

COMMITTEE	AUDIT AND GOVERNANCE COMMITTEE
DATE	29 JULY 2019
TITLE	REPORT OF THE CONTROLS IMPROVEMENT WORKING GROUP
PURPOSE OF THE REPORT	TO REPORT ON THE MEETING HELD ON 12 JULY 2019
AUTHOR	COUNCILLOR JOHN BRYNMOR HUGHES
ACTION	TO ACCEPT THE REPORT

1. INTRODUCTION

- 1.1 A meeting of the Working Group was held on 12 July 2019 with the Chair of the Audit and Governance Committee, Councillor John Brynmor Hughes and Councillors Alwyn Gruffydd, Dewi Roberts, Berwyn Parry Jones, Sharon Warnes (Lay Member), Luned Fôn Jones (Audit Manager) and David Lloyd-Williams (Senior Auditor) present.
- 1.2 It was decided at the Audit and Governance Committee held on 13 June to invite officers and the relevant Cabinet Members involved in the follow-up audits before the Controls Improvement Working Group. The relevant Cabinet Members associated with the audits in Table 1 below, together with the relevant officers were invited to the Working Group meeting.

Table 1

FAILURE TO REPORT PROGRESS ON THE AGREED ACTIONS DERIVED FROM THE ORIGINAL REPORT	
TITLE	DEPARTMENT
Arrangements for Children Leaving Care	Children and Family Support
Smallholdings	Environment
Recycling Targets	Highways and Municipal

- 1.3 The following reports were addressed by the Working Group:

Table 2

TITLE	DEPARTMENT	ASSURANCE LEVEL
Diesel Tanks and Diesel Management	Highways and Municipal	Limited
Safeguarding Arrangements – Establishments	Corporate	Limited
General Data Protection Regulation`	Corporate	Limited

- 1.4 Relevant officers attended to discuss the individual reports.

2. ARRANGEMENTS FOR CHILDREN LEAVING CARE

2.1 Following the audit report published in March 2018, the following were agreed to mitigate risk:

Risk	Agreed Action	Responsible Officer	Implementation Timetable
Incomplete Records	Keep records of 'When I am Ready' meetings on WCCIS	After-Care Resources Officer	01/04/2018

- 2.2 The follow-up was conducted in the 2018/19 financial year and despite the fact that two e-mails had been sent requesting progress and evidence of implementation, no response had been received. The original audit report received a "B" audit opinion.
- 2.3 David Owen, Manager 16 Plus Team and Gwyneth Thomas, After-Care Resources Officer were welcomed to the meeting.
- 2.4 The Audit Manager explained the background to the "When I am Ready" scheme which provides foster care to continue for children until they are 21 years old or until they are ready to "move on". It was explained that the new WCCIS computer system for social services where developments and updates were continuing possibly contributed to the delay in response. The officers reiterated that at the time of the request for feedback it was extremely busy when the core work of the scheme had to be prioritised such as assisting children to prepare to attend university by arranging accommodation, travel cards and student loans on their behalf. It was ensured that the work was done but not recorded.
- 2.5 The Manager 16 Plus Team stated that they had welcomed the action and explained that they had adapted and tightened the Process of reviewing the "When I am Ready" scheme by collaborating with the social worker who records on WCCIS. The After-Care Resources Officer added that she had created a letter to be sent to scheme members which includes elements such as the 'living together agreement'. She explained that the terminology used (e.g. lodger) can give a misimpression of the scheme and worry the children at times. She further explained that the opportunities available to the children were much more widespread and a number of successes had resulted from the scheme including securing homes, accommodation, employment and complete independence when leaving the scheme.
- 2.6 Internal Audit and the Working Group recognised the effort by the Post 16 team and were commendable of the success and opportunities it provides for individuals, which would not be possible without the scheme. The Audit Manager added that the fact that the work had been completed was important in this situation. The Manager 16 Plus stated that the months of March, August and September were extremely busy and that July and December were quieter when it would be easier for them to provide a satisfactory response to the Committee's request.

