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FRIDAY, 23 SEPTEMBER 2022

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, 30TH SEPTEMBER, 2022** 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 - 3 Members

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

INDEPENDENT GROUP - 1 Members

Cllr. Giles Morgan (Vice-Chair)

LAY MEMBERS

Julie James
Malcolm MacDonald
David MacGregor (Chair)

AGENDA

1. APOLOGIES FOR ABSENCE.
2. DECLARATIONS OF PERSONAL INTERESTS.
3. TO CONSIDER THE FOLLOWING DOCUMENTS PREPARED BY AUDIT WALES:
 - 3 .1 AUDIT WALES WORK PROGRAMME UPDATE 5 - 24
 - 3 .2 NATIONAL REVIEW: DIRECT PAYMENTS FOR ADULT SOCIAL CARE 25 - 86
4. INTERNAL AUDIT PLAN UPDATE 2022/23 87 - 104
5. CARMARTHENSHIRE COUNTY COUNCIL'S CORPORATE RISK REGISTER 2022/23 105 - 180
6. ANNUAL ANTI-FRAUD AND ANTI-CORRUPTION REPORT 2021/22 181 - 194
7. OMBUDSMAN'S ANNUAL LETTER 2021/2022 195 - 210
8. FINANCIAL PROCEDURE RULES 211 - 262
9. REVISED CONTRACT PROCEDURE RULES 263 - 316
10. FORWARD WORK PROGRAMME 2022/23 317 - 324
11. MINUTES OF RELEVANT GROUPS TO THE GOVERNANCE & AUDIT COMMITTEE:
 - 11 .1 MINUTES OF THE CORPORATE GOVERNANCE GROUP 325 - 332
12. TO SIGN AS A CORRECT RECORD THE MINUTES OF THE GOVERNANCE AND AUDIT COMMITTEE HELD ON THE 15 JULY 2022 333 - 342

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GOVERNANCE & AUDIT COMMITTEE

30 SEPTEMBER 2022

AUDIT WALES WORK PROGRAMME UPDATE

Purpose:

To note the Audit Wales Work Programme Update.

Recommendations / key decisions required:

To note the Audit Wales Work Programme Update.

Reasons:

To note the Audit Wales Work Programme Update

Cabinet Decision Required NO

Council Decision Required NO

CABINET MEMBER PORTFOLIO HOLDER:

Cllr Alun Lenny

Directorate:
Corporate Services

Report Author:
Audit Wales

EXECUTIVE SUMMARY
GOVERNANCE & AUDIT COMMITTEE
30 SEPTEMBER 2022

AUDIT WALES –WORK PROGRAMME UPDATE

BRIEF SUMMARY OF PURPOSE OF REPORT.

To provide an update on the Audit Wales Work Programme.

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 2022

Annual Audit Summary

Description	Timetable	Status
A report summarising completed audit work since the last Annual Audit Summary, which was issued in January 2021	January 2022	Report issued.

Financial Audit work

Description	Scope	Timetable	Status
2020-21 Financial Audit work			
Audit of the Council's 2020-21 statement of accounts	To confirm whether the statement of accounts provides a true and fair view.	January 2021 to September 2021	Audit complete. Statement of Accounts signed by the Auditor General on 27 September 2021.

Description	Scope	Timetable	Status
2020-21 Financial Audit work			
Audit of the Pension Council's 2020-21 statement of accounts	To confirm whether the statement of accounts provides a true and fair view.	January 2021 to October 2021	Audit complete. Statement of Accounts signed by the Auditor General on 19 October 2021.
Audit of the 2020-21 Return for Burry Port Harbour	To confirm that the return has been completed correctly.	January 2021 to October 2021	Audit complete. Audited return signed September 2021.
Audit of the 2020-21 Return for Wales Pension Partnership	To confirm that the return has been completed correctly.	January 2021 to July 2021	Audit complete. Audited return signed July 2021.
Audit of the Swansea Bay City Deal 2020-21 statement of accounts	To confirm whether the statement of accounts provides a true and fair view.	January 2021 to July 2021	Audit complete. Statement of Accounts signed by the Auditor General in July 2021.
2020-21 Grant Claim Audit Work	Audit of claims as required by the terms and conditions of the grants.	In line with the individual deadlines for each grant claim	Audit work ongoing – queries outstanding on one claim.

Description	Scope	Timetable	Status
2021-22 Financial Audit work			
Audit of the Council's 2021-22 statement of accounts	To confirm whether the statement of accounts provides a true and fair view.	January 2022 to October 2022	Audit work ongoing.
Audit of the Pension Council's 2021-22 statement of accounts	To confirm whether the statement of accounts provides a true and fair view.	January 2022 to October 2022	Audit work ongoing.
Audit of the 2021-22 Return for Burry Port Harbour	To confirm that the return has been completed correctly.	January 2022 to October 2022	Audit work ongoing.
Audit of the 2021-22 Return for Wales Pension Partnership	To confirm that the return has been completed correctly.	January 2022 to July 2022	Audit complete. Audited return signed 29 July 2022.
Audit of the Swansea Bay City Deal 2021-22 statement of accounts	To confirm whether the statement of accounts provides a true and fair view.	January 2022 to July 2022	Audit complete. Statement of Accounts signed by the Auditor General on 29 July 2022.

Description	Scope	Timetable	Status
2021-22 Financial Audit work			
2021-22 Grant Claim Audit Work	Audit of claims as required by the terms and conditions of the grants.	In line with the individual deadlines for each grant claim.	Audit work due to start November 2022.

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 wellbeing 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>	<p>April 2021 – September 2022</p>	<p>Ongoing</p>
	<ul style="list-style-type: none"> • Financial position 	<p>To be done when outturn information available.</p>	<p>Complete</p>
	<ul style="list-style-type: none"> • Self-assessment arrangements • Recovery planning • Implications of the Local Government and Elections (Wales) Act 	<p>Draft letter issued to Council May 2022.</p>	<p>Complete</p>
	<ul style="list-style-type: none"> • Carbon reduction plans <p>We will also follow up on some of the proposals for improvement issued in earlier Audit Wales reports.</p>	<p>Work underway.</p> <p>Follow-up Review: Overview and Scrutiny Fit for the Future.</p>	<p>In progress</p> <p>Draft report issued to Council in July 2022.</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.	October 2021 – May 2022	Draft reports issued to the Council on asset management and workforce management in June 2022.

2022-23 Performance audit work	Scope	Timetable	Status
<p>Assurance and Risk Assessment</p>	<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. The project is likely to focus in particular on:</p> <ul style="list-style-type: none"> • Financial position • Capital programme management • Use of performance information – with a focus on service user feedback and outcomes • Setting of well-being objectives <p>We will also follow up on some of the proposals for improvement issued in earlier Audit Wales reports.</p>	<p>April 2022 – September 2023</p> <p>Follow-up review: Planning Services.</p>	<p>Ongoing</p> <p>Work underway.</p>

2022-23 Performance audit work	Scope	Timetable	Status
Thematic Review – Unscheduled Care	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.	July – December 2022	Scoping
Thematic review – Digital	This project will be scoped over the summer with further details of the specific focus of the review to be confirmed.	To be confirmed.	Scoping

Local government national studies planned/in progress

Study	Scope	Timetable	Status	Fieldwork planned at Carmarthenshire County Council
Poverty	Understanding how local authorities ensure they deliver their services to minimise or reduce poverty.	Autumn 2021 – Autumn 2022	Drawing Conclusions.	Yes – interview with nominated officer at the Council.
Social Enterprises	Review of how local authorities are supporting and utilising social enterprises to deliver services.	Autumn 2021 – Autumn 2022	Drawing conclusions.	Yes – interview with nominated officer at the Council.
Building Social Resilience and Self reliance	Review of how local authorities can build greater resilience in communities.	Autumn 2021 – Autumn 2022	Drawing conclusions.	Yes – interview with nominated officer at the Council.

Estyn

Estyn planned work 2022-23	Scope	Timetable	Status
<p>Local Government Education Services Inspections</p>	<p>Estyn inspected Anglesey and Swansea local government education services during the summer term. The reports will be published in August and early September. The Torfaen report was published on 18 May. Estyn will be reviewing the inspection guidance to reflect a greater emphasis on socio-economic disadvantage and inequity and to make minor tweaks in response to feedback from inspections in 2021-22.</p>	<p>Inspection guidance review – July. Published on website 1 September.</p>	<p>N/A</p>
<p>Curriculum Reform thematic review</p>	<p>The Welsh Government have also asked Estyn to review the school improvement services in south-west Wales.</p>	<p>Evidence collecting in June/July – published in September.</p>	<p>N/A</p>

Care Inspectorate Wales (CIW)

CIW planned work 2022-23	Scope	Timetable	Status
Programme 2022-23	CIW will continue to run its pilot cyclic programme of assurance checks, improvement checks and performance evaluation inspections.	April 2022 – March 2023	In progress
Development	CIW will continue to develop its approach to inspection and review of local authorities. CIW will consult further regarding its approach.	September 2022 – December 2022	In progress
Deprivation of Liberty Safeguards Annual Monitoring Report for Health and Social Care 2021-22	Following the publication of the 2020-21 report, planning is underway for the next report publication date to be confirmed.	Publication to be confirmed	Data collecting
Annual meeting with Statutory Directors of Social Services	CIW will meet with all Directors of Social Services	December 2022 and January 2023	Planning

CIW planned work 2022-23	Scope	Timetable	Status
National review of Care Planning for children and young people subject to the Public Law Outline pre-proceedings	<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>	September 2022	Planning
Joint Inspection Child Protection Arrangements	<p>Cross-inspectorate approach. Area to be determined. We will complete a further four multi agency joint inspections. We will publish a national report in late 2023.</p>	Autumn 2022 – Spring 2023	Planning
Cafcass Assurance Check	<p>CIW will continue to develop its approach to inspection and review of Cafcass Cymru. We will evaluate our approach and will consult on our revised approach in late 2022.</p> <p>Assurance check completed. Drafting letter. Due to be published August 2022</p>	<p>September – December 2022</p> <p>August 2022</p>	<p>Review</p> <p>Drafting</p>

Audit Wales national reports and other outputs published since January 2022

Report title	Publication date and link to report
Tackling the Planned Care Backlog in Wales – and waiting times data tool	May 2022
The new Curriculum for Wales	May 2022
Unscheduled care – data tool and commentary	April 2022
Direct Payments for Adult Social Care	April 2022
Local Government Financial Sustainability data tool	February 2022
Joint Working Between Emergency Services (including data tool)	January 2022

Audit Wales national reports and other outputs (work in progress/planned)¹

Title	Anticipated publication date
NHS finances data tool update	July 2022
Welsh Community Care Information System (Update for the Public Accounts and Public Administration Committee)	July 2022
COVID response and recovery/Welsh Government grants management – third sector support (Briefing for the Public Accounts and Public Administration Committee)	July 2022
Climate change – baseline review ²	July/August 2022
Sustainable Tourism in Wales’ National Parks ³	July 2022
Welsh Government setting of well-being objectives	July 2022

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. This includes maintaining some flexibility so that we can respond to developments in Welsh Government policy and areas of possible interest for the Public Accounts and Public Administration Committee.

² An initial overview report followed by a more detailed evidence paper.

³ Summary based on local audit work.

Title	Anticipated publication date
Collaborative arrangements for managing local public health resources	July 2022
Welsh Government workforce	August 2022
Orthopaedic services	August/September 2022
Equality impact assessment	August/September 2022
Quality governance in the NHS	September 2022
Flood risk management	September 2022
Cyber resilience	October 2022
Digital inclusion/Broadband infrastructure	October 2022
National Fraud Initiative (summary report)	October 2022
Welsh Government accounts commentary	To be confirmed – plans for this work have been under review
COVID-19 response and recovery – business support	To be confirmed
Affordable housing	To be confirmed

Good Practice Exchange resources

Title	Link to resource
<p>Direct Payments Provision – A webinar discussing our report on Direct Payments Provision and how they can be a key part in implementing the principles of the Social Service and Well-Being (Wales) Act 2014.</p>	<p>Direct Payments Provision webinar recording</p>
<p>Responding to the Climate Emergency in Wales A webinar discussing emerging findings from our baseline review of public bodies' arrangements to respond to the Welsh Government's carbon reduction targets for 2030.</p>	<p>Responding to the Climate Emergency in Wales recording</p>
<p>Covid Perspectives: A series of recorded conversations learning how organisations have adapted to the extended period of uncertainty following the initial covid emergency.</p>	<p>Good Practice Audit Wales</p>

Recent Audit Wales Blogs

Title	Publication date
<p>Direct Payments in Wales</p>	<p>15 June 2022</p>
<p>Unscheduled Care in Wales – a system under real pressure</p>	<p>21 April 2022</p>
<p>Skills Competition Wales</p>	<p>18 February 2022</p>

Title	Publication date
<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 AND AUDIT COMMITTEE

30 SEPTEMBER 2022

AUDIT WALES REPORT: DIRECT PAYMENTS FOR ADULT SOCIAL CARE

Recommendations / key decisions required:

1. To consider the findings and recommendations of the Audit Wales national report.
2. To approve the Carmarthenshire County Council response to the recommendations of the national report relevant to the Council.

Reasons:

We have a duty to consider and where appropriate respond to regulatory report recommendations.

Cabinet Decision Required: NO

Council Decision Required: NO

CABINET MEMBER PORTFOLIO HOLDER:- Cllr Jane Tremlett

Directorate: Communities

Designations:

Email addresses:

Name of Head of Service:
Alex Williams

Head of Integrated
Services

AlexWilliams@carmarthenshire.gov.uk

Report Author:
Alison Watkins

Senior Manager,
Commissioning

AJWatkins@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

GOVERNANCE AND AUDIT COMMITTEE 30 SEPTEMBER 2022

AUDIT WALES REPORT: DIRECT PAYMENTS FOR ADULT SOCIAL CARE

This national report looks at how Direct Payments are helping people to live independently. Direct Payments are an alternative to local-authority-arranged care or support and can help meet an individual's or a carer's need. They aim to give people more choice, greater flexibility and more control over the support they get.

The report looks at how Direct Payments help sustain people's well-being and whether they are improving quality of life. It also looks at how local authorities manage and encourage take up of Direct Payments and whether these services present value for money.

Whilst the report assesses the current position in relation to direct payments, it does not address any of their shortcomings. There is a national policy drive to increase direct payments, but a failure to recognise in the report that direct payments are not always the right option in all cases. In many cases, a direct payment will allow someone to have greater control and choice of the way in which they meet their assessed needs, but a direct payment also brings added responsibility on the person in terms of sometimes needing to be an employer and also taking responsibility when care arrangements fall down unexpectedly at short notice. For some, this added responsibility brings additional pressure and stress and a commissioned service might actually be the best option.

In addition, direct payments can at times have the unintended consequence of affecting the stability of an already fragile market as providers can charge higher prices using a direct payment and they can be used to circumnavigate normal commissioning routes. From a Carmarthenshire perspective, it is therefore disappointing to note that some of the challenges and shortcomings related to direct payments were not noted in the National Audit Office review.

The report makes 10 recommendations in total as follows.

To ensure people know about Direct Payments, how to access these services and are encouraged to take them up it is recommended that local authorities:

R1. Review public information in discussion with service users and carers to ensure it is clear, concise and fully explains what they need to know about Direct Payments.

R2. Undertake additional promotional work to encourage take up of Direct Payments.

R3. Ensure advocacy services are considered at the first point of contact to provide independent advice on Direct Payments to service users and carers.

To ensure Direct Payments are consistently offered it is recommended that local authorities:

R4. Ensure information about Direct Payments is available at the front door to social care and are included in the initial discussion on the available care options for service users and carers.

R5. Provide training to social workers on Direct Payments to ensure they fully understand their potential and feel confident promoting it to service users and carers.

To ensure there is sufficient Personal Assistant capacity, we recommend that local authorities through the All-Wales local authority Direct Payments Forum and with Social Care Wales:

R6. Work together to develop a joint Recruitment and Retention Plan for Personal Assistants.

To ensure services are provided equitably and fairly it is recommended that local authorities and the Welsh Government:

R7. Clarify policy expectations in plain accessible language and set out:

- what Direct Payments can pay for;
- how application and assessment processes, timescales and review processes work;
- how monitoring individual payments and the paperwork required to verify payments will work;
- how unused monies are to be treated and whether they can be banked;
- how to administer and manage pooled budgets.

