controls are in place for the processing, implementation and reconciliation of payments.

Scope of the Audit

The audit reviewed a sample of payments made to creditors of the Council during 2013/14.

Main Findings

We found that appropriate controls are in place for implementing and processing payments. We found that processes and the use of computer systems are in place to ensure that invoices are processed properly and correct payments are made. In addition it was found that a facility is in use to identify duplicates in invoice details and highlights them for review.

It was found that anti-fraud measures have been incorporated into the payments processes, ensuring that roles are defined, and rights are set based on that by enforcing separation of duties between the person authorising invoices, entering data, overseeing the input, authorising payments, and reconciling balances. It was found that there are appropriate checks when setting up new information about creditors, and appropriate checks on applications to change creditor static data before acting on them to ensure that they are appropriate.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in Payments System - Review of Key Controls as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **The new format for the collection of signatures should be easier to keep up to date. In addition it should be ensured that the new format makes the task of checking signatures less demanding, so that there is less emphasis on checking from the memory of the payments officers.**
- **Accounts with duplicate details should only be created in circumstances where this is absolutely necessary.**
- **Supplier accounts should be checked periodically, and accounts that are not current should be archived / disabled.**

BANK RECONCILIATION - REVIEW OF KEY CONTROLS

Finance

Purpose of the Audit

The Code of Audit Practice of the Auditor General for Wales, April 2010, states that the external auditors, when carrying out their audit of the Council's accounts, will rely where possible on the work of Internal Audit (and others). As a result, the Joint Protocol between External Audit and Internal Audit, approved by the Audit Committee on 17 November 2011, states:

“As part of their key role in reporting upon the adequacy of internal control, and providing a basis for the authority's Annual Governance Statement, which is required to be published with the Council's annual statement of accounts, it is expected that Internal Audit will test key controls of the Council's major financial systems on an annual basis.”

Bank reconciliation is considered a "major financial system" in accordance with the Wales Audit Office's definition, and there is therefore an intention to review this system. The purpose of the audit was to ensure that procedures are in place and documented for bank reconciliations effectively, timely, completely and accurately and ensure that adequate monitoring arrangements are in place.

Scope of the Audit

Review the procedures that are in place for conducting bank reconciliations and ensure that guidance is available to officers. Select a sample of bank reconciliations in 2013/14 and ensure they comply with the procedures. Ensure that bank reconciliations are reviewed and checked regularly.

Main Findings

We found that, overall, strong internal controls exist in the reconciliation process with the second officer checking the reconciliations within the sample selected. However, during the audit the officer who checked the reconciliations within the Central Accounting Unit left their job and it was found that on one occasion the checks have not been conducted, in January 2014. It is essential to ensure that the second officer checks the reconciliation in order to ensure accuracy and mitigate the risk of any errors, which is essential for preparing the Council's accounts. The responsibility of conducting the checks now falls into the scope of duties of the Principal Accountant - Capital and Control.

Audit Opinion

(A) The audit opinion is that assurance of financial propriety can be expressed in Bank Reconciliation - Review of Key Controls as the controls in place can be relied upon and have been adhered to.

GWYNEDD PENSION FUND - REVIEW OF KEY CONTROLS OF THE ADMINISTRATIVE SYSTEMS Finance

Purpose of the Audit

The Code of Audit Practice of the Auditor General for Wales, April 2010, states that the external auditors, when carrying out their audit of the Council's accounts, will rely where possible on the work of Internal Audit (and others). As a result, the Joint Protocol between External Audit and Internal Audit, approved by the Audit Committee on 17 November 2011, states:

“As part of their key role in reporting upon the adequacy of internal control, and providing a basis for the authority's Annual Governance Statement, which is required to be published with the Council's annual statement of accounts, it is expected that Internal Audit will test key controls of the Council's major financial systems on an annual basis.”

Although administration of the Gwynedd Pension Fund relies heavily on the Council's major financial systems, the Fund's administrative systems are themselves considered "major financial systems" in line with the Wales Audit Office definition, and therefore a review of key controls of this system is proposed.

Scope of the Audit

Review procedures that are in place for the administration of the Pension Fund. Select a sample of payments for 2013/14 and ensure they are appropriately released as well as ensuring that they are reviewed and properly signed. A review of the investment element is not intended.

Main Findings

It was found that strong internal controls are in place within the administration of the Pension Fund. However, there is weakness in receiving adequate information from Employers. It was found that the Pension Unit has sought to receive information such as status of participants (i.e. whether members are active or deferred), but employers do not always respond promptly, if at all. The Pensions Unit has received permission to buy a system that can extract information of officer terminations from payroll systems used by the Employer and send it securely to Gwynedd Council's pension unit every month. At the time of the audit two authorities who are members of the Pension Fund had indicated they did not wish to be a part of this project. Failure to receive this information is a weakness in the administration of the Pension Fund, but as there is dependence on other authorities, it is a weakness that is beyond the control of Gwynedd Council's Pensions Unit.

The only weakness was seen otherwise was a lack of a formal arrangement to verify the suspense account, and the wrong boxes are filled on the TR27b form.

Audit Opinion

(A) The audit opinion is that assurance of financial propriety can be expressed in the review of Key Controls of Gwynedd Pension Fund as the controls in place can be relied upon and have been adhered to. However, the following recommendation is suggested:

- **There should be an official procedure for reviewing the suspense account.**

PAYROLL SYSTEM - REVIEW OF KEY CONTROLS

Finance

Purpose of the Audit

The Code of Audit Practice of the Auditor General for Wales, April 2010, states that the external auditors, when carrying out their audit of the Council's accounts, will rely where possible on the work of Internal Audit (and others). As a result, the Joint Protocol between External Audit and Internal Audit, approved by the Audit Committee on 17 November 2011, states:

“As part of their key role in reporting upon the adequacy of internal control, and providing a basis for the authority's Annual Governance Statement, which is required to be published with the Council's annual statement of accounts, it is expected that Internal Audit will test key controls of the Council's major financial systems on an annual basis.”

The payroll system is considered a "major financial system" in accordance with the Wales Audit Office's definition. The audit reviewed a sample of payments made to creditors of the Council during 2013/14.

Scope of the Audit

The review focussed on the controls for maintaining the payroll system for the year 2013/14.

Main Findings

We found that good internal controls are in place in the arrangements for the administration of the payroll. The main weakness observed was that no signature was seen against "Payrun Reports Checked by" section of the "Payroll Checking Document" on three occasions and no signature in the "Journal Checked by" on one occasion. A signature in these sections show that the relevant checks have been completed before releasing the payroll for payment.

In addition to the above, it was found that the Payroll Manual and Service Continuity Plan is outdated and has not been updated for some time. Since then, there have been changes such as a new payment timetable as well as changes in payrolls. Ensuring that these are current would be a way of ensuring that there is no confusion regarding the content.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in the Key Controls of Payroll System as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **The Payroll Manual should be updated.**
- **Appropriate documentation (Payroll Checking Document) should be signed and dated to show that the relevant checks have been completed.**
- **The Unit's Service Continuity Plan should be updated.**

BENEFITS SYSTEM - REVIEW OF KEY CONTROLS

Finance

Purpose of the Audit

The Code of Audit Practice of the Auditor General for Wales, April 2010, states that the external auditors, when carrying out their audit of the Council's accounts, will rely where possible on the work of Internal Audit (and others). As a result, the Joint Protocol between External Audit and Internal Audit, approved by the Audit Committee on 17 November 2011, states:

“As part of their key role in reporting upon the adequacy of internal control, and providing a basis for the authority's Annual Governance Statement, which is required to be published with the Council's annual statement of accounts, it is expected that Internal Audit will test key controls of the Council's major financial systems on an annual basis.

The benefits system is considered a "major financial system" in accordance with the Wales Audit Office's definition.”

The benefits system is considered a "major financial system" in accordance with the Wales Audit Office's definition, and there is therefore an intention to review this system. The purpose of the audit is to ensure that appropriate arrangements are in place for assessing and processing benefit claims, that the system calculates amounts of benefits correctly and that these are paid in a timely manner. Confirm that appropriate reconciliations are carried out, reviewing the performance management arrangements of the unit and verify that adequate data protection arrangements are in place.

Scope of the Audit

Audit a sample of applications for benefit to ensure that appropriate assessments are carried out. Check that reconciliations are maintained and that the benefit payments are calculated and paid in an accurate and timely manner. Assess the performance status of the service in acting on applications and benefit notices benefit and verify that the benefit system is being managed effectively and that all data is properly safeguarded.

Main Findings

It was found that good internal controls exist in the process of administering benefits with applications being assessed and processed correctly. Applications are assessed based on risk according to the Implementation Policy adopted in July 2012. All staff have received training along with guidance on how to act and receive timely updates. A random sample of applications was checked to verify that the calculations are correct, the payments were made in a timely manner, and that extended payments and requests for backdating are in accordance with the regulations. We found some cases where the application should not have been designated as backdated expenditure; however, when considering the bulk of the applications processed by the Unit, the results of the review were encouraging. Also, it was found that the performance of the unit is very good when compared with the Welsh and British averages. It must be emphasized that there is a great deal of pressure on Benefits Unit officers due to changes in legislation and the number of additional applications submitted during 2013-14, but nevertheless with no additional resources, the Unit continues to maintain their performance without compromising on service quality.

Audit Opinion

- (A) The audit opinion is that assurance of financial propriety can be expressed in Benefits System - Review of Key Controls as the controls in place can be relied upon and have been adhered to.**

COUNCIL TAX SYSTEM - REVIEW OF KEY CONTROLS

Finance

Purpose of the Audit

The Code of Audit Practice of the Auditor General for Wales, April 2010, states that the external auditors, when carrying out their audit of the Council's accounts, will rely where possible on the work of Internal Audit (and others). As a result, the Joint Protocol between External Audit and Internal Audit, approved by the Audit Committee on 17 November 2011, states:

“As part of their key role in reporting upon the adequacy of internal control, and providing a basis for the authority's Annual Governance Statement, which is required to be published with the Council's annual statement of accounts, it is expected that Internal Audit will test key controls of the Council's major financial systems on an annual basis.”

The Council Tax system is considered a "major financial system" in accordance with the Wales Audit Office's definition, and there is therefore an intention to review this system. The purpose of the audit was to ensure that the total amount of Council Tax bills have been recorded correctly in the system and are consistent with the amounts approved by Full Council as well as other authorities. Ensure that the total properties in Gwynedd have been properly recorded on the system and are consistent with the reports of the Valuation Office. Confirm that the financial account has been updated appropriately and that appropriate arrangements are in place for council tax debt recovery as well as ensuring that arrangements are in place for monitoring and managing the performance of the Unit.

Scope of the Audit

Review and test that guidelines, records and appropriate procedures are in place for managing, collecting and distributing Council Tax for 2013-14.

Main Findings

We found that procedures and processes are in place for all key controls reviewed for the system of local taxation. We found that appropriate reconciliation is undertaken to ensure the accuracy of the bills that are being created, in terms of quantity and value. The system parameters were checked to the value of the taxes approved by Full Council on 28/2/2013 for each parish, and were found to be correct. It was noted that appropriate processes are in place for sending summonses for timely recovery. It was seen that proper authorisation, in accordance with the Financial Procedure Rules, has been received for the tax debts written off up to the time of the audit. We found that there is daily reconciliation between the system of local taxation and other sources of revenue, along with a weekly reconciliation with Valuation Office data. It was seen that there is monthly monitoring of collection against the target, with officials reporting on a quarterly basis profile, in accordance with the Council's corporate performance monitoring arrangements. It has been agreed with the Council Tax Service that attention will be given to the arrangements in place for monitoring cases of granting exemptions and reductions. In addition it was found that the recovery procedure needs to be revised and approved at the time of writing this report.

Audit Opinion

(A) The audit opinion is that assurance of financial propriety can be expressed in Council Tax System - Review of Key Controls as the controls in place can be relied upon and have been adhered to. Despite this, the auditor offers the following recommendation:

- **The recovery procedure should be approved in order to confirm its status as official documentation.**

NNDR SYSTEM - REVIEW OF KEY CONTROLS (2013-14)

Finance

Purpose of the Audit

The Code of Audit Practice of the Auditor General for Wales, April 2010, states that the external auditors, when carrying out their audit of the Council's accounts, will rely where possible on the work of Internal Audit (and others). As a result, the Joint Protocol between External Audit and Internal Audit, approved by the Audit Committee on 17 November 2011, states:

“As part of their key role in reporting upon the adequacy of internal control, and providing a basis for the authority's Annual Governance Statement, which is required to be published with the Council's annual statement of accounts, it is expected that Internal Audit will test key controls of the Council's major financial systems on an annual basis”.

The National Non-Domestic Rates system is considered a "major financial system" in accordance with the Wales Audit Office's definition, and there is therefore an intention to review this system. The purpose of the audit was to ensure that the NNDR bills have been processed correctly and in accordance with rateable values that are set by the Valuation Office and that there are appropriate processes for collecting, recording and monitoring payments.

Scope of the Audit

To review and test that appropriate guidelines, records and procedures are in place for managing, collecting and recording NNDR in 2013-14.

Main Findings

It was found that strong internal controls are in place in the administration of NNDR. The weakness identified is a lack of official recovery policy. It was found that procedures have been drawn up and a copy of it was received, but it has not been officially adopted. The adoption of a policy or procedures serves to confirm the status of the document as an official one and the need to comply with the content.

Audit Opinion

(A) The audit opinion is that assurance of financial propriety can be expressed in the key controls of the NNDR System for 2013-14 as the controls in place can be relied upon and have been adhered to. Despite this, the auditor offers the following recommendation:

- **The procedures for the recovery of business taxes should be documented in order to confirm its status as an official document.**

ARRANGEMENTS FOR REGISTERING BIRTHS, DEATHS AND MARRIAGES

Democracy and Legal

Purpose of the Audit

The purpose of the audit was to review the arrangements of the Registration Service in relation to receiving, banking and reconciliation of income as well as the arrangements of the Contact Centre and Siopau Gwynedd for scheduling appointments and accepting debit and credit card payments. Verify that appropriate controls exist over the use of imprest accounts and that there are adequate trail for any refunds made. In addition, we reviewed the security arrangements of the registrars and in particular the management of certificates in hand and certificates that have been destroyed.

Scope of the Audit

The arrangements which have now been adopted by the Registration Service were reviewed as well as verifying that appropriate arrangements are in place in the Contact Centre and Siopau Gwynedd. Check the Registrars' cashbooks and financial transactions reports of the Contact Centre, the quarterly reports and ensure that the income is reconciled regularly and appear correctly in the financial ledger. Review repayments made and verify that sufficient evidence exists and that the use of the imprest accounts is appropriate.

Main Findings

During the audit, it was discovered that the registrars continue to use cash books despite expressing some years ago that there are plans to move to an electronic system. It is regretful to see that no development has been made in this area and many of the of control weaknesses of the Registration Service, especially in terms of reconciliation of Contact Centre income, is the absence of an adequate operating system that is able to cope with the various elements.

Audit Opinion

(C) The audit opinion is that assurance of financial propriety cannot be expressed in Arrangements for Registering Births, Deaths and Marriages as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered. The main recommendations of the report are as follows:

- **Any guidelines / policies in place by the registration service should be circulated within the service.**
- **Consideration should be given to applying to establishing an arrangement to replace the cash books such as spreadsheets or an appropriate solution within the Siebel system.**
- **Every effort should be made to ensure that the income is paid in immediately.**
- **A process should be established to present quarterly reports, with a specific timetable to all Registrars to follow so that there is no misunderstanding.**
- **Guidance should be provided to registrars about how long they should keep spoilt certificates.**
- **A request should be made immediately for a solution within Siebel system.**

WALES RURAL DEVELOPMENT PLAN PROJECTS Economy and Community

Purpose of the Audit

Ensure that appropriate internal controls are in place by the Council for the management and administration of the Rural Development Plan projects in Gwynedd in accordance with the terms of the scheme, and that these controls are adequate for the requirements of the funding body.

Scope of the Audit

Check that there is a clear and agreed vision for the scheme between the funding body, the Council administering and managing projects on behalf of the Gwynedd Economic Partnership, and any third parties appointed to complete work on grant projects. Check that definite arrangements have been set up for participants to apply for grant funding. In addition, check that unambiguous arrangements have been established to assess and provide grant funding to participants, checking that participants are made to account for grant terms and conditions. Verify that adequate arrangements are in place to monitor performance of participants; with evidence being sufficient to justify issuing payments received grant money to participants. Check that the RDP projects perform to what is expected and agreed with the funding body, checking that the Gwynedd Economic Partnership meets regularly to review and challenge the performance of the Scheme. Verify that the Council complies with the relevant terms and conditions of the grant as well as the requirements of the Data Protection Act.

Main Findings

It was seen that the terms and conditions of the grant, with the outputs of individual projects of the RDP, have been agreed between the Council and the funding body. We found that standard procedures are in place for the projects so that participants can apply for grant funding and support, to assess participants' requests for support and grant money and choose which participants receive assistance. In addition, we found that participants are made to account for the grant money. It was seen that the Council complies with grant terms and conditions and that the role and duties of third parties in respect of the grant is agreed. However, it was found that some of the grant's outputs performance measures figures have been calculating incorrectly and contrary to the guidelines. In addition, we found that some scheme documents are not held securely in accordance with the requirements of the Data Protection Act.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in Wales Rural Development Plan Projects as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **The RDP Communications Team at the Welsh Government should be contacted in advance each time, before proceeding with any Rural Development Plan publicity event in Gwynedd.**
- **Consideration should be given to seeking more resources at the offices of the Economy and Community Department to keep personal / confidential files and documents locked, with access limited to only the relevant officials.**

"OUR HERITAGE" PROJECT

Economy and Community

Purpose of the Audit

Ensure that appropriate internal controls are in place by the Council in its lead role in projects in the 'Our Heritage' scheme in North West Wales, and that the controls are adequate for the requirements of the funding body.

Scope of the Audit

Check that there is a clear and agreed vision for the scheme between the funding body, the Council that leads the scheme, and with partnerships that implement projects within the scheme on grant terms and conditions as well as the objectives and costs of projects. Check that the Council has adequate arrangements for monitoring progress and project expenditure as its role as lead authority, and that the project Management Board has been established and meets regularly to manage the plan and resolve issues that have arisen. Check that the Council reports on the progress of the plan in a timely and accurate manner and in accordance with the terms and conditions of the grant funding body, completes grant claims to reclaim money accurately, timely and in accordance with the terms and conditions, with adequate supporting documentation existing to support the claims. Check that any third parties involved in the scheme have been appointed by complying with the relevant procurement rules as well as terms and conditions of the grant, and that third parties are paid as agreed. Check that the Council's arrangements are adequate, and that the Council complies with grant terms and conditions as well as the Data Protection Act.

Main Findings

It was seen that signed agreements are in place between the Council and the funding body, with terms and conditions in place for "Our Heritage" schemes. In addition, it was found that a signed agreement has been established between the Council leading on the scheme, and partners in the scheme. It was seen that the Council complies with grant terms and conditions and that adequate arrangements are in place to monitor progress and expenditure plan projects. However, it was found that some parts of the applications for claiming the grant have not been completed. In addition, the Council does not check annually that the partners comply with the insurance requirements of the scheme.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in the "Our Heritage" Project as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **The "Match Funding" table of the Our Heritage scheme grant claim form should be updated for each quarterly grant claim from now on.**
- **A test of receiving and verifying copies of insurance policies of current partner should be added when visits are made to scheme partners and projects, checking that partners have current and adequate insurance for scheme risks.**

EMERGENCY PLANNING AND BUSINESS CONTINUITY

Customer Care

Purpose of the Audit

The purpose of the audit was to ensure that the Council's Emergency Planning Service has established an appropriate emergency plan that meets the Civil Contingencies Act 2004.

Scope of the Audit

The policies and procedures of the Council's Emergency Planning Service for acting in a crisis were reviewed along with departmental Continuity Service Plans.

Main Findings

Arrangements are already underway to establish a regional service to support Emergency Planning with Flintshire County Council responsible for maintaining the service. However, a presence will remain within Gwynedd Council with responsibility for engaging with Council managers, staff and members and for identifying risks specifically local to Gwynedd, and developing local plans for continuity of service, remaining with this Council. We found that robust procedures are in place with several exercises having been conducted over the last two years as well as training provided for officers. The main weaknesses found during the audit was the lack of a Local Risk Register for Gwynedd; major plans such as the Major Emergency Response Plan, the Major Emergency Communications Plan and the Recovery Plan need to be updated in light of changes in the management structure of the Council, and it has been shown that not all Departments maintain their current Service Continuity Plans nor submit them to emergency planners as they should.

Audit Opinion

(B) The audit opinion is that partial assurance of propriety can be expressed in Emergency Planning and Business Continuity arrangements as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **Heads should ensure ownership of service continuity plans by ensuring that their managers present their plans to the attention of the Emergency Planning Unit in a timely manner and ensure that the plans are kept up to date.**
- **Consideration should be given to inviting local businesses to discussions on promoting business continuity.**
- **The Service's main suppliers along with their telephone numbers should be included in the Service Continuity Plan and the information checked regularly.**
- **Full and current details of any specialist equipment needed should be recorded in the relevant service continuity plans.**
- **Consideration should be given to including details regarding of the location of equipment which is needed in an emergency in the service continuity plans of the departments / services.**
- **Plans should be made to ensure that briefing documents are produced which include pictures and large print or are produced in Braille.**

SOCIAL SERVICES - SECURITY OF FILES AND DATA

Social Services, Housing and Leisure

Purpose of the Audit

Following an audit of the security of files and information in paper files in 2011/12, the purpose of this audit is to review the security of files and information in electronic form.

Scope of the Audit

Audit the practice of keeping confidential and personal information. Check that Social Services comply with the Data Protection Act. Investigate where the Department's records, files and information are kept, what access officers have to the files and what arrangement exist for the transportation of work from the office.

Main Findings

Overall, strong examples were seen of good practice in the security of the administration of electronic files and information in Social Services. Strong arrangements were seen for providing training for staff with regards to data security, unique references for files that an emergency plan is in place to manage the impact of any unforeseen event. However, there are some issues that need further attention which is the approval of Service guidance to comply with the Data Protection Act 1998, an agreement on the consistency in using the "L drive", "K drive" and "X drive" and raising staff awareness to how long information should be kept electronically and on paper. The arrangements where documents are sent to outside authorities should be reviewed and ensure that the documents are protected with a password on every occasion that this happens.

Audit Opinion

(B) The audit opinion is that partial assurance of propriety can be expressed in Social Services - Security of Files and Data as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **The guidance that is in draft should be formally approved and published for all staff of the Service to adopt.**
- **Agreement should be reached on the use of the "L", "X" and "K" drives to reduce the risk of lack of control over retention of personal data.**
- **Progress should be made with achieving the aims of the Service to go paper-free to reduce the risk of incorrect decisions being made because the information is not current.**
- **Staff awareness should be raised of how long information needs to be retained electronically. After raising awareness it is necessary to ensure that the files / data that are not current are destroyed.**
- **A current retention policy should be in place so that officers can implement it.**
- **Sensitive documents that are sent to outside authorities should be protected with a password each case.**

YOUTH JUSTICE SERVICE

Social Services, Housing and Leisure

Purpose of the Audit

Ensure that appropriate internal controls are in place in the administration of the plan and grant the Youth Justice Service.

Scope of the Audit

The audit covers verification arrangements and ensuring that the Youth Justice Service has robust controls in place to coincide with the terms and conditions of the Youth Justice Service grant.

Main Findings

It was seen that there are examples of good practice of control within the Youth Justice Service. However, there are some issues that need further attention, e.g. creation of a register of assets over £1,000 in accordance with the terms and conditions of Good Practice Grant. The service should also consider creating guidelines or policies to ensure the attainment of value for money in implementing grant outputs.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in the Youth Justice Service as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **The creation of guidelines or policies for the implementation of value for money in accordance with point 4 in the Terms and Conditions of the Youth Justice Service Good Practice Grant should be considered.**
- **An inventory should be kept to ensure that a record is available for insurance. In accordance with the terms and conditions of Good Practice Grant for 2013/14, point 13, "Purchase of equipment" this list should be sent to the Youth Justice Board.**
- **Any agreement between the Council and a 3rd party should be sufficient to protect the Council if a dispute arises, by asking the Legal Unit for its opinion.**

OVERNIGHT ARRANGEMENTS AT COUNCIL HOMES

Social Services, Housing and Leisure

Purpose of the Audit

The purpose of the audit is to ensure that overnight arrangements in Council homes meet the needs of clients, comply with statutory requirements and that the health and safety of night staff when carry out their duties is to an acceptable standard.

Scope of the Audit

Audit the arrangements for the night care of clients, arrangements for carrying out night duties and staff awareness of their duties.

Main Findings

Examples of good practice were found within some areas of night staff arrangements in Council Homes, e.g. Night staff schedules. However, it seems that a more robust staff monitoring is needed and clear guidelines provided for them. Because of this, appropriate measures should be taken to strengthen the arrangements within the area examined.