- 2.7 The Officers were thanked for attending the meeting and providing the Working Group on the developments and the arrangements in place.

3. SMALLHOLDINGS

- 3.1 Following the audit report published in March 2018, the following were agreed to mitigate risks:

Risk	Agreed Action	Responsible Officer	Implementation Timetable
Lack of budgetary Control	Income Unit and the Property Service to agree the parameters for the budgetary control reports.	Estates Manager and Income Manager	30/04/18
Lack of control over tenancies and agreements	Adopt TF system for managing leases.	Estates Manager	30/09/18
Lack of communication	Income Unit and Property Service to meet on a quarterly basis to discuss the situation of the agreements, including debts.	Estates Manager and Income Manager	30/06/18

- 3.2 The follow-up was conducted in the 2018/19 financial year and despite the fact that two e-mails had been sent requesting progress and evidence of implementation, no response had been received. The original audit report received an “Ch” audit opinion and was before the Control Improvement Working Group held in June 2018.
- 3.3 The Estates Manager was welcomed to the Working Group. The Audit Manager explained that the findings of another audit confirmed that action had been taken in relation to recurring billing. However, no update had been received regarding the other actions although further requests for progress had been made in November and March.
- 3.4 The Estates Manager apologised for the lack of communication and failure to provide update on progress. He added that the lack of response did not amount to a lack of action. He explained that shortfalls have been identified and the Audit and Governance Committee has helped to draw attention to some of them. He explained that smallholdings had received considerable attention during the year with reports submitted to the Cabinet and scrutiny committee.
- 3.5 With regard to the financial loss element, the Audit Manager explained that the Income Service had made amendments on this and introduced a new procedure and a quarterly arrangement to ensure that budgetary control was correct and relevant. The Estates Manager stated that the present arrangement had existed for over 50 years in some cases and that they have amended the wording where possible.

- 3.6 In terms of the tenancy aspect, the Estates Manager explained the adoption of a new Lease Management system, TF (Tech Forge) has been underway for some time and had recently been completed. The system will summarise relevant dates and provide output that will assist in managing a work programme and give timely attention to the relevant estates. The Audit Manager asked if it was possible to provide a report from the system for the Income Service but the Estates Manager replied that this element was not currently available. The Estates Manager added that two elements had been addressed. Planning for the future in a new manner and arrangements to tighten billing. This has been addressed through regular meetings with the Income Service to ensure that invoicing instructions are in accordance with what is included in the tenants' agreements. The second stage is to respond to non-payment. If the invoice was not originally created, the result was that no payment was being highlighted.
- 3.7 Following an inquiry by a Member of the Working Group, the Audit Manager explained that the intention was to operate in a self-sufficient manner but that this had not yet been realised. The Estates Manager responded by explaining that the estates were self-financing in relation to costs and expenditure but that there was no recognition of the value locked up in the holding.
- 3.8 The Working Group inquired about the staffing situations and whether they had contributed to the shortcomings. The Estates Manager explained that insufficient attention was given to smallholdings and very few staffing resources had been invested in the last 10 years. He added that the audit report had highlighted a number of weaknesses and as a result had contributed to work programs and staff time being allocated in a different manner. The Audit Manager added that Smallholdings is included in the Internal Audit plan for the current financial year which would provide an opportunity to revisit.
- 3.9 The Estates Manager was thanked for attending the meeting and for updating the Working Group on the developments since the audit report was released and the arrangements in place. The Working Group suggested that consideration should be given to programming work so that one officer was responsible for smallholdings to reconcile and streamline arrangements and encourage stronger relationships with the tenants.

