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Am unrhyw ymholiad yn ymwneud â'r agenda hwn cysylltwch â Charlotte Evans
(Rhif Ffôn: 01443 864210 Ebst: EVANSCA1@caerphilly.gov.uk)

Dyddiad: Dydd Mercher, 7 Mehefin 2017

Annwyl Syr/Fadam,

Bydd cyfarfod **Pwyllgor Awdit** yn cael ei gynnal yn **Ystafell Sirhywi, Tŷ Penallta, Tredomen, Ystrad Mynach** ar **Dydd Mercher, 14eg Mehefin, 2017** am **10.00 am** i ystyried materion a gynhwysir yn yr agenda canlynol.

Yr eiddoch yn gywir,

Chris Burns
PRIF WEITHREDWR DROS DRO

AGENDA

Tudalennau

- 1 I benodi Cadeirydd ac Is-gadeirydd am y flwyddyn nesaf.
- 2 I dderbyn ymddiheuriadau am absenoldeb
- 3 Datganiadau o Ddiddordeb.

Atgoffi'r Cynghorwyr a Swyddogion o'u cyfrifoldeb personol i ddatgan unrhyw fuddiannau personol a/neu niweidiol mewn perthynas ag unrhyw eitem o fusnes ar yr agenda hwn yn unol â Deddf Llywodraeth Leol 2000, Cyfansoddiad y Cyngor a'r Cod Ymddygiad ar gyfer Cynghorwyr a Swyddogion.

A greener place Man gwyrddach



I gymeradwyo a llofnodi'r cofnodion canlynol:-

4 Pwyllgor Archwilio a gynhaliwyd ar 8fed Mawrth 2017. 1 - 6

I dderbyn ac ystyried yr adroddiad(au) canlynol:-

5 Cynigion Rheoleidiwr ar gyfer Diweddariad Cynnydd Gwella. 7 - 16

6 Datganiad Llywodraethu Blynyddol Drafft ar gyfer 2016/17. 17 - 40

7 Blaenraglen Waith y Pwyllgor Archwilio. 41 - 44

I dderbyn a nodi yr eitem(au) gwybodaeth ganlynol:-

8 Diweddariad ar y Niferoedd y Cwynion a Dderbyniwyd Dan Bolisi Cwynion Corfforaethol y Cyngor. 45 - 52

9 Adolygiad Blynyddol o Gwynion a Dderbyniwyd o dan Bolisi Cwynion Corfforaethol y Cyngor 1af Ebrill tan 31ain Mawrth 2017. 53 - 72

10 Fframwaith Sicrwydd. 73 - 74

11 Tystysgrif Cynllun Gwella Cyngor Bwrdeistref Sirol Caerffili 2017-2018. 75 - 80

12 Deddf Rheoleiddio Pwerau Ymchwilio 2000. 81 - 82

13 Datganiadau Swyddogion o Roddion a Lletygarwch Ionawr - Mawrth 2017. 83 - 86

14 Ffurflenni Cofrestr Diddordebau Cyflogaeth 2016/17. 87 - 96

15 Cofnodion Panel Llywodraethu Corfforaethol - 13eg Ionawr 2017. 97 - 98

16 Cofnodion Panel Llywodraethu Corfforaethol - 10fed Mawrth 2017. 99 - 100

*Os oes aelod o'r Pwyllgor Awdit yn dymuno i unrhyw un o'r Eitemau Gwybodaeth uchod i gael eu dwyn ymlaen ar gyfer adolygiad yn y cyfarfod, cysylltwch â Charlotte Evans, 01443 8644210, erbyn 10.00am ar ddydd Mawrth, 13eg Mehefin 2017.

Cylchrediad:

Cynghorwyr Mrs E.M. Aldworth, J. Bevan, D.T. Davies, C. Elsbury, A. Gair, Ms J. Gale, B. Miles, Mrs T. Parry, Mrs M.E. Sargent, G. Simmonds, J. Simmonds a A. Whitcombe

Aelod Lleyg – Mr N.D. Yates (Is Gadeirydd)

Archwilwyr - Ms S.J. Byrne (Wales Audit Office), Ms N. Jenkins (Wales Audit Office), Ms L. Brown (Grant Thornton UK LLP) a Barrie Morris (Grant Thornton UK LLP)

A Swyddogion Priodol.

Gadewir y dudalen hon yn wag yn fwriadol



AUDIT COMMITTEE

MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, TREDOMEN, YSTRAD
MYNACH ON WEDNESDAY 8TH MARCH 2017 AT 10.00 AM

PRESENT:

Councillor D. Rees – Chair
Mr N. Yates – Vice Chair

Councillors:

Mrs E. Aldworth, Mrs K. Baker, Ms. J. Gale, C. Hawker, J. Jones, G. Oliver and J. Simmonds.

Together with:

G. Hawkins (Grant Thornton), B. Morris (Grant Thornton), S. J. Byrne (WAO).

N. Scammell (Acting Director of Corporate Services and Section 151 Officer), S. Harris (Interim Head of Corporate Finance), R. Harris (Internal Audit Manager), R. Hartshorn (Head of Public Protection), K. Williams (Private Sector Housing Manager), F. Wilkins (Public Sector Housing Manager) C. Evans (Committee Services Officer).

1. APOLOGIES

Apologies for absence were received from L. Ackerman, J. Bevan, D.G. Carter and J.A. Pritchard.

2. DECLARATIONS OF INTEREST

There were no declarations of interest made at the beginning or during the course of the meeting.

3. MINUTES – 14TH DECEMBER 2016

RESOLVED that the minutes of the meeting of the Audit Committee held on 14th December 2016 (minute nos. 1 - 10) be approved as a correct record and signed by the Chair.

REPORTS OF OFFICERS

Consideration was given to the following reports.

4. 2017 AUDIT PLAN – CAERPHILLY COUNTY BOROUGH COUNCIL

B. Morris (Grant Thornton) presented the financial aspects of the 2017 Audit Plan and S.J. Byrne (Wales Audit Office) presented the performance aspects of the Plan.

The Committee noted the objectives of the Audit Plan and the duties of the Auditor General in respect of his duties under the Public Audit (Wales) Act 2004, the Local Government (Wales) Measure 2009 (the Measure), the Local Government Act 1999, and the Code of Audit Practice. The purpose of the Audit was to examine and certify whether the financial statements are “true and fair”; assess whether proper arrangements for securing economy, efficiency and effectiveness in the use of resources have been made; Audit and assess whether CCBC have discharged duties and met requirements of the Measure; and undertake studies in order to make recommendations for improving economy, efficiency and effectiveness or for improving financial or other management arrangements.

The Audit Committee noted the extensive work that would be undertaken during the Audit in order to determine any areas of material misstatements, the fees associated with the task, as well as the findings following the Audit and the certificate that would be issued following its satisfactory completion.

The Audit Committee invited Ms Byrne to present the report on the Performance Audit.

Members noted that the Well-being of Future Generations (WFG) baseline assessment identified in exhibit 6 of the Audit Plan would consist of a year one commentary and evidence would be gathered on how the 44 bodies are beginning to respond to the requirements of the WFG Act and identify examples of notable emerging practice. The work is designed to support improvement and inform future audit work under the Act.

In addition, the Public Services Board Scrutiny review will now be a Well-being of Future Generations (WGF) review, which will examine the impact of the WFG Act on the work of scrutiny committees, including PSB scrutiny, facilitating improvement and the sharing of good practice. Given this, the WAO has decided that it will not undertake the review of scrutiny committees’ role in performance management as set out in appendix 3 of the Audit Plan.

Members thanked the Officers for the detailed report and discussion ensued.

A Member sought further information on the fees associated with the work. Officers explained that the work is undertaken in line with requirements as set out by the Government, this work is required in England, however, whilst it has been currently deferred for Wales, it is good practice to establish the process in readiness for the requirement. Costs and reviews are conducted in the same way across Wales and the introduction of Thematic Reviews has reduced the costs for Local Authorities, further work continues to keep costs down for Local Authorities, whilst providing an efficient and effective service.

The Committee noted the report and thanked the Officers for the extensive work provided and the Value for Money.

5. CERTIFICATION OF GRANTS AND RETURNS 2015-16 – CAERPHILLY COUNTY BOROUGH COUNCIL

G. Hawkins and B. Morris (Grant Thornton) provided the Committee with a report which summarised the results of the work on the certification of the Authority’s 2015-16 grant claims and returns.

Members noted that the authority had asked the Auditor General to certify its claims and returns and Grant Thornton perform the certification work on his behalf.

It was noted that for 2015-16, 17 grants were certified with a total value of £151,708,803. 100% of the grants received during the year were received by the Authority's deadline. Unqualified certificates were issued for 15 grants and returns but qualifications were necessary in 2 cases (12%).

It was noted that adjustments were necessary to 4 of the Authority's grants and returns, however there were no significant adjustments (i.e. over £10,000) required. The net adjustment (below £10,000) is a decrease of £16.50 in funds payable to the Authority. For the remaining grants amended, the amendments had no impact on the funds payable to the Authority as they merely related to dates or to supplementary detail.

The Authority has adequate arrangements for preparing its grants and returns and supporting the certification work but some improvements were required in some areas. A number of issues were identified within the Housing Benefit claims which have also arisen in previous years and Members were assured that work is underway to ensure that these recurring issues are addressed.

The Committee thanked the Officers for the report and discussion ensued. A Member sought clarification on an error identified in terms of Teachers Pension. It was noted that this was a system error and as a result, would be adjusted in the next financial year.

The issue identified in Housing Benefits was discussed and further information was sought from Officers. Members noted that the errors were identified as a result of incorrect figures being calculated. Officers assured Members that training has been arranged for April 2017 which would ensure that staff are fully trained in processes and would continue to be closely monitored to ensure that no further issues would arise.

The Committee thanked the Officers from Grant Thornton, Wales Audit Office and Caerphilly CBC Finance for the detailed report, the extensive work undertaken and the detailed reports provided to the Committee.

6. THE WELL-BEING OF FUTURE GENERATIONS ACT (WALES) 2015

The report provided Audit Committee with an update in respect of the Annual Governance Statement 2015/16 which identified an area for improvement in that the Authority works to ensure that the requirements of the Well-Being of Future Generations (Wales) Act 2015 are progressed to ensure compliance prior to regulator reviews. The Act came into force on the 1st April 2016 and placed a number of legal duties on public bodies in Wales to meet the legally binding 'common purpose' for 7 statutory Well-Being Goals:

- A resilient Wales
- A prosperous Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language
- A globally responsible Wales

The report provided an update on the steps being taken to address the requirements of the Act and with particular reference to the core set of activities that are common to the corporate governance of public bodies as identified in the statutory guidance.

- Corporate planning

- Financial planning
- Workforce planning
- Procurement
- Assets
- Risk Management
- Performance Management

The report detailed the distinction between the roles of the Public Services Board (PSB), with Caerphilly CBC as a statutory partner, and Caerphilly CBC as a public body with its own duties under the Act.

In addition, it was noted that the Council has established a Future Generations Advisory Panel, formerly the Sustainable Development Panel, which aims to promote the economic, social, environmental and cultural well-being of residents of the county borough by providing guidance and advice to the Authority on the work required as part of the Well-Being of Future Generations (Wales) Act 2015.

The Committee noted that the final draft Well-being Assessment was presented to the meeting of Caerphilly Public Services Board (PSB) on 7th March 2017 for approval. The Assessment was prepared by the Corporate Policy Unit on behalf of the Caerphilly Public Services Board which is required to prepare a local assessment of well-being for the area that looks at its economic, environmental, cultural and social situation. The Well-being Assessment will be used to inform planning across the public sector to deliver 'The Caerphilly We Want' and meet the national Well-being Goals for Wales and the Assessment will be used to set the Public Services Board's own Well-being Objectives and the Well-being Plan for the area.

Members thanked the Officer for the detailed report and discussion ensued.

A member, having consideration for the Wellbeing objectives, sought further information on the implications for planning applications, for take aways for example. Officers outlined that at present, there is Planning Legislation in place, which guides the existing framework, however, there is opportunity to consider the requirements of the Well-being of Future Generations Act.

Discussions took place around Scrutiny and it was noted that the Crime and Disorder Scrutiny Committee has now changed to Partnerships Scrutiny Committee, its main function to scrutinise the PSB. The Committee is currently in its early days, having held 2 meetings. Additional co-optees have been included on the Committee also,

Following consideration and discussion, the Audit Committee thanked the Officer for the report and noted its contents.

7. REHOUSING FORMER TENANTS WITH ARREARS AND REDUCING THE INCIDENCE OF TENANCY FRAUD

At the meeting of the Audit Committee held on 14th September 2016 members discussed an update report on the 2014/15 National Fraud Initiative, which subsequently resulted in a request being made for a report on the Council's policy towards rehousing previous council house tenants with arrears and the risk to the Council. Members also sought information on the investigations conducted by Housing Staff to reduce fraud through dual occupancy.

The Committee noted the legal framework within which housing registers are managed and allocations of council housing are made, how applications and allocations were managed under the Council's previous Allocations Scheme which was valid until December 2016 and their management following the introduction of a Common Housing Register and Common Allocations Policy on 5th December 2016.

In addition, the report outlined the procedures and measures taken when attempting to recover outstanding debts and the steps taken by the Authority in its pursuit of the prevention of fraud, as it relates to social housing tenancies.

The Committee thanked the Officers for the complex report and noted that the new Common Allocations Policy is available on the Intranet. Members discussed the Policy and highlighted that a significant number of the queries dealt with by Members are housing related; as a result, it was suggested that information on the Common Allocations Policy, could be provided to new Members following the election in the form of a Seminar. Officers agreed to provide information as part of the Member Induction process, and in addition, it was noted that there are a number of Housing Officers available to provide assistance and support to applicants and Members, should this be required.

A Member, whilst having consideration for the Future Generations and Wellbeing Act requirements, sought further information on the allocations process, with particular reference to “undesirable areas” and single person applicants. Officers highlighted that there is currently insufficient single person accommodation available to meet an increasing level of need, and that the accommodation that is available is clustered in a small number of communities. It is, therefore, difficult to disperse such households across the County Borough. This often results in single people living in communities where they have no little or no community connection, and, on occasion, allegations of antisocial behaviour. Options are currently being considered to facilitate a more even distribution of single person households. In addition, it was noted that the Policy and associated processes are still in their infancy and are being monitored for the first year before any decision is taken on the need for amendments.

A Member sought further information on the implementation process and queried whether best practice sharing was considered prior to implementation. Members were assured that Caerphilly worked closely with other Authorities that have implemented a similar system, sought advice on best practice and Value for Money Services where possible.

Following consideration and discussion, the Audit Committee thanked the Officer for the report and noted its contents.

8. INTERNAL AUDIT SERVICES ANNUAL AUDIT PLAN

The report sought the approval of the Internal Audit Services Annual Audit Plan 2017/18.

The report provided Members with the internal audit coverage for 2017, and it was noted that the approach is broadly similar to previous years but reflects the ongoing development of the plan in terms of coverage and risk identification.

It was noted that the resources on which the plan is based would remain the same as in previous years, as no savings have been required to be made in 2017/18.

Members noted that a mid-year report would be provided at a later date, which would demonstrate progress against the plan and any issues arising.

The Committee thanked the Officers for the report and sought further information on any Audit areas in which would be carried forward to this latest plan. Officers explained that the plan is devised on a rolling basis, however, should the be an area of concern, the audit would be considered a priority, and the other identified audit areas would be postponed but remain in the programme. In addition, Members were asked to note that the outturn report submitted to the Committee on an annual basis details the work conducted, as well as progress during the mid-year report.

Members thanked the Officers for the report. In addition Members expressed their gratitude

to Officers for their hard work and support during the term of the Committee.

Following consideration and discussion, it was moved and seconded that the Internal Audit Services Plan 2017/18 be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officer's report, the Internal Audit Services Plan 2017/18 be approved.

9. AUDIT COMMITTEE FORWARD WORK PROGRAMME

The Forward Work Programme up to July 2017 was presented for Member consideration. It was noted that the document is a working document and is regularly updated when addition reports are identified. In addition, it was noted that a Special Audit Committee meeting has been scheduled in July 2017, in order to consider the ISA 260 2016/17.

Having fully considered its detail the Audit Committee noted its content.

10. INFORMATION ITEMS

The Committee received and noted the following information items:-

- (1) Audit of Caerphilly County Borough Council's Assessment of 2015-16 Performance;
- (2) Officers Declarations of Gifts and Hospitality October to December 2016;
- (3) Regulation of Investigatory Powers Act 2000;
- (4) Corporate Governance Panel Minutes – 11th November 2016.

The meeting closed at 11.40pm.

Approved as a correct record and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 14th June 2017, they were signed by the Chair.

CHAIR



AUDIT COMMITTEE - 14TH JUNE 2017

SUBJECT: REGULATOR PROPOSALS FOR IMPROVEMENT PROGRESS UPDATE

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES & S151 OFFICER

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update members on progress against the proposals made by all regulators since the last Audit Committee update (Dec 2016).

2. SUMMARY

- 2.1 Since Dec 2016 there have been 7 proposals addressed and 4 new proposals added onto the register.
- 2.2 We have received two new reports which are being presented to Cabinet 5th July 2017 and the proposals will then be reported to Audit Committee at the next available committee after that date.
- 2.3 Currently we have 15 proposals on the register. There are 7 recommended for closure which would leave 8 outstanding if the closures are agreed by the Audit Committee.

3. LINKS TO STRATEGY

- 3.1 Although the Well-being of Future Generations (Wales) Act 2015 has been introduced and replaces Part 1 of the 2009 Local Government Measure, Part 2 is still a legal requirement and this part puts a duty on an authority to 'make arrangements to continuously improve'. The reporting of progress against regulator proposals and recommendations for improvement are part of those arrangements.

4. THE REPORT

- 4.1 There have been four regulator outputs received since the last update, one is a certificate of compliance which has no proposals or recommendations. The other two will be reported to Cabinet on 5th July 2017 and the fourth 'Review of arrangements to address external audit, inspection and regulation and proposals for improvement' had four proposals which have been added to the register (one of the 4 has 6 actions under it). Details are shown in paragraph 4.8.
- 4.2 As of Dec 2016 Audit Committee (the last time reported) there were 11 proposals outstanding, now as at May 2017 there are 15 proposals in total on the register with 4 new ones coming onto the register. We are recommending 7 be closed down as completed leaving 8 outstanding. See breakdown below:

	Customer Services Review	Assets (Land and property)	Financial Position	Financial Resilience	Leisure Review (new)	Review of arrangements to address external, audit, inspection proposals for improvement	Total
How many	4	2	1	3	1	4	15
Completed	3	1	N/A	1	N/A	2	7
How many left	1	1	1	2	1	2	8

4.3 In summary as of May 2017 there are;

Outstanding	New proposals added	Subtotal outstanding	Those completed (<i>subject to audit agreement</i>)	Current Total Outstanding	Total outstanding last time reported
11	4	15	7	8	11

4.4 In May 2016 there were 14 proposals outstanding having reduced from 28 the previous year. As of May 2017 there are potentially 8 outstanding. Of the 8, 2 have been on the register for more than 3 years (this is a reduction from 6 in December 2016). The numbers of the proposals only tell part of a story. Some of the proposals have had several actions and been more complex, making them not easily resolved within a year, however progress has been made and specific updates are given below in para 4.5 and 4.6. There have been 102 proposals or recommendations since the register began (this does not include most of the improving governance actions as they are monitored by the Improving Governance Board).

4.5 There were seven proposals from the original WAO **Customer Services Review** and now there is one outstanding. These proposals were delayed due to the decisions around the medium term financial plan and how this would affect what the Customer Service strategy would deliver. The Strategy was approved by Cabinet in April 2016 and is available on the intranet. At the last update in December members were concerned about the length of time to finalise the 4 outstanding proposals and specific action has been taken to speed up progress and finalise the work. The Strategy has been sent to all services to ensure it is included in service planning and new indicators have been designed to measure more important aspects of customer care. The final proposal on implementing surveys is taking place this summer and the Head of Customer Services is drafting a strategy for surveys. This will be in progress until the autumn when any surveys will be completed.

4.6 **Asset Management** originally had 7 proposals and now there are two left, one of which we are recommending to be closed, leaving 1 outstanding. The last two proposals are about developing individual service asset plans and implementing monitoring arrangements. Some services have individual service asset management plans (SAMPS) and some services are being reviewed, where the outcome of that review would determine how their SAMP is completed. In terms of monitoring, the Asset Management Group will work with those services that do not have a SAMP to identify if they are needed and if they are to ensure that they are in line with the corporate Asset Management Strategy. More formally a 'State of the Estate Report' was presented to members and will be a regular feature in updating members and staff on the progress of Land and Building Asset management. We anticipate closing the last proposal down by the next update to Audit Committee. Wales Audit Office are currently carrying out a follow up review of Asset Management to assess progress and this may result in further suggestions for improvement.

- 4.7 There are two new reports that are now in the system and two that entered the system but are not yet included on the register. These are:

Name of Report	Where Report was presented to?	Comment
Audit of Caerphilly County Borough Council's Assessment of 2015-16 Performance	Audit committee 8 th March 2017	No proposals or recommendations
WAO Review of Arrangements to address external audit, inspection and regulation recommendations and proposals for improvement	Cabinet 19th October and Audit Committee 14th December 16	One proposal for improvement
Good Governance when determining significant service changes	Audit year 2016/17 Issued March 2017 Cabinet 5th July 2017 To come to Audit Sept / Dec 17	Two proposals for improvement
Financial Resilience titled 'Saving Planning'	Audit year 2016/17 Issued March 2017 Cabinet 5 th July 2017 To come to Audit Sept / Dec 17	One proposal for improvement

- 4.8 The Education Service advise that there are no ESTYN reports or recommendations to report on this occasion. Social Services also advise there are no CSSIW reports or studies to report on at this time.

- 4.9 Future reports currently being completed from the 16/17 WAO audit programme and to be reported on in 2017 are:

1. Welsh Housing Quality Standard
2. Asset Management
3. I.T managing information

- 4.10 Wales Audit Office opinion is that the decision on whether a proposal is completed is an internal matter and is for the organisation to decide, (although it is within their remit to make more proposals if they do not believe it has been addressed). We will forward the register onto the Wales Audit Office for their information and update once seen and agreed by Audit Committee.