Audit Opinion

(C) The audit opinion is that assurance of propriety cannot be expressed in Overnight Arrangements at Council Homes as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered. The main recommendations of the report are as follows:

- **Dedicated guidelines should be produced and approved for night staff in the homes to ensure consistency across the Council.**
- **Consideration should be given to having formal arrangements for training night staff to update their qualifications i.e. that training is conducted at a particular time of the year where night staff of all homes can attend.**
- **The duties of night staff should be noted down formally and a record should be kept that they have been completed each night.**
- **There should be arrangements to record or sign that Managers check that the daily work and duties are completed in full.**
- **There should be clear guidelines in place noting how often residents should be checked during the night so that there is consistency across the Homes.**
- **There should be a formal checklist in place for the residents in the Homes that ensure that they are checked regularly during the night. This list should be reviewed by the Home Manager.**
- **There is a need to ensure that there are robust arrangements regarding the transfer of any necessary information to the day staff. There should be a transfer sheet in place for every home to have consistency.**
- **There should be clear evidence to support that Managers monitor night staff e.g. record or sheets kept when they visit staff unexpectedly, noting what is being monitored.**

COMMUNITY GANGS Highways and Municipal

Purpose of the Audit

The purpose of the audit was to ensure that appropriate internal controls are attached to the arrangements for managing the work of the Community Gangs.

Scope of the Audit

The audit encompassed the planning and monitoring arrangements covering the work programmes of the Community Gangs, as well as ensuring that appropriate controls are attached to the system of ordering and paying for goods and administering employee time sheets.

Main Findings

The main findings arising from the audit is the assurance that the arrangements for managing the work of the Community Gangs are appropriate and suitable to the nature and objectives of the work. We found that in each area a programme is designed for timely visits by the gangs to communities and a further work list is drawn up for each visit, but it was found that the procedure is slightly different for the different gangs and there is no standardised and consistent forms in use between the gangs. We found that the procedure of ordering and paying for goods is generally appropriate, but there are aspects that can be improved on some arrangements.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in Community Gangs as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **Timesheets should be certified for payment by budget managers.**
- **When paying for taxable goods, the invoice received should be a VAT invoice.**

PAYMENTS TO TAXI FIRMS

Regulatory

Purpose of the Audit

The purpose of the audit is to ensure that specific internal controls exist in the administration of payments to taxi companies.

Scope of the Audit

Check the administration of different types of contracts for payments relating to taxi companies and ensure compliance with policy and contract terms.

Main Findings

Overall, strong examples were seen of good practice in the administration of payments to taxi companies and parents. Strong arrangements were seen regarding certification of claims, processing applications on CI forms (monthly claims for payment for Transportation School) and a monitoring system is in place. However, there are some issues that need further attention such as challenging information on the CI forms, robust evidence to comply with the Contract Procedure Rules, and arrangements to deal with late applications. Because of this, appropriate measures should be taken to strengthen the arrangements within the area examined.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in Payments to Taxi Firms as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **There is a need to ensure that the specification in the tender process is as detailed as possible to try to minimise the variations through C3 forms following the award of the contract.**
- **To strengthen the internal controls of all contracts worth less than £50,000 it is necessary to comply with point 27.2 of the Contract Procedure Rules which state that "Contracts under £50,000 in value must be made using:-(i) a purchase order generated by Council electronic purchasing system, or (ii) be on an official order form produced by the Council, or (iii) a written Contract"**
- **There should be a robust system for challenging the information on the monthly applications that are received from the taxi companies and parents to ensure that the information submitted is correct.**
- **Consideration should be given to having robust arrangements in place for dealing with late applications from parents and taxi companies.**

TRADING STANDARDS Regulatory

Purpose of the Audit

The purpose of the audit was to ensure that appropriate internal controls are attached to the inspection programme and administrative arrangements of the Trading Standards Service.

Scope of the Audit

The audit encompasses checking the procedure of establishing and completing the inspection audit programme as well as checking the administrative arrangements of the Trading Standards Service.

Main Findings

The main finding arising from the audit is that assurance can be provided that the Trading Standards arrangements for the inspection of business are adequate. However, the reduction in resources and the gradual movement towards 'intelligence led enforcement' will lead to less proactive work, which is not only an opportunity to carry out certain checks but also an opportunity for a collaborative relationship between the business and Trading Standards officers, where its absence may increase the risk of businesses operating in breach of the expected standards.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in Trading Standards as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **Trading Standards should investigate to see how other services within the Council e.g. taxation, identify all businesses in Gwynedd and if it is possible to share this information with them.**
- **Money spent through the imprest account should be claimed on a monthly basis or when 2/3 of the level of imprest has been spent, which ensures sufficient cash while the application for a refund is being processed.**
- **The VAT element should be noted on imprest applications if taxable goods have been bought and a valid receipt is received.**
- **The Public Protection Enforcement Policy 2011 should be re-visited in order to correct the errors in the content.**
- **The usefulness of the telephone numbers provided on the Council's website should be considered, and adding the phone number of the 'Citizens Advice Bureau' as well should be considered.**
- **Efforts should continue to identify opportunities to achieve savings but keeping the internal controls.**

ENFORCEMENT AND TRANSPORT Regulatory

Purpose of the Audit

Audit the work processes of the Street Care function within Enforcement and Transport to ensure a robust system for payments and officer duties.

Scope of the Audit

Audit the department's invoices and income and ensure that they follow the New Road and Street Works Act 1991 guidelines for the cost of services. Audit officers' work processes, and audit that they carry out their duties.

Main Findings

Examples of good practice were found to exist in some of the Unit's arrangements. However, it seems that there are examples of acting contrary to the Council's administrative procedures and the New Road and Street Works Act 1991. This is seen in the invoicing procedures for sample audits. We found additional weaknesses in the arrangements for monitoring the workflow of officers and in the lack a retention policy in the Unit.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in Enforcement and Transport as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **All requests for an invoice should be been certified by an authorised officer.**
- **The act expresses the need for quarterly invoicing for sample checks and on a monthly basis for all other services. Invoices should be raised in accordance with the guidelines of the law to ensure that the Council receives the money in a timely manner.**
- **It should be checked that the fixed penalty notices are created by qualified officers and a monitoring system for the authority of the officers should be created.**
- **Consideration should be given to retaining the payment for a licence that is refused towards the administrative costs of the Council as the same work is done to assess it.**
- **The information inputted into the staff diary system should be checked to ensure that they are accurate and to ensure that the officers complete their duties. A full record of checks should be kept to ensure that a fair cross section of the diaries are checked.**
- **The entries in the two systems should reconcile, that annual leave is recorded against the correct date and that the hours are as close and possible for the staff diaries by recording to the nearest quarter hour.**
- **An information retention policy should be created in accordance with legislation in order to reconcile and confirm the department's information retention procedures.**

MEMBER TRAINING

Strategic and Improvement

Purpose of the Audit

The purpose of the audit is to ensure that the Strategic and Improvement Department and the Learning and Development Unit have established appropriate arrangements for the training and development of members of the Council.

Scope of the Audit

Audit the member development and training arrangements to ensure that appropriate quality of service is being practised, in response to the needs of the members and in accordance with the requirements of the Local Government (Wales) Measure 2011.

Main Findings

It was found that good internal controls are in place in the arrangements for Member training with arrangements in hand to set up a process to hold Personal Requirement Reviews. Following this, brief introductions have been made in the area forums to inform Members of availability and to explain the context and opportunities in respect of them. However, at the time of the audit, no Members has responded to the offer made through the Rheadr electronic bulletin to express an interest in receiving a review. The Statutory Guidance made under the Local Government Measure 2011 states that the reviews are a chance to look at the training and development that the member has received during the year. This can be ideal when looking at the needs of individual Members which will then contribute to a relevant learning and training program.

In addition to this, there was no reference in the Governance Compliance Statement in Gwynedd Pension Fund's Annual Report to the training received by specific Members.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in Member Training as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **Arrangements for locating training should make the most efficient use of Council resources including considerations for travel costs and officer time.**
- **The Governance Compliance Statement in the Gwynedd Pension Fund Annual Report should contain information on the training that the specific members have received.**

PROJECT MANAGEMENT ARRANGEMENTS

Strategic and Improvement

Purpose of the Audit

The purpose of the audit was to ensure that the Council's projects are managed in accordance with Gwynedd Council's Project Management System which is based on the principles of PRINCE2 methodology (Projects IN a Controlled Environment 2) along with checking that Project Board members provide strong leadership for the project at every stage.

Scope of the Audit

A cross-section of projects, including projects managed by project managers outside the pool of project managers, was selected to verify that robust processes and procedures are in place for projects and the necessary documentation is provided throughout the "life" of the project. Project documentation was reviewed to ensure that the beginning, middle and closing elements of the project are carefully managed and that the Project Board regularly reviews the progress of the project and provides strong leadership to the project.

Main Findings

Projects were selected for this audit that were managed by a central pool of project managers as well as project managers who are employed within the relevant department. It was found that the project documentation is completed in accordance with Gwynedd Council's Project Management Handbook. It was found that the documentation on the whole is prepared to a high standard and that the project plans prepared are comprehensive.

The Project Management Handbook is in the process of being updated to include arrangements for managing change. It is welcomed that this is being addressed but it was also seen that the draft version defines projects as being small, medium and large and offers the option for project managers to prepare documentation or not for medium and small projects. In the opinion of the auditor, this is a diversion from the core principles of project management - if project documentation is not required, it cannot be described as a project. It is essential that the term "project" is not used for day to day activities.

Some of the projects selected in were projects and encompassed members of other authorities or organisations. It was also found that the scope of one the projects is enormous - in the opinion of the auditor, it is felt that this project should be broken down into smaller projects to make it easier to manage and also for the production and delivery of outcomes.

In general, it was found that the project managers who are located within the relevant department receive much more support by the project leader and project board than project managers from the pool. It was found that senior managers / head of departments were leaders on several projects and this may lead to a lot of pressure and the failure to achieve everything as desired.

Audit Opinion

(B) The audit opinion is that partial assurance of financial propriety can be expressed in Project Management Arrangements as controls are in place, but there are aspects where some procedures can be strengthened. The main recommendations of the report are as follows:

- **Detailed consideration should be given to the definition of a project – it is recognised that the size of the projects vary considerably, but whatever the size of the project, there should be a definite and clear structure for its management. It is essential to remember that a higher element of risk in relation to projects justifies the need for robust arrangements.**

OVERTIME CLAIMS PROCEDURES

Cross-departmental

Purpose of the Audit

The purpose of the audit was to ensure that robust management arrangements are in place to ensure that overtime payments are authorised and certified by an authorised officer, that they are reasonable and that there are appropriate arrangements for processing overtime timesheets and check as far as possible that there is effective and appropriate use of human resources, together with comparing actual overtime expenditure with the budget.

Scope of the Audit

The audit encompasses checking a sample of overtime timesheets paid in the financial year 2012-13. The sample was selected randomly based on the extraction of financial transactions from the ledger where the expenditure had been coded to account code of "0149" and for the workers paid on payroll B00001 only. The audit did not include a review of overtime payments on other payrolls.

Main Findings

It was found that the majority of overtime worked is planned in advance and that the circumstances have been considered carefully, exploring other possibilities before plans for overtime are authorised. Due to the nature of some services, it is inevitable that unplanned overtime occurs when an emergency arises. We found that each service selected for the audit uses an appropriate form for recording overtime, although there is difference in the form and format of the forms used.

Evidence was found of good processes to confirm the appropriateness of claims, including checks of cross referencing together with good practice for numerical checks by a number of services. However, it was found that this was not consistent across the Council and there have been instances where no checks are carried out at all on the claims submitted.

Audit Opinion

(C) The audit opinion is that assurance of financial propriety cannot be expressed in overtime claims procedures as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered. The main recommendations of the report are as follows:

- **Applications should be authorised and certified, ensuring segregation of duties. In addition, services should ensure that requests for overtime are certified for payment by an officer who has responsibility for the budget or that the power has been delegated to them by the budget holder.**
- **Managers should ensure that officers are aware of the timetable for submitting claims for payment of overtime, and overtime applications should be submitted in a timely manner.**
- **Services should ensure that wage budget is monitored regularly to identify any overspend on overtime.**

GWYNEDD COUNCIL

COMMITTEE	AUDIT COMMITTEE
DATE	6 MAY 2014
TITLE	HEAD OF INTERNAL AUDIT ANNUAL REPORT 2013/14
PURPOSE OF REPORT	TO EXPRESS INTERNAL AUDIT'S OPINION ON THE OVERALL CONTROL ENVIRONMENT WITHIN THE AUTHORITY
AUTHOR	DEWI MORGAN, SENIOR MANAGER AUDIT AND RISK
ACTION	TO RECEIVE THE REPORT

1. INTRODUCTION

- 1.1 As the "Head of Internal Audit" of Gwynedd Council pursuant to the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom, I am required to provide the authority with assurance on the whole system of internal control of the Authority. In giving my opinion it should be noted that assurance can never be absolute. The most that the internal audit service can provide to the governing body is a reasonable assurance that there are no major weaknesses in the whole system of internal control.
- 1.2 In assessing the level of assurance to be given, I have taken into account all audits relevant to 2013/14 and any follow-up action taken in respect of audits from this and previous periods.

2. OVERALL ASSURANCE

- 2.1 **On the basis of Internal Audit work completed during 2013/14, in my opinion Gwynedd Council has a sound framework of control to manage risks. This assists in providing assurance in the arrangements for ensuring effective and efficient achievement of the Council's objectives, as the steps taken by the Council during the accounting period to establish and strengthen internal controls and to ensure that recommendations to remedy weaknesses identified by the Internal Audit service have, overall, been satisfactory.**

2.2 Considerations

In giving my opinion on the adequacy of the internal control systems, I have taken into consideration:

- Overall, good internal control was found within each of the Council's individual services.
- All Council departments have made good progress during 2013/14 in developing their risk assessment arrangements.
- Where significant control weaknesses were found, these matters were resolved by the Council's officers, or otherwise were considered by the Audit Committee.
- No reliance has been placed on any work by external assurance bodies when formulating the opinion in this report.

3. AUDIT WORK

Audit Plan

- 3.1 A total of 105 assignments were contained in the final revised audit plan for 2013/14. Of these, 99 were completed by 31 March 2014, which represents **94.29%** of the plan. For the purposes of this indicator, an assignment is counted as being completed when the final report/memorandum has been released or, if there is no report/memorandum, the assignment has been closed and no further time is expected to be spent on it.
- 3.2 This performance compares with the 2012/13 performance of 95.00%, against a target of 95%.
- 3.3 The audits from the 2013/14 plan that were not finalised before 31 March 2014 were:
- **Health Improvement Strategic Project.** Because of the need to prioritise other work, this audit was not started during the year. After considering the risks when preparing the 2014/15 audit plan, the audit has not been rolled over to the new year.
 - **Third Sector - Grants, Commissioning and Contracts.** Because of the need to prioritise other work, this audit was not started during the year. After considering the risks when preparing the 2014/15 audit plan, the audit has not been rolled over to the new year.
 - **Telecare.** Because of the need to prioritise other work, this audit was not started during the year. The audit will be undertaken during 2014/15.
 - **Follow-up to Reviews on Gwynedd Consultancy.** The field work was underway on 31 March. The audit has been rolled over to the 2014/15 plan.
 - **Leasing Arrangements in Schools.** The draft report had been released by 31 March. The final report will be released during the first quarter of 2014/15.
 - **Procurement Strategy.** The audit has slipped to 2014/15. This will allow further work to be done on the Procurement Strategy before the input of Internal Audit.
- 3.4 The audits from the 2013/14 plan that have contributed to the opinion contained in this annual report are listed in Appendix 1
- 3.5 Where relevant, internal audit reports are categorised to give an overall audit opinion of the control environment for that particular system or establishment:

Opinion "A"	Assurance of financial propriety can be expressed as the controls in place can be relied upon and have been adhered to.
Opinion "B"	Controls are in place, and partial assurance of financial propriety can be expressed as there are aspects where some procedures can be strengthened.
Opinion "C"	Assurance of financial propriety cannot be expressed as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered.

Opinion “CH” Assurance of financial propriety cannot be expressed as acceptable internal controls are not in place; losses / fraud resulting from these weaknesses were discovered.

3.6 All recommendations that were presented were done so in order to strengthen internal controls that mitigate operational risks, and to establish best practice.

3.7 Of the 99 completed assignments in the 2013/14 audit plan, the following opinion categories were expressed:

Opinion Category	Number of Audits
A	16
B	45
C	22
CH	0
No Category	16
Total	99

3.8 Of the reports relating to the 2013/14 plan that were given an ‘A’ to ‘CH’ opinion category, 73.5% obtained an ‘A’ or ‘B’ opinion, which is lower than the equivalent figure of 82.9% in 2012/13.

3.9 No audit received an ‘CH’ opinion.

3.10 The executive summaries of full reports are presented to the Audit Committee after the final report has been agreed with the client and issued. Where a memorandum is issued rather than a full report, and where there is no opinion category, the Audit Committee is presented with a summary of the findings of the relevant audits where appropriate.

3.11 The table below shows which meeting of the Audit Committee has received the details of audits from the 2013/14 plan. The dates of the relevant meetings of the Audit Committee are also shown in Appendix 1.

Date of release of Final Report or Memorandum	Date of Report to the Audit Committee
1 April 2013 – 30 June 2013	18 July 2013
1 July 2013 – 31 August 2013	26 September 2013
1 September 2013 – 31 October 2013	3 December 2013
1 November 2013 – 31 January 2014	20 February 2014
1 February 2014 – 31 March 2014	6 May 2014

Revisions to the Plan

- 3.12 Revisions to the audit plan were reported regularly to the Audit Committee during the year.

Follow-up Work

- 3.13 A final memorandum was issued for 10 follow-up audits between 1 April 2013 and 31 March 2014. One of these audits was given an “Unsatisfactory” opinion and one other and “Unacceptable” opinion. The others were given an “Acceptable” or “Excellent” opinion. This suggests that robust arrangements are in place within the authority to implement audit recommendations in order to strengthen internal controls and manage risk.

Control Improvement Working Group

- 3.14 An important step forward during 2013/14 in strengthening the Council’s arrangements for responding to Internal Audit reports was the introduction of the Control Improvement Working Group. The Working Group consists of the Chair and Vice Chair of the Committee and three other members (chosen by rotation) that meets between Audit Committee meeting and discusses issues of control weaknesses that have arisen at the Committee meeting, in order to give them attention to greater depth. Every report that has been given a ‘C’ or ‘CH’ opinion receives attention there, with officers being invited to attend to explain the control weakness and, primarily, to explain the steps that have been taken to improve the situation.
- 3.15 In addition to the matters that arose from the audit reports, the Working Group gave attention to an area where the Head of Finance’s quarterly budget report had forecast a substantial overspend.
- 3.16 There was also an opportunity for the Working Group to contribute to the Council’s response to a consultation by the Auditor General for Wales.

4. INTERNAL AUDIT RESOURCES

Staffing and qualifications

- 4.1 During 2013/14, the Senior Manager Audit & Risk and two team leaders had a full CIPFA qualification, and the Senior Auditor (IT) had an ISACA computer audit qualification.

Utilisation of staff resources

- 4.2 Appendix 2 contains an analysis of the use made of the time of Internal Audit officers during the period between 1 April 2013 and 31 March 2014. The Committee's attention is drawn to the following:

- The table demonstrates an increase in the number of productive days available to provide audits for Gwynedd Council, from **1,571** days between 1 April 2012 and 31 March 2013 to **1,706** days for the same period in 2013/14, an increase of 135 days. The main reason for this was fewer vacant posts, for shorter periods, in 2013/14.
- There was an increase in the number of days that had to be used to complete special investigations or responsive audits, from **39** in 2012/13 to **56** in 2013/14.
- There has been an increase in the number of days used to supply audits to our external customers from **137** in 2012/13 to **163** in 2013/14. The number of days is not expected to be as high during 2014/15.
- In terms of professional training, one Auditor was studying for the ACCA qualification.
- There was a decrease in the number of days lost due to illness, from **55** in 2012/13 to **29** in 2013/14. This figure is notably low; so low in fact that it will be difficult to achieve this figure every year.
- During 2013/14, **23** days were used on the Internal Audit Information Management Exercise. This is a substantial project within the unit to review, strengthen and implement its information retention policy, in order to ensure the efficiency of the information this is kept, as well as strengthening the controls in place to ensure compliance with data protection legislation.

5. AUDIT PERFORMANCE

5.1 The results of the internal audit service's performance measures in 2013/14 were as follows:

Description	2012/13 Performance	2013/14 Ambition	2013/14 Results
% of the audits in the Audit Plan that are ready to be presented to the Audit Committee because they have either been closed or the final report has been issued	95%	95%	94.29%
% productive days to actual available (excluding holidays)	70.9%	74.3%	74.81%
Number of Audit Standards with full compliance according to the Wales Audit Office annual review	10	10	10
Number of audit days provided for Gwynedd Council	1,571	1,650	1,707
Number of audit days provided for external customers	137	80	163
% of Internal Audits with a "B" opinion or better (corporate indicator)	82.9%	70%	75.0% ¹
% of Internal Audit follow-up reports with an "Acceptable" opinion or better (corporate indicator)	88.9%	90%	80.0%

5.2 All targets were met, apart from:

% of the audits in the Audit Plan that has either been closed or the final report has been issued. At the end of the year the performance was only slightly of the target (6 out of 105 audits had been completed), despite the hard and conscientious efforts of Internal Audit staff.

% of Internal Audit follow-up reports with an "Acceptable" opinion or better (corporate indicator). This is a corporate measure, but the response of some services to the audits were disappointing, and there are arrangements to deal with this through the Audit Committee and the Control Improvement Working Group. Despite this, 4 out of every 5 had acted as expected.

¹ This measures the opinion of final reports released between 1/4/2013 and 31/3/2014, including some from the 2012/13 plan as well as 2013/14. This is the reason for the discrepancy between this result and the figure reported in paragraph 3.8, which only reports on the work of the 2013/14 plan.

6. COMPLIANCE WITH THE CODE OF PRACTICE

- 6.1 Up to and including their 2013 review, the Wales Audit Office measured Internal Audit against the requirements of the 2006 CIPFA Code of Practice for Internal Audit. The Wales Audit Office reported in July 2013 that Gwynedd Council has an effective Internal Audit Service that complies in most respects with the standards of the Code of Practice.
- 6.2 The Public Sector Internal Audit Standards came into force on 1 April 2013, replacing the Code of Practice for Internal Audit in Local Government in the United Kingdom.
- 6.3 The external auditor's report noted that Internal Audit has met the following standards:
- Scope of Internal Audit
 - Ethics for internal auditors
 - Audit Committee
 - Relationships
 - Staffing, training and continuing professional development
 - Audit strategy and planning
 - Undertaking audit work
 - Due professional care
 - Reporting
 - Performance quality and effectiveness

It was reported that Internal Audit only partly met the Independence standard, due to other responsibilities of the Senior Manager Audit and Risk in addition to Internal Audit. This is a matter that has now been reported to and noted by the Audit Committee for several years.

- 6.4 The report did not contain recommendations.

7. WORK PLANS AND TARGETS 2014/15

7.1 A draft internal audit plan for 2014/15 was presented to the Audit Committee in its meeting on 20 February 2014. The latest plan is included in Appendix 3.

7.3 Internal Audit's performance measures for 2014/15 are:

Description	2014/15 Ambition
% of the audits in the Audit Plan that are ready to be presented to the Audit Committee because they have either been closed or the final report has been issued	95%
Number of Audit Standards with full compliance according to the Wales Audit Office annual review	10
Number of audit days provided for Gwynedd Council	1,506
Number of audit days provided for external customers	50
% of Internal Audits with a "B" opinion or better (corporate indicator)	70%
% of Internal Audit follow-up reports with an "Acceptable" opinion or better (corporate indicator)	90%

8. RECOMMENDATION

8.1 The Committee is asked to accept this report as the formal annual report of the Senior Manager Audit & Risk pursuant to the Public Sector Internal Audit Standards for the financial year 2013/14.