4. RECYCLING TARGETS

4.1 Following the audit report published in March 2018, the following were agreed to mitigate risks:

Risk	Agreed Action	Responsible Officer	Implementation Timetable
Failure to recycle bulky items.	Increase awareness of schemes such as bulky waste collections in order to increase income and reduce “fly tipping”.	Senior Manager – Waste and Commissioning	November 2018
Lack of awareness of the public needs resulting in waste being disposed in a green bin rather than at a Recycling Centre or “fly tipping”.	Review the Overtime arrangements of the Recycling Centre Workers	Senior Manager – Waste and Commissioning	November 2018
Lack of communication resulting in the public not being aware of the recycling arrangements.	Increase awareness of the Recycling Centres to reduce “fly tipping” and incidents of large items/waste being disposed in the green bins.	Senior Manager – Waste and Commissioning	November 2018
	Continue with the campaigns to encourage residents to increase the amount of waste recycled and reduce residual waste.		Continuous
Disposing of too much waste to landfill resulting in financial penalties.	Challenge commercial waste customers to increase the amount of waste they recycle and reduce the amount of residual waste sent to landfill.	Senior Manager – Waste and Commissioning	November 2018

4.2 The follow-up was conducted in the 2018/19 financial year and despite the fact that two e-mails had been sent requesting progress and evidence of implementation, no response had been received. The original audit report received a “B” audit opinion.

- 4.3 The Fleet Manager was welcomed to the Working Group who attended to receive comments on behalf of the Acting Head who was unable to attend as he was attending an Assessment Centre on the day. The Audit Manager explained the staffing situation within the Department where the Head and two Senior Managers had left their posts recently. The Audit Manager had already met the Acting Head and received a report confirming the lack of response and the fact that the restructuring within the Department had been a contributing factor. The Acting Head added that e-mails were easy to miss and asked if it would be possible to receive a telephone call in the future.
- 4.4 The Acting Head had prepared comments on the agreed actions and these were shared with members of the Working Group. The comments were discussed and the Working Group was of the opinion that reaching a balance between preventing tipping and obtaining income was difficult. Culture, unfortunately plays a key role and it is not possible or practical to try to prevent “fly tipping” at all times.
- 4.5 A request was received from the Acting Head for Internal Audit’s assistance with the situation regarding overtime management. The Audit Manager confirmed that there would be a focus on overtime this year and that an audit had already been planned. In addition, the Fleet Manager confirmed that the Dwyfor area workers had already reverted back to working five days and that Arfon will follow soon.

5. DIESEL TANKS AND DIESEL MANAGEMENT

5.1 The main findings of the audit were as follows:

Following an inspection by BSI in November 2016, it was reported that Gwynedd did not comply with ISO14001 (Environmental Management) standards. In response, the Phoenix Forecourt Services (PFS) company was commissioned to carry out an assessment of all fuel tanks on Highways and Municipal sites during April and May 2017. The poor standard of tanks was highlighted in the report and noted recommendations for the Department to implement. So far, most of the recommendations do not appear to have been implemented and the staff on the sites appear to be unaware of who was responsible, or willing to accept responsibility. During the visits, some of the tanks and equipment were in poor condition, such as volume readers and alarms, but when discussed with the staff it did not become clear who is responsible for maintaining them. There is no clear procedure for cleaning, attending to and maintaining the tanks and there appears to be no clear communication between the Services within the Department.

The Manager of one site expressed his concern about the condition of the tank and the drainage system on the site and he is not willing to accept responsibility as he has shared his concerns several times and has not received a satisfactory response. This was endorsed in a report on the condition of the fuel locations by the Fleet Manager in conjunction with the Assistant Environmental Quality Assurance Engineer. The report notes that a health and safety check of the Site in February 2008 recommended decommissioning the tank as soon as possible. However, the tank continues to be used.

Digital volume readers have been installed on all the tanks that are part of the system operated by the Fleet Service. The Service monitors the data collected by these readers and uses it to set a minimum stock (re-order level) and then order a new supply of fuel as necessary. Neither the sites nor their staff are part of this process. As a result, no checks are made when supplies arrive at the sites. When an invoice is received, the Fleet Service verifies the total indicated on it and compares it to the reading at the beginning of the day the supply was received. This gives a rough idea of the volume of fuel in the tank and space within it when checking that the supply indicated on the invoice is correct. Staff on the sites have raised concerns about the procedure, as no digital ticket is always provided by the supplier's driver to indicate the volume of supply in detail.