- 4.11 We recommend 7 proposals be closed down as completed and encourage members to view the specific proposals attached within Appendix A and judge if they concur that the proposal is now completed.

- 4.12 When monitoring progress against the proposals, members are advised to consider what value the proposals are making and what difference the activity in addressing them has made for our citizens.

5. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS

- 5.1 There are no specific implications to the wellbeing of future generations within this report however some proposals when realised may benefit future generations for example the Leisure review which calls for the development of an agreed vision and strategy for its sports and leisure services and would contribute to a 'healthier Wales' and one of a vibrant culture and thriving Welsh language. The Asset Management Strategy contributes towards 'A Wales of Cohesive Communities'.

- 5.2 Some of the proposals may impact change of planning for example developing a longer term MTFP, from three years to five years and developing income generation policies.

6. EQUALITIES IMPLICATIONS

- 6.1 No specific Equalities Impact Assessment has been undertaken on this report; however the Local Government Measure 2009 cites fairness and accessibility as part of the definition of what 'Improvement' means.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no financial implications arising from this report although it is worth noting that external audit fees could be reduced, if regulators are assured and place reliance on the organisation's own ability to monitor and challenge itself to improve.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no personnel implications arising from this report.

9. CONSULTATIONS

- 9.1 There have been no consultations that have not been included in this report.

10. RECOMMENDATIONS

- 10.1 It is recommended that Audit Committee note the contents of this report and give their agreement (where appropriate) to close the proposals that are noted as 'recommended to be closed' within the Appendix.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To ensure members are aware of progress the Council's action plan for progressing regulator recommendations and proposals and have assurance that progress is being made through an opportunity to monitor and challenge content.

12. STATUTORY POWER

- 12.1 Local Government Measure (Wales) 2009.

Author: Ros Roberts Corporate Performance Manager roberr@caerphilly.gov.uk
Consultees: Nicole Scammell: Acting Director of Corporate Services
Chris Burns: Interim Chief Executive
Dave Street: Corporate Director of Social Services
Christina Harray: Corporate Director, Communities
Stephen Harris: Interim Head of Finance
Richard Harris: Internal Audit Manager
Liz Lucas: Head of Procurement and Customer Services
Dave Tittley: Customer Services Manager
Mark Williams: Head of Property Services
Lynn Donovan: Interim Head of Human Resources
Mark S. Williams: Head of Community and Leisure Services
Cllr Barbara Jones: Deputy Leader and Cabinet Member for Finance, Performance and Governance
Rob Hartshorn: Head of Public Protection
Kathryn Peters: Corporate Policy Manager, Corporate Policy Unit

Dave Roberts: Principal Group Accountant, Social Services
Shaun Watkins: Principal Personnel Officer, Social Services
Anwen Rees: Senior Policy Officer, Corporate Policy Unit
Gail Williams: Interim Head of Legal Services and Monitoring Officer

Appendices:

Appendix A Update of proposal register May 2017

Gadewir y dudalen hon yn wag yn fwriadol

Action Plan 2017 Response to Regulator Proposals

Number and reference of action	Original Document	Regulator Proposal	Action	Previous update Nov 2016	Service Officer Responsible	When will be completed by	Update May 2017	Status	Percentage completed
32	Customer Services Review (August 2013)	P1: Governance and performance management. Develop a more co-ordinated strategic approach to customer services. This should include developing and implementing a customer service strategy that supports the Council's strategic vision and improvement priorities.	To develop and implement a Customer Services Strategy.	The new customer service strategy has been approved by Cabinet. The strategy is being implemented by a Project Team, managed by the Head of Procurement and is one of the projects within the Business Improvement Programme. The % completion has been reviewed based on timescales and indicative workload in the draft implementation plan	Liz Lucas Head of Customer Services	Report to P&R Scrutiny Committee in March 2014 explaining delayed till June.	Customer Service Strategy Action plan is complete. A draft CMT report is being prepared. Report to be progressed during May 2017.	Complete	100%
33	Customer Services Review (August 2013)	P1: Governance and performance management. Develop a more co-ordinated strategic approach to customer services. This should include establishing clear links between the customer service strategy document, Improvement Objectives and departmental service improvement plans.	To develop and implement a strategy.	The new customer service strategy has been approved by Cabinet. The strategy is being implemented by a Project Team, managed by the Head of Procurement and is one of the projects within the Business Improvement Programme. The % completion has been reviewed based on timescales and indicative workload in the draft implementation plan	Liz Lucas Head of Customer Services	Report to P&R Scrutiny Committee in March delayed till June 2014.	Customer services strategy issued to all HOS for incorporation into departments self assessments and service improvement plans for 2017 onwards. Customer Services action plan issued to all Directors and Heads of Service for consultation. All comments and feedback incorporated into the plan for 2017	Complete	100%
34	Customer Services Review (August 2013)	P1: Governance and performance management. Develop a more co-ordinated strategic approach to customer services. This should include ensuring the customer service strategy clearly sets out appropriate performance measures that enable the Council to manage, monitor, report and evaluate its strategy and other related strategies including its customer charter.	To develop and implement a strategy that includes performance management information.	To develop and implement a strategy that includes performance management information.	Liz Lucas Head of Customer Services	Report to P&R Scrutiny Committee in March delayed till June 2014.	New set of performance measures approved for Customer Services. Information is recorded on the corporate system - Fynnon. Performance monitored inline with corporate services procedures on a quarterly basis at corporated services SMT. In addition Cabinet Member for Corporate Services receives a quarterly update and review on all outcomes	Complete	100%
39	Customer Services Review (August 2013)	P2: Information and data. Strengthen the approach to evaluating and improving customer services in a proactive way. This should include collecting and analysing customer views and satisfaction data for e-mail and telephone correspondence.	1) Review the Customer Service standards and measures. 2) Implement survey forms for one-stop-shops and survey of contact centre 3) Broaden to other contact e.g Housing repairs to find out what they do 4) add performance data to Fynnon CMT scorecard	The new customer service strategy has been approved by Cabinet. The strategy is being implemented by a Project Team, managed by the Head of Procurement. This is one of the projects sponsored and monitored by the Business Improvement Board. As the development is closely tied to the implementation of the strategy the % completion has been reviewed based on timescales and indicative workload in the draft implementation plan	Liz Lucas Head of Customer Services	Nov-14	We are still reviewing the customer service standards and measures however we have now set a new list of KPIs which are updated and reported to SMT via Fynnon. We have done one survey and having evaluated it we need to make some changes. The Head of Customer Services & Procurement is currently drafting a survey strategy and draft surveys and it is planned to carry out the activity over the summer but the scale will depend on budget savings and where to target improvement areas	In progress	70%
46	Asset Management (Land and Property) Strategy Review (September 2013)	P2: Ensure that the individual service asset management plans are developed as soon as possible and are used to inform the Council's financial planning process.	Develop Service Asset Management Plan (SAMP) and consider impact on the Medium Term Financial Plan (MFTP)	The draft Corporate AMP has identified the importance of effective Service Asset Management planning and identified where such plans exist and where they do not. Where they do exist then those plans will need to be reviewed to strengthen links with the Corporate AMP. Where they do not exist the question to be answered is "is there a need for a service AMP?".	Mark Williams	Jan-Mar '14 (change of completion date to March 2018 due to number of reviews that affect the outcome)	The corporate Asset Management Strategy was approved at Council Nov 16. The strategy identifies that 8 out of 16 services have a service asset management and a further 8 are in development, under review or going through transformation for example Fleet services are in the process of awarding a 7 year managed service contract. The Leisure Strategy is part of a wider review with consultants report being looked at (see Leisure Review proposal). Youth and Adults are pending a review on potential grant reductions which would affect the direction of their assets. The completion of the SAMPs (where required) will be monitored at the Asset Management Group and good progress is being made in this area.	In progress	50%
48	Asset Management (Land and Property) Strategy Review (September 2013)	P4: Develop and implement arrangements to monitor the delivery of the strategy.	Agenda updates on progress to Asset Management Group (AMG)	The draft Strategy includes recommendations for future monitoring and these recommendations will be put in place when/if the corporate AMP is accepted by council	AMG	Nov-14	As noted above the AM strategy was approved at Council Nov 16. A State of the Estate report was reported to members in monitoring the strategy and is available on the internet. The Strategy details performance measures which are used to measure progress including for example measures on energy and floor area. The AMG is the group that progresses and monitors completion of SAMPs and their cognisance of the overall Strategy	Complete	100%

FPA2015/1	Financial Position Assessment Issued May 2015	P1 The Council should ensure that its priorities and improvement objectives are explicitly taken into account when determining its savings plans	Continue to develop linkages between Council priorities and the Medium-Term Financial Plan (MTFP).	Draft savings proposals 17/18 are to be presented to Cabinet on 30/11/16. The Authority continues to adhere to the principles previously agreed. In light of Local Government Reform by the Cabinet Secretary of Local Government, the authority vision will need to be reviewed following publication of the white paper in 2017	Stephen Harris	Ongoing	2017/2018 savings totalling 9.046m were approved by council Feb 17, these followed the savings principles previously agreed. The Council has a potential savings requirement of circa 29M for the period 2018-2022. This will require review of the principles previously agreed and the new Cabinet priorities. This will be discussed in the coming months	In progress	70%
New 181A2016	Financial Resilience 2015/2016 issued April 2016	P1 The council should strengthen its financial resilience by: developing more explicit links between the Medium Term Financial Plan (MTFP) and its corporate priorities	The Acting Director of Corporate Services & Section 151 Officer will maintain a dialogue with the WAO regarding the most effective way to demonstrate a link between the MTFP and corporate priorities	Please see comment regarding draft saving proposals above in the Financial Position Assessment. The Acting Director of Corporate Services meets with the WAO every quarter to continue dialogue on a range of topics.	Stephen Harris	Ongoing	See comment above	In progress	70%
New 181A2016	Financial Resilience 2015/2016 issued April 2016	Developing a longer term MTFP with comprehensive multi-year savings plans to cover the period of the MTFP;	In February 2016 Council approved an updated Medium-Term Financial Plan covering the period 2016/17 to 2020/21	Welsh Government have indicated that an indicative 5 year Financial settlement will be provided in January 17. In light of this an updated 5 year MTFP will be presented to Council after that time.	Stephen Harris	Feb-17	17/18 Budget report was approved by Council Feb 17 and included updated 5 year MFTP with indicative savings targets of 37,835 M. Savings targets have been allocated to Heads of Service and multi year savings proposals are currently being worked up	Complete	100%
New 181A2016	Financial Resilience 2015/2016 issued April 2016	Developing income generation/charging policies.	A corporate policy on income generation/charging will be progressed once the WAO produces a final national report on its "All Wales Local Government Improvement Study: Strategic approach to income generation and charging".	The national WAO report has now been published. This has formed part of the Business Improvement Programme (BIP) as a specific workstream to establish and explore income generation options. Fact finding and scoping progressing with the Action Plan to be drawn up by April 2017.	Rob Hartshorn	01/04/2017 (changed) July 17	An Income Policy is being drafted and will be submitted to Members for consideration. Following an analysis of income corporately and learning from a commercialisation workshop we are considering opportunities for a pilot initiative rather than an action plan at this stage and focussing on development of an Income Policy in the meantime.	In progress	60%
181A2016	Leisure Review (May 16)	The Council needs to urgently develop and agree a vision and strategy for its sports and leisure services, and set out how it will achieve this. In doing so, the Council should ensure that: 1. there is effective involvement of, and engagement between, politicians and officers to strengthen corporate oversight of process 2. relevant expertise is involved across the Council at an early stage 3. there is a clear plan for public and stakeholder engagement 4. There are clear links to corporate plans, priorities and the MTFP 5. Options appraisals are undertaken based on robust information base, (costs, benefits, risk etc) each option is assessed. 6. Appropriate consideration is given to the impact by applying the principles of the Well-being of Future Generations Act 7. Governance and accountability mechanisms are identified to report and monitor progress in developing the vision 8. Consideration is given to capacity of the service to develop and implement an intergrated sports and leisure strategy	Following member approval the authority has engaged a consultant to: i) To establish a clear purpose for its business and other activities in Sport & Leisure. (ii) Analyse and recommend "placement" of the service into the future taking into account existing practice alongside exploring opportunities for development based on current and projected demand in the Sport & Leisure Industry. (iii) Establish a set of recommendations that is appropriate to the needs of the County Borough's communities and is affordable going forward. (iv) An assessment of the most appropriate operating model(s) for the Authority. (v) The preparation of a new, over-arching strategy, and delivery plan that:- Fully takes into account national strategies/priorities as well as local needs and issues set in the context of financial constraints; • Places the future rationale, and appropriate operational models for Sports & Leisure in Caerphilly in accord with the "direction" being supported by Welsh Government; • Delivers a bespoke approach appropriate to the needs and demands of the communities in the County Borough. (vi) To suggest next steps (eg: user engagement, etc.) that the Authority may need to take.	The WAO report has been presented to the relevant Scrutiny Committee and to Cabinet and has been accepted. The Leisure strategy is one of the projects within the authority's new business improvement programme and a BIP project team has been set up accordingly. After receiving scrutiny support and cabinet approval the authority has engaged a consultant. The appointed consultant has just completed the initial phase of work and has recently presented findings to the Chief executive, Corporate director (communities), head of community and leisure services and Head of property. The authority is now awaiting a formal report and a future menu (with costs) for bringing the "strategy" to life with various stakeholders. A progress update is scheduled for Scrutiny in February 2017.	Mark.S.Williams	May-17	Consultants report received but yet to be considered by CMT and new cabinet / council. New developments in terms of medium term financial pressures may now influence the strategic direction as well.	In progress	75%
344A2016 (Audit year 15/16) Issued May 2016 / reported August 16	Review of arrangements to address external audit, inspection and regulation and proposals for improvement.	P1 As the Council develops its vision and considers the future shape of the organisation, it should identify and plan for the workforce requirements to implement its vision.		NEW to register so no previous update	Lynne Donovan	Oct-17	This report was presented and reported to Cabinet 19th October and Audit Committee 14th Dec 2016. When this proposal and response was reported the management response agreed that workforce requirements would be based on operational need. The Council will review these requirements if and when any fundamental changes to service delivery are agreed. We will keep this open until the end of the year to see if there is a need in line with any updates to the medium term financial plan. After this time we may recommend closure of the proposal.	In progress	
344A2016 (Audit year 15/16) Issued May 2016 / reported August 16	Review of arrangements to address external audit, inspection and regulation and proposals for improvement.	P2 The Council should develop an assurance framework that sets out how it obtains assurance in relation to key risks from across the organisation.	To develop an assurance framework that shows how we gain assurance in relation to controlling key risks. This is shown in a diagram form to make it visually easier to show the many layers of assurances both internally and externally.		Richard Harris	Dec-16	The Council has a system and framework in place that sets out how it articulates how it will gain assurance about the effectiveness of controls. The report with the 'assurance framework' was presented to Audit Committee on 14th December 2016.	Complete	100%

<p>344A2016 (Audit year 15/16) Issued May 2016 reported August 2016</p>	<p>Review of arrangements to address external audit, inspection and regulation and proposals for improvement.</p>	<p>P3 Fully address the recommendation made in the Special Inspection and proposal for improvements relating to internal audit. a) Demonstrate more clearly how the work planned as set out in the Internal Audit Plan is linked to key risks. b) Improve the quality of working papers. c) Provide summary reports to Audit Committee highlighting the findings from the work of IA during the year. d) Ensure the IA outturn report fully reflects the work undertaken during the year and progress against planned programme of work. e) Confirm the time table for peer review of its IA service and complete the self-assessment against the Public Sector Internal Audit Standards f) Monitor the progress of undertaking the peer review of Internal Audit and consider how the outcome will be used to strengthen IA</p>	<p>a) As part of the preparatory work on formulating the annual Internal Audit Plan Directorate Risk Registers will be reviewed. A Panel will be established to undertake this review and will be chaired by the Interim Head of Corporate Finance. b) Current processes will be reviewed by Dec 2016 and the Interim Head of Corporate Finance will periodically undertake a sample check. This will be reported to the Audit Committee in the Internal Audit Outturn reports. c & d) In addition to the annual outturn report a mid-year progress report will also be presented to the Audit Committee in future. Both reports will include a summary of themes and issues arising from the audit work undertaken. e&f) actions 1.Undertake an Internal self- assessment 2. Arrange external peer review against standards 3. Develop action plan from any arising recommendations from peer review</p>	<p>NEW to register so no previous update</p>	<p>Stephen Harris & Richard Harris</p>	<p>Dec 2017 (for all actions including)</p>	<p>a) IA manager has attended directorate senior management teams to review risk registers to identify items for inclusion in audit plan. In 17/18 IA will undertake a review of the process for updating and monitoring risk. b) Working papers have been reviewed and samples have been provided to interim head of corporate finance for quality assurance. c) In addition to the annual outturn report a mid-year progress report will also be presented to the Audit Committee in future. Both reports will include a summary of themes and issues arising from the audit work undertaken d) The 2015/16 outturn report presented to the Audit Committee on the 14th September 2016 included more detail on the range of work undertaken by Internal Audit during the year. Future reports will be enhanced to include details of themes and issues arising. e&f) The outcome of the self assessment was reported and discussed at Audit Committee 14th Dec 2016. Arrangements for an external peer review have been agreed and will be undertaken summer 17. The outcome of the peer review will be reported to Audit Committee in September 2017. This will include any action plan to address any agreed recommendations for improvement.</p>	<p>In progress</p>	<p>50%</p>
<p>344A2016 (Audit year 15/16) Issued May 2016. Reported August 2016</p>	<p>Review of arrangements to address external audit, inspection and regulation and proposals for improvement.</p>	<p>P4 The Council should strengthen arrangements to enable Scrutiny to hold Cabinet to account more effectively and to take action to ensure its Cabinet Members are equipped and prepared to be held accountable for the roles they fulfill</p>	<p>The Council's new approach to its scrutiny arrangements as approved by Full Council in October 2015 requires cabinet members to provide a regular formal statement to the appropriate Scrutiny Committee, which will be published in advance of the scrutiny meeting</p>	<p>NEW to register so no previous update but completed prior to reporting</p>	<p>Gail Williams</p>		<p>Cabinet members now provide regular statements to the relevant committee so this action is complete. Further work continued in this area with a peer review and self evaluation exercise and a report is likely to come to Council late Summer 2017</p>	<p>Complete</p>	<p>100%</p>

Gadewir y dudalen hon yn wag yn fwiadol



AUDIT COMMITTEE - 14TH JUNE 2017

SUBJECT: DRAFT ANNUAL GOVERNANCE STATEMENT FOR 2016/17

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES & S151 OFFICER

1. PURPOSE OF REPORT

- 1.1 To allow Members the opportunity to review the draft Annual Governance Statement (AGS) for 2016/17 and make any changes that they feel are required and justifiable.

2. SUMMARY

- 2.1 This report presents the Draft Annual Governance Statement for 2016/17 which has been updated since 2015/16 particularly in respect of the areas for improvement.

3. LINKS TO STRATEGY

- 3.1 This report deals with Corporate Governance, which is fundamental to the efficient and effective running of Council business and contributes to the following Well-being Goals within the Well-being of Future Generations(Wales) Act 2015:
- *A prosperous Wales*
 - *A resilient Wales*

4. THE REPORT

- 4.1 Attached as Appendix 1 is the draft Annual Governance Statement (AGS) for 2016/17 to allow Members to consider and make comments. The previous year's AGS is attached as Appendix 2 to allow Members to compare year on year.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 This report contributes to the Well-being Goals as set out in Links to Strategy above based on the following:-
- Good governance should lead to sound decision making along with appropriate scrutiny.
 - Good decisions should lead to better long term outcomes and value for money.

6. EQUALITIES IMPLICATIONS

- 6.1 There are no direct equalities implications stemming from this report on any group identified in Section 6 of the Council's Strategic Equality Plan, therefore an impact assessment has not been carried out.

7. FINANCIAL IMPLICATIONS

7.1 There are no additional financial implications in respect of the preparation of the AGS.

8. PERSONNEL IMPLICATIONS

8.1 There are no personnel implications in respect of the preparation of the AGS.

9. CONSULTATIONS

9.1 The draft AGS has been considered by the Corporate Governance Panel and discussed at a Corporate Management Team meeting. All comments have been reflected in the draft AGS attached.

10. RECOMMENDATIONS

10.1 Members are requested to consider the draft AGS and advise and agree any changes that they feel can be justified.

11. REASONS FOR THE RECOMMENDATIONS

11.1 To ensure that the Authority is continually improving its governance arrangements.

Author: Nicole Scammell, Acting Director of Corporate Services & S151 Officer
Consultees: Corporate Management Team
Councillor B Jones, Deputy Leader and Cabinet Member for Finance, Performance & Governance
Gail Williams, Acting Head of Legal Services and Monitoring Officer
Richard Harris, Internal Audit Manager
Paul Lewis, Acting Head of IT
Rob Hartshorn, Head of Public Protection
Steve Harris, Interim Head of Corporate Finance
Joanne Jones, Corporate Information Governance Manager

Appendices:
Appendix 1: Draft Annual Governance Statement for 2016/17
Appendix 2: Annual Governance Statement for 2015/16

CAERPHILLY COUNTY BOROUGH COUNCIL**DRAFT ANNUAL GOVERNANCE STATEMENT FOR 2016/2017****1. Background**

- 1.1 During 2016/17 the work undertaken by the Improving Corporate Governance Board came to a successful conclusion. The Corporate Governance Panel will continue to meet to ensure that the governance agenda remains a key priority. This now represents a back to business as usual situation.