Internal Audit Plan 2013/14

Audit Name	Opinion Category	Date Presented to Audit Committee
CORPORATE		
Control over Ordering and Payment for Property Repairs and Maintenance	C	6 May 2014
Health and Safety Risk Assessments	C	26 September 2013
Partnership Working	A	6 May 2014
Corporate Complaints Procedure	C	3 December 2013
Contribution to preparation of the Annual Governance Statements	No Category	26 September 2013
Contribution of Selfassessment of Governance Arrangements	No Category	
Corporate Governance - Delegation Arrangements	B	20 February 2014
Officers' Interests Policy	C	26 September 2013
Proactive Anti-Fraud and Anti-Corruption Work	No Category	
Data Protection - Clauses in Job Descriptions	C	20 February 2014
Budgetary Control	A	20 February 2014
NFI (National Fraud Initiative)	No Category	
Verification of Performance Measures	C	6 May 2014
EDUCATION		
Resources		
Appetite for Life Grant	B	3 December 2013
Primary Schools Free Breakfast Initiative Grant	B	26 September 2013
Schools Effectiveness Grant	C	6 May 2014
Out of School Childcare Grant	B	3 December 2013
Pupil Deprivation Grant	C	6 May 2014
Foundation Stage 2012-13 Revenue Grant	A	26 September 2013
Post-16 Education Grant	No Category	20 February 2014
Health and Safety Risk Assessments in Schools	B	6 May 2014
Administration of Student Grants and Loans	B	6 May 2014
GwE		
GwE	A	6 May 2014
Schools		
School Statistics and Censuses	C	6 May 2014
Education - Budget Review	No Category	
Secondary Schools - Budgetary Control	B	26 September 2013
Secondary Schools - Information Security	B	26 September 2013
HUMAN RESOURCES		
Training		
Use of Cetus - CALMS	C	20 February 2014
FINANCE		
Financial		
Debtors System - Review of Key Controls	B	18 July 2013
eProcurement System	B	6 May 2014
Payments System - Review of Key Controls	B	6 May 2014
Accountancy		

Audit Name	Opinion Category	Date Presented to Audit Committee
Main Accounting System - Review of Key Controls	A	18 July 2013
Bank Reconciliation - Review of Key Controls	A	6 May 2014
Pensions and Payroll		
Payroll System - Review of Key Controls	B	6 May 2014
Payroll - Maternity Pay	B	20 February 2014
Overtime Claims Procedures	C	6 May 2014
Payroll - Advances	B	3 December 2013
Gwynedd Pension Fund - Review of the Key Controls of the Administration Systems	A	6 May 2014
Pensions - Contributions from employers	No Category	6 May 2014
Revenue		
Risk-Based Benefit Verification	A	20 February 2014
Benefits System - Review of Key Controls	A	6 May 2014
School Uniform Grant	B	3 December 2013
Council Tax - Discounts and Exemptions	B	20 February 2014
Council Tax System - Review of Key Controls	A	6 May 2014
NNDR Refunds	A	18 July 2013
NNDR System - Review of Key Controls (2012-13)	A	18 July 2013
NNDR System - Review of Key Controls (2013-14)	A	6 May 2014
DEMOCRACY AND LEGAL		
Registration		
Arrangements for Registering Births, Deaths and Marriages	C	6 May 2014
Monitoring Officer		
Members' Gifts and Hospitality	B	26 September 2013
ECONOMY AND COMMUNITY		
Community Regeneration		
Local Regeneration Officers	B	20 February 2014
Communities First - Extension to the Old Scheme	B	18 July 2013
Record offices, museums and the arts		
Neuadd Buddug, Y Bala	B	18 July 2013
Maritime and country parks		
Ports	C	3 December 2013
Country Parks	C	20 February 2014
Major Projects		
Contract Management - Sailing Academy	No Category	6 May 2014
Strategy and development Programmes		
Youth Club Grants - Revenue Grant	B	3 December 2013
Wales Rural Development Plan Projects	B	6 May 2014
Tourism, marketing and customer care		
"Our Heritage" Project	B	6 May 2014
Tourist Information Centres	B	3 December 2013
CUSTOMER CARE		
Emergency Planning		
Emergency Planning and Business Continuity	B	6 May 2014
Customer Contact		
Siop Gwynedd	C	18 July 2013
Libraries		

Audit Name	Opinion Category	Date Presented to Audit Committee
"Gwynedd Ni"	A	20 February 2014
Information Technology		
Logging and Monitoring	B	3 December 2013
Laptop Security	C	20 February 2014
Software Licences (Corporate)	B	26 September 2013
Software Licences (Schools)	C	26 September 2013
Council Land and Property		
Council Properties - Firefighting Equipment	B	26 September 2013
SOCIAL SERVICES, HOUSING AND LEISURE		
Across the department		
Support Workers Travel Costs	B	26 September 2013
Social Services - Security of Files and Data	B	6 May 2014
Results-Based Accountability	No Category	3 December 2013
Supporting People		
Supporting People	A	18 July 2013
Supporting People Grant 2012-13	No Category	20 February 2014
Leisure		
Banking Arrangements in the Leisure Centres	C	18 July 2013
Sport Council Grants	No Category	20 February 2014
Adults		
Direct Payments	C	3 December 2013
Enablement Schemes	B	3 December 2013
Children and Families		
Youth Justice Service	B	6 May 2014
Children - Post-care Allowances	B	20 February 2014
Residential and Day		
Overnight Arrangements at Council Homes	C	6 May 2014
Bryn Blodau, Llan Ffestiniog	C	20 February 2014
Private Sector Housing		
Older - Disabled Persons - Adaptations to Homes	B	3 December 2013
Empty Houses back into use Project	B	3 December 2013
HIGHWAYS AND MUNICIPAL		
Fleet		
Fleet Management - NWPP Parts Contract	No Category	20 February 2014
Highways Works		
Rechargeable Works	A	20 February 2014
Waste Management and Streetsecene		
Community Gangs	B	6 May 2014
Trade Refuse	B	20 February 2014
REGULATORY		
Environment		
Payments to Taxi Firms	B	6 May 2014
Planning		
Planning Service - Performance Measure CT02A	No Category	6 May 2014
The Planning Service	B	26 September 2013
Development Control - Enforcement	B	20 February 2014

Audit Name	Opinion Category	Date Presented to Audit Committee
Public Protection		
Trading Standards	B	6 May 2014
Transportation and Street Care		
Enforcement and Transport	B	6 May 2014
Regional Transport Service Grant	No Category	20 February 2014
Subsidised Travel Tickets - Payments to bus companies	C	3 December 2013

STRATEGIC AND IMPROVEMENT

Strategic Direction

SMAP Fund	No Category	6 May 2014
Youth Crime Prevention Fund	No Category	6 May 2014

Democracy

Member Training	B	6 May 2014
Exempt Papers and Confidentiality	B	3 December 2013

Performance and Scrutiny

Project Management Arrangements	B	6 May 2014
---------------------------------	----------	------------

Summary of the number of reports in each opinion category, 2013/14 Plan:

	Number of Audits
A	16
B	45
C	22
No Category	16
Total	99

Analysis of Internal Audit Use of Time | April - 31 March:

2012/13		2013/14
2,814	Total Days	2,945
404	Less Holidays (Statutory and Non-Statutory)	446
2,410	Total Available Days	2,499
	Less:	
22	Special Leave	16
55	Illness	29
22	Professional Training	10
94	Job Training	76
2,217	Available Days	2,368
	Less Unproductive Time:	
15	Performance Review (Appraisal)	18
6	Medical Appointments	9
34	Time Recording and Management	34
90	Meetings and Committees	86
2	Meetings - Joint working with WAO	3
4	Training Presentation	10
2	Conducting interviews	5
55	Background Work	46
62	Admin etc.	50
21	Audit Committee	26
137	Internal Audit Management	116
5	Absence Management	6
17	North Wales Joint-working Tasks	2
6	IT problems	8
10	Galileo Upgrade	5
0	Internal Audit Information Management Exercise	23
43	Less: other management work (Senior Manager)	52
1,708	Total productive days	1,869
57	Work for SNPA	45
80	Work for CTE	118
1,571	Total productive days, Gwynedd Council	1,706

Analysis of the use of Gwynedd Council productive days:

2012/13		2013/14
1,424	Work on current year's plan	1,528
1	Completion of previous year's work	21
20	Commencement of next year's work	13
39	Advice and Consultancy	47
48	Follow-up work	41
39	Responsive Work / Special Investigations	56
1,571		1,706



Internal Audit Plan 2014/15

<u>Audit Title</u>	<u>Why is this in the plan?</u>	<u>Days</u>
--------------------	---------------------------------	-------------

Education

Special Educational Needs Joint Committee	A review if needed of the administrative arrangements and of the effectiveness of the governance arrangements	20
Communication with Schools	Effective engagement with schools is critical for guidance, advice and guidance to be effective	10
GwE	Needs a further review, to build on the work of 2013/14	20
ICT in Secondary Schools	Every part of the iT network needs to be reviewed in turn, to ensure robustness of the entire system.	20

Capital Schemes

New Hafod Lon School	A capital contract that is a substantial financial investment	15
----------------------	---	----

Grants

Pupil Deprivation Grant	A substantial grant. A review could reduce external audit fees	8
Post-16 Provision in Schools Grant	An expectation in the Funding Conditions	15
Foundation Stage Revenue Grant	An expectation in the Funding Conditions	8

Schools

Catering	Some schools have established their own arrangements - need to check compliance with standards.	20
Primary Schools - Workforce Modelling	A review of arrangements, following discussions with senior managers from the Education Department	20
Secondary Schools - Governance	An audit of governance in primary school was conducted in 2013/14, therefore arrangements in secondary schools will be reviewed in 2014/15	20

Human Resources

Health and Safety - Lone Working	This can present significant risks to some staff. There is a need to verify that all departments take this matter seriously.	10
Jobs System - security and accuracy	This is a new system that has been developed. Due to the nature of the information that is held on it, there should be an independent check of its administrative arrangements.	25
Sickness arrangements - referral to Occupational Health	This is identified as an important step in ensuring consistency and staff support.	20

Corporate

<u>Audit Title</u>	<u>Why is this in the plan?</u>	<u>Days</u>
Review of State Aid	This mater has been identified by officers from Economy and Community as a risk that requires a corporate review	6
Staff Protection Register	Need to unsure consistency, the safety of staff an compliance with data protection legislation	10
Severe Weather Plan	This plan has been noted in the Cross-departmental Risk Register as mitigating a high risk. There is a need to ensure that it remains updated an practicable.	10
Use of Technology - Value for Money review	A review to find if the Council is making the best use of the technology available to it to make efficiency savings	25
Mobile Phones	Weaknesses were identified the last time this was review; this is an area o high risk	30
Proactive Anti-Fraud and Anti-Corruption Work	Work that needs to be undertaken to address the risk of fraud and corruption	40
NFI (National Fraud Initiative)	The Council partakes in this scheme, that is run by the external auditors	30
Disclosure Arrangements - Awareness of the Whistleblowing Policy	Following discussions with Human Resources, it was decided that a further audit of this area would be timely	15
Protection Arrangements	An area of high risk that requires an annual review	20
Exemptions from the corporate training arrangements	Training and staff development is key for the Council to achieve its objectives, and assurance is needed that there is a reasonable basis to exclude staff	15

Code of Governance

Contribution to preparation of the Annual Governance Statements	This is contained within the plan every year	5
Succession Plan and Workforce Planning	This is a key part of the Council's work in preparing for the future	15
Corporate Governance - Implementing Committee Decisions	This has been identified by members of the Audit Committee as a key part of the review of governance arrangements	15
Protocol for Member-Officer Relations	Part of a cyclical programme to review elements of the Local Code of Governance	10
Officers Gifts and Hospitality	This is a key control in establishing a culture of propriety	20

Finance

Network Convergence	This has been in the audit plan for several years, but the project has slipped	20
Treasury Management	An important financial area that has not been reviewed by Internal Audit for some time	20
IT Systems	Further assessments will confirm which specific audits will be conducted in this area	20

<u>Audit Title</u>	<u>Why is this in the plan?</u>	<u>Days</u>
IT - Backups and Service Continuity	This area was audited in 2012/13, but there is a need to ensure resilience following recent developments	10
CHAPS Payments	An audit to review security and value for money of this method of payment	10
Risk Management Arrangements	A key element in the Council's governance arrangements	20

Major Financial Systems

Gwynedd Pension Fund - Review of Key Controls	Joint working Protocol with WAO	15
Gwynedd Pension Fund - Closure 2013-14	Joint working Protocol with WAO	5
Payroll - Multiple Jobs	The need to administer correctly those employees who have more than one post is an important control	25
Bank Reconciliation - Review of Key Controls	Joint working Protocol with WAO	10
Bank Reconciliation - Closure 2013-14	Joint working Protocol with WAO	5
Main Accounting System - Review of Key Controls	Joint working Protocol with WAO	10
Benefits System - Review of Key Controls	Joint working Protocol with WAO	15
Benefits System - Closure 2013-14	Joint working Protocol with WAO	5
Debtors System - Review of Key Controls	Joint working Protocol with WAO	10
Payroll System - Review of Key Controls	Joint working Protocol with WAO	15
Payroll System - Closure 2013-14	Joint working Protocol with WAO	5
Payments System - Review of Key Controls	Joint working Protocol with WAO	15
Payments System - Closure 2013-14	Joint working Protocol with WAO	5
Council Tax System - Review of Key Controls	Joint working Protocol with WAO	8
Council Tax System - Closure 2013-14	Joint working Protocol with WAO	5
Council Tax System - iPortal	A new development that will widen access to the Council Tax System. The controls over this need to be reviewed.	10
NNDR System - Closure 2013-14	Joint working Protocol with WAO	2

Economy and Community

Leisure Centres	These are an area of high financial, health and safety and business risk .	30
Communities First - The New Scheme	The is a new scheme that replaces the old "Communities First". This could be an area of high risk.	20
Potential Scheme	Has been the subject of substantial investment and a European Grant	25
Beaches	There are a number of risks that need to be controlled.	10
Industrial and Technology Units	This area has not been reviewed for several years	20
Yr Hafan, Pwllheli	An establishment review that is periodically required	10

Capital Schemes

Sailing Academy	A substantial capital contract that is largely funded through grants, and therefore is a high risk	15
-----------------	--	----

Audit Title**Why is this in the plan?****Days**

Gwynedd Museum and Gallery

A substantial capital contract that is largely funded through grants, and therefore is a high risk

15**Grants**

Youth Service Revenue Grant

An expectation in the Funding Conditions

8

Youth Service Training Grant

An expectation in the Funding Conditions

8**Adults, Health and Wellbeing**

Personal Monies of Home Residents

Added at the request of the departmental management team, who see this area as a risk

25

Independent Living Fund

This has shown in that past that it can be an area of high risks.

15

Collaboration with the Health Board

A high risk on the service's risk register

30

Homelessness

An area of comparatively high risk, that has not been audited since the "Systems Review" on the service

25

Galw Gwynedd

A review of arrangements in the contact centre, following some work in 2013/14

20

Plas Maesincla, Caernarfon

A decision has been taken to undertake an establishment audit, rather than themed audits, at the request of the department.

12

Plas Ogwen, Bethesda

A decision has been taken to undertake an establishment audit, rather than themed audits, at the request of the department.

12

Extra Care Housing

An audit would be timely, as these are new developments for the Council

10

Telecare

Slipped from the 2013/14 plan. An important development for the provision of care, that also involves external partners.

20

Shift arrangements at Residential Homes

Added following a request by the departmental management team for a review of the area

10**Capital Schemes**

Social Services Information System

A capital contract that is a substantial financial investment. Large risks if the project fails

20**Grants**

Supporting People

A large grant with a regional strategic direction

15**Children and Family Support**

Children's Services - Commissioning of Care

A review is suggested on the robustness of arrangements in this important area

16

Looked After Children - Education and Health Assessments

Included at the request of the Head of Department

15**Grants**

Out of School Childcare Grant

An expectation in the Funding Conditions

8

<u>Audit Title</u>	<u>Why is this in the plan?</u>	<u>Days</u>
Flying Start Revenue grant	A substantial grant. A review could reduce external audit fees	10
Families First Grant	A substantial grant. A review could reduce external audit fees	10

Highways and Municipal

Waste Disposal Contracts	These are essential in transforming the way with which wate is dealt.	15
Depots and Workshops - Stock Control	Periodic audits are expected for these areas of risk.	10
Safety at Recycling Centres	Centres that are very popular with the public, but have a high inherent risk due to the nature of machinery, traffic etc.	20
Playgrounds	The Department has identified this as an area of high risk. A programme of work to ensure safety should be in place.	15
Fleet Management	An area of several risks, that have not been reviewed recently by Internal Audit.	20

Grants

Sustainable Waste Management Grant	A substantial grant. A review could reduce external audit fees	25
------------------------------------	--	----

Regulatory

Collaboration - Road Safety Partnership	There are inherent risks with collaboration projects	10
Traffic Orders	An area were weaknesses have been found in the past	20
Parking Enforcement	An area of high public profile for which independent assurance of propriety would be beneficial	20
Planning Service - time taken to make decisions	Following an initial review in 2013/14, the department has requested further work in 2014/15	10
Public Footpaths and Recreational Routes	An area of risks to the public.	15
Joint Planning Policy Committee	A review if needed of the administrative arrangements and of the effectiveness of the governance arrangements	10
Integrated Transport Unit	An area of high risk that warrants regular Internal Audit reviews	25

Capital Schemes

Briwet Bridge	A substantial capital contract that is largely funded through grants, and therefore is a high risk	15
---------------	--	----

Strategic and Improvement

Procurement Strategy	This strategy is of key importance for the Council	40
----------------------	--	----

<u>Audit Title</u>	<u>Why is this in the plan?</u>	<u>Days</u>
Gwynedd Consultancy Projects Risk Registers	Due to the nature of the work of YGC, individual project risk registers are essential.	10
Follow-up to Reviews on Gwynedd Consultancy	Has slipped from the 2013/14 plan. A verification that recommendations in the review by Finance officers have received proper attention.	30
		1,506

GWYNEDD COUNCIL

COMMITTEE	AUDIT COMMITTEE
DATE	6 MAY 2014
TITLE	SELF ASSESSMENT OF GOVERNANCE ARRANGEMENTS
PURPOSE OF REPORT	TO UPDATE THE AUDIT COMMITTEE ON THE WORK OF THE GOVERNANCE ARRANGEMENTS ASSESSMENT GROUPS
AUTHOR	DEWI MORGAN, SENIOR MANAGER AUDIT AND RISK
ACTION	TO AGREE THE DEFINITION OF GOOD GOVERNANCE, AND CHALLENGE AND AGREE THE PROPOSED SCORING METHDOLOGY FOR ASSESSING THE COUNCIL'S GOVERNANCE ARRANGEMENTS

1. BACKGROUND

- 1.1 One of the statutory duties of the Audit Committee according to the Local Government (Wales) Measure 2011, is to "**review and assess the authority's arrangements for risk management , internal control and corporate governance**".
- 1.2 At its meeting on 20 February the Audit Committee received a report on the workshop that was held at the Contact Centre, Penrhyndeudraeth on 29 January in order to conduct a self-assessment of good governance principles.
- 1.3 **The Audit Committee resolved on 20 February to to instruct the Governance Arrangements Assessment Group to draw up a programme which gathers evidence to support the findings of the main governance matters of the authority, and to report back to the Audit Committee**

2. KEY ELEMENTS OF THE SYSTEMS AND PROCESSES THAT ARE PART OF GWYNEDD COUNCIL'S GOVERNANCE

2.1 After consulting with the Corporate Management Team on 12 February, the recommendation of the Governance Arrangements Assessment Group is that good governance are the arrangements that place providing for the people of Gwynedd at their centre (and, conversely, that poor governance is institutional and self-serving).

2.2 Using the Council's Local Code of Governance as its primary sources, the Group has identified the following as the key elements of the systems and processes that comprise the Council's governance arrangements:

- The Council's Values
- Single Integrated Plan
- The "Cyflawni" arrangements
- The Complaints Process
- Member inter-relationships
- The Council's Strategic Plan
- Engagement
- The Scrutiny Process
- Risk Management Arrangements
- The Procurement Strategy
- The Standards Committee
- Audit Committee
- Internal Audit
- External Auditor's Annual Letter
- Local Code of Governance
- Whistleblowing Code of Practice
- The Constitution
- Protocol for Member/Officer Relations
- Members Code of Conduct
- Decision Notices
- Financial Strategy
- Officer Code of Conduct
- Anti-fraud and Anti-corruption policy
- Statutory Officer Protocols
- Statement of Accounts
- Member Training and Development
- Staff Training and Development
- The Appraisal Process
- Gwynedd Council's Performance Report
- Leadership Programme

2.3 As well as reflecting the requirements of the Local Code of Governance, these elements satisfy the CIPFA / SOLACE requirements contained in their statutory guidelines of what need to be reviewed when preparing the Annual Governance Statement.

2.4 The Corporate Management Team has had an opportunity to consider and challenge this list, and to suggest additions, on 30 April.

3. THE RELATIVE IMPORTANCE OF THE KEY ELEMENTS

- 3.1 In order to assess the governance framework effectively, there is a need to recognise that each of the elements listed in 2.1 above will not contribute to the same degree to adding public value for the people of Gwynedd. Before assessing the effectiveness of these elements, an Impact score has been given to each, to reflect how relatively large an effect each of them has (in the opinion of the Group) in adding public value. These scores range from 1 (very low impact) to 10 (very high impact).
- 3.2 None of the elements have scored less than 5 – if they did, it would be doubtful whether they would warrant a place in the governance framework.
- 3.3 In the opinion of the Group, the elements of the governance framework that have the greatest impact are:

Element	Impact score
The Council's Values	10
Single Integrated Plan The Council's Strategic Plan Engagement Leadership Programme Financial Strategy	9

Element	Impact score
The "Cyflawni" arrangements The Appraisal Process The Scrutiny Process Local Code of Governance The Constitution Risk Management Arrangements Staff Training and Development	8

- 3.4 The relatively large size of these elements reflect previous discussions by the Corporate Management Team and the Audit Committee, as they cover issues such as the Council's core culture (i.e. values), collaboration with other organisations to achieve (through 'the Single Integrated Plan), performance measurement and management arrangements (the 'Cyflawni' system), as well as the authority's long-term, strategic plans.

4. EFFECTIVENESS OF THE KEY ELEMENTS

- 4.1 The essence of a self-assessment of governance arrangements is to review how well the individual elements are currently working to assist the Council to deliver to the people Gwynedd. It is inevitable that some of these parts will be more successful than others in supporting the Council when adding public value.
- 4.2 The Governance Arrangements Assessment Group have scored all of the elements to reflect the views of the Group regarding their effectiveness, in the way they are being currently implemented by the Council. A score of up to 10 was given to these also, with a score of 1 reflecting elements that are completely ineffective (as they are self-serving and focus on being institutional), and 10 for those elements that are focused completely on achieving for the citizen.
- 4.3 No element was given a score of 1 or 10, but listed below are those elements that are in the opinion of the Governance Arrangements Assessment Group among the most and least effective in delivering for the people of Gwynedd in April 2014:

Least effective

Most effective

Element	Effectiveness Score
The Council's Values Single Integrated Plan "Cyflawni" arrangements	3
The Appraisal Process The Complaints Process Member inter-relationships	4

Element	Effectiveness Score
Financial Strategy Officer Code of Conduct Anti-fraud and Anti-corruption policy Statutory Officer Protocols Statement of Accounts	9
The Constitution Protocol for Member/Officer Relations Members Code of Conduct Decision Notices	8

- 4.4 The result of using an Impact / Effectiveness scoring matrix of this type is able to display diagrammatically those elements that need to be prioritised, which are those that have the greatest impact on the Council's ability to deliver for the people of Gwynedd, but are relatively ineffective in doing so at this time.
- 4.5 Using a Red (very high priority), Orange (high priority), Yellow (medium priority) and Green (low priority) colour model, it is possible to demonstrate clearly which are the areas that need attention.
- 4.6 The opinion of the Governance Arrangements Assessment Group is that the following elements require attention as a matter of high priority, in order to improve their effectiveness in delivering for the people of Gwynedd:
- **The Council's Values**
 - **Single Integrated Plan**
 - **"Cyflawni" arrangements**
 - **The Appraisal Process**
 - **The Complaints Process**
- 4.7 The diagram that is included in the Appendix shows every element of the governance framework and their relative scores.

- 4.8 The elements that were proposed by the Governance Arrangements Assessment Group and Audit Committee members in February have been underlined in the diagram. It is seen that some of these, but not all, have been assessed as high or very high priority after considering all elements systematically.
- 4.9 Subject to the satisfaction of the Corporate Management Team, the Informal Cabinet and the Audit Committee on the basis of the available evidence, the action plan in the Governance Statement is expected to give prominence to those issues that are listed in paragraph 4.6.

