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MONDAY, 25 SEPTEMBER 2023

TO: ALL MEMBERS OF THE GOVERNANCE & AUDIT COMMITTEE

I HEREBY SUMMON YOU TO ATTEND A MEETING OF THE **GOVERNANCE & AUDIT COMMITTEE** WHICH WILL BE HELD IN THE **CHAMBER, COUNTY HALL, CARMARTHEN, SA31 1JP AND REMOTELY AT 10.00 AM ON FRIDAY, 29TH SEPTEMBER, 2023** FOR THE TRANSACTION OF THE BUSINESS OUTLINED ON THE ATTACHED AGENDA

Wendy Walters

CHIEF EXECUTIVE

Democratic Officer:	Janine Owen
Telephone (direct line):	01267 224030
E-Mail:	JanineOwen@carmarthenshire.gov.uk

This is a multi-location meeting. Committee members can attend in person at the venue detailed above or remotely via the Zoom link which is provided separately.

The meeting can be viewed on the Authority's website via the following link:-
<https://carmarthenshire.public-i.tv/core/portal/home>

Wendy Walters Prif Weithredwr, *Chief Executive*,
Neuadd y Sir, Caerfyrddin. SA31 1JP
County Hall, Carmarthen. SA31 1JP

GOVERNANCE & AUDIT COMMITTEE

PLAID CYMRU GROUP - 4 Members

Cllr. Kim Broom (Committee Member)
Cllr. Karen Davies (Committee Member)
Cllr. Alex Evans (Committee Member)
Cllr. Elwyn Williams (Committee Member)

LABOUR GROUP - 2 Members

Cllr. Philip Warlow (Committee Member)
Cllr. Janet Williams (Committee Member)

INDEPENDENT GROUP - 1 Members

Cllr. Giles Morgan (Vice-Chair)

EXTERNAL VOTING LAY MEMBERS

Period of appointment – until the Local Government Elections in May 2027

Mrs Julie James
Mrs Karen Jones
Mr Malcolm MacDonald
Mr David MacGregor [Chair]

AGENDA

1. **APOLOGIES FOR ABSENCE.**
2. **DECLARATIONS OF PERSONAL INTERESTS.**
3. **AUDIT WALES WORK PROGRAMME UPDATE** 5 - 26
4. **INTERNAL AUDIT PLAN UPDATE 2023/24** 27 - 40
5. **ANNUAL ANTI-FRAUD AND ANTI-CORRUPTION REPORT 2022/23** 41 - 54
6. **COUNCIL COMPLAINTS POLICY ANNUAL REPORT 2022-23** 55 - 82
7. **OMBUDSMAN'S ANNUAL LETTER 2022/2023 CARMARTHENSHIRE COUNTY COUNCIL** 83 - 96
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10. **TO SIGN AS A CORRECT RECORD THE MINUTES OF THE GOVERNANCE AND AUDIT COMMITTEE HELD ON THE 14 JULY 2023** 147 - 162
11. **EXCLUSION OF PUBLIC**
FOLLOWING CONSIDERATION OF ALL THE CIRCUMSTANCES OF THE CASE AND FOLLOWING THE APPLICATION OF THE PUBLIC INTEREST TEST THE COMMITTEE MAY CONSIDER THAT THE FOLLOWING ITEMS ARE NOT FOR PUBLICATION AS THEY CONTAIN EXEMPT INFORMATION AS DEFINED IN PARAGRAPH 14 OF PART 4 OF SCHEDULE 12A TO THE LOCAL GOVERNMENT ACT, 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) (WALES) ORDER 2007.
12. **AUDIT WALES: LESSONS FROM CYBER ATTACKS - CARMARTHENSHIRE COUNTY COUNCIL RESPONSE** 163 - 176
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GOVERNANCE & AUDIT COMMITTEE

29 SEPTEMBER 2023

AUDIT WALES WORK PROGRAMME UPDATE

Purpose:

To note the quarterly update on Audit Wales Work Programme and Timetable up to June 2023.

Recommendations / key decisions required:

To note the quarterly update on Audit Wales Work Programme and Timetable up to June 2023

Reasons:

The Council has a duty to consider regulatory report findings, recommendations and proposals for improvement.

Relevant scrutiny committee to be consulted NO

Cabinet Decision Required NO

Council Decision Required NO

CABINET MEMBER PORTFOLIO HOLDER:

Cllr. Philip Hughes

Directorate:
Audit Wales

Report Author:
Audit Wales

EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 29 SEPTEMBER 2023

AUDIT WALES WORK PROGRAMME UPDATE

BRIEF SUMMARY OF PURPOSE OF REPORT.

The quarterly update on Audit Wales Work Programme and Timetable up to June 2023 gives an overview of progress with audit work relevant to Carmarthenshire County Council.

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

The report is an Audit Wales Report and any implications are detailed within the report.

Audit Wales Work Programme and Timetable – Carmarthenshire County Council

Quarterly Update: 30 June 2023

Annual Audit Summary

Description	Timetable	Status
A report summarising completed audit work since the last Annual Audit Summary, which was issued in January 2022.	Report issued to the Council February 2023	Complete

Financial Audit work

Description	Scope	Timetable	Status
Audit of the Council's 2022-23 statement of accounts	To confirm whether the statement of accounts provides a true and fair view.	Audit Opinion by 30 November 2023	In progress
Audit of the Dyfed Pension Fund 2022-23 statement of accounts	To confirm whether the statement of accounts provides a true and fair view.	Audit Opinion by 30 November 2023	In progress
Audit of the Swansea Bay City Deal 2022-23 statement of accounts	To confirm whether the statement of accounts provides a true and fair view.	Audit Opinion by 30 November 2023	Not yet started

Description	Scope	Timetable	Status
Audit of the 2022-23 Return for Wales Pension Partnership	To confirm that the return has been properly completed.	Audit Opinion by 30 November 2023	Complete – Audit Opinion provided July 2023
Audit of the 2022-23 Annual Return for South Wales Corporate Joint Committee	To confirm that the return has been properly completed.	Audit Opinion by 30 November 2023	Not yet started
Audit of the 2022-23 Annual Return for Burry Port Harbour Authority	To confirm that the return has been properly completed.	Audit Opinion by 30 November 2023	Not yet started
Audit of the Council's 2022-23 Grants and Returns	Audit of the grants and returns as required by their terms and conditions.	In line with the deadlines for each individual grant and return.	Not yet started

Performance Audit work

2021-22 Performance audit work	Scope	Timetable	Status
Well-being of Future Generations Act (Wales) 2015 (WFG Act) examinations	We will seek to integrate the delivery of our WFG examinations of steps to deliver well-being objectives with our other audit work. We will discuss this with the Council as we scope and deliver the audit projects listed in this plan.	N/A	N/A
Improvement reporting audit	Audit of discharge of duty to publish an assessment of performance.	November 2021	Complete

2021-22 Performance audit work	Scope	Timetable	Status
Assurance and Risk Assessment	<p>Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources.</p> <p>At Carmarthenshire County Council the project is likely to focus on:</p> <ul style="list-style-type: none"> • Financial position • Self-assessment arrangements • Recovery planning • Implications of the Local Government and Elections (Wales) Act • Carbon reduction plans <p>We will also follow up on some of the proposals for improvement issued in earlier Audit Wales reports:</p> <ul style="list-style-type: none"> • Follow-up Review: Overview and Scrutiny Fit for the Future 	<p><u>Letter issued to the Council June 2023</u></p> <p><u>Letter issued to the Council August 2022</u></p> <p><u>Letter issued to the Council December 2022</u></p> <p><u>Report issued to the Council August 2022</u></p>	<p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Complete</p>

2021-22 Performance audit work	Scope	Timetable	Status
Springing Forward – Examining the building blocks for a sustainable future	As the world moves forward, learning from the global pandemic, this review looks at how effectively councils are strengthening their ability to transform, adapt and maintain the delivery of services, including those delivered in partnership with key stakeholders and communities.	Reports issued to the Council September 2022 Asset Management Workforce Management	Complete

2022-23 Performance audit work	Scope	Timetable	Status
Assurance and Risk Assessment	<p>Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle.</p> <ul style="list-style-type: none"> • Financial position • Capital programme management 	<p>Ongoing monitoring of financial position</p> <p>September – December 2023</p>	<p>Ongoing</p> <p>Scoped</p>

2022-23 Performance audit work	Scope	Timetable	Status
	<ul style="list-style-type: none"> • Use of performance information – with a focus on service user feedback and outcomes • Setting of well-being objectives • We will also follow up on some of the proposals for improvement issued in earlier Audit Wales reports: <ul style="list-style-type: none"> ○ Follow-up Review: Planning Services 	<p>February – September 2023</p> <p>Report issued to the Council July 2023</p> <p><u>Report issued to the Council October 2022</u></p>	<p>In progress - fieldwork is being scheduled at each council between March and August 2023</p> <p>Complete (report will be available on our website w/c 21.8.23)</p> <p>Complete</p>
<p>Thematic Review – Unscheduled Care</p>	<p>A cross-sector review focusing on the flow of patients out of hospital. This review will consider how the Council is working with its partners to address the risks associated with the provision of social care to support hospital discharge, as well as prevent hospital admission. The work will also consider what steps are being taken to provide medium to longer-term solutions.</p>	<p>August 2022 – September 2023</p>	<p>Fieldwork complete, draft reports scheduled for September.</p>

2022-23 Performance audit work	Scope	Timetable	Status
Thematic review – Digital	A review of councils' strategic approach to digital, and the extent to which this has been developed in accordance with the sustainable development principle; and that it will help to secure value for money in the use of councils' resources.	January – September.	Draft report issued to the Council July 2023

2023-24 Performance audit work	Scope	Timetable	Status
Assurance and Risk Assessment	<p>Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle.</p> <p>We will also follow up on some of the proposals for improvement issued in earlier Audit Wales' reports:</p> <ul style="list-style-type: none"> • corporate safeguarding • waste services. 	April 2023 – March 2024	Ongoing
Thematic review – Financial Sustainability	A review of councils' financial sustainability including a focus on the actions, plans and arrangements to bridge funding gaps and address financial pressures over the medium term.	To be confirmed	Scoping

2023-24 Performance audit work	Scope	Timetable	Status
Thematic review – commissioning and contract management	A review focusing on how councils' arrangements for commissioning, and contract management apply value for money considerations and the sustainable development principle.	To be confirmed]	Scoping

Local government national studies planned/in progress

Study	Scope	Timetable	Status	Fieldwork planned at Carmarthenshire County Council
Building safety	Review of how well local authorities are delivering their responsibilities for building safety	September 2022 – August 2023	Reporting – end of July 2023	Yes – interview with nominated officer at the Council and survey.
Planning for sustainable development – Brownfield regeneration	Review of how local authorities are promoting and enabling better use of vacant non-domestic dwellings and brownfield sites	October 2022 – September 2023	Reporting – September 2023	Yes – interview with nominated officer at seven councils and survey.

Study	Scope	Timetable	Status	Fieldwork planned at Carmarthenshire County Council
Governance of special purpose authorities – National Parks	Review of systems and effectiveness of governance	November 2022 – September 2023	Evidence gathering – fieldwork due to be completed end of June 2023	No
Corporate Joint Committees (CJCs)	Assessing CJCs' progress in developing their arrangements to meet their statutory obligations and the Welsh Government's aim of strengthening regional collaboration.	September 2022 – August 2023	Draft report has been issued to the four CJCs. Letters to the four individual CJCs will also be issued. Updated summary report due to be published August.	Yes – We explored the Council's perspective via our routine liaison meetings. Fieldwork included interviews with the chief executive, director of finance and chair of each of the four CJCs.

Estyn

Our link inspectors are continuing to work with Torfaen as part of our follow-up process for an authority causing significant concern. Wrexham local authority is still in a causing concern category, and we will convene a progress conference in July to evaluate progress against the recommendations from the core inspection. We also undertook a focused link work activity in Powys in May to consider aspects of their work on school improvement, the transformation agenda and financial management in schools. We will inspect Gwynedd in the week beginning 26 June and Carmarthenshire in the week beginning 10 July.

Field work being carried out across local authorities during the summer term includes a focus on how well local authorities are supporting the educational needs of asylum seekers and refugees. This work will be included in HMCI's annual report. Our aim is to describe, acknowledge, and evaluate the experiences of these groups as they engage with education and training in Wales.

Care Inspectorate Wales (CIW)

CIW planned work 2022-23	Scope	Timetable	Status
Programme 2022-23	<p>We have published our updated Code of Practice for our local authority inspection activity Care Inspectorate Wales</p> <p>How we inspect local authority services and CAFCASS Cymru</p>	May 2023	Published
Joint work	<p>We are finalising our thematic reviews programme of work for 2023-2026. Areas for consideration include, adult safeguarding, carers, CLDT and CAMHS.</p> <p>We continue to work with partners, sharing information and intelligence including completing joint reviews.</p>	Current	In progress
		Current	In progress

CIW planned work 2022-23	Scope	Timetable	Status
	<p>We are working in collaboration with HIW for a national review of the stroke pathway. A national report will be published early summer.</p> <p>We continue to work in collaboration with HIW in conducting CMHT inspections.</p> <p>CIW is working with partners to complete a rapid review. The overarching objective of the rapid review is to determine to what extent the current structures and processes in Wales ensure children who are in need of care, support and protection are appropriately placed on, and removed from, the Child Protection Register, when sufficient evidence indicates it is safe to do so. This is a collaborative review.</p>	<p>Current</p> <p>Current</p> <p>Interim findings – Publish 22 June 2023</p> <p>National report – September 2023</p>	<p>In progress</p> <p>In progress</p> <p>In progress</p>
<p>Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2022-23</p>	<p>The <u>2020-21 report</u> was published on 7 February 2021</p> <p>The 2021-2022 report is underway</p>	<p>Published</p> <p>To be confirmed</p>	<p>Published</p> <p>Preparing</p>

CIW planned work 2022-23	Scope	Timetable	Status
<p>National review of Care Planning for children and young people subject to the Public Law Outline pre-proceedings</p>	<p>Purpose of the review To provide external scrutiny, assurance and to promote improvement regarding the quality of practice in relation to the care planning for children and young people subject to the public law outline pre-proceedings.</p> <p>To consider the extent to which practice has progressed since the publication of both the CIW 'National Review of care planning for children and young people subject to public law outline pre-proceedings' and the publication of the PLO working group report 2021 including best practice guidance.</p>	<p>National report publication October 2023</p>	<p>In progress</p>
<p>Joint Inspection Child Protection Arrangements (JICPA)</p>	<p>Cross-inspectorate approach. Areas to be determined. We will complete a further four multi-agency joint inspections in total. Each local authority will have a published letter post inspection.</p> <p>We will publish a national report in late spring 2023.</p>	<p>April 2023 – April 2024</p>	<p>Delivery</p>

Audit Wales national reports and other outputs published since June 2022

Report title	Publication date and link to report
Maximising EU funding – the Structural Funds Programme and the Rural Development Programme	June 2023
Digital inclusion in Wales (including key questions for public bodies)	March 2023
Orthopaedic Services in Wales – Tackling the Waiting List Backlog	March 2023
Betsi Cadwaladr University Health Board – Review of Board Effectiveness	February 2023
Welsh Government purchase of Gilestone Farm	January 2023
Together we can – Community resilience and self-reliance	January 2023
A Picture of Flood Risk Management	December 2022
'A missed opportunity' – Social Enterprises	December 2022
Poverty Data Tool	November 2022
'Time for change' – Poverty in Wales	November 2022
Learning from cyber-attacks	October 2022 (distributed privately to audited bodies)

Report title	Publication date and link to report
National Fraud Initiative 2020-21	October 2022
COVID-19 business support in 2020-21 – Memorandum for the Public Accounts and Public Administration Committee	October 2022
Payment to the Welsh Government's Former Permanent Secretary on Termination of Employment	September 2022
Equality Impact Assessments: More than a Tick Box Exercise?	September 2022
Welsh Government – setting of well-being objectives	September 2022
Welsh Government workforce planning and management	September 2022
NHS Wales Finances Data Tool – up to March 2022	August 2022
Public Sector Readiness for Net Zero Carbon by 2030: Evidence Report	August 2022
Public Sector Readiness for Net Zero Carbon by 2030	July 2022
Sustainable Tourism in Wales' National Parks	July 2022
Third Sector COVID-19 Response Fund – Memorandum for the Public Accounts and Public Administration Committee	July 2022
The Welsh Community Care Information System – update and data tool	July 2022

Audit Wales national reports and other outputs (work in progress/planned)^{1, 2}

Title	Indicative publication date
Local Government Financial Sustainability Data tool update	July 2023
NHS finances data tool – to 31 March 2023	July/August 2023
Springing Forward: Managing assets and workforce in local government	July/August 2023
Covering teachers' absence – follow-up	August 2023
NHS quality governance	August/September 2023
NHS workforce planning (data briefing)	August/September 2023
Net zero (pan UK overview)	September 2023
Ukrainian refugee services	October/November 2023

¹ We will continue to keep our plans under constant review, taking account of the evolving external environment, our audit priorities, the context of our own resourcing and the capacity of audited bodies to engage with us. Follow up work could also lead to other outputs, as may other local audit work where we consider there is merit in a national summary output of some kind. For example, we have been tracking developments with completion of the A465 section 2 road improvement project following our [interim findings report](#) in February 2020.

² We have also published to our website a paper – [Our work programme for 2023-2026](#) – that provides additional detail about our national work (including local thematic reviews). In addition to new work that we will be taking forward in 2023-24, the paper includes details about indicative topics for work to start in 2024-24 or 2025-26.

Title	Indicative publication date
Local government digital strategy review – national summary	October 2023
Local government use of performance information, outcomes and service user perspective – national summary	October 2023
Affordable housing	January/February 2024
Local government capital programme management – national summary	To be confirmed
Active travel	To be confirmed
Cancer services	To be confirmed
Capital planning and programme management	To be confirmed (starting in 2023-24)
Challenges for the cultural sector	To be confirmed (starting in 2023-24)
Homelessness	To be confirmed (starting in 2023-24)
Addressing biodiversity decline (pan-public sector and at Natural Resources Wales)	To be confirmed (starting in 2023-24)
Rebalancing care and support	To be confirmed (starting in 2023-24)
Tackling NHS waiting lists	To be confirmed (starting in 2023-24)

Title	Indicative publication date
Access to education for children with Additional Learning Needs	To be confirmed (starting in 2023-24)
Further and higher education funding and oversight – Commission for Tertiary Education and Research	To be confirmed (starting in 2023-24)
Governance of Fire and Rescue Authorities	To be confirmed (starting in 2023-24)
The senior public service	To be confirmed (starting in 2023-24)

Good Practice Exchange events and resources

Title	Link to resource
<p>A Wales of vibrant culture and thriving Welsh language: Inspired by the Football Association of Wales journey over the past decade, this event will examine and discuss how going beyond expectations creates an inclusive and positive attitude that becomes self-fulfilling. Working in partnership with the Future Generations Commissioner and the Welsh Language Commissioner, this event will assist and inspire public bodies, and the third sector to embrace the cultural diversity of modern Wales and work beyond compliance and into excellence.</p>	<p>All resources are now available on our website. Blog</p>
<p>Together we can – creating the conditions to empower our communities to thrive: This shared learning event will bring people together from across public services to share ideas, learning and knowledge. We will share the findings of our reports on social enterprises and community resilience, including our recommendations going forward.</p>	<p>20 June 2023 – 10:00 – 12:00 – Online. The recording will be available on our website in one to two weeks.</p>
<p>Podcast: Poverty and Community Resilience Our latest podcast follows our recent reports and events on poverty, social enterprises, and community resilience.</p>	<p>Podcast</p>
<p>Digital Strategy: The Covid pandemic has demonstrated the importance of digital in delivering modern services at pace. We have seen digital acting as a major catalyst in adapting to the challenges we have faced. Public services need to continue with this agile and responsive mind set as the norm and not the exception. This event will help equip public services with the practical tools and knowledge they need to successfully implement a Digital Strategy within their organisations.</p>	<p>21 September 09:00 – 13:00 – Cardiff – To register for Cardiff 27 September 09:00 – 13:00 – North Wales – To register for North Wales</p>

Recent Audit Wales blogs

Title	Publication date
<u>Helping people to help themselves</u>	15 February 2023
<u>A perfect storm – the cost of living crisis and domestic abuse</u>	21 November 2022
<u>Tackling poverty means tackling poverty data</u>	11 November 2022
<u>Cost of living and putting away the bayonet</u>	21 September 2022
<u>Heat is on to tackle Climate Change</u>	18 August 2022
<u>Direct Payments in Wales</u>	15 June 2022
<u>Unscheduled Care in Wales – a system under real pressure</u>	21 April 2022
<u>Skills Competition Wales</u>	18 February 2022
<u>Cyber resilience – one year on</u>	9 February 2022
<u>Helping to tell the story through numbers</u> (Local government financial sustainability data tool)	3 February 2022
<u>Call for clearer information on climate change spending</u>	2 February 2022
<u>Actions speak louder than words</u> (Building social resilience and self-reliance in citizens and communities)	14 January 2022

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GOVERNANCE & AUDIT COMMITTEE

29 SEPTEMBER 2023

INTERNAL AUDIT PLAN UPDATE 2023/24		
Recommendations / key decisions required: To receive the report.		
Reasons: Regular progress report to be presented to each Governance & Audit Committee meeting.		
Relevant scrutiny committee to be consulted: N/A		
Cabinet Decision Required: N/A		
Council Decision Required: N/A		
CABINET MEMBER PORTFOLIO HOLDER: Cllr A Lenny		
Directorate: Corporate Services Name of Head of Service: Helen Pugh Report Author: Caroline Powell	Designation: Head of Revenues and Financial Compliance Principal Auditor	Tel No.: 01267 246223 E Mail Address: HLPugh@carmarthenshire.gov.uk CaPowell@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 29 SEPTEMBER 2023

INTERNAL AUDIT PLAN UPDATE 2023/24

BRIEF SUMMARY OF PURPOSE OF REPORT.