2. Scope of responsibility

- 2.1 The Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government Act 1999 and the Local Government Measure (Wales) 2009 to make arrangements to secure continuous improvement in the way in which its functions are exercised, improvement is defined as having regard to a combination of strategic effectiveness, service equality, service availability, fairness, sustainability, efficiency and innovation.
- 2.2 The Well-being of Future Generations (Wales) Act 2015, implemented in April 2016, places a new 'duty' on public bodies to carry out sustainable development; to do this we must set and publish well-being objectives. Although consideration is being given by Welsh Government to revoking or replacing the Local Government Measure 2009 in 2017, at this time both legislations are still current.
- 2.3 In discharging this overall responsibility, the Authority is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 2.4 The Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. A copy of the code is on our website at www.caerphilly.gov.uk or can be obtained from the Council's Communications Unit. This statement explains how the Authority has complied with the code and also meets the requirements of regulation 5(4) of the Accounts & Audit (Wales) Regulations 2014 in relation to the publication of a statement on internal control.
- 2.5 The Improving Governance Programme Board has been formally disbanded as all of the actions in connection with the recommendations and proposals for improvement identified in the Wales Audit Office Corporate Governance Inspection Report have been concluded. The outstanding HR Strategy was formally presented to Members in July 2016. The strengthened governance arrangements are now firmly embedded within the Council's decision making procedures.

3. The purpose of the governance framework

- 3.1 The governance framework comprises the systems, processes, culture and values, by which the Authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. During 2016/17 an Assurance Framework was produced as a diagrammatical representation of the governance and assurance processes in place. The Framework was endorsed by the Audit

Committee in December 2016. It is intended to provide clarity and understanding of the connections between functions and activities that enable the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

- 3.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 3.3 The governance framework has been in place at the Authority for the year ended 31 March 2017 and up to the date of approval of the Statement of Accounts.

4. The governance framework

- 4.1 The following paragraphs describe the key elements of the systems and processes that comprise the authority's governance arrangements:

4.1.1 *Identifying and communicating the authority's vision of its purpose and intended outcomes for citizens and service users*

- The Council's Corporate Plan sets out the Council's aspirations, priorities and Well-being Objectives. These are derived from the Caerphilly Single Integrated Plan (Caerphilly Delivers), which clearly articulates a shared vision for Caerphilly County Borough Council and its strategic partners. The Corporate Plan was approved by Council on 7th June 2016 and now incorporates Well-being Objectives, albeit that it is recognised that this is a transitional year in respect of the Well-being of Future Generations (Wales) Act 2015. In accordance with the legislation the Council's Well-being Objectives were reviewed, updated, and approved by Council on 7th March 2017 together with an accompanying Well-being Statement.
- Long term outcomes and interim performance standards have been established for each Well-being Objective. Progress is reported via the Scrutiny Committee process.
- The Single Integrated Plan (long term partnership plan) is published widely and is also available on the Council website and intranet (it should be noted this is being replaced by the Public Services Board Well-being Plan in May 2018). Similarly the Council's Corporate Plan is on the website, and updated annually. Progress is reported via the Scrutiny Committee process.
- The Council's Annual Performance Report (published in October) tells citizens and service users how we have performed against the Well-being Objectives as required under the Well-being of Future Generations (Wales) Act 2015 and the Local Government Measure 2009.

4.1.2 *Reviewing the authority's vision and its implications for the authority's governance arrangements*

- The Single Integrated Plan, Corporate Plan and annual Performance Report are regularly reviewed and the Council's vision and Well-being Objectives have been refined to reflect changing aspirations, both locally and nationally.
- A performance management framework is established.

- The Council was the lead partner of the Caerphilly Local Service Board (LSB), where a Single Integrated Plan was implemented from April 2013 onwards which detailed the LSB vision. This year the Local Service Board was put on a statutory footing (as part of the Well-being of Future Generations (Wales) Act 2015) and became a Public Services Board.
- As part of the Well-being of Future Generations (Wales) Act 2015 a 'well-being assessment' has been carried out. The assessment must identify the strengths and needs of the area and lead to a set of priorities. The statutory guidance has a detailed process of what a population assessment should include. This has been followed using both quantitative and qualitative narrative to arrive at a picture of the Borough and a set of priorities for the Public Services Board.
- Priorities from the assessment are currently being refined and will form the basis of the Public Services Board's Well-being Plan with subsequent action plan for delivery.
- A Partnerships Scrutiny Committee has been established to scrutinise the work of the Public Services Board and the partner contributions to the planning and delivering collaborative well-being for the area. In addition the Council established a cross party Future Generations Panel to steer and guide the oversight of the Council's Well-being Goals. The Cabinet member for Regeneration, Planning and sustainable Development was designated as the "Future Generations Champion"

4.1.3 The commencement of the Well-being of Future Generations (Wales) Act 2015 on 1st April 2016, as noted above, brings a number of changes to the existing processes. We have established a Public Services Board (PSB) to replace the LSB. The PSB must produce a local assessment of well-being, the Well-being assessment, to be published by May 2017. Thereafter, the PSB must issue a Well-being plan (replacing the LSB Single integrated plan) that sets local Well-being Objectives to achieve the well-being goals set out in the Act. The Council is leading on this work and has completed the development of the Well-being Assessment.

4.1.4 The Council has also responded to its own duties under the Act which include a requirement to set Well-being Objectives by the 31st March 2017. The sustainable development principle, as defined in the Act, sets out five ways of working, which we are introducing into our organisational activities:

- Taking an integrated approach – to reach all the goals
- Collaborating with others – to find sustainable solutions
- Looking to the long-term – to not compromise future generations
- Involving people – the full diversity of the population
- Taking a preventative approach – by understanding root causes

[ICLIP – Integrated / Collaborative / Long-term / Involvement / Preventative]

4.1.5 The Council is required to consider the sustainable development principle in setting, taking steps towards and meeting its well-being objectives; and this should be reflected in our governance arrangements, our corporate planning, and the way in which we allocate resources.

4.1.6 To achieve this, the council has updated its Risk Registers, Planning tools, self evaluations and reporting templates to reflect the Well-being of Future Generations (Wales) Act 2015 including the 5 ways of working and revised the PSB website. In addition to the process aspect the Council is carrying out communication activities to help staff gain understanding of these changes and why they have been put in place.

- The Council has purchased (for a year) a tool “CFOinsights” which compares financial data and performance data and aims to provide correlation between spend and performance and identify impacts between the two. A project has been setup to explore the measurement outcomes in comparisons to cost against both Welsh and English authorities.
- Measuring quality is carried out by a range of consultative activities and the Council has a “household survey” carried out every two years across the whole of the Borough. The consultation measures citizens perception of quality services.

4.1.7 ***Measuring the quality of services for users, ensuring they are delivered in accordance with the authority's objectives and ensuring that they represent the best use of resources***

- Service Delivery Plans contain key service objectives that are geared, where appropriate, towards achieving the overall strategic objectives detailed in the Council’s Corporate Plan. They also contain targets in respect of both national performance indicators and local performance targets.
- The Service Delivery Plans are produced after the conclusion of the services Self Evaluation. Self Evaluation has now been embedded within the Authority.
- This system is in turn supported by individual annual staff performance and development reviews to ensure that everyone understands their individual and service unit contribution to corporate goals.
- The Council uses a performance management software system, Ffynnon, which is used to monitor not only individual performance indicators, but also their combined effect on the achievement of strategic objectives.
- Performance against targets is monitored at officer and Member levels, by Corporate Management Team, Directorate Management Teams and with Cabinet Members. There are also dedicated Scrutiny Committees that look at performance.

4.1.8 ***Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication***

- The Council's Constitution sets out how the Council operates, how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people.
- Policy and decision-making is facilitated through the Executive Cabinet supported by a framework of Statutory and Scrutiny Committees. Delegated decisions made by relevant senior officers are posted on the intranet, when necessary. CMT have no collective decision making powers, consequently CMT decisions are noted in a formal decision log against the relevant officer and when required postings are then made via the intranet.
- The Constitution also sets out the situations where senior officers of the Council can make decisions under delegated authority. Delegated power decisions and information items are published on the intranet.
- The Council publishes an annual Corporate Plan which sets out key priorities agreed by the Council, its committees and chief officers under their delegated powers and a performance report which details progress against these.
- The Council’s Constitution is a living document and is reviewed and refreshed on a regular basis to reflect current legislation and working practices. In addition to the Annual Report presented to the Annual General Meeting, ad hoc reports are presented to Council in relation to any proposed changes. In addition Members approved that overseeing the Council’s Constitution should be an added function of the Council’s Democratic Services Committee. In addition to the ad hoc

reports presented to Council the Democratic Services Committee receives a 6 monthly update on Constitutional issues.

- Various guidance notes for officers have been prepared to sit alongside the Council's Constitution and training has been rolled out. The documentation is available on the Council's corporate governance page. These arrangements have now been formally embedded within the Council's governance arrangements.

4.1.9 ***Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff***

- The Council's Constitution contains formal Codes of Conduct that articulate the standards of ethical behaviour that are expected from members and officers. These incorporate procedures for the disclosure of pecuniary interests and offers of gifts and hospitality.
- Both members and officers are made aware of the personal conduct and disclosure requirements and they are available for reference on the Council's intranet.
- All declarations of Member gifts and hospitality are reported to the Council's Standards Committee. For Officers a 6 monthly update is given to the Council's Audit Committee.

4.1.10 ***Reviewing and updating standing orders for contracts, financial regulations, a scheme of delegation and supporting procedure notes / manuals, which clearly define how decisions are taken and the processes and controls to manage risks***

- The Monitoring Officer in conjunction with senior officers and members undertakes periodic reviews of the Council's Constitution including reviewing Standing Orders for Contracts, Financial Regulations and the Scheme of Delegation to ensure that current practices and legislation are reflected.
- The standard member reporting procedure requires a consideration of risk for all significant decisions. This is also underpinned by a robust structure and system for identifying and evaluating all significant business risks at both corporate and operational levels, the key elements of which are a Corporate Risk Register; Directorate Risk Register and Service Level Risk Assessments built into the business planning process.
- The Council has a formally agreed Risk Management Strategy which was endorsed in 2013. This has been updated and is due to go to Cabinet on 7th June 2017 followed by Audit Committee on 13th September 2017. Training is delivered to relevant Members as a matter of routine. The Corporate Risk Register is reported to Audit Committee periodically after consideration by Corporate Management Team and Cabinet.

4.1.11 ***Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities***

- The Council has appointed an Audit Committee whose terms of reference comply with the latest CIPFA guidelines. These extend to monitoring and reviewing the adequacy of the governance framework.
- The Terms of Reference are reviewed annually and are updated if required.

4.1.12 ***Ensuring compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful***

- The Council aims to ensure compliance with established policies, procedures, laws and regulations through a variety of mechanisms, including:
 - Corporate Management Team;
 - Heads of Service;
 - Monitoring Officer;
 - Section 151 Officer;
 - Senior Information Risk Owner (SIRO)
 - Internal Audit;
 - External Audit;
 - Performance Management Framework.
- The roles of the statutory officers have been strengthened significantly. Both officers attend the formal Corporate Management Team meetings. The S151 role has been incorporated into a new temporary post of Director of Corporate Services and S151, and is no longer at Head of Service level. The interim management arrangements currently in place across the Council are reviewed and agreed by Council periodically.
- The standard committee reporting procedure and template requires the Monitoring Officer to examine reports to the Executive for compliance with legal and procedural issues. His/her comments are referred to the Council's Corporate Management Team for action.
- In addition to the above, the Authority has a Deputy S151 and Deputy Monitoring Officer to ensure adequate cover for these roles is in place.

4.1.13 ***Arrangements for whistle blowing and for receiving and investigating complaints from the public***

- The Council has in operation a widely publicised Whistleblowing Policy, which forms part of the Council's Constitution. The regime is overseen by senior officers within the Authority and reported to the Council's Standards Committee on an annual basis.
- The Council also operates a formal Corporate Complaints Procedure, which has been widely publicised.
- The Audit Committee has continued to play a more proactive role in monitoring the level of complaints and the procedures that are in place. Reports are regularly presented. In addition, individual Scrutiny Committees may receive reports on complaints.

4.1.14 ***Identifying the development need of members and senior officers in relation to their strategic roles, supported by appropriate training***

- Formal induction programmes and training and development plans are in place for members. Where identified by the PDR process senior officers participate in management development training.
- All senior officers participate in the corporate staff development scheme.
- It had been recognised that the induction and training of members was sporadic in respect of some committees. In order to address this issue Council approved the implementation of a new, more focused training regime for members which includes the identification of certain aspects of training as mandatory.

- A training needs analysis is carried out every 18 months by Democratic Services so that Members identify their own development needs and a training programme is then put together as a result of the analysis.
- The Council has undertaken a successful senior member development programme, this is a training framework for members who hold or aspire to hold senior office.
- A review of induction arrangements for officers is being undertaken as this area should be improved. Discussions have taken place initially at the HR Strategy Group.
- Appropriate training has and will continue to be delivered where identified.

4.1.15 *Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation/engagement*

- Up to date strategies are in place in respect of communications, marketing and consultation/engagement.
- A corporate database of formal consultation/engagement is maintained to reduce duplication of consultation/engagement.
- Extensive consultation/engagement processes have been followed in relation to the budget process following the changes last year.

4.1.16 *Incorporating good governance arrangements in respect of partnerships and other group working as identified in the CIPFA Framework "Delivering Good Governance in Local Government" and reflecting these in the authority's overall governance arrangements*

- The Council has adopted a formal Framework for Partnership Working which specifies the minimum governance requirements in respect of all the Council's partnerships and the enhanced requirements in respect of its key partnerships. Since 1999 a "Compact Agreement" has been in place which is a local agreement for governing the relationship between public sector organisations within the County Borough and third sector organisations. In April 2013, a revised Compact Agreement was published for the period 2013 to 2017 bringing together the following partners: Gwent Association of Voluntary Organisations, Caerphilly County Borough Council, Gwent Police, the Police and Crime Commissioner for Gwent, Aneurin Bevan University Health Board, South Wales Fire and Rescue Service, Community and Town Councils and the Caerphilly Business Forum. The Compact Agreement recognises the mutual benefits that can be gained from close co-operation and sets out guidelines for how all parties should work together. Welsh Government are currently undertaking a review of third sector agreements and any future agreement will encompass those findings and the shared delivery arrangements under the Well-being Plan.
- Key partnerships and partners are invited to attend the biannual Caerphilly Public Services Board Standing Conference, which focuses on communicating progress made on the delivery of priorities, which include "Caerphilly Delivers" (the Single Integrated Plan), such as tackling the impact of poverty and more recently the Well-being of Future Generations (Wales) Act 2015, and associated programmes/projects/initiatives.
- The Council maintains details of all the current collaborations and partnerships in existence. The corporate governance panel periodically monitors these arrangements. This can include involvement of Internal Audit.
- In addition, the approved Collaboration and Partnership Strategy sets out the requirements for creating new Partnerships and Collaborations and importantly includes the arrangements for disbanding and exiting arrangements.

5. Review of effectiveness

5.1 The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the corporate governance panel within the authority who have responsibility for the development and maintenance of the governance environment, the Internal Audit Manager's annual report, and also by comments made by the external auditors and other review agencies and inspectorates. The review covers all significant corporate systems, processes and controls, spanning the whole range of the Council's activities, including in particular those designed to ensure:

- The Authority's policies are put into place.
- Laws and regulations are complied with.
- Required processes are adhered to.
- Performance and financial statements and other published information are accurate and reliable.
- Human, financial, data/information and other resources are managed efficiently and effectively.
- Services are delivered efficiently and effectively.

5.2 The following paragraphs describe the processes that have been applied in maintaining and reviewing the effectiveness of the Council's governance framework.

5.2.1 *Corporate Level Review*

A management group, the Corporate Governance Panel, consisting of the following officers and the Cabinet member for HR and Governance has been established to oversee the compilation of the Annual Governance Statement:

- Acting Director of Corporate Services and S151;
- Interim Head of Legal Services and Monitoring Officer;
- Head of Public Protection (Corporate Policy & Performance Management);
- Internal Audit Manager;
- Acting Head of ICT/SIRO

The group has conducted a detailed corporate level review of the Council's system of governance in accordance with the guidance provided by CIPFA / SOLACE.

The arrangements have been strengthened significantly since March 2013 and are now firmly embedded within normal working practices.

5.2.2 *Directorate Level Review*

The Council has also introduced Directorate Assurance Statements requiring members of Corporate Management Team to review the operation of a range of governance systems and procedures within their service areas and indicate whether there are any significant non-compliance issues. These are analysed to ascertain whether there are any common areas of concern, and if so, whether these constitute significant governance issues and as such need to be included in the Annual Governance Statement.

Directorates also have Directorate Risk Registers which provides a review mechanism for effective management of new and established risks.

5.2.3 **Scrutiny Committees**

The Council has Scrutiny Committees who meet in public and make recommendations on the improvement and development of policies and hold the Executive and officers exercising delegated powers to account for their decisions.

The Council is finalising the changes to the scrutiny arrangements approved by Council in October 2015. The approved changes were significant and were intended to bring more focus to the Scrutiny of the Council's key decisions reducing the number of items on the agenda. It included the development of supporting protocols such as Task and Finish Groups, Cabinet Member statements and prioritisation matrix. The majority of the work has been concluded. The last phase included a self evaluation of the new arrangements, the outcome of this will be reported to members after the May election.

5.2.4 **Audit Committee**

The Council has appointed an Audit Committee whose terms of reference comply with the latest CIPFA guidelines. These extend to monitoring and reviewing the adequacy of the governance framework.

5.2.5 **Standards Committee**

The Council has appointed a Standards Committee in accordance with the provisions of S.53-55 & S.81(5) Local government Act 2000 and associated regulations. Their terms of reference are set out in the Council's Constitution.

5.2.6 **Performance Management**

The Performance Management Unit (PMU) is responsible for developing and maintaining the Council's performance management framework in accordance with the Wales Programme for Improvement and the Well-being of Future Generations (Wales) Act 2015 as it applies to public bodies. It supports and challenges the Council as a whole, and the individual services, to continuously improve its services and works with the external auditors to co-ordinate inspection programmes.

The PMU co-ordinate and support the Self Evaluation and Service Delivery Plan process.

In an internal restructure the Performance Management Unit has been brought together with staff with corporate policy, partnership, equalities, and voluntary sector support roles, to form a Central Corporate Policy Unit. This has strengthened our approach to performance management by reinforcing the links to our policy and planning activities. It has enhanced our ability to respond to the requirements of the Well-being of Future Generations (Wales) Act 2015 in terms of having a lead role within the Public Services Board, demonstrating our own contribution to the Well-being goals, and embedding the 5 ways of working set out in the sustainable development principle.

5.2.7 **Information Governance**

The Acting Head of ICT is the Council's Senior Information Risk Owner (SIRO), whose role is to assure the Council's information through implementation of the Council's Information Risk Management Policy. The SIRO assesses half yearly information risk returns from each Head of Service (as the information asset owner)

to ensure risks are reported appropriately, measures to reduce risk are effective and information risk management is embedded into the culture of the organisation.

The SIRO is supported by the Corporate Information Governance Unit and a network of information governance (IG) stewards within each directorate who assist Heads of Service in assuring the information that is managed and used by their service area. IG Stewards are responsible for communicating key messages to staff and management across the organisation on IG policies, ensuring staff are appropriately trained and developing and maintaining an Information Asset Register. Organisations need to comply with the new General Data Protection Regulation in 2018 and the SIRO is overseeing an action plan to ensure the Council's personal information is managed appropriately in readiness for this deadline.

5.2.8 **Internal Audit**

Internal Audit is responsible for monitoring the quality and effectiveness of the system of governance and internal control. A risk-based Internal Audit Plan is produced each financial year. The reporting process for Internal Audit requires a report of each audit to be submitted to the relevant Directorate. Each report includes recommendations for improvements and an agreed management action plan. The process includes follow-up reviews of agreed recommendations to ensure that they are acted upon. Following the governance reviews undertaken by the WAO over recent years the role undertaken by Internal Audit and the contribution made towards the overall governance framework is being reassessed. This process will evolve and develop over time in line with the needs of the organisation and will embrace the principles promoted within the Public Sector Internal Auditing Standards.

The Internal Audit Manager is a key contributor to the annual review of the Authority's governance processes and has concluded for the year 2016/17 that no fundamental issues or concerns have been identified as a result of the audit work undertaken. This view will be restated within the annual report that will be presented to the Audit Committee as required by the Council's Financial Regulations.

5.2.9 **External Audit**

The Council receives regular reports on elements of its internal control environment, including performance management, risk management, financial management and governance.

5.3 **Review Outcome**

The previous year's AGS identified one area for improvement:-

- The Authority works to ensure that the requirements of the Well-Being of Future Generations (Wales) Act 2015 are progressed to ensure compliance prior to regulator reviews.

Based on the progress made to date which was reported to Audit Committee on 8th March 2017 it is recommended that this area for improvement be removed from the AGS.

The review of the Council's governance arrangements during 2016/17 has identified two areas where improvements could be made to strengthen existing procedures and processes:-

- To review and strengthen the procedures around the operation and maintenance of the cabinet forward work programme.
- Ensuring that the Authority is prepared for the requirements of the new General Data Protection Regulation 2018.

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the issues identified during the review process and we will monitor their implementation over the coming months.

Signed

David Poole
Leader of the Authority

Chris Burns
Interim Chief Executive

Gadewir y dudalen hon yn wag yn fwriadol

CAERPHILLY COUNTY BOROUGH COUNCIL**ANNUAL GOVERNANCE STATEMENT FOR 2015/2016****Background**

During 2015/16 the work undertaken by the Improving Corporate Governance Board came to a successful conclusion. The Corporate Governance Panel will continue to meet to ensure that the governance agenda remains a key priority. This is now back to business as usual.

Scope of responsibility

The Authority is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Authority also has a duty under the Local Government Act 1999 and the Local Government Measure (Wales) 2009 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of strategic effectiveness, service equality, service availability, fairness, sustainability, efficiency and innovation.

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

The Authority has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. A copy of the code is on our website at www.caerphilly.gov.uk or can be obtained from the Council's Communications Unit. This statement explains how the Authority has complied with the code and also meets the requirements of regulation 5(4) of the Accounts & Audit (Wales) Regulations 2014 in relation to the publication of a statement on internal control.

The Improving Governance Programme Board has been formally disbanded as all of the actions in connection with the recommendations and proposals for improvement identified in the Wales Audit Office Corporate Governance Inspection Report have been concluded. The outstanding HR Strategy is due to be formally presented to Members in July 2016. The strengthened governance arrangements are now firmly embedded within the Council's decision making procedures.

The purpose of the governance framework

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

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the authority's policies, aims and

objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at the Authority for the year ended 31 March 2016 and up to the date of approval of the Statement of Accounts.