5. TIMETABLE

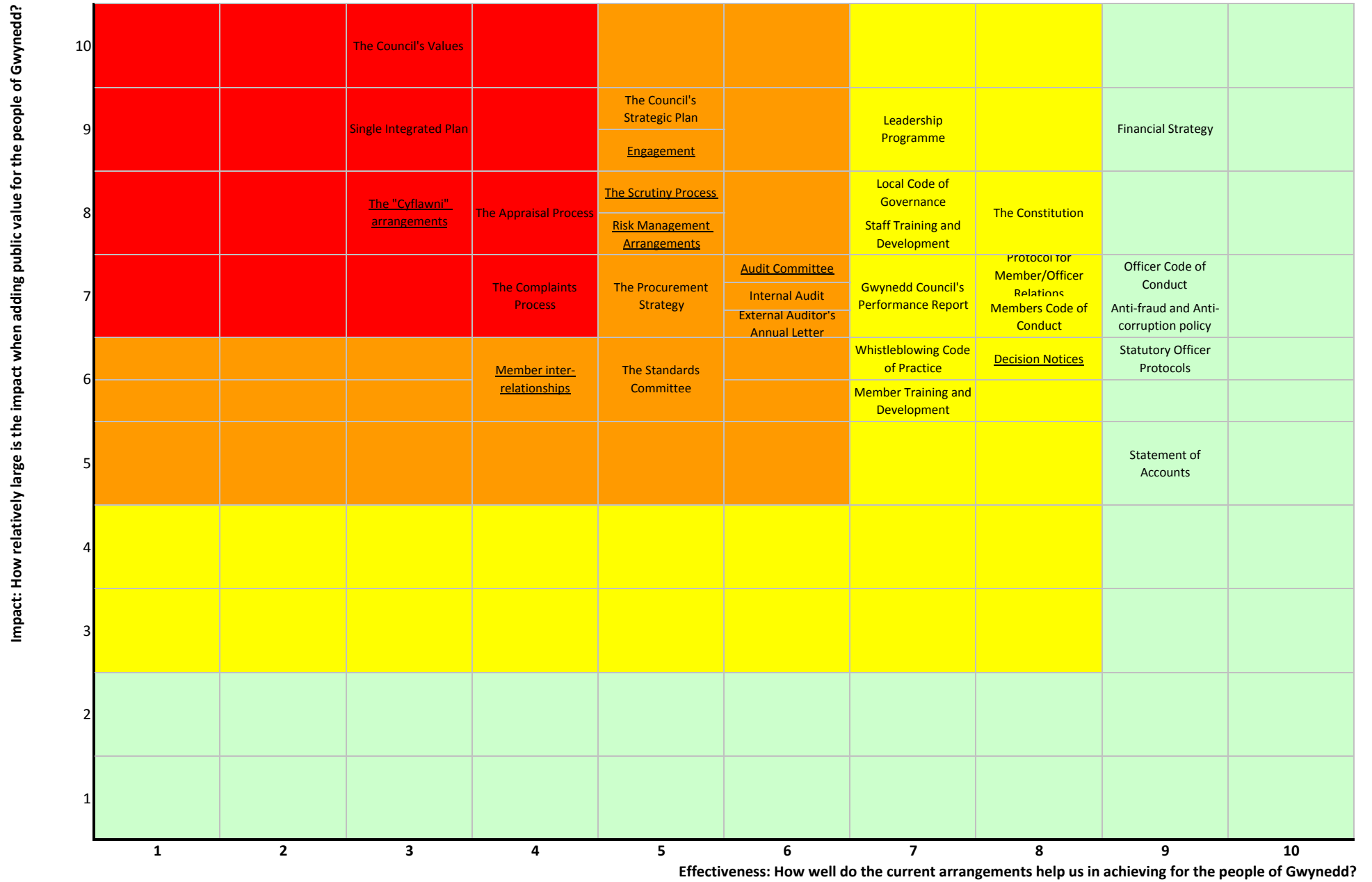
- 5.1 The self-assessment presented here is a key step in the development of the 2014 Annual Governance Statement, which is the statement that reports formally on the results of the work of self-assessing the Authority's governance arrangements.
- 5.2 The fact that the Governance Arrangements Assessment Group has met regularly during 2013/14, and that the Corporate Management Team and the Audit Committee have received reports and had the opportunity to challenge the work of the Group, is a major step forward in establishing more robust arrangements to review our governance and the preparation of the Governance Statement.
- 5.3 The suggested timetable for preparing the Governance Statement is as follows:
- 30 April – Submit suggestions for elements of the governance framework, scoring methodology and format of reporting matrix to the Corporate Management Team
 - 6 May – Present a report to the Audit Committee, to provide an update on the work in progress
 - 2 June – Governance Arrangements Assessment Group Meeting to agree on the final relative scores following further consideration of the evidence that has been collected, and begin to draft the Governance Statement
 - 18 June – Presentation to the Informal Cabinet for its views of the individual elements, the scoring methodology, and to challenge the evidence
 - 10 July – Draft Governance Statement to the Audit Committee for approval.

6. RECOMMENDATION

6.1 The Audit Committee is requested to:

- **Agree that the definition of "good governance" is arrangements that have providing for the people of Gwynedd at their centre.**
- **To consider and challenge the scoring methodology that has been developed and outlined in this report.**
- **Address the matrix which appears in the Appendix, and comment on the individual scores that appear.**
- **Agree to the Governance Arrangements Assessment Group continuing in its current direction in developing the arrangement for self-assessing the effectiveness of the Council's governance arrangements.**

KEY ELEMENTS OF THE SYSTEMS AND PROCESSES THAT ARE PART OF GWYNEDD COUNCIL'S GOVERNANCE



MEETING	AUDIT COMMITTEE
DATE	6 MAY, 2014
TITLE	REVIEWING THE COUNCIL'S CONSTITUTION.
PURPOSE OF THE REPORT	REPORT TO THE COMMITTEE ON THE WORK OF THE WORKING GROUP.
AUTHOR	COUNCILLOR MICHAEL SOL OWEN, CHAIRMAN OF THE WORKING GROUP.
LIAISON OFFICER	DILYS PHILLIPS, MONITORING OFFICER.

1. The Working Group submitted an interim report to the Committee on 20 February which provided an explanation of its work. At the time, it was anticipated that the review of the Constitution would be submitted to the Full Council on 1 May; therefore, the Working Group was authorised to report directly to the Council.
2. Since then it has become apparent that there will not be enough time available at the Council meeting on 1 May to discuss the Constitution and therefore it will be submitted to the subsequent Full Council meeting on 17 July. This gives the Working Group time to report to the Committee on its work and obtain the Committee's approval to its recommendations.
3. The Working Group was established to undertake the detailed work of reviewing the Constitution and seven members of the Committee were appointed to it, namely Councillors Michael Sol Owen, Trefor Edwards, John Pughe Roberts, Gethin Glyn Williams, Dafydd Meurig, Dilwyn Morgan and Robert Wright.
4. The Constitution is being reviewed in an attempt to introduce a Constitution that is in a standard format for all Welsh councils and which is simpler to read than the current version. Some changes need to be made because legislation in Wales is very different by now to legislation in England and there is an opportunity to obtain a standard Constitution since each Council in Wales now operates a Leader and Cabinet system. It is expected that each Council in turn will adopt a new standard Constitution.

5. Although the Constitution is in a standard format and is consistent across all Welsh Councils, there is an opportunity to include some local variations within the document. The Working Group has attempted to adhere to the Council's existing governance arrangements wherever possible and keep the scale of the changes to a minimum. The format of the new Constitution is very different to the current format;; however, not many substantive changes are made.
6. When undertaking the task of reviewing the Constitution, the Working Group considered specific sections in detail, e.g. the section relating to the Full Council, the section relating to the Cabinet, etc., and consulted the relevant bodies regarding any changes. Therefore, for example, when discussing the section relating to Scrutiny Committees, consultation was undertaken with the Scrutiny Chairs Forum; when the section relating to the Cabinet was reviewed, the Cabinet itself was consulted, etc. In addition, an effort was made to raise awareness amongst all Council members of the review by means of presentations at the Area Forums. A summary of the main changes was sent to all members along with an invitation to submit any observations and an oral report will be given to the committee on any observations received.
7. A summary of the main changes is available in the appendix. It can be seen that it focuses on six specific sections of the Constitution, namely Section 4 - The Council; Section 5 - The Cabinet; Section 7 - The Scrutiny Committees; Section 15 - Budget and Policy Framework Procedural Rules; Section 19 - Planning Protocol and Section 21 - Protocol for Member-Officer Relations. The complete sections are also attached to the report.
8. In addition, the summary contains two additional matters which the Working Group has addressed. The first is the new legislative procedure to decide on proposals to reorganise schools. Under the former legal procedure, the Cabinet, following a statutory consultation, made a decision regarding schools reorganisation and it would then publish a public notice, and if an objection was raised to the proposal within a specific period the matter would be referred to the Welsh Government for a final decision. Under the new arrangements, the final decision will return to the local authority and the Working Group's recommendation is that the Cabinet is the appropriate body to make this decision, rather than the Full Council or Local Review Panel. This places full responsibility on the Cabinet, rather than divide the responsibility between two bodies.

9. The second matter is the role of the Employment Appeals Committee. Following a discussion at the committee, it was concluded that there was a need to introduce changes to the way that staff appeals are dealt with; but that it was important to retain the elected member's role in the process. In order to ensure that the best use is made of resources and that the most flexible and responsive arrangements are obtained, the Working Group's recommendation is that the responsibility for staff appeals is delegated to a panel which would include one member of the Employment Appeals Committee, a Corporate Director and a Human Resources Advisor. It is recommended that the committee is retained in order to take on a strategic overview role and disseminate good practice in matters relating to staff conduct. The proposed changes have been approved by the Trade Unions.

10. The Committee is asked to:

(a) approve the Working Group's recommendations regarding the changes to the Constitution in accordance with the recommendations in the appendix;

(b) recommend the new Constitution to the Full Council on 17 July.

Reviewing the Constitution – Summary of the main changes.

The main difference between the new Constitution and the present one is its style. As a result comparing clauses is impossible. Below is a summary of the main changes to the Constitution by reference to the relevant section in the new Constitution.

Section of the Constitution	The new Constitution	The present Constitution.
Section 4	The Council	
4.13.2	The duration of the Full Council meetings are restricted to 4 hours, with discretion to the Chairman to allow more time.	There is no similar provision in the present Constitution.
4.18	Questions from the public are allowed in Full Council meetings subject to conditions.	There is a similar provision in the present Constitution, but it has not been implemented.
4.20	If relevant notice has been given to the Full Council motion can be discussed on the day.	The rule that motions stand referred to committee unless the Council vote for discussion is being abolished.
4.20.4	A proposal to dismiss the Leader must be signed by 20% of the Council members.	There is no similar provision in the present Constitution.
4.23	The Leader can call a general discussion on the state of the county.	The rule enabling a specific subject to be discussed in all Council meetings to be abolished.
Section 5	The Cabinet	
5.4	Specific functions for the deputy Leader are noted.	There is no provision for the deputy Leader in the present Constitution.
5.9.5	Powers are given to statutory officers to ensure that matters are discussed by the Cabinet.	There is no similar provision in the present Constitution.

Section 7	Scrutiny Committees	
7.7	Up to 2 co-opted members can be appointed, without a vote, on all scrutiny committees.	The number of possible co-opted members has not been specified in the present Constitution.
7.18	There is a need for members who wish to include items on the Scrutiny Committee programme to give at least 7 days' notice.	The present Constitution does not indicate what length of notice is required.
7.25	A limit is placed on how many decisions from the Cabinet a committee or member has the right to call in to scrutinize within a specified period. (Call In means the formal process which prevents the Cabinet implementing a decision until the Scrutiny Committee has considered the matter).	The call in rule in the present Constitution that a matter cannot be called in unless it is against the law or procedure is abolished.
7.28	The Chairmen will decide which committee deals with a matter which falls within the terms of reference of more than one committee.	The present Constitution notes that matters within the terms of reference of more than one committee will be discussed in both committees.
7.29 and appendices 1-3	Give detailed guidelines to councillors on how to operate the "councillor call for action" which allows a member to bring a matter relating to his/her ward to the attention of the scrutiny committee if they are unable to be resolved in any other way.	There is no similar provision in the present Constitution.
Section 15	Financial Rules of Procedure and Policy Framework.	
15.1	The purpose of these rules is to explain the relationship between the Council's responsibilities in establishing a budget and adopting some plans within the policy framework (e.g. the Strategic Plan) and the Cabinet's rights to operate and prioritize within the budget and the policy framework.	These rules are not included in the present Constitution.

15.2	The process for developing a policy framework is for the Cabinet to present recommendations to the Council; if a member wishes to submit an amendment to it in the Council a day's notice must be given; if the Council refuses the Cabinet's recommendation the Leader has the right to object and refer it back to the Council for a final decision.	See above.
15.3	The process for establishing the budget is for the Cabinet to consult on the initial proposals (with the Audit Committee amongst others) and at the end of the consultation that it present the proposals to the Council for decision.	See above.
15.4 – 15.8	The remaining rules deal with the process to follow should the Cabinet's decision be in contravention of the Budget or the policy Framework.	See above.
Section 19	Planning Protocol	
(19).3.5	A clause has been added to make clear that a member with an interest does not have the right to act as a local member but can ask another member to take the role of representing the area's electors.	This was unclear in the present Constitution.
(19).6	The new clause follows the Ombudsman's guidelines on pre-determination following the change in the law.	The present Constitution is based on the law as it was.
Section 21	Member – Officer Protocol	
21.5 and 21.7	Description of the members and officers roles included.	No similar description on the present Constitution.
21.14	Explanation of the restriction on the officers' political activities.	Detailed explanation not included in the present Constitution.

Additional matters

<p>Proposals for school reorganisation</p>	<p>Give the Cabinet the responsibility for the final decision on proposals to reorganise schools. This is the decision that needs to be made at the end of the process when the objection period following the publication of a formal notice has expired.</p>	<p>This is a new requirement because of a change in legislation. Previously the final decision lay with the relevant Minister if there were objections and with the Cabinet if there were no objections.</p>
<p>Staff appeals and the role of the Employment Appeals Committee</p>	<p>Delegate the decision on staff appeals to a panel consisting of one elected member (from the Employment Appeals Committee), a Corporate Director and a Human Resources consultant.</p> <p>Change the remit of the Employment Appeals Committee to one of strategic overview of standards of conduct amongst staff and promoting good practice amongst managers.</p>	<p>At present every appeal goes before the Employment Appeals Committee of 7 elected members. The strategic role of disseminating good practice is not currently undertaken.</p>

SECTION 4

4. FULL COUNCIL

4.1 Introduction

The Full Council is a formal meeting of all Councillors. The Full Council is required by law to take certain important decisions including setting the Council's budget and Council Tax and approving a number of key plans and strategies, which together form the Policy Framework (listed below). It is responsible for all of the functions not the responsibility of the Cabinet. It will carry out some functions itself, but others will be delegated to Committees or named Officers.

4.2 The Policy Framework

The Policy Framework means the following plans and strategies:

The Strategic Plan;

The Best Value Performance Plan;

The Economic Development Strategy;

The Local Transport Plan;

Plans and amendments that together form the Local Development Plan;

The Welsh Language Scheme;

The Youth Justice Plan;

The Housing Strategy and Operational Plan;

Powers to approve the Young People's Partnership Strategic Plan and the Children and Young Persons Framework Partnership;

Policy agreements; and

Rights of Way Improvement Plan.

4.3 The Single Integrated Plan

This replaces four of the existing plans and strategies which formed part of the Policy Framework, namely the Community Strategy, the Children and Young People's Plan, the Health, Social Care and Wellbeing Strategy and the Community Safety Partnership Plan.

4.4 The Budget

The budget includes the allocation of financial resources to different services and projects, proposed contingency funds, the Council Tax base, setting the Council Tax and decisions relating to the control of the Council's borrowing requirement, the control of its capital expenditure and the setting of virement limits. The Full Council will decide the Council's overall revenue budget and overall capital budget and any changes to these. (See Section **Error! Reference source not found.** for how the Council can change the Policy Framework or Budget referred to it for approval by the Cabinet.)

4.5 Housing Land Transfer

Housing Land Transfer means the approval or adoption of applications (whether in draft form or not) to the National Assembly for Wales for approval of a programme of disposal of 500 or more properties to a person under the Leasehold Reform, Housing and Urban Development Act 1993 or to dispose of land used for residential purposes where approval is required under section 32 or 43 of the Housing Act 1985.

4.6 **Functions of the Full Council**

Only the Full Council will exercise the following functions:

- 4.6.1 adopting and changing the Constitution;
- 4.6.2 approving or adopting the Single Integrated Plan, Policy Framework, the budget and any application to the National Assembly for Wales in respect of any Housing Land Transfer;
- 4.6.3 subject to the urgency procedure contained in the Access to Information Procedure Rules in Section **Error! Reference source not found.** of this Constitution, making decisions about any matter in the discharge of an Executive Function which is covered by the Policy Framework or the budget where the decision maker is minded to make it in a manner which would be contrary to the Policy Framework or contrary to/or not wholly in accordance with the budget;
- 4.6.4 appointing and removing the Leader;
- 4.6.5 agreeing and/or amending the terms of reference for Committees, deciding on their composition and making appointments to them (in accordance with the Local Government and Housing Act 1989) unless the appointments have been delegated by the Council;
- 4.6.6 changing the name of the area;
- 4.6.7 making or confirming the appointment of the Head of Paid Services;;
- 4.6.8 making, amending, revoking re-enacting or adopting bylaws and promoting or opposing the making of local legislation or Personal Bills;
- 4.6.9 all Local Choice Functions set out in Section **Error! Reference source not found.** of this Constitution which the Council decides should be undertaken by itself rather than the Cabinet; and
- 4.6.10 all matters which by law must be reserved to the Council. For example, appointing the Chair of the Democratic Services Committee and the pay policy statement;
- 4.6.11 appointing representatives to outside bodies unless the appointment has been delegated by the Council.

4.7 **Membership**

- 4.7.1 All Members of the Council shall be Members of Full Council.
- 4.7.2 Substitution is not possible at meetings of the Council.
- 4.7.3 **Chairing the Council**
 - (a) The Councillor elected annually by the Council as its chair will be called the "Chair".
 - (b) The Chair will cease to be Chair if they resign, are dismissed by a vote of Full Council, cease to be a Member of the Council, or are unable to act as a Member of the Council. They continue to act as Chair after an election until their successor has been appointed.
- 4.7.4 **Role and Function of the Chair**

The Chair of the Council and in his/her absence, the Vice Chair will have the following roles and functions:

(a) *Ceremonial Role*

The Chair of the Council:

- (i) is the civic leader of Gwynedd Council;
- (ii) promotes the interests and reputation of the Council and Gwynedd Council as a whole and acts as an ambassador for both; and
- (iii) undertakes civic, community and ceremonial activities and fosters community identity and pride.

(b) *Responsibilities of the Chair*

- (i) to uphold and promote the purpose of the Constitution, and to interpret the Constitution when necessary;
- (ii) to preside over meetings of the Council so that its business can be carried out fairly and efficiently and with regard to the rights of Councillors and the interests of the Community;
- (iii) to ensure that the Council meeting is a forum for the debate of matters of concern to the local community and the place at which Members who are not on the Cabinet are able to hold the Cabinet and Committee Chair to account;
- (iv) to promote public involvement in the Council's activities;
- (v) to be the conscience of the Council; and
- (vi) to attend such civic and ceremonial functions as the Council and he/she determines appropriate;

4.8 **Council Meetings**

There are three types of Council meeting:

- 4.8.1 the annual meeting;
- 4.8.2 ordinary meetings; and
- 4.8.3 extraordinary meetings

4.9 **Rules of Procedure and Debate**

The Council Procedure Rules contained in the Sections below will apply to meetings of the Full Council.

4.10 **Council Procedure Rules - Annual Meeting of the Council**

4.10.1 **Timing and Business**

In a year when there is an ordinary election of councillors, the annual meeting will take place within 21 days of the retirement of the outgoing councillors. In any other year, the annual meeting will take place in March, April or May. The annual meeting will:

- (a) elect a person to preside if neither the Chair nor Vice Chair of the Council is present;
- (b) elect the Chair of the Council;
- (c) elect the Vice Chair of the Council;
- (d) approve the minutes of the last meeting;

- (e) receive any announcements from the Chair and/or the Head of Paid Service;
- (f) elect the Leader of the Council, except where the Leader was appointed for a period of four years at the initial annual meeting of the Council;
- (g) be informed by the Leader of the number of Members to be appointed to the Cabinet;
- (h) appoint the Scrutiny Committees , a Standards Committee and such other committees and sub-committees as the Council considers appropriate to deal with matters which are neither reserved to the Council nor are Executive Functions (as set out in Section **Error! Reference source not found.** of this Constitution);
- (i) receive from the Leader the scheme of delegations (as set out in Section **Error! Reference source not found.** of this Constitution);
- (j) approve a programme of ordinary meetings of the Council for the year; and
- (k) consider any business set out in the notice convening the meeting.

4.10.2 Selection of Councillors on Committees

At the annual meeting, the Council meeting will:

- (a) decide which committees and sub-committees to establish for the municipal year;
- (b) decide the size and terms of reference for those committees;
- (c) decide the allocation of seats to political groups in accordance with the political balance rules;

4.11 Ordinary Meetings

Ordinary meetings of the Council will take place in accordance with a programme decided at the Council's annual meeting. The order of business at ordinary meetings will be as follows:

- 4.11.1 elect a person to preside if the Chair and Vice Chair are not present;
- 4.11.2 approve the minutes of the last meeting;
- 4.11.3 receive any declarations of interest from Members;
- 4.11.4 receive any announcements from the Chair;
- 4.11.5 receive a report from the Leader and members of the Cabinet and receive questions and answers on the report;
- 4.11.6 receive a report from the Cabinet and receive questions and answers on the report;
- 4.11.7 receive reports from the Council's committees and receive questions and answers on those reports;
- 4.11.8 receive reports about and receive questions and answers on the business of joint arrangements and external organisations;
- 4.11.9 consider any other business specified in the summons to the meeting, including consideration of proposals from the Cabinet in relation to the Council's Budget and Policy Framework, Single Integrated Plan and reports of the Scrutiny Committees ;

- 4.11.10 consider motions; and
- 4.11.11 deal with questions from Members in accordance with Rule 4.19
- 4.11.12 receive questions from, and provide answers to, the public in relation to matters which in the opinion of the Chair are relevant to the Council's functions.

4.12 **Extraordinary Meetings**

4.12.1 **Calling Extraordinary Meetings**

The Proper Officer may call Council meetings in addition to ordinary meetings. Those listed below may request the Proper Officer to call additional Council meetings:

- (a) the Council by resolution;
- (b) the Chair of the Council;
- (c) the Chief Executive;
- (d) the Monitoring Officer;
- (e) any five Members of the Council if they have signed a requisition presented to the Chair of the Council and he has refused to call a meeting or has failed to call a meeting within seven days of the presentation of the requisition.

4.12.2 **Business**

The business to be conducted at an extraordinary meeting shall be restricted to the item or items of business contained in the request for the extraordinary meeting and there shall be no consideration of previous minutes or reports from committees etc, except that the Chair may at his/her absolute discretion permit other items of business to be conducted for the efficient discharge of the Council's business.

4.13 **Time, Place and Duration of Meetings**

4.13.1 **Time and Place of Meetings**

The time and place of meetings will be determined by the Head of Democratic Services and notified in the summons.

4.13.2 **Duration of Meetings**

At an ordinary meeting of the Council, when 4 hours have elapsed after the commencement of the meeting, the Chair shall, if he/she deems appropriate, adjourn immediately after the disposal of the item of business being considered at the time. Remaining business will be considered at a time and dated fixed by the Chair. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.

4.14 **Notice of and Summons to Meetings**

The Head of Democratic Services will give notice to the public of the time and place of any meeting in accordance with the Access to Information Procedure Rules in Section **Error! Reference source not found.** At least 4 clear days before a meeting, the Head of Democratic Services will send a summons signed by him/her to every Member of the Council. The summons will give the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by such reports as are available.

4.15 **Chair of Meeting**

The person presiding at the meeting may exercise any power or duty of the Chair. Where these rules apply to committee and sub-committee meetings, references to the Chair should instead be read as reference to the chair of that committee or sub--committee.

4.16 **Quorum**

The quorum of a meeting will be one quarter of the whole number of Members. During any meeting if the Chair counts the number of Members present and declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date fixed by the Chair. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.

4.17 **Remote Attendance**

[To be completed when the Welsh Government publishes the relevant guidance]

4.18 **Questions by the Public**

4.18.1 **General**

- (a) Members of the public may ask questions of Members of the Cabinet at ordinary meetings of the Council.
- (b) The total time allocated for questions by the public should be limited to 30 minutes.

4.18.2 **Order of Questions**

Questions will be asked in the order notice of them was received, except that the Chair may group together similar questions.

4.18.3 **Notice of Questions**

A question may only be asked if notice has been given by delivering it in writing or by electronic mail to the Head of Democratic Services no later than midday 10 working days before the day of the meeting. Each question must give the name and address of the questioner.

4.18.4 **Number of Questions**

At any one meeting no person may submit more than one question and no more than one such question may be asked on behalf of one organisation.

4.18.5 **Scope of Questions**

The Head of Democratic Services may reject a question if it:

- (a) is not about a matter for which the Council has a responsibility or which affects the county;
- (b) is defamatory, frivolous or offensive;
- (c) is substantially the same as a question which has been put at a meeting of the Council in the past six months;
- (d) requires the disclosure of confidential or exempt information.

4.18.6 Record of Questions

- (a) The Head of Democratic Services will enter each question in a format open to public inspection and will immediately send a copy of the question to the Councillor to whom it is to be put. Rejected questions will include reasons for rejection.
- (b) Copies of all questions will be circulated to all Councillors and will be made available to the public attending the meeting.