To provide Members with progress of the Internal Audit Plan. The following Reports are attached:

Report A: Internal Audit Plan 2023/24 Progress Report

Report B: Summary of Completed Final Reports Relating to Key Financial Systems
A summary of the Final Report for the following key financial system completed during the last Quarter is attached:

Assignment	Final Report Issued	Assurance Rating
Payroll	28 July 2023	Acceptable

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: H L Pugh – Head of Revenues and Financial Compliance

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	NONE	YES	NONE	NONE	NONE	NONE

Finance

Reviews carried out to ensure systems in place comply with the Authority's Financial Procedure Rules.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: H L Pugh – Head of Revenues and Financial Compliance

1. Scrutiny Committee: Not Applicable
2. Local Member(s): Not Applicable
3. Community / Town Council: Not Applicable
4. Relevant Partners: Not Applicable
5. Staff Side Representatives and other Organisations: Not Applicable

CABINET PORTFOLIO HOLDER(S)
AWARE/CONSULTED: Yes

Section 100D Local Government Act, 1972 – Access to Information List of Background Papers used in the preparation of this report:

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Internal Audit Plan 2023/24	G&AC 17-03-23	Agenda for Governance & Audit Committee on Friday, 17th March, 2023, 10.00 am

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INTERNAL AUDIT PLAN 2023/24

2023/24 % Plan Completion to Date: 33.0%

Job No	Departments	Days Planned	Pre-Audit Meeting	Terms of Reference Issued	Commenced	Field Work Complete	Draft Report Issued	Complete / Final Report Issued	Actual Days	Assurance Rating / Engagement Type
Fundamental Audits										
1123001	Budget Setting & Monitoring	15								
1123002	Council Tax	20								
1123003	Creditor Payments	30								
1123004	Deputyships	20	*	*	*					
1123005	Main Accounting	20	*	*	*					
1123006	Payroll System	30								
1123007	Petty Cash / Sundry Expenses	15	*	*	*	*				
1123008	Treasury Management - Loans & Investments	15								
Corporate Review Work										
2123001	CCC Companies Governanance	20	*							
2123002	Contract Management	20								
2123003	Procurement	20								
2123004	Safeguarding	20								
2123005	Staffing Matters	20								
Corporate Governance Assurance										
3123001	Corporate Governance Arrangements	20	*							
3123002	Data Protection	20	*	*	*	*				
3123003	Declaration of Interests	20								
3123004	Corporate Strategy / Policy Making	20								
3123005	Wellbeing of Future Generations Act	20								
Duplication Checks										
4123001	Payments Duplication Checks	40	/	/	*					
Counter Fraud										
5123001	Fraud Prevention, Detection and Investigation	40	/	/	*					
5123002	Proactive Fraud Testing	20	/	/	*					
5123003	National Fraud Initiative	20	/	/	*	*				
Grants & Certification										
6123001	Burry Port Harbour	10	*	*	*	*	*	*	6	Certification
6123002	Children & Communities Grant	25	*	/	*	*	*	*	14	Certification
6123003	Education Improvement Grant	30	*	/	*	*				
6123004	Enable Grant	10	*	/	*	*				
6123005	Housing Support Grant	40	*	/	*					
6123006	Local Authority Education Grant	20	*	/	*					
6123007	Other Grants (where assurance is required for sign-off)	15	*	/	*					
6123008	Wales Pension Partnership	5	*	/	*	*	*	*	4	Certification
6123009	Post 16 Grant	10	*	/	*					

6123010	Pupil Development Grant	30	*	/	*	*					
6123011	Youth Justice Grant 2022-23	15									
6123012	Trust Funds - Arbour Stehpens	5	*	*	*	*	*	*	4	Certification	
6123013	Trust Funds - Dyfed Welsh Church Fund	5	*	*	*	*	*	*	5	Certification	
6123014	Trust Funds - Minnie Morgan	5	*	*	*	*	*	*	3	Certification	
6123015	Trust Funds - Oriel Myrddin	5	*	*	*	*	*	*	4	Certification	
6123016	Regional Development Coordinator	5	*	/	*						
Chief Executive's Department (not incl IT)											
7123001	Levelling Up Fund: Debenhams HWBS and Tywi Cycle Path	20									
7123002	Communications: Social Media	10									
7123003	Carmarthen Mart	10	*	*	*						
7123004	Legal Charges	15									
Chief Executive's Department: IT											
7223001	IT Systems	20									
7223002	IT Disaster Recovery	15									
7223003	Active Directory	15	*	*	*	*	*	*	15	Acceptable	
7223004	Cloud	10	*	*	*	*	*				
Communities											
7323001	Pembrey Country Park	20	*								
7323002	Caban Hotel Pendine	10	*	*	*						
7323003	Leisure Centres	20	*	*	*						
7323004	Voids - Follow up	10	*	*	*	*					
7323005	Supported Living	15									
7323006	Care Homes	20	*	*	*	*					
7323007	Museum of Land Speed Pendine	10	*	*	*						
Corporate Services											
7423001	Community Benefits	15	*	*	*	*	*	*	20	Acceptable	
7423002	Dyfed Pension Fund - Governance & Investments	15									
Education & Children											
7523001	Children's Services: Carers, including Young Carers	15									
7523002	School Meals Allergens - Follow Up	10	*								
7523003	Schools Questionnaires	20	/	/	*						
7523004	School Visits 1	10									
7523005	School Visits 2	10									
7523006	Parent Pay	15	*								
7523007	Pupil Referral Units	15									
Place and Infrastructure											
7623001	Car Parking	15	*	*	*						
7623002	Place & Sustainability	15	*	*	*						
7623003	Council Buildings (School & Non-School)	20									
7623004	Highways	15	*	*	*						

7623005	Waste	15								
7623006	Property	15	*	*	*					
	Additional									
8123001	Departmental Advisory Work	50	/	/	*					
8223001	Various Departmental Working Groups	30	/	/	*					

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DEPARTMENT	AUDIT REVIEW	FINAL REPORT ISSUED
Chief Executive’s and Corporate Services	Payroll	28th July 2023

BACKGROUND

The Authority currently has over 8000 employees and gross payroll payments of approximately £215m. Payroll is a centralised function, and the Authority has an integrated Payroll and HR system operated through “Resource Link”.

SCOPE

The purpose of the Audit was to assess the effectiveness of the current procedures and controls in place for the administration and management of salary and wages payments.

The scope of the Audit was to ensure that:

- Recommendations in the previous Internal Audit report have been actioned.
- There are adequate documented procedures in place which are adhered to.
- Changes to employee standing data is appropriately authorised.
- There are adequate controls in place for the administration and management of salary and wages payments.
- Exception reports are generated and reviewed, and outputs checked for overall reasonableness.
- BACS and cheque payments are authorised and dispatched in a timely manner.
- Payroll data is correctly uploaded to the ledger and accurately processed.
- The risk of fraud has been considered, and adequate mitigating controls are in place.

SUMMARY OF RECOMMENDATIONS

The audit findings and recommendations are detailed in the attached Action Plan.

A summary of these recommendations by priority is outlined below:

Priority	3*	2*	1*	Total
Number of Recommendations	0	4	2	6

ASSURANCE RATING

The post review assurance level for systems relating to Payroll is categorised as: **ACCEPTABLE.**

Internal Audit review – Payroll 2022/23

Action Plan

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer(s) / Target Date	Updated Position
1	<p>Employee Certification Exercise</p> <p>The Employee Certification Exercise for 2022/23 had commenced in July 2022 and was undertaken in part, however had not been issued to all Departments.</p> <p>The response rate to the requests made, however, was very poor. This issue has been raised in previous reports.</p>	<p>The employee certification exercise is an important internal control; adequate resources should be made available to ensure it is completed annually. Appropriate procedures should also be put in place to ensure effective follow up of outstanding responses.</p>	**	<p>Any certifications not received on first submission will be escalated to the Head of Financial Services who will remind managers of their responsibilities regarding the Certification. Any further failures to return will be further escalated to Heads of Service.</p> <p>Team Leader – Control & Systems September 2023</p>	<p>The certifications for 2023/24 were issued to Departments between 18th August 2023 and 3rd September 2023. Returns have been requested by the end of September 2023.</p> <p>Following this date, any non-responders will be passed to the Head of Financial Services, and further escalated to individual Heads of Service where required.</p>
2	<p>Starters and Leavers</p> <p>Testing was undertaken on a sample of 20 Starters and 20 Leavers. Issues were identified as follows:</p> <ul style="list-style-type: none"> - 1 Commencement and 4 Termination Forms were not completed by an authorised signatory, nor were the authorised signatories copied in on the notification to HR. - 2 instances where the Termination Form was submitted too late which resulted in overpayments (subsequently recovered in both cases). 	<p>The commencement and termination of staff should be approved by an appropriately authorised signatory; checks should be undertaken to ensure commencement and termination forms are appropriately approved prior to being processed.</p> <p>All relevant documentation should be filed on Information@Work as soon as processed. The process should ensure complete and accurate calculation of payments.</p>	**	<p>Reminder issued to Employee Services Team.</p> <p>Reminder will be issued to managers in the next available people manager update/newsletter.</p> <p>Employee Services Manager July 2023</p>	Action complete.

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer(s) / Target Date	Updated Position
	<ul style="list-style-type: none"> - 1 Commencement and 1 Termination Form were not filed on Information@Work. - 4 processing errors were identified relating to Leavers, resulting in incorrect calculation of payments, 3 of which were identified and corrected pre-audit. 	<p>Authorising managers should be reminded of the importance of timely submission of forms.</p>			
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 37</p>	<p>3 Overtime Approval</p> <p>Overtime Working Guidance on the Intranet states <i>“There will be no regular or contractual overtime. You are required to explore all other avenues before granting overtime and only subject to agreed approval processes.”</i> The guidance does not explain the agreed approval process.</p> <p>A sample of 20 overtime claims was reviewed to assess compliance with available guidance. Evidence of Director approval was not available in 3 instances.</p>	<p>Clarification of what constitutes overtime and which overtime pay rates Directors need to approve is required, and should be communicated to all relevant officers.</p> <p>Authorising officers should be reminded that evidence of Director approval of overtime should be obtained prior to the time being worked and appropriate documentation retained.</p>	<p>**</p>	<p>Each department may have their own agreed procedures for authorising overtime depending on the service, which may or may not also require approval from the HOS/Director in advance. Departments to inform all relevant officers of the correct approval process.</p> <p>I have referred these matters to the Assistant Chief Executive to take to the next available CMT for discussion and feedback.</p> <p>Reminder to be issued to authorising officers.</p> <p>Employee Services Manager September 2023</p>	<p>A reminder is due to be issued to all Managers via the Managers Newsletter next week.</p> <p>The matter is due to be taken to CMT for discussion.</p>

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer(s) / Target Date	Updated Position
4	<p>Overtime Recording</p> <p>Considering the sample of 20 overtime claims, testing identified the following recording issues:</p> <ul style="list-style-type: none"> - 1 instance where 75.5 excess hours on flexitime over a 4-month period was recorded as one entry (resulting in some hours being paid at a higher than applicable rate) and all at time and a half although the contracted hours were less than 37. - 1 instance where the Head of Service agreed a rate of double time to cover an emergency situation, but no evidence of Director approval. - 1 instance of hours being claimed at double time although the recorded date was not a bank holiday. Both employee and line manager have since left the Authority and no documentation has been provided to explain or evidence Director approval for this rate being paid. - 1 instance of an incorrect pay element selected by the employee when completing the claim on MyView, resulting in an overpayment (subsequently recovered). - 1 instance of the hours worked being overstated on ResourceLink due to a clerical error, resulting in 	<p>Line managers should be reminded of the guidance on managing the flexitime system and ensure accuracy of the recording on reconciliation sheets and claims for overtime payments.</p> <p>Supporting documentation should be filed centrally and accessibly.</p> <p>Managers should review accuracy of claims before authorisation.</p>	**	<p>Reminder to be issued to Managers.</p> <p>Employee Services Manager September 2023</p>	<p>A reminder is due to be issued to all Managers via the Managers Newsletter next week.</p>

Internal Audit Update: Report B

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer(s) / Target Date	Updated Position
	overpayment (subsequently recovered).				
5	<p>Maternity Pay</p> <p>A random sample of 10 maternity and 10 paternity transactions were reviewed and the payment calculations were reperformed. The following was identified:</p> <ul style="list-style-type: none"> - 1 manual calculation error in the maternity sample was identified, resulting in an overpayment (this was then recovered in May 2023). 	Manual calculations should be checked by a second officer to ensure accuracy.	*	<p>Unfortunately, we do not have sufficient staff to undertake this recommendation.</p> <p>Employee Services Manager</p>	Not applicable.
6	<p>Unpaid Leave</p> <p>A random sample of 20 unpaid leave applications was reviewed; testing identified the following:</p> <ul style="list-style-type: none"> - In 1 instance the leave request was incorrectly applied to two posts, not only the one requested. This resulted in an underpayment in one month (was subsequently corrected). 	Staff should be reminded of the need to ensure accuracy when processing requests.	*	<p>Reminder issued to staff.</p> <p>Employee Services Manager July 2023</p>	Action complete.

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GOVERNANCE & AUDIT COMMITTEE

29 SEPTEMBER 2023

ANNUAL ANTI-FRAUD AND ANTI-CORRUPTION REPORT 2022/23		
Recommendations / key decisions required: To receive the report.		
Reasons: To receive the Annual Anti-Fraud and Anti-Corruption Report 2022/23		
Relevant scrutiny committee to be consulted: N/A		
Cabinet Decision Required: N/A		
Council Decision Required: N/A		
CABINET MEMBER PORTFOLIO HOLDER: Cllr A Lenny		
Directorate: Corporate Services		
Name of Head of Service: Helen Pugh	Designation: Head of Revenues and Financial Compliance	Tel No.: 01267 246223
Report Author: Helen Pugh		E Mail Address: HLPugh@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 29 SEPTEMBER 2023

ANNUAL ANTI-FRAUD AND ANTI-CORRUPTION REPORT 2022/23

Carmarthenshire County Council has a zero-tolerance stance to all forms of fraud, corruption and theft, both from within the Council and from external sources. We recognise fraud can:

- Undermine the standards of public service that the Council is attempting to achieve;
- Reduce the level of resources and services available for the residents of Carmarthenshire; and
- Result in major consequences which reduce public confidence in the Council.

Good Corporate Governance requires that the Authority must demonstrate clearly that it is committed to dealing with fraud and corruption and will deal equally with perpetrators from inside (Members and Employees) and outside the Council.

This report provides a summary of the activities of the Council's Anti-Fraud functions for the 2022/23 financial year.

The following report is attached:

Annual Anti-Fraud and Anti-Corruption Report 2022/23

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: H L Pugh – Head of Revenues and Financial Compliance

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	YES	YES	NONE	YES	NONE	NONE

Legal:

The Fraud Act affects both companies and individuals and is part of a wider initiative to combat the increasing problem of fraud.

Finance:

In monetary terms, fraud costs the country billions of pounds a year. It also affects the amount of money we have available to spend on providing public services.

Risk Management Issues:

The nature and scale of fraud risks must be established and assessed.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: H L Pugh – Head of Revenues and Financial Compliance

- 1.Scrutiny Committee: Not Applicable**
 - 2.Local Member(s): Not Applicable**
 - 3.Community / Town Council: Not Applicable**
 - 4.Relevant Partners: Not Applicable**
 - 5.Staff Side Representatives and other Organisations: Not Applicable**
- Corporate Management Team has been consulted with.**

CABINET PORTFOLIO HOLDER AWARE/CONSULTED:	Yes
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**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Anti-Fraud and Anti-Corruption Strategy 2020-2025	~	https://democracy.carmarthenshire.gov.wales/documents/s44446/Report.pdf

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Anti-Fraud and Anti-Corruption Annual Report

2022-23

August 2023



carmarthenshire.gov.wales

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1. Introduction

Carmarthenshire County Council is one of the largest unitary Authorities in Wales, and the largest local employer with over 8,000 staff. The Council owns significant assets, operates a range of systems and deals on a day-to-day basis with a wide range of contractors and customers. The diverse range and nature of services and activities coupled with the size of its operations and budgets inevitably put Carmarthenshire County Council at risk of fraud and corruption, from both internal and external sources.

Fraud is not a victimless crime and can affect us all.

The monetary cost – In monetary terms, fraud costs the country billions of pounds a year. It also affects the amount of money we have available to spend on providing public services.

The human cost – There are other not-so-obvious costs as a consequence of some frauds. For example, a consequence of Council Housing Tenancy Fraud is that available housing spaces are reduced thereby depriving families and vulnerable people on the waiting list.

Good Corporate Governance requires that the Authority clearly demonstrates its commitment to dealing with fraud and corruption and will deal equally with perpetrators from inside and outside the Council.

The culture of the Council is one of openness and the core values of Integrity, Taking Responsibility and Excellence support this. Carmarthenshire County Council is committed to the highest ethical and moral standards and is determined that the culture of the organisation is that of honesty, integrity and transparency, and fundamental to these core values is its commitment to combat fraud and corruption.

The overall responsibility for dealing with fraud and corruption within the Authority sits within the Revenues & Financial Compliance service in the Corporate Services Department; functions are shared between Internal Audit and a Specialist Unit within the Revenues team, which deals with all forms of Benefit Fraud; the Fraud team comprises of one Fraud Investigator and one Compliance and Visiting Officer. Additionally, the Consumer and Business Affairs service of the Authority is responsible for investigating suspected fraud arising from inappropriate trading.

This report provides a summary of the activities of the Anti-Fraud functions for the 2022/23 financial year.

2. Strategic Governance

The Anti-Fraud and Anti-Corruption Strategy was approved by the Governance & Audit Committee on 16th October 2020. The Strategy has been actively promoted to Authority staff through a dedicated page on the Council's intranet and staff

news e-mails. Promotion of the Strategy and key messages and information to staff will continue.

The Authority has a close working relationship with Dyfed Powys Police (DPP) and has in place a Memorandum of Understanding, which establishes an agreed pathway for the Council to report criminal offences to DPP and outlines the agreed responsibilities of both parties.

The fraud risks facing the Authority have been reviewed and analysed; the information has been brought together into a Fraud Risk Register, which is continually monitored.

Quarterly Fraud Case Management meetings take place between the Internal Audit team and the People Services Manager (HR). These meetings facilitate discussions between both parties to enable the controlled, effective sharing of information.

3. Proactive Work

Proactive work is designed to raise awareness of the risks of fraud and corruption within the Council, and their consequences. Developing a strong anti-fraud and anti-corruption culture within the organisation underpins all other work undertaken and is closely linked to the creation of a strong deterrent effect.

Ordinarily, face-to-face presentations are provided by the Fraud Investigator within the Revenues team, however, since the outbreak of the Covid-19 pandemic in 2020, these presentations have not taken place. Whilst it was planned that these would recommence during 2022/23, the Fraud Investigator left the role with the Authority during the year, with successful recruitment to the position recently completed. It is hoped that face-to-face presentations will resume when the new Fraud Investigator commences in post.

The Council has a dedicated Fraud and Corruption intranet page; the page has been designed to provide staff with information on the affects of fraud and, importantly, how to report any suspicions of fraud or corruption.

A staff message was published in November 2022 on cyber fraud, and the importance of protecting staff's personal information and the Authority's information online. The message was issued to staff via the Authority's Marketing & Media weekly e-mail.

During March 2023, a screen saver dedicated to countering fraud was published on all staff laptops. The screen saver, titled 'Help us to stay protected against fraud, corruption and theft' gave details of the Council's Anti-Fraud and Anti-Corruption Strategy and signposted staff to the relevant information on the Council's intranet page.

Internal Audit aims to provide a pro-active approach to fraud and staff are mindful of the potential for fraud in relation to all systems under review. All Internal Audit staff have received fraud awareness training.

4. Prevention and Deterrence

Work in this area is centred on discouraging individuals who may be tempted to commit fraud or corruption against the Authority and ensuring that opportunities for them to do so are minimised.

A key principle in preventing and deterring fraud and/or corruption is the 'fraud-proofing' of relevant policies and procedures. This process is intended to minimise the opportunity for economic crime to occur, by identifying and addressing potential risks or loopholes, and implementing measures to increase their resilience to such activities. There is no such thing as a completely fraud-proof policy or process, however a commitment to fraud-proofing reduces the risk and minimises the potential for a policy or procedure to be misinterpreted or for lack of clarity to be used as a defence. During 2022/23, activity in this area included the following key areas:

- Financial Procedure Rules
- Contract Procedure Rules
- Review of the revised Travel and Associated Expenses Policy

Where possible, successful cases and prosecutions achieved by the Council are promoted in the media in order to achieve a deterrent effect, deterring anyone to try to commit fraud against the Authority.

A joint working practice is in place between Internal Audit and HR, through quarterly Fraud Case Management meetings, and ad-hoc meetings where required. Where credible information is received regarding a potential fraud threat, it is important that this is promptly and appropriately investigated, in order to reduce the risk to the Authority. Having this valuable meeting structure in place has allowed, and will continue to allow, for the effective sharing of information, enabling appropriate action to be undertaken promptly.

The Authority participates in the National Fraud Initiative (NFI) exercise, where data, including data on Payroll, Creditors, Housing Benefit, Pensions, Insurance Claims, Blue Badges and VAT issues, is matched nationally every 2 years to identify potential individual frauds. The exercise reviewing data nationally across Local Authorities and other Public Sector Organisations commenced during the end of 2022/23 and is currently continuing to be undertaken.

Intelligence reports and information are exchanged and shared from the National Anti-Fraud Network (NAFN) and colleagues in other Local Authorities as part of the Wales Fraud Officer's Group.

During the Covid-19 pandemic, a number of additional payments were made to individuals and businesses, for example in the form of free school meals payments and grants, via the Authority. Since then, further additional payment streams have been set up to make urgent payments, such as the Winter Fuel Payments, for example. The Internal Audit section has, and continues to, assist by utilising specialist software to identify potential duplicate claims, thus preventing erroneous payments being made.

Internal Audit undertakes, on an annual basis, a pro-active analysis of financial transactions linked to Payroll and Creditors to identify any potential anomalies for further investigation. The results of the analysis are reviewed and used to identify possible system weaknesses.

5. Investigations

The Anti-Fraud and Anti-Corruption Strategy sets out the Authority's zero-tolerance attitude towards fraud and corruption, its commitment to the rigorous investigation of all reports received, and the consistent application of appropriate sanctions.

A key aspect of effective counter fraud work is the thorough, impartial and professional investigation of suspicions as they arise.