The governance framework

The following paragraphs describe the key elements of the systems and processes that comprise the authority's governance arrangements:

Identifying and communicating the authority's vision of its purpose and intended outcomes for citizens and service users

- The Council's Corporate Plan sets out the Council's aspirations, priorities and Improvement Objectives. These are derived from the Caerphilly Single Integrated Plan (Caerphilly Delivers), which clearly articulates a shared vision for Caerphilly County Borough Council and its strategic partners. The Corporate Plan was approved by Council on 7th June and now incorporates wellbeing goals, albeit that it is recognised that this is a transitional year in respect of this new legislation.
- Long term outcomes and interim performance standards have been established for each Improvement Objective. Progress is reported via the Scrutiny Committee process.
- The Single Integrated Plan (forward looking plan) is published widely and is also available on the Council website and intranet. Similarly the Council's Corporate Plan is published on the website, and updated annually. Progress is reported via the Scrutiny Committee process.
- The Council's Annual Performance Report (published in October) tells citizens and service users how we have performed against the Improvement Objectives as required under the Local Government Measure 2009.

Reviewing the authority's vision and its implications for the authority's governance arrangements

- The Single Integrated Plan, Corporate Plan and annual Performance Report are regularly reviewed and the Council's vision and strategic objectives have been refined to reflect changing aspirations, both locally and nationally.
- A performance management framework has been developed.
- The Council is a lead partner of the Caerphilly Local Service Board (LSB). The Single Integrated Plan implemented from April 2013 onwards details the LSB vision, and following analysis of a Unified Needs Assessment, has identified five outcomes for delivery, namely:

Prosperous Caerphilly
Safer Caerphilly
Healthier Caerphilly
Learning Caerphilly
Greener Caerphilly

The Policy and Resources Scrutiny Committee on 14 April 2015 received an update in respect of the Delivery of the Plan. The Scrutiny Committee acknowledged the good work undertaken to date and determined a further review by Scrutiny during 2015.

"Caerphilly Delivers" (The LSB Single Integrated Plan) was considered and approved by Caerphilly LSB on 17th April 2013 and Caerphilly County Borough Council on 23rd April 2013.

The commencement of the Well-being of Future Generations (Wales) Act 2015 on 1st April 2016 brings a number of changes to the above processes. We have established a public Services Board (PSB) to replace the LSB. The PSB must produce a local assessment of well-being, the Well-being assessment, to be published by May 2017. Thereafter, the PSB must issue a Well-being plan (replacing the LSB Single integrated plan) that sets local Well-Being Objectives to achieve the well-being goals set out in the Act. The Council is leading on this work and has commenced development of the Well-being Assessment.

The Council has also begun to respond to its own duties under the Act which include a requirement to set Well-being Objectives by the 31st March 2017. The sustainable development principle, as defined in the Act, sets out five ways of working, which we are introducing into our organisational activities:

- Taking an integrated approach – to reach all the goals
- Collaborating with others – to find sustainable solutions
- Looking to the long-term – to not compromise future generations
- Involving people – the full diversity of the population
- Taking a preventative approach – by understanding root causes

[ICLIP – Integrated / Collaborative / Long-term / Involvement / Preventative]

The Council is required to consider the sustainable development principle in setting, taking steps towards and meeting its well-being objectives; and this should be reflected in our governance arrangements, our corporate planning, and the way in which we allocate resources.

Measuring the quality of services for users, ensuring they are delivered in accordance with the authority's objectives and ensuring that they represent the best use of resources

- Service Delivery Plans contain key service objectives that are geared, where appropriate, towards achieving the overall strategic objectives detailed in the Council's Corporate Plan. They also contain targets in respect of both national performance indicators and local performance targets.
- The Service Delivery Plans are produced after the conclusion of the services Self Evaluation. Self Evaluation has now been embedded within the Authority.
- This system is in turn supported by individual annual staff performance and development reviews to ensure that everyone understands their individual and service unit contribution to corporate goals.
- The Council uses a performance management software system, Ffynnon, which is used to monitor not only individual performance indicators, but also their combined effect on the achievement of strategic objectives.
- Performance against targets is monitored at officer and Member levels, by Corporate Management Team, Directorate Management Teams with Cabinet Members, and Scrutiny Committees.
- Albeit that there is an established process in place, as outlined above, the reporting of performance has been reviewed to ensure these procedures are best able to take the Authority forward in the medium term in light of reducing budgets. Additional dedicated performance management meetings have been added to the Scrutiny Committee meeting programme as a result of this review.

Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication

- The Council's Constitution sets out how the Council operates, how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people.
- Policy and decision-making is facilitated through the Executive Cabinet supported by a framework of Statutory and Scrutiny Committees. When CMT and other Senior Officers make delegated decisions they are posted on the intranet. CMT record decisions made at each of their meetings via a template. When required postings are then made via the intranet.
- The Constitution also sets out the situations where senior officers of the Council can make decisions under delegated authority. Delegated power decisions and information items are published on the intranet.
- The Council publishes an annual Corporate Plan which sets out key priorities agreed by the Council, its committees and chief officers under their delegated powers and a performance report which details progress against these.
- The Council's Constitution is reviewed and refreshed on a regular basis to reflect current legislation and working practices. The most recent report was presented to the Annual General Meeting. Members approved that overseeing the Council's Constitution should be an added function of the Council's Democratic Services Committee. In addition to the ad hoc reports presented to Council the Democratic Services Committee will receive a 6 monthly update on Constitutional issues.
- Various guidance notes for officers have been prepared to sit alongside the Council's Constitution and training has been rolled out. The documentation is available on the Council's corporate governance page. These arrangements have now been formally embedded within the Council's governance arrangements.

Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff

- The Council's Constitution contains formal Codes of Conduct that articulate the standards of ethical behaviour that are expected from members and officers. These incorporate procedures for the disclosure of pecuniary interests and offers of gifts and hospitality.
- Both members and officers are made aware of the personal conduct and disclosure requirements and they are available for reference on the Council's intranet.
- All declarations of Member gifts and hospitality are reported to the Council's Standards Committee. For Officers a 6 monthly update is given to the Council's Audit Committee.

Reviewing and updating standing orders for contracts, financial regulations, a scheme of delegation and supporting procedure notes / manuals, which clearly define how decisions are taken and the processes and controls to manage risks

- The Monitoring Officer in conjunction with senior officers and members undertakes periodic reviews of the Council's Constitution including reviewing Standing Orders for Contracts, Financial Regulations and the Scheme of Delegation to ensure that current practices and legislation are reflected. The Standing Orders have recently been reviewed to reflect the new European Regulations.
- The standard member reporting procedure requires a consideration of risk for all significant decisions. This is also underpinned by a robust structure and system for identifying and evaluating all significant business risks at both corporate and operational levels, the key elements of which are a Corporate Risk Register; Directorate Risk Register and Service Level Risk Assessments built into the business planning process.

- The Council now has a formally agreed Risk Management Strategy and training is delivered to relevant Members as a matter of routine. The Corporate Risk Register is reported to Audit Committee and Cabinet periodically after consideration by Corporate Management Team.

Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities

- The Council has appointed an Audit Committee whose terms of reference comply with the latest CIPFA guidelines. These extend to monitoring and reviewing the adequacy of the governance framework.
- The Terms of Reference are reviewed annually and are updated if required.

Ensuring compliance with relevant laws and regulations, internal policies and procedures and that expenditure is lawful

- The Council aims to ensure compliance with established policies, procedures, laws and regulations through a variety of mechanisms, including:

Monitoring Officer;
Section 151 Officer;
Internal Audit;
External Audit;
Performance Management Framework;
Corporate Management Team.

- The roles of the statutory officers have been strengthened significantly. Both officers attend the formal Corporate Management Team meetings. The S151 role has been incorporated into a new temporary post of Director of Corporate Services and S151, and is no longer at Head of Service level. The interim management arrangements currently in place across the Council are reviewed and agreed by Council periodically.
- The standard committee reporting procedure and template requires the Monitoring Officer to examine reports to the Executive for compliance with legal and procedural issues. His/her comments are referred to the Council's Corporate Management Team for action.
- In addition to the above, the Authority has a Deputy S151 and Monitoring Officer to ensure adequate cover for these roles is in place.

Arrangements for whistle blowing and for receiving and investigating complaints from the public

- The Council has in operation a widely publicised Whistleblowing Policy, which forms part of the Council's Constitution. The regime is overseen by senior officers within the Authority and reported to the Council's Standards Committee on an annual basis.
- The Council also operates a formal Corporate Complaints Procedure, which has been widely publicised.
- The Audit Committee has continued to play a more proactive role to play in monitoring the level of complaints and the procedures that are in place. Reports are regularly presented. In addition, individual Scrutiny Committees may receive reports on complaints.

Identifying the development need of members and senior officers in relation to their strategic roles, supported by appropriate training

- Formal induction programmes and training and development plans are in place for members. Where identified by the PDR process senior officers participate in management development training.
- All senior officers participate in the corporate staff appraisal scheme.
- It had been recognised that the induction and training of members was sporadic in respect of some committees. In order to address this issue Council has approved the implementation of a new, more focused training regime for members this includes the identification of certain aspects of training as mandatory.
- A review of induction arrangements for officers is being undertaken as this area should be improved. Discussions have taken place initially at the HR Strategy Group.
- Appropriate training has and will continue to be delivered where identified in the Action Plan.

Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation/engagement

- Up to date strategies are in place in respect of communications, marketing and consultation/engagement.
- A corporate database of formal consultation/engagement is maintained to reduce duplication of consultation/engagement.
- Extensive consultation/engagement processes have been followed in relation to the 2015/16 budget process following the changes last year.

Incorporating good governance arrangements in respect of partnerships and other group working as identified in the Audit Commission's report on the governance of partnerships, and reflecting these in the authority's overall governance arrangements

- The Council has adopted a formal Framework for Partnership Working which specifies the minimum governance requirements in respect of all the Council's partnerships and the enhanced requirements in respect of its key partnerships.
- Since 1999 a "Compact Agreement" has been in place which is a local agreement for governing the relationship between public sector organisations within the County Borough and third sector organisations. In April 2013, a revised Compact Agreement was published for the period 2013 to 2017 bringing together the following partners: Gwent Association of Voluntary Organisations, Caerphilly County Borough Council, Gwent Police, the Police and Crime Commissioner for Gwent, Aneurin Bevan Health Board, South Wales Fire and Rescue Service, Community and Town Councils and the Caerphilly Business Forum. The Compact Agreement recognises the mutual benefits that can be gained from close co-operation and sets out guidelines for how all parties should work together. A Compact Review Task and Finish Group has been set up with Compact Partners with Cllr David Carter and Cllr Ackerman representing the Council.
- Key partnerships and partners are invited to attend the biannual Caerphilly Local Service Board Standing Conference, which focuses on communicating progress made on the delivery of LSB priorities, which include "Caerphilly Delivers" (the Single Integrated Plan), such as tackling the impact of poverty and more recently the Well-being of Future Generations Act, and associated programmes/projects/initiatives.
- During 2013/14, a detailed piece of work was undertaken identifying all partnerships and collaborations.
- The Council now maintains details of all the current collaborations and partnerships in existence.

- In addition, the approved Collaboration and Partnership Strategy sets out the requirements for creating new Partnerships and Collaborations and importantly includes the arrangements for disbanding and exiting arrangements.

Review of effectiveness

The Authority has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the corporate governance panel within the authority who have responsibility for the development and maintenance of the governance environment, the Internal Audit Manager's annual report, and also by comments made by the external auditors and other review agencies and inspectorates. The review covers all significant corporate systems, processes and controls, spanning the whole range of the Council's activities, including in particular those designed to ensure:

- The Authority's policies are put into place.
- The Authority's values are met.
- Laws and regulations are complied with.
- Required processes are adhered to.
- Performance and Financial statements and other published information are accurate and reliable.
- Human, financial, data/information and other resources are managed efficiently and effectively.
- Services are delivered efficiently and effectively.

The following paragraphs describe the processes that have been applied in maintaining and reviewing the effectiveness of the Council's governance framework.

Corporate Level Review

A management group, the Corporate Governance Panel, consisting of the following officers and the Cabinet member for HR and Governance has been established to oversee the compilation of the Annual Governance Statement:

- Acting Director of Corporate Services and S151;
- Interim Head of Legal Services and Monitoring Officer;
- Head of Performance and Property;
- Internal Audit Manager;
- Acting Head of ICT/SIRO

The group has conducted a detailed corporate level review of the Council's system of governance in accordance with the guidance provided by CIPFA / SOLACE.

The arrangements have been strengthened significantly since March 2013 and are now firmly embedded within normal working practices.

Directorate Level Review

The Council has also introduced Directorate Assurance Statements requiring members of Corporate Management Team to review the operation of a range of governance systems and procedures within their service areas and indicate whether there are any significant non-compliance issues. These are analysed to ascertain whether there are any common areas of concern, and if so, whether these constitute significant governance issues and as such need to be included in the Annual Governance Statement.

Scrutiny Committees

The Council has Scrutiny Committees who meet in public and make recommendations on the improvement and development of policies and hold the Executive and officers exercising delegated powers to account for their decisions.

The Council is currently implementing the proposed changes to Scrutiny following the report to Council in October 2015 and which had previously been identified as an area of weakness. The planned changes are significant and are intended to bring more focus to the Scrutiny of the Council's key decisions reducing the number of items on the agenda. It also includes the development of supporting protocols such as Task and Finish Groups, Cabinet Member statements and prioritisation matrix. This work is ongoing and anticipated to be concluded in the Autumn 2016 following which there will be a self evaluation of the new arrangements.

Audit Committee

The Council has appointed an Audit Committee whose terms of reference comply with the latest CIPFA guidelines. These extend to monitoring and reviewing the adequacy of the governance framework.

Standards Committee

The Council has appointed a Standards Committee in accordance with the provisions of S.53-55 & S.81(5) Local government Act 2000 and associated regulations. Their terms of reference are set out in the Council's Constitution.

Performance Management

The Performance Management Unit (PMU) is responsible for developing and maintaining the Council's performance management framework in accordance with the Wales Programme for Improvement. It supports and challenges the Council as a whole, and the individual services, to continuously improve its services and works with the external auditors to co-ordinate inspection programmes.

The PMU co-ordinate and support the Self Evaluation and Service Delivery Plan process.

In an internal restructure the performance Management Unit has been brought together with staff with corporate policy, partnership, equalities, and voluntary sector support roles. This is intended to strengthen further our approach to performance management by reinforcing the links to our policy and planning activities. It will also enhance our ability to respond to the requirements of the Well-being of Future Generations Act in terms of having a lead role within the Public Services Board, demonstrating our own contribution to the Well-being goals, and embedding the 5 ways of working set out in the sustainable development principle.

Information Governance

The Acting Head of ICT is the Council's Senior Information Risk Owner (SIRO), whose role is to assure the Council's information through implementation of the Council's Information Risk Management Policy. The SIRO assesses quarterly information risk returns from each Head of Service (as the information asset owner) to ensure risks are reported appropriately, measures to reduce risk are effective and information risk management is embedded into the culture of the organisation.

The SIRO is supported by Corporate Information Governance Unit and a network of information governance (IG) stewards within each directorate who assist Heads of Service in assuring the information that is managed and used by their service area. IG Stewards are responsible for communicating key messages to staff and management across the organisation on IG policies, ensuring staff are appropriately trained and developing and maintaining an Information Asset Register. Organisations need to comply with the new General Data Protection Regulation in 2018 and the SIRO is overseeing an action plan to ensure the Council's personal information is managed appropriately in readiness for this deadline.

Internal Audit

Internal Audit is responsible for monitoring the quality and effectiveness of the system of governance and internal control. A risk-based Internal Audit Plan is produced each financial year. The reporting process for Internal Audit requires a report of each audit to be submitted to the relevant Directorate. Each report includes recommendations for improvements and an agreed management action plan. The process includes follow-up reviews of agreed recommendations to ensure that they are acted upon. Following the governance reviews undertaken by the WAO over recent years the role undertaken by Internal Audit and the contribution made towards the overall governance framework is being reassessed. This process will evolve and develop over time in line with the needs of the organisation and will embrace the principles promoted within the Audit Code of Practice.

The Annual Internal Audit Outturn Report contains a statement/judgement on overall levels of internal control (a view based on the relative significance of the systems reviewed during the year, in the context of the totality of the control environment). The last such report to the Audit Committee on the 9th September 2015 raised no fundamental issues and confirmed that the Council continues to operate within a controlled environment that should minimise the risk of loss.

External Audit

In accordance with the Audit Commission's Code of Audit Practice, the Council receives regular reports on elements of its internal control environment, including performance management, risk management, financial management and governance.

Review Outcome

The previous year's AGS identified one new area for improvement:-

The effectiveness of the current Scrutiny arrangements has been identified as an area that could be improved and to ensure that they are effective and productive a review of the current processes is to be undertaken. The review will ensure that any weaknesses or shortcomings will be addressed and current best practice will be built into our procedures going forward. It is intended that the review be completed by October 2015.

The review of Scrutiny was concluded and reported to Council in October 2015. The Council are now implementing all of the changes. Based on the progress made to date it is recommended that this area for improvement be removed from the AGS.

There is one new area for improvement that has been identified during the 2015/16 review process:-

- The Authority works to ensure that the requirements of the Well-Being of Future Generations (Wales) Act 2015 are progressed to ensure compliance prior to regulator reviews.

Signed

Keith Reynolds
Leader of the Authority

Chris Burns
Interim Chief Executive



AUDIT COMMITTEE – 14TH JUNE 2017

SUBJECT: AUDIT COMMITTEE FORWARD WORK PROGRAMME

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES & SECTION 151
OFFICER**

-
1. The attached report demonstrates the Audit Committee Forward Work Programme.
 2. Forward Work Programmes are essential to ensure that Audit Committee agendas reflect the strategic issues facing the Council and other priorities raised by Members, the public or stakeholders.
 3. The Audit Committee Forward Work Programme identifies reports that are due to be presented to the Committee until September 2017. The document is a working document and is regularly updated when additional reports are identified.
 4. The latest Audit Committee Forward Work Programme is attached at Appendix 1.

Author: C. Evans, Committee Services Officer, Ext. 4210

Appendices:
Appendix 1 Audit Committee Forward Work Programme

Gadewir y dudalen hon yn wag yn fwriadol

FORWARD WORK PROGRAMME FOR AUDIT COMMITTEE

Deadline (12 Noon) Reports To Committee Services	Meeting Date	TOPIC	RESPONSIBILITY
10.07.17	25.07.17	Special Audit Committee ISA 260 2016/17 Updated Anti Fraud, Bribery & Corruption Policy and Updated Anti Money Laundering Policy	Grant Thornton R. Harris
28.08.17	13.09.17	Forward Work Programme Outcome of External Peer Review on Compliance with the Public Sector Internal Audit Standards Corporate Risk Register Risk Management Strategy Code of Corporate Governance	N. Scammell S. Harris K. Peters R. Hartshorn R. Harris

Gadewir y dudalen hon yn wag yn fwriadol



AUDIT COMMITTEE - 14TH JUNE 2017

SUBJECT: UPDATE ON THE NUMBERS OF COMPLAINTS RECEIVED UNDER THE COUNCIL'S CORPORATE COMPLAINTS POLICY

REPORT BY: INTERIM HEAD OF LEGAL SERVICES AND MONITORING OFFICER

1. PURPOSE OF REPORT

- 1.1 To provide Members with an update on the number of complaints received under the Corporate Complaints Policy for the period 1st October 2016 to 31st March 2017.
- 1.2 To advise Members whether any trends have been identified and if so the action to be taken.
- 1.3 To update Members on the use of the Policy and Procedure to deal effectively with unacceptable, persistent or unreasonable actions by complainants.

2. SUMMARY

- 2.1 To provide members with an overview of the corporate complaints, which, is one of the ways in which, the Council gains information on the level of satisfaction or dissatisfaction of the services provided corporately by the Council. The result of the monitoring enables each department to focus on areas of concern, to improve services and to monitor performance and ensure that any trends in issues raised are identified and dealt with so as to be avoided in the future.
- 2.2 To ensure that corporate complaints are dealt with consistently and fairly across all service areas.
- 2.3 To update members on the implementation of the Policy and Procedure to deal effectively with unacceptable, persistent or unreasonable actions by complainants.

3. LINKS TO STRATEGY

- 3.1 Monitoring of the Council's corporate complaints and successful resolution of those complaints contributes to the following Well-Being goals within the Well-being of Future Generations Act (Wales) 2015 as it supports the provision of higher quality and more effective services to the public across all service areas. In addition monitoring provides information on the level of satisfaction of the services provided corporately by the Council. The result of the monitoring enables each department to focus on areas of concern, to improve services and to monitor performance, ensure that any trends or issues raised are identified and dealt with so as to be avoided in the future and to ensure that corporate complaints are dealt with consistently and fairly across all service areas.

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- A globally responsible Wales.

4. THE REPORT

4.1 On 1st April 2013, the Council implemented a new Corporate Complaints Policy (referred to as the Policy in this report) in order to reflect the model policy introduced by the Welsh Government which was amended and updated in January 2016 and is available on the Council's website.

4.2 This Committee has received regular updates on the implementation of the Policy, details of which are set out in the background papers.

4.3 This report provides an update on the complaints received for the period 1st October 2016 to 31st March 2017.

4.4 Review of Corporate Complaints

4.4.1 The data referred to below represents the number of complaints received from 1st October 2016 to 31st March 2017 for each Directorate referred to, together with an overview of the response timescales.

4.4.2 In addition, the complaints data captured includes the outcome of each complaint; namely whether a complaint has been upheld, not upheld or partially upheld. An overview of the outcomes in respect of Stage 1 complaints are set out in paragraph 4.4.5 (c) and an overview of the outcomes in respect of Stage 2 Complaints are set out in paragraph 4.4.5 (g) below.

4.4.3 Members are reminded that the number of complaints listed for Social Services and Education are significantly lower than those of other Directorates such as Housing and the Environment. The reason for the difference is that this report only includes details of corporate complaints received for those service areas. Social Services operate a separate complaints policy for service users. Within Education the respective schools deal with their own complaints. Members have received separate reports on both issues in the past.