4.18.7 Asking the Question at the Meeting

The Chair will invite the questioner to put the question to the Councillor named in the notice. If a questioner who has submitted a written question is unable to be present, they may ask the Chair to put the question on their behalf. The Chair may ask the question on the questioner's behalf, indicate that a written reply will be given or decide, in the absence of the questioner, that the question will not be dealt with.

4.18.8 Supplementary Question

A questioner who has put a question in person may also put one supplementary question without notice to the Councillor who has replied to his or her original question. A supplementary question must arise directly out of the original question or the reply. The Chair may reject a supplementary question on any of the grounds set out in Rule 4.18.5 above.

4.18.9 Written Answers

Any question which cannot be dealt with during public question time, either because of lack of time or because of the non-attendance of the Councillor to whom it was to be put, will be dealt with by a written answer.

4.18.10 Reference of Question to the Cabinet or a Committee

Unless the Chair decides otherwise, no discussion will take place on any question, but any Member may move that a matter raised by a question be referred to the Cabinet or the appropriate committee or sub-committee. Once seconded, such a motion will be voted on without discussion.

4.19 Questions by Members

4.19.1 On Reports of the Cabinet or Committees

A Member of the Council may ask the Leader or the Chair of a Committee any question without notice directly arising from an item of the report of the Cabinet or a Committee, when that item is being received or is under consideration by the Council

4.19.2 Questions on Notice at Full Council

Subject to Rule 4.19.4, a Member of the Council may ask:

- (a) the Chair;
- (b) a Member of the Cabinet;
- (c) the chair of any committee or sub-committee;

a question on any matter in relation to which the Council has powers or duties or which affects the Gwynedd Council.

4.19.3 Questions on Notice at Committees and Sub-Committees

Subject to Rule 4.19.4, a Member of a committee or sub-committee may ask the chair of it a question on any matter in relation to which the Council has powers or duties or which affects the county and which falls within the terms of reference of that committee or sub-committee.

4.19.4 Notice of Questions

A Member may ask a question under Rule 4.19.2 or 4.19.3 if either:

- (a) they have given at least 2 working days' notice in writing or by electronic mail of the question to the Head of Democratic Services; or
- (b) the question relates to urgent matters, they have the consent of the Chair or Member to whom the question is to be put and the content of the question is given to the Head of Democratic Services at least 4 hours before the meeting.

4.19.5 Maximum Number of Questions

A Member may ask only one question under Rule 4.19.2 or 4.19.3 except with the consent of the Chair of the Council, committee or sub-committee.

4.19.6 Order of Questions

Questions of which notice has been given under Rule 4.19.2 or 4.19.3 will be listed on the agenda in the order determined by the Chair of the Council, committee or sub-committee.

4.19.7 Content of Questions

Questions under Rule 4.19.2 or 4.19.3 must, in the opinion of the Chair:

- (a) contain no expressions of opinion;
- (b) relate to matters on which the Council has or may determine a policy;
- (c) not relate to questions of fact.

4.19.8 Response

An answer may take the form of:

- (a) a direct oral answer at the meeting;
- (b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- (c) where the reply cannot conveniently be given orally, a written answer circulated within 5.0 working days to the questioner.

4.19.9 Supplementary Question

A Member asking a question under Rule 4.19.2 or 4.19.3 may ask one supplementary question without notice of the Member to whom the first question was asked. The supplemental question must arise directly out of the original question or the reply.

4.19.10 Length of Speeches

A Member asking a question under Rule 4.19.2 or 4.19.3 and a Member answering such a question may speak for no longer than 5 minutes unless the Chair consents to a longer period.

4.19.11 Time Allowed for Questions at Council Meetings

- (a) The time allowed for consideration of questions submitted under Rule 4.19.2 shall not, without the consent of the Council, exceed 30 minutes.
- (b) At the conclusion of the answer to the question under consideration at the expiry of 30 minutes (or such longer period to which the Council has consented) from the time when the first questioner started to speak, the Chair shall conclude the meeting.
- (c) Any remaining questions shall be responded to in writing before the next ordinary meeting of the Council.

4.20 Motions on Notice

4.20.1 Notice

Except for motions which can be moved without notice under Rule 4.21 and in cases of urgency, notice in writing or by electronic post of every motion, must be delivered to the Head of Democratic Services not later than 17:00 on the tenth working day before the Council meeting at which it is to be considered. Motions received will be entered in a format open to public inspection.

4.20.2 Motion Set Out in Agenda

Motions for which notice has been given will be listed on the agenda in the order determined by the Chair.

4.20.3 Scope

Motions must be about matters for which the Council has a responsibility or which affect the wellbeing of the administrative area of the Council.

4.20.4 Motion to Remove the Leader

- (a) A motion to remove the Leader cannot be moved unless the notice of motion is signed by a number of councillors which is at least equivalent to 20% of the total number of councillors on the Council and which includes councillors from at least two political groups. See Section **Error! Reference source not found.**
- (b) In order for such a motion to be carried it must have the support of at least two thirds of those Members voting and present in the room at the time the question was put.
- (c) A motion to remove the Leader cannot be moved more than once in any rolling 12 month period.

4.20.5 One Motion per Member

No Member may give notice of more than one motion for any Council meeting, except with the consent of the Chair.

4.20.6 Time Allowed for Motions

The time allowed for consideration of motions submitted under this Rule shall not, without the consent of the Council, exceed 30 minutes. At the conclusion of the speech being delivered at the expiry of 30 minutes (or such longer period to which the Council has consented) from the commencement of the Council's consideration of the first such motion, the Chair shall put to the vote, without further discussion, all the

questions necessary to dispose of the motion then under debate provided that:

- (a) if the speech to be concluded is a speech proposing a motion, the Chair shall allow the motion to be formally seconded (without comment);
- (b) if the speech to be concluded is a speech moving an amendment, the Chair shall allow the amendment to be formally seconded (without comment) and the mover of the motion to exercise his right of reply; and
- (c) otherwise, the Chair shall allow the mover of the motion to exercise his right of reply.

Any remaining motions submitted under this Rule shall be deferred to the next ordinary meeting of the Council and shall be dealt with at that meeting in the same order and before any other motions of which notice is given for that meeting.

4.21 **Motions without Notice**

The following motions may be moved without notice:

- 4.21.1 to appoint a Chair of the meeting at which the motion is moved;
- 4.21.2 in relation to the accuracy of the minutes;
- 4.21.3 to change the order of business in the agenda;
- 4.21.4 to refer something to an appropriate body or individual;
- 4.21.5 to appoint a committee or Member arising from an item on the summons for the meeting;
- 4.21.6 to receive reports or adoption of recommendations of committees or Officers and any resolutions following from them;
- 4.21.7 to withdraw a motion;
- 4.21.8 to amend a motion;
- 4.21.9 to proceed to the next business;
- 4.21.10 that the question be now put;
- 4.21.11 to adjourn a debate;
- 4.21.12 to adjourn a meeting;
- 4.21.13 to suspend a particular Council Procedure Rule;
- 4.21.14 to exclude the public and press in accordance with the Access to Information Procedure Rules;
- 4.21.15 to not hear further a Member named under Rule 4.29.3 or to exclude them from the meeting under Rule 4.29.4; and
- 4.21.16 to give the consent of the Council where its consent is required by this Constitution.

4.22 **Rules of Debate**

4.22.1 **No Speeches until Motion Seconded**

No speeches may be made after the mover has moved a proposal and explained the purpose of it until the motion has been seconded.

4.22.2 Right to Require Motion in Writing

Unless notice of the motion has already been given, the Chair may require it to be written down and handed to him before it is discussed.

4.22.3 Secunder's Speech

When seconding a motion or amendment, a Member may reserve their speech until later in the debate.

4.22.4 Content and Length of Speeches

Speeches must be directed to the question under discussion or to a personal explanation or point of order and no speech may exceed 10 minutes in the case of the mover of a motion or the local member for the area in which the establishment or land under discussion is situated and 5 minutes in the case of every other speaker without the consent of the Chair.

4.22.5 When a Member may Speak Again

A Member who has spoken on a motion may not speak again whilst it is the subject of debate, except:

- (a) to speak once on an amendment moved by another Member;
- (b) to move a further amendment if the motion has been amended since he last spoke;
- (c) if his first speech was on an amendment moved by another Member, to speak on the main issue (whether or not the amendment on which he spoke was carried);
- (d) in exercise of a right of reply;
- (e) on a point of order; and
- (f) by way of personal explanation.

4.22.6 Amendments to Motions

- (a) An amendment to a motion must be relevant to the motion and will either be:
 - (i) to refer the matter to an appropriate body or individual for consideration or reconsideration;
 - (ii) to leave out words;
 - (iii) to leave out words and insert or add others; or
 - (iv) to insert or add wordsas long as the effect of 4.22.6(a)(ii) to 4.22.6(a)(iv) is not to negate the motion.
- (b) Only one amendment may be moved and discussed at any one time. No further amendment may be moved until the amendment under discussion has been decided.
- (c) If an amendment is not carried, other amendments to the original motion may be moved.
- (d) If an amendment is carried, the motion as amended takes the place of the original motion. This becomes the substantive motion to which any further amendments are moved.

- (e) After an amendment has been carried, the Chair will read out the amended motion before accepting any further amendments, or if there are none, put it to the vote.

4.22.7 Alteration of Motion

- (a) A Member may alter a motion of which he has given notice with the consent of the meeting. The meeting's consent will be signified without discussion.
- (b) A Member may alter a motion which he has moved without notice with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion.
- (c) Only alterations which could be made as an amendment may be made.

4.22.8 Withdrawal of Motion

A Member may withdraw a motion which he has moved with the consent of both the meeting and the seconder. The meeting's consent will be signified without discussion. No Member may speak on the motion after the mover has asked permission to withdraw it unless permission is refused.

4.22.9 Right of Reply

- (a) The mover of a motion has a right to reply at the end of the debate on the motion, immediately before it is put to the vote.
- (b) If an amendment is moved, the mover of the original motion has the right of reply at the close of the debate on the amendment, but may not otherwise speak on it.
- (c) The mover of the amendment has no right of reply to the debate on his amendment.

4.22.10 Motions which may be Moved During Debate

When a motion is under debate, no other motion may be moved except the following procedural motions:

- (a) to withdraw a motion;
- (b) to amend a motion;
- (c) to proceed to the next business;
- (d) that the question be now put;
- (e) to adjourn a debate;
- (f) to adjourn a meeting;
- (g) to exclude the public and press in accordance with the Access to Information Procedure Rules; and
- (h) to not hear further a Member named under Rule 4.29.3 or to exclude them from the meeting under Rule 4.29.4.

4.22.11 Closure Motions

- (a) A Member may move, without comment, the following motions at the end of a speech of another Member;
 - (i) to proceed to the next business;

- (ii) to act that the question be now put;
 - (iii) to adjourn a debate; or
 - (iv) to adjourn a meeting.
- (b) If a motion to proceed to next business is seconded and the Chair thinks the item has been sufficiently discussed, he will give the mover of the original motion a right of reply and then put the procedural motion to the vote.
- (c) If a motion that the question be now put is seconded and the Chair thinks the item has been sufficiently discussed, he will put the procedural motion to the vote. If it is passed he will give the mover of the original motion a right of reply before putting his motion to the vote.
- (d) If a motion to adjourn the debate or to adjourn the meeting is seconded and the Chair thinks the item has not been sufficiently discussed and cannot reasonably be so discussed on that occasion, he will put the procedural motion to the vote without giving the mover of the original motion the right of reply.

4.22.12 Point of Order

A point of order is a request from a Member to the Chair to rule on an alleged irregularity in the procedure of the meeting. A Member may raise a point of order at any time. The Chair will hear them immediately. A point of order may only relate to an alleged breach of these Council Rules of Procedure or the law. The Member must indicate the rule or law and the way in which he considers it has been broken. The ruling of the Chair on the matter will be final.

4.22.13 Personal Explanation

A Member may make a personal explanation at any time. A personal explanation may only relate to some material part of an earlier speech by the Member which may appear to have been misunderstood in the present debate. The ruling of the Chair on the admissibility of a personal explanation will be final.

4.22.14 Language

- (a) In all meetings, the Welsh language and the English language shall have the same status and validity.
- (b) All persons shall have the right when speaking in any meeting to speak in either Welsh or English.
- (c) The proper officer shall arrange for instantaneous translation from Welsh into English (and from English to Welsh when requested), to be provided at all meetings.
- (d) In the absence of instantaneous translation, the business of the meeting may proceed, but the person presiding shall ensure, at the request of any member (including the speaker), that the exact words of any motion, amendment, question, answer or point of order and at least the substance of any speech or comment are translated provided that any inadvertent failure to comply with this rule, or any inadvertent error in translation, shall not invalidate any resolution.

4.23 **State of the county Debate**

4.23.1 **Calling of Debate**

The Leader may call a state of the county debate annually on a date and in a form to be agreed with the Chair.

4.23.2 **Form of Debate**

The Leader will decide the form of the debate with the aim of enabling the widest possible public involvement and publicity. This may include holding workshops and other events prior to or during the debate.

4.23.3 **Chairing of Debate**

The debate will be Chaired by the Chair.

4.23.4 **Results of Debate**

The results of the debate will be disseminated as widely as possible within the community and to agencies and organisations in the area which work in active partnership with the Council and considered by the Leader in proposing the Budget and Policy Framework to the Council for the coming year.

4.24 **Previous Decisions and Motions**

4.24.1 **Motion to Rescind a Previous Decision**

A motion or amendment to rescind a decision made at a meeting of Council within the past six months cannot be moved unless the notice of motion is signed by at least 15 Members, except in the case of new information becoming available.

4.24.2 **Motion Similar to One Previously Rejected**

A motion or amendment in similar terms to one that has been rejected at a meeting of Council in the past six months cannot be moved unless the notice of motion or amendment is signed by at least 15 Members. Once the motion or amendment is dealt with, no one can propose a similar motion or amendment for six months.

4.25 **Voting**

4.25.1 **Majority**

Unless this Constitution provides otherwise, any matter will be decided by a simple majority of those Members voting and present in the room at the time the question was put.

4.25.2 **Chair's Casting Vote**

If there are equal numbers of votes for and against, the Chair will have a second or casting vote. There will be no restriction on how the Chair chooses to exercise a casting vote.

4.25.3 **Method of Voting**

Unless a secret ballot is demanded under Rule 4.25.4 or a recorded vote under rule 4.25.5 the Chair will take the vote by show of hands, or by use of the Council's electronic voting system if any, or if there is no dissent, by the affirmation of the meeting.

4.25.4 Secret Ballot

The vote will take place by ballot if at least two thirds of the voting members present at the meeting demand it. The chairman will announce the results of the ballot immediately the result is known.

4.25.5 Recorded Vote

If at least a quarter of the Members present at the meeting demand it, the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes. A demand for a secret ballot will override a demand for a recorded vote.

4.25.6 Right to Require Individual Vote to be Recorded

Where any Member requests it immediately after the vote is taken, their vote will be so recorded in the minutes to show whether they voted for or against the motion or abstained from voting.

4.25.7 Voting on Appointments

If there are more than two people nominated for any position to be filled and there is not a clear majority of votes in favour of one person, then the name of the person with the least number of votes will be taken off the list and a new vote taken. The process will continue until there is a majority of votes for one person.

4.26 Minutes

4.26.1 Signing the Minutes

The Chair will sign the minutes of the proceedings at the next suitable meeting. The Chair will move that the minutes of the previous meeting be signed as a correct record. The only part of the minutes that can be discussed is their accuracy.

4.26.2 No Requirement to Sign Minutes of Previous Meeting at Extraordinary Meeting

Where in relation to any meeting, the next meeting for the purpose of signing the minutes is a meeting called under paragraph 3 of Schedule 12 to the Local Government Act 1972 (an extraordinary meeting), then the next following meeting (being a meeting called otherwise than under that paragraph) will be treated as a suitable meeting for the purposes of paragraph 41(1) and (2) of Schedule 12 relating to signing of minutes.

4.26.3 Form of Minutes

Minutes will contain all motions and amendments in the form and order the Chair put them.

4.27 Record of Attendance

All Members present during the whole or part of a meeting (except those in remote attendance) must sign their names on the attendance sheets before the conclusion of every meeting to assist with the record of attendance.

4.28 Exclusion of Public

Members of the public and press may only be excluded either in accordance with the Access to Information Procedure Rules in Section **Error! Reference source not found.** of this Constitution or Rule 4.30 (Disturbance by Public).

4.29 **Members' Conduct**

4.29.1 **Speaking at Meetings**

When a Member speaks at Full Council he/she must stand and address the meeting through the Chair. If more than one Member signifies their intention to speak, the Chair will ask one to speak. Other Members must remain silent whilst a Member is speaking unless they wish to make a point of order or a point of personal explanation.

4.29.2 **Chair Standing**

When the Chair stands during a debate, any Member speaking at the time must stop and sit down.

4.29.3 **Member not to be Heard Further**

If a Member persistently disregards the ruling of the Chair by behaving improperly or offensively or deliberately obstructs business, the Chair may move that the Member be not heard further. If seconded, the motion will be voted on without discussion.

4.29.4 **Member to Leave the Meeting**

If the Member continues to behave improperly after such a motion is carried, the Chair may move that either the Member leaves the meeting or that the meeting is adjourned for a specified period. If seconded, the motion will be voted on without discussion.

4.29.5 **General Disturbance**

If there is a general disturbance making orderly business impossible, the Chair may adjourn the meeting for as long as he thinks necessary.

4.30 **Disturbance by Public**

4.30.1 **Removal of Member of the Public**

If a member of the public interrupts proceedings, the Chair will warn the person concerned. If they continue to interrupt, the Chair will order their removal from the meeting room.

4.30.2 **Clearance of Part of Meeting Room**

If there is a general disturbance in any part of the meeting room open to the public, the Chair may call for that part to be cleared.

4.31 **Use of Social Media During Meetings**

The use of social media is permitted during meetings so long as there is no disturbance to the conduct of the meeting.

4.32 **Suspension and Amendment of Council Procedure Rules**

4.32.1 **Suspension**

All of these Council Rules of Procedure except Rule 4.20.5, 4.25.6 and 4.26.2 may be suspended by motion on notice or without notice if at least one half of the whole number of Members of the Council are present. Suspension can only be for the duration of the meeting. Rule 4.20.5 can only be suspended by motion on notice and the motion must have the support of at least two thirds of those Members present and voting.

4.32.2 Amendment

Any motion to add to, vary or revoke these Council Rules of Procedure will, when proposed and seconded, stand adjourned without discussion to the next ordinary meeting of the Council.

4.33 **Application to Committees and Sub-Committees**

All of the Council Rules of Procedure apply to meetings of Full Council. None of the rules apply to meetings of the Cabinet. Only Rules 4.13 to 4.16, 4.19 to 4.22, 4.24 to 4.33 (but not Rule 4.29.1) apply to meetings of committees and sub-committees.

SECTION 5

1. THE CABINET

1.1 Introduction

The Cabinet is appointed to carry out all of the Council's functions which are not the responsibility of any other part of the Council, whether by Law or under this Constitution.

1.2 Form and Composition of the Cabinet

The Cabinet will consist of:

1.2.1 the Leader of the Council (the "Leader"); and

1.2.2 at least two but not more than nine other Councillors appointed to the Cabinet by the Leader.

1.3 Leader

1.3.1 Election

The Leader will be a Councillor elected to the position of Leader by the Council.

1.3.2 Term of Office

The Leader is appointed for the term of the Council.

1.3.3 Role of the Leader

The Leader will Chair meetings of the Cabinet and determine the portfolios of Members of the Cabinet. Further information is contained in Section **Error! Reference source not found..**

1.4 Deputy Leader

1.4.1 The Leader will appoint a Deputy Leader to act as Leader in the Leader's absence and may also if he/she thinks fit remove the Deputy Leader from Office at any time.

1.4.2 The Deputy Leader may exercise all of the functions of the Leader where the position is vacant or where the Leader is absent or otherwise unable to act.

1.5 Other Cabinet Members

Other Cabinet Members will be Councillors elected to the position of Cabinet Member by the Leader. Each Cabinet Member shall hold office until:

1.5.1 he/she resigns from that office; or

1.5.2 he/she is removed from that office by the Leader upon such notice (if any) as the Leader considers appropriate; or

1.5.3 he/she ceases to be a Councillor.

The Leader may at any time appoint an Cabinet Member to fill any vacancies.

1.6 Delegation of Functions

The Leader may exercise Executive Functions himself/herself or may otherwise make arrangements to delegate responsibility for their discharge. The Leader may delegate Executive Functions to:

1.6.1 the Cabinet as a whole;

- 1.6.2 a Committee of the Cabinet (comprising executive Members only);
- 1.6.3 an individual Cabinet Member;
- 1.6.4 a joint committee;
- 1.6.5 Another local authority or the executive of another local authority;
- 1.6.6 A delegated Officer.

1.7 **Rules of Procedure and Debate**

The proceedings of the Cabinet shall take place in accordance with the Executive Procedure Rules in Section 1.8.1 below.

1.8 **Cabinet Procedure Rules**

1.8.1 How does the Cabinet Operate?

(a) *Delegation by the Leader*

Following the annual meeting of the Council, the Head of Democratic Services, at the direction of the Leader, will draw up a written record of executive delegations made by the Leader for inclusion in the Council's scheme of delegation at Section **Error! Reference source not found.** to this Constitution. This will contain the following information about Executive Functions in relation to the coming year:

- (i) the extent of any authority delegated to Cabinet Members individually, including details of the limitation on their authority;
- (ii) the terms of reference and constitution of such Cabinet committees as the Leader appoints and the names of Cabinet Members appointed to them;
- (iii) the nature and extent of any delegation of Executive Functions to any other authority or any joint arrangements;
- (iv) the nature and extent of any delegation to Officers with details of any limitation on that delegation, and the title of the Officer to whom the delegation is made; and

(b) *Sub-Delegation of Executive Functions*

- (i) Where the Cabinet, a committee of the Cabinet or an individual Member of the Cabinet is responsible for an Executive Function, they may delegate further to joint arrangements or an Officer.
- (ii) Unless the Leader directs otherwise, a committee of the Cabinet to whom functions have been delegated by the Leader may delegate further to an Officer.
- (iii) Where Executive Functions have been delegated, that fact does not prevent the discharge of delegated functions by the person or body who delegated.

(c) *The Council's Scheme of Delegation and Executive Functions*

- (i) The Leader may amend the scheme of delegation relating to Executive Functions at any time. In doing so the Leader will give written notice to the Head of Democratic Services and to the person, body or committee concerned. The notice must set out the extent of the amendment to the scheme of delegation, and whether it entails the withdrawal of delegation from any person, body or committee. The Head of Democratic Services will present a report to the next ordinary meeting of the Council setting out the changes made by the Leader.
- (ii) Where the Leader seeks to withdraw delegation from a committee of the Cabinet, notice will be deemed to be served on that committee when he has served it on its chair.

(d) *Conflicts of Interest*

- (i) Where the Leader has a conflict of interest this should be dealt with as set out in the Council's Code of Conduct for Members in Section **Error! Reference source not found.** of this Constitution.
- (ii) If any Member of the Cabinet has a conflict of interest this should be dealt with as set out in the Council's Code of Conduct for Members in Section **Error! Reference source not found.** of this Constitution.
- (iii) If the exercise of an Executive Function has been delegated to a committee of the Cabinet, an individual Member or an Officer, and should a conflict of interest arise, then the function will be exercised in the first instance by the person or body by whom the delegation was made and otherwise as set out in the Council's Code of Conduct for Members in Section **Error! Reference source not found.** of this Constitution.

(e) *Cabinet Meetings – When and Where?*

The frequency and timing of meetings of the Cabinet will be determined by the Leader. The Cabinet will meet at the Council's main offices or another location to be agreed by the Leader.

(f) *Public or Private Meetings of the Cabinet?*

The Cabinet will hold its meetings in public, except in the circumstances set out in the Access to Information Procedure Rules in Section **Error! Reference source not found.**, for example where confidential or exempt information is being discussed.

(g) *Quorum*

- (i) The quorum for a meeting of the Cabinet shall be one quarter of the members including the Leader or Deputy Leader.
- (ii) The quorum for a meeting of a committee of the Cabinet shall be 2.

(h) *[Remote Attendance]*

(i) *How are Decisions to be Taken by the Cabinet?*

- (i) Executive Decisions made by the Cabinet as a whole will be taken at a meeting convened in accordance with the Access to Information Procedure Rules in Section **Error! Reference source not found.** of this Constitution.
- (ii) Where Executive Decisions are delegated to a committee of the Cabinet, the rules applying to Executive Decisions taken by them shall be the same as those applying to those taken by the Cabinet as a whole.

1.9 **How are Cabinet Meeting Conducted?**

1.9.1 **Who Presides?**

The Leader will preside at any meeting of the Cabinet or its committees at which he is present. In his absence, the Deputy Leader will preside. In his/her absence, then a person appointed to do so by those present shall preside.

1.9.2 **Who May Attend?**

These details are set out in the Access to Information Procedure Rules in Section **Error! Reference source not found.** of this Constitution. See also Section **Error! Reference source not found.** in relation to Member participation in meetings.