The length and timescale of an investigation can vary considerably from case to case, with some cases being resolved in a matter of days and other, more complex cases taking months or even a number of years. Evidence and intelligence can be obtained from many sources such as the National Anti-Fraud Network which enables a legal gateway to requesting information from Banks, Building Societies, other financial institutions, DVLA, Utility providers, the Royal Mail, the Police, DWP, covert surveillance, and other government departments.

The following statistics outline **Corporate** fraud investigatory work undertaken during 2022/23:

Fraud Offence	2022/23 Investigations	2021/22 Investigations
Fraud by False Representation	3	7
Fraud by Failure to Disclose Information	0	0
Fraud by Abuse of Position	4	3

The following statistics outline **Benefit Fraud** investigatory work undertaken during 2022/23:

A total of 227 referrals were received by the fraud team (compared to 245 referrals in 2021/22).

- 44 were accepted for fraud investigation.
- 183 of these were referred to the Department for Work & Pensions (DWP) for their own investigations.

Fraud referrals, allegations and suspicions are received from various sources which can include anonymous telephone calls and letters, online and email referrals, staff in Revenues and other departments, The Police, DWP, Data Matching exercises etc.

During the year, a total of £48,422.65 was identified from Housing Benefit overpayments, Council Tax Reduction Scheme and Council Tax adjustments/overpayments.

The following statistics outline fraud investigatory work undertaken by the **Consumer and Business Affairs service** during 2022/23:

Fraud Act Prosecutions, which have either been completed or are currently in the Court System:	2022/23 Investigations	2021/22 Investigations
Fraud Misrepresentation/Unfair Practices	17	11
Fraudulent Trading	2	3
Money Laundering	3	3

During the year, the Consumer and Business Affairs service received a total of 2113 referrals for investigation (compared to 2244 in 2021/22), with the following outcomes recorded:

	2022/23 Outcomes	2021/22 Outcomes
No of convictions completed (all)	12	9
No of cautions (all)	6	3
Total detriment prevented (i.e., money that would be lost without Trading Standards intervention)	£11,000,000	£5,176,000
Number of preventative / proactive press releases	11	7

Number of prosecution case press releases	11	8
Number of preventative/proactive literature distributed	3200	6784

6. Case Information

This section provides some examples of cases investigated during the year.

During the year, an investigation was undertaken into a staff member who was falsely claiming travel expenses. The investigation involved review of travel claims, for excess travel, submitted by the employee over a period of four years. At a disciplinary hearing, the employee admitted making a number of incorrect claims for reimbursement; the employee was issued with a final written warning, with the overclaimed expenses to be paid back to the Authority.

A full investigation into a case of Council Tax avoidance was commenced following a referral made to the Authority.

It was alleged that a family and further occupants were residing at an address within Carmarthenshire, without having registered any of the dwellings. Authority officers attended the site, whilst it was under the control of the Police and the occupants were being held off site. It was found that the site consisted of four dwellings, which were occupied by 9 occupants; none of which were registered for Council Tax.

As a direct result of the investigation, the tenants were ordered to pay £4742.38.

The Director of an Ammanford company was given a suspended prison sentence following an investigation by Carmarthenshire County Council's Trading Standards team.

The Director pleaded guilty to offences under the Consumer Protection from Unfair Trading Regulations 2008 at Swansea Crown Court for five separate instances where he had agreed to carry out building and landscaping work, for which he received a total of £34,290.77 from his victims.

Where work had been carried out, it was found to be of very poor quality, and in some cases very little or no work had been carried out, despite the victims paying for these services.

The Court sentenced the Director to 16 weeks imprisonment suspended for 12 months and 100 hours unpaid work.

He was ordered to pay £12,000 compensation to be distributed between the five victims and was disqualified from being a Company Director for 4 years.

7. Conclusion

Carmarthenshire County Council prides itself on setting and maintaining high standards and a culture of openness, with core values of **Integrity, Taking Responsibility** and **Excellence**. The Anti-Fraud and Anti-Corruption Strategy fully supports the Council's desire to maintain an honest Authority, free from fraud and corruption.

The aims and objectives of the strategy are to:

- *Make better use of resources*
- *Prevent Fraud, through understanding the root cause of problems and driving improvements for long-term impact*
- *Work with others in a collaborative way to find shared, sustainable solutions*

This Annual Report demonstrates the actions taken to deliver these aims and objectives during 2022/23. We will continue to strive to deliver these aims and objectives over the coming year, with actions also undertaken to further enhance the controls in place, including further proactive work in the form of staff training and fraud awareness:

- A Fraud e-learning module is currently being explored, to be rolled out to all staff and Members within the Authority; making this training mandatory would be strongly desired, to ensure that the anti-fraud message is successfully delivered to all parties.
- Fraud Awareness Webinar provided by the Authority's Banking Provider.
- Further Fraud Awareness messages to staff and Members within the Authority.

Helen Pugh
Head of Revenues & Financial Compliance

4th August 2023

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GOVERNANCE AND AUDIT COMMITTEE

29 SEPTEMBER 2023

COUNCIL COMPLAINTS POLICY ANNUAL REPORT 2022-23

Purpose:

To provide details on the corporate and adult services complaints process as well as the data on complaints / compliments received during 2022-23.

Recommendations / key decisions required:

To approve the Council Complaints Policy Annual Report 2022-23.

Reasons:

To provide an annual report summarising the Compliments & Complaints received by the Council and to report to the Governance & Audit Committee in terms of the governance of the process.

Cabinet Decision Required NO

Council Decision Required NO

CABINET MEMBER PORTFOLIO HOLDER: - Cllr. Philip Hughes, Cabinet Member for Organisation and Workforce

Directorate: Chief Executive	Designations:	Tel: 01267 224914
Name of Head of Service: Jason Jones	Head of Regeneration, Policy & Digital	Email addresses: JaJones@carmarthenshire.gov.uk
Report Author: Llinos Evans	Policy & Involvement Manager	LlinEvans@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

GOVERNANCE AND AUDIT COMMITTEE 29 SEPTEMBER 2023

COUNCIL COMPLAINTS POLICY ANNUAL REPORT 2022-23

The report sets out:

- The numbers of Stage 1 and Stage 2 complaints investigated and responded to between April 2022 and March 2023 by department, with information about the response times to these complaints.
- Statistics on communications received by the Complaints Team and redirected. These are enquiries and requests for assistance from members of the public.
- The numbers of compliments received during the reporting period by department.
- Complaints determined by the Ombudsman.
- Wider context in terms of complaints during the reporting period along with lessons learnt and future priorities.

The complaints referred to within this report are those where the investigation has been completed during the review period.

All complaints relating to Adult Social Care matters are managed by the Performance, Analyst & Systems Team within the Communities Department. The data is included in this report and will also be included in the Annual Report on the Effectiveness of Social Care Services 2022-23.

DETAILED REPORT ATTACHED?

YES

Council Complaints Policy Annual Report 2022-23

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: Jason Jones, Head of Regeneration, Policy & Digital

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	NONE	NONE	NONE	NONE	NONE

1. Policy, Crime & Disorder and Equalities

Carmarthenshire County Council's Corporate Complaints Policy has been developed and published in line with the Complaints Standards Authority – Wales, "Concerns and Complaints Policy for Public Services Providers in Wales".

The Social Services Complaints Procedure (Wales) Regulations 2014 outline the procedure for handling complaints about Social Services issues in Wales.

The Local Government and Elections (Wales) Act 2021 requires the Governance and Audit Committee to:

- (a) review and assess the authority's ability to handle complaints effectively,
- (b) make reports and recommendations in relation to the authority's ability to handle complaints effectively.

2. Legal

The Administration and Law Division lead on the work with the Ombudsman for Wales and deal with any issues arising from complaints referred to the Ombudsman.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below:

Signed: Jason Jones, Head of Regeneration, Policy & Digital

1.Scrutiny Committee: No

2.Local Member(s) No

3.Community / Town Council No

4.Relevant Partners No

5.Staff Side Representatives and other Organisations No

**CABINET MEMBER PORTFOLIO
HOLDER AWARE/CONSULTED**

YES

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THERE ARE NONE

Council Complaints Policy Annual Report

2022-23

carmarthenshire.gov.wales

Foreword

This is our Corporate Complaints Annual Report for 2022-23, a document that details the complaints and compliments received by the Council during the financial year.

Our Corporate Complaints Team have continued to provide regular data to the Ombudsman's Complaints Standards Authority to identify trends and patterns in public service delivery.

Our Adult Services Complaints process is governed by the Social Services (Complaints Procedure) (Wales) Regulations 2014 (the regulations) and Welsh Government's 'A guide to handling complaints and representations by local authority social services' and is managed by the Council's Communities Department.

The feedback that we receive from our residents is key to improving our services and we are grateful for all the complaints, compliments and comments that we receive as a Council.

I would like to close by taking this opportunity to thank our staff who work to support the Corporate Complaints and Adult Services Complaints process across the Council and for the service they provide every day to the residents of Carmarthenshire.

Councillor Philip Hughes

Cabinet Member for Organisation and Workforce

1. Principles

Carmarthenshire County Council's Corporate Complaints Policy has been developed and published in line with the Complaints Standards Authority – Wales, "Concerns and Complaints Policy for Public Services Providers in Wales".

The Social Services Complaints Procedure (Wales) Regulations 2014 outline the procedure for handling complaints about Social Services issues in Wales. This annual report includes information in relation to complaints received as part of this procedure.

The Policy aims to emphasise the following principles:

- To ensure that as many complaints as possible are resolved at **Stage 1**, as a local resolution
- To ensure that investigations follow the '**Investigate Once, Investigate Well**' principle.

2. Definition of a complaint

The definition of a complaint is an expression of dissatisfaction or concern:

- About a public service provider's action or lack of action
- Or about the standard of service provided
- Which requires a response
- Whether about the public service provider itself, a person acting on its behalf, or a public service provider partnership.

The complaints referred to within this report are those where the investigation has been completed during the review period.

3. Setting the context

Our resources

The Complaints Team forms part of the wider Policy, Partnerships and Performance Team within the Regeneration, Policy and Digital Division. The team consists of two full time officers, supported by the Partnerships and Complaints Manager and the Policy and Involvement Manager. During the year, we have seen the nature of complaints becoming more complex and therefore the level of support required for departments has increased. At the end of 2022-23, the Partnerships and Complaints Manager was allocating 70% of their time to work related to complaints with the Policy and Involvement Manager allocating 10% of their time.

With regards to Adult Services complaints the Resolution and Complaints Manager works full time and the Service Improvement and Complaints Coordinator works three days per week. They are part of the wider Performance Analyst and Systems team.

An increase in numbers of complaints

During recent years, we have continued to see the number of complaints increase:

- 707 complaints in 2020-21 (during main period of COVID-19 pandemic)
- 930 complains in 2021-22
- 1,376 complaints in 2022-23

This increased number of complaints in turn affects our capacity as a team to support departments and undertake the analysis and developmental work that we wish to. We believe that the insight and data held by the Complaints team holds significant potential in supporting departments in their service planning and in influencing the implementation of key strategic projects.

Impact of significant service change

One of the key areas where an increase in the numbers of complaints has been seen during this reporting period is within the Waste & Environmental Division. During 2022-23, 619 Stage 1 complaints were received with 5 complaints investigated as Stage 2.

The division has been working on the delivery of a transformational change in approach to ensure high quality recycling and improving our performance against statutory recycling targets.

The first phase of the waste strategy was to introduce three weekly glass collection at kerbside, a move to three weekly residual waste collection and a weekly collection of dry mixed recycling and food waste. The above changes came into force on 23 January 2023, and 503 complaints (from the total of 619 for the year) were received following the implementation of the service change.

It should be noted that it is not unusual to see a spike to complaints when a service change is introduced as service users have issues adjusting to the new provision or as the new arrangements establish themselves. However, the spike seen during this financial year as a result of the changes to waste collection was significantly higher than usual, likely compounded by the fact that all Carmarthenshire households were impacted by the changes at the same time.

Management information

Sharing of management information has been one of the key developments during the year, with the team preparing monthly reports for our Directors and Heads of Service, to ensure that services consider any complaints as part of their service planning and delivery. This detailed information also helps us identify any barriers or trends and to ensure that our residents receive timely responses and communication.

The Performance Dashboard and Performance Observations Report, presented to Corporate Management Team on a quarterly basis, now includes key information on complaints alongside service performance

information, in order for the Chief Executive and Directors to discuss any barriers to compliance and any issues relating to specific services. This enables any issues of concern to be escalated and dealt with in a timely manner.

We have also developed a corporate performance measure, which is included in the Information Technology and Corporate Policy Division's business plan (now known as the Regeneration, Policy & Digital Division following re-alignment). On a quarterly basis, we report on the number of complaints completed within statutory deadline, with this result being reported to Scrutiny through the performance management framework.

Improved compliments recording

There continues to be a concern that the good service provided every day by officers within the Council is not being represented. During the year, we have been looking at ways of updating our recording procedure to ensure our compliments are captured and that we are continuing to share this information with departments.

Adult Services

With regards Adult Services complaints a Resolution and Complaints Manager commenced in post in October 2022 with the responsibility of coordinating processes relating to complaints and undertaking preventative work. The aim of this is to increase learning within teams to improve the quality of the service provided and to reduce the volume of complaints received. In addition to this post the service has appointed a part-time Service Improvement and Complaints Coordinator to support the Resolution and Complaints Manager. Adult Services complaints continue to be supported by the wider Performance Analyst & Systems Team.

Increasing awareness

Following the 2022 Local Elections held in May, a specific session was held as part of the Member Induction process to raise awareness of the processes in place. Colleagues from the Ombudsman's Office also took part, alongside the Complaints Team and the Performance and Management Information Team within the Communities Department. Members of the Governance and Audit Committee were invited to attend, and a copy of the presentation was circulated to all.

In January 2023, the Complaints Team held a specific session for third tier managers and information management officers from the Department of Place and Infrastructure. 65 attendees were present. Further to the session, the department prepared further guidance and a flow chart for managers, to ensure that complaints were dealt with in accordance with the policy and that clear communication is in place when resolving and responding to issues.

Feedback from the session was positive and we aim to provide further training on Stage 2 Investigations during 2023/24.

Complaints in relation to the Welsh language

The Corporate Complaints Team also manage any complaints received on lack of compliance with the Welsh Language Measure (Wales) 2011 or by the Welsh Language Commissioner and their office.

During 2022/23 the following complaints were received

1. A complaint regarding a debt collector and the use of English-only warnings when dealing with the clients. This was a service commissioned by the Council, and therefore, the company is also subject to the Standards.
2. A complaint from a member of the public stating that he was unable to display English-only materials in the County's libraries. The Council Standards clearly state that any materials we display on behalf of others, must be bilingual.

3. A complaint through the Office of the Welsh Language Commissioner that specific reports discussed by the Council's Cabinet were not available in Welsh as part of the Democratic papers. An Investigation is underway regarding this complaint.
4. A complaint through the Office of the Welsh Language Commissioner that the Council has not published an assessment of the implementation of the County's Welsh Language Promotion Strategy, or the second Promotion Strategy. It was explained that the work had been completed and that the documentation was going through the democratic process in order to launch it at the Urdd Eisteddfod Sir Gâr.
5. A complaint about the Welsh identity of the County Council on our website and social media. The complaint included comments about our contact details and the use of the Council's English-language email address. It was explained to the complainant that there are a restraint on the number of letters we can use on some media, but all possible elements have been updated.
6. A complaint about the lack of a Welsh form for arranging clinical waste. It was explained to the customer that the form was available through My Account and the relevant link was sent.

During 2022-23, no Investigations of non-compliance under the Welsh Language Standards were undertaken by the Welsh Language Commissioner's Office.

4. Corporate Complaints responded to

Our Complaints Policy provides a framework upon which we manage the complaints, compliments and comments received by the Council. At Stage 1, we aim to deal with all complaints as quickly as possible and within 10 working days.

If it is not possible to resolve a complaint at this stage, a Stage 2 formal investigation can then be instigated. We will aim to resolve / respond to concerns within 20 working days. However, if the complaint is more complex, the investigating officer will update the complainant and explain the revised timescales.

At the end of 2022-23, 169 complaints remained open on the system.

Complaints per Department				
Complaints related to the following departments:	Stage 1		Stage 2	
	Number of complaints	Number upheld	Number of complaints	Number upheld
Chief Executive	59	36	0	0
Corporate Services	75	20	2	1
Education & Children's Services	25	9	5	0
Place & Infrastructure	769	495	14	4
Communities	410	266	9	2
Cross Departmental	7	3	1	1
Total:	1345	829	31	8

Response Times for Complaints per Department

Complaints related to the following departments:	Stage 1			Stage 2		
	Number of complaints	Number of complaints responded to within timescale		Number of complaints	Number of complaints responded to within timescale	
Chief Executive	59	36	(61%)	0	0	(0%)
Corporate Services	75	68	(91%)	2	0	(0%)
Education & Children's Services	25	14	(56%)	5	0	(0%)
Place & Infrastructure	769	436	(57%)	14	1	(7%)
Communities	410	155	(38%)	9	0	(0%)
Cross Departmental	7	4	(57%)	1	0	(0%)
Total:	1345	713	(53%)	31	1	(3%)

Chief Executive

Complaints related to the following divisions:	Stage 1		Stage 2	
	Number of complaints	Number upheld	Number of complaints	Number upheld
Administration & Legal	2	2	0	0
Electoral & Registration Services	3	0	0	0
ICT & Corporate Policy	3	1	0	0
Media & Marketing	44	30	0	0
People Management	3	1	0	0
Regeneration	4	2	0	0
Total:	59	36	0	0

Corporate Services

Complaints related to the following divisions:	Stage 1		Stage 2	
	Number of complaints	Number upheld	Number of complaints	Number upheld
Financial Services	1	1	0	0
Revenues & Financial Compliance	73	18	2	1
Cross Department	1	1	0	0
Total:	75	20	2	1

Education & Children's Services

Complaints related to the following divisions:	Stage 1		Stage 2	
	Number of complaints	Number upheld	Number of complaints	Number upheld
Access to Education	7	5	0	0
Children's Services (Corporate)	6	2	0	0
Children's Services (Statutory)	10	1	3	0
Education & Inclusion Services	1	0	0	0
Cross Department	1	1	2	0
Total:	25	9	5	0

Place & Infrastructure

Complaints related to the following divisions:	Stage 1		Stage 2	
	Number of complaints	Number upheld	Number of complaints	Number upheld
Business Support	3	1	1	1
Planning	31	8	8	0
Transport & Highways	116	26	0	0
Waste & Environmental Services	619	460	5	3
Total:	769	495	14	4

Communities				
Complaints related to the following divisions:	Stage 1		Stage 2	
	Number of complaints	Number upheld	Number of complaints	Number upheld
Homes & Safer Communities	110	46	6	0
Leisure	32	14	1	0
Housing Property & Strategic Projects	267	205	2	2
Cross Department	1	1	0	0
Total:	410	266	9	2

Cross Departmental				
	Stage 1		Stage 2	
	Number of complaints	Number upheld	Number of complaints	Number upheld
Cross Departmental	6	2	1	1

5. Adult Services statutory complaints

Adult Services Complaints and Compliments 2022-23

A total of 72 complaints were recorded at either Stage 1 or 2 in relation to Adult Services. This equates to 1.62% of individuals who receive a service formally complaining about the service they received.

Summary

- 55 of the Adult Services complaints were investigated at the Local Resolution Stage 1
- 17 were recorded under the Formal Investigation of Stage 2
- A further 41 complaints were dealt with by the department and recorded either as Redirects, No Further Action, on hold pending safeguarding or other
- 3 complaints were escalated to the Ombudsman for Wales following completion of a Stage 2 investigation. The Ombudsman did not accept any of these complaints and no further investigation took place
- 22 complaints continued to be investigated at the end of the financial year.

6. Response timescales for Adult Services Complaints

Response to Stage 1 complaints within statutory timescales

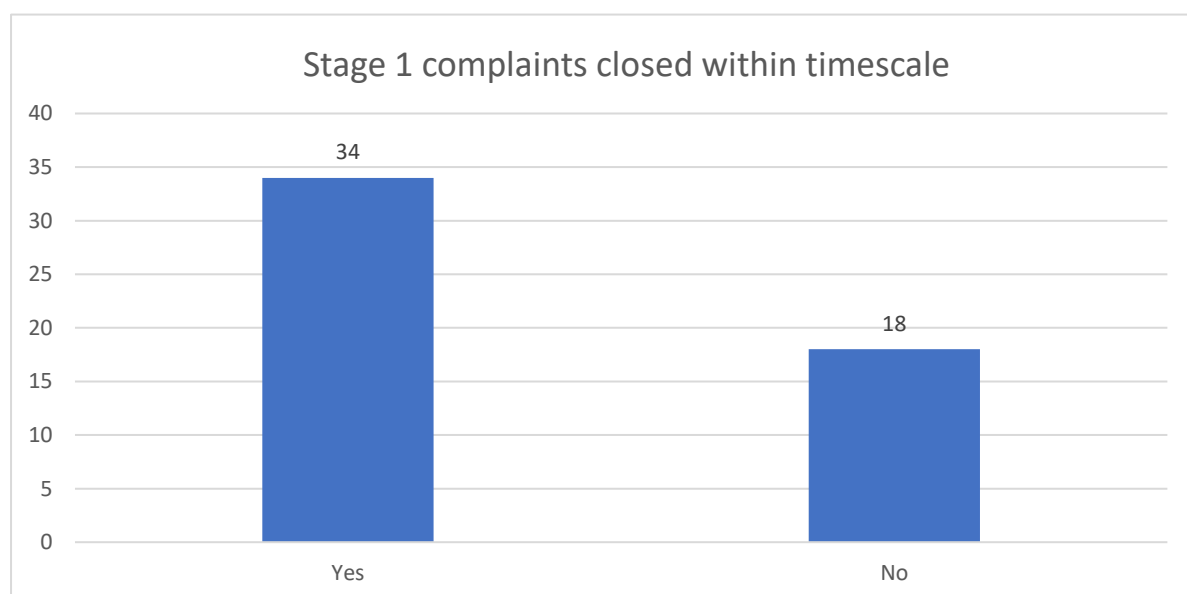
The statutory timescales for all Stage 1 complaints (local resolution stage) is 15 working days from the date that the complaint is acknowledged. The discussion must take place within 10 working days and if there is a mutually acceptable resolution of the matter, the local authority must write to the complainant with details of the terms of the resolution within 5 working days. This timescale may only be extended in exceptional circumstances with the agreement of the complainant.