It is recommended that the Welsh Government:

R8. Ensure that people who receive both NHS continuing healthcare and Direct Payments have greater voice, choice and control in decision making.

To effectively manage performance and be able to judge the impact and value for money of Direct Payments, we recommend that local authorities and the Welsh Government

R9. Work together to establish a system to fully evaluate Direct Payments that captures all elements of the process – information, promotion, assessing, managing and evaluating impact on wellbeing and independence.

R10. Annually publish performance information for all elements of Direct Payments to enable a whole system view of delivery and impact to support improvement.

A Carmarthenshire Action Plan response has been prepared for the recommendations relevant to local government and is attached with these papers.

DETAILED REPORT ATTACHED?

YES:

- 1 Audit Wales Report**
- 2 Carmarthenshire Action Plan response**

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: Alex Williams, Head of Integrated Services

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

1. Policy, Crime & Disorder and Equalities

Corporate Strategy

The report's recommendations support the Corporate Strategy and our Well-being Objective - 'Support older people to age well and maintain dignity and independence in their later years'

Regulatory Reports

- National/Thematic reports are undertaken by regulators to look at all councils in Wales (in an integrated programme of work consulted and agreed upon with local government) to identify best practice.
 - Most of these reports contain recommendations. Sometimes the recommendations are for Welsh Government and/or local government.
 - Not all recommendations contained in reports may apply to Carmarthenshire as in some instances we could be the area of best practice proposed, be already doing what is identified or it may not be applicable.
- All regulatory report recommendations are entered onto the Council's performance monitoring system (PIMS) and any reasons for discounting recommendations should be explained and recorded. Progress against recommendations is monitored and reported.
- All regulatory reports will now be considered by Corporate Management Team, Cabinet, Governance and Audit Committee and where appropriate relevant scrutiny committees.

Governance and Audit Committee

- The role of the Governance and Audit Committee is to review and assess the risk management, internal control, performance management and corporate governance arrangements of the Council, it is expected that the Council's Governance and Audit Committee formally consider all reports of external review bodies – principally; Audit Wales, Estyn and the Care Inspectorate Wales (CIW).
- As well as actively considering reports, committees are expected to assure themselves that there are arrangements in place to monitor and evaluate progress against any recommendations contained in them. The focus here should be on holding executives and officers to account to ensure that reports and recommendations have been acted upon.

Scrutiny

- Some reports may also be relevant for consideration by scrutiny committees.

CONSULTATIONS

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

Signed: Alex Williams, Head of Integrated Services

1. Local Member(s) – N/A
2. Community / Town Council – N/A
3. Relevant Partners

Audit Wales completed the review between September 2020 and February 2022.

It used a range of methods:

- **Document review:** it reviewed Welsh Government, Association of Directors of Social Services Cymru and Social Care Wales documentation, guidance and announcements; local authority policy documentation and cabinet and committee papers; a range of materials on approaches for management of Direct Payments in England; and reports and information published by research bodies including the Joseph Rowntree Foundation, the Kings Fund and Think Local Act Personal.
- **Local authority interviews;** it interviewed staff from Bridgend, Caerphilly, Cardiff, Flintshire, Gwynedd, Newport, Powys, Torfaen and Wrexham councils with responsibility for direct payments.
- **Interviews with national bodies:** it interviewed of Social Workers Cymru, Social Care Wales, Disability Wales, UK Home Care Association, Care Forum Wales, Wales Co-op Centre, the Equalities and Human Rights Commission Cymru, Wales School of Social Care Research, the Welsh Government, British Deaf Association and Think Local Act Personal.
- **Focus groups:** it held three on-line focus groups with members of the All-Wales Direct Payments Forum made up of officers from each of the 22 Welsh local authorities with management responsibility for Direct Payments. In each of the focus groups, attendees completed a survey and Wales Audit held facilitated discussions.
- **Surveys:** two surveys were undertaken
 - a commissioned telephone survey of service users and carers receiving Direct Payments. A total of 1,028 people from a database of 4,650 valid contacts were surveyed, with 71% completed via telephone and the remainder submitting online survey forms.
 - a survey of individuals and agencies paid via Direct Payments to provide care and support to adults in need. It received a total of 166 responses, and these came from all 22 local authority areas, with 3% of responses completed in Welsh.

**CABINET MEMBER PORTFOLIO
HOLDER AWARE / CONSULTED?**

YES
Cllr. Jane Tremlett

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

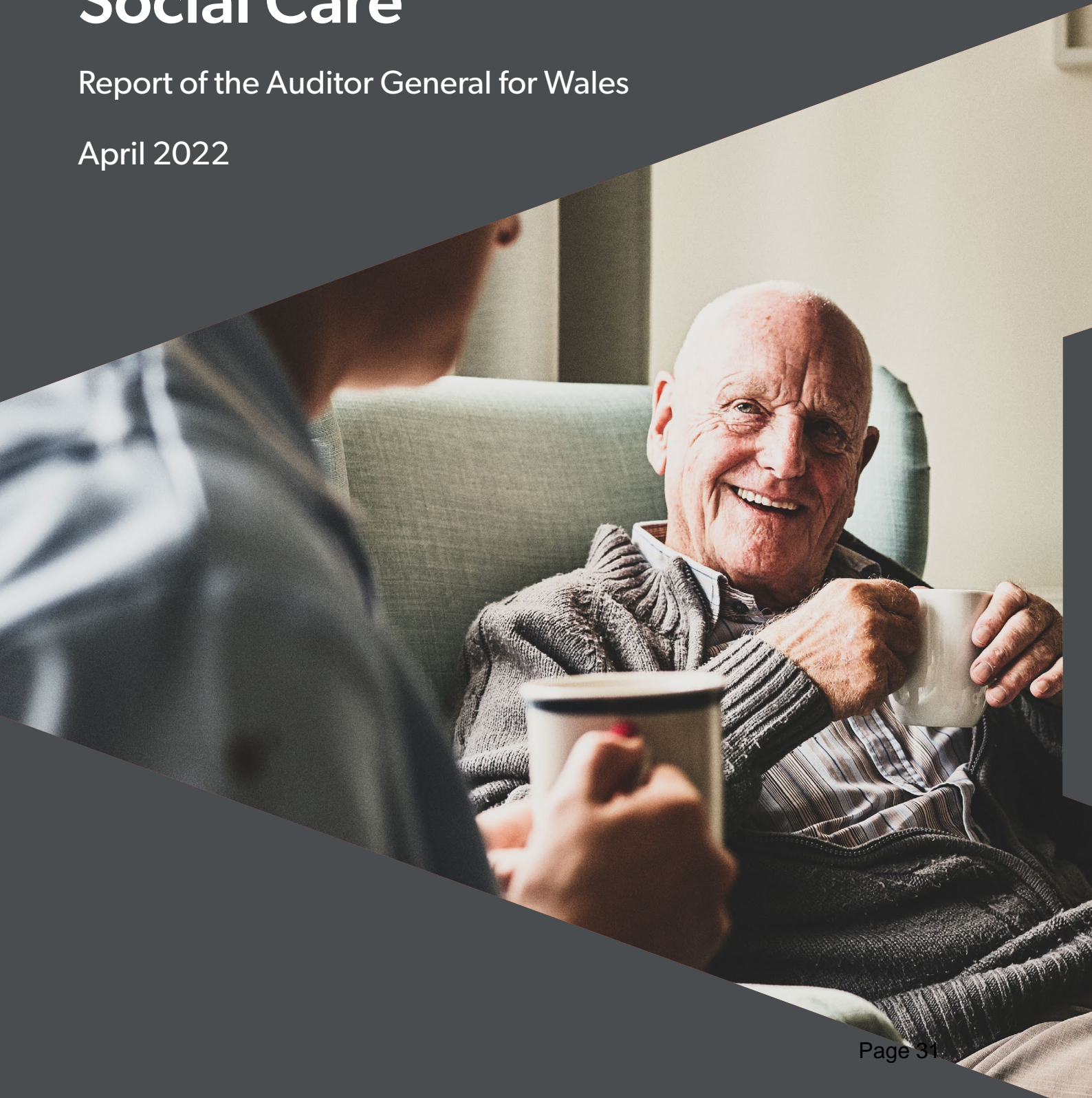
THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
<u>Direct Payments for Adult Social Care</u> <u>Taliadau Uniongyrchol ar gyfer Gofal Cymdeithasol i Oedolion</u>		Links to location on Audit Wales website

Direct Payments for Adult Social Care

Report of the Auditor General for Wales

April 2022



This report has been prepared for presentation to the Senedd under the Public Audit (Wales) Act 2004.

The Auditor General is independent of the National Assembly and government. He examines and certifies the accounts of the Welsh Government and its sponsored and related public bodies, including NHS bodies. He also has the power to report to the National Assembly on the economy, efficiency and effectiveness with which those organisations have used, and may improve the use of, their resources in discharging their functions.

The Auditor General also audits local government bodies in Wales, conducts local government value for money studies and inspects for compliance with the requirements of the Local Government (Wales) Measure 2009.

The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General.

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

Contents

Summary report

Background	4
Key messages	7
Key facts	9
Recommendations	10

Detailed report

1	People are not consistently supported to take up Direct Payments	13
2	Managing and supporting people to use Direct Payments varies widely with service users and carers receiving different standards of service	21
3	Direct Payments are helping people live independently and improving their wellbeing, but it is difficult to assess overall value for money because of limitations in data and evaluation	35

Appendices

1	Audit methods and approach	42
2	Determining eligibility for social care and support	44
3	Adults receiving social care services organised by local authority in 2018-19	45
4	Personal Assistant hourly pay rates by local authority	46

Summary report

Background

The Social Services and Well-Being (Wales) Act 2014

- 1 The Senedd passed the Social Services and Well-being (Wales) Act in 2014 and it came into force in April 2016. The Act seeks to shift away from the traditional ways of providing social care, which were considered unsustainable, to approaches focused on:
 - a placing the wellbeing of people at the heart of services;
 - b giving people a strong voice and real control over the decisions that affect them;
 - c encouraging new models of service by mobilising community resources and promoting social enterprises and co-operatives;
 - d prioritising preventative services to avoid or delay the need for care;
 - e making systems easier and more accessible by reducing complexity and streamlining assessment and care planning arrangements;
 - f integrated working across professional and organisational boundaries to make the best use of resources and deliver the best outcomes; and
 - g strengthening safeguarding arrangements.

Direct Payments can improve people's choice, control and independence

- 2 Direct Payments can help meet an individual's eligible need for care and support, or a carer's need for support. They are an alternative to local-authority-arranged care or support. The aim of Direct Payments is to give people more choice, greater flexibility and more control over the support they get. Direct Payments can be provided to people of all ages if they have been assessed as needing social care services to support them with daily living, consent to receiving a Direct Payment and they (or their representative) can manage the payment.

- 3 Many people use their Direct Payments to fund a Personal Assistant to help them with various tasks. In these instances, Direct Payment recipients become employers and must meet the associated legal obligations. Some choose to use a care agency instead. Local authorities are required to provide support and assistance to people to manage their Direct Payment and employment responsibilities. This is often done through a local-authority-commissioned support service.
- 4 Direct Payments can be used to purchase a wide variety of services or equipment if these contribute to meeting an individual's agreed wellbeing outcomes. Payments can be made for day-to-day things such as dressing, cooking, driving and support to facilitate discharge from hospital. They can also be used for social activities – visiting friends, evening classes and gardening – as well as for assistance to access training and employment. The main benefit of Direct Payments is their adaptability. Service users can use them to organise their care in a whole range of new and more effective ways and local authorities are encouraged to explore innovative and creative options for meeting people's needs.
- 5 This report looks at how local authorities provide Direct Payment services to adults, examining their impact and value for money. **Appendix 1** provides more detail about our audit approach and methods. **Exhibit 1** sets out our characteristics of a good approach to Direct Payments.

Exhibit 1: the characteristics of a local authority that effectively encourages, manages and supports people to use Direct Payments



Local authorities who are good at **promoting** Direct Payments

Have simple and concise public information that is made available in a wide range of mediums and has been tested to ensure it is effective and tells people what they need to know

Offers and encourages people to use independent advocacy to help people make informed choices

Uses the 'What Matters' conversation in the assessment process to explain Direct Payments

Direct Payments are promoted as an option at least equally with other choices



Local authorities who are **managing** Direct Payments effectively

Help people to access and use Personal Assistants

'Demystify' what Direct Payments are and provide sufficient support to assure people on employment requirements, liabilities and fallback processes. Bureaucracy is kept to a minimum

Clearly set out what Direct Payments can be used for giving examples of the type of support that is available and, wherever possible, encourage innovation

Have regular and ongoing contact and provide support and information to adults using Direct Payments to clarify responsibilities and ensure people remain safe

Work to shape the 'market' and by improving access to Personal Assistants, encouraging more providers, managing costs and encouraging the pooling of budgets

Jointly agree with NHS bodies on how best to address the needs of clients who use Direct Payments and Continuing Healthcare so they are not disadvantaged



Local authorities who are **delivering** positive outcomes for people using Direct Payments

Evidencing that people's wellbeing is maintained or improving as a result of Direct Payments

Have a comprehensive system for monitoring and evaluating all aspects of Direct Payments

Involve and value input from all stakeholders/partners in evaluating the impact of services

Compare and benchmark individual and collective performance with others and use the findings of evaluation to shape current plans and future approaches

Know what works and whether the approach of the authority is delivering the aspirations of the Act



Key messages

- 6 Our overall conclusion is that **Direct Payments support people's independence and are highly valued by service users and carers, but inconsistencies in the way they are promoted and managed by local authorities mean services are not always equitable and it is difficult to assess overall value for money.**
- 7 People are not consistently encouraged to take up Direct Payments. A responsive person-centred approach is essential in helping people take up Direct Payments, but current engagement and involvement by local authorities is inconsistent. While the value of Direct Payments is recognised by senior managers, social care staff do not always display confidence in promoting their use with service users and carers. Direct Payments are valued by service users and carers, but this is not always translating into broadening their use.
- 8 Managing and supporting people to use Direct Payments varies widely and service users and carers are receiving different standards of service. Personal Assistants are essential to people making the most of Direct Payments, but service users often struggle to recruit them. People have mixed views on the support they receive from their local authority after they have taken up Direct Payments. The interface between use of NHS continuing healthcare and social care on access to Direct Payments also remains a problem.
- 9 Despite some significant challenges, local authorities ensured service users and carers were mostly supported during the pandemic, but a significant number of service users and carers we surveyed experienced difficulties. While the numbers using Direct Payments slightly grew before the pandemic, local authorities continue to use them differently across Wales. There is a need to address this 'post-code lottery' to ensure people are being treated fairly and equally.

- 10 Direct Payments are seen by recipients and care providers alike as making an important contribution to people's wellbeing and independence. However, it is difficult to assess the overall value for money of Direct Payments in their own right, or in comparison with other forms of social care, because systems for managing and evaluating performance are inadequate.



Direct Payments can make an important contribution to meeting an individual's care and support needs and they are highly valued by service users and carers. The Welsh Government and local authorities need to work together to address weakness in the management and evaluation of performance, which currently means it is not possible to judge how well local authorities are performing and whether Direct Payments represent value for money compared with other forms of social care. There is also a need to address the 'post-code lottery' where local authorities are using them differently across Wales, to ensure people are treated fairly and equally.