4.4.4 The total number of corporate complaints received across the Authority during this period is 91 comprising the following: -

% of total number of complaints received October 2016 – March 2017

10	Corporate	10.99
2	Education	2.20
34	Environment	37.36
40	Housing	43.95
0	Social Services	0
5	Other (cross Directorate)	5.50

4.4.5 A breakdown of the types of complaints are summarised as follows: -

Stage 1 Corporate Complaints

(a)	Title	Actual
	Number of Stage 1 complaints received in Corporate Services	10
	Number of Stage 1 complaints received in Education	2
	Number of Stage 1 complaints received in Environment	28
	Number of Stage 1 complaints received in Housing	37
	Number of Stage 1 complaints received in Social Services	0
	Number of Stage 1 complaints received Other (cross directorate)	0

(b) The total number of complaints received at Stage 1 were 77, of those 71 were responded to within timescale and 5 outside the timescale (6.49%), and 1 did not proceed.

- (c) Of the 77 Stage 1 complaints, responded to, 13 have been upheld, 42 were not upheld and 21 have been partially upheld and 1 did not proceed. The breakdown of outcomes for each Directorate is listed below.

Outcomes of Stage 1 complaints

	Upheld	Not Upheld	Partially Upheld	Did Not Proceed
Corporate Services	2	4	4	0
Education	1	1	0	0
Environment	5	13	10	0
Housing	5	24	7	1
Social Services	0	0	0	0
Other (cross directorate)	0	0	0	0
	13	42	21	1

Stage 2 Corporate Complaints

(d) Title	Actual
Number of Stage 2 complaints received in Corporate Services	0
Number of Stage 2 complaints received in Education	0
Number of Stage 2 complaints received in Environment	14
Number of Stage 2 complaints received in Housing	14
Number of Stage 2 complaints received in Social Services	0
Number of Stage 2 complaints received Other (cross directorate)	5

- (e) The total number of complaints received at Stage 2 were 33 of those 33 were responded to within timescale.
- (f) Of the Stage 2 complaints, 14 were commenced at Stage 2 and 19 were escalated from Stage 1 to Stage 2; 11 within Housing and 8 within Environment.
- (g) Of the 33 Stage 2 complaints responded to, 6 have been upheld, 16 were not upheld, 11 were partially upheld. The breakdown of outcomes for each Directorate is listed below.

Outcomes of Stage 2 Complaints

	Upheld	Not Upheld	Partially Upheld
Corporate Services	0	0	0
Education	0	0	0
Environment	2	7	5
Housing	4	7	3
Social Services	0	0	0
Other (cross directorate)	0	2	3
	6	16	11

4.4.6 Equalities and Welsh Language complaints dealt with under the Corporate Complaints Policy are monitored and reported to members of this committee as part of the overall figures but detailed information also forms part of the statutory annual reporting framework to the Equality and Human Rights Commission and the Welsh Language Commissioner's Office. The Council's Policy and Resources Committee and Cabinet receives an annual report regarding progress against the targets in the Council's Strategic Equality Plan 2016-2020 and against the Welsh Language Standards, prior to submission to the relevant commission.

4.4.7 Members will note that 5 stage 1 complaints were not responded to within the required timescale, although all response times for Stage 2 were met. The responses were provided between 1 and 3 days over the deadline due to various reasons such as officers on leave or additional information needed in order to respond. The response times are being monitored and complaints officers have been asked to remind staff of the requirement to comply with the timescales and where this is not possible to seek agreement from the customer to extend the deadline for providing the response. These figures will continue to be monitored.

4.5 Review of Trends and types of complaints

4.5.1 This information is being gathered and an analysis will be provided in the Annual Report.

4.5.2 The types of complaints received during this six month period have been wide ranging for example; damage to property by refuse collectors, Civic Amenity sites, hygiene rating at café, planning application, housing repairs, contact centre administration, noise complaint, speed of traffic on street, planning land drainage complaint and lack of service in council tax. The Appendix sets out anonymised examples of complaints dealt with.

4.6 Ombudsman referrals

4.6.1 Since the last report to Audit Committee, 9 complaints have been referred to the Ombudsman following the issue of the Council's Stage 2 response; none were taken to investigation. In addition the Council has agreed two quick fixes one relating to a Social Services matter and one relating to Communities and Leisure services.

4.7 Update on the Use of a Vexatious Complainants Policy

4.7.1 Members are advised that there have been no referrals made under this policy although the Group will continue to monitor its use. The Group however acknowledge that it is a useful aide in dealing with potential vexatious complainants.

5. WELLBEING OF FUTURE GENERATIONS

5.1 This report contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act in that the monitoring of the Council's corporate complaints handling across all service areas and enables departments to focus on areas of concern, to improve services and to monitor performance to ensure that any issues raised are identified and dealt with so as to be avoided in future.

6. EQUALITIES IMPLICATIONS

6.1 Monitoring of complaints via the Corporate Complaints policy addresses the Council's statutory duties under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 and the Welsh Language Measure (Wales) 2011 in two ways. It addresses specific complaints to the Council around alleged discrimination by service areas and also addresses the monitoring of complaints from people who fall under the categories protected by these statutory duties.

6.2 The full details of these issues (that cover wider matters than are recorded as Corporate Complaints in this report) are included in the annual reports provided to the Equalities and Human Rights Commission and the Welsh Language Commissioner's Office. Policy and Resources Scrutiny and Cabinet consider these reports prior to being published.

7. FINANCIAL IMPLICATIONS

7.1 There are no direct financial implications associated with this report.

8. PERSONNEL IMPLICATIONS

8.1 There are no personnel implications associated with this report.

9. CONSULTATIONS

9.1 The views of the consultees have been incorporated into this report.

10. RECOMMENDATIONS

10.1 It is recommended that Members note the contents of the report.

11. REASONS FOR THE RECOMMENDATIONS

11.1 To monitor the complaints process to ensure effective delivery of Council services.

12. STATUTORY POWER

12.1 Local Government Act 1972 - 2003.

Author: Lisa Lane, Corporate Solicitor
Consultees: Gail Williams, Interim Head of Legal Services/Interim Monitoring Officer
Nicole Scammell, Acting Director of Corporate Services
Jan Carter, Senior Housing Officer
Gemma Hoare, Housing Officer (Customer Services)
David Titley, Customer Services Manager
Robert Waggett, Customer Services Development Officer
Kim Davies, Customer Services/Complaints Officer
Karen Williams, Support Officer
Judith Morgans, Customer Services Manager
Ros Roberts, Performance Manager
Andrea Jones, Corporate Complaints Officer
Anwen Rees, Senior Policy Officer – Equalities and Welsh Language
Richard Harris, Internal Audit Manager
Deborah Gronow, Auditor
Leigh Brook, Corporate Finance
Lianne Dallimore, Medium Term Financial Plan Programme Coordinator

Background papers:

Report to Audit Committee 14th December 2016 Update on the Numbers of Complaints Received under the Council's Corporate Complaints Policy
Report to Audit Committee 14th September 2016 - Update on the Numbers of Complaints received under the Corporate Complaints Policy
Report to Audit Committee 9th March 2016 - Update on the Numbers of Complaints received under the Corporate Complaints Policy
Report to Audit Committee 9th September 2015 - Update on the Numbers of Complaints received under the Corporate Complaints Policy
Report to Audit Committee 11th March 2015 - Update on the Numbers of Complaints received under the Corporate Complaints Policy
Report to Audit Committee 10th September 2014 - Update on the Implementation of the Council's Corporate Complaints Policy
Report to Audit Committee 5th March 2014 - Update on the Implementation of the Council's Corporate Complaints Policy
Report to Audit Committee 17th September 2013 - Update on the Implementation of the Council's New Corporate Complaints Policy

Appendices:

Appendix 1: Brief overview of a selection of complaints

Brief overview of a selection of complaints

Speed of traffic

A resident raised concerns regarding traffic speed and the overall amount of traffic on a particular A Class road within the County Borough and that there were no traffic calming measures in place such as speed humps or a 20mph speed limit. The resident felt that it was a dangerous situation as the road is near to two schools.

In response to the complaint the Council's engineer advised that in the last 5 years 4 speed surveys had been carried out and the results had been provided to the resident, which included the mean speed of each survey. The results of the survey showed that there was no evidence of excessive speed.

It was acknowledged that there may have been occasional vehicles being driven irresponsibly but the majority of drivers were travelling at lower speeds. The results of the survey did not meet the criteria within the Councils Speed Management Strategy for the consideration of speed reduction measures. However in response to complaints from residents the Gwent Police Safety Camera Enforcement Unit established a site of community concern and commenced enforcement activities in June 2014. In addition the resident was advised that officers were unable to consider the implementation of road humps as regulations did not permit their usage on A class roads.

In responding officers advised that notwithstanding the above the concerns were acknowledged and arrangements were being made for a further traffic survey to be carried out in the near future and the results would be communicated.

Alleged damage to property by waste collection staff

A resident complained that the wall of their property was damaged by waste collection staff. In order to respond officers sought advice from the Council's Insurance and Risk Manager and also viewed CCTV footage of the area, which provided no evidence that the damage to the wall was caused by Council employees and as a result the complaint was not upheld. However as a precautionary measure the Council reaffirmed with collection crews to be careful when replacing bins near the wall.

Customer service clerical error

An error was made by one of our Customer Services staff when processing a debit card payment incorrectly processed it as a credit card payment, which attracted a credit card fee. An apology was given and the fee was credited to the residents Council tax Account.

Contractor unable to complete works due to insufficient supplies

A tenant reported a fault of no central heating or hot water on 23rd December and complained that the problem was not resolved for a week due to a delay in ordering parts. The investigation showed that the initial response by the gas engineer was within the required 2 hour time slot but the engineer was not carrying the necessary part to repair the boiler. There was a delay in sourcing the part due to the Christmas period and a further delay due to the incorrect part being ordered. Temporary heating was however provided in the meantime. The repair was finally completed on 30th December. The complaint was upheld and compensation was paid in line with our heat loss compensation payment scheme. This was a relatively new contract so the Housing Repair Operation Manager met with the contractor to remind them that all their vehicles should carry an appropriate level of stock, which should prevent the need for parts to be ordered.



AUDIT COMMITTEE - 14TH JUNE 2017

SUBJECT: ANNUAL REVIEW OF COMPLAINTS RECEIVED UNDER THE COUNCIL'S CORPORATE COMPLAINTS POLICY 1ST APRIL 2016 TO 31ST MARCH 2017

REPORT BY: INTERIM HEAD OF LEGAL SERVICES AND MONITORING OFFICER

1. PURPOSE OF REPORT

- 1.1 To provide Members with an overview of the corporate complaints received for the year 1st April 2016 to 31st March 2017.
- 1.2 To advise Members whether any trends were identified during this period and if so the action to be taken.
- 1.3 To provide Members with an overview of the lessons learned in respect of the complaints which have been upheld or partially upheld.

2. SUMMARY

- 2.1 To provide members with a review of the corporate complaints received during the year 1st April 2016 to 31st March 2017.
- 2.2 Complaints are one of the ways in which, the Council gains information on the level of satisfaction or dissatisfaction of the services provided corporately by the Council. The result of the monitoring enables each department to focus on areas of concern, to improve services and to monitor performance and ensure that any trends in issues raised are identified and dealt with so as to be avoided in the future.
- 2.3 The implementation of the Corporate Complaints Policy ensures that corporate complaints are dealt with consistently and fairly across all service areas.

3. LINKS TO STRATEGY

- 3.1 Monitoring of the Council's corporate complaints and successful resolution of those complaints contributes to the following Well-Being goals within the Well-being of Future Generations Act (Wales) 2015 as it supports the provision of higher quality and more effective services to the public across all service areas. In addition monitoring provides information on the level of satisfaction of the services provided corporately by the Council. The result of the monitoring enables each department to focus on areas of concern, to improve services and to monitor performance, ensure that any trends or issues raised are identified and dealt with so as to be avoided in the future and to ensure that corporate complaints are dealt with consistently and fairly across all service areas.

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4. THE REPORT

4.1 On 1st April 2013, the Council implemented a Corporate Complaints Policy (referred to as the Policy in this report) in order to reflect the model policy introduced by the Welsh Government, which has been subsequently updated and is available on the Council's Website.

4.2 The Policy defines a complaint as "an expression of dissatisfaction or concern which requires a response" which may be:

- Either written or spoken,
- Made by one or more members of the public,
- About the Council's action or lack of action or about the standard of service provided,
- About the Council itself, a person acting on its behalf or a public service provider partnership.

Members are aware that the Policy does not apply to Service Requests.

4.3 The Policy introduced a two-stage complaints process to be followed within the Council. Stage 1 complaints should be dealt with within 10 working days and Stage 2 within 20 working days. If a complainant remains dissatisfied with the outcome of a Stage 2 response, he/she will have the opportunity to refer the matter to the Public Services Ombudsman for Wales.

4.4 The individual service areas are responsible for ownership of the conduct of the complaint process and investigate complaints at both stage 1 and 2, with the Stage 2 response being dealt with by the Head of Service or nominated representative. In addition where complaints relate to more than one directorate these are responded to by the Interim Head of Legal Services and Monitoring Officer or the Corporate Solicitor.

4.5 Officers have established a Learning from Complaints Group (referred to throughout this report as "the Group"), which is chaired by the Interim Monitoring Officer (or nominated representative), and includes Complaints Officers from across the Council, the Council's Senior Policy Officer (Equalities and Welsh Language) and a representative from the Council's Performance Management Unit. The Group meets quarterly.

4.6 In addition, representatives from the Group attend the All Wales Complaints Group meetings which are held twice per year to share experience and learn from other Councils.

4.7 Complaints provide valuable feedback and are viewed as a positive opportunity to learn from experiences, which are in turn used to improve our services, strengthen relationships with customers and prevent similar problems which lead to the complaint from arising again. Some of the actions taken in response to complaints may seem to be of a minor nature however they can often make a big difference for example to the provision of a service. Members are asked to note the information contained in paragraph 4.12.1 and Appendix 2.

4.8 The information in relation to corporate complaints is reported on a six monthly basis to Audit Committee. In addition this Committee received the first Annual Report in 2015. This is the third annual report; it includes comparative data against the data reported for the year 2015/16.

4.9 Review of Corporate Complaints

4.9.1 The data included in the Report relates to the complaints formally logged as corporate complaints received from 1st April 2016 to 31st March 2017. It includes comparative data for the year 2015/16 for each Directorate referred to, and an overview of the response timescales. The data also includes the outcome of each complaint; namely whether a complaint has been upheld, not upheld or partially upheld. An overview of the outcomes in respect of Stage 1 complaints are set out in paragraph 4.9.6 and an overview of the outcomes in respect of Stage 2 Complaints are set out in paragraph 4.9.18 of the Report.

- 4.9.2 Members are asked to note that this report includes details of formally logged corporate complaints only and does not include detail of interactions with customers which are deemed to be service requests. In addition Members will note that the number of complaints considered by Education and Social Services are considerably less than those relating to services delivered by the Environment and Housing. Both of these areas operate separate complaints processes established by specific legislation. In addition cross directorate complaints are dealt with under Stage 2 of the Corporate complaints policy
- 4.9.3 The total number of corporate complaints received across the Authority was 199; this is a slight increase on last years' total of 192. This comparison is set out in the graph in Appendix 1a. Members are advised that of the total number of complaints dealt with at Stage 2 equates to 78, 40 of which escalated from Stage 1; 22 in Housing, 1 in Education and 17 in the Environment.
- 4.9.4 A breakdown of the Stage 1 corporate complaints by reference to service area, together with comparative data from last year is set out below.

	Stage 1 Corporate Complaints	16/17 Actual	15/16 Actual
	Corporate Services	19	21
	Education	4	2
	Environment	68	49
	Housing	70	81
	Social Services	0	5
		<u>161</u>	<u>158</u>

- 4.9.5 It should be noted that the number of complaints per service does not necessarily provide a direct correlation with the standard of customer service provided and that these results should not be treated in isolation. Each of these services are heavily influenced by the type of business transacted by that service, for example the number of customer facing transactions carried out, the public profile of the actions carried out by that service and whether the customer has alternative formal routes for redress or appeal.

Outcomes of Stage 1 complaints

- 4.9.6 Of the 161 Stage 1 complaints responded to, 28 have been upheld, 88 were not upheld and 42 have been partially upheld. The breakdown by service area is listed below together with the comparative data for the year 2015/16.

Year	16/17 Upheld	15/16 Upheld	16/17 Not Upheld	15/16 Not Upheld	16/17 Partially Upheld	15/16 Partially Upheld	16/17 Did Not Proceed
Corporate Services	3	5	7	10	8	6	1
Education	1	0	3	2	0	0	
Environment	14	21	35	19	19	9	
Housing	10	18	43	48	15	15	2
Social Services	0	0	0	5	0	0	
	<u>28</u>	<u>44</u>	<u>88</u>	<u>84</u>	<u>42</u>	<u>30</u>	<u>3</u>

- 4.9.7 The overall number of complaints dealt with at stage 1 this year when compared to 2015/16 has remained fairly static (161 this year compared to 158 last year).
- 4.9.8 The number of Stage 1 complaints upheld has decreased (28 this year compared to 44 last year); the number of complaints not upheld has slightly increased (88 this year compared to 84 last year). However, the number of complaints partially upheld has increased by 12; 42 this year compared to 30 last year.

- 4.9.9 From an analysis of the data, this is in the main due to an increase in the number of Stage 1 complaints dealt with in the Environment. This equates to 19 more Stage 1 complaints responded to in 16/17 when compared to previous year, with 10 more partially upheld complaints than the previous year.
- 4.9.10 Overall the complaints dealt with in the Environment cover a broad spectrum including the following:-
- Within the Engineering Division, 6 complaints related to the same issue involving a pothole which was not upheld, but the pothole was repaired as a gesture of goodwill. Other matters include various issues such as Drainage, Traffic Management and Operations.
 - In Community & Leisure Services; Stage 1 responses covered numerous issues including refuse, assisted collections, missed collections, recycling and contaminated waste and also Civic Amenity Sites, trees, Leisure and Bereavements.
 - In relation to the Public Protection division a cross section of areas such as Catering, Pest Control, Noise Nuisance, Enforcement, Pollution and Community Safety.
 - There was however a reduction in the number of Stage 1 complaints dealt with by Planning. Of those complaints the issues dealt with related to Planning Applications, Enforcement, Tourism, Bilingual signs and LDP.
- 4.9.11 With regard to the partially upheld complaints in the Environment, these related to the following:-
- 11 in Communities & Leisure relating to refuse, including assisted collections and missed collections, recycling, trees and bereavement services.
 - 4 in Highways relating to grit bin, communication, welsh language leaflet and gates on public highway.
 - 3 in Public protection relating to dog warden service, community safety and provision of service.
 - 1 in planning relating to a planning application
- 4.9.12 To put the figures above into context, for the period 2016/17, Cleansing and Waste Management services alone dealt with approximately 38,900 contacts as service requests, whereas for the same period, the whole of the Environment Directorate which covers Engineering Services, Planning, Public Protection, Waste Management, and Community and Leisure Services dealt with 101 complaints under the Corporate Complaints Policy.
- 4.9.13 Due to the diverse nature of the services provided within the Environment directorate, the increase in the number of Stage 1 complaints cannot be wholly attributed to a particular service or service area, and as such no particular trends can be identified from this increase. In addition Members will note that overall the number of complaints has remained fairly static when compared to last year.
- 4.9.14 There has been a decrease in the number of Stage 1 complaints dealt with in Housing (70 this year compared to 81 last year). There does not appear to be any specific reason for the reduction in stage 1 complaints but it is noted that the greatest reductions related to Housing Management issues (25 to 19) and WHQS internal works (23 to 14).
- 4.9.15 A breakdown of Stage 2 corporate complaints by reference to the service area, together with comparative data is set out below.

	Stage 2 Corporate Complaints	16/17 Actual	15/16 Actual
	Corporate Services	0	6
	Education	1	2
	Environment	33	28
	Housing	31	36
	Social Services	3	3
	Other (cross directorate)	<u>10</u>	<u>2</u>
		<u>78</u>	<u>77</u>

4.9.16 Members will note the number of complaints dealt with at Stage 2 has increased by 1 in compared to last year, with a slight variation between the Directorates responsible for these complaints. Some areas slightly increasing such as the Environment and others such as Housing which have slightly decreased.

4.9.17 However there has been a noticeable increase in the number of complaints dealt with as “other” (cross directorate), 10 this year compared to 2 last year. Members are reminded that these complaints relate to issues affecting more than one Directorate and under the Corporate Complaints Policy are dealt with by the Interim Head of Legal and Monitoring Officer or the Corporate Solicitor. An analysis of this data has revealed that the cross directorate responses have related to a variety of service areas including Corporate Services and Housing, Social Services and Education, Planning, Engineering Services & Public Protection, Social Services and Housing, Housing and Environment and no trends have been identified.

Outcomes of Stage 2 Complaints

4.9.18 Of the 78 Stage 2 complaints responded to 13 have been upheld, 40 were not upheld, 22 were partially upheld 1 did not proceed and 2 are ongoing. The breakdown by service area is listed below together with the comparative data for the year 2015/16.

	15/16 Upheld	16/17 Upheld	15/16 Not Upheld	16/17 Not Upheld	15/16 Partially Upheld	16/17 Partially Upheld	15/16 Did Not Proceed	16/17 Did Not Proceed	16/17 Ongoing
Corporate Services	2	0	4	0	0	0	0	0	
Education	1	0	1	1	0	0	0	0	
Environment	3	4	22	18	3	10	0	0	1
Housing	18	8	16	15	1	7	1	0	1
Social Services	0	1	3	1	0	0	0	1	
Other (cross directorate)	<u>0</u>	<u>0</u>	<u>2</u>	<u>5</u>	<u>0</u>	<u>5</u>	<u>0</u>	<u>0</u>	
	<u>24</u>	<u>13</u>	<u>48</u>	<u>40</u>	<u>4</u>	<u>22</u>	<u>1</u>	<u>1</u>	<u>2</u>

4.9.19 Overall there have been less Stage 2 complaints upheld this year (13 this year compared to 24 last year) but a noticeable increase in the number of complaints partially upheld (22 this year compared to 4 last year). The main areas where complaints have been partially upheld are within Environment, Housing and Other (cross directorate).