Stage 1 Complaints that have been concluded

At the end of Q4 we have closed a total of 52 stage 1 complaints, 65% (34) of which were closed within agreed timescale. There is no requirement in the Guidance for complaints considered under Stage 1 to be concluded as upheld or not upheld.

For local resolution the Guidance states that a conversation should occur with the complainant to attempt to resolve the matter and where there is a mutually acceptable resolution to the matter the local authority must write to the complainant with details of the terms of the resolution.

There is no mention of a requirement to uphold or not uphold the complaint at this stage. However under the Formal Investigation of stage 2, the Guidance states that the local authority must take responsibility for determining whether or not the complaint is upheld and the action to be taken as a consequence.

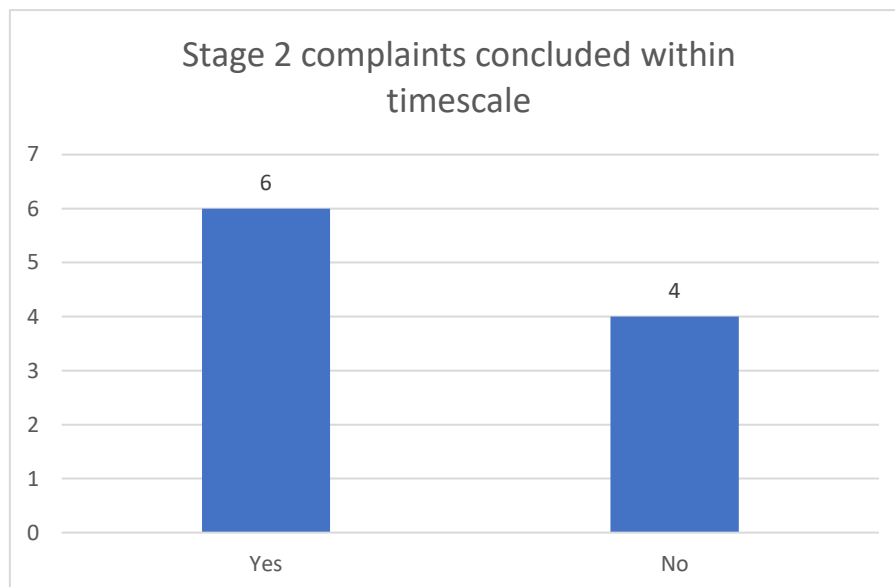


Stage 2 Timescales

In terms of statutory timescales, the local authority must compile a formal written record of the complaint within 5 working days of the date that it is received or moves from Stage 1 to Stage 2. The Formal Investigation stage must be completed, and a full written response issued to the complainant, within 25 working days of the start date. The timescale can only be extended in exceptional circumstances and the local authority must write to the Complainant to explain this. The full response must be issued as soon as possible and no later than six months from the date on which the complaint was received.

Stage 2 Complaints that have been concluded

At the end of Q4 we have closed a total of 10 stage 2 complaints, 60% (6) of which were closed within agreed timescale. At Stage 2 the Guidance states that the Local Authority must take responsibility for determining whether the complaint is upheld or not. Of the 10 complaints closed at the end of Q4, 3 were upheld and 7 were not upheld.



7. Compliments received

We receive many positive comments about our staff and the services we provide and Compliments are an important part of our learning as an organisation.

We therefore keep a record of the compliments we receive so that good practice and learning can be circulated across the Council. A total of 455 compliments were recorded during 2022-23.

From 1 April 2023, we will be recording all compliments received on the Info@Work system and therefore, comparative data will be available as part of future annual reports. The monthly reports provided to Directors will also include the compliments data.

Adult Services Compliments

A total of 152 Adult Services compliments were received from April through to March 2023.

8. Redirects

The Corporate Complaints Team also deal with a high number of redirects whereby requests reach the team which are not directly linked to the corporate complaints process.

A member of the public may consider a specific issue to be a complaint where it is actually a request for a service or for further information.

Redirects also include concerns that cannot be addressed via the complaints process for a specific reason, for example, something that relates to a Policy decision or if there is a more appropriate method of redress. The team redirect these requests to the relevant services.

Redirects per Department	
Redirected communication related to the following departments:	
Chief Executive	53
Corporate Services	74
Education & Children's Services	52
Place & Infrastructure	758
Communities	321
Cross Departmental	46
External to the Authority	38
Total:	1342

9. Complaints to the Ombudsman for Wales 2022-23

Following the formation of the Complaints Standards Authority (CSA) under the Ombudsman (Wales) 2019 Act, all public authorities across Wales are required to report their complaints activity to the Ombudsman's office on a quarterly basis. This information is available on the Ombudsman's Complaints Standards Authority webpage.

Complainants are also able to approach the Ombudsman's office directly and the information provided by the office is noted below:

- The number of complaints received by the Ombudsman was 53.
- The number of complaints referred to the Ombudsman per 1,000 residents in Carmarthenshire is 0.28%.

The following table shows the outcomes of the complaints which the Ombudsman closed for the Local Authority in 2022-23.

This table shows both the number, and the proportion that each outcome represents for the Local Authority.

Outcome	Number	% share
Out of jurisdiction <i>(The complaint is not within the Ombudsman's jurisdiction)</i>	6	10%
Premature <i>(Complainants are asked to contact the organisation directly as it appears that the organisation has not previously had a reasonable opportunity to consider the complaint)</i>	27	45%
Other case closed after initial consideration <i>(There may be an alternative route of appeal or a legal process has commenced or the case may not be timely)</i>	20	33%
Early resolution / voluntary settlement (noted as Interventions in the Ombudsman's data) <i>(If the body has not had an opportunity to consider and respond, it is unlikely that the Ombudsman will consider a complaint)</i>	7	12%
Discontinued	0	0%
Other reports – not upheld	0	0%
Other reports – upheld	0	0%
Total number of closures*	60	

* Total number varies due to crossover between financial years – 7 complaints carried over from 2021-22.

10. Our Learning

- **Complaints provide valuable feedback and are viewed by our staff as a positive opportunity to learn from experiences. This helps to drive continual service improvement and to prevent similar things happening again.**
- **For our customers, communication and regular feedback are integral to good services. Customers understand the service pressures that the public sector are facing; however, they must be kept up to date on issues in relation to the services that they use.**
- **Services and information must be accessible, with different access points and ways of communicating. We must continue to provide and develop a wide range of options for people to contact us.**
- **For our staff, complaints provide a first-hand account of the customer's views and experience, and resolving complaints early saves resources and creates better customer relations.**
- **Our colleagues across the Council need access to timely data and information so that they can support the implementation of the Corporate Complaints Policy.**

Adult Services Complaints

Stage 1

Following completion of a stage 1 investigation, if there are any recommendations made, the department log these on an action plan which is sent out to the teams to follow up. Trends and learning opportunities will be identified from these recommendations which will be brought to Process and Practice Board and subsequently disseminated in team meetings on a quarterly basis by the Resolution and Complaints Manager. In terms of governance the Complaints Audit Group continues to meet on a quarterly basis and complaints information is included in the Director's annual report.

Stage 2

The department log all the recommendations from a Stage 2 report and devise an action plan which is sent out to managers to complete. Following

completion of a Stage 2 complaint, if there are issues that need addressing, we will hold a lessons learned event which is chaired by the Head of Service. This is for best practice and to ensure the teams learn from the complaint. Currently there has been one lessons learned event held following the completion of a complex Stage 2 complaint.

11. Our Future Priorities

We will continue to review the Complaints service throughout 2023-24 and make any necessary changes to ensure that our complaints process remains customer focused and that the Council is providing the best service possible. Below are some of our priorities moving forward so that we can achieve these goals.

Sharing information

A significant increase has been seen in the number of complaints received by the Council (48% between 2021-22 and 2022-23). We are of course mindful of the specific increase within Waste & Environmental Services as a result of a service transformation; however, there is an increase across all departments.

As a team, we are constantly looking at ways to improve data collation in order to improve sharing of information with relevant service departments and to improve response times to complainants.

We will review the Process and Practice Board and Complaints Audit Group arrangements utilised for Adult Social Care complaints and develop a means to introduce a similar arrangement for corporate complaints in order to fully engage departmental lead officers and Heads of Service on key learning points and patterns from complaints.

Service user communication

During 2022-23, we have seen a clear trend in the number of complaints received relating to lack of communication and sharing of information with our residents. Closing the loop in terms of feedback, timescales, appointments etc is key and often, the lack of communication is the root of the complaint, rather than the service provided. This was a particular trend in relation to property Repairs complaints and was reported as part of quarterly performance monitoring arrangements.

It is therefore pleasing to note that we have seen an improvement with the situation around complaints relating to Property Repairs, with an improvement in the handling of complaints when received. Introducing the Housing Repairs Scheduling Team Leader's role at the end of January 2023 has played a key part in this as they have focused on improving customer care and complaints co-ordination and management. Further developments in complaints management have continued to positively impact. Often just knowing how things stand in terms of timescales leads to increased satisfaction from residents.

Further details on progress in this area will be provided in the 2023-24 annual report.

Developing guidance for Investigating Officers

During 2022-23, the team have been collating information and looking at specific areas of improvement for inclusion in the guidance for Investigating Officers. This guidance will be prepared for those undertaking investigations into Stage 1 and Stage 2 complaints and will define how complaints and compliments should be identified, recognised, recorded and reported for improved consistency across the organisation. Advice and support will also be given on completing investigations.

Monitoring timescales

Our performance management information and performance indicator shows a decline in our compliance with the corporate policy timescales. We recognise that capacity is an issue, not just for the Complaints Team (2 FTE posts) but across the Council and that appointing officers to investigate both at Stage 1 and Stage 2 can be a challenge.

We are currently not recording data to be able to report on the exact length of time which individual complaints run over by; however, we will be looking to introduce arrangements to do so during 2023-24. This evidence is essential as service improvement information for our departments and in improving our understanding of the challenges faced when responding. These are issues that we will look into during the next financial year.

Adult Services Complaints Priorities

In March 2023 the Adult Services complaints team underwent an internal audit and, although they are currently awaiting the final report, some initial recommendations have been made. A detailed update will be provided in the annual report for 2023-24.

It has been recommended that the team produce a procedural document based on the legislation and guidance and this will be a priority going forward.

Another recommendation is that complaints training should be offered to all staff. This is an area that the team have already been developing and it is planned that the following training will be offered on a regular basis:

- Complaints awareness training for all staff
- Stage 1 investigators training
- Stage 1 investigators training for providers.

In addition to the audit recommendations the team are also in the process of moving all complaints recordings from an Excel spreadsheet to the Eclipse Social Care Case Management System. The motivation behind this is to ensure all records are contained within a central location and to utilise the system to ensure accurate reporting of information.

There will also be a focus on preventative work to increase learning from complaints, within the teams, to improve the quality of the service provided and reducing the number of complaints received.

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GOVERNANCE AND AUDIT COMMITTEE

29 SEPTEMBER 2023

OMBUDSMAN'S ANNUAL LETTER 2022/2023 CARMARTHENSHIRE COUNTY COUNCIL

Purpose:

to receive the Public Services for Wales Annual Letter 2022/23 (the Letter)

Recommendations / key decisions required:

To receive the Letter and to assess performance and consider any actions thereupon.

Reasons:

Each year the Public Services Ombudsman for Wales (**PSOW**) provides every Welsh Local Authority with a letter in the form of a fact sheet and accompanying data. It is provided to assist in understanding performance.

Cabinet Decision Required YES

Council Decision Required NO

CABINET MEMBER PORTFOLIO HOLDER:- Y Cynghorydd/Councillor Darren Price

Directorate:

Name of Head of Service:
Linda Rees Jones

Report Author: Nigel J Evans:

Designations:

Head of Administration
and Law

Tel: 01267 224694

Email addresses:
NEvans@carmarthenshire.gov.uk:

EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE

29 SEPTEMBER 2023

OMBUDSMAN'S ANNUAL LETTER 2022/2023 CARMARTHENSHIRE COUNTY COUNCIL

1. **Annually, the PSOW provides to each County Council a letter in the form of a factsheet with accompanying data. It is provided to assist in understanding performance.**
2. **This year's Letter is attached to this summary. Selected items include:**
 - The number of new cases the PSOW received relating to local authorities reduced when compared with last year;
 - There has also been a fewer number of Code of Conduct complaints nationally overall when compared with last year. In addition, there has been a reduction in the number referred to either the Adjudication Panel for Wales, or local standards committees;
 - Under the new 2019 Act powers, the Ombudsman began work on her second wider "Own Initiative" investigation looking at carers assessments within local authorities. The four local councils where that work is taking place are Caerphilly, Ceredigion, Flintshire and Neath and Port Talbot. The findings will be shared by the PSOW when available;
 - Also under the new powers, the Complaints Standards team (CSA) have continued to work with public bodies, with more than 50 public bodies (including this Authority) operating the PSOW model complaints policy;
 - In terms of Carmarthenshire (CCC) specifically, the PSOW received 53 complaints directly to her office against the Council. See Appendix A of the Letter. This is a small reduction over last year (-2%). In terms of population the number of complaints equated to 0.28 complaints per 1000 residents, against an average for Wales of 0.33 (CCC being the fourth most populous county in Wales). Last year the figure of complaints for Carmarthenshire was 54, which equated to 0.29 against an average of 0.36. Also in terms of CCC, the Letter mentions that of the overall complaints received by CCC in 22/23, 4% of those ended up with the PSOW;
 - Appendix B shows how CCC complaints are broken down into subject area. Nationally and traditionally Housing, complaints handling and Planning generate the largest proportion of complaints. The classification of subject area in the appendix to the Letter does not reflect service structures throughout CCC. Subject areas may therefore contain individual cases that CCC would categorise to a different area of service. For instance, in terms of "Housing" both Housing and Housing Property (whilst separate services) are brought together under the umbrella of "Housing" for the PSOW's data purposes;
 - Appendix C shows that there were no reports issued against CCC, either upheld or not upheld. There were also no Public or Special Interest reports. It is also seen that nearly half the cases closed by the PSOW were classified as "premature". This means the Ombudsman felt that CCC had not had an opportunity to investigate the complaint itself. Those premature cases were referred back by the PSOW into CCC's corporate or statutory complaints procedures;
 - Appendix D shows to what extent the Ombudsman intervened in cases. These are cases that are settled or resolved early. For Carmarthenshire the rate of interventions decreased when compared with last year. It equated to 12% of Carmarthenshire's cases with the national average being 13%. This is in comparison with 14% of cases last year with a national average also being 14%;
 - Code of Conduct figures for CCC at Appendices E and F, show there were two referrals to the Standards Committee.

DETAILED REPORT ATTACHED? YES – the PSOW's Annual Letter 2022/23

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: Linda Rees Jones Head of Administration and Law

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	YES	NONE	NONE	NONE	NONE	NONE

1. Legal - the PSOW Annual Letter asks that the annual letter is presented in order for an understanding of performance. The Letter is attached to this report.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below. Consultation 1-5 not applicable.

Signed; Linda Rees-Jones, Head of Administration and Law

Consultations 1 – 5 not applicable.

1.Scrutiny Committee

2.Local Member(s)

3.Community / Town Council

4.Relevant Partners

5.Staff Side Representatives and other Organisations

**CABINET MEMBER PORTFOLIO
HOLDER AWARE/CONSULTED**

YES

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
The PSOW's Annual Letter 2022/23	CCOM-1055	<p>https://www.ombudsman.wales/wp-content/uploads/2023/08/Carmarthenshire-ENG-22-23-Annual-Letter.pdf</p> <p>http://www.ombwdsmon.cymru/wp-content/uploads/sites/2/2023/08/Carmarthenshire-CYM-22-23-Annual-Letter.pdf</p>
The PSOW's Annual report 2022/23	CCOM-1055	<p>https://www.ombudsman.wales/wp-content/uploads/2023/08/Annual-Report-and-Accounts-2022-23-19-07-2023-Auditor-signed.pdf</p> <p>https://www.ombudsman.wales/wp-content/uploads/2023/08/Annual-Report-and-Accounts-2022-23-EXECUTIVE-SUMMARY.pdf</p> <p>http://www.ombwdsmon.cymru/wp-content/uploads/sites/2/2023/08/Adroddiad-a-Chyfrifon-Blynyddol-2022-23-19-07-2023-gyda-llofnod.pdf</p> <p>http://www.ombwdsmon.cymru/wp-content/uploads/sites/2/2023/08/Adroddiad-a-Chyfrifon-Blynyddol-2022-23-CRYNODEB-GWEITHREDOL.pdf</p>



**Ombwdsmon
Ombudsman**
Cymru • Wales

Ask for: Communications



01656 641150



Communications
@ombudsman.wales

Date: 17 August 2023

Cllr. Darren Price
Carmarthenshire County Council
By Email only: leader@carmarthenshire.gov.uk

Annual Letter 2022/23

Dear Councillor Price

I am pleased to provide you with the Annual letter (2022/23) for Carmarthenshire County Council which deals with complaints relating to maladministration and service failure, complaints relating to alleged breaches of the Code of Conduct for Councillors and the actions being taken to improve public services.

This letter coincides with my Annual Report – “[A year of change – a year of challenge](#)” – a sentiment which will no doubt resonate with public bodies across Wales. My office has seen another increase in the number of people asking for our help – up 3% overall compared to the previous year, and my office now receives double the number of cases we received a decade ago.

In the last year, I have met with public bodies across Wales – speaking about our casework, our recommendations, and our proactive powers. The current climate will continue to provide challenges for public services, but I am grateful for the positive and productive way in which local authorities continue to engage with my office.

1,020 complaints were referred to us regarding local authorities last year - a reduction of 11% compared to the previous year. During this period, we intervened in (upheld, settled or resolved at an early stage) 13% of local authority complaints.

We received fewer Code of Conduct complaints in 22/23 compared to the previous year, relating to both Principal Councils and Town and Community Councils. My role is such that I do not make final findings about breaches of the Code of Conduct. Instead, where investigations find the most serious concerns, these are referred to the Standards Committee of the relevant local authority, or the

ombwdsmon.cymru
holwch@ombwdsmon.cymru
0300 790 0203
1 Ffordd yr Hen Gae, CF 35 5LJ
Rydym yn hapus i dderbyn ac
ymateb i ohebiaeth yn y Gymraeg.

ombudsman.wales
ask@ombudsman.wales
0300 790 0203
1 Ffordd yr Hen Gae, CF 35 5LJ
We are happy to accept and respond
to correspondence in Welsh.

Adjudication Panel for Wales. In 2022/23, the Ombudsman made 12 such referrals – a welcome reduction from 20 last year.

Supporting improvement of public services

Despite the challenges of last year, we have pushed forward with our proactive improvement work and launched a new Service Quality process to ensure we deliver the standards we expect.

Last year, we began work on our second wider Own Initiative investigation – this time looking into carers assessments within local authorities. This investigation will take place throughout the coming year, and we look forward to sharing our findings with all local authorities – not just those involved in the investigation.

The Complaints Standards Authority (CSA) continued its work with public bodies in Wales last year, with more than 50 public bodies now operating our model policy. We've also now provided more than 400 training sessions since we started, with local authorities, in September 2020.

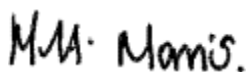
We continued our work to publish complaints statistics into a second year, with data now published twice a year. This data allows us to see information with greater context – for example, last year 4% of Carmarthenshire County Council's complaints were referred to PSOW.

I would encourage Carmarthenshire County Council, and specifically your Audit and Governance Committee, to use this data to better understand your performance on complaints and consider how well good complaints handling is embedded throughout the Authority.

Further to this letter can I ask that your Council takes the following actions:

- Present my Annual Letter to the Cabinet and to the Governance and Audit Committee at the next available opportunity and notify me of when these meetings will take place.
- Continue to engage with our Complaints Standards work, accessing training for your staff, fully implementing the model policy, and providing accurate and timely complaints data.
- Inform me of the outcome of the Council's considerations and proposed actions on the above matters at the earliest opportunity.