Many of the readers do not seem to provide accurate readings, the digital reader in Afonwen showed readings that rose and dropped by 100 litres during the visit, and the parallel analogue reader indicated a total of approximately 900 litres difference to what was correct. Site Managers were asked about this and stated that they did not have confidence in the readers and that the Ffridd Rasus tank had emptied on one occasion even though the reader indicated that there was still enough left inside.

The Fleet Manager has planned to introduce a new procedure when diesel is accepted on the sites, where a member of staff is expected to meet the provider's driver and follow specific actions and also completing a dedicated checklist.

A keyfob system is used for most fleet vehicles where the drivers scan a unique keyfob and enter the vehicle's odometer number. The Timeplan software that controls the system determines if the record is valid or not in order to release fuel. Some vehicles such as screened lorries and street cleaning vehicles (Sweepers) do not contain an odometer so the control is not so reliable for these vehicles. In theory, the system is adequate in terms of regulation but there cannot be full assurance because of the reliance on staff to commit to correct implementation of the keyfobs and the odometer records.

It was found that 'Spill Kits' were present at each site but that the equipment was kept in storage at the Depot at Afonwen rather than in a practical location near the side of the tank. The tanks within the other sites contain an area protected against the weather where the pump and electrical components are located, the 'Spill Kit' is also kept in this area. The Cibyn site was found to have rubbish in the container holding the 'kit'.

- 5.2 The Fleet Manager explained that the level of responsibilities was difficult in terms of specific sites, the responsibilities of the Fleet Service and the Highways and Municipal responsibilities. The Acting Head had prepared comments against the actions and these were reported to the Working Group. The Working Group was very concerned about the lack of action regarding one tank and the staff responsibilities. The Fleet Manager noted that a better reporting and communication procedure had been emphasised and a new system was in the pipeline by the Fleet Service regarding ordering and storing fuel and reporting on defects. Plans are being implemented on a priority basis to change the tanks.

He added that the exchange of tanks was not the only work undertaken and that substantial work in terms of improving the drainage systems was necessary in order to comply with the requirements of Environmental Health and Natural Resources Wales. Planning work with YGC (Gwynedd Consultancy) has already started on one site to address the issues.

- 5.3 A Member of the Working Group inquired about considering fuel cards in order to avoid the need to plan and manage tanks and the possible environmental implications. The Fleet Manager responded that the additional cost is the main factor as the saving of approximately £0.05 per litre is very significant when considering the size of the Council's fleet of around 450 vehicles and the high mileage travelled. Fuel cards are also available in an emergency and these are used by some staff depending on their jobs, work placement and vehicle. As a result of the Audit, he added that they were trying to avoid similar situations in the future and are discussing with the accountants to use a depreciation model for the tanks. This would ensure that funding was available within the budget to renew when required. In addition, a system of conducting a monthly audit will become part of the work of the Site Manager and an external report has been scheduled annually or at least every three years depending on the site and progress.
- 5.4 The Fleet Service outlined the new process during the Audit but it is not yet fully operational due to the staffing situation and the lack of a senior manager to cascade the information. The Fleet Manager confirmed that all new procedures were in place ready for implementation.
- 5.5 The Fleet Manager was thanked for an open discussion and the plans in place to improve controls.

6. SAFEGUARDING ARRANGEMENTS - ESTABLISHMENTS

- 6.1 The main findings of the audit were as follows:

It was generally seen that there was awareness of safeguarding issues, but there was scope to improve awareness further. As part of the 2018-19 audit plan a sample of the Council's leisure centres, residential homes, beaches and harbours were audited. Within the audit program, the safeguarding arrangements such as safeguarding policies, training and Disclosure and Barring Service (DBS) disclosures were examined. Below is a summary of the findings.

Leisure Centres

Each centre followed the Council's corporate policy. Safeguarding is included as part of every new member of staff's induction, and training is held over the Christmas period while the centres are closed to the public. Two of the centres did not have corporate safeguarding posters but it was arranged that posters were sent to them following the visits.