1.9.3 **What Business?**

At each meeting of the Cabinet the following business will be conducted:

- (a) consideration of the minutes of the last meeting;
- (b) declarations of interest, if any;
- (c) matters referred to the Cabinet (whether by Scrutiny Committees or by the Council) for reconsideration by the Cabinet in accordance with the provisions contained in the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Procedure Rules set out in Sections **Error! Reference source not found.** and **Error! Reference source not found.** of this Constitution;
- (d) consideration of reports from Scrutiny Committees ;
- (e) consideration of reports from Cabinet Committees;
- (f) reports from Officers of the Authority.

1.9.4 **Consultation**

All reports to the Cabinet from any Member of the Cabinet or an Officer on proposals relating to the Budget and Policy Framework must contain details of the nature and extent of consultation undertaken with stakeholders and with the Scrutiny Committees and the outcome of that consultation. Reports about other matters will set out the details and outcome of consultation as appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.

1.9.5 **Who can put Items on the Cabinet Agenda?**

- (a) The Leader will decide upon the schedule for meetings of the Cabinet. He/she may put any matter on the agenda of any Cabinet

meeting whether or not authority has been delegated to the Cabinet, a committee of it or any Member or Officer in respect of that matter.

- (b) Any Member of the Cabinet may require the Head of Democratic Services to make sure that an item is placed on the agenda of the next available meeting of the Cabinet for consideration.
- (c) The Head of Paid Service, the Monitoring Officer and/or the Chief Financial Officer may include an item for consideration on the agenda of a Cabinet meeting and may require that such a meeting be convened in pursuance of their statutory duties.
- (d) In other circumstances, where any two of the Head of Paid Service, Chief Finance Officer and Monitoring Officer are of the opinion that a meeting of the Cabinet needs to be called to consider a matter that requires a decision they may jointly include an item on the agenda of a Cabinet meeting. If there is no meeting to deal with the issue in question, then the person(s) entitled to include an item on the agenda may also require that a meeting be considered at which the matter will be considered.

1.10 **Disturbance by the Public and Use of Social Media**

- 1.10.1 The provisions in Council Procedure Rules in Section **Error! Reference source not found.** in relation to disturbance by the public apply to meetings of the Cabinet.
- 1.10.2 The provisions in Council Procedure Rules in Section **Error! Reference source not found.** relating to the use of social media apply to meetings of the Cabinet.

SECTION 7

1. SCRUTINY COMMITTEES

1.1 Introduction

1.1.1 The Council is required by Law to discharge certain overview and scrutiny functions. These functions are an essential component of local democracy. Scrutiny Committees should be powerful committees that can contribute to the development of Council policies and also hold the Cabinet to account for its decisions. Another key part of the overview and scrutiny role is to review existing policies, consider proposals for new policies and suggest new policies.

1.1.2 Overview and scrutiny should be carried out in a constructive way and should aim to contribute to the delivery of efficient and effective services that meet the needs and aspirations of local inhabitants. Scrutiny Committees should not shy away from the need to challenge and question decisions and make constructive criticism.

1.2 Scrutiny Committees

In order to achieve this, the Council have appointed 3 Scrutiny Committees which between them will:

1.2.1 review or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's functions whether by the Cabinet or another part of the Council;

1.2.2 make reports or recommendations to the Council or the Cabinet in connection with the discharge of any functions;

1.2.3 consider any matter which affects the Council's area or its inhabitants; and

1.2.4 exercise the right to call in for reconsideration decisions made but not yet implemented by the Cabinet and Officers.

1.3 Role, Scope and Membership

The role, scope and Membership of the Scrutiny Committees are described in the table below:

Committee and Membership	Role and Scope
Corporate Scrutiny Committee 18 members	To scrutinise matters relating to the internal operation of the Council such as: <ul style="list-style-type: none">• Corporate Strategy• Partnerships• Engagement• Business transformation• Service efficiency• Outcomes Agreement• Workforce• Customer Care

<p>Communities Committee</p> <p>18 members</p> <p>Scrutiny</p>	<p>To scrutinise matters relating to services for the wider community such as:</p> <ul style="list-style-type: none"> • Economy and Regeneration • Green Gwynedd • Environment • Transportation Network and Community Transport • Empowering Communities • Waste • Housing • Language • Carbon Footprint Reduction • Local Development Plan
<p>Services Scrutiny Committee</p> <p>18 members</p>	<p>To scrutinise matters relating to services to individuals such as:</p> <ul style="list-style-type: none"> • Older people and adults • Families • Children and Young Persons • Education • Pathway to employment • Health

1.4 **Specific Functions**

1.4.1 **Policy Development and Review**

The Scrutiny Committees may:

- (a) consider the impact of policies to assess if they have made a difference;
- (b) assist the Council and the Cabinet in the development of its Budget and Policy Framework by in depth analysis of policy issues;
- (c) conduct research, community and other consultation in the analysis of policy issues and possible options;
- (d) question Members of the Cabinet and/or Committees and Chief Officers from the Council about their views on issues and proposals affecting the area; and
- (e) liaise with other external organisations operating in the area, whether national, regional or local, to ensure that the interest of local people are enhanced by collaborative working.

1.4.2 **Scrutiny**

The Scrutiny Committees may:

- (a) review and scrutinise the decisions by and performance of the Cabinet and/or Committees and Council Officers in relation to individual decisions and over time;
- (b) review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
- (c) question Members of the Cabinet and/or Committees and Chief Officers from the Council about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or project;
- (d) make recommendations to the Cabinet and/or appropriate Committee and/or Council arising from the outcome of the scrutiny process;
- (e) review and scrutinise the performance of other public bodies and designated persons in the area and invite reports from them by requesting them to address the Scrutiny Committees and local people about their activities and performance; and
- (f) question and gather evidence from any person (with their consent).

1.4.3 Finance

Scrutiny Committees may exercise overall responsibility for the finance made available to them.

1.4.4 Annual Report

The Scrutiny Committees must report annually to the Council members on their workings with recommendations for their future work programme and amended working methods if appropriate.

1.5 **Head of Democratic Services**

One of the roles of the Head of Democratic Services under section 8 of The Measure is to promote the role of the Council's Scrutiny Committees and to promote support and guidance to Council Members and Officers generally about the functions of the Scrutiny Committees .

1.6 **Who May Sit on Scrutiny Committees?**

All Councillors except Members of the Cabinet may be Members of the Scrutiny Committees. However, no Member may be involved in scrutinising on decisions in which he has been directly involved.

1.7 **Co-Optees**

Each Scrutiny Committee shall be entitled to recommend to Council the appointment of a maximum of 2 people as non-voting co-optees. In exercising or deciding whether to exercise a co-option, the Authority must, under section 76 of The Measure, have regard to guidance given by the Welsh Ministers and comply with directions given by them.

1.8 **Education Representatives**

The Services Scrutiny Committee shall include in its Membership voting representatives of religious faiths and of parent governors, as required by law and guidance from the National Assembly of Wales.

1.9 **Who Chairs?**

The arrangements included in sections 66-75 of the Local Government (Wales) Measure 2011 will be followed for appointing persons to chair Scrutiny Committees .

1.10 **Role of the Chair and the Scrutiny Committees**

1.10.1 The role of the Chair of the Scrutiny Committees will be essential in implementing the new method of working. The Chairs will liaise with the Cabinet and supervise the Work Programme and identify cross cutting themes arising from the various Scrutiny Committees .

1.10.2 In summary, therefore, the Chair will:

- (a) be accountable for delivering the new way of working for scrutiny;
- (b) will meet regularly to monitor Work Programmes;
- (c) will liaise with the Cabinet on issues affecting the Scrutiny Work Programme; and
- (d) [report to the four standing business meetings of the Council on progress in implementing the new methods of working.]

1.11 **Work Programme**

The Scrutiny Committees will be responsible for setting their own Work Programme and in doing so they should take into account wishes of Members of that who are not Members of the largest political group on the Council. It may also consider urgent and unforeseen matters not included in the Work Programme.

1.12 **Meetings**

1.12.1 The Scrutiny Committees will have 5 meetings a year.

1.12.2 Extraordinary meetings may be called from time to time in order to deal with call-ins (Section 1.25) where the Chair of a Scrutiny Committee is of the opinion that it is necessary for that Scrutiny Committee to consider the called in decision before the Scrutiny Committee's next programmed meeting.

1.13 **Joint Overview and Scrutiny Committees**

Under section 58 of The Measure, regulations may be made to permit two or more local authorities to appoint a joint Overview and Scrutiny Committee. This is set out in the Local Authority (Joint Overview and Scrutiny) (Wales) Regulations 2012.

1.14 **Rules of Procedure and Debate**

The Overview and Scrutiny Procedure Rules will apply to meetings of the Scrutiny Committees .

1.15 **What will be the Number and Arrangements for Scrutiny Committees?**

1.15.1 The Council will have 3 Scrutiny Committees set out in the table in Section 1.3 and will appoint to them as it considers appropriate from time to time. The Scrutiny Committees may appoint smaller groups to carry out detailed examination of particular topics for report back to them. Such groups may be appointed for a fixed period on the expiry of which they shall cease to exist.

- 1.15.2 The terms of reference of the various Scrutiny Committees will be as set out in the table in Section 7.3.
- 1.15.3 Each Scrutiny Committees will be Chaired by a Chair appointed from the membership of that Scrutiny Committees :
- (a) there will be cross party Membership of all Scrutiny Committees;
 - (b) the Scrutiny Committees shall undertake the following:
 - (i) investigate or review a particular matter in depth and without delay, reporting their conclusions and making any recommendations to the Council or Cabinet as appropriate;
 - (ii) conduct research, community (and other) consultation for the purposes of analysing issues and developing where appropriate; possible options, through liaison with the area/community partnerships;
 - (iii) consider and report on mechanisms to encourage and enhance community participation in the development of service delivery options;
 - (iv) question Cabinet Members and Officers about their views and actions on issues and proposals affecting the county;
 - (v) liaise with other external organisations operating in the area, whether national, regional or local, to ensure that the interests of local people are enhanced by collaborative working; and
 - (vi) question and gather evidence from any person (with his/her consent) whilst conducting investigative and reporting processes.

1.16 **Meetings of the Scrutiny Committees**

The Council may determine a cycle of meetings for the Scrutiny Committees. If the Council do not set the cycle, each such Scrutiny Committees shall determine their own cycle of meetings. The Chair, or in their absence the Vice Chair, may change the date or cancel meetings, or call additional meetings as they consider necessary to deal with the Scrutiny Committees's work programme. A meeting of an Scrutiny Committees may be called by the Chair (or in his or her absence, the Vice Chair) or by the Head of Democratic Services, if he or she considers it necessary or appropriate.

1.17 **Quorum**

The quorum for Scrutiny Committees shall be one quarter of the Members of the committee.

1.18 **Agenda Items**

- 1.18.1 Any Member of a particular Scrutiny Committee shall be entitled to give notice to the Head of Democratic Services that he wishes an item relevant to the functions of the that Scrutiny Committee to be included on the agenda for the next available meeting. Seven working days' notice of the item should be given to the Head of Democratic Services together with sufficient information to enable the Officer to advise about the nature and purpose of the item.

1.18.2 On receipt of such a request, so long as it is an appropriate matter to be considered, the Head of Democratic Services will ensure that it is considered by the Chair for inclusion on the next available agenda.

1.18.3 Scrutiny Committees shall also respond, as soon as their work programme permits, to requests from the Council and/or the Cabinet to review particular areas of Council activity. Where they do so, the particular Scrutiny Committee shall report their findings and any recommendations back to the Cabinet and/or Council. The Council and/or the Cabinet shall consider the report of the Scrutiny Committees within one month of receiving it.

1.19 **Policy Review and Development**

1.19.1 The role of the Scrutiny Committees in relation to the development of the Council's Budget and Policy Framework is set out in detail in the Budget and Policy Framework Procedure Rules in Section **Error! Reference source not found.**

1.19.2 In relation to the development of the Council's approach to other matters not forming part of its Budget and Policy Framework, Scrutiny Committees may make proposals to the Cabinet for developments in so far as they relate to matters within their terms of reference.

1.19.3 Scrutiny Committees may hold enquiries and investigate the available options for future direction in policy development and may appoint advisers and assessors to assist them in this process. They may go on site visits, conduct public surveys, hold public meetings, commission research and do all other things that they reasonably consider necessary to inform their deliberations. They may ask witnesses to attend to address them on any matter under consideration and may pay to any advisers, assessors and witnesses a reasonable fee and expenses for doing so.

1.20 **Reports from the Scrutiny Committees**

1.20.1 All formal reports from the Scrutiny Committees will be submitted to the Head of Democratic Services for consideration by the Cabinet (if the proposals are consistent with the existing Budget and Policy Framework), or to the Council as appropriate (eg if the recommendation would require a departure from or a change to the agreed Budget and Policy Framework).

1.20.2 If a Scrutiny Committee cannot agree on one single final report to the Council or Cabinet as appropriate, one minority report may be prepared and submitted for consideration by the Council or Cabinet with the majority report.

1.20.3 The Council or Cabinet shall consider the report of an Scrutiny Committees within one month of it being submitted to the Head of Democratic Services.

1.21 **Making sure that Overview and Scrutiny Reports are considered by the Cabinet**

1.21.1 The agenda for Cabinet meetings shall include an item entitled "Issues Arising from Overview and Scrutiny". The reports of the Scrutiny Committees referred to the Cabinet shall be included at this point in the agenda (unless they have been considered in the context of the Cabinet's deliberations on a substantive item on the agenda) as soon as

practicable. Where an item is not considered by the Cabinet within two months, the Cabinet will give an explanation of the reasons to the Chair of the relevant Scrutiny Committees as soon as practicable.

- 1.21.2 Where the Cabinet has delegated decision making power to another individual Member of the Cabinet Scrutiny Committees will submit a copy of their report to him or her for consideration. At the time of doing so the Scrutiny Committees shall serve a copy on the Head of Democratic Services. The Member with delegated decision making power must consider the report and respond in writing to the Scrutiny Committees within four weeks of receiving it. A copy of his written response to it shall be sent to the Head of Democratic Services and the Leader. The Member will also attend a future meeting of that Scrutiny Committees to present their response.

1.22 Rights of Members of the Scrutiny Committees to Documents

- 1.22.1 In addition to their rights as Councillors, Members of the Scrutiny Committees have the additional right to documents, and to notice of meetings as set out in the Access to Information Procedure Rules in Section **Error! Reference source not found.** of this Constitution.
- 1.22.2 Nothing in this paragraph prevents more detailed liaison between the Cabinet and the Scrutiny Committees as appropriate depending on the particular matter under consideration.

1.23 Members and Officers Giving Account

- 1.23.1 The Scrutiny Committees may scrutinise and review decisions made or actions taken in connection with the discharge of any Council functions. As well as reviewing documentation, in fulfilling the Scrutiny role, it may require any Member of the Cabinet, the Chief Executive and/or any senior Officer to attend before it to explain in relation to matters within their remit:
- (a) any particular decision or series of decisions;
 - (b) the extent to which the actions taken implement Council policy; and/or
 - (c) their performance
- and it is the duty of those persons to attend if so required.
- 1.23.2 For this purpose, senior Officer includes any chief Officer, deputy chief Officer and other appropriate senior Officer. Where there are concerns about the appropriateness of the Officer who should attend, the relevant chief Officer shall discuss this with the appropriate Overview and Scrutiny Chair or Vice Chair with a view to achieving consensus.
- 1.23.3 Where any Member or Officer is required to attend a Scrutiny Committee under this provision, the Chair of that Committee will inform the Head of Democratic Services. The Head of Democratic Services shall inform the Member or Officer, if necessary in writing, giving at least 15 working days' notice of the meeting at which he or she is required to attend (unless agreed otherwise). Any notice will state the nature of the item on which he or she is required to attend to give account and whether any papers are required to be produced for the Committee.
- 1.23.4 Where the account to be given to a Scrutiny Committee will require the production of a report, then the Member or Officer concerned will be given sufficient notice to allow for preparation of that documentation.

1.23.5 Where, in exceptional circumstances, the Member or Officer is unable to attend on the required date, then the Scrutiny Committees shall in consultation with the Member or Officer arrange an alternative date for attendance.

1.24 **Attendance by Others**

Scrutiny Committees may invite people other than those people referred to in paragraph 1.23 above to address it, discuss issues of local concern and/or answer questions. It may for example wish to hear from residents, stakeholders and Members and Officers in other parts of the public sector and shall invite such people to attend.

1.25 **Call-In**

1.25.1 **Rules**

- (a) Where a decision is made by the Cabinet an individual Member of the Cabinet or a Committee of the Cabinet or under joint arrangements, the decision shall be published by the Head of Democratic Services, including where possible by electronic means, and shall be available at the main offices of the Council normally within 5 clear working days of it being made. All Members of the Scrutiny Committees will be sent copies of the records of all such decisions within the same time scale, by the person responsible for publishing the decision.
- (b) That notice will bear the date on which it is published and will specify that the decision will come into force and may then be implemented, on the expiry of [five] clear working days after the publication of the decision, unless a Scrutiny Committee objects to it and calls it in for review.
- (c) During that period the Monitoring Officer shall call-in a decision for scrutiny by a Scrutiny Committee if so requested in the specified format by the Chair (or in his/her absence the Vice-chair) and any two Members of that Scrutiny Committee and, shall then notify the decision taker of the call-in. He/she shall call a meeting of that Scrutiny Committee on such a date as he/she may determine, where possible after consultation with the Chair or Vice Chair of that Scrutiny Committee, and in any case within 15 clear working days of the decision to call-in (only in exceptional circumstances will the Chair of the Scrutiny Committee consider extending this time limit).
- (d) If, having considered the decision, the Scrutiny Committee is still concerned about it, then it may refer it back to the decision making body for reconsideration, setting out in writing the nature of its concerns or refer the matter to Full Council. If referred to the decision maker they shall then reconsider within a further 15 clear working days, amending the decision or not, before adopting a final decision.
- (e) If following an objection to the decision, a Scrutiny Committee does not meet within the period set out above, or does meet but does not refer the matter back to the decision making person or body, the decision shall take effect on the date of the Scrutiny Committee meeting, or the expiry of that further 5 working day period, whichever is the earlier.

- (f) If the matter was referred to Full Council and the Council does not object to a decision which has been made, then no further action is necessary and the decision will be effective in accordance with the provision below. However, if the Council does object, the Council will refer any decisions to which it objects back to the decision making person or body, together with the Council's views on the decision. That decision making body or person shall choose whether to amend the decision or not before reaching a final decision and implementing it. Where the decision was taken by the Cabinet as a whole, or a Committee of it, the matter will be reconsidered at the next meeting of the Cabinet or Committee. Where the decision was made by an individual, the individual will reconsider within ten working days of the Council's request.
- (g) If the Council does not meet, or if it does but does not refer the decision back to the decision making body or person, the decision will become effective on the date of the Council meeting or expiry of the period in which the Council meeting should have been held, whichever is earlier.
- (h) In order to ensure that call-in is not abused, nor causes unreasonable delay, certain limitations are to be placed on its use. These are:
 - (i) a Scrutiny Committee may only call-in a total of three decisions per three month period;
 - (ii) three Members of a Scrutiny Committee from at least two political groups), including the Chair (or in his/her absence the Vice-chair) are needed for a decision to be called in;
 - (iii) once a Member has signed a request for call-in under this paragraph, he/she may not do so again until the period of three months has expired.
 - (iv) No Co-opted Members may report a decision be called in.
- (i) The Monitoring Officer may veto any request for call-in if it falls outside the remit of this scheme.
- (j) Save in exceptional circumstances all Members requesting a matter be called in must attend the meeting at which the matter is being considered.

1.25.2 Call-In and Urgency

- (a) The call-in procedure set out above shall not apply where the decision being taken by the Cabinet is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would, for example, seriously prejudice the Council's or other public interests. The record of the decision, and notice by which it is made public, shall state whether in the opinion of the decision making person or body, the decision is an urgent one, and therefore not subject to call-in. The Chair of the Council must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. In the absence of the Chair the Vice -Chair's consent shall be required. In the absence of both, the Head of Paid Service or his/her nominee's consent should be required. Decisions taken as a matter of urgency must be reported

at the next available meeting of the Council, together with the reasons for urgency.

- (b) The operation of the provisions relating to call-in and urgency shall be monitored annually and a report submitted to Council with proposals for review if necessary.

1.26 **The Party Whip**

- 1.26.1 A member of a scrutiny committee must not vote on a question at a meeting of the committee if, before the meeting, the member has been given a party whip relating to the question (a "prohibited party whip").
- 1.26.2 A vote that is given in breach of 7.26.1 must be disregarded.
- 1.26.3 Each member of the committee must declare any prohibited party whip which the member has been given in relation to the meeting.
- 1.26.4 All such declarations made under 7.26.3 must be recorded in the minutes of the meeting.
- 1.26.5 It is for the person presiding over the meeting of the Scrutiny Committee to determine whether a member of the committee has been given a prohibited party whip in relation to the meeting.

1.27 **Procedure at Scrutiny Committee Meetings**

- 1.27.1 Scrutiny Committees shall consider the following business:
 - (a) minutes of the last meeting;
 - (b) declarations of interest;
 - (c) consideration of any matter referred to that Scrutiny Committee for a decision in relation to call in of a decision;
 - (d) responses of the Cabinet to reports of that Scrutiny Committee;
 - (e) the business otherwise set out on the agenda for the meeting.

The Rules of Procedure at a Scrutiny Committee will be the same as the Council procedure Rules except that the Chair of the meeting may allow the rules of debate to be relaxed to enable a full contribution by those attending the meeting whether a Members of a Scrutiny Committee or in any other capacity which allows them to contribute to the worth of the meeting.

- 1.27.2 Scrutiny Committee may ask people to attend to give evidence or answer questions about any items on their agenda. Meetings should be conducted in accordance with the following principles:
 - (a) that the business be conducted fairly and all Members of the Scrutiny Committees be given the opportunity to ask questions of attendees, and to contribute and speak;
 - (b) that those assisting by giving evidence be treated with respect and courtesy;
 - (c) that the business be conducted as efficiently as possible.
- 1.27.3 Following any investigation or review, a Scrutiny Committee shall prepare a report, for submission to the Cabinet and/or Council as appropriate and shall make its report and findings public.

1.28 **Matters within the Remit of more than one Scrutiny Committee**

Where a matter for consideration by a Scrutiny Committee also falls within the remit of one or more other Scrutiny Committees, the decision as to which Scrutiny Committee will consider it will be resolved by the respective Chairs or, if they fail to agree, the decision will be made by the Chairman of the Council.

1.29 **Councillor Call for Action**

- 1.29.1 The Councillor Call for Action is a mechanism for enabling elected Members to bring matters of local concern to the attention of the Council via the Scrutiny process. It should be an option of “last resort”.
- 1.29.2 Any Member may request that an item is placed on the agenda of a Scrutiny Committee for consideration.
- 1.29.3 The procedure for dealing with a Call for Action is set out in the Councillor Call for Action - Guidance for Councillors attached to these Rules at Appendix 1.

Appendix 1 to Section 1

Councillor Call for Action - Guidance for Councillors

1. INTRODUCTION

- 1.1 The Local Government Wales Measure 2011 introduced a number of new provisions aimed at strengthening local democracy. Section 63 of the Measure introduced a provision for “Councillor Calls for Action” (CCfA) which enables Councillors to refer issues of local importance to Scrutiny Committees .
- 1.2 CCfAs are intended to enable local Councillors and their electors to obtain a response from their Council Leadership on issues of local importance. CCfAs should be regarded as one of a series of tools which elected Members have at their disposal to resolve local issues and make a positive difference in their community. Previously in Wales, only local Crime and Disorder issues could be referred by the local Member to the designated Crime and Disorder Scrutiny Committees for action and it should be noted that these local crime and disorder referrals will remain in place under separate legislation.
- 1.3 As part of their community leadership role, councillors have always attempted to resolve issues on behalf of their local residents and CCfAs provide an additional avenue for councillors to follow if the normal ways of resolving an issue have not been successful and the issue meets the criteria for a referral. It should be noted that a referral under this process should be seen as a last resort after all other avenues have been exhausted.
- 1.4 CCfAs have been introduced alongside other powers for scrutiny, including powers to scrutinise a wide range of bodies not previously subject to local authority scrutiny. CCfAs are intended to enable any Member for the Council to refer to an Scrutiny Committees , “a local government matter” which falls within the Scrutiny Committees remit.

2. HOW SHOULD I NORMALLY ATTEMPT TO RESOLVE A LOCAL ISSUE IN MY AREA?

- 2.1 Local issues can be resolved in a number of ways by councillors on behalf of their residents as listed in the Welsh Government’s Statutory Guidance from the Local Government Measure 2011:
 - 2.1.1 informal discussions with Officers or other councillors;
 - 2.1.2 informal discussions with partner representatives;
 - 2.1.3 referral to other “scrutiny” bodies such as Community Health Councils or internal audit committee;
 - 2.1.4 formal discussions with Officers and councillors;
 - 2.1.5 formal letters to the Cabinet Members;
 - 2.1.6 asking questions at Full Council;
 - 2.1.7 submitting a motion to Full Council;
 - 2.1.8 organising public meetings;
 - 2.1.9 use of petitions;
 - 2.1.10 making a complaint;
 - 2.1.11 information requests;
 - 2.1.12 communication with local AMs or MPs;
 - 2.1.13 use of social media or email based campaigns.