Yours sincerely,



Michelle Morris
Public Services Ombudsman

cc. Wendy Walters, Chief Executive, Carmarthenshire County Council.
By Email only: chiefexecutive@carmarthenshire.gov.uk



Factsheet

Appendix A - Complaints Received

Local Authority	Complaints Received	Received per 1000 residents
Blaenau Gwent County Borough Council	16	0.24
Bridgend County Borough Council	55	0.38
Caerphilly County Borough Council	49	0.28
Cardiff Council*	142	0.39
Carmarthenshire County Council	53	0.28
Ceredigion County Council	35	0.49
Conwy County Borough Council	31	0.27
Denbighshire County Council	32	0.33
Flintshire County Council	65	0.42
Cyngor Gwynedd	36	0.31
Isle of Anglesey County Council	25	0.36
Merthyr Tydfil County Borough Council	17	0.29
Monmouthshire County Council	23	0.25
Neath Port Talbot Council	39	0.27
Newport City Council	42	0.26
Pembrokeshire County Council	44	0.36
Powys County Council	38	0.29
Rhondda Cynon Taf County Borough Council**	54	0.23
Swansea Council	94	0.39
Torfaen County Borough Council	16	0.17
Vale of Glamorgan Council	49	0.37
Wrexham County Borough Council	65	0.48
Total	1020	0.33
* inc 9 Rent Smart Wales		
** inc 2 South Wales Parking Group		



Appendix B - Received by Subject

Carmarthenshire County Council	Complaints Received	% share
Adult Social Services	4	8%
Benefits Administration	1	2%
Children's Social Services	1	2%
Community Facilities, Recreation and Leisure	1	2%
Complaints Handling	12	23%
Covid19	0	0%
Education	1	2%
Environment and Environmental Health	4	8%
Finance and Taxation	2	4%
Housing	18	34%
Licensing	0	0%
Planning and Building Control	7	13%
Roads and Transport	1	2%
Various Other	1	2%
Total	53	



Ombwdsmon Ombudsman

Cymru • Wales

Appendix C - Complaint Outcomes (* denotes intervention)

Carmarthenshire County Council		% Share
Out of Jurisdiction	6	10%
Premature	27	45%
Other cases closed after initial consideration	20	33%
Early Resolution/ voluntary settlement*	7	12%
Discontinued	0	0%
Other Reports - Not Upheld	0	0%
Other Reports Upheld*	0	0%
Public Interest Reports*	0	0%
Special Interest Reports*	0	0%
Total	60	



Appendix D - Cases with PSOW Intervention

	No. of interventions	No. of closures	% of interventions
Blaenau Gwent County Borough Council	0	16	0%
Bridgend County Borough Council	5	57	9%
Caerphilly County Borough Council	6	52	12%
Cardiff Council	25	145	17%
Cardiff Council - Rent Smart Wales	1	9	11%
Carmarthenshire County Council	7	60	12%
Ceredigion County Council	13	44	30%
Conwy County Borough Council	5	35	14%
Denbighshire County Council	2	33	6%
Flintshire County Council	5	70	7%
Cyngor Gwynedd	5	33	15%
Isle of Anglesey County Council	5	25	20%
Merthyr Tydfil County Borough Council	1	18	6%
Monmouthshire County Council	1	22	5%
Neath Port Talbot Council	7	38	18%
Newport City Council	8	48	17%
Pembrokeshire County Council	3	45	7%
Powys County Council	8	44	18%
Rhondda Cynon Taf County Borough Council	2	54	4%
Rhondda Cynon Taf County Borough Council - South Wales Parking Group	0	2	0%
Swansea Council	10	99	10%
Torfaen County Borough Council	1	17	6%
Vale of Glamorgan Council	15	53	28%
Wrexham County Borough Council	6	67	9%
Total	141	1086	13%



Appendix E - Code of Conduct Complaints

		Carmarthenshire County Council
Investigations	Decision not to investigate	1
	Discontinued	10
	No evidence of breach	0
	No action necessary	0
	Refer to Adjudication Panel	0
	Refer to Standards Committee	0
	Total	11



Appendix F - Town/Community Council Code of Complaints

Town/Community Council	Decision not to investigate	Investigations					Total
		Discontinued	No evidence of breach	No action necessary	Refer to Adjudication Panel	Refer to Standards Committee	
Betws Community Council	0	0	0	0	0	0	0
Cwmaman Town Council	0	0	0	0	0	0	0
Kidwelly Town Council	1	0	0	0	0	0	1
Llandovery Town Council	0	0	0	0	0	1	1
Llanelli Rural Council	0	0	0	0	0	0	0
Llanelli Town Council	0	0	0	0	0	1	1
Llanfynydd Community Council [Carmarthenshire]	0	0	0	0	0	0	0
Llangunnor Community Council	0	0	0	0	0	0	0
Llannon Community Council	0	0	0	0	0	0	0
Pembrey & Burry Port Town Council	1	0	0	0	0	0	1



Information Sheet

Appendix A shows the number of complaints received by PSOW for all Local Authorities in 2022/23. These complaints are contextualised by the population of each authority.

Appendix B shows the categorisation of each complaint received, and what proportion of received complaints represents for the Local Authority.

Appendix C shows outcomes of the complaints which PSOW closed for the Local Authority in 2022/23. This table shows both the volume, and the proportion that each outcome represents for the Local Authority.

Appendix D shows Intervention Rates for all Local Authorities in 2022/23. An intervention is categorised by either an upheld complaint (either public interest or non-public interest), an early resolution, or a voluntary settlement.

Appendix E shows the outcomes of Code Of Conduct complaints closed by PSOW related to Local Authority in 2022/23. This table shows both the volume, and the proportion that each outcome represents for the Local Authority.

Appendix F shows the outcomes of Code of Conduct complaints closed by PSOW related to Town and Community Councils in the Local Authority's area in 2022/23. This table shows both the volume, and the proportion that each outcome represents for each Town or Community Council.

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GOVERNANCE & AUDIT COMMITTEE

29 SEPTEMBER 2023

REVISED CONTRACT PROCEDURE RULES

Recommendations / key decisions required:

To approve the revised Contract Procedure Rules (Version 5).

Reasons:

A Task and Finish group was appointed by the Authority's Corporate Management Team (CMT) in September 2022 with officers from procurement, economic development, legal, and environment tasked to review procurement arrangements and frameworks within Carmarthenshire County Council. Pre-Cabinet approved these recommendations on the 3rd July 2023 which resulted in these amendments to be made to the Council's Contract Procedure Rules.

Relevant scrutiny committee to be consulted: N/A

Cabinet Decision Required: N/A

Council Decision Required: N/A

CABINET MEMBER PORTFOLIO HOLDER: Cllr A Lenny

Directorate:

Corporate Services

Name of Head of Service:

Helen Pugh

Designation:

Head of Revenues and Financial Compliance

Tel No.: 01267 246223

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Report Author:

Clare Jones

Procurement Manager – Strategy & Compliance

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EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 29 SEPTEMBER 2023

REVISED CONTRACT PROCEDURE RULES

The Contract Procedure Rules have been updated to take account of a number of recommendations in a Task and Finish Report on procurement arrangements and frameworks within Carmarthenshire County Council.

Here is a summary of the most notable changes that have been made:

- Amended Clause 4.2.1 to build flexibility for officers to go out to open competition, as opposed to using existing corporate contracts/framework where best value for money might be achieved by pursuing an alternative route to market.
- The lowest threshold to be increased from £5,000 to £10,000.
- New worded added to require officers:-
Up to £10,000 - Quotation should be sought from a Carmarthenshire supplier.
£10,000 - £25,000 - At least one quotation should be sought from a Carmarthenshire supplier.
(As per the current rules officers must be able to provide evidence that they have tried to source such quotes and evidence where this isn't possible).
- Worded added in Modifications of existing contracts - Clause 13, to clarify that approval is not required where exiting contracts (from framework call-offs or otherwise) or frameworks provide for permitted changes in their terms and conditions.
- Clause 13.3. Thresholds aligned to the change from £5,000 to £10,000.

A document including the tracked updates is attached for information.

The following report is attached for approval:

Contract Procedure Rules

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: H L Pugh – Head of Revenues and Financial Compliance

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	YES	NONE	NONE	NONE	NONE	NONE

Legal

We need to ensure that all Procurement complies with various legislation.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: H L Pugh – Head of Revenues and Financial Compliance

1. Scrutiny Committee: Not Applicable
2. Local Member(s): Not Applicable
3. Community / Town Council: Not Applicable
4. Relevant Partners: Not Applicable
5. Staff Side Representatives and other Organisations: Not Applicable

CABINET MEMBER PORTFOLIO HOLDER AWARE/CONSULTED?	Yes
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**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THERE ARE NONE

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CPR Version 5 - Tracked Amendments 2023

Key

 Highlighted in Red shows new wording

Existing CPR V3 Clause wording	Amended wording for V5	Comments / Rationale for the amendment
Lead Officers Responsibilities		
<p>4.4.1. The requirement cannot be obtained from existing corporate contracts, frameworks or other arrangements. Where corporate contracts, frameworks or other established procurement arrangements (e.g DPS) are in place, these must be used to satisfy that requirement. The Procurement section of the Intranet contains details of such arrangements. Further advice and guidance is available from CPU and;</p>	<p>4.4.1. The requirement cannot be obtained from existing corporate contracts, frameworks or other arrangements. Where corporate contracts, frameworks or other established procurement arrangements (e.g DPS) are in place, these should be used. However in exceptional circumstances when an alternative arrangement is to be used robust rationale must be justified and provided for prior approval must be sought from the departments Director and Director of Corporate Services. The Procurement section of the Intranet contains details of such arrangements. Further advice and guidance is available from CPU and;</p>	<p>As part of a Procurement Task and Finish group established in late 2022 the group reviewed our procurement arrangements and frameworks to establish if we are getting best value for money. It was also an opportunity to look how we currently procure and to see if things can be done differently or more innovatively. A T&F report was agreed in CMT on 09/02/23 and Pre-Cabinet on the 03/07/23 and one recommendation was to build flexibility into our Contract Procedure Rules to allow officers to go to open tender instead of using corporate contracts/frameworks where value for money or other circumstances justify this. Corporate contracts and framework should still be the default option. Necessary approvals would be required to deviate from these in order to monitor compliance.</p>

Thresholds		
<p>7.1. Quotations 7.1.1. Up to £5000 The Lead Officer should be satisfied that best value for money has been obtained, and that reasonable care has been taken to obtain goods, works or services of adequate quality at a competitive price. Confirmation of value for money should be retained on file by the Lead Officer. 7.1.2. £5,000 - £25,000 A minimum of 3 quotations should be sought from competitive sources and confirmed in writing, by letter, fax or e-mail. A documented record of the evaluation and decision to award must be recorded.</p>	<p>7.1 Quotations 7.1.1. Up to £10,000 The Lead Officer should be satisfied that best value for money has been obtained, and that reasonable care has been taken to obtain goods, works or services of adequate quality at a competitive price. Confirmation of value for money should be retained on file by the Lead Officer. Quotation should be sought from a Carmarthenshire supplier. 7.1.2. £10,000 - £25,000 A minimum of 3 quotations should be sought from competitive sources and confirmed in writing, by letter, fax or e-mail. A documented record of the evaluation and decision to award must be recorded. At least one quotation should be sought from a Carmarthenshire supplier.</p>	<p>As part of the Task and Finish Group referred to above, it was agreed in CMT and Pre-Cabinet to increase the lowest threshold from £5,000 to £10,000. This coupled with the ‘Think Carmarthenshire’ first requirement it was also agreed to add in wording to require officers to seek at least one quotation from a Carmarthenshire supplier. (As per the current rules officers must be able to provide evidence that they have tried to source such quotes and evidence where this isn’t possible).</p>
Exceptions and Waivers to Requirements of Competition		
<p>12.1.1.1. any advice or service provided by Counsel.</p>	<p>12.1.1.1. Any legal advice, service or representation provided by Counsel or a solicitor.</p>	<p>Wording provided by Legal Services to reflect the Public Contracts Regulations 2015 wording in Reg 10(1)(d)(ii)</p>
Modification or Extension of Existing Contracts		
<p>13.1. Provided the Lead Officer obtains the appropriate approval as set out in CPR 13.3, changes to an existing contract or framework above Threshold, or extend the term or scope of an existing contract, in any of the following circumstances</p>	<p>13.1. Provided the Lead Officer obtains the appropriate approval as set out in CPR 13.3, changes to an existing contract or framework above Threshold, or an extension to the term or scope of an existing contract or framework, in any of the following circumstances:-</p>	<p>To provide clarity that this is not required where contracts (from framework call-offs or otherwise) or frameworks provide for permitted changes in their terms and conditions.</p>

	(NB: this clause is not applicable to call-off contracts from existing frameworks or where the contract or framework terms and conditions lay out permitted changes).	
<p>13.3. The approvals you need to make changes in accordance with either CPR 13.1 or CPR 13.2 are as follows:</p> <p>13.3.1. If the original value of the contract was £5,000 or less, provided the Lead Officer is satisfied that the modification represents value for money there is no requirement to obtain approval for modifications worth up to £5,000.</p> <p>13.3.2. If the original value of the contract was above £5,000 and the contract was awarded using a competitive procedure which fully complied with these Contract Procedure Rules, the Lead Officer must obtain approval from:</p> <p>(a) the Head of Revenues and Financial Compliance and Legal Services Manager if the value of the modification will not exceed £75,000; and</p> <p>(b) the Monitoring Officer and Section 151 Officer if the value of the modification will exceed £75,000;</p> <p>Where a series of modifications are made to a contract, for the purposes of working out which approval is required under CPR 13.3.2 the value of any previous modifications must be added to the original contract value.</p> <p>13.3.3. If the original value of the contract was above £5,000 and not awarded using a competitive procedure which fully complied with these Contract Procedure Rules, the Lead Officer must comply with Clause 12 – Exceptions and Waivers to Requirements of Competition.</p>	<p>13.3. The approvals you need to make changes in accordance with either CPR 13.1 or CPR 13.2 are as follows:</p> <p>13.3.1. If the original value of the contract was £10,000 or less, provided the Lead Officer is satisfied that the modification represents value for money there is no requirement to obtain approval for modifications worth up to £10,000.</p> <p>13.3.2. If the original value of the contract was above £10,000 and the contract was awarded using a competitive procedure which fully complied with these Contract Procedure Rules, the Lead Officer must obtain approval from:</p> <p>(a) the Head of Revenues and Financial Compliance and Legal Services Manager if the value of the modification will not exceed £75,000; and</p> <p>(b) the Monitoring Officer and Section 151 Officer if the value of the modification will exceed £75,000;</p> <p>Where a series of modifications are made to a contract, for the purposes of working out which approval is required under CPR 13.3.2 the value of any previous modifications must be added to the original contract value.</p>	<p>Updated lowest threshold value to £10,000.</p>

	<p>13.3.3. If the original value of the contract was above £10,000 and not awarded using a competitive procedure which fully complied with these Contract Procedure Rules, the Lead Officer must comply with Clause 12 – Exceptions and Waivers to Requirements of Competition.</p>	
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Contract Procedure Rules

Carmarthenshire County Council

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1. Introduction

- 1.1.** The purpose of these Contract Procedure Rules is to set clear rules for the procurement of goods, services and works for the Authority so we obtain best value for money. This will ensure a system of openness, transparency and non-discrimination where the accountability and probity of the procurement process will be beyond reproach.
- 1.2.** Officers responsible for purchasing must comply with these Rules.
- 1.3.** These Contract Procedure Rules apply for the procurement of all goods, services and works for the Council.
- 1.4.** The Corporate Procurement Unit (CPU) must be contacted before any formal action is taken in respect of a goods or service activity exceeding £75,000 in total Contract value, including where action is taken to modify or extend an existing contract.
- 1.5.** The requirements for confidentiality in relation to information during the tender process are set out in the Officers Code of Conduct.
- 1.6.** Tenders over £25,000 in value must be advertised on www.Sell2Wales.gov.wales. In exceptional circumstances this requirement may be waived following prior approval from the Head of Revenues and Financial Compliance and the relevant Department's Head of Service. (See CPR 7.1.3.1 for further details).
- 1.7.** Schools are required to follow the procedures outlined in the Financial Procedure Rules for Schools.
- 1.8.** Evaluation criteria of all Authority led exercises over £25,000 must consist of at least 60% based on Price. Where this is inappropriate the agreement of the Director of Corporate Services must be sought. (See CPR 8.3.1 for further details).
- 1.9.** Every contract made by or on behalf of the Authority shall comply with the Public Contracts Regulations 2015, National Legislation, these Contract Procedure Rules and the Authority's Financial Procedure Rules. In the event of any apparent conflict arising in respect of the above requirements the matter is to be referred to the Monitoring Officer or their representative.
- 1.10.** The CPU shall retain and update the Authority's Contracts Register and must be advised of all contracts entered into, including those resulting from framework call-offs.

- 1.11. All exceptions to these Rules must be reported to CPU for consideration prior to submission for approval via the online Exception Reporting System - Please see the procurement pages on the Intranet, and approved exceptions will be recorded on the Contracts Register. (See CPR 12 for further detail).
- 1.12. For support on how to apply these Rules see “The Procurement Guidance” on the Intranet which sets out specific guidance on procurement procedures or contact the Corporate Procurement Unit (CPU) for advice and support in the interpretation and application of these Rules.

2. Definitions and Interpretations

- 2.1. For the purposes of these Contract Procedure Rules, please see **Appendix 1** for the definitions that shall apply.

3. Openness and Transparency

- 3.1. Officers should ensure that they treat all potential suppliers equally and without discrimination and that procurement exercises are run in a transparent and proportionate manner.
- 3.2. It is recognised that procurement can be the target of fraudulent and corrupt activity. Officers with procurement responsibility should be aware of their obligations in this respect. Relevant Policies and Procedures are currently detailed in the following documents:-
 - 3.2.1. Officers Code of Conduct
 - 3.2.2. Financial Procedure Rules
 - 3.2.3. The Chartered Institute of Purchasing & Supply Corporate Code of Ethics
 - 3.2.4. Anti-Fraud and Anti-Corruption Strategy
 - 3.2.5. Whistleblowing Policy
- 3.3. The Lead Officer (and Tender Evaluation Panel Members) must carry out appropriate measures to prevent, identify and remedy conflicts of interest to avoid any distortion of competition and unequal treatment of bidders. Such measures should address situations where officers or bidders who are involved in the procurement process have, directly or indirectly, any financial or personal interest which might be perceived to compromise their impartiality.

3.3.1. All officers involved in a Tender Evaluation Panel must complete a Conflict of Interests Declaration Form (Provided by CPU).

4. Lead Officers Responsibilities

4.1. The Lead Officer for the purposes of these Contract Procedure Rules shall be any person designated as such in respect of:-

4.1.1. Any specified contract

4.1.2. Any category or categories of contracts, or

4.1.3. Any specified values or amounts in respect of that category or those categories

4.2. The Lead Officer shall be the primary link between the Authority and the relevant supplier, and shall be responsible for the management of that contractual arrangement and ensuring that the price(s) paid is/are in accordance with the terms of the contract.

4.3. The Corporate Procurement Unit must be advised of any proposed Tender exercise (over £75,000) by the Lead Officer before the tender exercise is commenced.

4.4. Prior to undertaking any tendering exercise the Lead Officer shall ensure that:-

4.4.1. The requirement cannot be obtained from existing corporate contracts, frameworks or other arrangements. Where corporate contracts, frameworks or other established procurement arrangements (e.g DPS) are in place, **these should be used. However in exceptional circumstances when an alternative arrangement is to be used robust rationale must be justified and prior approval must be sought from the department's Director and Director of Corporate Services.** The Procurement section of the Intranet contains details of such arrangements. Further advice and guidance is available from CPU and;

4.4.2. All necessary Authority approvals have been obtained in accordance with the Authority's Constitution together with budgetary provision, any necessary consents, permissions or other approvals (including loans or other financial approvals) and;

Lots

External Funding

Risk
Second Hand
Purchasing

Tendering
Procedures

4.4.3. All other relevant corporate policies (including the Project Management Policy and Methodology, the Handling Personal Information Policy & Procedure, Data Protection Guide, Welsh Language Standards and Strategic Equality Plan, Well-Being Future Generations Act) have been complied with.

4.5. The Lead Officer must give consideration to split any proposed contract into separate Lots, with a clear and documented rationale as to how the Lots will be awarded, and must clearly define the size and subject matter of the Lots. For above Threshold tenders, where the use of Lots is deemed inappropriate this must be registered in the Tender documents and logged in the Tender Evaluation Report. (See CPR 10.1 for more detail).

4.6. Where part or full funding for any proposed contract is to be provided by external Funders, the Lead Officer shall procure the contract in accordance with these Contract Procedure Rules.

Where there is a condition in the Funder's terms that are in conflict with these CPR's this issue must be referred to the Monitoring Officer and Section 151 Officer for determination, unless this has been previously agreed in the funding agreement.

4.7. The Lead Officer must assess the risks associated with the purchase and how to manage any risks identified prior to the tender exercise commencing.

4.8. For the supply of used or second-hand goods or materials the Lead Officer needs to be satisfied that the market for such goods or materials is such that it would be unreasonable to tender or where the time required to complete the tender process is likely to lead to the loss of opportunity to purchase a used or second-hand item. Prior approval from Head of Service must be sought to ensure the value of the used/second hand goods to be supplied is at an appropriate level and does not contravene procurement processes. Any procurement valued over **£10,000** needs to be referred to the Section 151 Officer and the Monitoring Officer.

4.9. The Lead Officer can access guidance on the different tendering procedures available (e.g. Open, Restricted, Competitive Dialogue) in the Authority's Procurement Guidance. Different Procedures can be selected depending on the value of the goods, works or services being procured. The Guidance is available on the Intranet or contact the Corporate Procurement Unit (CPU) for advice.

**Dynamic
Purchasing System
and e-Auction
Tools**

**Welsh Language
Standards**

**General Data
Protection
Regulation (GDPR)**

**Concession
Contract**

- 4.10.** The Lead Officer may undertake the Procurement exercise by using a Dynamic Purchasing System or an Electronic Auction. The Lead Officer must contact CPU for further advice and guidance.
- 4.11.** The Lead officer is required to comply with the Welsh Language (Wales) Measure 2011 which means that Welsh should be treated no less favourably than the English language in Wales.
- 4.11.1.** The Welsh Language Measure and Welsh Language Standards also apply to any activity or service carried out on the Council's behalf by a third party under arrangements made between the third party and the Councils
- 4.12.** The Lead Officer must consider whether the supplier(s) will be provided with Personal Data by the Council, collect personal data on our behalf and/or process Personal Data in any other way, as defined by the Data Protection Act 2018/UK General Data Protection Regulation. If this is the case the Information Governance Manager must be consulted for further guidance.
- 4.12.1.** If the product/service being procured requires the use of innovative new technologies in the processing of Personal Data and/or may otherwise be likely to result in a high risk to the rights and freedoms of the individuals, a Data Protection Impact Assessment must be undertaken to identify and reduce any privacy risks. The Information Governance Manager must be contacted for further guidance.
- 4.13.** Any Contracts where the Contractor provides the works/services on behalf of the Authority and exploits those works or services for its own benefit may be covered by the Concession Contracts Regulations 2016 (CCR 2016) rather than the Public Contracts Regulations 2015. The CCR has a higher threshold for its application (Please see procurement pages on the Intranet for the latest threshold). The Lead Officer must contact the Corporate Procurement Unit for guidance and support on the application of CCR.

5. Collaborative Arrangements and Frameworks

All Collaborative Arrangements shall be deemed to be contracts for the purpose of these Contract Procedure Rules and Lead Officers shall have regard to the Public Contracts Regulations 2015 and the Authority's Procurement Guidance when developing such arrangements/agreements.

5.1. Framework Agreements – Carmarthenshire Lead

In line with the Public Contracts Regulations 2015, the term of a Framework Agreement must not exceed four years, unless in exceptional circumstances and with prior approval from the Section 151 Officer and the Monitoring Officer.

5.1.1. Contracts based on Framework Agreements may be awarded by either:-

5.1.1.1. Applying the terms laid down in the framework agreement (where such terms are sufficiently precise to cover the particular call-off) without reopening competition or;

5.1.1.2. Where the terms laid down in the framework agreement are not specific enough or complete for the particular call-off, by holding a mini-competition in accordance with the following:-

- Inviting all the suppliers within the Framework Agreement that are capable of executing the subject of the contract to submit written tenders;
- Fixing a time limit which is sufficiently long to allow tenders for each specific contract to be submitted, taking into account the complexity of the subject of the contract,
- Awarding each contract to the tenderer on the basis of the Award Criteria set out in the specification of the Framework Agreement.