The e-learning modules' training records were checked for all of the centres' staff. In

one centre, 9 members of staff from a sample of 10 had completed the 'Safeguarding Adults', 'Child Protection and Safeguarding' and 'Domestic Abuse' modules in the last two years. Whilst a small number of staff from the other centres had completed the safeguarding modules. One Duty Manager explained that this training was under way and that the intention was to get the workers to complete the training in the coming weeks.

A sample of officers from the four centres were selected and each was found to have current DBS disclosures except two who were in the process of renewing them. In addition, each centre displayed posters notifying individuals not to take public photos, as a dedicated form must be completed if this is to be done. Leisure centre staff are aware of the arrangements and actions to take if such a case occurs.

Residential Homes

Each home followed the Council's corporate policy. It was found that a policy dated July 2013 was used in one Home, although the policy had been reviewed in September 2017. The Manager has ensured that the current policy is now available to the employees. Safeguarding posters were seen in every home.

Not all staff had received safeguarding of vulnerable adults training, and cases were identified where it was necessary for the training to be renewed. Employees should receive classroom training for safeguarding every 3 years. The training of several staff dated back more than the 3 year period with some dating back to 2010. The Manager was aware of the situation and it was found that she had organised safeguarding training for 13 members of staff during the year to come.

E-learning training records including 'Domestic Abuse', 'Safeguarding Adults' and 'Child Protection and Safeguarding' modules were checked, a small number of staff had completed these modules at the time of the audit. Managers were aware of the need to complete these modules, one of them identified the difficulties they have had to get access to all staff and also the need to ensure a supply of staff on duty while others complete the modules. It is not necessary for staff to complete the safeguarding modules as they already receive face to face training but in terms of the 'Domestic Abuse' module it is necessary for all Council staff to complete the module.

A sample of officers from the four homes were selected and each was found to have a current DBS disclosure.

Beaches and Harbours

A safeguarding poster was visible in one of the harbours and one of the beaches visited. The workers, mostly seasonal, were asked about corporate training messages and opportunities such as 'Domestic Abuse' and safeguarding but they expressed that they were not aware of e-learning and the statutory need to complete the 'Domestic Abuse' module.

- 6.2 Emlyn Jones, Chair of the Safeguarding Operational Panel attended to discuss the audit.

- 6.3 The Audit Manager explained the purpose of the original audit and provided some background to the plan and the policy.
- 6.4 Emlyn Jones has been appointed as Chair of the Safeguarding Operational Panel and explained that his lack of understanding helped to ask the questions required and possibly come from the same angle as the people we are trying to educate/target. He thought 'Are people safe' is the question that should be asked. 'Safeguarding' is part of every staff member's job description and all staff need to understand and accept this responsibility and understand the appropriate procedure and share the information and procedure. Simply, this is the aim and it has taken time to try to establish this and for the group to realise that it is a simple process to get people to understand and trust the system. The Chair of the Operational Panel added that the process of making the call to the number on the poster was effective as long as the details were clear and sufficient information provided so that the relevant officers/teams could act. He added that it was important for the people who were willing to phone to know that sufficient information was needed to ensure and enable action to be taken. A Member of the Working Group was aware that people were afraid of the implications of contacting and did not want to be involved in a court case or giving evidence. The Chair of The Operational Panel ensured that the process could be completely anonymous and some may not be aware of this. As a result, the Operational Panel is in the process of producing an effective message that will be distributed by the Communications Team in order to spread the message and update the posters and cards used. In order to ensure that the Operational Panel achieves its purpose effectively, each department was invited to meet to share their views and needs in order to report and implement rather than repeat work that has already been reported.
- 6.5 Following an inquiry in relation to the modules completed by staff, the Chair of the Operational Panel was concerned about the current arrangements as it did not add value. He was of the opinion that it should be part of the teaching materials rather than a one-off course. There is no end to the process – it is a completely ongoing process. He added that the Panel's work programme was currently being formulated and a report would be submitted to the Strategic Safeguarding Panel.
- 6.6 The Chair of the Operational Panel stated that the number of referrals had increased during the last year but the challenge would be decide how success will be measured as measuring awareness is difficult.
- 6.7 The Chair of the Operational Safeguarding Panel was thanked for attending the meeting.