- 2.2 This is not an exhaustive list and councillors may choose different routes for specific issues. If an issue has not been resolved after exhausting all possible alternative routes, then a local councillor can refer it to the appropriate Scrutiny Committees .

3. WHAT IS A COUNCILLOR CALL FOR ACTION

- 3.1 In order for the Scrutiny Committees to accept a CCfA as an agenda item for discussion at one of their meetings, the issue must affect either all or part of a councillor's electoral area or it must affect someone who lives or works in that area.
- 3.2 A Councillor does not however need a referral from a constituent in order to start the process. It is important to recognise that an a CCfA is not guaranteed to solve a given problem, though it can provide a method for discussing such problems and, through discussion, attempt to overcome them.

4. HOW AND WHEN SHOULD I MAKE A CCFA

- 4.1 A flowchart showing the process is provided at Annex A. A councillor may initiate the process by completing the form at Annex B. Further copies are available from the Head of Democratic Services. It is important that the local councillor specifies what outcome is expected from the referral. After completion the form should be returned to the Head of Democratic Services who will log and acknowledge the referral within five working days.
- 4.2 The Head of Democratic Services will confirm whether or not the referral satisfies the requirements outlined in paragraph 4.1 above to enable it to be placed on the agenda for discussion at a meeting of the Scrutiny Committees. The Head of Democratic Services reserves the right to exclude from the agenda any matter which is vexatious, discriminatory or otherwise potentially unlawful; and the Councillor will be informed of this outcome as soon as practicable.

5. CRITERIA TO BE FOLLOWED BY A SCRUTINY COMMITTEE

- 5.1 It is up to the Members of a Scrutiny Committee to decide whether, and in what form, to take the matter further. The Scrutiny Committee will use the following criteria to decide whether or not the referral is appropriate to be considered by that Scrutiny Committee :
- 5.1.1 Is that Scrutiny Committee satisfied that all reasonable attempts have been made to resolve the issue by the local councillor? Do the responses received by the referring councillor demonstrate that the matter is not being progressed?
- 5.1.2 Has that Scrutiny Committee considered a similar issue recently? If so, have the circumstances or evidence changed?
- 5.1.3 Is there a similar or related issue which is the subject of a review on the current work programme? It may be more appropriate to link the new issue to an existing review, rather than hold a separate CCfA hearing. Relevant time pressures on resolving the CCfA should be taken into account.
- 5.1.4 Have all relevant service areas or partner organisations been informed and been given enough time to resolve the issue? What response has the councillor received?
- 5.1.5 Is this a case that is being or should be pursued via the Council's corporate complaints procedure?

- 5.1.6 Is it relating to a “quasi-judicial” matter or decision such as planning or licensing?
- 5.1.7 Is the matter an issue of genuine local concern which impacts on the local community rather than a personal matter?
- 5.1.8 Is this an issue currently being looked at by another form of local scrutiny?
- 5.1.9 And, as with all scrutiny, does the matter have the potential for scrutiny to produce recommendations which could realistically be implemented and lead to improvements for anyone living or working in the Member’s electoral division?

NB: Crime and Disorder referrals should be directed to the designated Crime and Disorder Scrutiny Committees .

5.2 If a Scrutiny Committee decides not to accept the CCfA it must inform the councillor of the decision and the reasons for it.

5.3 If a Scrutiny Committee decides to accept the CCfA the Councillor will be informed and advised of the agreed Protocol, eg the Councillor will be given adequate notice (a minimum of 10 clear days) of the date of the Scrutiny Committee meeting. The Councillor will be requested to attend to the Scrutiny Committee and informed that he/she will have ten minutes in which to address the Scrutiny Committee. The Scrutiny Committee may then wish to question the Councillor further before deciding how it intends to take the matter forward. This could include:

- 5.3.1 asking the relevant responsible authorities to respond to the CCfA;
- 5.3.2 setting up a research or task and finish group to undertake a more in-depth review;
- 5.3.3 asking for further evidence and/or witnesses to be brought to a future meeting. The Scrutiny Committee has the power to request “designated persons” such as representatives from other public bodies/agencies to attend, where relevant, and to request information. (The Welsh Government have yet to publish a list of “designated persons”.)

6. **POTENTIAL OUTCOMES FROM A CCFA**

6.1 A Scrutiny Committee could:

- 6.1.1 determine that it is a complex issue that requires further investigation and commission a scrutiny review of the issue;
- 6.1.2 write a response and make recommendations on the CCfA to a relevant responsible authority;
- 6.1.3 decide that further action is not appropriate giving its reasons.

6.2 Once a Scrutiny Committee has completed its work, the Councillor who made the referral will receive a copy of any response or recommendations made.

7. **TIMESCALES FOR DEALING WITH A CCFA**

7.1 In exceptional circumstances, for example where there are unavoidable time constraints, a special Scrutiny Committees meeting may be convened.

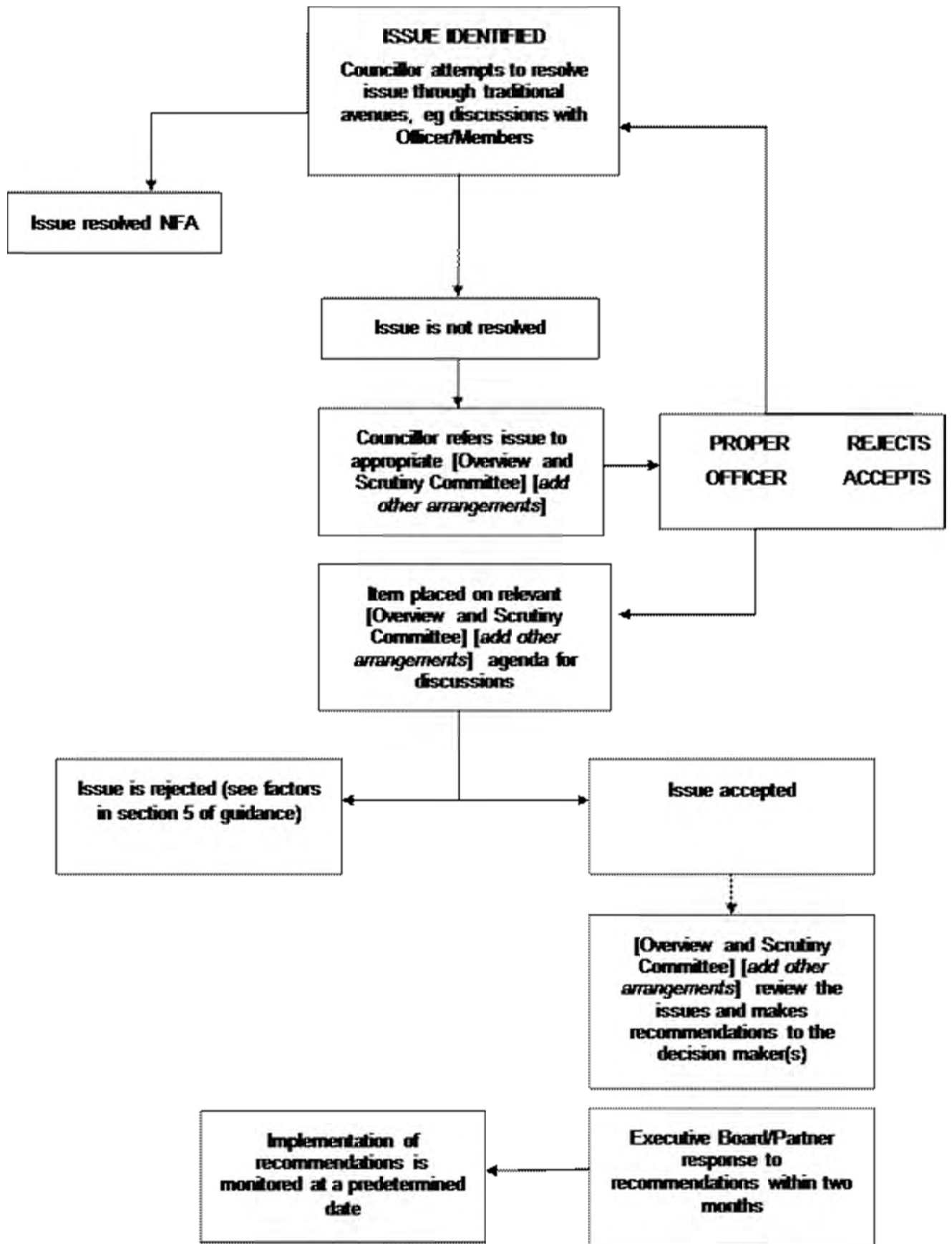
7.2 Should a CCfA result in recommendations to the Cabinet responsible authorities, they will be requested to make a response to the recommendations within 28 days and two months respectively.

7.3 A Scrutiny Committee will monitor implementation of any recommendations as part of its Forward Work Programme.

8. **REVIEW OF THIS GUIDANCE**

This guidance is based on a model prepared and approved by the Association of Council Secretaries and Solicitors (ACSeS) in October 2009. ACSeS will review their model guidance in light of experience of the use of these procedures by local authorities in Wales, and this guidance may therefore be modified accordingly.

APPENDIX 2 TO SECTION 1



Flow Chart for Councillor Call for Action

Appendix 3 to Section 1

Councillor Call for Action Referral

For the attention of (name and title of Proper Officer)	
From	Councillor
Electoral Division	
Contact details	
Telephone	
E-mail	
SUBJECT	
Details Please briefly explain what the issue is and how it affects your electoral division.	
Action taken to date Please explain what steps have been taken, with whom, to try to resolve the issue (please tick the actions you have taken to date) or add additional.	<ul style="list-style-type: none">• Informal discussions with Officers or other councillors• Informal discussions with partner representatives• Referral to other “scrutiny” bodies such as Community Health Councils or internal audit committee• Formal discussions with Officers and councillors• Formal letters to the Cabinet Members• Asking questions at Full Council• Submitting a motion to Full Council• Organising public meetings• Use of petitions• Making a complaint• Information requests• Communication with local AMs or MPs• Use of social media or email based campaigns
Expected Outcome Please describe the outcome	

you hope to gain via this referral.	
<p>Papers attached</p> <p>Please list documents attached which should evidence the impact of the issue, the steps taken and any responses received.</p>	

9. The following criteria will be taken into consideration when Scrutiny Committees decide whether to progress with your CCfA:
 - 9.1 Have all reasonable attempts been made to resolve the issue? Do the responses received by you demonstrate that the matter is not being progressed?
 - 9.2 Has the committee considered a similar issue recently – if yes have the circumstances or evidence changed?
 - 9.3 Is there a similar or related issue which is the subject of a review on the current work programme? It may be more appropriate to link the new issue to an existing review, rather than hold a separate LCDR hearing. Relevant time pressures on resolving the CCfA should be taken into account.
 - 9.4 Have all relevant service areas or partner organisations been informed and been given enough time to resolve the issue? What response have you received?
 - 9.5 Is this a case that is being or should be pursued via the Council's corporate complaints procedure?
 - 9.6 Is it relating to a “quasi-judicial” matter or decision such as planning or licensing?
 - 9.7 Is the matter an issue of genuine local concern, which impacts on the local community rather than a personal matter?
 - 9.8 Is this an issue currently being looked at by another form of local scrutiny?
 - 9.9 And, as with all scrutiny, does the matter referred have the potential for scrutiny to produce recommendations, which could realistically be implemented and lead to improvements for anyone living or working in your electoral division.
10. Please consider whether your referral might be considered premature by the Scrutiny Committees. Consider whether other potential remedies have been exhausted, before a referral is made. Members should be aware that if a premature referral is made, the Committee is likely to refuse to deal with the issue, based on the criteria outlined above. If the Proper Officer believes that the referral is premature, he/she will advise you accordingly.

SECTION 15

1. BUDGET AND POLICY FRAMEWORK PROCEDURE RULES

1.1 The Framework for Executive Decisions

The Council will be responsible for the adoption of its Budget and Policy Framework as set out in Section **Error! Reference source not found.** Once a Budget or a Policy Framework is in place, it will be the responsibility of the Cabinet to implement it.

1.2 Process for Developing the Framework

1.2.1 The Cabinet, following detailed reports from respective Chief Officers, (following appropriate consultation with stakeholders) will present to Council, proposed plans, policies and the associated annual budgets. This will be done allowing adequate time for Council to deal with the matter and, if needed, refer the matter back to the Cabinet for further consideration.

1.2.2 The Council will consider the proposals of the Cabinet and may adopt them, amend them, refer them back to the Cabinet for further consideration, or substitute its own proposals in their place. In considering the matter, the Council shall have before it the Cabinet's proposals and any related report from an Scrutiny Committees .

1.2.3 Any amendments to the proposals of the Cabinet to be proposed by Members at Council may not be considered by Council unless notice of the proposed amendment has been given to the [Proper Officer] in writing and signed by the proposer and seconder not later than 17.00 at least 1 clear day before the date of the Council meeting.

1.2.4 The Council's decision will be publicised and a copy shall be given to the Leader. The notice of decision shall be dated and shall state either that the decision shall be effective immediately (if the Council accepts the Cabinet's proposals without amendment) or (if the Cabinet's proposals are not accepted without amendment), that the Council's decision will become effective on the expiry of 5 working days after the publication of the notice of decision, unless the Leader objects to it in that period.

1.2.5 If the Leader objects to the decision of the Council, he/she shall give written notice to the Chief Executive to that effect, prior to the date upon which the decision is to be effective. The written notification must state the reasons for the objection. Where such notification is received, the Chief Executive shall convene a further meeting of the Council to reconsider its decision and the decision shall not be effective pending that meeting.

1.2.6 The Council meeting must take place within [*insert number*] working days of the receipt of the Leader's written objection. At that Council meeting, the decision of the Council shall be reconsidered in the light of the objection, which shall be available in writing for the Council.

1.2.7 The Council shall, at that meeting, make its final decision on the matter on the basis of a simple majority. The decision shall be made public in accordance with Section **Error! Reference source not found.** and shall be implemented immediately.

1.2.8 All policy and budget reports presented to Council for decision shall subsequently be presented to the next calendar relevant Scrutiny Committees .

1.3 **Process for Developing the Budget**

- 1.3.1 The Cabinet will follow the process set out in the Financial Procedure Rules in Section **Error! Reference source not found.** of the Constitution. In addition the following process shall apply to the development of the Budget:
- (a) The Cabinet will publicise a timetable for making proposals to the Council for the adoption of the Budget, and its arrangements for consultation after publication of the initial proposals. The Chair of the Audit Committee will also be notified.
 - (b) At the end of the consultation period, the Cabinet will draw up firm proposals having regard to the responses to the consultation. If the Audit Committee wishes to respond to the Cabinet in that consultation process then it may do so. The Audit Committee shall report to the Cabinet on the outcome of its deliberations.
- 1.3.2 The Cabinet will take any response from the Audit Committee into account in drawing up firm proposals for submission to the Council, and its report to Council will reflect the comments made by consultees and the Cabinet's response.
- 1.3.3 Once the Cabinet has approved the firm proposals, it will refer them at the earliest opportunity to the Council.

1.4 **Decisions Outside the Budget or Policy Framework**

- 1.4.1 Subject to the provisions of paragraph 1.6 (Virement) the Cabinet, committees of the Cabinet, individual Members of the Cabinet or any Officers or joint arrangements discharging Executive Functions may only take decisions which are in line with the Budget and Policy Framework. If any of these bodies or persons wishes to make a decision which is contrary to the Policy Framework, or contrary to or not wholly in accordance with the Budget approved by Full Council, then that decision may only be taken by the Council, subject to paragraph 1.5 below.
- 1.4.2 If the Cabinet, committees of the executive, individual Members of the Cabinet or any Officers or joint arrangements discharging Executive Functions want to make such a decision, they shall take advice from the Monitoring Officer and/or the Chief Finance Officer as to whether the decision they want to make would be contrary to the Policy Framework, or contrary to or not wholly in accordance with the budget.
- 1.4.3 If the advice of either of those Officers is that the decision would not be in line with the existing Budget and/or Policy Framework, then the decision must be referred by that body or person to the Council for decision, unless the decision is a matter of urgency, in which case the provisions in paragraph (urgent decisions outside the Budget and Policy Framework) shall apply.

1.5 **Urgent Decisions Outside the Budget or Policy Framework**

- 1.5.1 The Cabinet, a committee of the Cabinet, an individual Member of the Cabinet or Officers or joint arrangements discharging Executive Functions may take a decision which is contrary to the Council's Policy Framework or contrary to or not wholly in accordance with the budget approved by Full Council if the decision is a matter of urgency. However, the decision may only be taken:

- (a) if it is not practical to convene a quorate meeting of the Full Council;
and
- (b) if the Chair of the Council agrees that the decision is a matter of urgency.

1.5.2 The reasons why it is not practical to convene a quorate meeting of Full Council and the Chair of the Council's consent to the decision being taken as a matter of urgency must be noted on the record of the decision. In the absence of the Chair of the Council the consent of the Vice Chair of the Council and in the absence of both the Head of the Paid Service will be sufficient.

1.5.3 Following the decision, the decision taker will provide a full report to the next available Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

1.6 **Virement**

Steps taken by the Cabinet, a committee of the Cabinet, individual Members of the Cabinet or Officers or joint arrangements discharging Executive Functions to implement Council policy, shall not exceed those budgets allocated to each budget head. In the event that virement across budget heads or budgets becomes necessary or desirable, it shall be carried out in accordance with the Financial Procedure Rules in Section **Error! Reference source not found.** of this Constitution.

1.7 **In-Year Changes to Policy Framework**

The responsibility for agreeing the Budget and Policy Framework lies with the Council and decisions by the Cabinet, a committee of the Cabinet, an individual Member of the Cabinet or Officers or joint arrangements discharging Executive Functions must be in line with it. No changes to any policy or strategy which make up the Policy Framework may be made by those bodies or individuals except those changes:

- 1.7.1 which will result in the closure or discontinuance of a service or part of service to meet a budgetary constraint;
- 1.7.2 necessary to ensure compliance with the law, ministerial direction or government guidance;
- 1.7.3 in relation to the Policy Framework in respect of a policy which would normally be agreed annually by the Council following consultation, but where the existing policy document is silent on the matter under consideration;
- 1.7.4 which relate to policy in relation to schools, where the majority of school governing bodies agree with the proposed change; or
- 1.7.5 for which provision is made within the relevant budget or policy.

1.8 **Call-In of Decisions Outside the Budget or Policy Framework**

1.8.1 Where the relevant Scrutiny Committee is of the opinion that an Executive Decision is, or if made would be, contrary to the Policy Framework, or contrary to or not wholly in accordance with the Council's Budget, then it shall seek advice from the Monitoring Officer and/or Chief Finance Officer.

1.8.2 In respect of functions which are the responsibility of the Cabinet, the Monitoring Officer's report and/or Chief Finance Officer's report shall be to the Cabinet with a copy to every Member of the Council. Regardless

of whether the decision is delegated or not, the Cabinet must meet to decide what action to take in respect of the Monitoring Officer's or Chief Finance Officer's report and to prepare a report to Council in the event that the Monitoring Officer or the chief finance Officer conclude that the decision was a departure, and to the relevant Scrutiny Committee if the Monitoring Officer or the Chief Finance Officer conclude that the decision was not a departure.

- 1.8.3 If the decision has yet to be made, or has been made but not yet implemented, and the advice from the Monitoring Officer and/or the Chief Finance Officer is that the decision is or would be contrary to the Policy Framework or contrary to or not wholly in accordance with the Budget, the relevant Scrutiny Committee may refer the matter to Council. In such cases, no further action will be taken in respect of the decision or its implementation until the Council has met and considered the matter. The Council shall meet within 15 working days of the request by the Scrutiny Committee. At the meeting it will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or the Chief Finance Officer. The Council may either:
- (a) endorse a decision or proposal of the Executive Decision taker as falling within the existing Budget and Policy Framework. In this case no further action is required, save that the decision of the Council be minuted and circulated to all councillors in the normal way; or
 - (b) amend the Council's Financial Procedure Rules or policy concerned to encompass the decision or proposal of the body or individual responsible for that Executive Function and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the Council be minuted and circulated to all councillors in the normal way; or
 - (c) where the Council accepts that the decision or proposal is contrary to the Policy Framework or contrary to or not wholly in accordance with the Budget, and does not amend the existing framework to accommodate it, require the Cabinet to reconsider the matter in accordance with the advice of either the Monitoring Officer or Chief Finance Officer.

SECTION 19

19. PROTOCOL FOR COUNCILLORS.

The following protocol seeks to clarify the roles of the members of the Planning Committee (“the Decision Maker”), Local Members and Councillors generally.

19.1 INTRODUCTION

- 19.1.1 The Council has one Planning Committee comprising 15 members which determines those Planning Applications referred to it for decision in accordance with the Gwynedd Planning Delegation Scheme.
- 19.1.2 A planning application will, however, in accordance with the Gwynedd Planning Delegation Scheme more often than not be determined by the Head of Regulatory rather than the Planning Committee. In this situation those Members who sit on the Planning Committee will have no role to play in the decision making process.
- 19.1.3 In respect of a Planning Application in his/her electoral division or which affects his/her electoral division a Councillor may exercise the power of call-in (so that the application is dealt with by the Planning Committee and not the Head of Regulatory).
- 19.1.4 A Councillor may also in respect of a Planning Application in his/her electoral division or which affects his/her electoral division attend a meeting of the Planning Committee when that application is determined to put forward the views of those constituents he/she represents.
- 19.1.5 The roles and powers of Councillors may be restricted where there are conflicts between their position as Councillors and their private or outside interests.
- 19.1.6 These roles and powers of members are defined in more detail below.

19.2 “DECISION MAKER” ROLE

- 19.2.1 A Councillor who is a member of the Planning Committee and who takes part (or who intends to take part) at a meeting of the Planning Committee in the determination of particular Planning Application will for the purposes of this Protocol be a “Decision Maker” in relation to such Planning Application.
- 19.2.2 A Councillor who is a Decision Maker shall comply with the provisions of the Members’ Code of Conduct generally.

19.3. “LOCAL MEMBER” ROLE.

- 19.3.1 When a Planning Application is in a Councillor’s electoral division, the Councillor may attend a meeting of the Planning Committee to make representations about the planning application on behalf of his/her constituents, and for the purposes of this Protocol he/she will be a “Local Member” in relation to that Planning Application.

- 19.3.2 When a Councillor is a member of the Planning Committee, the Councillor cannot be a Decision Maker in relation to planning applications in his/her electoral ward. In relation to any planning application in his/her electoral ward every councillor shall be a Local Member in the context of this protocol.
- 19.3.3 When a Local Member, for whatever reason, cannot be present at the Planning Committee where an application in his/her electoral ward is to be discussed, he/she may arrange for another Councillor to attend the Planning Committee and make representations about the Planning Application on behalf of his/her constituents. In such circumstances this Councillor shall be the Local Member in the context of this Protocol.
- 19.3.4 A Councillor who is a Local Member shall comply with the Public Speaking Provisions and the Members' Code of Conduct generally. Further provisions relating to the "Local Members" role are also contained in the next following section.
- 19.3.5 When a councillor who is a Local Member has a prejudicial personal interest in accordance with the Members' Code of Conduct, he/she will not be entitled to address the Committee. In such circumstances he/she can arrange for another councillor to attend the Committee in order to submit observations regarding the planning application on behalf of the electorate.

19.4 NON-PLANNING COMMITTEE MEMBER ROLE.

- 19.4.1. Subject to the provisions of the Members' Code of Conduct generally a Councillor who is not a Member of the Planning Committee (whether or not he/she plays or intends to play the role of "Local Member") will be free to :
- discuss any planning application with the applicant/agent/objector/lobby group, etc.
 - attend any locally organised meeting concerning the application;
 - attend any Town or Community Council Meeting concerning the application and speak about the application (including expressing a view either for or against the application) and (if a member of the Town or Community Council) vote upon the application;
 - relay relevant information about the application to a planning officer;
 - seek information/clarification about the application from a planning officer;
 - should follow the rules on lobbying in accordance with Section 13 of this Protocol.

19.5 "CALL-IN"

- 19.5.1 A Councillor (whether a Member of the Planning Committee or not), in respect of a planning application in his/her electoral division, or which affects his/her electoral division, or any other two Councillors (whether a Member of the Planning Committee or not), may submit a written request to the Gwynedd Planning Manager within the established timescale so that the Planning Application be referred for determination to the Planning Committee. The written request should contain clear planning reasons for requesting an application to go to the Planning Committee.