4.9.20 In relation to the Environment, the partially upheld complaints related to matters in Planning, Engineering Services, Public Protection and Community and Leisure Services. The issues raised are wide ranging and include noise nuisance, planning applications, bereavement services, literature in welsh language, refuse and placement of bins so no pattern can be identified.

4.9.21 With regard to Housing, the reason for the increase in partially upheld complaints at stage 2 is not obvious; they are fairly evenly spread across a number of service areas, including housing management, response repairs, sheltered housing, WHQS (internal works) and leaseholder services.

4.9.22 With regard to the partially upheld cross directorate complaints the issues were again wide ranging including customer services, signage on housing office, education and social services issues.

4.10 **Ombudsman's Referrals**

4.10.1 Of the 78 Stage 2 complaints responded to 18 were referred to the Public Services Ombudsman for Wales, none were taken into investigation. In addition the Authority agreed 2 quick fixes, one relating to Social Services and one relating to Communities and Leisure Services. A quick fix is a voluntary settlement agreed so as to achieve an early resolution to the issues under consideration.

4.10.2 In addition to the above, the Ombudsman during the last year, decided to investigate a further complaint. Whilst acknowledging that the complaint may be considered out of time, he decided to exercise his discretion to undertake an investigation on the basis that the complainants had attempted to resolve their concerns via other means and this caused a delay in them referring the matter to the Ombudsman. Whilst the outcome of the investigation was reached outside the confines of this report, for information Members are advised that a report has been presented to the Standards Committee in accordance with the process followed in such cases.

4.11 **Target time for responses**

4.11.1 The data in relation to this indicates that compliance with the response deadlines is now 95.4%, 5% up on last years' figure of 90.6% as identified in the graph at Appendix 1b.

4.12 **Review of Trends and Lessons Learned**

4.12.1 The volume of complaints is not always as important as the nature and the content of the complaint. Each complaint can be an opportunity to make small changes or service improvement on a small or greater scale. Sometimes the smallest change can result in the greatest increase in customer satisfaction. Examples of some of the changes made are set out at Appendix 2 which contains an anonymised summary of a sample of upheld/partially upheld complaints across the various service areas. The lessons learnt include the following

- Improvements being made to ensure tenants are aware of the extent of WHQS works before the work begins. It is the intention that more detailed letters will be sent to each tenant clarifying the extent of works that have been identified as part of the survey and will subsequently be included in the programme
- Due to noise issues relating to bin collection, arrangements were made for refuse crew to alternate the collection time.
- The terms of the standard "no access" letter used by the WHQS team has been reviewed and amended to exclude reference to legal action being taken and replaced with advice to the tenant that if access is denied their upgrading work will be delayed until the end of the programme in 2020 or removed from the programme completely.
- Staff have been reminded to leave grave areas uncut where vases and ornaments are placed in the mowing area.
- The wording of the email generated by CRM has been changed so that it is clear that the pest control service does not operate over the weekend period
- Vacant properties are checked to confirm that they are cleaned to expected standards before allocation.
- Officers have been reminded of the importance of conveying correct information and to make return courtesy calls when initial information provided was incorrect.

- The Housing divisions response repair team have been reminded to check if a flat is Council owned or leasehold before arranging any works as the cost of the work may be chargeable.
- Staff have been reminded to correspond with Customers in an appropriate manner and to avoid using block capitals which may give the impression of shouting.
- Contractors have been reminded that all their vehicles should carry an appropriate level of stock, which should prevent the need for parts to be ordered and thereby avoiding delay.

4.12.2 In addition to the above, there have been a small number of cases where the complaints policy was not followed in a timely manner and as a result further guidance has been issued to complaints officers to remind them of the requirements of the policy.

4.12.3 A complaint is not only valuable in terms of service improvements but also in terms of public relations and general public perception of and satisfaction with the Authority.

4.12.4 Over the last year officers have considered the data collected on a quarterly basis for each specific service area. Members will note from the above information that the types of complaints received have been wide ranging and also include for example, Leisure Centres, blue badge, fly tipping, planning processes, housing benefit issues, council tax, refuse collection, customer services, WHQS works, allotments, parking issues, flying start, traffic speed, leaseholder works, contact centre administration change to garden waste services, food hygiene rating process. This is not an exhaustive list but no trends have been identified.

4.12.5 Members will recall at the meeting of the Audit Committee in March 2016 it was agreed that the causes of complaints would be recorded in accordance with the following agreed list. This work has commenced and the data is now available for the whole year 2016/17.

- 1 Collaborative Working
- 2 Decision Making
- 3 Delay in Service Provision
- 4 Officer/Contractors Conduct with public (including sensitivity/empathy of staff/politeness)
- 5 Following Council Policies/relevant Legislation
- 6 Accessibility of Services
- 7 Clarity/Accuracy/Timeliness of information
- 8 Quality of Work
- 9 Openness/ Fairness and Honesty
- 10 Compliance with Complaints procedure
- 11 A combination of categories

This data has been analysed within each directorate and is set out in the table at Appendix 3

4.12.6 Housing

With regard to Housing the greatest number of complaints, 34 related to category 8 (Quality of work/service), followed by 24 complaints against category 2 (Decision making) and 19 against category 3 (Delay in service provision). It is however expected that these would be the main categories for complaints in respect of Housing due to the nature of the service provided by the housing division.

As far as any trends are concerned, the complaints are generally spread over a number of service areas, within the housing division, and each complaint has its own elements. However, it is noted that there were repeat complaints regarding the standard of work and working practices of a contractor undertaking WHQS works. As a result the Chief Housing Officer met with the contract Director to address the issues raised and the situation continues to be monitored.

4.12.7 Environment

Within the Environment Directorate, 29 complaints have been dealt with solely under category 3 (Delay in Service provision), 22 dealt with under category 2 (Decision Making) and the same number dealt with under more than one category

The complaints are generally spread over a number of service areas including grounds maintenance, catering, environmental health, community safety, refuse, potholes, planning, tourism and highway maintenance and therefore no trends have been identified. Some of the issues raised in the above categories are for example in relation to delay, bad weather may have delayed highway works, or a vehicle breakdown may have delayed refuse collection. In relation to decision making complaints arise as a result of planning applications and the decisions made surrounding those applications. With regard to policies complaints have been received regarding the policy on replacement bins and the permit scheme for Civic Amenity sites.

4.12.8 Education

In respect of education the small number of complaints considered were all dealt with under category 5 (following council policies), four of which were not upheld.

4.12.9 Corporate Services

There is a general assortment of single and multiple categories within Corporate Services. The complaints cover a range of issues including Property Services, Customer Services, Finance and Electoral Services, and examples of the upheld complaints and lessons learned are outlined in Appendix 2, however there were no trends identified.

4.12.10 Social Services

The categories again related to a small number of complaints and included 2 (decision making), 7 clarity/accuracy/timeliness of information) and 10 (compliance with complaints procedure), one of which was upheld, one not upheld and one did not proceed.

4.13 **Vexatious Complainants Policy**

4.13.1 There have been no referrals under this Policy.

4.14 **Conclusion**

4.14.1 Corporate complaints have remained largely static over the last two years. It is important that the figures are viewed in the context of contacts with the Authority. For the same annual period the total customer contact recorded by Customer Services was 702,517, this included 142,972 contact centre calls answered, 93,859 face to face advice including Reception, 185,370 payments dealt with at customer counters, 233,539 switchboard calls answered and 46,777 other contacts including emails and web enquiries.

4.14.2 The consistency of the current arrangements in relation to complaints reporting and the static nature of the overall figures suggest that the complaints process continues to work effectively; although there is never room for complacency.

5. **WELLBEING OF FUTURE GENERATIONS**

5.1 This report contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act in that the monitoring of the Council's corporate complaints handling across all service areas and enables departments to focus on areas of concern, to improve services and to monitor performance to ensure that any issues raised are identified and dealt with so as to be avoided in future.

6. EQUALITIES IMPLICATIONS

- 6.1 Monitoring of complaints via the Corporate Complaints policy addresses the Council's statutory duties under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 and the Welsh Language Measure (Wales) 2011 in two ways. It addresses specific complaints to the Council around alleged discrimination by service areas and also addresses the monitoring of complaints from people who fall under the categories protected by these statutory duties.
- 6.2 The full details of these issues (that cover wider matters than are recorded as Corporate Complaints in this report) are included in the annual reports provided to the Equalities and Human Rights Commission and the Welsh Language Commissioner's Office. These reports are considered by Policy and Resources Scrutiny and Cabinet prior to being published.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no direct financial implications associated with this report.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no personnel implications associated with this report.

9. CONSULTATIONS

- 9.1 The views of the consultees have been incorporated into this report.

10. RECOMMENDATIONS

- 10.1 None. The report is for information only.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To monitor the complaints process to ensure effective delivery of Council services.

12. STATUTORY POWER

- 12.1 Local Government Act 1972 - 2003.

Author: Lisa Lane, Corporate Solicitor
Consultees: Gail Williams, Interim Head of Legal Services/Interim Monitoring Officer
Corporate Management Team
Lisa Lane, Solicitor
Jan Carter, Senior Housing Officer
Gemma Hoare, Housing Officer (Customer Services)
David Titley, Customer Services Manager
Rob Waggett, Customer Services Development Officer
Kim Davies, Customer Services/Complaints Officer
Karen Williams, Support Officer
Judith Morgans, Customer Services Manager
Ros Roberts, Performance Manager
Andrea Jones, Corporate Complaints Officer
Anwen Rees, Senior Policy Officer – Equalities and Welsh Language
Richard Harries, Internal Audit Manager
Deborah Gronow, Service Auditor
Leigh Brook, Corporate Finance
Lianne Dallimore

Background Papers:

Report to Audit Committee 10th December 2014 – Social Services Representations and Complaints Procedure Activity

Report to Audit Committee 11th March 2015 - Procedure relating to School Based Complaints

Report to Audit Committee – Annual Review of Complaints received under the Council's Corporate Complaints Policy 1st April 2015 to 31st March 2016

Appendices:

Appendix 1a – Graph with Comparison of Numbers of Complaints for 2015/16 and 2016/17

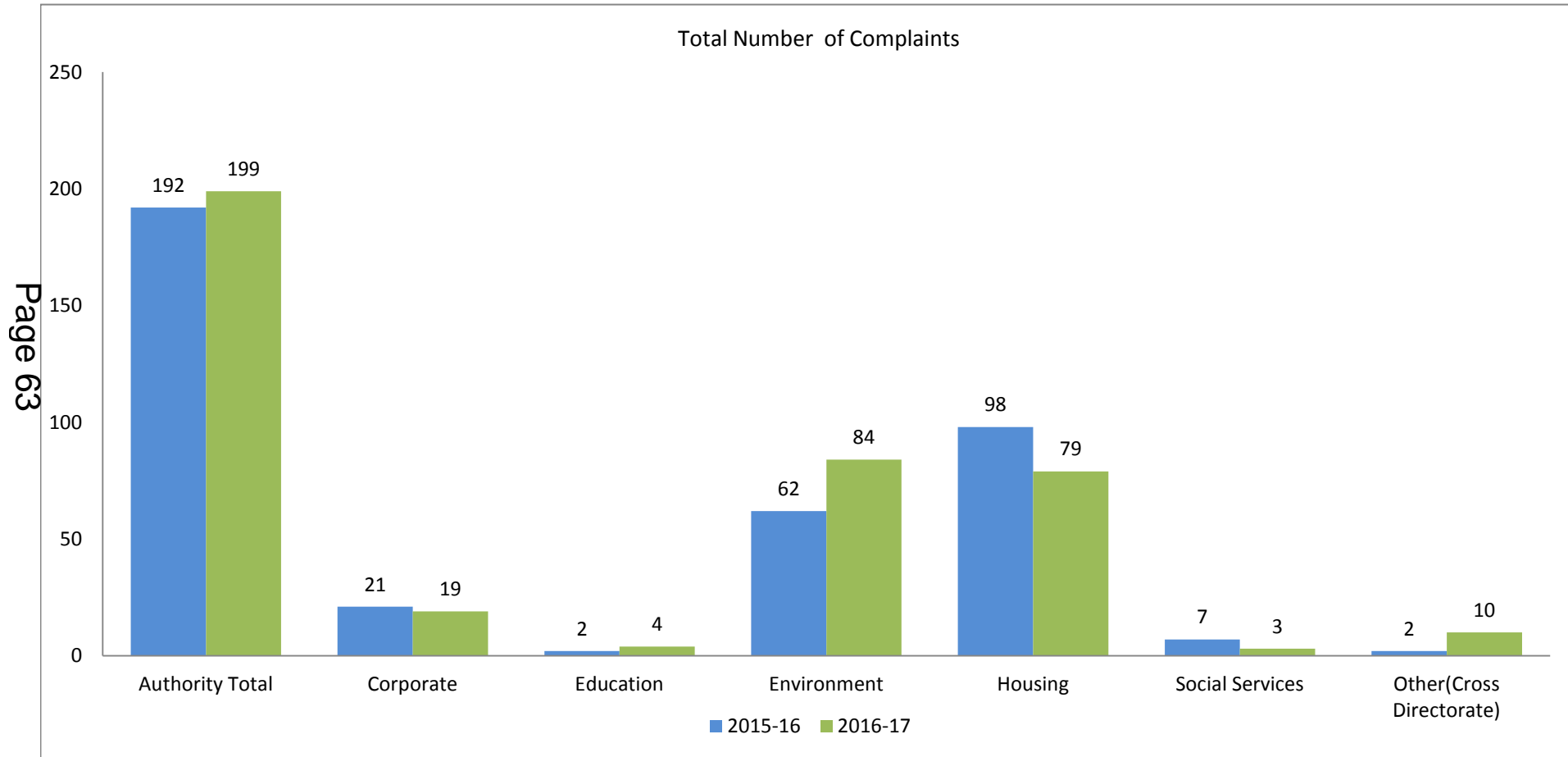
Appendix 1b – Graph with Comparison of Targets Not Met for 2015/16 and 2016/17

Appendix 2 – Anonymised summary of a sample of upheld and partially upheld complaints

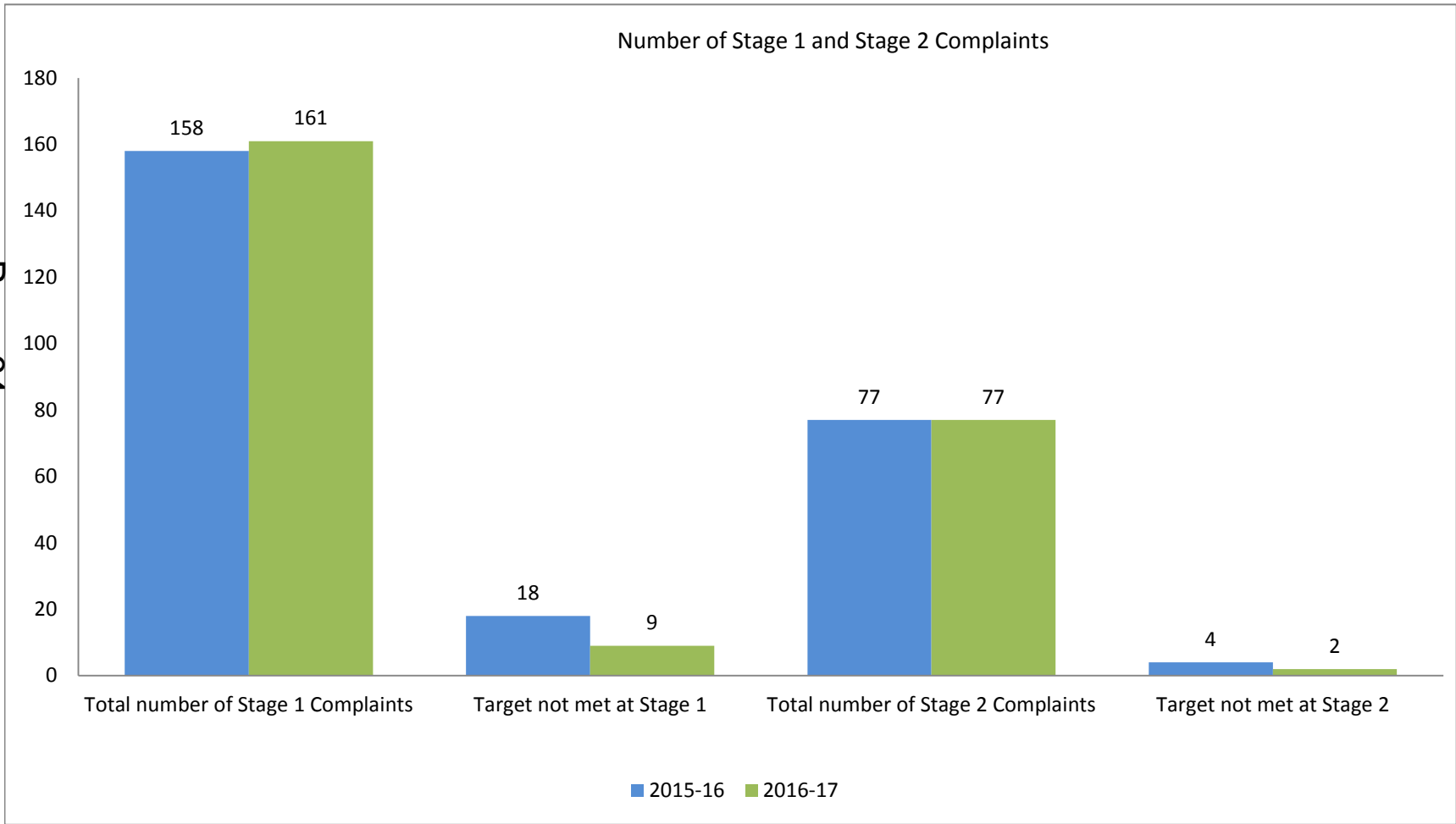
Appendix 3a – Complaints by Category

Appendix 3b - 2016/17 Causes of Complaints by Category

Service Area	Authority Total	Corporate	Education	Environment	Housing	Social Services	Other(Cross Directorate)
2015-16	192	21	2	62	98	7	2
2016-17	199	19	4	84	79	3	10



Service Area	Total number of Stage 1 Complaints	Target not met at Stage 1	Total number of Stage 2 Complaints	Target not met at Stage 2
2015-16	158	18	77	4
2016-17	161	9	77	2



Appendix 2

Environment Directorate

Bereavement Services – Damage to Plastic Cone Liner

Within lawn cemetery areas, action is required to encourage grave owners to place grave ornaments at the head of the grave to minimise the risk of damage and distress and also the hazard to staff. Glass items in particular pushed into the grass by members of the public are posing a hazard to staff who do not always see them when their visors are steamed up.

Lessons learned – Staff have been reminded to leave grave areas uncut where vases and ornaments are placed in the mowing area.

Complaint received in relation to Pest Control Service

The message provided by the CRM (Customer Relationship Manager) indicated that the pest control officer would make contact within one working day - that is correct and that is what actually happened (request made on Friday and contact made on Monday). However, it was not made clear that the service does not operate over a weekend and corrective action has been taken.

Lessons learned - We have reviewed and reworded the email generated by our CRM so that it is clear that the pest control service does not operate over the weekend period and thus eliminating the further possibility of it being misunderstood by the recipient regarding the definition of 1 working day

Refuse bin not collected

Refuse not collected due to vehicle breakdown - Vehicle breakdowns will result in service delays. Additional or newer vehicles would certainly help. Whilst it would be useful if the service had a specialist mobile working solution (such as sat nav) so crews can upload rounds, identifying all properties that require collection, the cost is likely to be prohibitive.

Noise Nuisance – bins collected early in the morning

A complaint was made regarding the noise made during the early morning bin collection.

Lessons Learned – Arrangements were made for refuse crew to alternate the collection time for the particular estate.

Contamination of recycling

A resident complained that their recycling was not collected even though the recycling truck was seen travelling through the street. The recycling was not collected due to contaminated materials being present in the bin which was subsequently removed and the recycling bin emptied on the collection day.

Lessons Learned – the crew were reminded that they should have put a contamination sticker on the bin and provided a recycling leaflet to the resident to explain what materials can be recycled.

Housing

WHQS Works

A tenant complained that he felt the general service he had received whilst having WHQS works carried out was not to a good enough standard. He felt he had been led to believe that works would be carried out to his bathroom as well as his kitchen, but no bathroom works were ever specified. He also requested information relating to his heating and redecoration of his kitchen and living room ceiling following a leak. The complaint was partially upheld in relation to the possible miscommunication of the works to be carried out under the WHQS programme.

Lesson learned - Improvements being made to ensure tenants are aware of the extent of WHQS works before the work begins. It is the intention that more detailed letters will be sent to each tenant clarifying the works that have been identified as part of the survey and will subsequently be included in the programme

Cleanliness of Property when re-allocated

A tenant who had recently been allocated a tenancy complained that he and his carer were being bitten by fleas. This issue however was not identified by any of our workmen whilst they were in the property undertaking the end of tenancy works. As soon as the matter was brought to our attention fumigation was arranged via the Council's pest control officer and the tenancy start date was amended accordingly. A week later the tenant complained that he was still being bitten so a further fumigation was arranged. The Housing Manager visited the tenant to apologise and also confirmed that although the property had undergone a deep clean before allocation this was not to the expected standard. This however would not have addressed the issue of fleas. A further clean was arranged.

Lesson learned – ensure vacant properties are checked to confirm they are cleaned to expected standard before allocation

WHQS Works

A tenant complained about delay in WHQS works due to some confusion over an asbestos survey and the suggested positioning of the boiler. The tenant had received a letter stating he had not allowed access for an asbestos survey so the works could not go ahead. The letter also reminded him of his tenancy conditions concerning lack of access and the possibility of legal action for breach of tenancy if access was denied. The tenant confirmed access had already been gained and although he had received a verbal apology for the confusion he requested a written apology. Mutual agreement was reached on the location of the boiler but the complaint was partially upheld in relation to the breach of tenancy letter being incorrectly issued.

Lesson learned – the no access letter used by the WHQS team was reviewed and amended. The letter no longer refers to legal action being taken if access is denied but advises the tenant their upgrading work will be delayed until the end of the programme in 2020 or removed from the programme completely.