7. GENERAL DATA PROTECTION REGULATION

7.1 The main findings of the audit were as follows:

The report is given a 'limited' level of assurance as it is the auditor's opinion that the Council is exposed to risks of reputational damage, financial losses and possibly legal proceedings arising from breaches of personal data and/or the Council receives a fine due to non-compliance. However, the service considers the impact to be lower than substantial. At present there is no test of how the Information Commissioner will fine under the new regime - it is this uncertainty that maximizes the risk.

It was found that the foundation for planning and dissemination of information on the General Data Protection Regulation had been established by the Council. A Data Protection Officer has been appointed, a corporate action plan and work program for departments have been established. It was also seen that staff awareness training was run and the service has distributed all the information/guidance as well as the current data protection policy to staff. However, many activities appear to be in progress and not implemented within the timescale set, with only one activity within the implementation target set for December 2018.

It was found that the Data Protection Policy had been updated and presented on the 'Canolfan Bolisi' with emails having gone out to all staff informing them of the changes. However, there are no robust arrangements in place to ensure that all Council staff read and understand the data protection policy, as well as being able to act on the changes that cover the new law and regulation.

The asset register appears to have not been completed in full. There was a lack of services being able to identify whether personal data contracts were required and/or identify the legal basis of their data processing activities. Following our inquiries, a number of staff appear to be unsure of the requirements, including whether or not they rely on consent as a legal basis for processing data (and also consent from children), and whether contracts need to be established and/or reviewed.

It was noted that guidelines for completing a Data Protection Impact Assessment (DPIA) have been established including Screening Questions and DPIA template. However, there were no controls to identify projects to ensure that each have completed the screening questions as well as the DPIA form.

The Corporate Data Protection Officer reported that there was currently a lack of resources to carry out compliance checks as part of her job and that there was a lack of resource within the team to conduct audits which is a risk to the Council.

Services that had carried out reviews of their privacy notices were identified. Out of the sample of services queried, it was found that some were completed but the majority were in progress.

There was no confirmation of any automatic profiling and decision-making work carried out within GDPR compliance.

- 7.1 Ian Jones, Assistant Head – Corporate Support and Helen Parry, Senior Data Protection Statutory Officer were welcomed to the meeting.

- 7.2 The Audit Manager stated that GDPR had come into force for over a year now and the purpose of the original audit was to verify whether the Council had put in place suitable arrangements. The audit was conducted in the months of August and September and that Internal Audit was aware of the subsequent progress. The Senior Data Protection Statutory Officer agreed with the observations and added that the report had been started in August and that it was an ongoing process with a number of elements in progress. The nature of the work suggests that it will not come to an end and that it is a task that evolves continuously. It is dependent on the commitment of the Departments and this fact is a challenge in order to ensure that the focus remains with the Departments not reporting this year and then forgetting.
- 7.3 An individual in each Department has specific responsibility and task groups have been established to report on the work. The Senior Officer does not have any concerns about any department but the difficulties include the possibility of failing to keep up with the changes.
- 7.4 The Audit Manager confirmed that this area was being addressed within their audits with elements of data and information protection being incorporated in most audits. E.g. personal data in care homes and leisure centres or salaries and pensions – personnel files etc. One specific audit carried out involved visiting offices out-of-hours to verify contents on desks and leave a ‘flyer’ to raise staff awareness. Any concerns following internal audits are reported to the Senior Statutory Officer.
- 7.5 A Member of the Working Group added that it was a matter of culture and not the responsibility of a specific individual - similar to the previous item in respect of Safeguarding. The Assistant Head added that they were working on increasing staff awareness and understanding as well as increasing accountability as part of scrutinising performance.
- 7.6 The Assistant Head and the Senior Data Protection Statutory Officer were thanked for attending the meeting and explaining the current situation and the continuous work in respect of the General Data Protection Regulation.