- 19.5.2 Where a Councillor exercises the right to “call in” a planning application to the Planning Committee in accordance with 5.1 above, the prescribed period for notification shall be 16 calendar days from the date of the letter of notification.
- 19.5.3 Where two Councillors (not being a Local Member) exercise the right to “call in” a planning application to the Planning Committee in accordance with 5.1 above, a letter of notification should be sent to the Local Member.
- 19.5.4 Where two Councillors (not being a Local Member) exercise the right to “call in” a planning application to the Planning Committee in accordance with 5.1 one of the said Councillors may make representations to the Planning Committee in relation to that specific application. Such Councillor shall comply with the Public Speaking Provisions and the Members’ Code of Conduct.
- 19.5.5 For the avoidance of doubt where a Councillor exercises his right to speak in accordance with 5.4 above, this is in addition to the rights of the Local Member in accordance with 4.1 above.

19.6. PREDETERMINATION.

- 19.6.1. Whilst taking part in meetings of the authority, or whilst making decisions about an item before the Planning Committee, a Decision Maker should do so with an open mind and objectively. During the decision making process a Decision Maker must act fairly taking proper account of the public interest. In planning decisions, the decision must always be made on the basis of the facts submitted, and a Decision Maker’s mind must not be made up in advance to the extent that he/she is entirely unprepared to consider all the evidence and advice given.
- 19.6.2 Having a completely closed mind is known as pre-determination. A Decision Maker is entitled to hold a preliminary view about a particular matter in advance of a meeting (pre-disposition) as long as he/she keeps an open mind and is prepared to consider the merits of all the arguments and points made about the matter under consideration before reaching a decision.
- 19.6.3 Pre-determination on the other hand would be where a Decision Maker has clearly decided on a course of action in advance of a meeting and is totally unwilling to consider the evidence and arguments presented on that matter during the meeting. Pre-determination could not only invalidate the decision, it would also amount to a breach of the Code.
- 19.6.4 Therefore, a Decision Maker should consider the above carefully before taking part in the Committee as a Decision Maker. The advice of the Monitoring Office should be sought in advance and if it is considered that a Decision Maker has predetermined in relation to a specific item an open declaration should be made before the item is considered by the Planning Committee, and the person should not speak or vote on the item and should leave the Chamber during the discussion.

19.7 A COUNCILLORS' DIRECT CONNECTIONS WITH APPLICANTS AND OTHERS.

- 19.7.1. If a Councillor advises applicants, agents, objectors or other interested parties about the likely acceptability of planning proposals then in relation to planning applications relating to those proposals that Councillor cannot undertake the role of "Decision Maker"
- 19.7.2 A member who wishes to ensure that he/she remains eligible to carry out the role of "Decision Maker" should advise prospective applicants to contact a Planning Officer for advice on both merits and procedures.

19.8. MEMBERS SHOULD SEEK ADVICE.

- 19.8.1. A Councillor in any doubt as to his position under this Protocol or Members' Code of Conduct should always seek the advice of the Monitoring Officer.

19.9 OBLIGATIONS OF "DECISION MAKER"

- 19.9.1. A Decision Maker in relation to any planning application to be determined by the Planning Committee:
- **shall not** lobby or influence or attempt to lobby or influence another Decision Maker or the Head of Regulatory concerning such a planning application and its determination prior to the Planning Committee considering and determining that planning application;
 - **shall not** accept any gifts or hospitality from anyone connected with such planning application and take immediate steps to register any offers or gifts or hospitality refused in the register kept for that purpose by the Head of Democracy and Legal;
 - **shall not** accept or indicate that he/she will accept any letter, pamphlet or other written material (including e-mail and fax) concerning such a planning application before it is determined by the Planning Committee. Where a Decision Maker gratuitously receives such material he/she forthwith forwards it to the Head of Regulatory (who shall notify the sender, if known, that the material has been forwarded to him/her and will be referred to, as appropriate, in the Officer's Committee Report)
 - **shall not** attend any Meeting, Briefing or Discussion concerning such planning application which is not arranged by or attended by the Head of Regulatory or otherwise authorised in writing by the Monitoring Officer and shall have regard to the provisions relating to attending public meetings in Section 10 below;
 - **shall not** indicate or express publicly or privately the likely decision on or the merits of/objections to, such planning application prior to the Planning Committee considering and determining that planning application. In the event of a Decision Maker doing so he/she must take advice from the Monitoring Officer regarding him/her continuing in the role of the Decision Maker;

- **shall not** give a commitment in relation to that planning application prior to its consideration at the Planning Committee. **It is of vital importance that Councillors come to meetings with an open mind and can demonstrate that they are open-minded;**
- **shall not** bring detailed presentations with him/her to be read out at the meeting. This could be perceived as indicating that the Councillor had already decided in favour of, or against an application prior to attending the meeting. (It is recommended that Councillors make notes of points raised at the meeting as they occur for use in any presentations);
- **shall not** vote or take part in the Planning Committee meeting of he/she has not been present to hear the entire debate, including the officer's presentation concerning the application;
- **shall not** resume his/her seat in the Planning Committee room or chamber (having left the room or chamber before the debate on the application began or during the debate on the application) until consideration of the application being determined at that time is concluded;
- **shall not** propose, second or support a decision contrary to the Development Plan or the recommendations of the Head of Regulatory without clearly identifying and articulating the planning reasons supporting that proposed decision. Those reasons must be given prior to the vote and be recorded in the Minutes;
- **shall not** move a motion that the planning application be deferred without clearly identifying and articulating the reasons justifying such deferral. Those reasons must be recorded in the Minutes if the planning application is deferred;
- **shall not** vote on the application at an earlier meeting of a Town or Community Council. In the event of a Decision Maker doing so he/she must take advice from the Monitoring Officer regarding continuing in the role of Decision Maker.

19.9.2 A Councillor who is a Member of the Planning Committee and who wishes to undertake the "Local Member" role in relation to a planning application which is to be determined by the Planning Committee shall comply with the provisions in this Protocol relating to the "Local Member" particularly those in Sections 4 and 13.

19.9.3 A Councillor who is a Member of the Planning Committee shall comply with the **Members' Code of Conduct** and is reminded in particular that if he/she has in respect of a planning application to be determined by the Planning Committee

- i) a Personal Interest - the requirements as to disclosure;
- ii) a Prejudicial Interest - the need to obtain a dispensation from the Standards Committee - or otherwise be unable to undertake the role of a Decision Maker.

19.10. DECISION MAKER WHO HAS EXERCISED POWER OF CALL-IN.

19.10.1. If a specific planning application falls to be determined by the Planning Committee as a result of a Call-in request from a member of the committee then that member needs to consider carefully the role which he/she is able to play when the Planning Committee comes to consider and determine the application in question. In particular where the Member of the Planning Committee who has made the Call-in request :-

- has couched the Call-in request in language which might indicate that he/she has already formed a clear and settled view as to the appropriate outcome of the application; or
- has made the Call-in request following discussions with the applicant/ agent/objector and/or any third party (including another Councillor whether a Member of the Planning Committee or not). The member should seek advice from the Monitoring Officer regarding him/her continuing in the role of the Decision Maker.

19.11. OBLIGATIONS OF “LOCAL MEMBER”

19.11.1 A Councillor acting as a Local Member (whether a member of the Planning Committee or not):

- **shall not** sit with members of the Planning Committee, when attending a meeting of the Planning Committee concerning the planning application in question and must wait to be called to make any representations in the public area of the room;
- **shall not** speak to any member of the Planning Committee in relation to the planning application in question, either during a meeting of the committee or otherwise;
- **may**, in relation to the planning application in question with the consent of the Chair, respond to questions from members of the committee, the applicant or his agent and any other party allowed to speak at the meeting;
- **shall not** accept any gift of hospitality from anyone connected with the planning application in question and take immediate steps to register any offers of gifts or hospitality refused in the register kept for that purpose by the Head of Democracy and Legal.

19.11.2 Members who are not on the Planning Committee are expected to undertake training provided by the Council at least once annually to enable them to properly carry out their role as local representative.

19.11.3 A Councillor acting as a local member who requires further information on the planning application in question should seek such information from the relevant planning officers and not from members of the Planning Committee.

19.12. RIGHTS OF “LOCAL MEMBER”

19.12.1 For the avoidance of doubt a “Local Member” will have those rights set out in Section 4.1. of this Protocol under the heading of “Non-Planning Committee Member Role”.

19.13. LOBBYING.

- 19.13.1 It is important to recognise that lobbying is a normal and perfectly proper part of the political process. Those who may be affected by a planning decision will often seek to influence it through an approach to their elected ward member or to a member of the Planning Committee. As the Nolan Committee's Third Report states.. "It is essential for the proper operation of the Planning system that local concerns are adequately ventilated. The most effective and suitable way this can be done is via the local elected representatives, the Councillors themselves."
- 19.13.1.2 However, such lobbying can, unless care and common sense are exercised by all parties concerned, lead to the impartiality and integrity of a councillor being called into question.
- 19.13.1.3 When being lobbied, a Decision Maker should take care about expressing an opinion which may be taken as indicating that they have already made up their mind on an issue before they have been exposed to all of the evidence. They should restrict themselves to procedural advice only.
- 19.13.1.4 It is recommended that Councillors should not lobby Councillors who are members of the Planning Committee regarding their concerns or views not attempt to persuade them that they should decide how to vote in advance of the meeting at which any planning decision is to be taken.
- 19.13.1.5 Councillors should not decide or discuss how to vote on any application at any sort of political group meeting, or lobby any other member to do so. Political Group Meetings should never dictate how members should vote on a planning issue. Political Group Meetings should not be held prior to Planning Committee.

19.14 TRAINING OF PLANNING COMMITTEE MEMBERS.

- 19.14.1. The Council shall ensure that Members of the Planning Committee satisfactorily complete induction training before first serving on the Planning Committee and undertake from time to time additional/refresher training in accordance with a training programme agreed by the Council.
- 19.14.2 Attendance records for planning training events shall be monitored. A six monthly report shall be presented to the Principal Scrutiny Committee regarding presence by members on training events. A member of the Planning Committee who fails to attend the training sessions shall not be permitted to sit on the Planning Committee until such training has been completed. A new member of the Council shall undertake a training session before he/she is permitted to sit on the Planning Committee.

19.15 TRAINING OF OTHER MEMBERS.

19.15.1 Appropriate training for members who do not sit on the Planning Committee will be arranged so as to enable them to properly discharge the role of a Local Member.

19.16. PLANNING APPLICATIONS BY MEMBERS.

19.16.1. Where a planning application is made by a member, any such member should comply with the Members' Code of Conduct generally. However, the member will have the right to address the Committee as the applicant in accordance with the Rules on Public Speaking. Immediately after addressing the Committee the member should leave the Chamber whilst the application is discussed in accordance with the Members Code of Conduct.

SECTION 21

1. PROTOCOL ON MEMBER / OFFICER RELATIONS

1.1 Introduction

The purpose of this Protocol is to guide Members and Employees of the Council in their relations with one another.

1.2 Mutual respect between Members and Employees is essential to good local government. However, close personal familiarity between individual Members and Employees can damage this relationship and prove embarrassing to other Members and Employees.

1.3 The relationship has to function without compromising the ultimate responsibilities of Employees to the Council as a whole, and with due regard to such technical, financial, professional and legal advice that Employees can legitimately provide to Members. The Protocol seeks to set a framework that assists the working relationships between Members and Employees.

1.4 Members and Employees are subject to their respective Codes of Conduct which are available in this Constitution. This Protocol provides guidance on work relations between Members and Employees. It is essential that both are familiar with the detailed obligations in their individual Codes of Conduct which will be the overriding factor should there be any conflict between the Codes and this Protocol.

1.5 Roles of Members

Members undertake many different roles. Broadly these are:

1.5.1 Members express political values and support the policies of the party or group to which they belong (if any).

1.5.2 Members represent their electoral division and are advocates for the citizens who live in the area.

1.5.3 Members are involved in active partnerships with other organisations as community leaders.

1.5.4 Members contribute to the decisions taken in Full Council and in its various bodies on which they serve, as well as joint committees, outside bodies and partnership organisations.

1.5.5 Members help develop and review policy and strategy.

1.5.6 Members monitor and review policy implementation and service quality.

1.5.7 Members are involved in quasi-judicial work through their Membership of regulatory committees.

1.6 Conduct of Members

Member conduct is controlled by the Code of Conduct for Members which states:

"You must -

1.6.1 *undertake your duties and responsibilities by giving due attention to the principle that everyone shall have an equal opportunity regardless of their gender, race, disability, sexual orientation, age or religion;*

1.6.2 *show respect to others and be mindful of them;*

1.6.3 *not behave in a bullying or harassing manner towards any person; and*

- 1.6.4 *not do anything which compromises or which is likely to compromise the impartiality of those who work for the council or on its behalf.”*

1.7 **Roles of Employees**

Briefly, Employees have the following main roles:

- 1.7.1 Managing and providing the services for which the Council has given them responsibility and being accountable for the efficiency and effectiveness of those services.
- 1.7.2 Providing advice to the Council and its various bodies and to individual Members in respect of the services provided.
- 1.7.3 Initiating policy proposals.
- 1.7.4 Implementing agreed policy.
- 1.7.5 Ensuring that the Council always acts in a lawful manner.

1.8 **Conduct of Employees**

Employee conduct is controlled by the Code of Conduct for Employees which states:

- 1.8.1 *“Contact with members, the public and other employees.*
- 1.8.2 *Joint respect between qualified employees and members is essential for good local government, and work relationships should remain on a professional level.*
- 1.8.3 *The competent employees of the relevant authorities should deal with the public, members and other employees in a sympathetic, efficient and impartial manner.”*

1.9 **Respect and Courtesy**

- 1.9.1 For the effective conduct of Council business there must be mutual respect, trust and courtesy in all meetings and contacts, both formal and informal, between Members and Employees. This plays a very important part in the Council's reputation and how it is seen in public. It is very important that both Members and Employees remember their respective obligations to enhance the Council's reputation and to do what they can to avoid criticism of other Members, or other Employees, in public places.

1.9.2 **Undue Pressure**

- (a) It is important in any dealings between Members and Employees that neither should seek to take unfair advantage of their position.
- (b) In their dealings with Employees (especially junior Employees) Members need to be aware that it is easy for them to be overawed and feel at a disadvantage. Such feelings can be intensified where Members hold senior official and/or political office.
- (c) A member should not place officers under inappropriate pressure to act in accordance with the member's wishes and an officer shall retain the right to offer a professional opinion that is contrary to the views of the member.
- (d) A Member should not apply undue pressure on an Employee either to do anything that he is not empowered to do or to undertake work outside normal duties or outside normal hours. Particular care needs to be taken in connection with the use of Council property and services.

- (e) Similarly, an Employee must neither seek to use undue influence on an individual Member to make a decision in his favour, nor raise personal matters to do with their job, nor make claims or allegations about other Employees. *(The Council has formal procedures for consultation, grievance and discipline, and Employees have the right to report possible wrongdoing under the Council's Confidential Reporting Code.)*

1.9.3 Bullying or harassment

It is unacceptable for a member to bully or harass an officer. Any act against an officer is deemed to be bullying or harassment if it was intended to have an inappropriate or unfair influence on his/her views or actions. There is no room for disparaging personal remarks during discussions between members and officers and it is not considered appropriate for either party to voice a complaint against the other publically in a committee or in the press, without first referring to the Council's internal procedure in an attempt to resolve that complaint.

1.9.4 Familiarity

- (a) Close personal familiarity between individual Members and Employees can damage the principle of mutual respect. It could also, intentionally or accidentally, lead to the passing of confidential information or information which should not properly be passed between them, such as personal details.
- (b) Such familiarity could also cause embarrassment to other Members and/or other Employees and even give rise to suspicions of favouritism.
- (c) For these reasons close personal familiarity must be avoided.

1.9.5 Breach of Protocol

- (a) If a Member considers that he has not been treated with proper respect or courtesy he may raise the issue with the Employee's line manager. If direct discussion with the manager does not resolve the complaint it should be referred to the Head of Service or Director responsible for the employee concerned. Breach of the Protocol may give rise to disciplinary proceedings against an Employee if the circumstances warrant it.
- (b) If an employee considers that a Member has contravened the protocol he should consult his line manager who will if necessary involve the Head of Service or Director. In certain circumstances breach of the Protocol may also constitute a breach of the Members' Code of Conduct. If the breach is sufficiently serious this may warrant a formal reference to the Monitoring Officer as a complaint to be considered for potential investigation by the Standards Committee. Many complaints will be capable of informal resolution. The Monitoring Officer or the Chief Executive will assist in this process if necessary.

1.10 Provision of Advice and Information to Members

- 1.10.1 Members are free to approach Employees of the Council to provide them with such information and advice as they may reasonably need in order to assist them in discharging their role as a Member of the Council. This can range from a request for general information about some aspect of the Council's activities to a request for specific information on behalf of a constituent.
- 1.10.2 Employees should always endeavour to respond to requests for information promptly and should in any event inform the Member if there is likely to be any appreciable delay in dealing with an enquiry. As a minimum the timescale for responding to correspondence should be

observed ie either a full response or, if this is not possible, an acknowledgement that fully explains what is happening within [five] working days of the receipt of the enquiry.

- 1.10.3 The legal rights of Members to inspect Council documents are covered partly by statute and partly by common law.
- 1.10.4 The Access to Information Procedure Rules of this Constitution explain the position with regard to access to papers relating to the business of a Council body.
- 1.10.5 The exercise of the common law right depends upon a Member's ability to demonstrate a "need to know". In this respect a Member has no right to "a roving commission" to examine any documents of the Council. Mere curiosity is not sufficient.
- 1.10.6 The information sought by a Member should only be provided by the respective Service as long as it is within the limits of the Service's resources. For their part, Members should seek to act reasonably in the number and content of the requests they make.
- 1.10.7 It is important for Services and their staff to keep Members informed both about the major issues concerning the Council and, more specifically, about issues and events affecting the area that he represents. Local Members should be informed about proposals that affect their electoral division and should also be invited to attend Council initiated events within their electoral division.
- 1.10.8 If a Member asks for specific information relating to the work of a particular Service, and it appears possible or likely that at a subsequent meeting an issue could be raised or question asked on the basis of the information provided, then the appropriate Cabinet Member or Committee Chair concerned should be advised about the information provided.
- 1.10.9 Officers have to advise Members from time to time that a certain course of action cannot be carried out. Members sometimes assume that this is a case of Officers deliberately obstructing the wishes of politicians. In fact this is hardly ever the case. Officers are employed to give unbiased professional advice even if it is not what Members want to hear. They do this as much for the protection of Members as for any other reason. However, the mark of an effective Officer is that if they do have to give negative advice, this will be accompanied by suggestions as to how Members might achieve some or all of their objectives in other ways. Such Officers are invaluable to any Council.
- 1.10.10 Members may be entitled under the Freedom of Information Act 2000 to receive information which falls outside their common law rights based on the "need to know". Employees are encouraged to supply documents to Members without the need for a formal FOI request if it is apparent from the Member's enquiry that any individual would be entitled to receive such documentation. The Council's Information Manager will be able to advise in consultation if necessary with the Monitoring Officer on whether any request would fall within the Freedom of Information Act.
- 1.10.11 It is important to have a close working relationship between the Council Leader, Cabinet Member and the director, heads of service and the senior officers of any department that deals with the relevant portfolio. Nevertheless, these relationships should never be allowed to develop to

be too close, or to appear that way, so that it throws doubt on the officer's ability to deal impartially with other members and other political groups.

1.10.12 It must be borne in mind that officers are accountable to their head of service and although officers should always seek to assist the chair, portfolio leader (or indeed any member), in doing so they must not venture beyond the limits of whichever authority they have been granted by their chief officer.

1.11 **Confidentiality**

1.11.1 In accordance with the Code of Conduct for Members, a Member must not disclose information given to him/her in confidence by anyone, or information acquired which he/she believes, or ought reasonably to be aware, is of a confidential nature, except where:

- (a) he/she has the consent of a person authorised to give it;
- (b) he/she is required by law to do so;
- (c) the disclosure is made to a third party for the purpose of obtaining professional advice provided that the third party agrees not to disclose the information to any other person; or
- (d) the disclosure is:
 - (i) reasonable and in the public interest; and
 - (ii) made in good faith and in compliance with the reasonable requirements of the authority.

1.11.2 Confidential Committee papers (pink papers) are to be treated as confidential information unless the relevant Committee resolves not to exclude press and public. Members are reminded that the author of the report makes the initial decision as to whether or not the papers are to be treated as confidential. The decision as to whether they remain confidential is for the Committee. Other information may be confidential because to disclose it would be against the Council's or the public interest. Information may also be confidential because of the circumstances in which it was obtained.

1.11.3 Information and correspondence about an individual's private or business affairs will normally be confidential.

1.11.4 Officers should make it clear to Members if they are giving them confidential information. If a Member is not sure whether information is confidential, he or she should ask the relevant Officer, but treat the information as confidential in the meantime.

1.11.5 Any Council information provided to a Member must only be used by the Member in connection with the proper performance of the Member's duties as a Member of the Council.

1.11.6 If a Member receives confidential information and considers it should be disclosed to another person because it is reasonable and in the public interest to do so then he or she must first consult with the Monitoring Officer and shall not disclose the information without having regard to any advice given by that Officer.

1.12 **Provision of Support Services to Members**

1.12.1 The only basis on which the Council can lawfully provide support services (eg stationery, word processing, printing, photocopying, transport, etc) to Members is to assist them in discharging their role as Members of the Council. Such support services must therefore only be used on Council business. They should never be used in connection with party political or campaigning activity or for private purposes.

1.12.2 **Correspondence**

Official letters on behalf of the Council should be sent in the name of the appropriate Employee, rather than over the name of a Member. There are circumstances where a letter sent in the name of a Member is perfectly appropriate, for example, in response to a letter of enquiry or complaint sent direct to that Member. Letters which, for example, create obligations or give instructions on behalf of the Council should never be sent out in the name of a Member.

1.12.3 Usually, an officer should not send a copy of correspondence between an individual member and that officer to any other member. When there is a specific case where a copy of correspondence needs to be sent to another member, this should be explained clearly to the original member. In other words, a system of "blind carbon copies" should not be used.

1.12.4 **Media**

Communication with the media can be an important part of a Member's workload. In general, Members provide comment and views while Employees provide factual information. If a Member is unsure about the circumstances of a particular issue he should contact the appropriate Director or Head of Service concerned or ask the Press Office to do so.

1.13 **The Council's Role as Employer**

In their dealings with Officers, Members should recognise and have regard to the Council's role as employer. Members should be aware that Officers could rely on inappropriate behaviour of a Member in an employment case against the Council.

1.14 **Political Activity**

1.14.1 There are a number of constraints that apply to an employee who occupies a post that is designated as "politically restricted" under the terms of the Local Government and Housing Act 1989.

1.14.2 In summary, such employees are prevented from:

- (a) being a Member of Parliament, European Parliament or local authority;
- (b) acting as an election agent or sub-agent for a candidate for election as a Member of any the bodies referred to in (a);
- (c) being an Officer of a political party or any branch of a political party or a Member of any committee or sub-committee of such a party or branch, if his duties would be likely to require him to:
 - (i) participate in the general management of the party or branch; or
 - (ii) act on behalf of the party or branch in dealings with persons other than Members of the party;
- (d) canvassing on behalf of a political party or a candidate for election to any the bodies referred to in (a);

(e) speaking to the public with the apparent intent of affecting public support for a political party; and

(f) publishing any written or artistic work of which he is the author (or one of the authors) or acting in an editorial capacity in relation to such works, or to cause, authorise or permit any other person to publish such work or collection - if the work appears to be intended to affect public support for a political party.

1.14.3 Officers will provide advice to committees, member forums etc., rather than to political groups. Nevertheless, from time to time it may be unavoidably necessary to advise a political group. In such circumstances, it is appropriate for political groups to call on Employees to assist and contribute to their considerations provided that they maintain a stance that is politically impartial. Employees are employed by the Council as a whole. They serve the Council and are responsible to the Chief Executive and their respective Directors/Heads of Service, and not to individual Members of the Council whatever office they might hold.

1.14.4 Both Members and Employees are subject to their own Codes of Conduct which can be found in the Constitution. This Protocol provides guidance on working relationships between Members and Employees. It is essential that both are familiar with the detailed obligations in their respective Codes of Conduct which will prevail in the event of any conflict between the Codes and this Protocol. You should always register with the Monitoring Officer each occasion when an officer (except for the political assistant) attends a meeting of a political group.

1.15 **Sanctions**

1.15.1 Complaints about any breach of this Protocol by a Member may be referred to the Monitoring Officer. It should be noted that certain breaches may also amount to breaches of the Code of Conduct for Members.

1.15.2 Complaints about any breach of this protocol by an Officer may be referred to the relevant Chief Officer, the Chief Executive or the Head of Democratic Services.

1.16 **Conclusion**

It is hoped that, by following good practice and securing sensible and practical working relationships between Members and Employees, we can provide one of the cornerstones of a successful local authority and thereby enhance the delivery of high value quality services to the people of the area. Mutual understanding, openness and respect are the greatest safeguard of the integrity of the Council, its Members and Employees.