5.1.2. For contracts above the Threshold the Lead Officer must contact CPU prior to any mini-competition undertaken to agree the approach.

5.1.3. The requirements of these Contract Procedure Rules are deemed to have been satisfied when the framework is established, and for subsequent call-offs.

5.2. Joint Procurement / Centralised Purchasing Activities – Authority Lead arrangements / frameworks

5.2.1. When undertaking a joint procurement arrangement on behalf of the Authority and other public bodies, the lead officer must determine whether the Authority is carrying out an Occasional Joint Procurement OR Central Purchasing Activities in line with the Public Contracts Regulations 2015. CPU must be contacted to advise and agree the approach.

5.2.2. When undertaking a joint procurement arrangement on behalf of the Authority and other public bodies, the Lead officer must ensure the other public bodies that are to be included in that arrangement are listed in the advertisement and contract documents.

5.2.3. The estimated value given must include the potential usage of that joint arrangement by those public bodies listed.

5.2.4. The requirements of these Contract Procedure Rules are deemed to have been satisfied when the framework is established, and for subsequent call-offs.

5.3. Centralised Purchasing Activities / Bodies – Use of other public bodies arrangements / frameworks

5.3.1. Any contract/framework entered into through collaboration with other local authorities or other public bodies, where a competitive process has been followed, that comply with the contract procedure rules of the leading organisation, will be deemed to comply with these Contract Procedure Rules. Before entering into any such arrangement the Lead Officer must consult and seek approval from CPU.

5.4. Membership of other Procurement Arrangements

- 5.4.1.** Any new formal membership of any organisation whose purpose is to facilitate joint procurement arrangements with other local Authorities and/or public sector bodies, including membership or initial use of any Consortia or public sector trading organisation must be approved by the Monitoring Officer and Section 151 Officer.

6. Pre-Procurement Requirements

6.1. Estimating the Value

- 6.1.1.** The value of a contract must be based upon the higher of:-
- 6.1.1.1.** The amount or estimated amount to be paid by the Authority over the period of the contract (to include any extension period); or
 - 6.1.1.2.** The amount or estimated amount of gross income to be generated by the contractor through the goods or services provided, including the provision of goods or services to third parties.
- 6.1.2.** A contract which is one of a series of contracts with similar characteristics, and for services of the same type is deemed to have the value of the series as a whole.
- 6.1.3.** Where the Lead Officer is unable to determine the value of a proposed services contract an estimate shall be made on the basis of a 48 month contract period or, where the contract term will be less than 48 months, on the basis of the full term of the proposed contract.
- 6.1.4.** In estimating relevant contract values, officers shall have regard to the principle of aggregation. Repeat purchases of similar goods/services/works over a sustained period may amount to an aggregate requirement which exceeds the Threshold or any lower threshold of the Authority set out in these CPR's. You must apply the detailed rules set out in regulation 6 of the Public Contracts Regulations 2015 where the value is, or may be equal to or over the Threshold (e.g. a 12 month requirement for regular purchases made every few weeks or 48 monthly recurring purchases. The appropriate Procurement process must therefore be adhered to.

7. Thresholds

7.1. Quotations

7.1.1. Up to **£10,000**

The Lead Officer should be satisfied that best value for money has been obtained, and that reasonable care has been taken to obtain goods, works or services of adequate quality at a competitive price. Confirmation of value for money should be retained on file by the Lead Officer. **Quotation should be sought from a Carmarthenshire supplier.**

7.1.2. **£10,000 - £25,000**

A minimum of 3 quotations should be sought from competitive sources and confirmed in writing, by letter, fax or e-mail. A documented record of the evaluation and decision to award must be recorded. **At least one quotation should be sought from a Carmarthenshire supplier.**

7.1.3. **£25,000 - £75,000**

7.1.3.1. All quotations above the value of £25,000 must be advertised on the Sell2wales website; (www.sell2wales.gov.wales) based on the same specification, evaluation criteria and closing date. CPU will place the advert, unless otherwise agreed. In exceptional circumstances this requirement may be waived following prior approval from the Head of Revenues and Financial Compliance and the relevant Department's Head of Service.

7.1.3.2. Quotations undertaken in accordance with 7.1.3.1 shall be submitted in line with the requirements set out in the Invitation to Quote, and returned electronically via a secure email facility or an appropriate e-tender solution. Alternatively, a hard copy must be addressed to the Lead Officer in a plain sealed envelope endorsed only with the word "Quotation", followed by the subject to which it relates and the closing date.

7.1.3.3. The Lead Officer will be responsible for maintaining adequate documented records of all quotations undertaken (including the evaluation process) (See 9.7 for further details).

7.1.3.4. A quotation received in accordance with the procedures may be accepted by means of issuing either an official order or letter signed by the appropriate officer, or by a contract or agreement signed in accordance with these Rules.

7.1.3.5. Where, following issue of Invitations to Quote only one quotation is received the decision to proceed to purchase must be approved by the relevant Department's Head of Service.

7.2. Tenders

7.2.1. Over £75,000

7.2.1.1. For all procurements valued at and above £75,000 the Contract Lead Officer must advise the Corporate Procurement Unit before the tender exercise is commenced.

7.2.1.2. A Tender Record Form must be completed and signed off by the Corporate Procurement Unit's Principal Procurement Officer - Category Lead (or delegated Officer) prior to tender advertisement which includes the requirement to confirm a complaint process.

7.2.1.3. In addition to any requirements under the Public Contracts Regulations 2015 or the Concession Contracts Regulations 2016, a minimum 21 days public notice shall be given in www.Sell2Wales.gov.wales and, if considered appropriate by the Tender Evaluation Panel, in one or more appropriate local, regional and/or national newspapers, publications and/or trade journals, or other media that targets the relevant market for the particular contract.

7.2.1.4. The public notice shall express the nature and purposes of the contract, invite tenders for its execution, state the latest date and time for delivery of tenders and the address to which such tenders are to be sent/or portal to be received via. The Invitation to Tender shall include all information necessary to ensure compliance with the provisions of these Contract Procedure Rules including the evaluation criteria.

7.3. Above Threshold Tenders

Contracts above the Threshold are subject to the Public Contract Regulations 2015 or, as applicable, the Concession Contracts Regulations 2016.

7.3.1. Where the estimated value of a contract exceeds the current Threshold, then the contract must be tendered in accordance with the UK's Public Contracts Regulations 2015 or, as applicable, the Concession Contracts Regulations 2016, and also in accordance with these CPR's. In all such circumstances appropriate advice must be sought from the Corporate Procurement Unit.

7.3.2. The Thresholds change every two years. The current Thresholds for goods, services and works can be found on the Procurement pages of the Intranet.

7.4. Social and Other Specific Services

7.4.1. For contracts for Social and other Specific Services Contracts (as set out in Schedule 3 of the Public Contracts Regulations 2015) which exceed the relevant Threshold, the full extent of the Regulations will not apply and a "Light Touch" regime shall be adopted. The Lead Officer must contact CPU before proceeding with this type of tender.

Evaluation Criteria

Evaluation Panel

- 8. Preparation for Quotations (£25,000-£75,000) and Tenders (over £75,000)**
- 8.1.** Before undertaking any Tendering Procedure (or Quotation above £25,000) a Lead Officer shall:-
 - 8.1.1.** ensure that a Specification, which will form the basis of the Contract, has been prepared,
 - 8.1.2.** establish the Evaluation Criteria to be used to select the successful bidder(s) from among those who tendered or submitted a quote.
 - 8.1.3.** establish an Evaluation Panel,
- 8.2.** A statement setting out the Evaluation Criteria to be used shall be included in the tender/quotation documentation together with the relevant weightings. These criteria must at all times be open, transparent, non-discriminatory and proportionate.
- 8.3.** Contracts must be awarded on the basis of “Most Economically Advantageous Tender” (MEAT) with the option of assessing the best price-quality ratio, or lowest price only. The award criteria must be linked to the subject matter of the contract and may include life-cycle costing, qualitative, environmental and/or social aspects.
 - 8.3.1.** Evaluation criteria of all Authority led exercises above £25,000 needs to ensure that at least 60% is based on Price. Where this is inappropriate then the agreement of the Director of Corporate Services must be sought in writing.
 - 8.3.2.** Arrangements involving Specialist Education and Social Care commissioning will be at the discretion of the responsible Director.
- 8.4.** The Lead Officer shall establish a group of Officers to undertake the evaluation exercise which shall normally remain constant throughout the process and shall possess the necessary qualifications and/or expertise to advise the Lead Officer on all appropriate issues.
 - 8.4.1.** For all Tenders above the Procurement Threshold a Principal Procurement Officer from CPU will lead the Tender Evaluation Panel.

Financial Assessments

8.5. The Authority's Finance team must be consulted prior to commencing a tender exercise to determine the appropriate level of financial assessment required, both at the tender stage and throughout the duration of the subsequently awarded framework/contract (where appropriate). Suitably qualified officers within the finance team must undertake all appropriate financial assessments as part of the Procurement Process.

Insurances

8.6. The Authority's Risk Management team shall be consulted to determine the appropriate type and level of Insurance Protection (e.g. Employers' Liability, Public Liability, Professional Indemnity etc) to cover the Authority's potential liability which must be maintained for the duration of the Contract / Framework.

8.7. The Lead Officer shall consider whether a Bond is appropriate for any contract.

Specification

8.8. Procurements should be based upon a definite specification; and the Lead Officer should ensure that any quotation or tender exercise is undertaken in accordance with all relevant corporate policies. Quality factors should as far as possible be built in to the specification, which must be proportionate and appropriate for the goods, works or services to be purchased and clearly sets out the minimum standards that the Authority will require.

Net Zero Carbon / Sustainability

8.9. The Lead Officer shall include suitable provisions in the tender documentation as to how they can reduce the carbon impact of goods/services or works as appropriate. In any tender/quotation valued over £25,000 the Lead Officer must consider taking social, economic and environmental issues into account using a Sustainable Risk Assessment Template (SRA). CPU shall be consulted prior to any tender/quotation/call-off to agree the approach.

Community Benefits

8.10. The Lead Officer must apply a Community Benefits approach to all appropriate procurements. In any tender valued over £1million the Lead Officer must, as a minimum, apply, capture and record Community Benefits utilising the Welsh Government's Community Benefits Measurement Tool. CPU shall be consulted prior to any tender/quotation/call-off to agree the approach.

Pre-Market Consultation

8.11. The Lead Officer may conduct market consultations before starting a procurement exercise with a view to preparing the procurement and informing prospective tenderers of the procurement plans and requirements. CPU must be notified prior to any pre-market consultations whereby support is available.

- 8.12.** The Lead Officer may conduct market briefings once a Tender advert has been placed to inform prospective tenderers of the content and approach for the forthcoming tender. This engagement is intended for information purposes only and Lead Officers/Procurement Officers are not in a position to be able to answer any questions relating to the tender at the event. CPU must be notified prior to any market briefings whereby support is available.

9. The Procurement Process

9.1. Submission of Tenders (above £75,000)

(For Quotations below £75,000 please refer to 7.1).

The Authority's preferred method of tendering is by electronic means.

e-Tender

9.1.1. Electronic Tendering (e-Tender)

Requests for invitations to tender should be transmitted by electronic means using the e-Tender portal. This will ensure that:

(a) the e-Tender portal will only be available for the submission of tenders up to the stated deadline time and date. The date and time of each Tender received within the e-Tender portal will be recorded electronically.

(b) e-Tenders submitted are kept secure in the portal which is not opened until the deadline has passed for receipt of Tenders or Quotations.

Any tender which is received after the date and time appointed for receipt of tenders shall not be considered but shall be retained unopened on the portal until after a tender has been accepted, however any such tender may be opened and considered:-

- if no other tender has been received, or
- where no other tender is acceptable, provided the late tender was received before the unacceptable tenders were opened.

However, if the contract value is above Threshold, you can only consider the late tender if every other tender received is 'unsuitable' (as defined in regulation 32(3) of the Public Contracts Regulations 2015) and provided you do not make any substantial alterations to the contract as advertised.

9.1.2. In exceptional circumstances the Lead Officer may decide to accept hard copy tendering as an alternative. The Leads Officer must contact CPU for further guidance.

9.2. Opening of Tenders

All tenders submitted in pursuance of these Contract Procedure Rules shall be opened only after the expiration of the time limit for their delivery.

Tender submissions will be accessed once the tender deadline has passed by an officer of the Corporate Procurement Unit or an officer from within a department who has been granted access to the portal.

9.2.1. No adjustment or qualification to any tender(s) is permitted (save to the extent permitted when using the Competitive Dialogue procedure, or to the extent you have reserved the right to negotiate in the procurement of a concession contract). Errors found during the examination of tenders shall be dealt with in one of the following ways:-

9.2.1.1. If an arithmetical error is found the tenderer shall be given the opportunity to correct the error(s) save that, other than genuine arithmetic error(s), no other adjustment revision or qualification is permitted.

9.2.1.2. If the error is not arithmetical the tenderer shall be given details of the error(s) and shall be given the opportunity of confirming without amendment or withdrawing the tender.

9.3. Where in the opinion of the Lead Officer the tender appears to be abnormally low in value, in accordance with the Public Contracts Regulations 2015 the Lead Officer is required to request the tenderer(s) to explain the price or costs proposed in a tender where it appears to be abnormally low. CPU must be consulted for guidance.

9.4. Evaluation and Acceptance of Tenders

9.4.1. Where tenders have been received and opened in accordance with these Contract Procedure Rules the Lead Officer shall, in conjunction with the tender evaluation panel, examine the tenders received in accordance with the pre-determined evaluation criteria and shall identify the tender or tenders which represents best value for money, ie the most economically advantageous offer(s) (in terms of quality and price) to the Authority, except where lowest price was pre-determined to be the appropriate criteria.

9.4.2. The Lead Officer must give due regard to and abide by the principle of the Authority's Constitution which only allows officers employed by the Authority to score in Tender evaluations.

9.4.3. For Procurement Tender Exercises subject to / governed by / with a Joint Governance Committee, a cross-section of officers from other Public Sector bodies, subject to those bodies obtaining their own prior approvals, may sit on the Authority's Tender evaluation panel and score.

9.4.4. Provided that the appropriate budgetary provision is available the Lead Officer may accept a tender, more than one tender, or part(s) of a tender.

9.5. No negotiations on fundamental aspects of contracts which might materially affect the tender specification, and which are likely to distort competition shall be carried out.

Discussions can only be carried out with tenderers for the purpose of clarifying their bids and must not involve discrimination against any tenderer.

9.6. For Contracts above the Threshold and subject to the Public Contract Regulations 2015 any award must be subject to a minimum standstill period of 10 calendar days between communication of intention to award decision and the award of the contract. CPU can offer guidance and templates.

9.7. The Lead Officer shall retain all records and documents relating to a quotation or tender exercise in accordance with the Public Contracts Regulations 2015, the Authority's Document Retention Schedule (on the Intranet) and any other requirements imposed by or agreed with external funding bodies.

9.8. Use of Consultants

- 9.8.1.** Where the Authority uses consultants to act on its behalf to conduct any procurement, the Lead Officer must contact CPU to agree the approach. The consultant(s) must carry out the tender exercise in accordance with these Contract Procedure Rules and the decision to award is the responsibility of the Lead Officer.
- 9.8.2.** All contracts for external consultants and advisors shall explicitly require that the consultants or advisors provide without delay any or all documents and records maintained by them relating to the services provided on request of the Lead Officer, and lodge all such documents and records with the Lead Officer at the end of the contract.
- 9.8.3.** The Lead Officer shall ensure that any consultant working for the Council has appropriate indemnity insurance for the duration of the contract.

10. Contract Award

10.1. In line with the Public Contracts Regulations 2015, the Lead Officer must prepare a Tender Evaluation Report for every contract, framework agreement and mini-competition awarded above the Threshold. The written report must document all key decisions throughout the tendering process. A standard Evaluation Report template is available from CPU.

10.2. CPU must be advised of all contracts entered into for inclusion onto the Contracts Register.

10.3. Contract Terms and Conditions

10.3.1. Contracts shall be entered into on the Authority's terms and conditions which shall be included with each Invitation to Tender. Exceptions to this Rule must be approved in writing by the Monitoring Officer.

10.3.2. A contract on the contractor's own standard terms and conditions, or terms which are significantly different to those included or referred to at tender stage is not permitted under these rules unless approved in writing by the Monitoring Officer.

10.3.3. The rules relating to technical specifications mean that any reference to a technical standard, make or type shall be prefaced with the words "or equivalent".

10.3.4. Every contract the value or amount of which exceeds £75,000, shall be in writing and signed by at least two officers, or (at the discretion of the Monitoring Officer) have affixed the common seal of the Authority and shall detail:-

- the goods services or works to be supplied or carried out;
- the price to be paid together with a statement as to the amount of any discount or other deduction;
- the period within which the contract is to be completed and
- such other conditions and terms as may be agreed between the parties.

10.3.5. The contract will contain a clause requiring the contractor to obtain the written permission of the Lead Officer before assigning or sub-letting the contract or any part of it, other than as specifically allowed under the terms of the contract.

10.3.6. Where relevant International, European or British Standard specifications or standard codes of practice are available and current at the date of tender, the contract will require all goods, services or works used or supplied to be at least in accordance with that standard.

10.3.7. Every contract must state that if the contractor fails to comply with its contractual obligations in whole or in part, the Authority may:-

- cancel all or part of the contract;
- complete the contract;
- recover from the contractor any additional costs in completing the contract;
- take other legal action against the contractor.

and to this end the Lead Officer shall ensure that the obligations of the contract are monitored.

10.3.8. Every written contract must state that the contractor will comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010.

10.3.9. The contractor shall be required to indemnify the Authority against:-

10.3.9.1. any claim in respect of employers' liability against the Authority or the contractor by any employees of the contractor or any sub-contractor; and

10.3.9.2. any claim for bodily injury to, or damage to property of, third parties, and

10.3.9.3. The contractor shall maintain appropriate insurance to a level to be agreed (see CPR 8.6) and when requested shall produce satisfactory evidence of the maintenance of such insurance.

11. Contract Management

11.1. After the Contract has been awarded a Contract Manager (if different to the Lead Officer) must be identified who will manage the day to day aspects of the contract for its term. An appropriate contract management plan must be agreed upon award and advice sought from CPU. A Contract Management Guidance document is available on the Intranet

11.2. Contract Extensions

11.2.1. A contract may be extended subject to the following conditions;

- where the original tender document and subsequent contract included provision for an extension to the contract and;
- specified the duration or the maximum duration of the potential extension then the contract may be extended and;
- if the Lead Officer is satisfied that the current provider offers best value for money and a quality service/goods/works.

11.2.2. A Contract Extension form must be signed off by Head of Service prior to any extension being taken up. Contact CPU for the template.

12. Exceptions and Waivers to Requirements of Competition

CPR 12 sets out the circumstances in which you are able to award a contract directly to a contractor without running a competition, also known as a Single Tender Action.

Please also see CPR 13 which sets out the circumstances in which you are permitted to modify or extend the term or scope of an existing contract without running a new competition.

The Section 151 Officer and Monitoring Officer have delegated authority to the Head of Revenues and Financial Compliance and the Legal Services Manager to consider, and approve as required, exceptions and waivers to competition (clause 12) and modification of contracts (clause 13) up to the value of £75,000.

12.1. Lead Officer Decision (Up to the Threshold Value)

12.1.1. Provided that a proposed contract complies with all other relevant Contract Procedure Rules, Procurement Guidance or Financial Procedure Rules, the tendering procedures need not apply to the following:-

12.1.1.1. Any legal advice, service or representation provided by Counsel or a solicitor.

12.1.1.2. purchases made by the Authority in conjunction with another public body in accordance with the terms of any Contracts or Framework Agreements entered into by or on behalf of any consortium association (including All Wales Public Sector arrangements) or similar body provided that the procedures followed are in accordance with a method prescribed or adopted by the consortium, association or similar body (see CPR 5.5.1).

12.1.1.3. purchases, works and services required by the Lead Officer for the following purposes:-

- to prevent danger or injury to Authority staff or members of the public;
- to prevent damage or serious deterioration to land buildings or plant;
- to maintain essential services;

- to avoid enforcement action against the authority for non-compliance with some statutory provision;
- to make land or property secure against unauthorised access or use;
- for any other purpose where the Authority or the public will be seriously prejudiced if such purchases works or services are not arranged urgently;
- provided that the requirement for goods, works or services is strictly necessary for reasons of extreme urgency brought about by unforeseeable events where the time limits for a procurement exercise cannot be complied with. A procurement in accordance with these Contract Procedure Rules should be instigated at the earliest opportunity thereafter.

12.1.1.4. works or services to statutory undertakers apparatus where affected by major works where legislation provides that such works must be carried out by the statutory undertaker.

12.2. Head of Revenues and Financial Compliance & Legal Services Manager Decision (Up to £75,000)

12.2.1. The Lead Officer shall seek approval from the Head of Revenues and Financial Compliance and the Legal Services Manager for any exception proposed under this CPR 12.2 prior to embarking upon the alternative procedure or, if this is not possible, as soon as possible thereafter :-

12.2.1.1. the purchase of proprietary or patented goods, services or works are obtainable only from one firm and where no reasonably satisfactory alternative is available;

12.2.1.2. the purchase of named goods, services or works required to be compatible with an existing installation as authorised by the Lead Officer;

12.2.1.3. the execution of works or provision of goods, services or works of a specialised nature which in the opinion of the Lead Officer must be carried out by a particular provider because no reasonably satisfactory alternative is available;

12.2.1.4.the purchase of a work of art or museum specimen as authorised by the Lead Officer;

12.2.1.5.Contracts entered into by the Authority as agents for a Department of State, Welsh Government or any other local or public authority provided that the Authority follows the procedures of such department or authority;

12.2.1.6.any other exceptions and waivers to these Rules shall only be given in exceptional circumstances and will be authorised by the Head of Revenues and Financial Compliance and Legal Services Manager following submission of a written justification by the relevant Lead Officer;

12.2.1.7. For exceptions required from within the Head of Revenues and Financial Compliance's service area, approval will be required from the Head of Financial Services instead.