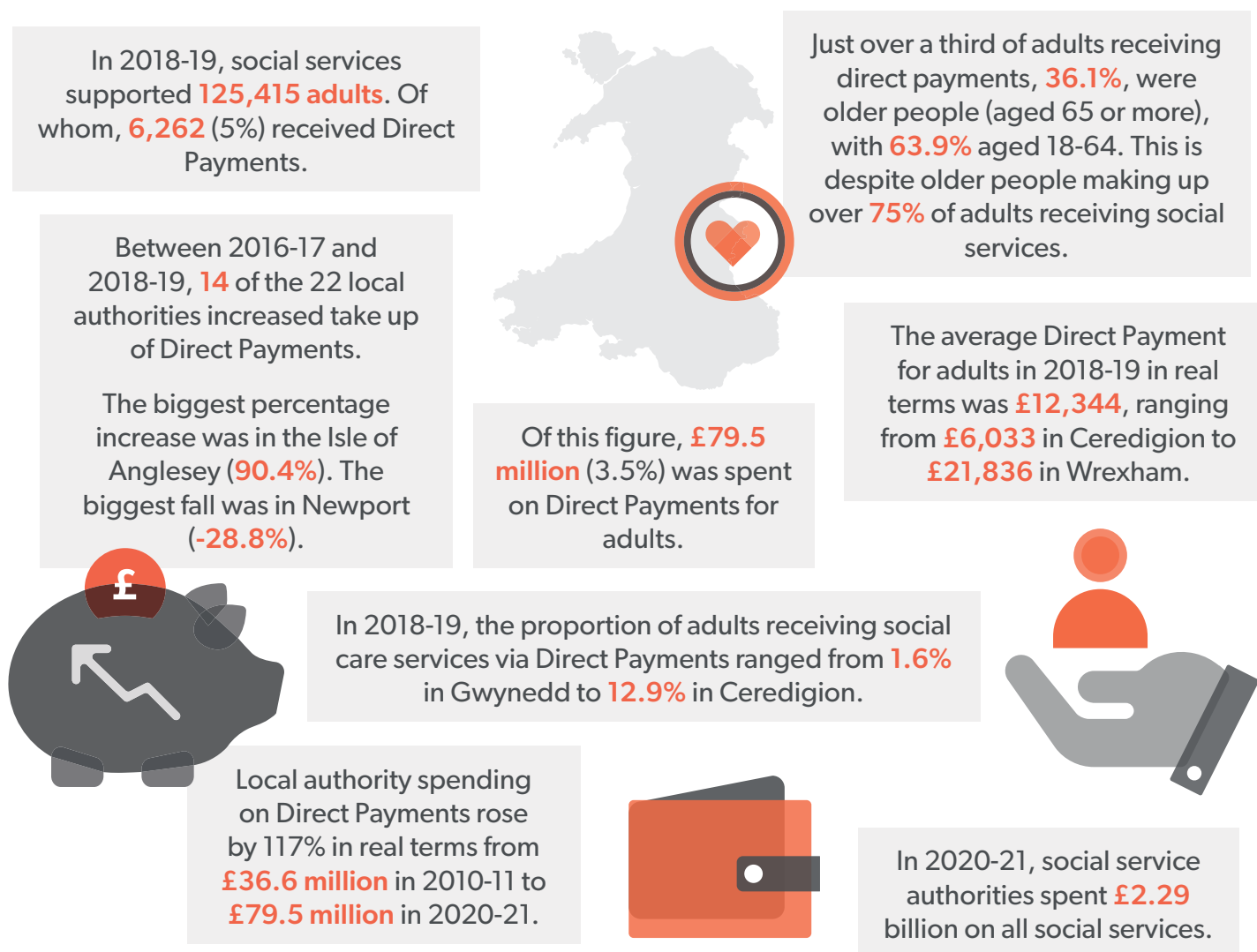
Adrian Crompton

Auditor General for Wales



Key facts

- 11 The infographic below summarises key facts from our report about Direct Payments. Following the Welsh Government's decision to suspend data collection in response to the pandemic in 2020, no data on services other than expenditure has been reported nationally since 2018-19.



- 12 Figures relating to the numbers of people receiving social services support and Direct Payments for 2018-19, including the average value of Direct Payments, do not include Caerphilly due to technical issues with their ICT systems.

Source: Audit Wales analysis of StatsWales data

Recommendations

- 13 Our recommendations are set out below. We expect each local authority to consider the findings of this review and our recommendations, and that its governance and audit committee receives this report and monitors its response to our recommendations in a timely way.

Exhibit 2: recommendations

Recommendations

In **Part 1** we set out the how local authorities promote and raise awareness of Direct Payments (**paragraphs 1.2 to 1.7**). To ensure people know about Direct Payments, how to access these services and are encouraged to take them up, we recommend that local authorities:

- R1** Review public information in discussion with service users and carers to ensure it is clear, concise and fully explains what they need to know about Direct Payments.
- R2** Undertake additional promotional work to encourage take up of Direct Payments.
- R3** Ensure advocacy services are considered at the first point of contact to provide independent advice on Direct Payments to service users and carers.

In **Part 1** we set out the importance of the ‘What Matters’ conversation and the importance of social workers in helping people make informed choices on Direct Payments (**paragraphs 1.8 to 1.13**). To ensure Direct Payments are consistently offered we recommend that local authorities:

- R4** Ensure information about Direct Payments is available at the front door to social care and are included in the initial discussion on the available care options for service users and carers.
- R5** Provide training to social workers on Direct Payments to ensure they fully understand their potential and feel confident promoting it to service users and carers.

Recommendations

In **Part 2** we highlight the central role of Personal Assistants in helping service users and carers to get the best positive outcomes from their use of Direct Payments (**paragraphs 2.2 to 2.7**). To ensure there is sufficient Personal Assistant capacity, we recommend that local authorities through the All-Wales local authority Direct Payments Forum and with Social Care Wales:

R6 Work together to develop a joint Recruitment and Retention Plan for Personal Assistants.

In **Part 2** we highlight that while local authorities recognise the value of Direct Payments in supporting independence and improving wellbeing, the differences in approach, standards and the amount paid out means that people with similar needs receive different levels of service (**paragraphs 2.9 to 2.18 and 2.23 to 2.27**). To ensure services are provided equitably and fairly we recommend that local authorities and the Welsh Government:

R7 Clarify policy expectations in plain accessible language and set out:

- what Direct Payments can pay for;
- how application and assessment processes, timescales and review processes work;
- how monitoring individual payments and the paperwork required to verify payments will work;
- how unused monies are to be treated and whether they can be banked; and
- how to administer and manage pooled budgets.

Public information should be reviewed regularly (at least every two years) to ensure they are working effectively and remain relevant.

Recommendations

In **Part 2** we highlight difficulties in the interface between NHS continuing healthcare and Direct Payments and note that current practices do not support service users and carers to exercise voice, choice and control (**paragraphs 2.28 to 2.31**). We recommend that the Welsh Government:

R8 Ensure that people who receive both NHS continuing healthcare and Direct Payments have greater voice, choice and control in decision making.

In **Part 3** we note that having the right performance indicators and regularly reporting performance against these are important for local authorities to manage operational performance, identify areas of improvement and evaluate the positive impact of services (**paragraphs 3.8 to 3.10**). To effectively manage performance and be able to judge the impact and value for money of Direct Payments, we recommend that local authorities and the Welsh Government:

R9 Work together to establish a system to fully evaluate Direct Payments that captures all elements of the process – information, promotion, assessing, managing and evaluating impact on wellbeing and independence.

R10 Annually publish performance information for all elements of Direct Payments to enable a whole system view of delivery and impact to support improvement.



**People are not
consistently
supported to take
up Direct Payments**

01

1.1 In this part of the report, we consider how local authorities encourage people to use Direct Payments. We review local authorities' public information, how they promote take up of Direct Payments and the importance of the 'What Matters' conversation.

Local authorities who are good at promoting Direct Payments



Have simple and concise public information that is made available in wide range of mediums and has been tested to ensure it is effective and tells people what they need to know



Offers and encourages people to use independent advocacy to help people make informed choices



Uses the 'What Matters' conversation in the assessment process to explain Direct Payments



Direct Payments are promoted as an option at least equally with other choices

A responsive person-centred approach is essential in helping people choose Direct Payments, but current engagement and involvement by local authorities are inconsistent

Good quality and accessible information, support people to take greater control of their care and support and make well-informed choices

- 1.2 Information and advice help to promote people's wellbeing and are vital components of preventing or delaying people's need for care and support. Our focus group and survey work with the All-Wales Direct Payments Forum¹ found that all local authorities undertake some form of activity to promote public awareness and understanding of Direct Payments, but the options used vary. Local authorities focus on mediums such as their website, providing bilingual leaflets and promotional activity with established service user, carer groups and partnership forums. Less priority is given to using social media (for example, Facebook or Twitter) and proactive campaigns using press articles, adverts and local authority newsletters. Overall, only 3% of recipients responding to our survey² first found out about Direct Payments through published information (for example, online or a leaflet).
- 1.3 Overwhelmingly, service users report relying on a conversation with a local authority officer to find out about Direct Payments. Almost all (96%) of service users who responded to our survey said that they first found out about Direct Payments following a discussion with a local authority officer – most frequently a social work professional. Around half of carers we surveyed said that they first found out about Direct Payments following a discussion with a local authority officer. Carers are more likely than service users to find out about Direct Payments in discussion with other bodies (ie not their local authority), a care and support agency, NHS or third sector body for instance. These findings highlight that local authorities need to do more to ensure carers are better supported to fully access and use services, an issue flagged in recent research by [Carers Wales](#)³.

1 The All-Wales Direct Payments Forum is made up of officers from all Welsh local authorities with responsibility for Direct Payments within their respective organisations.

2 Our survey covers both service users and carers who receive Direct Payments. We report information at three levels. Where we say Direct Payment recipients, we mean both carers and service users; and where we specifically reference either 'service users' or 'carers' the findings of the survey are specific to these distinct groups of people who receive Direct Payments. In **Appendix 1** we set out our survey methodology in more detail.

3 Carers Wales is part of Carers UK and campaigns on behalf of carers. They recently reported that 40% of carers in Wales say they are unaware of services and sources of support for carers in their local community – [State of Caring 2021: Wales Briefing, Carers Wales, December 2021](#).

- 1.4 Direct Payments Forum members acknowledge that local authorities need to do more promotional work with some partners, in particular health and independent providers, to ensure Direct Payments are adequately promoted in all routes into social care. Roughly a quarter of local authority officers with responsibility for Direct Payments believe they have sufficient capacity to effectively promote Direct Payments and are investing resources to encourage take up. Less than a quarter of local authority officers consider themselves good at promoting awareness and encouraging take up of Direct Payments among hard-to-reach groups such as minority ethnic groups, Gypsies, Roma and Travellers and LGBTQ people.
- 1.5 The best local authorities are innovatively and actively promoting Direct Payments. For example, Isle of Anglesey Council uses a wide range of promotional materials to improve awareness for service users but also local authority staff and care providers. This includes YouTube videos of recipients talking about the positive experience and benefits of Direct Payments and roadshows to promote the benefits of Direct Payments. By proactively encouraging people to choose Direct Payments, the local authority saw the numbers in receipt of Direct Payments rise by 90.4% between 2016-17 and 2018-19.
- 1.6 Regarding the quality of the information and advice provided, three quarters of Direct Payments service users told us this was good but only half of carers in receipt of Direct Payments agreed this was the case. Only half of local authorities have tested or sought feedback on the quality of Direct Payments public information to ensure it is easy to understand, and only around a third of those have involved service users and carers in testing the quality of the information. Several service users who responded to our survey noted that they did not always find the public information they had been provided helpful and too often it reads as if it is written for the 'professional' not the 'client'. Notwithstanding, the overwhelming majority of people (98%) were able to access information about Direct Payments in their preferred language, and 4% chose to use Welsh.
- 1.7 Paragraph 37 of the Social Services and Well-being (Wales) Act 2014 Part 10 Code of Practice (Advocacy) notes that 'Advocacy services are fundamental to supporting people to engage actively and participate in development of their own well-being outcomes.' Paragraph 41 of the Code of Practice also says that independent professional advocacy must be made available from 'the moment of first contact'. We found that just over half of All-Wales Direct Payments Forum members believe that their local authority has adequate advocacy services in place to provide independent advice to service users and carers at this time.

The 'What Matters' conversation

- 1.8 Unlike many community-based, preventative services⁴ that people are often signposted to when seeking social care help, service users must be assessed as having 'eligible'⁵ needs to receive Direct Payments. When a local authority considers if someone has eligible needs, it looks at what causes that need for care and support; whether their needs affect their ability to do certain things; whether someone has a carer or access to community support that can meet their needs; and whether they are able to achieve a personal outcome without help from the local authority.
- 1.9 Local authorities are required to assess and determine whether someone is eligible for social care following an established process of which the 'What Matters' conversation is a critical element. **Appendix 2** sets this process out in more detail.

The 'What Matters' conversation

A 'What Matters' conversation is a targeted discussion to establish a person's situation, their current wellbeing, what can be done to support them and what can be done to promote their wellbeing and resilience for the better. It is not an assessment in itself: it is a way of carrying out the assessment by having the right type of conversation to identify with the individual:

- how they want to live their life;
- what might be preventing that; and
- what support might be required to overcome those barriers.

Knowing what matters can play a huge part in helping to make someone's life enjoyable and worthwhile.



4 There is no agreed definition of what constitutes a preventative service. They can range from relatively formal intermediate care services provided by health and social-care professionals to interventions that could include befriending schemes, the fitting of a handrail or help with shopping, to non-health or social-care services.

5 The Welsh Government is working with ADSS Cymru to produce a [national assessment and eligibility tool](#).

- 1.10 Importantly, those seeking help and those assessing what is needed must work as equal partners in identifying issues and solutions in their 'What Matters' discussion. Ultimately, it requires social work professionals to let go of some control when assessing what is best for people. Direct Payments takes this ethos a step further – not only do individuals have an equal voice in shaping their care and support outcomes during the assessment, but they can also go on to take full control over their own care and support. The extent to which professionals feel able to let go shapes people's experience of their assessment, and in many cases the likelihood of them being offered and encouraged to use Direct Payments.
- 1.11 Overall, recipients of Direct Payments that we surveyed are positive about local authority assessment processes; the time spent by local authority staff clarifying employer responsibilities; and the 'What Matters' conversation. For instance:
- a 83% felt that what was agreed during the assessment was right for them;
 - b of the 83% that felt their assessment was right for them, the vast majority (88%) agreed that the subsequent care and support plan accurately set out what was agreed during their assessment;
 - c 76% felt encouraged to tell their local authority about the things that mattered to them, and felt listened to during their needs assessment;
 - d 75% discussed their ability to manage Direct Payments before taking them up; and
 - e 74% felt that they had a clear understanding of their legal obligation as an employer when taking up a Direct Payment.
- 1.12 Despite this, many local authority officers we spoke to acknowledge that they do not always have the capacity to work co-productively and identify creative solutions using Direct Payments. People are often in crisis when they contact social services and in practical terms, delivering early intervention, prevention and co-produced approaches requires time. Effective early intervention works to prevent problems occurring, or to tackle them head on when they do, and before problems get worse. It is important therefore for local authorities to consider the potential impact and value of Direct Payments as early as possible in the information, advice and assistance process to enable meaningful co-production and ensure all possible solutions that can help improve someone's wellbeing are considered.

1.13 We conclude that there is more for local authorities to do to promote awareness and understanding of Direct Payments amongst service users. Addressing this requires local authorities to promote opportunities for early intervention by raising awareness of the front door to adult social care, and ensuring adequate consideration of the potential for Direct Payments at the Information, Advice and Assistance (IAA services) stage. Local authorities are yet to strike this balance, something that echoes our recent review of IAA services⁶.

While the value of Direct Payments is recognised by senior managers, social care staff do not always display confidence in promoting their use with service users and carers

1.14 Strong leadership on Direct Payments is key to making progress and it is important that senior managers set the tone from the top. Through our engagement with local authority staff and representative bodies we found this to be key to creating the right conditions and culture for social workers to feel empowered to promote and encourage take up of Direct Payments.

1.15 We found that roughly three-quarters of Direct Payment managers with responsibility for Direct Payments believe their authority has an open and encouraging culture that promotes making best use of Direct Payments. In addition, a similar number believe that their local authority Corporate Management Team members understand the benefits of Direct Payments, and two-thirds that senior leaders actively encourage increasing take up. However, only a quarter of Direct Payment managers believe that councillors understand the benefits of Direct Payments. Half did not know.

1.16 Most local authorities have information and workflow management systems in place (for example the Welsh Community Care Information System⁷) which include prompts for social workers to offer Direct Payments as part of what matters assessments, or to confirm that they have offered this. However, officers we interviewed highlight the limitations in the assurance that this data provides because the likelihood of service users opting to use Direct Payments is mostly dependent on the tone, sincerity and genuineness of the offer and discussion with their social worker. To do this, social workers need to feel both confident in being able to promote the benefits of Direct Payments and empowered to make this offer. To make this work requires effective leadership and a whole-system approach.

6 Auditor General for Wales, [The front door to adult social care](#), September 2019.

7 We reported on the rollout of the [Welsh Community Care Information System](#) in October 2020, including commentary on the performance of the system.