Leasehold Ownership of Property

A leaseholder reported a repair to replace her double glazed units. The surveyor carried out an inspection which confirmed that the glazing itself needed to be replaced. There was then a misunderstanding amongst Council staff in terms of the Council's and the leaseholder's responsibility for glazing repairs and the repair was subsequently carried out by the Council. However, the lease clearly stated that glazing was the leaseholder's responsibility so the leaseholder was recharged. The leaseholder appealed the recharge as she claimed she had not been made aware that she would be recharged if the Council carried out the work. During the appeal investigation confirmation was received of the substantial works to be undertaken to this block of flats, via the WHQS programme, which includes full replacement of the windows. As the leaseholder will be responsible for a large financial contribution to the WHQS works it was felt, on this occasion, that due to the misunderstandings the recharge for the glazing would be withdrawn.

Lesson learned – response repair team to be reminded to check if a flat is Council owned or leasehold before arranging any works as the cost of the work maybe chargeable

WHQS Contractor

A tenant complained about the overall quality of service and workmanship of a contractor whilst undertaking WHQS works. The complaint related to the planning of the works, the length of time taken to complete the works, lack of communication and being left without facilities whilst works were ongoing.

Lessons learned - Officers met with the contractor to raise concerns about quality of service and the failure to comply with the Charter for Trust. The contractor has since reviewed its working practices and made some changes including the appointment of additional supervisory staff, a tenant liaison officer and a new sub-contractor. These changes have been recently applied and will be monitored closely to ensure the required improvements are being delivered.

Corporate Services

A complaint was received regarding the failure to log a number of calls correctly and to clear up remains of rubbish from communal bins. It was acknowledged that incorrect spellings of the complainants name together with the address was noted which may have been misheard or mistyped. Whilst all calls were logged, they were not easily cross referenced by different call handlers due to the errors made. An apology was given.

Lessons learned – The Customer Services Manager would remind staff of the importance of recording details correctly and Team Leaders would discuss this issue in routine performance meetings.

Council Tax

A complaint centred on the way in which a telephone call was handled within the Council Tax section. As telephone calls are not recorded it was difficult for the investigation officer to fully understand the issues however the officer accepted that the call could have been handled more professionally and an apology was given for the standard of service provided.

Lessons Learned – Staff were reminded of the customer services standards expected of them when dealing with members of the public.

Council Tax customer services

A complaint was made regarding an issue of non-payment of Council Tax for a property in the County Borough although the owners rented the property out and lived out of county. The owners were made aware that Bailiffs had visited the property to remove items by old neighbours. As a result the complainant contact Council Tax to provide a forwarding address and telephone numbers and advising that post can take a number of weeks to reach them. A summons was subsequently sent to attend a court hearing. They corresponded in writing with an officer who felt the response was abusive as it was written in block capitals and felt as if it was a form of shouting.

An apology was given for the format of the emails issued by one of the staff, being in block capitals only and acknowledged that it was not an acceptable format and gives the impression that the sender is ‘shouting’ their message. The issue was addressed with the officer concerned. However it was not accepted that the content of the email was “abusive’ in its tone; and an apology was in fact offered by the officer if the complainant considered the emails were abrupt. A full response to the issues raised was provided recognising that the Council Tax section had not been provided with the new forwarding address.

Lessons learned – staff have been reminded of the correct format to use when corresponding with customers.

Social services – dissatisfaction with level of service

A complaint was received regarding the dissatisfaction with the level of service provided by the Customer Services Team, including being advised that a telephone call would be returned within 24 hours which did not happen, being incorrectly advised of the dates a caseworker would be available and no apology for the errors being offered. It was accepted that there was a lack of communication and an apology provided.

Lessons Learned – officers have been reminded to convey the correct information and where appropriate to make courtesy calls to update a customer where information originally provided had changed.

Cross Directorate

Customer Services and Electoral Services

A complainant contacted the Authority to make a complaint regarding Electoral Services and was advised to make the complaint in writing. Whilst the complaint regarding Electoral Services was not upheld an apology was given for the miscommunication with confirmation that there was no intention to prevent the complainant from raising concerns with the authority, however the complainant was advised that manner in which the calls were conducted the calls were not acceptable. Details of the complaint were subsequently taken over the telephone.

Lessons learned – relevant staff were advised that complaints can be taken over the telephone in accordance with the Complaints Policy

Corporate Services and Communities and Leisure services

The complaint related to a dissatisfaction in the service received when visiting a customer service centre to attend to formalities following a family bereavement and in particular the open desk area arrangements, together with the parking spaces available, information provided as to return of keys, lack of knowledge regarding the permit scheme in operation at the civic amenity site and an exemption notice received from Council tax.

It has always been acknowledged that some customers do not wish to conduct their business at an open desk so there are private interview rooms available. There are notices in the office to inform customers that these rooms are available on request but as a result of the complaint they were reviewed to ensure that they are prominently displayed.

In relation to the parking situation encountered, the parking arrangements were explained and details provided as to available parking in the vicinity acknowledging that on busy days it can sometimes be difficult to find a space.

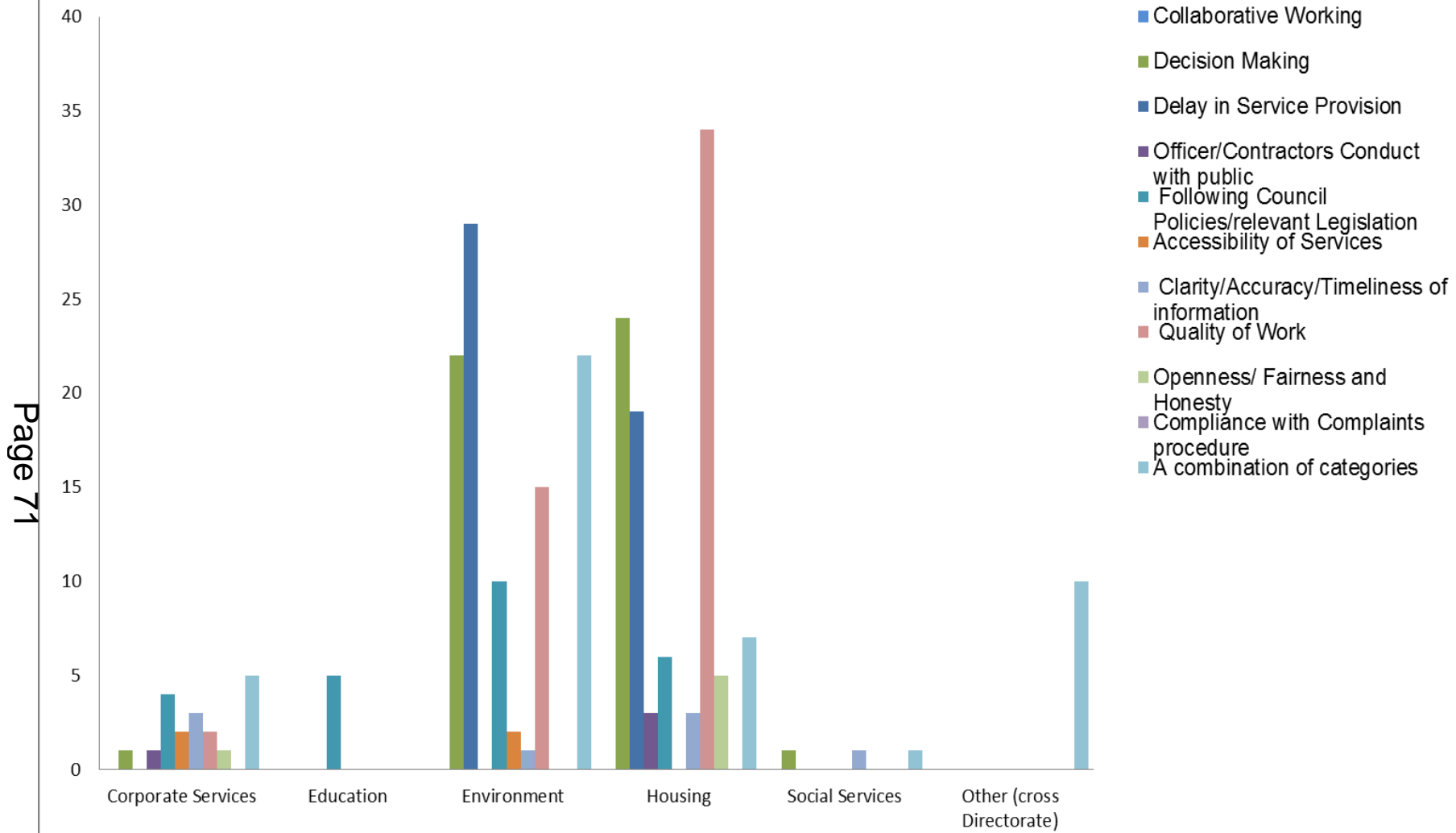
An apology was given as a result of not being advised on the first visit that notice was required to hand in keys to a property and it was confirmed that the issue would be raised with the manager of the office and staff will be reminded of the correct process.

With regard to the permit scheme in operation, a copy of the leaflet explaining the scheme was provided.

With regard to the exemption notice received from the Council Tax section, this was issued to evidence that the council tax liability of the deceased relative had been officially ended, and that no further payment was due. However, it was fully accepted that there was a delay in issuing this document and an apology was provided.

Category	Service Area	Corporate Services	Education	Environment	Housing	Social Services	Other (cross Directorate)
1	Collaborative Working	0	0	0	0	0	0
2	Decision Making	1		22	24	1	0
3	Delay in Service Provision	0	0	29	19	0	0
4	Officer/Contractors Conduct with public	1	0	0	3	0	0
5	Following Council Policies/relevant Legislation	4	5	10	6		0
6	Accessibility of Services	2	0	2	0	0	0
7	Clarity/Accuracy/Timeliness of information	3	0	1	3	1	0
8	Quality of Work	2	0	15	34	0	0
9	Openness/ Fairness and Honesty	1	0	0	5	0	0
10	Compliance with Complaints procedure	0	0	0	0	0	0
11	A combination of categories	5	0	22	7	1	10
	Total number of complaints	19	5	101	101	3	10

2016/17 Causes of Complaints by Category



Gadewir y dudalen hon yn wag yn fwiadol



AUDIT COMMITTEE - 14TH JUNE 2017

SUBJECT: ASSURANCE FRAMEWORK

REPORT BY: INTERNAL AUDIT SERVICES MANAGER

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to provide members of the Audit Committee with the final version of the Assurance Framework for information following the feedback and comments made on the draft framework by members in the December meeting.

2. LINKS TO STRATEGY

- 2.1 The work of Internal Audit Services provides assurance on the robustness of internal controls and the corporate governance arrangements operating within the Authority and identifies areas for improvement. Strong corporate governance arrangements are an essential element of ensuring that the Council's key priorities are effectively delivered and this in turn contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015: -

- A prosperous Wales.
- A resilient Wales.
- A healthier Wales.
- A more equal Wales.
- A Wales of cohesive communities.
- A Wales of vibrant culture and thriving Welsh Language.
- A globally responsible Wales.

3. THE REPORT

- 3.1 A draft Assurance Framework was presented to the members of the Audit Committee in December 2016.
- 3.2 The Framework was developed around a concept called the 'Three Lines of Defence' and is intended to be a diagrammatical representation of the various sources of assurance which the Audit Committee can draw upon when considering the strength and appropriateness of the Council's governance and assurance arrangements.
- 3.3 It was agreed by the members of the Audit Committee at the December meeting that the Corporate Governance Review Panel should keep the Assurance Framework under regular review and that the Audit Committee would be updated in respect of any changes made to the document.
- 3.4 As a result of feedback provided by members during the December meeting and from comments received from the Corporate Governance Review panel and the Council's External Auditors the document has been slightly amended. The updated final Assurance Framework document is attached as Appendix 1.

4. WELL-BEING OF FUTURE GENERATIONS

- 4.1 Strong corporate governance arrangements are a key element in ensuring that the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015 are met.

5. EQUALITIES IMPLICATIONS

- 5.1 There are no equalities implications.

6. FINANCIAL IMPLICATIONS

- 6.1 There are no financial implications.

7. PERSONNEL IMPLICATIONS

- 7.1 There are no personnel implications.

8. CONSULTATIONS

- 8.1 Any comments received have been reflected in the report.

9. RECOMMENDATIONS

- 9.1 Members are asked to note the updated document.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To ensure Members of the Audit Committee are aware of the up to date version of the Assurance Framework.

Author: R Harris, Internal Audit Services Manager
Consultees: N Scammell, Acting Director of Corporate Services and Section 151 Officer
S Harris, Acting Head of Corporate Finance



AUDIT COMMITTEE - 14TH JUNE 2017

SUBJECT: CERTIFICATE OF CAERPHILLY COUNTY BOROUGH COUNCIL'S 2017-2018 IMPROVEMENT PLAN

REPORT BY: ACTING DIRECTOR CORPORATE SERVICES & S151 OFFICER

1. PURPOSE OF REPORT

- 1.1 This is an information item to inform members of the Certificate of Compliance issued by the Auditor General for Wales in April 2017 regarding Wales Audit Office's (WAO) assessment of our compliance with the Local Government (Wales) Measure 2009 to produce an Improvement Plan.

2. SUMMARY

- 2.1 This report presents the Wales Audit Office Certificate of Compliance for 2017-18 under the Local Government (Wales) Measure 2009. The Measure requires the Council to make arrangements to secure continuous improvement in the exercise of its functions. This involves setting Improvement Objectives (called Wellbeing Objectives) and annually publishing an assessment which describes its performance.

The certificate does not give opinion on how well this is done but simply states whether we have or have not met our improvement duty.

The Auditor General's certificate attached states "As a result of my audit, I believe that the Council has discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties".

3. LINKS TO STRATEGY

- 3.1 Although the Well-being of Future Generations (Wales) Act 2015 has been introduced and replaces Part 2 of the 2009 Local Government Measure, Part 1 is still a legal requirement and this part puts a duty on an authority to 'make arrangements to continuously improve'. These arrangements and their effectiveness are assessed by the WAO.

4. THE REPORT

- 4.1 Under the Measure, the Council is required to prepare and publish an Improvement Plan (Set Improvement Objectives, now changed to Wellbeing Objectives) describing its plans to discharge its duties to:

- make arrangements to secure continuous improvement in the exercise of its functions;
- make arrangements to secure achievement of its improvement objectives; and
- make arrangements to exercise its functions so that any performance standard specified by Welsh Ministers is met.

The Measure requires the Council to publish its Improvement Plan as soon as is reasonably practicable after the start of the financial year to which it relates, or after such other date as Welsh Ministers may specify by order. In practice the Improvement Plan is published by the 31st of March each year, to additionally comply with the Well-being of Future Generations (Wales) Act 2015.

- 4.2 The Certificate of Compliance (Appendix 1) known as 'Certificate of Compliance for the Audit of Caerphilly County Borough Council's 2017-18 Improvement Plan' confirms the Council has complied with its duty.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 The Well-being of Future Generations (Wales) Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. Its aim is to make public bodies listed in the Act to think more about the long term, work better with people, communities and each other. It is about preventing problems and taking a more joined-up approach. The arrangements we have in place to comply with the Act are progressing well and an update on the Council's progress is provided separately to Audit Committee.

6. EQUALITIES IMPLICATIONS

- 6.1 An Equalities Impact Assessment is not needed because the issues covered are for information purposes only, therefore the Council's full EIA process does not need to be applied

7. FINANCIAL IMPLICATIONS

- 7.1 There are no financial implications to this report.

8. PERSONNEL IMPLICATIONS

- 8.1 There are no personnel implications to this report.

9. CONSULTATIONS

- 9.1 This report has been sent to the Consultees listed below and all comments received are reflected in this report.

10. RECOMMENDATIONS

- 10.1 The report is for information only.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 The certificate tells members and the public if the council has complied with its statutory duties therefore members need to be advised in order to gain assurance as part of their monitoring role.

12. STATUTORY POWER

12.1 Local Government Measure 2009 (Part 1). Well-being of Future Generations (Wales) Act 2015.

Author: Ros Roberts, Corporate Performance Manager, roberr@caerphilly.gov.uk
Consultees: Nicole Scammell - Acting Director Corporate Services and Section S151 Officer
Rob Hartshorn - Head of Public Protection
Kathryn Peters - Corporate Policy Manager

Appendices:

Appendix 1 - Certificate of Compliance for the Audit of Caerphilly County Borough Council's 2017-18 Improvement Plan

Gadewir y dudalen hon yn wag yn fwriadol



Reference: 287A2016

Date issued: April 2017

Audit of Caerphilly County Borough Council's 2017-18 Improvement Plan

Certificate

I certify that, following publication on 31 March 2017, I have audited Caerphilly County Borough Council's (the Council) Improvement Plan in accordance with section 17 of the Local Government (Wales) Measure 2009 (the Measure) and my Code of Audit Practice.

As a result of my audit, I believe that the Council has discharged its duties under section 15(6) to (9) of the Measure and has acted in accordance with Welsh Government guidance sufficiently to discharge its duties.

Respective responsibilities of the Council and the Auditor General

Under the Measure, the Council is required to prepare and publish an Improvement Plan describing its plans to discharge its duties to:

- make arrangements to secure continuous improvement in the exercise of its functions;
- make arrangements to secure achievement of its improvement objectives; and
- make arrangements to exercise its functions so that any performance standard specified by Welsh Ministers is met.

The Measure requires the Council to publish its Improvement Plan as soon as is reasonably practicable after the start of the financial year to which it relates, or after such other date as Welsh Ministers may specify by order.

The Council is responsible for preparing the Improvement Plan and for the information set out within it. The Measure requires that the Council has regard to guidance issued by Welsh Ministers in preparing and publishing its plan.

As the Council's auditor, I am required under sections 17 and 19 of the Measure to carry out an audit of the Improvement Plan, to certify that I have done so, and to report whether I believe that the Council has discharged its duties to prepare and publish an Improvement Plan in accordance with statutory requirements set out in section 15 and statutory guidance.

Scope of the Improvement Plan audit

For the purposes of my audit work I will accept that, provided an authority meets its statutory requirements, it will also have complied with Welsh Government statutory guidance sufficiently to discharge its duties.

For this audit I am not required to form a view on the completeness or accuracy of information, or whether the Improvement Plan published by the Council can be achieved. Other assessment work that I will undertake under section 18 of the Measure will examine these issues. My audit of the Council's Improvement Plan, therefore, comprised a review of the plan to ascertain whether it included elements prescribed in legislation. I also assessed whether the arrangements for publishing the plan complied with the requirements of the legislation, and that the Council had regard to statutory guidance in preparing and publishing its plan.

The work I have carried out in order to report and make recommendations in accordance with sections 17 and 19 of the Measure cannot solely be relied upon to identify all weaknesses or opportunities for improvement.



Huw Vaughan Thomas

Auditor General for Wales

CC: Mark Drakeford – Cabinet Secretary for Finance and Local Government
Non Jenkins, Manager
Sara-Jane Byrne, Performance Audit Lead



AUDIT COMMITTEE - 14TH JUNE 2017

SUBJECT: REGULATION OF INVESTIGATORY POWERS ACT 2000

REPORT BY: INTERIM HEAD OF LEGAL SERVICES & MONITORING OFFICER

1. PURPOSE OF REPORT

- 1.1 To advise Members of the numbers of covert surveillance operations undertaken by the Council in accordance with the provisions of the Regulation of Investigatory Powers Act 2000 (RIPA).

2. SUMMARY

- 2.1 To provide an update on the number of operations undertaken in accordance with RIPA.

3. LINKS TO STRATEGY

- 3.1 The Council is under an obligation to comply with legislative requirements – this report helps to achieve that.
- 3.2 The Regulation of Investigatory Powers Act 2000 (RIPA) provides a statutory mechanism for authorising directed surveillance and the use of a covert human intelligence source, which aims to ensure that any interference with the individual's right to privacy under Article 8 of the European Convention is necessary and proportionate, and that both the public interest and the human rights of individuals are protected and as such contributes to the following well-being goals within the Well-being of Future Generations Act (Wales) 2015.
- A prosperous Wales
 - A resilient Wales
 - A healthier Wales
 - A globally responsible Wales

4. THE REPORT

- 4.1 The Regulation of Investigatory Powers Act 2000 (RIPA) sets out strict controls for public authorities wishing to carry out covert surveillance of individual members of the public as part of their exercise of their statutory functions. In addition to the Act, advice and guidance is found within the Codes of Practice issued by the Home Office.
- 4.2 The Authority has a corporate policy, which provides guidance on how surveillance should be used by the relevant officers.
- 4.3 Public Authorities undertaking covert surveillance of individual members of the public are subject to inspection by an Assistant Surveillance Commissioner or by a Surveillance Inspector (or in some cases both).

4.4 Members are advised that for the period 1st February 2017 to 31st May 2017, there have been two RIPA operations undertaken, one relating to the sale of alcohol to minors and one relating to the sale of alcohol and tobacco to minors.

5. EQUALITIES IMPLICATIONS

5.1 None, the report is for information only.

6. WELLBEING OF FUTURE GENERATIONS

6.1 This report contributes to the Well-being goals as set out in the Links to Strategy above as compliance with the provisions of RIPA ensures that any interference with an individual's right to privacy under Article 8 of the European Convention is necessary and proportionate, and that both the public interest and the human rights of individuals are protected.

7. FINANCIAL IMPLICATIONS

7.1 None, the report is for information only.

8. PERSONNEL IMPLICATIONS

8.1 None, the report is for information only.

9. CONSULTATIONS

9.1 None. The report is for information only.

10. RECOMMENDATIONS

10.1 None. Members note the information provided.

11. REASONS FOR THE RECOMMENDATIONS

11.1 To ensure compliance with statutory requirements.

12. STATUTORY POWERS

12.1 Regulation of Investigatory Powers Act 2000.

Author: Gail Williams, Interim Monitoring Officer (willige@caerphilly.gov.uk)
Consultees: Nicole Scammell, Acting Director of Corporate Finance



AUDIT COMMITTEE - 14TH JUNE 2017

**SUBJECT: OFFICERS DECLARATIONS OF GIFTS AND HOSPITALITY
JANUARY TO MARCH 2017**

**REPORT BY: ACTING HEAD OF HUMAN RESOURCES AND ORGANISATIONAL
DEVELOPMENT**

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to provide the Audit Committee with information regarding the Register of Employees' Interests Forms completed by officers of the Council (excluding Schools) regarding Gifts and Hospitality for the period 1 January to 31 March 2017 i.e. the fourth quarter of the financial year 2016/17 and a comparison with the previous three quarters.