12.3. Monitoring Officer and Section 151 Officer Decision (Above £75,000 and up to Threshold Value)

12.3.1. The Lead Officer shall seek approval from the Monitoring Officer and Section 151 Officer for any exception proposed under this CPR 12.3 prior to embarking upon the alternative procedure or, if this is not possible, as soon as possible thereafter :-

12.3.1.1. the purchase of proprietary or patented goods, services or works are obtainable only from one firm and where no reasonably satisfactory alternative is available;

12.3.1.2. the purchase of named goods, services or works required to be compatible with an existing installation as authorised by the Lead Officer;

12.3.1.3. the execution of works or provision of goods, services or works of a specialised nature which in the opinion of the Lead Officer must be carried out by a particular provider because no reasonably satisfactory alternative is available;

12.3.1.4.the purchase of a work of art or museum specimen as authorised by the Lead Officer;

12.3.1.5.Contracts entered into by the Authority as agents for a Department of State, Welsh Government or any other local or public authority provided that the Authority follows the procedures of such department or authority;

12.3.1.6. any other exceptions and waivers to these Rules shall only be given in exceptional circumstances and will be authorised by the Monitoring Officer and Section 151 Officer following submission of a written justification by the relevant Lead Officer.

12.4. Monitoring Officer and Section 151 Officer Decision (Above Threshold value)

Exceptions and waivers over the Threshold value must be approved by department's DMT before the request is submitted via the online system.

12.4.1. Where a Negotiated Procedure without Prior Publication is proposed (see regulation 32 of the Public Contracts Regulations 2015) the Lead Officer will be required to seek approval from the Monitoring Officer and Section 151 Officer.

12.4.1.1. Negotiated Procedure without Prior Publication can only be used in the following cases: -

(a) where no tenders, no suitable tenders, no requests to participate or no suitable requests to participate have been submitted in response to an open procedure or a restricted procedure, provided no substantial alternations are made to the contract as it was advertised.

(b) where the works, suppliers or services can be supplied only by a particular economic operator for any of the following reasons: -

- (i) the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance,
- (ii) competition is absent for technical reasons,
- (iii) the protection of exclusive rights, including intellectual property rights.

But only, in the case of paragraphs (ii) and (iii) where no reasonable alternative or substitute exists, and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement;

(c) insofar as is strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the

contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with;

(d) where you require additional goods from the original contractor as a partial replacement for, or an extension to, existing goods or installations and a change of supplier would result in the Authority having to acquire goods with different technical characteristics which would result in incompatibility or disproportionate technical difficulties in operation and maintenance. Any contract awarded for this reason must not exceed 3 years without approval from the Monitoring Officer and Section 151 Officer.

12.4.2. Any exceptions and waivers to these Rules above the Threshold (outside of 12.4.1) must be referred to the Monitoring Officer and Section 151 Officer via the online Exception Reporting System and these will then be referred to the Corporate Management Team (CMT).

12.5. Single Tender Action Reporting (Above £75,000)

12.5.1. The Section 151 Officer will prepare a retrospective report to the Authority's Governance and Audit Committee for all Single Tender Actions (exceptions granted above £75,000 under clauses 12.3 or 12.4 above) and the subsequent procurement activity undertaken.

12.6. Exception Reporting

12.6.1. All exceptions must be reported to CPU for consideration prior to submission for approval via the online Exception Reporting System, and will be recorded on the Contracts Register.

13. Modification or Extension of Existing Contracts

13.1. Provided the Lead Officer obtains the appropriate approval as set out in CPR 13.3, changes to an existing contract or framework above Threshold, or an extension to the term or scope of an existing contract or framework, in any of the following circumstances:-
(NB: this clause is not applicable to call-off contracts from existing frameworks or where the contract or framework terms and conditions lay out permitted changes).

13.1.1. Where the original tender document or contract contained a clear, precise and unequivocal clause allowing for the change and setting out the circumstances in which the change may be made, provided the change does not alter the overall nature of the contract;

13.1.2. Where additional works, services or goods have become necessary and the following three conditions are satisfied:

- (a) a change of contractor cannot be made for economic or technical reasons, such as for reasons of interchangeability or interoperability with existing equipment, services or installations supplied under the contract as originally awarded; and
- (b) a change of contractor would cause significant inconvenience or substantial duplication of costs for the Authority; and
- (c) any increase in price does not exceed 50% of the original contract value;

There is a requirement to publish details on the Find a Tender Service where you modify a contract relying on this exemption.

13.1.3. Where the modification is required as a result of circumstances which a diligent contracting authority could not have foreseen, provided the modification does not alter the overall nature of the contract and any increase in price does not exceed 50% of the original contract value;

There is a requirement to publish details on the Find a Tender Service where you modify a contract relying on this exemption.

13.1.4. Where the value of the modification is below the relevant Threshold for the contract, and also less than 10% of the original contract value (in the case of a contract for services or goods) or less than 15% of the original contract value (in the case of a contract for works), provided that the modification does not alter the overall nature of the contract;

13.1.5. Where the proposed modifications are not substantial, meaning that they do not do any of the following:

- (a) render the contract materially different in character;
- (b) introduce changes which, had they been included in the original procurement, would have allowed for the admission of other candidates, the acceptance of a different tender or attracted additional participants;
- (c) change the economic balance of the contract in favour of the contractor;
- (d) extend the scope of the contract considerably; or
- (e) replace the existing contractor (save as permitted by CPR 13.1.6);

13.1.6. Where the original contractor is replaced by a new contractor and either:

- (a) this is in accordance with CPR 13.1.1; or
- (b) the new contractor steps into the position of the old contractor as a result of a corporate restructuring, acquisition or insolvency, provided the new contractor meets the selection criteria set out in the original procurement exercise and provided there are no other substantial modifications to the contract.

13.2. Provided the original value of the contract was below the relevant Threshold and provided you obtain the appropriate approval as set out in CPR 13.3, you can also make changes to an existing contract, or extend the term or scope of an existing contract, in any of the following circumstances:

13.2.1. Where the need for a modification has been brought about by circumstances which could not have been foreseen.

13.3. The approvals you need to make changes in accordance with either CPR 13.1 or CPR 13.2 are as follows:

13.3.1. If the original value of the contract was **£10,000** or less, provided the Lead Officer is satisfied that the modification represents value for money there is no requirement to obtain approval for modifications worth up to **£10,000**.

13.3.2. If the original value of the contract was above **£10,000** and the contract was awarded using a competitive procedure which fully complied with these Contract Procedure Rules, the Lead Officer must obtain approval from:

(a) the Head of Revenues and Financial Compliance and Legal Services Manager if the value of the modification will not exceed £75,000; and

(b) the Monitoring Officer and Section 151 Officer if the value of the modification will exceed £75,000;

Where a series of modifications are made to a contract, for the purposes of working out which approval is required under CPR 13.3.2 the value of any previous modifications must be added to the original contract value.

13.3.3. If the original value of the contract was above **£10,000** and not awarded using a competitive procedure which fully complied with these Contract Procedure Rules, the Lead Officer must comply with Clause 12 – Exceptions and Waivers to Requirements of Competition.

13.4. Modification Reporting

13.4.1. All Modifications must be reported to CPU for consideration prior to submission for approval via the online Exception & Modification Reporting System.

14. Review

- 14.1.** The Corporate Procurement Unit shall continually review these Contract Procedure Rules and shall undertake a formal review every three years. Any amendments shall be subject to approval by the Authority's Governance and Audit Committee.

15. APPENDIX 1 - Definitions & Interpretations

Abnormally Low Tender	For the purposes of these rules abnormally low shall be taken to mean a Tender whose price is considered significantly lower than most of, or the average of all tenders in the same Tender exercise.
Aggregation	Adding together the value of separate contracts for the same supply, service and works.
Approved List	An approved/select list presents a significant risk to the Authority and is not recommended as an acceptable procurement practice. Prior approval from Monitoring Officer and Section 151 Officer must be sought prior to the set up or adoption of an approved/select tender list.
Authority	All references to the Authority in these Contract Procedure Rules shall include the Governing Body of each school falling under the jurisdiction of the Authority as the Local Education Authority if relevant.
Bond	A bond is intended to protect the Council against a level of cost arising from a contractor's failure.
Community Benefits	Through the Tender exercise, seeking to promote additional opportunities which will benefit the wider community. This might include training and employment opportunities, improved supply-chain opportunities, increased educational contributions and/or community initiatives.
Contract	Any agreement (whether or not in writing) between the Authority and one or more other parties for:- <ul style="list-style-type: none"> • the sale of goods or materials; • the supply of goods or materials; • the execution of works • the provision of services (including accommodation and facilities).
Contract Management	Ensuring that the right contractual agreement for an organisation is established and managed in the most effective manner, enabling both parties to fully meet their obligations providing the right quality of service/product, on time, within budget and compliant with specification requirements.
Contract Modification	The Public Contracts Regulations (PCR) 2015 provide clarity about the extent to which a contract can be amended after award without the need to re-advertise on Sell2Wales. See PCR (2015) Regulation 72 which outlines the detail and see CPR 13.
Contractor	see Supplier

Contract Register	A register of awarded contracts and frameworks within the Authority, held by CPU.
Corporate Contract	Contracts for Goods/Works or Services that are in place for use by all departments of the Council. These contracts enable Officers to acquire products/services efficiently and effectively.
Corporate Procurement Unit (CPU)	The Authority's Corporate Procurement Unit (CPU) provides advice, support and guidance on Procurement.
Dynamic Purchasing System	A procurement tool which is completely electronic and used for making commonly used purchases allowing new suppliers to join at any time.
e-Auction	An e-Auction (electronic auction) is an electronic marketplace between buyers and bidders, utilised as part of the costing criteria of the tender evaluation.
Framework Agreement	An agreement between one or more authorities / public bodies and one or more economic operators, to establish the terms governing contracts to be awarded during a given period (call-offs).
Lead Body	Any Body which the Authority is legally allowed to procure with or through, including Central Government Departments, other Local Authorities and other public sector bodies e.g. NPS.
Lead Officer	The Lead Officer (LO) shall be responsible for the procurement process and following award will be the primary link between the Authority and the relevant supplier. The LO shall be responsible for the management of that contractual arrangement and ensuring that the price(s) paid is/are in accordance with the terms of the contract
Light Touch Regime	The new light-touch regime (LTR) is a specific set of rules for certain service contracts that tend to be of lower interest to cross-border competition. Those service contracts include certain social, health and education services, defined by Common Procurement Vocabulary (CPV) codes as outlined in Schedule 3 of the Public Contracts Regulations (2015).
Mini Competition /Call-off	A mini competition is the process followed to place a call-off contract under a framework agreement where the best value supplier has not been specified in the original terms of the framework agreement. All suppliers within the original framework agreement are invited to submit bids against the original terms.
Monitoring Officer	The Monitoring Officer is the officer designated by the Authority in accordance with the provisions of Section 5 of the Local Government and Housing Act 1989. This role is currently undertaken by the Head of Administration and Law.

Most Economically Advantageous Tender (MEAT)	The tender that will bring the greatest benefit to the Authority having taken a number of factors into consideration, including quality and price
National procurement Service (NPS)	The National Procurement Service (NPS) for Wales, hosted by the Welsh Government, works collaboratively with public sector member organisations to set up collaborative arrangements in common and repetitive spend areas.
Quotation	A quotation based on price and any other relevant matter, without the issue of a formal tender.
Section 151 Officer	The officer designated by the Authority under Section 151 of the Local Government Act 1972. This role is currently undertaken by the Director of Corporate Services.
Single Tender Action	Single Tender Action is only to be used in rare and exceptional circumstances and is broadly defined as procurement for which no competition is sought or where competition is not available in the marketplace. This definition applies to all single tender actions above the tender Threshold.
Standstill	The minimum period which must elapse between notification of an award decision and the award of the contract. In the UK the standstill period is 10 days.
Supplier	A supplier of works, goods or services to the Council.
Tender	An economic operator's proposal submitted in response to an invitation to Tender.
Tender Evaluation Panels	A group of Officers appointed by the Lead Officer to undertake the tender evaluation exercise for a contract or Framework. The group of officers in question shall normally remain constant throughout the process and shall possess the necessary qualifications and/or expertise to advise the Lead Officer on technical, procurement, legal, financial, policy and staffing issues.
Tender Procedures	Open - All eligible applicants are invited to tender in a one-stage procurement process.
	Restricted - Only eligible applicants who meet the client authority's criteria are invited to tender in a two-stage procurement process.
	Competitive Procedure with negotiation - This allows the contracting authority flexibility around whether to negotiate - it is possible to reserve the right (by stating this in the advertisement) not to negotiate and to simply award the contract based on initial tenders submitted.

	<p>Competitive Dialogue - Permits discussion of different options before choosing a particular solution. It can be used in complex contracts where technical solutions are difficult to define or where development of the best solution is wanted. This procedure contains more flexibility around negotiation with the winning bidder (provided this does not modify the essential aspects of the contract or procurement or amount to a distortion of competition).</p>
	<p>Innovative Partnership – This process allows for the R&D and purchase of a product or service within the same single procurement process (with transparency and other safeguards built in to it).</p>
	<p>Negotiated Procedure without Prior Publication – This procedure can only be used in narrowly defined circumstances, e.g. where no tenders, no suitable tenders or no suitable requests to participate were submitted in response to an open or restricted procedure, or where for technical or artistic reasons, or the protection or exclusive rights, the contract can only be carried out by a particular supplier. This process should only be used in exceptional cases.</p>
	<p>Further detail on all the Procedures above is available in the Procurement Guidance (available on the Intranet) or by contacting CPU.</p>
<p>Threshold</p>	<p>The contract value for the type of contract concerned at which the Public Contracts Regulations 2015 or the Concession Contracts Regulations 2016 (as applicable) apply. These Thresholds are updated every two years.</p>

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GOVERNANCE & AUDIT COMMITTEE

29 SEPTEMBER 2023

GOVERNANCE & AUDIT COMMITTEE ACTION LOG		
Recommendations / key decisions required: To receive the report.		
Reasons: Action Log to inform Members of the actions to be progressed following previous meetings.		
Cabinet Decision Required: N/A		
Council Decision Required: N/A		
CABINET MEMBER PORTFOLIO HOLDER: Cllr A Lenny		
Directorate: Corporate Services Name of Head of Service: Helen Pugh Report Author: Caroline Powell	Designation: Head of Revenues and Financial Compliance Principal Auditor	Tel No.: 01267 246223 E Mail Address: HLPugh@carmarthenshire.gov.uk CaPowell@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 29 SEPTEMBER 2023

GOVERNANCE & AUDIT COMMITTEE ACTION LOG

Action Log to inform Members of the actions to be progressed following previous meetings.

DETAILED REPORT ATTACHED?	YES
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IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: H L Pugh – Head of Revenues and Financial Compliance

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	NONE	NONE	NONE	NONE	NONE	NONE

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: H L Pugh – Head of Revenues and Financial Compliance

1. Scrutiny Committee: Not Applicable
2. Local Member(s): Not Applicable
3. Community / Town Council: Not Applicable
4. Relevant Partners: Not Applicable
5. Staff Side Representatives and other Organisations: Not Applicable

CABINET PORTFOLIO HOLDER(S)
AWARE/CONSULTED: No

Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:

THERE ARE NONE

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Governance & Audit Committee - Action Log

Reference	Meeting Date	ACTION	PROGRESS	Responsible Officer(s)	Status
GAC - 2022/01	30/09/2022	The Ombudsman Letter and the Corporate Complaints Report to be brought to the same Committee meeting next year.	The Ombudsman Letter and the Corporate Complaints Report are due to be presented to the Committee at the same meeting, in September 2023.	Corporate Policy & Partnership Manager	Complete (29.09.2023)
GAC - 2022/02	30/09/2022	Annual Anti-Fraud and Anti-Corruption Report - the Committee requested that year-on-year comparable data be included in future reports.	The Annual Anti-Fraud and Anti-Corruption Report is due to be presented to the Committee in September 2023; comparable data will be included where this information is available.	Principal Auditor	Complete (29.09.2023)
GAC - 2022/06	17/03/2023	Payroll Staff Certification Exercise: Head of Revenues & Financial Compliance to send action notes of G&AC meeting to Payroll and Heads of Service to escalate the concerns expressed by the Committee in relation to the poor response to this exercise.	The Head of Revenues & Financial Compliance to contact Heads of Service when the next Payroll Staff Certification Exercise is undertaken, to escalate the concerns of the Committee.	Head of Revenues & Financial Compliance	Complete (01.09.2023)
GAC - 2022/07	17/03/2023	Cyber Security: Confidential position statement to be brought to the Committee in 6 month's time, to provide assurance that the questions raised within the Audit Wales Cyber Report are being satisfactorily addressed.	To be brought to the September meeting of the Governance & Audit Committee.	Chief Digital Officer	Complete (29.09.2023)
GAC - 2022/08	17/03/2023	Complaints Report: the Committee suggested that it would be useful to have comparative data within the report relating to the previous year. Further suggestions were also made to assist in improving the content of future Complaints Reports.	Complaints Report to be brought to the September meeting of the Governance & Audit Committee	Corporate Policy & Partnership Manager	Complete (29.09.2023)
GAC - 2023/01	14/07/2023	Audit Wales Report: Time For Change - Poverty in Wales The Committee requested that a progress update report be brought to the Committee in 6 months' time.	Progress Update Report on the Audit Wales Report: Time For Change - Poverty in Wales to be brought to the December meeting.	Corporate Policy & Partnership Manager	Due December 2023
GAC - 2023/02	14/07/2023	Annual Governance Statement (AGS) The Committee noted some suggestions for amendments to be made to the AGS.	Amendments will be made, as appropriate, to the document; the Final AGS will be presented to the Committee when the full Statement of Accounts is presented.	Head of Revenues & Financial Compliance	Due October 2023
GAC - 2023/03	14/07/2023	Internal Audit Charter The Committee noted that Section 14 should be updated to reflect that the Charter is to be updated every 2 years, rather than 'periodically' as is currently noted.	The amendment has now been made, with it being reflected within the Charter that the document will be reviewed every 2 years.	Principal Auditor	Complete (14.07.2023)

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2. DECLARATIONS OF PERSONAL INTERESTS.

Member	Agenda item	Nature of Interest
Mr M. MacDonald	5.4 - Dyfed Pension Fund Detailed Audit Plan 2023. 8. Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23.	Member of the Dyfed Pension Fund
Mrs. J. James	7. Statement of Accounts 2022/23.	A trustee of the National Botanic Garden of Wales
Cllr. K. Davies	5.4 - Dyfed Pension Fund Detailed Audit Plan 2023. 8. Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23.	Member of the Dyfed Pension Fund
Cllr. P. Warlow	5.4 - Dyfed Pension Fund Detailed Audit Plan 2023. 8. Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23.	Member of the Dyfed Pension Fund
Cllr. A. Evans	5.4 - Dyfed Pension Fund Detailed Audit Plan 2023. 5.6 – Audit Wales Follow-up Review: Overview and Scrutiny – Fit for the Future? 8. Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23.	Mother works in the Chief Executives Department - Democratic Services Unit.
Cllr. D. E. Williams	5.4 - Dyfed Pension Fund Detailed Audit Plan 2023. 8. Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23.	Member of the Dyfed Pension Fund and Chair of the Dyfed Pension Fund Committee
Cllr J. Williams	5.4 - Dyfed Pension Fund Detailed Audit Plan 2023. 8. Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23.	Member of the Dyfed Pension Fund

Note: These minutes are subject to confirmation at the next meeting.

Cllr K.V. Broom	5.4 - Dyfed Pension Fund Detailed Audit Plan 2023. 8. Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23.	Member of the Dyfed Pension Fund
Mrs Karen Jones	5.4 - Dyfed Pension Fund Detailed Audit Plan 2023. 8. Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23.	Member of the Dyfed Pension Fund
Cllr L. Davies	5.4 - Dyfed Pension Fund Detailed Audit Plan 2023. 8. Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23.	Member of the Dyfed Pension Fund

3. TO APPOINT A CHAIR FOR THE 2023/24 MUNICIPAL YEAR

UNANIMOUSLY RESOLVED that Mr D. MacGregor be appointed Chair of the Committee for the 2023/24 municipal year.

4. TO APPOINT A VICE CHAIR FOR THE 2023/24 MUNICIPAL YEAR

UNANIMOUSLY RESOLVED that Councillor G. Morgan be appointed Vice-Chair of the Committee for the 2023/24 municipal year.

5. TO CONSIDER THE FOLLOWING DOCUMENTS PREPARED BY AUDIT WALES:

The Chair welcomed Audit Wales representatives Mr Jason Blewitt, Ms Alison Lewis and Mr Derwyn Owen to the meeting.

5.1. ASSURANCE AND RISK ASSESSMENT PROGRESS UPDATE - FINANCIAL POSITION

The Committee considered a report presented by Ms Alison Lewis, Audit Wales Representative on the assessment undertaken of the Council's 2021-22 financial position between September and November 2022. The evidence was gathered through interviews and document reviews and included consideration of the Council's financial reserves position, the delivery of planned savings and performance against the planned budget for the year.

Note: These minutes are subject to confirmation at the next meeting.

It was noted that whilst the focus of the work was on the 2021-22 financial year, where appropriate, consideration had also been given to later financial information where this helped to contextualise the position.

It was stated that the Council had previously shown good financial sustainability and had planned to continue making efficiency savings to meet the identified future funding gap. While delivering planned future savings in an increasingly challenging financial climate represents a substantial ongoing risk to the Council it was noted that this was a national risk and not specific to Carmarthenshire County Council.

UNANIMOUSLY RESOLVED that the Audit Wales Assurance and Risk Assessment Progress Update – Financial position be noted.

5.2. ASSURANCE AND RISK ASSESSMENT PROGRESS UPDATE - CARBON REDUCTION

The Committee considered a report presented by Ms Alison Lewis, Audit Wales Representative on the assessment undertaken between May and August 2022 of the Council's arrangements to develop and deliver its Decarbonisation Plan. Evidence was gathered through interviews, document reviews and the Council's returned Call for Evidence for the Audit Wales Decarbonisation Baseline Review.

During consideration of the update, it was highlighted that the Council demonstrated a commitment to carbon reduction and had a published action plan, however this plan was not costed and did not identify the funding required to deliver the activity within the plan. In order to meet its net zero ambition, the Council would need to fully cost its action plan and ensure alignment with its financial plans.