- 1.17 The overwhelming majority of All-Wales Direct Payments Forum members told us that they continue to promote and provide training and information to social workers, care managers and frontline staff to support take up and roll out. Most also believed that social workers understand what Direct Payments can be used for, although officers we interviewed nevertheless identified some concerns.
- 1.18 Only half of Direct Payments Forum members think that their local authority encourages people to take up Direct Payments. Direct Payment managers expressed concerns that, from their experience, too often social workers lack confidence in discussing Direct Payments as an option, partly because of their inherent flexibility and potentially wider use compared to other forms of social care. They also noted that, increasingly, Direct Payments are seen as potentially placing other traditional care services at risk if their take up increases and demand for other services falls off. Just over half of Direct Payment managers believe that their local authority treats Direct Payments as favourably as other social care services and options when developing care plans.



Managing and supporting people to use Direct Payments varies widely with service users and carers receiving different standards of service

2.1 In this section of the report, we look at opportunities to streamline the management and administration of Direct Payments. We look at the change in take up of Direct Payments in Wales and comparison with England. We consider how local authorities support people to make the best use of Direct Payments.

Local authorities who are managing Direct Payments effectively

	Help people to access and use Personal Assistants
	'Demystify' what Direct Payments are and provide sufficient support to assure people on employment requirements, liabilities and fallback processes. Bureaucracy is kept to a minimum
	Clearly set out what Direct Payments can be used for giving examples of the type of support that is available and, wherever possible, encourage innovation
	Have regular and ongoing contact and provide support and information to adults using Direct Payments to clarify responsibilities and ensure people remain safe
	Work to shape the 'market' and by improving access to Personal Assistants, encouraging more providers, managing costs and encouraging the pooling of budgets
	Jointly agree with NHS bodies on how best to address the needs of clients who use Direct Payments and Continuing Healthcare so they are not disadvantaged

Personal Assistants are essential to people making the most of Direct Payments, but service users struggle to recruit them

2.2 While some people will need additional support to manage Direct Payments, this should not be a barrier to encouraging people to use them. Local authorities must maintain a support service and make it available to those who need it – for example, help with employment responsibilities, payroll and reporting processes. Often this support is provided via a Personal Assistant.

Personal Assistants

Personal Assistants work directly with one or more individuals to help them with various aspects of their daily life and to help them live as independently as possible.

They are employed directly by an individual who is managing and paying for their own care through a Direct Payment or personal budget.

Personal Assistants usually support individuals in their own home.

People can be employed directly by one employer or work for a number of different people.

The role can include:

- organising and supporting individuals with their social and physical activities;
- booking and going with individuals to appointments;
- helping individuals to get to work, college or university;
- helping with personal care such as showering and dressing (although not all Personal Assistant roles involve personal care);
- supporting with tasks around the house such as shopping, cleaning and cooking;
- monitoring their health, for example, measuring body temperatures or administering medication; and/or
- managing a team of Personal Assistants if you are in a senior Personal Assistant role.



- 2.3 Employing a Personal Assistant cannot be entered into lightly and people pursuing this option need to be fully aware of their responsibilities. For instance, an employer must provide staff they employ with written information, including start date, hours of work, remuneration (which must meet the National Minimum Wage), place of work and a job title, or brief description of the job. Employers also need to set out whether employment is fixed term or permanent, the employee's statutory entitlement to sick pay, annual leave, pension scheme provision and notice requirements. Although local authorities expect people to take out employer's liability insurance and often provide advice about this, it is down to the individual to ensure they have fully considered the contractual arrangements with the care staff they employ.
- 2.4 People we surveyed noted differences between local authorities regarding their eligibility criteria for Direct Payments, the number of hours of personal assistance that individuals are assessed as needing, and the hourly rates paid. Our research shows that there is variation between hourly rates of pay for Personal Assistants across local authorities, with rates ranging from £8.72 to £12.94 per hour being reported in early 2021 – see **Appendix 4** for more detail.
- 2.5 The importance of Personal Assistants in supporting people to make the best use of Direct Payments cannot be overestimated. One person responding to our survey stated that: 'Direct Payments have given me the opportunity to employ my personal assistant who has been with me for 10 years now. This continuity with my personal assistant has empowered me, improved my self-confidence and given me the freedom to make my own decisions and choice with my personal assistant's support.' While another noted that: 'I think the whole system works around Direct Payments, you get to pick the personal assistants yourself rather than getting strangers thrust upon you.' Comments such as these highlight the value placed on Personal Assistants and the important role they play.
- 2.6 Notwithstanding, several people responding to our survey noted difficulties in both attracting and retaining Personal Assistants. For instance, one respondent stated that: 'there have been periods when we have been unable to find a suitable personal assistant, so I have been unable to use the Direct Payments. At one point this lasted over a year.' Another noted a 'major problem is being able to recruit Personal Assistants' and another 'issues with a Personal Assistant meant I've had to readvertise the job so as a result I haven't yet used my Direct Payment'.

2.7 Direct Payment managers we spoke to also highlighted the ongoing challenge of attracting and retaining Personal Assistants. Ongoing workforce pressures have meant that adult social care employers and providers have needed to adopt a range of strategies to help retain and support their workforce and these approaches need to be extended to Personal Assistants. The Care Provider Alliance, Association of Directors of Adult Social Services and Local Government Association in England have brought together approaches taken by organisations to reduce staff turnover and help retain people in the care and health workforce, which are of use for local authorities to consider in encouraging more Personal Assistants⁸.

People have mixed views on the support they receive from their local authority after they have taken up Direct Payments

2.8 Direct Payments must be embraced as a core component of delivering support – not as an exceptional option – so that the positive impact can be realised. There will be initial costs associated with setting up or commissioning an effective Direct Payment Support Service and training staff in Direct Payment processes. But once fully operational, Direct Payments should at least be cost neutral and should realise savings from, for instance, reduced administration, review and management of providers. It is important for local authorities to therefore focus on setting up the right support service to both encourage take up and to realise the potential for cost savings. Ultimately, the Direct Payment must be enough to cover the reasonable cost of buying services that the local authority has a duty to provide.

Some people find the administration of Direct Payments challenging

2.9 It is important that local authorities provide adequate support and have regular contact with service users and carers. Local authorities should be proactive in organising these discussions to make sure the care and support plan remains right, is legal, affordable and effective in meeting wellbeing outcomes.

8 <https://www.local.gov.uk/top-tips-retention-briefing-adult-social-care-providers>

- 2.10 Overall, 78% of people we surveyed said they receive good quality support to help them manage their Direct Payment. However, while 55% say that they can cope with the administration side of Direct Payments, finding the level of paperwork reasonable and manageable, 13% feel it is overwhelming. The other third of respondents stated that they are not required to keep any paperwork (23%) or their local authority rarely asks for paperwork (10%). Carers are generally more dissatisfied than service users with the quality of the Direct Payments services their local authority provides to help meet their needs. Our focus group work with All-Wales Direct Payments Forum members found that just over half of local authorities have sought to streamline their systems for administering Direct Payments to reduce the burden on clients, Personal Assistants and care providers.
- 2.11 Just over a third of care and support providers we surveyed felt that from their experience local authorities did not provide good support to help people manage their Direct Payments. There is also some concern from providers that people who may struggle to manage a Direct Payment are being directed to select this option simply because of pressures on domiciliary care services and reductions in the availability of other care services. Only half of Direct Payment managers stated that their local authority has an up-to-date directory of approved service providers to help people purchase support.

People in areas where support services to help manage Direct Payments are directly provided by local authorities have a more positive overall experience than those using a 'commissioned' service

- 2.12 Many local authorities commission others to provide support services for Direct Payments, but according to feedback from members of the Direct Payments Forum, a growing number of councils are in the process of reviewing or considering bringing these services back in house, primarily to improve service quality, to be able to better respond to service user and carer needs, and reduce administration costs. As of January 2021, seven⁹ of the 22 local authorities had in-house services.

9 The seven councils with in-house provision at the time of our review were: Blaenau Gwent County Borough Council, Caerphilly County Borough Council, Flintshire County Council, Monmouthshire County Council, Neath Port Talbot Council, Powys County Council and Torfaen County Borough Council.

2.13 Our survey of people using Direct Payments sought their views regarding a number of factors which we consider to be indicators of service accessibility and quality. To establish how different service configurations impact on accessibility, quality and user satisfaction, we analysed our survey data by comparing the responses from Direct Payments recipients in areas where the local authority delivers its support function in-house, with those where the service is commissioned externally and provided by third parties. **Exhibit 3** shows that survey responses from those in local authority areas with in-house services have higher levels of positive responses against a number of key metrics.

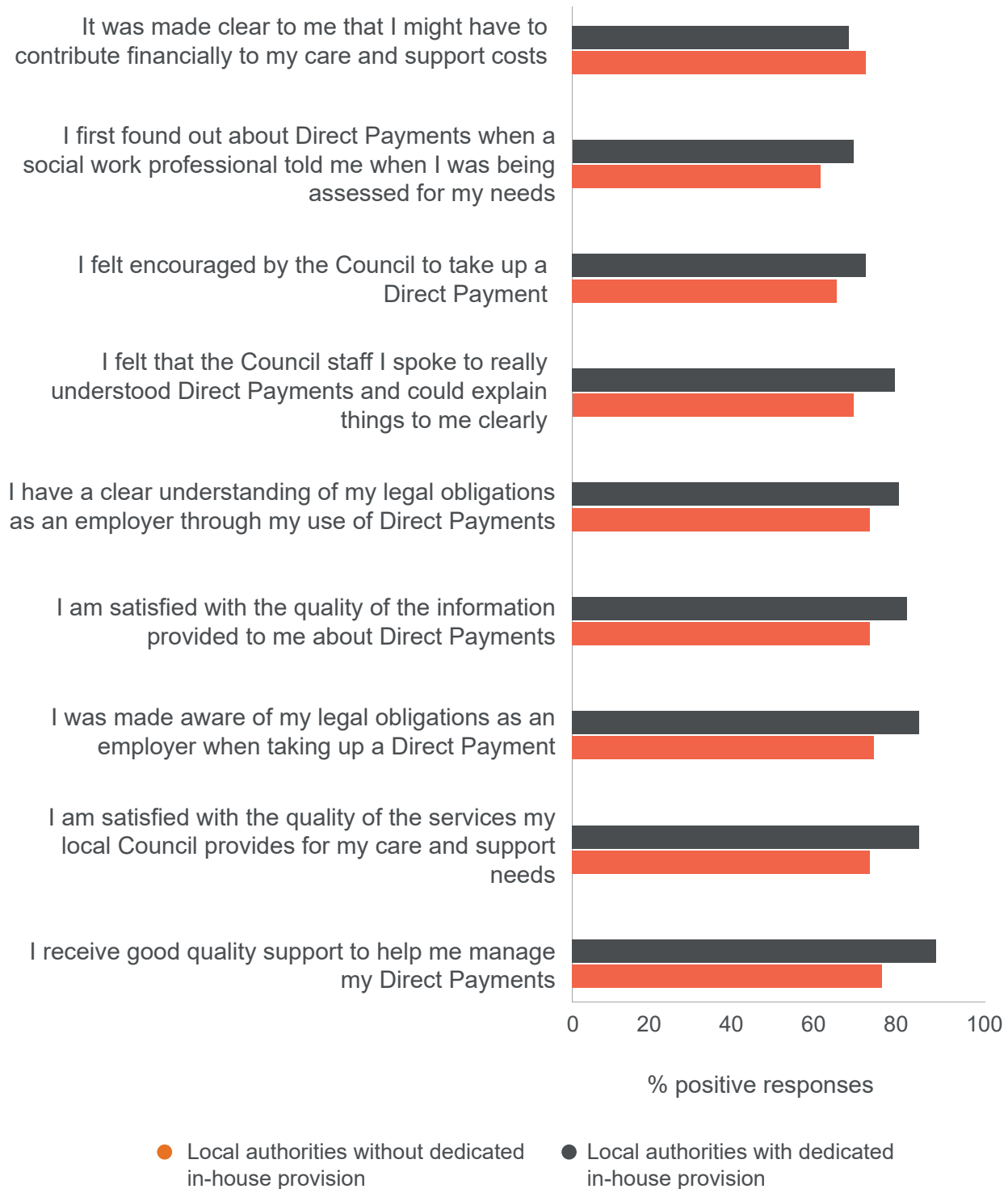
“ I’m grateful for the support and payments. I don’t have to deal with the money. Going out with someone other than family gives me independence that I’ve longed for

Source: Audit Wales, Survey of people receiving Direct Payments, September 2021.



Exhibit 3: Direct Payment recipients’ views about services, by type of administrative support service (in-house or commissioned)

Overall, people living in areas where support services are provided directly by local authorities are more positive about the service they receive than those provided by a third party.



2.14 Our focus group work with the All-Wales Direct Payments Forum highlighted that, in addition to supporting external clients, in-house Direct Payment teams have greater ability to work flexibly and focus on providing training and expert support to front line social workers who offer and administer Direct Payments. Given the key barriers we highlight in accessing Direct Payments (see **paragraph 1.16**) and coupled with our survey findings, this support is clearly important and is making an impact, leading to greater satisfaction with information about Direct Payments, a greater perception of social workers' understanding, and service users feeling encouraged to take up a Direct Payment.

Local authorities mostly ensured people were supported during the pandemic, but a significant number of service users and carers we surveyed had no contact during the initial lockdown and restrictions

2.15 The pandemic created many challenges for social care services and local authorities were forced to respond creatively to ensure vulnerable people were safe and supported. As with other frontline staff working in NHS or care settings, the pandemic has also had a huge impact on people providing care services organised under Direct Payments, especially Personal Assistants.

2.16 We found that where a service was interrupted or could not continue to be provided due to COVID-19, most local authorities arranged alternative provision. Local authorities also made contact to check on individuals' welfare and to ensure services continued to be provided. Direct Payment managers we spoke to however, also noted some difficulties in maintaining services. In particular, the lack of availability of Personal Assistants and/or care staff when people were self-isolating and unable to visit and support service users.

2.17 Officers we spoke to also highlighted their local authority's positive work to ensure social care staff were supported and equipped to work from home. They described how senior leaders acted proactively, keeping staff informed and up to date with changes in services and work priorities, and responded to challenges as they arose quickly and efficiently. For example, relocating staff to fill gaps in services and flexing information gathering systems to reduce the burden of administration on Personal Assistants and care providers.

2.18 57% of people receiving Direct Payments we surveyed said that their local authority did not help source Personal Protective Equipment (PPE) for their care or support provider. Service users and carers we spoke to noted that some local authorities provided PPE free of charge, some reimbursed individuals who purchased their own, but others expected service users and/or their personal assistant to purchase PPE themselves and meet the cost from their Direct Payment. In April 2021, we reported that some frontline health and social care staff experienced shortages of PPE during the pandemic¹⁰. Some people using Direct Payments experienced similar if not greater difficulties trying to source PPE on an individual level. Some service users and carers we spoke to noted that on occasion the lack of PPE and inability to source this directly resulted in services being suspended. In addition, 40% of the Direct Payments recipients we surveyed said they had received no contact from their local authority specifically to check if they had any problems resulting from the lockdown and restrictions.

While the number of people receiving Direct Payments has grown slightly in recent years, local authorities continue to use them differently across Wales

Just under two-thirds of local authorities increased take up of Direct Payments between 2016-17 and 2018-19, but only 5% of all adults in receipt of social care services were receiving them

2.19 The most recent data on Direct Payments use published in 2018-19 shows that 125,415 adults were in receipt of social care services in Wales¹¹. Of these, 6,262 (5%) received Direct Payments. The proportion of social care services provided via Direct Payments ranged from 1.6% of clients in Gwynedd to 12.9% in Ceredigion. **Appendix 3** provides more information. This data for 2018-19 does not include Caerphilly.

2.20 Just over a third of those receiving Direct Payments (36.1%) are older people (aged 65 or more). This is despite this particular age group making up over 75% of the overall number of adults receiving social services. The bulk of those receiving Direct Payments, 63.9%, are aged between 18 and 64.

¹⁰ [Procuring and Supplying PPE for the COVID-19 Pandemic, Report of the Auditor General for Wales, April 2021](#)

¹¹ In response to the pandemic, the Welsh Government suspended collection and reporting of social services performance data in 2019-20 and the most up-to-date data is 2018-19.

2.21 Between 2016-17 and 2018-19, there had been a 5.2% increase in the numbers receiving Direct Payments with 14 of the 22 local authorities seeing a growth in take up – **Exhibit 4**. The biggest percentage rise, of 90.4%, was in the Isle of Anglesey, although the proportion of adults receiving social care services via Direct Payments in 2018-19 was still below the Wales average. The biggest fall was in Newport, -28.8%.