2. SUMMARY

- 2.1 There were no Register of Employees' Interests Forms in respect of Gifts and Hospitality completed by officers of the Council (excluding Schools) for the 3 months 1 January to 31 March 2017.

3. LINKS TO STRATEGY

- 3.1 The Council's Code of Conduct for Employees confirms that in performing their duties, employees must act with integrity, honesty, impartiality and objectivity and that they must act in accordance with the principles set out in this Code, recognising the duty of all public sector employees to discharge public functions reasonably and according to the law. This is a Statutory Code requirement.
- 3.2 The Council acting through the Audit Committee is required to report officer declarations regarding Gifts and Hospitality on a quarterly basis.

4. THE REPORT

- 4.1 The Council's Code of Conduct for Employees sets out guidance for employees on a range of issues, including the completion of a Register of Employee Interests form, which will help maintain and improve the high standards of conduct within local government and protect employees from misunderstandings and confusion.
- 4.2 Completed Register of Employees' Interests forms are submitted to Heads of Service, Directors or the Chief Executive who countersign the forms to show they are aware of the declaration. The form also records details of any controls / action taken to protect the Council's interests in the circumstances outlined on the form. A copy of the countersigned form is given to the employee and a copy sent to Human Resources for filing on the employee's personal file.

- 4.3 The Head of Service, Director or Chief Executive retains the original form and maintains a summary spreadsheet to record the forms. On a monthly basis the summary spreadsheet or a nil return is submitted to Human Resources for collation and monitoring for consistency and compliance.
- 4.4 In accordance with the Council's Code of Conduct for Employees, Gifts / Hospitality of less than £25 may be accepted by the employee but any Gift / Hospitality which could be seen by a third party as placing the employee under an improper obligation such as more than one Gift / Hospitality from the same party must be refused, irrespective of its value.
- 4.5 Employees may accept small offers of Hospitality only where the activity is of a nature where there is a genuine need to impart information or to represent the Council in the community. Offers to attend purely social or sporting functions should be accepted only when these are part of the life of the community or where the Council should be seen to be represented.
- 4.6 The table below details the number of declarations regarding Gifts submitted by Directorate for the period 1 January to 31 March 2017 and the previous three quarters for comparison.

Directorate	Number of declarations received - Gifts			
	Jan – March 2017	Oct – Dec 2016	July – Sept 2016	April – June 2016
Communities	0	3	1	2
Corporate Services	0	4	0	0
Education and Lifelong Learning	0	0	0	0
Social Services	0	2	0	0
Total	0	9	1	2

- 4.7 The table below details the number of declarations regarding Hospitality submitted by Directorate for the period 1 January to 31 March 2017 and the previous three quarters for comparison.

Directorate	Number of declarations received - Hospitality			
	Jan – March 2017	Oct – Dec 2016	July – Sept 2016	April – June 2016
Communities	0	7	0	1
Corporate Services	0	0	0	1
Education and Lifelong Learning	0	0	0	0
Social Services	0	0	0	2
Total	0	7	0	4

- 4.8 The Acting Head of Human Resources and Organisational Development will continue to monitor the declarations submitted and work with Heads of Service, Directors and the Chief Executive to improve their understanding, promote best practice and corporate compliance to the Code of Conduct where appropriate.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 Having considered the five ways of working, they will not be affected by the contents of this report.

6. EQUALITIES IMPLICATIONS

- 6.1 There are no equalities implications, as the reason for declaring an interest applies equally to all staff, regardless of their individual characteristics.

7. FINANCIAL IMPLICATIONS

- 7.1 None.

8. PERSONNEL IMPLICATIONS

- 8.1 The personnel implications are included in this report.

9. CONSULTATIONS

- 9.1 There are no consultation responses that have not been included in the report.

10. RECOMMENDATIONS

- 10.1 The Audit Committee are asked to note the contents of this report.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 The recommendations are designed to ensure members of the Audit Committee have an oversight of the position in relation to officers' Gifts and Hospitality.

12. STATUTORY POWER

- 12.1 Local Government Act 2000.

Author: Lynne Donovan, Acting Head of Human Resources and Organisational Development.
Consultees: Nicole Scammell, Acting Director of Corporate Services and Section 151 Officer
Gail Williams, Interim Head of Legal Services and Monitoring Officer
Alessandra Veronese, Acting IT Development Support Manager
Cllr Colin Gordon, Cabinet Member for Corporate Services

Gadewir y dudalen hon yn wag yn fwriadol



AUDIT COMMITTEE - 14TH JUNE 2017

SUBJECT: REGISTER OF EMPLOYEES' INTERESTS FORMS 2016/17

REPORT BY: ACTING HEAD OF HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to advise members of the Audit Committee of the Register of Employees' Interests Forms completed by officers for the 12 month period 1 April 2016 to 31 March 2017 and to provide a comparison with the same information for the previous 2 financial years.

2. SUMMARY

- 2.1 Enclosed in the Appendices are summaries of the declarations received by Directorate, Service Area, Type and Relationship for the 12 month period 1 April 2016 to 31 March 2017.

3. LINKS TO STRATEGY

- 3.1 The Council's Code of Conduct confirms that in performing their duties, employees must act with integrity, honesty, impartiality and objectivity and that they must act in accordance with the principles set out in this Code, recognising the duty of all public sector employees to discharge public functions reasonably and according to the law. This is a Statutory Code requirement.

4 THE REPORT

- 4.1 The Council's Code of Conduct sets out guidance for employees on a range of issues, including the completion of a Register of Employee Interests form, which will help them to maintain and improve the high standards of conduct within local government and protect them from misunderstandings and confusion.
- 4.2 The completed Register of Employees' Interests forms are submitted to the appropriate Head of Service, Director or Chief Executive who countersign to show they are aware of the declaration. The form also records details of any controls / action taken to protect the Council's interests in the circumstances. A copy of the countersigned form is given to the employee and a copy sent to Human Resources for filing on the employee's personal file.
- 4.3 The Head of Service, Director or Chief Executive retains the original form and maintains a summary spreadsheet to record the forms.
- 4.4 On a monthly basis the summary spreadsheet or a nil return is submitted to Human Resources for collation and monitoring for consistency and compliance.

- 4.5 In 2016/17 declarations were made by 71 employees, compared to 110 employees, 1 GAVO employee (seconded to Caerphilly CBC) and 1 agency worker in 2015/16 and 120 employees and 1 agency worker in 2014/2015. Where multiple declarations have been made on one form they have been recorded individually.
- 4.6 Appendix 1 summarises the Declarations of Interest by Directorate and Service Area for the period 1 April 2016 to 31 March 2017 and a comparison with the previous 2 financial years.
- 4.7 A total of 89 declarations of interest were made in 2016/17 compared to 129 in 2015/16 and 164 in 2014/2015. A % breakdown of Declarations of Interest by type is shown below.

Type of Declaration	% of Declarations		
	2014/15	2015/16	2016/17
Relationship	50	41	40
Outside Interest	31	31	34
Gifts and Hospitality	19	28	26

- 4.8 Appendix 2 shows the detail of the Declarations of Interest by type shown above divided into the 3 sections of the Register of Employees' Interest Form for the period 1 April 2016 to 31 March 2017 and a comparison with the previous 2 financial years:
- 4.9 The information contained in the appendices confirms that relationships account for the highest number of declarations. The % breakdown by relationship is shown below.

Type of Relationship	% of Declarations		
	2014/15	2015/16	2016/17
Councillor	2	0	8
Contractor	11	9	14
Employee	68	62	53
Other	18	28	25

- 4.10 Appendix 3 shows the detail of the Declarations of Interest by Relationship for the period 1 April 2016 to 31 March 2017 and a comparison with the previous 2 financial years:
- 4.11 New declarations for Relationships with Councillors has increased to 8% for 2016/17.
- 4.12 Declarations of Relationships with Contractors accounted for 14% in 2016/17 compared to 9% in 2015/16 and 11% in 2014/15.
- 4.13 Relationships between employees produces the highest number of declarations and accounts for over 50% of the declarations made in respect of Relationships. The Code of Conduct requires that all family relationships are disclosed.
- 4.14 Percentages for declarations of Outside Interests have remained at a similar level over the last 3 years and include school governor posts, external employment and volunteering.
- 4.15 The Committee will be aware that Gifts and Hospitality is the subject of a separate, quarterly report to the Committee.
- 4.16 As the Committee will be aware, a poster campaign to raise awareness and remind employees of their responsibilities under the Code of Conduct took place in January 2017.
- 4.17 The Acting Head of Human Resources and Organisational Development will continue to monitor the returns and work with Heads of Service to improve their understanding, promote best practice and ensure compliance with the policy.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 Having considered the five ways of working, they will not be affected by the contents of this report.

6. EQUALITIES IMPLICATIONS

- 6.1 There are no equalities implications, as the reasons for declaring an interest apply equally to all staff, regardless of their individual characteristics.

7. FINANCIAL IMPLICATIONS

- 7.1 None.

8. PERSONNEL IMPLICATIONS

- 8.1 The personnel implications are included in this report.

9. CONSULTATIONS

- 9.1 There are no consultation responses that have not been included in the report.

10. RECOMMENDATIONS

- 10.1 The Audit Committee are asked to note the contents of this report.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 The recommendations are designed to ensure members of the Audit Committee are updated on the current position with regard to Register of Employees' Interests Forms completed by officers for the 12 month period 1 April 2016 to 31 March 2017.

12. STATUTORY POWER

- 12.1 Local Government Act 2000.

Author: Lynne Donovan, Acting Head of Human Resources and Organisational Development.
Consultees: Nicole Scammell, Acting Director of Corporate Services and Section 151 Officer
Gail Williams, Interim Head of Legal Services and Monitoring Officer.
Alessandra Veronese, Acting IT Development Support Manager
Councillor Colin Gordon, Cabinet Member for Corporate Services.

Appendices:
Appendix 1 Declarations by Directorate and Service Area
Appendix 2 Declarations by Type
Appendix 3 Declarations by Relationship

Gadewir y dudalen hon yn wag yn fwriadol

Appendix 1

Declarations by Directorate and Service Area 2014/2015, 2015/2016 and 2016/2017

<i>Directorate</i>	<i>2014/2015</i>	<i>2015/2016</i>	<i>2016/17</i>
Communities	73	51	45
Corporate Services	48	46	26
Education	14	6	7
Social Services	29	26	11
Total	164	129	89

<i>Directorate / Service Area</i>	<i>2014/2015</i>	<i>2015/2016</i>	<i>2016/17</i>
Communities	73	51	45
Director	0	1	2
Caerphilly Homes	27	10	17
Community and Leisure Services	20	21	10
Engineering and Transport	13	6	4
Planning and Regeneration	13	13	12
Corporate Services	48	46	26
Director	1	0	0
Corporate Finance	24	9	1
Human Resources	4	3	10
ICT	2	3	1
Legal and Democratic Services	7	8	7
Performance and Property	4	18	2
Procurement	6	5	5
Education	14	6	7
Director	1	0	0
Learning Education and Inclusion	6	3	2
Planning and Strategy	7	3	5
Social Services	29	26	11
Adult Services	22	16	6
Childrens Services	5	2	1
Public Protection	2	8	4
Overall Total	164	129	89

Gadewir y dudalen hon yn wag yn fwriadol

Appendix 2
Declarations by Type 2014/2015, 2015/2016 and 2016/2017

<i>Type of Declaration</i>	2014/2015	2015/2016	2016/17
Relationship	82	53	36
Councillor	2	0	3
Contractor	9	5	5
Employee	56	33	19
Other	15	15	9
Outside Interest - Financial	30	23	16
Business Relationship	6	2	0
Outside Employment	21	18	13
Personal Interest	3	3	3
Outside Interest - Non Financial	21	17	14
Membership of a Political Organisation	1	1	0
Membership of an External Body	11	4	11
Outside Employment - Unpaid	0	2	1
Personal Interest	6	10	2
Volunteering	3	0	0
Gifts and Hospitality	31	36	23
Gift	16	27	12
Hospitality	15	9	11
Other	0	0	0

Gadewir y dudalen hon yn wag yn fwriadol

Appendix 3
Declarations by Relationship 2014/2015, 2015/2016 and 2016/2017

<i>Type of Declaration</i>	2014/2015	2015/2016	2016/17
Relationship - Councillor	2	0	3
Aunt / Uncle including in-Law / Step / Civil / Ex	1	0	0
Brother / Sister	0	0	0
Brother / Sister in-Law	0	0	0
Cousin including in-Law	1	0	1
Grandparent including Great / in-Law / Step / Civil / Ex	0	0	1
Friend / Acquaintance	0	0	0
Husband / Wife including Partner / Civil Partner / Ex	0	0	0
Parent / Step	0	0	0
Parents-in-Law including Civil / Partner / Ex	0	0	1
Relationship - Contractor	9	5	5
Aunt / Uncle including in-Law / Step / Civil / Ex	0	0	0
Brother / Sister	0	1	0
Brother / Sister in-Law	0	0	0
Child / Step Child	0	0	0
Cousin including in-Law	0	0	1
Fiancé / Fiancée including Girl / Boy Friend / in-Law / Ex	1	1	0
Friend / Acquaintance	1	1	1
Husband / Wife including Partner / Civil Partner / Ex	4	1	2
Niece / Nephew including in-Law / Great / Step	0	0	0
Parent / Step	2	0	1
Parents-in-Law including Civil / Partner / Ex	1	1	0
Son / Daughter in-Law	0	0	0

Type of Declaration	2014/2015	2015/2016	2016/17
Relationship - Employee	56	33	19
Aunt / Uncle including in-Law / Step / Civil / Ex	7	2	2
Brother / Sister	10	5	2
Brother / Sister in-Law	4	1	0
Child / Step Child	4	2	0
Cousin including in-Law	7	3	1
Fiancé / Fiancée including Girl / Boy Friend / in-Law / Ex	6	2	4
Friend / Acquaintance	1	1	1
Godparent	0	0	0
Grandparent including Great / in-Law / Step / Civil / Ex	1	0	0
Husband / Wife including Partner / Civil Partner / Ex	7	10	8
Niece / Nephew including in-Law / Great / Step	1	0	0
Parent / Step	6	6	1
Parents-in-Law including Civil / Partner / Ex	1	0	0
Son / Daughter in-Law	1	1	0
Relationship - Other	15	15	9
Aunt / Uncle including in-law / Step / Civil / Ex	0	1	0
Brother / Sister	3	0	0
Brother / Sister in-Law	2	1	0
Child / Step Child	0	2	1
Cousin including in-Law	1	0	1
Fiancé / Fiancée including Girl / Boy Friend / in-Law / Ex	1	0	1
Friend / Acquaintance	2	3	1
Grandchild Step /in Law/ Civil/Great Grandchild	0	0	0
Grandparent including Great / in-Law / Step / Civil / Ex	0	2	0
Husband / Wife including Partner / Civil Partner / Ex	0	2	3
Niece / Nephew including in-Law / Great / Step	1	0	1
Parent / Step	3	3	1
Parents-in-Law including Civil / Partner / Ex	1	0	0
Son / Daughter in-Law	1	1	0

CORPORATE GOVERNANCE PANEL MINUTES 13th Jan. 2017 Executive Boardroom 10.00 a.m.

Panel Members: Nicole Scammell, Cllr. Forehead, Colin Jones, Gail Williams, Paul Lewis, Stephen Harris, Richard Harris.

1. **APOLOGIES**

Apologies were received from Cllr Forehead. SH did not attend.

2. **MINUTES**

The minutes of the meeting held on the 11.11.2016 were agreed as accurate. In respect of minute 7.1, NS updated on the attendance of Stephen Harris which will now be in relation to items directly related to financial or internal auditing issues only.

3. **UPDATE ON THE WELSH VERSION OF DELIVERING GOOD GOVERNANCE 2016**

RH confirmed that the new guidance document had only been obtained shortly before Christmas and that all panel members had been sent a copy upon return to work after the Christmas break. RH recapped on previous discussions around the subtle changes made within the updated code document and the similarity between the new requirements and the original requirements. RH explained to the panel members that although the full document needs to be fully considered on first inspection it appears to contain a number of case studies. GW highlighted an area of the guidance (Chapter 4 page 56) that was felt to be worth focussing on as a starting point and the panel agreed and RH is to report back to the panel once the information has been reviewed and digested.

4. **AUDIT COMMITTEE FORWARD WORK PROGRAMME**

A discussion took place on the forward work programme with NS outlining the reports that had been identified. It was pointed out that the updated Assurance Framework was to be represented to the Audit Committee so would need to be included in the forward programme and it was agreed that it would go to the June committee. It was also agreed that the Audit Committee Forward Work Programme would be a standing item on future panel agendas.

5. **ASSURANCE FRAMEWORK**

RH informed the panel that following the previous panel meeting some amendments were made to the draft framework which then went to the December Audit Committee. The Committee were happy with the framework and no comments were made that required amendments. RH explained that prior to the Audit Committee Grant Thornton had been asked for their comments which along with some received from Ros Roberts are currently being considered. Once all comments have been considered and addressed is intended to re-present to the Audit Committee for approval and endorsement.

The panel went on to consider possible future use of the framework in informing and reinforcing managements role in the control framework, as a training tool for members, as a key document within the induction procedure etc. NS is to consider further once the finalised document has been to the Audit Committee.

6. UPDATE IN RESPECT OF INTERNAL AUDIT COMPLYING WITH THE WAO'S RECENT PROPOSALS FOR IMPROVEMENT

The progress on the work identified within the current action plan was outlined by RH and summarised in that all actions were on course to be completed.

P2 Develop an assurance framework – Completed/ reported to AC December

P3i A panel to look at risk registers as part of audit planning-In progress

P3ii File review by Head of Corporate Finance-In progress

P3iii Mid year progress report to AC-Report to December AC

P3iv Year end report to fully reflect work done-Year end to be similar to mid year report

P3v Complete self assessment and confirm peer review-Both reported to December committee

P3vi Monitor progress of peer review & consider identified imps.-review not until March 2017.

7. AOB

7.1 RH asked the panel to review the names and responsibilities of the staff used on the summary checklist form and the expert group members form as there have been numerous changes to roles and structures. RH will amend the form in line with the panel's comments.

7.2 Following on from the discussion about roles and contributions to the governance process going forward it was agreed that Rob Hartshorn should be invited to attend the panel prior to CJ leaving to enable the hand over of responsibility for those areas that Rob H has taken over from CJ.

7.3 It was also agreed that Rob H should at the next meeting provide the panel with an update of the ongoing work in respect of the WBFG. RH to notify RobH.

7.4 PL indicated that he was not able to attend the next scheduled meeting. The panel agreed that Joanne Jones could attend in his absence.

CORPORATE GOVERNANCE PANEL MINUTES 10th March 2017 Executive Boardroom 10.00 a.m.

Panel Members: Nicole Scammell, Cllr. Forehead, Colin Jones, Gail Williams, Paul Lewis, Richard Harris, Rob Hartshorn.

1. **APOLOGIES**

Apologies were received from Gail Williams. Joanne Jones attended for PL and Kath Peters attended for RHn.

2. **MINUTES**

The minutes of the meeting held on the 13.1.2017 were agreed as accurate.

3. **UPDATE ON THE WBFV AREA FOR IMPROVEMENT OBJECTIVE**

NS updated the panel that an update report was presented to the Audit Committee on the 8th March by RHn. The report set out for members the steps being taken to address the requirements of the Act with particular reference to the core set of activities that are common to the corporate governance of public bodies as identified in the statutory guidance. A distinction was also made between the roles of the Public Service Board, the Council as a statutory partner and the Council as a public body with its own duties under the Act. Following discussion it was felt that good progress has been made on this issue and governance arrangements are well advanced with a clear direction of travel. As a result it was agreed that progress was sufficient to remove this issue from the AGS for the current year.

4. Joanne Jones had provided panel members with a briefing note prior to the meeting and followed this up with a presentation of the draft slideshow the General Data Protection Regulation (GDPR) that is intended to go to CMT. Attention was drawn to some key facts around information governance in particular implications of the impending introduction of GDPR in May 2018. Being the biggest change to data protection for 20 years some of the key issues that were discussed were the potential effect of substantial increases in the level of fines, the potential difficulty of self reporting data breaches within 72 hours (or risk a fine) and the impact of enhanced rights for data subjects including free Subject Access Requests. Additionally expectation by ICO of the compliance rate for responding to FOI requests has been increased to 90% which will be difficult to achieve with requests continuing to increase. The group considered it important to get the message out to staff in preparation of the changes and consideration needs to be given to using Management Network and the FOI network. Communication with Members is planned for May 2017, and NS suggested that we present the regular IG update to Members soon after the election, with a further report on GDPR in autumn. The Group also suggested that JJ request attendance at SMTs prior to CMT on 13 April.

5. RH introduced the first draft of a new Code of Corporate Governance. Similar in structure from the previous version amendments have been made to reflect the updates within the latest version of CIPFA's Delivering Good Governance in Local Government. A supporting analysis was explained by RH to allow panel members to easily identify the linkages between the various documents. All agreed that the approach was acceptable and it was agreed that the revised document should go to Audit Committee for approval

in September. RH asked that all panel members provide comments they have via email and any amendments will be reported back to the group.

6. The Audit Committee forward work programme was discussed and some changes to the schedule agreed to allow the new committee to bed in and to receive some training prior to them receiving reports of specific topics. It was agreed that induction training of the new committee would be required prior to the first meeting and the risk management reports would be deferred until sept to allow risk management training to be provided, RH & KP to arrange.

7. A.O.B.

- 7.1 In advance of the checklists and the expert group comments being received and analysed NS asked the panel if there were any issues that needed to be considered as part of this year's assessment. The ensuing discussion identified that there may be merit in considering the governance risk involved in the collaboration agenda and that further consideration would be given to this when the checklist results are known.
- 7.2 RH provided an update on the lack of progress in respect of the external peer review validation exercise which has been postponed by the Chief Internal Auditor of Newport until June 2017.
- 7.3 RH informed the group that a start had been made on gathering comments and updating the AGS shell document. NS requested that the draft amendments be typed onto the master document so that the panel members can review, RH to complete.