In response to the concern raised the Head of Place & Sustainability advised the Committee that currently there wasn't an all-Wales model for costing the plan but that the council had developed a model in conjunction regional partners including Swansea City Council. In addition, several packages of work were underway and that a wider carbon reduction plan was in development and due for completion in April 2025.

It was stated that an all-Wales methodology was being developed in conjunction with partner organisations but this was still in its infancy.

The issues/observations raised by the Committee were addressed as follows:-

- It was clarified that the costs were based on Carmarthenshire Council's costs and that it was only the model and methodology that was developed in conjunction with Swansea City Council.
- It was re-iterated that the actions were aligned with the financial plan and would be reflected in all reports being considered by Cabinet .

Note: These minutes are subject to confirmation at the next meeting.

UNANIMOUSLY RESOLVED that:

5.2.2 the Audit Wales Assurance and Risk Assessment Progress Update – Financial position be noted.

5.2.3 Carmarthenshire County Council’s response to the recommendations of the report be noted.

5.3. 2023 AUDIT PLAN - CARMARTHENSHIRE COUNTY COUNCIL

The Committee considered the 2023 Audit Plan for Carmarthenshire County Council presented by Mr Derwyn Owen, Audit Wales Representative. It was noted that the Auditor General, as the auditor for the Carmarthenshire County Council, must discharge his statutory duties and obligations under the Public Audit (Wales) Act 2004 and the plan detailed the work to be carried out in order to discharge those responsibilities.

The plan set out the work intended to be undertaken to address the audit risks identified and other key areas of focus during 2023. It also set out the estimated audit fee, detailed the audit team and key delivery dates and planned outputs.

During consideration of the audit plan reference was made to the risks and the key delivery dates with the final report due to be finalised in November 2023.

In response to an observation regarding the use of technology, it was clarified to Members that the audit teams may make use of automated tools such as data analytics when performing their audit. Information may be requested in different format from previous audits but that there was on-going dialogue to ensure the most efficient and effective use of technology.

UNANIMOUSLY RESOLVED that the 2023 Audit Plan for the Authority be received and noted.

5.4. DYFED PENSION FUND DETAILED AUDIT PLAN 2023

[Note: Councillors K. Broom, K. Davies, D.E. Williams, L. Davies, J. Williams, A. Evans, Mrs K. Jones and Mr M. MacDonald declared an interest in this item but remained in the meeting during its consideration.]

The Committee considered the 2023 Audit Plan for the Dyfed Pension Fund that was presented by Mr Jason Blewitt, Audit Wales Representative. It was noted that the Auditor General, as the auditor for the Dyfed Pension Fund, must discharge his statutory duties and obligations under the Public Audit (Wales) Act 2004 and the plan detailed the work to be carried out in order to discharge those responsibilities. Accordingly, consideration was given to the audit team, fees and timetable.

UNANIMOUSLY RESOLVED that the 2023 Audit Plan for the Dyfed Pension Fund be noted.

Note: These minutes are subject to confirmation at the next meeting.

5.5. TIME FOR CHANGE - POVERTY IN WALES

The Committee considered a national report presented by the Audit Wales Representatives that looked at the challenge of poverty in Wales and how national and local government was responding. It was explained that the study and report was completed by the national studies team and was not specific to Carmarthenshire. The overall findings of the report highlighted that the scale of the challenges and weaknesses in the current work made it difficult for Welsh and Local Government to deliver the systematic change required to tackle and alleviate poverty.

The report included 8 recommendations focusing on the following key areas:

- National strategy and targets for tackling and alleviating poverty
- Local strategies, targets and performance reporting for tackling and alleviating poverty
- Leadership on the poverty agenda
- Improve the efficiency and effectiveness of grant-funded programmes
- Experience mapping to create inclusive services for people in poverty
- Single web landing page for people seeking help
- Streamlining and improving application and information services for people in poverty
- Complying with the socio-economic duty.

During consideration of the report the Corporate Policy, Performance & Partnership Manager provided an update on the Council's response to the recommendations. The Committee was advised that Councillor Linda Davies Evans was the Cabinet lead member responsible for tackling poverty, along side a Tackling Poverty Advisory Panel which consisted of cross party elected members that acted as a sounding board for the Cabinet in terms of advice and support. It was noted that during the last 12 months a working group had been established at a Head of Service level across the different service areas. Assurance was given that poverty was fully embedded in the Council's Corporate Strategy and within the Public Services Boards wellbeing plans.

The issues/observations raised by the Committee were addressed as follows:-

- It was clarified to Members that Audit Wales did not approve the action plan but that the Governance and Audit Committee would maintain assurance through the reporting and tracking of actions in response to the recommendations through the PIMS system.
- Regarding the approval of the Council's response to the antipoverty report it was confirmed that the Lead Director (in this case the Chief Executive) and the Cabinet had sight of the responses and recommendations to monitor progress against actions via the PIMS reporting system. The Committee requested that a further update report be provided at the end of the year.
- It was clarified that the April and May actions had been completed or that the initial work had been undertaken. It was noted that the Head of Regeneration, Policy & Digital was now the lead service director for this work.

Note: These minutes are subject to confirmation at the next meeting.

UNANIMOUSLY RESOLVED that:

- 5.5.1** the Audit Wales national report findings be noted.
- 5.5.2** Carmarthenshire County Council's response to the recommendations of the national report relevant to the Council be noted.
- 5.5.3** a progress report on the actions agreed by the Council be considered by the Committee at the end of the year.

5.6. FOLLOW-UP REVIEW: OVERVIEW AND SCRUTINY - FIT FOR THE FUTURE?

[Note: Councillor A. Evans had earlier declared an interest in this item and remained in the meeting during its consideration]

The Committee considered a report presented by Mrs Alison Lewis, Audit Wales Representative on the follow-up review: overview and scrutiny – fit for the future?

In June 2018 Audit Wales published a report 'Overview and Scrutiny Fit for the Future – Carmarthenshire County Council', which included six proposals for improvement for the Council to address. Audit Wales followed up the Council's progress with implementing these proposals for improvement during October – November 2021 as part of their ongoing Assurance and Risk Assessment work. It was thought that the Council had made some progress in addressing the previous proposals for improvement, but that further work was required to strengthen arrangements to assess the effectiveness and impact of the scrutiny function.

During consideration of the update the Head of Administration and Law advised that the report had been considered by the Cabinet and the Chairs and Vice Chairs of Scrutiny Forum in September 2022. It was stated three members of the Scrutiny Forum were also members of the Governance and Audit Committee. Audit Wales had also met with officers and Cabinet on the 13th September to discuss the report and separately with the Chairs and Vice Chairs of Scrutiny Forum on the 29th September 2022.

It was noted that on the 28th September 2022, Council resolved to amend the remit of the five scrutiny committees to align with the new Cabinet portfolios. Additionally, a pre-decision scrutiny approach had been implemented so that pre-cabinet would no longer be systematically referring reports to Scrutiny resulting in a more focused agenda.

With regards to assessing the effectiveness and impact of overview and scrutiny a survey had been conducted but only 14 out of 74 members had responded. Due to the lack of response the questionnaire was being revised and re-issued and was due for approval in September prior to it being re-distributed to members.

Note: These minutes are subject to confirmation at the next meeting.

The issues/observations raised by the Committee were addressed as follows:-

- It was clarified to Members that the Scrutiny Annual Report template had been updated but that the Chairs and Vice Chairs of Scrutiny Forum had requested further work and that the revised draft template would be considered by them in September.
- It was explained that the first step in assessing the effectiveness and impact of overview of scrutiny would be the updated questionnaire. The results will have to be assessed to establish if the process needs refinement. It was highlighted that what was of interest to scrutiny members was how many of their proposals and recommendations had been adopted by Cabinet.

UNANIMOUSLY RESOLVED that:

5.6.1 the Audit Wales report findings and recommendations be noted.

5.6.2 Carmarthenshire County Council's response to the recommendations of the report be noted.

6. ANNUAL GOVERNANCE STATEMENT 2022/23

The Committee reviewed the Council's Draft Annual Governance Statement (AGS) for the year ended 31 March 2023 which would accompany the Statement of Accounts to demonstrate the Authority's compliance with the CIPFA and SOLACE framework and its seven core principles of good governance.

The Chair noted that this item had also been previously considered by the Committee at a briefing session earlier in the week. The Head of Revenues and Financial Compliance advised that amendments identified at the briefing sessions such as the need to reflect that risk training had been addressed and the fact that the corporate risk register been identified as needing to be reviewed and improved would be reflected in the statement.

It was confirmed that the notes from the briefing would be circulated to members validating the changes that were agreed to be incorporated into the final Annual Governance Statement.

The Local Government and Elections (Wales) Act 2021 Act now placed a requirement upon Standards Committees to report on how well group leaders had complied with their duties in promoting compliance with the code of conduct by their group members. It was asked that this be included in the statement.

UNANIMOUSLY RESOLVED that subject to the inclusion of the foregoing, the Annual Governance Statement be endorsed.

Note: These minutes are subject to confirmation at the next meeting.

7. STATEMENT OF ACCOUNTS 2022/23

[Note: Mrs. J. James had earlier declared an interest in this item and remained in the meeting during its consideration]

The Committee considered the draft Statement of Accounts 2022/23 for Carmarthenshire County Council, which had been prepared in accordance with the Accounts and Audit (Wales) Regulations 2014 (as amended 2018).

This was a substantial document and had been considered at a briefing earlier in the week. In addition to the briefing earlier in the week, the Committee was provided with an overview of the salient points contained within the Statement of Accounts which summarised the financial position of the Authority for the year ended 31 March 2023.

The Director of Corporate Services detailed the movements which had been made to and from earmarked reserves in respect of transfers pertaining to the Major Development Fund, Modernising Education Programme (MEP) Capital Funding and the City Deal/ Pentre Awel Reserve. Accordingly, the Committee was requested to retrospectively approve those movements and the creation of the Deprivation of Liberty Safeguards (DoLS) Grant and Kidwelly Town Hall reserves.

Reference was made to the role of the Cabinet Member for Rural Affairs and Planning Policy as a trustee of the National Botanic Garden of Wales. The Director of Corporate Services explained that the Cabinet position as a trustee was historically a condition of a loan, but added that as the loan had been repaid, this may not be required, and that clarification would be sought.

UNANIMOUSLY RESOLVED that:

- 7.1 The Statement of Accounts 2022/23 be received.**
- 7.2 Retrospective approval be given for the movements to and from the Earmarked Reserves. In particular, the transfers to:**
- Major Development Fund
 - MEP Capital Funding
 - City Deal/Pentre Awel
- 7.3 Retrospective approval be given for the creation of the following reserves:**
- Deprivation of Liberty Safeguards (DoLS) Grant
 - Kidwelly Town Hall

8. PRE-AUDIT DYFED PENSION FUND STATEMENT OF ACCOUNTS 2022-23

[Note: Councillors K. Broom, K. Davies, D.E. Williams, L. Davies and J. Williams, A. Evans, Mrs K. Jones and Mr M. MacDonald declared an interest in this item.]

The Committee received for consideration the Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23. The report considered whether the financial

Note: These minutes are subject to confirmation at the next meeting.

statement gave a true and fair view of the financial position of the Dyfed Pension Fund as at 31st March, 2023 and its income and expenditure during that year.

It was noted that the Net Assets of the Fund had decreased by £100.1m from 2021-22 to 2022-23 and that this was mainly due to the decrease in market value of the investment assets. In relation to expenditure, Benefits Payable and Transfers Out increased by £8m to £103.95m. Income, Contributions and Transfers In had increased by £7.7m to £100.9m. Total membership of the Fund increased by 1,820 from 52,735 in 2021-22 to 54,555 in 2022-23 which was an increase of 3.45%.

In response to a concern regarding the significant increase in management expenses detailed in section 8 of the report, it was clarified to Members that the overwhelming amount was due to the Mercer fees (being the consulting actuary) and the costs of the triennial valuation which had impacted the 2022/23 accounts.

UNANIMOUSLY RESOLVED that the Pre-Audit Dyfed Pension Fund Statement of Accounts 2022-23 be received.

9. BURRY PORT HARBOUR FINANCIAL STATEMENT 2022-23

In accordance with the Accounts and Audit (Wales) Regulations 2014, and the delegated powers enshrined within the Local Government Measure, the Committee considered the 2022-23 accounting statement of the Harbour Authority.

Carmarthenshire County Council has a range of statutory powers and duties for the purposes of improving, maintaining, and managing the Burry Port harbour through the Burry Port Harbour Revision Order 2000.

The report referred to the Harbours Act 1964 which stipulated the requirement for Harbour Authorities to prepare an annual statement of accounts relating to harbour activities. In compliance with the Accounts and Audit (Wales) Regulations 2014, the accounts were presented in the form of a separate annual income and expenditure account and statement of balances.

The Committee was informed that the Authority had granted a long-term lease to the Marine & Property Group Ltd in April 2018, who had taken over the running and management of Burry Port Harbour; consequently, the activity on the statement was significantly reduced.

It was reported that the net cost of the harbour activities in 2022-23 amounted to £9k, and all activities were fully funded by Carmarthenshire County Council. The fixed assets held at 31st March 2023 totalled £867k. The report stipulated that the decrease in costs year on year of £678k was due to a reduction in capital works expenditure of £697k, together with a £19k decrease in income.

The Head of Financial Services advised members that the Marine & Property Group Ltd had gone into administration and that rental income would likely be at risk and that the income accrued may not come to fruition.

Note: These minutes are subject to confirmation at the next meeting.

UNANIMOUSLY RESOLVED that the audited Accounting Statement for Burry Port Harbour Authority for 2022-23 be approved.

10. INTERNAL AUDIT PLAN UPDATE 2022/23 AND 2023/24

The Committee considered a report which provided an update on the progress made on the implementation of the Internal Audit Plans for 2022/23 and 2023/24. It was reported that a completion rate of 96% had been achieved for 2022/23. The Committee duly reviewed the progress made in respect of the delivery of the audit programme.

In response to a request for an update on the vacancies within the Internal Audit team the Head of Revenues and Financial Compliance confirmed that the team was now fully resourced.

UNANIMOUSLY RESOLVED that The Internal Audit Plan update 2022/23 and 2023/24 be noted.

11. INTERNAL AUDIT ANNUAL REPORT 2022/23

The Committee considered the Internal Audit Annual Report for 2022/23 which provided an opinion by the Chief Audit Executive (Head of Revenues and Financial Compliance) on the adequacy and effectiveness of the Authority's control environment, based upon the delivery of the 2022/23 Internal Audit Plan approved by the Governance and Audit Committee. Accordingly, the report encapsulated the annual position of the audit work undertaken within the Authority during the reporting period in accordance with the provisions of the Public Sector Internal Audit Standards (PSIAS) and included comparable data.

The Committee noted that it was the overall opinion of the Head of Revenues and Financial Compliance that the Authority had an acceptable control environment in operation.

The report concluded that clear governance arrangements were in place, which comprised defined management responsibilities and committee structures, with a generally sound control framework which operated reasonably consistently. Reference was also made to the Authority's established Constitution, with developed policies and approved Financial Procedure Rules which provided advice and guidance to all staff and members. Consequently, the Head of Revenues and Financial Compliance was satisfied that sufficient assurance work had been carried out to allow her to form a reasonable conclusion on the adequacy and effectiveness of the Authority's internal control environment. Where weaknesses had been identified through internal audit review, appropriate corrective actions and a timescale for improvement had been agreed.

The Head of Revenues and Financial Compliance stated that she is responsible for ensuring the effective delivery of the Internal Audit function in accordance with the principles agreed with the Authority's Chief Financial Officer (Section 151 Officer) and in accordance with the Internal Audit Charter. Internal Audit reviews

Note: These minutes are subject to confirmation at the next meeting.

undertaken on functions headed by the Head of Revenues and Financial Compliance, could result in a potential conflict of interest arising from reporting lines. To mitigate this potential conflict of interest, reviews would be managed by the Principal Auditor, with the Head of Financial Services, who is outside of the Internal Audit activity, having oversight of these reviews.

UNANIMOUSLY RESOLVED that, in line with statutory requirements, the Internal Audit Annual Report for 2022/23 be received.

12. EXTERNAL QUALITY ASSESSMENT (EQA) OF THE INTERNAL AUDIT ACTIVITY

The Committee received the External Quality Assessment (EQA) of the Internal Audit activity report for consideration. The Public Sector Internal Audit Standards (PSIAS) required an external assessment of all internal audit services, which must be conducted at least once every five years by a qualified, independent reviewer from outside of the organisation.

The Head of Revenues and Financial Compliance advised that there were two possible approaches to external assessments outlined in the standard; these included either a full external assessment or an internal self-assessment, which is validated by an external reviewer. Members of the Welsh Chief Internal Auditor Group (WCIAG) elected to adopt the self-assessment approach, with Wrexham Council who was a member of the WCIAG undertaking the validation.

The assessment concluded that the Internal Audit service of Carmarthenshire Council conformed with the Standards in all significant areas and operated independently and objectively.

The results of the validation found that the Internal Audit Service of Carmarthenshire County Council was conforming to 300 out of the 304 of the best practice lines within the PSIAS requirements, with partial conformance in three areas and non-conformance in one area.

An Action Plan had been agreed to respond to the areas of partial and non-compliance and was detailed within the report. Members were assured that all non-conforming areas had been addressed.

UNANIMOUSLY RESOLVED that the External Quality Assessment (EQA) of the Internal Audit activity be endorsed.

13. INTERNAL AUDIT CHARTER

The Committee received an updated Council Internal Audit Charter for consideration; this encompassed the amendments required following the EQA. The Internal Audit Charter (2021-23) was endorsed by the Governance & Audit Committee on 24th September 2021; the Charter was to be reviewed every two years.

Note: These minutes are subject to confirmation at the next meeting.

The purpose of the Charter was to define what Internal Audit is and explain its purpose, authority and responsibility.

The Committee noted that the Charter had been written in accordance with the PSIAS and that the Internal Audit Charter would be reviewed every two years.

It was noted that item 14 - Review within the report would be aligned with the cover sheet and specify that the Charter would be reviewed every two years.

UNANIMOUSLY RESOLVED that the updated Carmarthenshire County Council Internal Audit Charter be endorsed.

14. CARMARTHENSHIRE COUNTY COUNCIL'S DRAFT ANNUAL REPORT FOR 2022/23

The Committee considered the draft Council Annual Report for the period 2022/23 which had been produced to meet the relevant provisions within the Well-being of Future Generations (Wales) Act 2015 and the Local Government and Elections Act (Wales) 2021.

It was noted that this was the first draft and there were sections where information was outstanding or awaited but these would be updated as they become available. The Annual Report was scheduled to be presented to Full Council at its meeting in October 2023.

The Committee was advised that the structure of the Annual Report was based on the new Council Well-being Objectives (4) as agreed in the Council's Corporate Strategy for 2022-27. As business plans for the 2022-23 period were based on the former 13 well-being objectives progress reports have been aligned on a 'best fit' model. Therefore, this was considered as a transition report as the Council moved to fully implementing the new Well-being Objectives for the 2023-24 period.

The Corporate Policy, Performance and Partnership Manager advised that the public consultation element of the work would close next week and the findings would be incorporated into further editions of the report. It was noted that due to the size of the report it could be difficult to find the relevant information, so discussions were on-going with Marketing and Media on the best way to present and communicate the information.

The Chair advised that members had already received a briefing on the document earlier in the week and had been afforded the opportunity to offer feedback on the draft report.

UNANIMOUSLY RESOLVED that the draft Council Annual Report for the period 2022/23 be received.

Note: These minutes are subject to confirmation at the next meeting.

15. CARMARTHENSHIRE COUNTY COUNCIL'S RISK APPETITE STATEMENT

The Committee considered the Council's Risk Appetite Statement. It was noted that the Council previously did not have a Risk Appetite Statement and that development of this was facilitated through Risk Appetite Workshops with both the Corporate Management Team and the Heads of Service in attendance.

It was noted that Risk Appetite provided a framework which enabled an organisation to make informed management decisions. The benefit of the statement included:

- Supporting informed decision making
- Reducing uncertainty
- Improving consistency across governance and decision making
- Supporting performance improvement
- Focus on priority areas
- Informing spending review and resource prioritisation.

In response to a question on how frequently the Risk Appetite Statement would be updated the Head of Revenues & Financial Compliance advised that it had been suggested that it be reviewed annually.

RESOLVED that Carmarthenshire County Council's Risk Appetite Statement be endorsed.

16. MINUTES OF RELEVANT GROUPS TO THE GOVERNANCE & AUDIT COMMITTEE:-

16.1. RISK MANAGEMENT STEERING GROUP 11TH MAY, 2023

UNANIMOUSLY RESOLVED that the minutes of the Risk Management Steering Group held on the 11th May 2023 be received.

16.2. GRANTS PANEL MEETING 3RD MARCH, 2023

UNANIMOUSLY RESOLVED that the minutes of the Grants Panel held on the 3rd March 2023 be received.

16.3. AGS ACTIONS UPDATE 4TH APRIL, 2023

UNANIMOUSLY RESOLVED that the AGS Actions Update as at the 4th April, 2023 be received.

Note: These minutes are subject to confirmation at the next meeting.

17. GOVERNANCE & AUDIT COMMITTEE ACTION LOG

The Committee considered the Governance and Audit Committee Action Log detailing the actions to be monitored/progressed following previous meetings.

In response to a query regarding the status column for GAC 2022/06 - Payroll Staff Certification Exercise, members were advised that the timescale were unknown at the present time but would be confirmed at the next update.

UNANIMOUSLY RESOLVED that the Governance and Audit Committee Action Log be received.

18. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE GOVERNANCE AND AUDIT COMMITTEE HELD ON THE:-

18.1. 17TH MARCH, 2023

RESOLVED that the minutes of the meeting of the Governance and Audit Committee held on the 17th March 2023 be signed as a correct record.

18.2. 31ST MARCH, 2023

RESOLVED that the minutes of the meeting of the Governance and Audit Committee held on the 31st March 2023 be signed as a correct record.

CHAIR

DATE

Note: These minutes are subject to confirmation at the next meeting.

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Agenda Item 12

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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Agenda Item 13

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Agenda Item 14

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