Exhibit 4: the number of adults receiving Direct Payments by local authority in 2016-17 and 2018-19 and change in take up over the period

Local authority	2016-17	2018-19	% Change
Isle of Anglesey	73	139	90.4%
Gwynedd	158	137	-13.3%
Conwy	221	239	8.1%
Denbighshire	106	177	66.9%
Flintshire	403	437	8.4%
Wrexham	196	272	38.7%
Powys	551	504	-8.5%
Ceredigion	199	336	68.8%
Pembrokeshire	293	331	12.9%
Carmarthenshire	448	538	20.0%
Swansea	521	517	-0.8%
Neath Port Talbot	341	433	26.9%
Bridgend	177	232	31.1%
Vale of Glamorgan	378	271	-28.3%
Rhondda Cynon Taf	372	306	-17.7%
Merthyr Tydfil	95	102	7.4%
Caerphilly	114	-	-
Blaenau Gwent	145	149	2.3%
Torfaen	131	130	-0.8%
Monmouthshire	154	131	-14.9%
Newport	132	94	-28.8%
Cardiff	746	787	5.5%
TOTAL	5,954	6,262	5.2%

Note: Caerphilly was unable to provide data for 2018-19, due to technical issues with their ICT systems.

Source: StatsWales, [CARE0118: Adults receiving services by local authority](#)

2.22 The use of Direct Payments in Wales still lags behind England. Data published by NHS Digital Services¹² shows that in 2020-21, 26.6% of people who receive social care services including 75.3% of carers in England receive Direct Payments. Performance ranges from 19.8% of all service users in the north-east of England to 38.3% in the East Midlands.

Direct Payments are used differently across Wales and local authorities have different approaches in how they deal with unused funds

- 2.23 How Direct Payments are used and what they pay for varies. Through our discussion with Direct Payment Forum members we found that some authorities have few, if any, restrictions and encourage people to use the money flexibly; paying for holiday accommodation, leisure activities, trips abroad and mobile phones. In comparison, other local authorities only allow Direct Payments to pay for practical help directly associated with an individual's personal care and define what Direct Payments can and cannot pay for.
- 2.24 Direct Payment service users and carers we surveyed raised concerns with this situation. One user of Direct Payments noted that: 'It would be very helpful to have a written list of what Direct Payments can actually be used for.' Another survey respondent summed up their experience as follows: 'The council does not make it clear how to spend the money. You still have to continually ask questions and the people in the council don't know the answers. The system is very slow and 'drawn out'. They are not flexible.'
- 2.25 Those who have similar support needs can also pool their Direct Payments to organise joint activities or services by taking some or all of their Direct Payment and adding these funds together to jointly purchase services¹³. This enables people to share the cost of activities, have the opportunity to spend more time with other people and get better value through increasing their spending power. However, we found that pooling budgets is very limited. And past approaches in some local authorities ended relatively quickly, despite the best endeavours of staff we interviewed.
- 2.26 Welsh Government guidance¹⁴ requires local authorities to work flexibly, allowing Direct Payments recipients to be able to 'bank' any unused payment to use as and when they need to. However, in reality the approach taken by local authorities varies and some local authorities seek to recover unspent money. The findings from our survey of recipients (**Exhibit 5**) are echoed in the feedback we received from local authority staff where we found wide differences in approach.

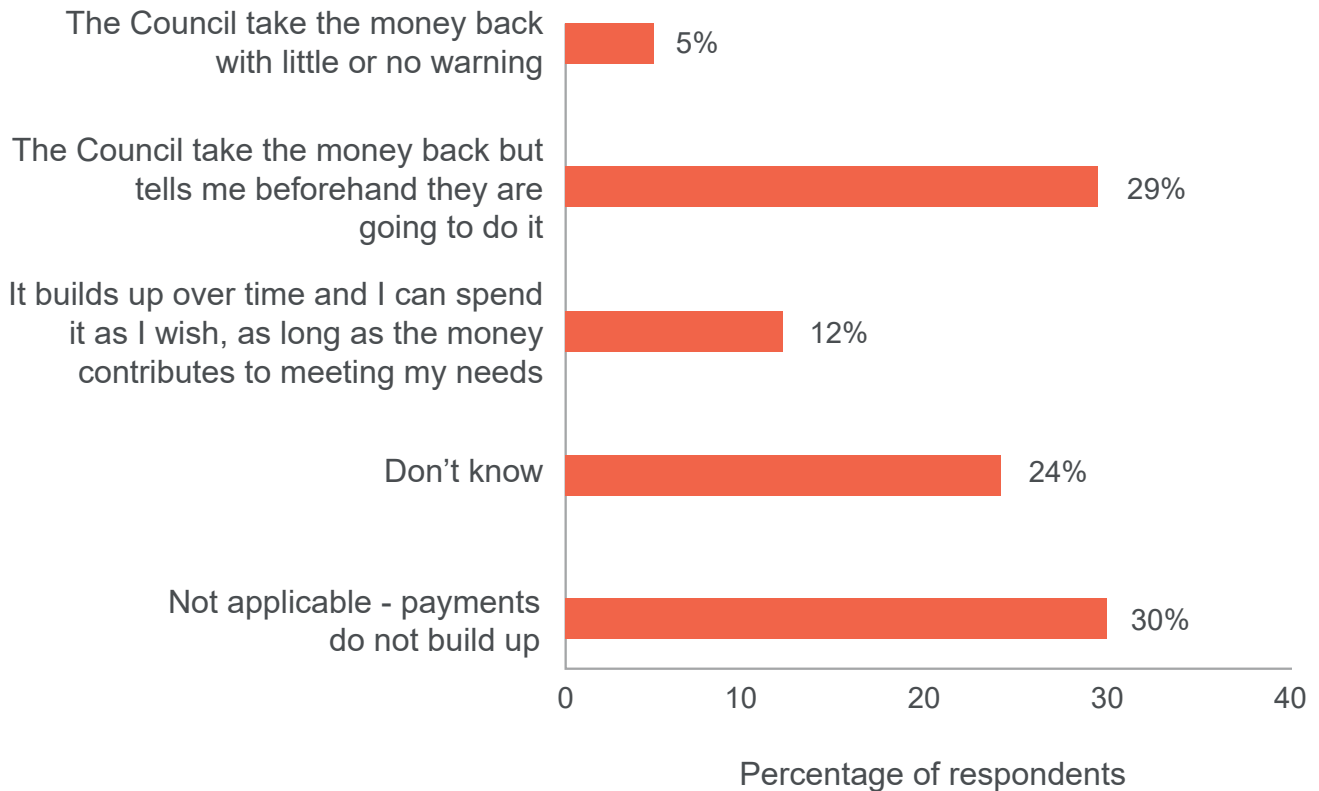
12 NHS Digital Services, [Adult Social Care Outcomes Framework](#), October 2021.

13 The Wales Co-operative Centre has published a guide setting out how people can pool budgets for Direct Payments, [Direct Payments: make them work for you](#)

14 [Social Services and Well-being \(Wales\) Act 2014: Part 4 Code of Practice \(Meeting Needs\)](#), 2015. Paragraph 159 notes that 'The flexibility inherent in direct payments means that recipients, or their representatives, must be able to adjust the amount of the direct payment they use from week to week. They must be able to 'bank' any unused payment to use as and when extra needs arise (this might particularly be relevant for those whose needs fluctuate)'. Page 62

Exhibit 5: Direct Payment recipients’ experiences of what happens to payments which build up

Roughly one in eight recipients of Direct Payments build up ‘unused’ money to be used to meet future needs.



Source: Audit Wales, Survey of people receiving Direct Payments, September 2021

2.27 Taken together, our evidence highlights that further clarification, support and guidance are required to ensure that people are able to fully benefit from Direct Payments and receive a consistent standard of service.

The interface between use of NHS continuing healthcare and social care on access to Direct Payments remains a problem

- 2.28 The Welsh Government's Programme for Government 2021 to 2026 includes a commitment to 'Improve the interface between NHS continuing healthcare and Direct Payments'. In August 2021, the Welsh Government strengthened the wording in the NHS Continuing Healthcare National Framework 2021 and Decision Support Tool.
- 2.29 Importantly, the new guidance reinforces the central ethos of individuals' right to exercise voice and control to decide how, when and who supports them to meet their eligible care and support needs, especially when transitioning from Direct Payments to NHS continuing healthcare. This includes providing specific examples of actions Local Health Boards can take to support this but also recognising that assessments needed to avoid putting up barriers and pushing service users from one service to the other. Theoretically therefore it should be possible for someone to receive a needs-led assessment that supports someone's independence, voice and control.
- 2.30 Some people we surveyed in receipt of Direct Payments noted a reluctance to access NHS continuing healthcare because they fear losing their Personal Assistants and the ability to determine who provides their services. They also raised concerns that the flexibility of Direct Payments – that enables them to access a wide range of non-traditional health and/or social care services that help improve their wellbeing – will be lost.
- 2.31 Direct Payment managers also noted instances where individuals with deteriorating health needs are refusing to access NHS continuing healthcare because of fear of losing the flexibility of Direct Payments and the wellbeing improvements it brings. Direct Payment managers and some providers also raised concerns that NHS colleagues are still not fully on board with service users 'driving' decision making and maximising the opportunity to promote independence, voice and control.



**Direct Payments
are helping people
live independently
and improving their
wellbeing, but it is
difficult to assess
overall value for money
because of limitations
in data and evaluation**

03

3.1 In this final part of the report, we consider the impact of Direct Payments. We summarise spending on Direct Payments in Wales and highlight the variations between local authorities. Finally, we consider whether the current approaches to monitor and evaluate Direct Payments to ensure they provide value for money are effective.

Local authorities who are delivering positive outcomes for people using Direct Payments



Evidencing that people's wellbeing is maintained or improving as a result of Direct Payments



Have a comprehensive system for monitoring and evaluating all aspects of Direct Payments



Involve and value input from all stakeholders/partners in evaluating the impact of services



Compare and benchmark individual and collective performance with others and use the findings of evaluation to shape current plans and future approaches



Know what works and whether the approach of the authority is delivering the aspirations of the Act

Direct Payments are seen as making an important contribution to recipients' wellbeing and independence

- 3.2 Overall, the people we surveyed who receive Direct Payments provided positive feedback on the impact of Direct Payments. 91% of respondents to our survey stated that Direct Payments have had a positive impact on their independence and wellbeing. In addition, 85% stated that Direct Payments were definitely the right option for them. The majority of care and support providers who responded to our survey (87%) also agreed that Direct Payments are helping to support people's independence and maintain their wellbeing.
- 3.3 Some people we surveyed identified the critical role of Direct Payments in helping them remain independent. One Direct Payment recipient noted that: 'I get support to do everything I want to do and achieve' whilst another stated that: 'It's allowed me to do lots of new things and go out and enjoy and meet new people.' Another noted that: 'It (Direct Payments) gives choices and independence which have been very positive' and another that: 'the Direct Payments have enabled me to remain living in my own home'. Finally, one recipient stated that: 'I really like Direct Payments and how it lets me live as independently as I can.' And another person we surveyed noted that: 'Direct Payments allows me to have control and more importantly to have the care I need to be able to get the most out of life.' These comments were echoed by many others who responded to our survey.

It is difficult to assess the overall value for money of Direct Payments because systems for managing and evaluating performance are inadequate

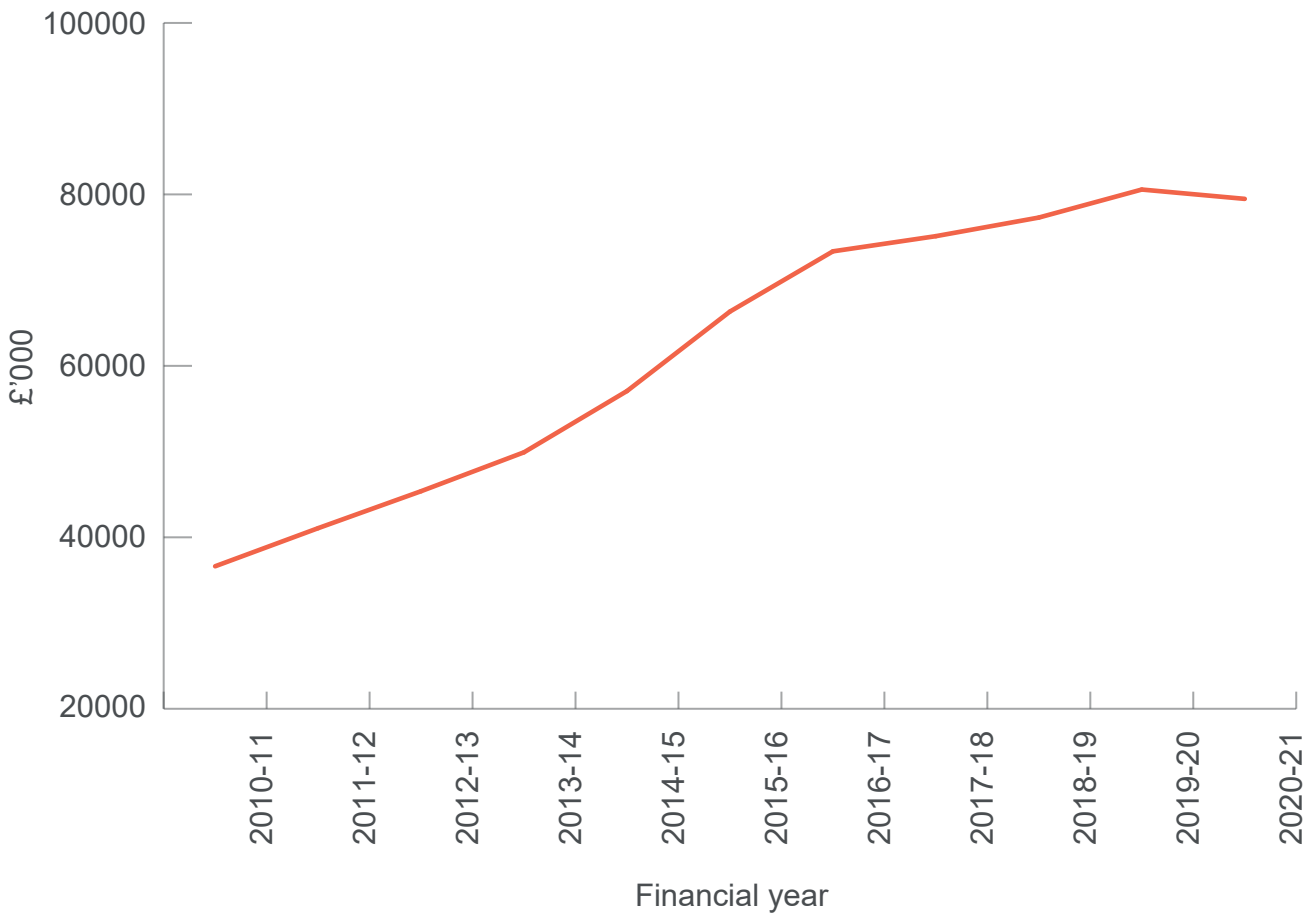
- 3.4 Despite the high value placed on Direct Payments by service users and carers, there is only a small range of national publicly reported indicators to judge performance. These simply cover the numbers receiving Direct Payments by need group (physical disabilities, learning disabilities, mental health and older people) and the amount spent on Direct Payments by local authority. The performance measures were revised following the implementation of the Social Services and Well-being (Wales) Act in 2014, and information has only been collated for three financial years: 2016-17, 2017-18 and 2018-19. Following the Welsh Government's decision to suspend data collection in response to the pandemic in 2020, no data on services other than expenditure has been collected and reported nationally.

Spending on Direct Payments has more than doubled in the last decade, but marginally fell in 2020-21. The average amount paid out per recipient varies widely

3.5 The amount of money spent on Direct Payments is growing and in real terms, considering inflation, has increased from £36.6 million in 2010-11 to £79.5 million in 2020-21 – **Exhibit 6**.

Exhibit 6: total spending on Direct Payments for adults by local authorities in real terms between 2010-11 and 2020-21

Local authorities' spending on Direct Payments increased by 117% in the period but marginally fell in 2020-21.

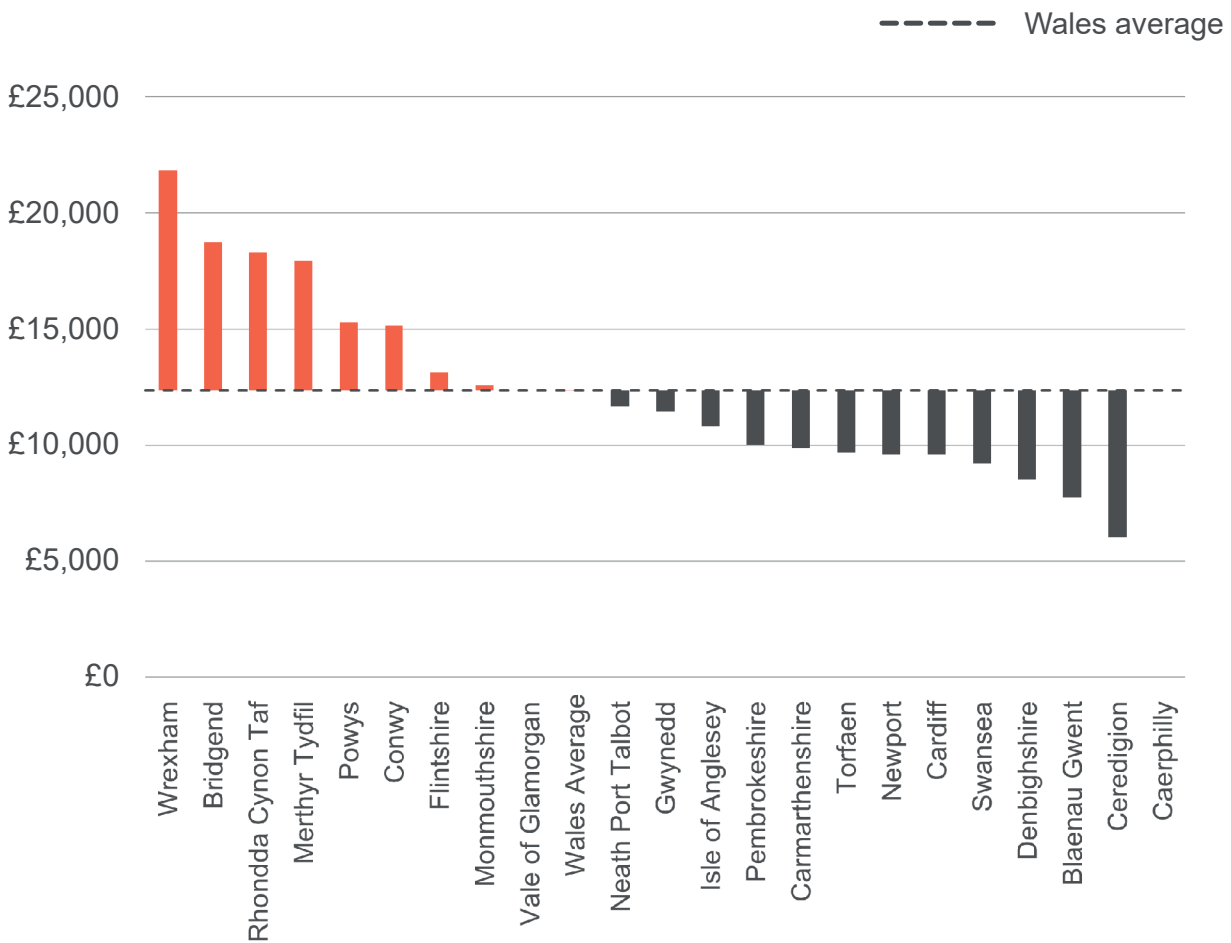


Source: StatsWales, [LGFS0015: Social services revenue outturn expenditure subjective analysis by authority](#). Analysis by Audit Wales

3.6 While each local authority is responsible for the format of care and support plans, they are required to be consistent across the country using the national eligibility criteria¹⁵. Our analysis in **Exhibit 7** shows that local authorities are paying out widely varying average amounts. Excluding Caerphilly, the average Direct Payment across Wales in 2018-19 in real terms was £12,344. This ranged from £6,033 per person in Ceredigion to £21,836, 3.6 times more, in Wrexham.

Exhibit 7: average Direct Payment per recipient by local authority in 2018-19 in real terms

The average amount people receive in Direct Payments varies widely across Wales.



Note: Caerphilly was unable to provide data on the number of recipients for 2018-19, due to technical issues with their ICT systems.

Source: StatsWales, [LGFS0015: Social services revenue outturn expenditure subjective analysis by authority](#) and [CARE0118: Adults receiving services by local authority and age group](#). Analysis by Audit Wales

15 The eligibility criteria are set out in the [Care and Support \(Eligibility\) \(Wales\) Regulations 2015](#) and the Welsh Government’s [Social Services and Well-being \(Wales\) Act 2014: Part 4 Code of Practice \(Meeting Needs\), 2015](#). Paragraph 39 of the Code of Practice notes that while people have a right to care and support from a local authority where that care and support are not otherwise available to them, the ‘pattern of service delivery will vary from authority to authority’.

- 3.7 Taking this information with the findings set out in **Part 2** of this report, we conclude that the policy choices and decisions of local authorities are resulting in people with similar needs receiving very different standards of service. Given the significant variation in approaches, the Welsh Government needs to set clear standards to ensure consistency for service users.

Systems for managing and evaluating performance are inadequate

- 3.8 Local authorities are mostly focussing their performance management and evaluation on the numbers receiving services and the amount of money spent and not enough on impact, wellbeing and the wider benefits of investment. We found that only a fifth of Direct Payment managers believe that their local authority has robust measures in place and are able to judge quality, cost and outcomes of Direct Payments on individuals and for the local authority.
- 3.9 Through our engagement with Direct Payments lead officers across Wales, we found that most local authorities have some measures in place and evaluate some aspects of Direct Payments, but acknowledge it is not comprehensive and there are gaps. For instance, only:
- a a third capture information that helps to identify what is not working and what needs to change;
 - b a quarter capture and use information in real time;
 - c less than a fifth monitor how Direct Payments contribute to delivery of Corporate Priorities – for example, wellbeing goals, improvement objectives and service priorities; and
 - d less than a fifth capture positive and negative experiences from people who receive Direct Payments and know what it is like to receive them.
- 3.10 These weaknesses mean that it is not possible to fully evaluate and understand the performance or effectiveness of individual local authorities, or the efficiency and impact of Direct Payments. This makes it difficult to judge how well local authorities are performing and whether Direct Payments represent value for money in their own right or in comparison with other forms of social care.



Appendices

- 1 Audit methods and approach**
- 2 Determining eligibility for social care and support**
- 3 Adults receiving social care services organised by local authority in 2018-19**
- 4 Personal Assistant hourly pay rates by local authority**

1 Audit methods and approach

Approach

We focused on local authorities' management and delivery of Direct Payments. The work follows on from our September 2019 report on [The 'Front Door' to Adult Social Care](#), which focussed on the impact of the Social Services and Well-being (Wales) Act 2014 and the prioritisation of preventative services to help reduce demand for social care services.

Our review assessed how Direct Payments are helping people to live independently and enable them to have more voice, choice and control. We looked at how Direct Payments help sustain their wellbeing and whether they are improving people's quality of life. We looked at how local authorities manage and encourage take up of Direct Payments and judge whether these services present value for money.

We established a study reference group and held project meetings with Care Inspectorate Wales, Carers Wales, the Older People's Commissioner, Age Cymru, the Welsh Government, and a small number of service users. The reference group helped to shape the focus of this review and provided challenge at our evidence review stage.

We managed delivery of the review to take account of the challenges facing social services in Wales in dealing with the pandemic. We ensured the scope and coverage of our fieldwork did not detract from local authority responsibilities towards service users and flexed our approach in discussion with individual local authorities when agreeing and delivering fieldwork.

Methods

We completed our work between September 2020 and February 2022 and used a range of methods to inform our overall findings, conclusions and recommendations:

- **document review** – we reviewed Welsh Government, Association of Directors of Social Services Cymru and Social Care Wales documentation, guidance and announcements; local authority policy documentation and cabinet and committee papers; a range of materials on approaches for management of Direct Payments in England; and reports and information published by research bodies including the Joseph Rowntree Foundation, the Kings Fund and Think Local Act Personal.

- **focus groups** – we held:
 - three on-line focus groups with members of the All-Wales Direct Payments Forum made up of officers from each of the 22 Welsh local authorities with management responsibility for Direct Payments. In each of the focus groups, attendees completed a survey and we held facilitated discussions.
 - Carers Wales focus groups with Direct Payments service users and their carers.
- **local authority interviews** – we interviewed staff from Bridgend, Caerphilly, Cardiff, Flintshire, Gwynedd, Newport, Powys, Torfaen and Wrexham councils with responsibility for direct payments.
- **interviews with national bodies** – ADSS Cymru, the Welsh Local Government Association, British Association of Social Workers Cymru, Social Care Wales, Disability Wales, UK Home Care Association, Care Forum Wales, Wales Co-op Centre, the Equalities and Human Rights Commission Cymru, Wales School of Social Care Research, the Welsh Government, British Deaf Association and Think Local Act Personal.
- **surveys** – we undertook two surveys:
 - a commissioned telephone survey of service users and carers receiving Direct Payments. A total of 1,028 people from a database of 4,650 valid contacts were surveyed, with 71% completed via telephone and the remainder submitting online survey forms. Of this figure 5% surveyed are carers. All contacts were provided by local authorities using secure data transfer. The survey was conducted between 4 August and 24 September 2021, with 5% of responses completed in Welsh. Given our survey covers both service users and carers who receive Direct Payments, we report information at three levels. Where we say Direct Payment recipients, we mean both service users and carers; and where we specifically reference either ‘service users’ or ‘carers’ means the findings of the survey are specific to these distinct groups of people; and
 - a survey of individuals and agencies paid via Direct Payments to provide care and support to adults in need. The online open survey was completed between 11 June 2021 and 18 August 2021. We received a total of 166 responses, and these came from all 22 local authority areas, with 3% of responses completed in Welsh.
- **data analysis** – we analysed data published by StatsWales on Direct Payments expenditure, the number of adults receiving services and their needs. We also analysed data published by NHS Digital Services in England.

2 Determining eligibility for social care and support



Widely known as **the Information, Advice and Assistance service**, this is the front door to adult social care and is the first point of contact for most individuals looking for help.



At the first point of contact, individuals will be offered information, advice and assistance to help them make informed decisions about their wellbeing.

From here, local authorities will often signpost individuals to preventative or community-based services. If a person's needs cannot be met in that way, they will be directed to a professional social worker to discuss their needs in more detail.



Often referred to as the 'What Matters conversation', the assessment of needs undertaken with a social worker is a targeted conversation to gather more information about a person's strengths and needs, to identify the best solutions for them.



If a person's needs cannot be met without local authority support, a care and support plan is co-produced to set out how those needs will be met through the provision of services. This is often referred to as having 'eligible needs'.

These services can be arranged directly by the local authority or, alternatively, funded through Direct Payments – a monetary amount that can be used to purchase and arrange a person's own care and support.

3 Adults receiving social care services organised by local authority in 2018-19

Exhibit 8: adults receiving social care services organised by local authority in 2018-19

Local authority	Total number of adults receiving social services	Number of adults in receipt of Direct Payments	Direct Payments as % of adults receiving services
Blaenau Gwent	3,826	149	3.9%
Bridgend	7,059	232	3.3%
Caerphilly	No data submitted due to technical issues with ICT systems		
Cardiff	15,331	787	5.1%
Carmarthenshire	7,658	538	7.0%
Ceredigion	2,595	336	12.9%
Conwy	7,060	239	3.4%
Denbighshire	2,872	177	6.2%
Flintshire	8,041	437	5.4%
Gwynedd	8,774	137	1.6%
Isle of Anglesey	3,382	139	4.1%
Merthyr Tydfil	2,696	102	3.8%
Monmouthshire	4,449	131	2.9%
Neath Port Talbot	3,371	433	12.8%
Newport	4,462	94	2.1%
Pembrokeshire	4,398	331	7.5%
Powys	5,827	504	8.6%
Rhondda Cynon Taf	7,094	306	4.3%
Swansea	8,932	517	5.8%
Torfaen	3,241	130	4.0%
Vale of Glamorgan	5,533	271	4.9%
Wrexham	8,814	272	3.1%
Wales	125,415	6,262	5.0%

Source: StatsWales, [CARE0118: Adults receiving services by local authority and age group](#)

Following the Welsh Government's decision to suspend data collection in response to the pandemic in 2020, no data on services other than expenditure has been reported nationally since 2018-19.

4 Personal Assistant hourly pay rates by local authority

The rates in the Vale of Glamorgan, Torfaen and Blaenau Gwent local authorities vary to take account of weekend, evening and unsocial hours working.

Exhibit 9: personal assistant hourly pay rates by local authority

Local authority	Personal Assistants rate (per hour)
Merthyr	£12.94
Wrexham	£12.67
Swansea	£12.66
Flintshire	£12.63
Gwynedd	£12.62
Pembrokeshire	£12.40
Denbighshire	£12.33
Carmarthenshire	£12.20
Vale of Glamorgan	£11.24 - £12.18
Rhondda Cynon Taf	£12.15
Bridgend	£12.00
Torfaen	£8.72 - £11.85
Conwy	£11.75
Ynys Môn	£11.65
Powys	£11.41
Cardiff	£11.36
Monmouthshire	£11.04
Ceredigion	£11.00
Neath Port Talbot	£10.50
Blaenau Gwent	£8.72 - £10.00
Newport	£9.50
Caerphilly	£9.47



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Audit Wales National Report – April 2022:

[Direct Payments for Adult Social Care / Taliadau Uniongyrchol ar gyfer Gofal Cymdeithasol i Oedolion](#)

#	Report Recommendation	Council action planned in response to the recommendations	Target date for completion	Responsible Officer	PIMS Ref No (TBC once updated)
To ensure people know about Direct Payments, how to access these services and are encouraged to take them up we recommend that local authorities:					
R1	Review public information in discussion with service users and carers to ensure it is clear, concise and fully explains what they need to know about Direct Payments	Develop new service and information packs in accessible formats. Update current fact sheets – in line with the Social Services and Wellbeing (Wales) Act. Review current Policy to ensure that it reflects the In-House service as the support provider for Direct Payments.	31 st December 22	Alun Jones / Alexis Powell / Paul Davies	
R2	Undertake additional promotional work to encourage take up of Direct Payments	Social Work update training on Direct Payments linked to R1. Develop public facing information to ensure that individuals are able to access information in appropriate format e.g. Easy read.	30 TH September 22	Joel Martin/ Alexis Powell/ Angharad Jenkins	
R3	Ensure advocacy services are considered at the first point of contact to provide independent advice on Direct Payments to service users and carers	Social Work update training and information on access to the new advocacy service framework to assist Service Users with independent advice.	30 TH September 22	Joel Martin /Angharad Jenkins / Lucy Brown	
To ensure Direct Payments are consistently offered we recommend that local authorities:					
R4	Ensure information about Direct Payments is available at the front door to social care and are included in the initial discussion on the available care options for service users and carers.	Updated information and training for key professionals involved with providing options for service users and carers. Development of a fact sheet linked to R1– this work will be developed by Social Work project group linked to the Direct Payments review.	31 st December 22	Alexis Powell /Joel Martin/ Angharad Jenkins	
Page 83	Provide training to social workers on Direct Payments to ensure they fully understand their potential and feel confident promoting it to service users and carers.	There is currently a training programme in place, however, this is being reviewed in line with the development work linked to R1, R2, R3, R4 and R7.	31 st December 22	Alexis Powell /Joel Martin / Angharad Jenkins	

#	Report Recommendation	Council action planned in response to the recommendations	Target date for completion	Responsible Officer	PIMS Ref No (TBC once updated)
To ensure there is sufficient Personal Assistant capacity, we recommend that local authorities through the All-Wales local authority Direct Payments Forum and with Social Care Wales:					
R6	Work together to develop a joint Recruitment and Retention Plan for Personal Assistants	Work underway, radio advert commissioned, and on-going marketing plan being developed.	30 th September 22	Alun Jones/ Alexis Powell	
To ensure services are provided equitably and fairly we recommend that local authorities and the Welsh Government:					
R7	To ensure services are provided equitably and fairly we recommend that local authorities and the Welsh Government. Clarify policy expectations in plain accessible language and set out: <ul style="list-style-type: none"> • what Direct Payments can pay for; • how application and assessment processes, timescales and review processes work; • how monitoring individual payments and the paperwork required to verify payments will work; • how unused monies are to be treated and whether they can be banked; • how to administer and manage pooled budgets 	Review of policy to be arranged linked to the commissioning project group of the direct payments review. 1 st Draft to be ready by 30 th September 2022 The project group will focus on: <ul style="list-style-type: none"> • what Direct Payments can pay for; • how application and assessment processes, timescales and review processes work; • how monitoring individual payments and the paperwork required to verify payments will work; • how unused monies are to be treated and whether they can be banked. A separate workstream will be set up to map out the system and process on how to administer and manage pooled Direct Payments.	31 st March 23 31st March 23	Alison Watkins / Rhys Page / Joel Martin. Lucy Brown / Alun Jones	
We recommend that the Welsh Government:					
R8	Ensure that people who receive both NHS continuing healthcare and Direct Payments have greater voice, choice and control in decision making.	Welsh Government No action required for CCC			
Page 81	effectively manage performance and be able to judge the impact and value for money of Direct Payments, we recommend that local authorities				

#	Report Recommendation	Council action planned in response to the recommendations	Target date for completion	Responsible Officer	PIMS Ref No (TBC once updated)
and the Welsh Government:					
R9	Work together to establish a system to fully evaluate Direct Payments that captures all elements of the process – information, promotion, assessing, managing and evaluating impact on wellbeing and independence.	Implementation date for changes will be 31/3/23, therefore a full review will be carried out within 2023 -2024	31/3/24	Alison Watkins/Rhys Page	
R10	Annually publish performance information for all elements of Direct Payments to enable a whole system view of delivery and impact to support improvement.	This will be planned to enable a position statement for 31/3/23 and then yearly thereafter.	31/3/23 ongoing	Alun Jones	

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GOVERNANCE & AUDIT COMMITTEE

30 SEPTEMBER 2022

INTERNAL AUDIT PLAN UPDATE 2022/23		
<p>Recommendations / key decisions required: To receive the report.</p>		
<p>Reasons: Regular progress report to be presented to each Governance & Audit Committee meeting.</p>		
<p>Cabinet Decision Required: N/A Council Decision Required: N/A</p>		
<p>CABINET MEMBER PORTFOLIO HOLDER: Cllr A Lenny</p>		
<p>Directorate: Corporate Services</p> <p>Name of Head of Service: Helen Pugh</p> <p>Report Author: Caroline Powell</p>	<p>Designation: Head of Revenues and Financial Compliance</p> <p>Principal Auditor</p>	<p>Tel No.: 01267 246223</p> <p>E Mail Address: HLPugh@carmarthenshire.gov.uk CaPowell@carmarthenshire.gov.uk</p>

EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 30 SEPTEMBER 2022

INTERNAL AUDIT PLAN UPDATE 2022/23

1. 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 Progress Report for 2022/23

REPORT B: Priority 1 Recommendation Reports

This Section includes reviews completed where systems have one or more Fundamental Control Weaknesses or involve reviews which the Chair of the Governance & Audit Committee and the Head of Revenues & Financial Compliance have agreed should be brought to the Committee:

1.	School Meals – Special Dietary Requirements
2.	Travel & Subsistence

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 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:

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Internal Audit Plan 2022/23	AC 11-03-22	Agenda for Governance & Audit Committee on Friday, 11th March, 2022, 10.00 am

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INTERNAL AUDIT PLAN 2022/23

2022/23											Plan Completion to Date: 28.0%	
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		
Fundamentals												
1122001	Capital Accounting including Fixed Asset Register	20										
1122002	Cash & Bank	15										
1122003	Creditor Payments	30										
1122004	Debtors System	20	*	*	*	*						
1122005	Housing Benefits	20	*	*	*							
1122006	Payroll System	30										
1122007	Pensions Payroll System	20	*	*	*	*	*	*	18		High	
1122008	VAT	15	*	*								
Corporate Governance Assurance												
2122001	Annual Governance Statement/Corporate Governance Arrangements	20										
2122002	Regulatory Recommendations	10										
2122003	Data Protection	20										
2122004	Welsh Language Standards	20										
2122005	Freedom of Information	20	*	*	*							
2122006	Risk Management Arrangements	10										
COVID-19												
3122001	COVID-19 Duplication Checks and Payments	40	*	/	*							
3122002	COVID-19 Systems and Processes	20	*	/	*							
3122003	COVID-19 Working Groups	10	*	/	*							
Corporate Review Work												
4122001	CCC Companies	30										
4122002	Contract Management	20	*	*	*							
4122003	Procurement	20	*	*	*							
4122004	Safeguarding - Adults	10	*	*	*							
4122005	Safeguarding - Children	10	*	*	*							
4122006	Staffing Matters	20	*	*	*							
Counter Fraud												
5122001	Fraud Prevention, Detection and Investigation	40	*	/	*							
5122002	Proactive Fraud Testing	20	*	/	*							
Grants & Certification												
6122001	Burry Port Harbour	10	*	/	*	*	/	*	12		Accounts Return	
6122002	Children & Communities Grant	25	*	/	*	*	*					
6122003	RCSIG - Regional Consortia Support Improvement Grant (EIG) - EOY	15	*	*	*							
6122004	RCSIG - Regional Consortia Support Improvement Grant (EIG) - Q3	15										
6122005	Enable Grant	10	*	/	*	*	*					
6122006	Housing Support Grant - Homelessness	12	*	/	*							

6122007	Housing Support Grant - Rent Smart Wales	10	*	/	*						
6122008	Housing Support Grant - Supporting People	13	*	/	*						
6122009	Local Authority Education Grant	20									
6122010	Other Grants (where assurance is required for sign-off)	20									
6122011	Wales Pension Partnership	5	*	/	*	*	/	*	4	Accounts Return	
6122012	Post 16 Grant	10									
6122013	Pupil Deprivation Grant - EOY	15	*	*	*						
6122014	Pupil Deprivation Grant - Q3	15									
6122015	Trust Funds - Arbour Stephens	5	*	*	*	*	/	*	5	Certification	
6122016	Trust Funds - Dyfed Welsh Church Fund	5	*	*	*	*	*				
6122017	Trust Funds - Minnie Morgan	5	*	*	*	*	/	*	4	Certification	
6122018	Trust Funds - Oriol Myrddin	5	*	*	*	*					
6122019	Regional Development Coordinator Grant	5	*	/	*	*	/	*	3	Certification	
	Chief Executive's Department (not incl IT)										
7122001	Departmental Income	15	*	*	*						
7122002	Local Government & Elections Act	10									
7122003	Net Zero Carbon	20									
7122004	Regeneration & Economic Development: CRF	10									
7122005	Regeneration & Economic Development	10									
7122006	PMP: Workforce Planning	20									
	Chief Executive's Department: IT										
7222001	Cyber Security	15									
7222002	Disaster Recovery and Business Continuity	15	*	*	*						
	Communities										
7322001	Departmental Income	15	*	*	*						
7322002	Disabled Facilities Grants (DFGs)	15	*	*	*						
7322003	Disrepair Claims	15	*								
7322004	Leisure: Health, Fitness & Dryside portfolio	20	*								
7322005	Social Care (Assignment to be agreed)	20	*								
	Corporate Services										
7422001	Departmental Income	15	*	*	*						
7422002	Corporate Credit Card	15	*	*	*						
	Education & Children										
7522001	Departmental Income	15	*	*	*						
7522002	Youth Support Service Pre-paid Cards	15	*								
7522003	Schools Expenditure	30	*	*	*						
7522004	Schools (incl School Questionnaires)	20	*	*	*						
7522004	School Visits 1	10	*	*	*	*	*				
7522004	School Visits 2	10	*	*	*						
7522005	Welfare Cards	10									
	Environment										

7622001	Departmental Income	15	*	*	*						
7622002	Fleet Management	10	*								
7622003	Waste	15	*	*							
7622004	Planning: Development Management	20									
7622005	Property	10									
7622005	Property - Consultancy	5	*	*	*						
7622006	Asset Management	15	*	*	*	*					
	Additonal										
8122001	Departmental Advisory Work	40	*	/	*						
8222001	Various Departmental Working Groups	40	*	/	*						

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DEPARTMENT	AUDIT REVIEW	FINAL REPORT ISSUED
Education & Children's Services	School Meals – Special Dietary Requirements	12 July 2022

BACKGROUND

The Catering Services Section within the Education and Children's Services Department is responsible for the provision of meals to pupils in the Authority's primary and secondary schools. The provision of special diets is a shared responsibility and requires a joint approach and close communication between the School Headteacher, Parent/Guardian and Catering Services Section to minimise risk and provide a safe educational environment for pupils with special dietary requirements.

SCOPE

The purpose of the Audit was to assess the effectiveness of the current procedures and controls in place for pupils with special dietary requirements that have been medically prescribed, including pupils who have allergies, for religious or cultural reasons, or because a pupil is vegetarian or vegan.

The review considered whether:

- Adequate policies and procedures exist in relation to special dietary requirements.
- Adequate information and records are maintained.
- Evidence that catering records are up to date and records between school and catering are documented and evidenced.
- Adequate management information is available and monitored.

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	1	4	0	5

ASSURANCE RATING

The post review assurance level for systems relating to Special Dietary Requirements is categorised as: **Low**.

Internal Audit review of Special Dietary Requirements 2021/22

Action Plan

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer / Target Date	Updated Position
1	There is a Draft Policy for the Provision of Special Diets in place, along with draft guidance and a special diets form, however, these documents have not been published or fully implemented.	<p>Whilst it is acknowledged that guidance is awaited from the WLGA, it is imperative that a consistent, effective approach to the administration of Special Dietary Requirements across all schools is introduced as a matter of urgency, to ensure the risks associated with allergens are appropriately managed.</p> <p>Draft Policy guidance currently in place must be updated to ensure it is current and includes the requirements of all relevant legislation, including the requirements of Natasha's Law.</p>	***	<p>An initial trial of the draft policy and online allergen form was conducted in December 2021, however, in January 2022, we then had confirmation from the Welsh Local Government Association (WLGA) that it was the intention to start their trial for issuing an all-Wales form for capturing special diet information. There are concerns that with issuing both forms in a relatively short space of time, there will be a duplication of duties / information being collated.</p> <p>The School Catering Team will seek further clarification from the WLGA in terms of their timescale for moving this forward, which will be critical in readiness for the roll out of Universal Primary Free School Meals (UPFSM).</p> <p>Further discussions are ongoing with key stakeholders to collate special dietary information in readiness for the start of the new 22/23 academic year which is when UPFSM will be introduced to full time Nursery and Reception pupils. Parents will be asked to complete a 'Meal Request' form that will include dietary requirement information. Form will be</p>	<p>Registration form for UPFSM is live which was promoted to parents/guardians via several methods; for example, social media / ParentPay / Teacher Centre during the summer holidays. A centralised database has been devised to capture and review responses in relation to special dietary requirements which are then followed up with individual kitchens.</p> <p>Important reminders have been circulated to Head Teachers w/c 20/09/22 in relation to their key responsibilities relating to the management of special diets.</p>

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer / Target Date	Updated Position
				<p>publicised via social media, CCC website, ParentPay. Link will also be sent to parents in advance of pupils starting school for the first-time using pre-admission contact details in Teacher Centre.</p> <p>Senior Catering Manager 01 September 2022</p>	
2	<p>The draft procedures require that a 'Summary of Allergen & Medical Dietary Requirements' be updated as and when new pupil(s) start at the school and when pupils leave the school. There is a requirement for this information to be returned to the Catering Services Section, ensuring centrally maintained records are up to date.</p> <p>Internal Audit was advised that copies of these forms were collected during April 2021, as a one-off exercise; the data held centrally is now out of date.</p>	<p>An appropriate process and timescale should be agreed for the collection of Allergen & Dietary Requirement information.</p>	**	<p>The purpose of asking Cook's in Charge and Cook Supervisors to complete an Allergen Checklist was a one-off exercise, so that we could monitor centrally that the updated paperwork provided had been put in place. At the beginning of each half-term reminders are included in the newsletter circulated to all kitchens in prompting staff to ensure that their Allergen file is appropriately updated and reviewed.</p> <p>Senior Catering Manager Immediate</p>	<p>Kitchen staff continue to receive termly reminders to remind staff to liaise with school staff to identify new dietary requirements in order that kitchen Allergen File/records are updated. This includes removal of pupil data from the file for those pupils that have left the school.</p>
3	<p>All staff involved in the production of meals for allergen diets must complete an online Level 2 Allergen course; testing on a sample of 10 schools identified that one staff member's training had expired in November 2021.</p>	<p>Allergen Training should be completed, and kept up to date, by all staff involved in the production of meals for allergen diets.</p>	**	<p>The staff member whose training had expired has since completed the training.</p> <p>Training is currently being reviewed in accordance with the implementation of UPFSM in primary schools to</p>	<p>Pilot commencing September 2022 with 7 kitchens to complete L3 online Allergen course; to be reviewed October 2022.</p>

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer / Target Date	Updated Position
				consider whether key posts such as Cook's in Charge should complete L3 training, plus the extended roll out of L2 to additional members of staff. Senior Catering Manager 30 July 2022	
4	Five schools, from the sample of 10, had not been allocated kitchen colour coded crockery as requested on their submitted allergen checklist form.	Kitchen colour coded crockery should be distributed to all schools, as appropriate.	**	Coloured crockery has been distributed to schools centrally. Due to prioritisation of tasks, all primary kitchens will have received their crockery by the end of April 2022. Senior Catering Manager 30 April 2022 - Complete	Light equipment inventory exercise was completed with all primary kitchens during the Summer 22 term to determine whether any additional coloured crockery would be required in readiness for implementation of UPFSM.
5	There is little management information available to assist with effectively monitoring special dietary requirements.	Management information should be produced and reviewed to assist with enabling effective monitoring of special dietary requirements. Consideration should be given to reinstating the Allergen and Diet Committee to assist, for example, with the completion and implementation of the new Policies and Procedures, and to consider reporting protocols e.g., serious incident/near miss reporting requirements.	**	Initially a working group was established with a couple of pilot Headteachers to review our draft policy and online special diet form. Following this, we received confirmation from the WLGA that they were going to re-introduce their working group to move things forward, as it was also their intention to introduce an online form for all Local Authorities to use. The School Catering Team will seek further clarification from the WLGA in terms of their timescale for moving this forward.	Senior Catering Manager to attend Business Meeting with Primary Head Teachers early October to discuss key processes / ongoing actions for schools to include way forward for standardising documents for schools to be able to capture special dietary information. Work is also underway to develop a monitoring checklist so that additional audits can be conducted by key officers within the department to assess sharing of information with school staff / kitchen staff.

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer / Target Date	Updated Position
				<p>A further review will also be carried out during Summer 2022 to ascertain how best to manage the process with all key stakeholders in readiness for rolling out UPFSM to wider year groups.</p> <p>Senior Catering Manager 30 September 2022</p>	

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DEPARTMENT	AUDIT REVIEW	FINAL REPORT ISSUED
Chief Executive's Department	Travel & Subsistence	04 April 2022

BACKGROUND

Carmarthenshire County Council staff are eligible to claim travel and subsistence expenses in accordance with their Conditions of Service.

During the 2020/2021 financial year the Authority paid out approximately £1 million in travelling expenses, as well as approximately £50,000 in subsistence allowances. These payments were based on claims made by individuals, authorised by the respective manager, and claimed either on-line or submitted via manual claims.

SCOPE

The purpose of the audit was to ensure that the systems and procedures in place for the processing of travelling and subsistence claims, including those processed online, fully comply with the requirements of Financial Procedure Rules and approved policies, in particular:

- Recommendations made in previous Internal Audit reports have been actioned.
- Adequate documented policies / procedures exist.
- Travel and subsistence claims are appropriately authorised.
- Travel and subsistence claims are analysed to identify any potential duplicate or overlapping claims.
- Effective controls exist over payments made in relation to travelling and subsistence claims processed on-line.
- Adequate controls exist over access to the application system, user rights and permissions.

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	1	4	2	7

ASSURANCE RATING

The post review assurance level for systems relating to Travel & Subsistence is categorised as: **Low**.

Internal Audit review of Travel & Subsistence 2021/22

Action Plan

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer / Target Date	Updated Position
1	Testing identified instances where excess mileage had been claimed as a result of working from home, with some staff seemingly unaware that the current policy and guidance in place still applied when working from home.	A reminder should be issued to all Authority staff to reiterate the rules and requirements of the Travel & Subsistence Policy, emphasising that the Policy remains the same, regardless of the current work location of the employee.	**	Staff and managers have been advised, through newsletters, regarding travel expenses during covid working. The Assistant Chief Executive to take to CMT for discussion. The Excess Travel policy is being reviewed and will be incorporated into the revised Staff Travel Policy. Communication will be issued to all staff when revised policy is in place. Employee Services Manager 30 September 2022	Travel Policy has been consulted upon, discussed at CMT and final version is in the process of being agreed. The Policy will then be promoted to all staff and managers will be asked to ensure that any claims meet the policy requirements including excess travel.
2	HMRC guidance states that receipts for fuel purchased by employees must be obtained, and retained, and that claims cannot be supported by a VAT invoice that is dated after the dates covered by the claim. The guidance for managers on the My View module of Resource Link advises that VAT fuel receipts should be submitted to accompany the mileage claim forms, however there is no guidance on fuel receipts included within the Travel & Subsistence Policy for employees submitting travel claims, nor is there guidance on the	It should be ensured that all guidance relating to the claiming of travel and subsistence is consistent, including the Travel and Subsistence policy, the separate guidance for managers, and the Financial Procedure Rules. All internal guidance should be in line with HMRC guidance.	*	Discussions to be held with Corporate Services Department on providing training to Managers on the Authorisation of expenses and the Financial Procedure Rules. The guidance 'Making a Claim: Extract from the Financial Procedure Rules' referenced within My View will now be updated. Employee Services Manager 23 March 2022	Training will form part of the roll out of the updated policy once agreed.

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer / Target Date	Updated Position
	number or frequency of receipts considered adequate.				
3	Testing of travel claims identified eight journeys for 3 employees where times were incorrectly input resulting in claims appearing to be duplicate claims, when they were legitimate.	Claim forms should be completed accurately and in full by the employee to include the correct dates and times; authorising officers should ensure that claims are reviewed for accuracy prior to authorisation, with an emphasis on ensuring that claims/journeys are claimed only once.	**	We have a responsibility for policy and guidance, but it is managers who are responsible for checking claim details to ensure claims are being authorised appropriately. The Assistant Chief Executive will take to CMT for discussion. Communication will be issued to all staff when revised policy is in place. Employee Services Manager 30 September 2022	This will from part of training and roll out of updated policy.
4	Audit testing identified: - 56 duplicate journeys, from 17 employees, totalling 1,322 miles and equating to £594.90 overclaimed mileage. - 2 overlapping journeys, for one employee, resulting in 4 miles being overclaimed.	Authorising officers should ensure that claims are checked before authorisation to ensure that errors are rectified, and that potentially fraudulent claims are not made. A regular exercise to review potential duplicate travel claims should be undertaken periodically, independently of Internal Audit reviews, in order to identify errors and/or potential fraud and to subsequently recoup and take appropriate action on any duplicate payments.	***	ResourceLink Reporting Services (RRS) report to be set up and quarterly check to be introduced. People Services Advisor (HR/Payroll) 30 April 2022	Report has been set up.

Ref	Summary of Issue Identified	Recommendation	Priority Level	Planned Action Responsible Officer / Target Date	Updated Position
5	Testing on a sample of 20 home to base journeys identified that 11 employees had overclaimed mileage in relation to work journeys by claiming a greater number of miles than allowable as per the Travel and Subsistence Policy, having failed to factor in and deduct their usual home to base mileage.	All employees and authorising managers should be reminded of the Authority's policy in relation to the deduction of home to base mileage and ensure that this is factored in when submitting and authorising travelling claims for journeys made on Authority business.	**	The Assistant Chief Executive to take to CMT for discussion. Communication will be issued to all staff when revised policy is in place. Employee Services Manager 30 September 2022	Updated travel policy will be promoted and training provided once finalised. Following review by ACE, it was established that many of these claims related to excess mileage which allow for additional commuting mileage to be claimed so are legitimate.
6	Testing highlighted that backing documentation was unavailable to evidence the travel and subsistence claims submitted and authorised in 23 instances, out of the 40 sampled.	All claims should be submitted and authorised in accordance with the guidance provided and be accompanied by adequate documentation, including receipts and summary sheets, to support all expense/ subsistence claims.	**	The Assistant Chief Executive to take to CMT for discussion. Communication will be issued to all staff when revised policy is in place. Look at possibility of "upload" facility on web Expenses Claim Form to enable relevant documents to be included and retained Employee Services Manager 30 September 2022	This can be covered in training for managers and staff reminded again to retain receipts. We are in discussions with Zellis re the possibility of developing the HR/Payroll system to enable uploads.
7	Four instances, from a sample of 20 subsistence claims, were identified where employees had paid for goods or services from their own pocket and then sought reimbursement, when it would have been advised to make use of the Authority's standard purchasing methods.	Employees and managers should be reminded of the requirement to utilise the Authority's standard purchasing methods where appropriate.	*	The Assistant Chief Executive to take to CMT for discussion. Communication will be issued to all staff when revised policy is in place. Employee Services Manager 30 September 2022	To be included in updated travel policy communication.

GOVERNANCE & AUDIT COMMITTEE

30 SEPTEMBER 2022

CARMARTHENSHIRE COUNTY COUNCIL'S CORPORATE RISK REGISTER 2022/23

Recommendations / key decisions required:

To receive the Corporate Risk Register

Reasons:

To ensure that the Governance and Audit Committee are made aware of the Corporate Risks

Cabinet Decision Required: No

Council Decision Required: No

CABINET MEMBER PORTFOLIO HOLDER: Cllr A Lenny

Directorate:

Corporate Services

Name of Head of Service:

Helen Pugh

Report Author:

Helen Pugh

Designation:

Head of Revenues and
Financial Compliance

Tel No.: 01267 246223

E Mail Address:

HL.Pugh@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 30 SEPTEMBER 2022

CARMARTHENSHIRE COUNTY COUNCIL'S CORPORATE RISK REGISTER 2022/23

The Authority maintains a Corporate Risk Register to evaluate its exposure to key strategic risks. The Corporate Assessment recommended that the Corporate Risk Register as agreed by CMT should be shared with the Governance & Audit Committee. Review and monitoring of the Corporate Risk Register is delegated to the Governance & Audit Committee in line with the Terms of Reference of the Committee.

The Register will be reviewed by the Governance & Audit Committee at its March and September meetings.

Removal of risks from the Corporate Risk Register

CRR190017 – Effective management of demand for Social Care (Adult & Children)

Approval given in CMT on 12/05/2022 to remove this risk given that it has been superseded by risk CRR190066 and CRR190067

CRR190025 – Schools do not undertake routine property repair and maintenance using delegated funding or undertake work that is not compliant

Approval given in CMT on 12/05/2022 to merge this risk with CRR190072

New risks added to the Corporate Risk Register

CRR190069 – Contractor and internal capacity issues leading to a high backlog of housing responsive repairs and housing voids which reduces the number of homes available to let and a delay in repairs being completed

This new risk was accepted to the Corporate Risk Register by CMT on 12/05/2022

CRR190072 – Deterioration of the Council's School and Non-School buildings due to the lack of building surveys

This new risk was accepted to the Corporate Risk Register by CMT on 12/05/2022 and merged with CRR190025 (CRR190025 removed – see above)

CRR190073 – Ensure effective Business Continuity Plans across the Authority

This new risk was accepted to the Corporate Risk Register by CMT on 12/05/2022

CRR190074 – Potential risk of disputes in relation to pay negotiations

This new risk was accepted to the Corporate Risk Register by CMT on 14/07/2022

New risks suggested but decision taken that they should be managed through Departmental Risk Registers

CRR190070 – Establishment of Corporate Joint Committee with responsibility for Regional Transport Planning

CRR190071 – Forthcoming legislation to establish 20 mph default speed limit in all residential areas

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	None	None	Yes	None	None

Risk Aims of the Corporate Risk Register to collate strategic risks facing the Authority.

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: Governance & Audit Committee will be required to receive the Corporate Risk Register at its meeting scheduled for 30 September 2022.

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

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

THERE ARE NONE

CORPORATE RISK REGISTER IMPACT GRID

Risk classes / Impact	Minor 1	Moderate 2	Significant 3	Substantial 4	Catastrophic 5
Reputation Adverse / critical comment Ombudsman Investigation	<i>Ward / village</i>	<i>Local media</i>	<i>Welsh media</i>	<i>National media</i>	<i>Welsh Government Intervention</i>
Service Delivery Health / Education / Leisure Facility Support / Admin Facility	<i>Internal disruption only – no loss of service</i>	<i>Short Term disruption to service</i>	<i>Action required to overcome short-term difficulties</i>	Key targets missed Some services compromised	<i>Prolonged interruption to core services</i>
Environmental impairment Recovery / remediation time People / Casualty Employee accidents	No lasting detrimental effect on the environment or the community Minor injuries	Short-term, local environmental or social impact Ill health	Medium-term environmental or social impact Multiple ill health Disabling injury	Major public health / environmental incident or loss of significant community facility Serious disabling injuries	Recovery impossible or extremely long term Fatalities
Financial Implication	<i>Less than £5k</i>	<i>£5k - £50k</i>	<i>£50k - £500k</i>	<i>£500k - £2m</i>	<i>More than £2m</i>

STRATEGIC RISK REGISTER PROBABILITY GRID

Improbable Lowest Probability 1	Unlikely 2	Possible Median Probability 3	Likely 4	Probable Highest Probability 5
<i>Circumstances rarely encountered / Unlikely to occur</i>	⇒	<i>Circumstances occasionally encountered / medium likelihood of occurrence</i>	⇒	<i>Very likely to occur</i>

Probability - Impact Grid for Project, Strategic, & Service Risks

Probability	Probable (5)	Low (5)	High (10)	High (15)	Significant (20)	Catastrophic (25)
	Likely (4)	Low (4)	Medium (8)	High (12)	Significant (16)	Significant (20)
	Possible (3)	Very Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
	Unlikely (2)	Very Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
	Improbable (1)	Negligible (1)	Very Low (2)	Very Low (3)	Low (4)	Low (5)
		Minor (1)	Moderate (2)	Significant (3)	Substantial (4)	Catastrophic (5)
		Impact				

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Carmarthenshire Corporate Risk Register (Review 14/07/2022)

Risk Ref	Risk Title	Assigned To				
CRR190030	Coronavirus - Risk to business continuity, system failure and service delivery	Director of Communities				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190030/006	Safe systems of work designed		Assistant Chief Executive	Significant 20	Significant 20	
CRR190030/007	Consultations with TUs		Assistant Chief Executive		Catastrophic Likely	
CRR190030/008	e-form developed to deal with redeployment requests		Assistant Chief Executive			
CRR190030/009	L&D Team have developed and are now managing the Redeployment Hub		Assistant Chief Executive			
CRR190030/001	Services are updating their business continuity plans, with ongoing review carried out.		Director of Communities			
CRR190030/002	Regional planning group in place with other public sector organisations		Director of Communities			
CRR190030/003	Risks will be managed service by service daily monitoring		Director of Communities			
CRR190030/004	Service specific plans prepared - assessing impact of 10%/20%/30% staff sickness		Director of Communities			
CRR190030/005	Identify where there may be potential to free up capacity in some areas, so that resources can be released to assist with the essential services		Director of Communities			
Action Items						
<p>CMT Comment - 14/07/2022 Is the risk rating too high? Risk has moved on, there are two elements now: current variant - risk has come down and how prepared are we for a new variant and the impact of that - is higher. Action: Jake Morgan to re-word the risk and reassess the risk rating. Covid risks - general: ND stated that combining all Covid risks into one have been raised in the past, and that they remain separate. The risks had been reviewed and a couple have been merged where there are common issues but as the others were diverse they were not merged. It is still felt that there should be just one risk / they should be streamlined. WW suggested leaving the risks as they are and taking the matter that CMT wish to streamline the Covid risks and for Governance & Audit Committee to consider. Action:</p> <ul style="list-style-type: none"> CRR to Governance & Audit Committee – raise the matter of merging Covid risks – on FWP for G&AC Sept 2022 		Jul-22				


Departmental Review for CMT - 14/07/2022
 Communities update - June 22
 Safe systems of work continue to be delivered in line with WG guidance and business continuity plans in place, and currently being reviewed. Lessons learnt exercise carried out following Storm Eunice and actions now being implemented. Regional group continues to meet to address business continuity issues and areas of high risk.
 Vacancy factor continues to affect service delivery due to our difficulties to recruit into certain roles e.g. care staff and social work. Service need consequently being addressed on a risk assessed basis. Position continues to be regularly monitored via Social Care Recruitment and Retention Group chaired by the Director. Recruitment and retention plan in place in relation to social care roles.

Departmental Review for CMT - 14/07/2022
 People Management Review
 Control Measures:
 CRR190030/006 Safe systems of work designed.
 Safe systems of work have been continually reviewed in line with WG guidance. As we emerge from the pandemic our H&S team will refocus our work to ensure the management of all Health & Safety risks across the authority.
 CRR190030/007 Consultations with TUs
 As we emerge from the pandemic consultation with the TU's will continue a regular basis to ensure employee relations are maintained. We have also established the Joint Consultative Forum (Group Leaders and TU's) and this year we will develop an Employee Relations Strategy to outline
 CRR190030/008 e form developed to deal with redeployment requests
 Redeployment Hub was established to quickly train and move staff around the organisation. This control measure can be deleted now as the Hub is no longer in use
 CRR190030/009 L&D Team have developed and are now managing the Redeployment Hub
 Redeployment Hub was established to quickly train and move staff around the organisation. This control measure can be deleted now as the Hub is no longer in use.
 General comment from People Management:
 All managers have been asked to prepare a "service control plan" which should include contingency plans to deal with any future service disruption. Role for the Emergency Planning group to monitor the efficacy of these plans – see CRR 190073
 Although we are moving to a covid stable phase, we continue to face challenges in terms of attracting and retaining staff in some areas such as social care, which could affect business continuity. Attendance figures can also impact business continuity. We are seeing an increase in mental health referrals – contributing factors include covid, concerns around moving to a post covid working world, cost of living crisis, war in Ukraine. See CRR190038 for control measures to mitigate risk.
 The impacts of moving to a different way of working with reduced restrictions and increasing numbers of staff mixing is likely to increase the number of covid cases and other respiratory diseases as we move through the summer. We will need to decide how we manage communicable diseases in the workplace when symptomatic testing will cease, and isolation guidance will change to taking additional precautions when ill such as staying at home where possible if sick. The pandemic has taught us much about contingency planning and ensuring business continuity. We should now consider a shift in policy in terms of how we deal with communicable diseases in the workplace going forward – so that services are not adversely affected by future outbreaks.

Jul-22

Jul-22



Risk Ref	Risk Title	Assigned To				
CRR190033	<p>Flood - Operational Risk</p> <p>The physical effects of more frequent and intense storm conditions that compromise and stretch our operational ability to respond to widespread and prolonged emergencies both in the immediate response phase and recovery phase of a flood event, whilst also maintaining normal services. This will also include the risk of managing the public's expectation as the Council cannot respond to all requests for help during storm conditions. Response is curtailed by the resources available and the priorities at the time.</p>	Director of Environment				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190033/002	<p>Management of the response to a storm event in accordance with our strategic emergency plans, protocols and command structures.</p> <p>Available resources are prioritised according to strategic requirements.</p>		Director of Environment	<p>Significant</p> <p>20</p>	<p>Significant</p> <p>20</p> <p>Substantial</p> <p>Probable</p>	<p>16</p> <p>4 </p>
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u></p> <p>June 2022 –update (Ben Kathrens)</p> <p>Recommended increase to the current risk rating back to 20 because the control measure pertaining to IT resource has been postponed due to the pending SOCTIM review. The current manual data entry system is slow and resource intensive. Incidents have to be manually reviewed and input into the incident system before the strategic picture can be analysed. As such, we are still working on a delayed, reactive basis when responding to flooding incidents.</p> <p>Developing information of critical infrastructure and priority communities has commenced as a part of the development of the new Flood Risk Management Plan.</p>		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To			
CRR190061	Effect of Covid-19 and Brexit on recruiting and impact of workforce planning	Assistant Chief Executive			
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating
CRR190061/001	Revisited gradings for homecarers - recruitment hotspot		Assistant Chief Executive	Significant	Significant
CRR190061/002	Reviewing wider T&Cs to make post more attractive		Assistant Chief Executive	25	20
CRR190061/003	Other employee benefits to be promoted		Assistant Chief Executive		Substantial
CRR190061/004	Workforce planning workshops with CMT & HoS - corporate priority		Assistant Chief Executive		Probable
CRR190061/005	Reallocating responsibilities within People Management and Social Care to address crisis in hotspot area = Dom Care / REs care and social workers		Assistant Chief Executive		
Action Items					
<p><u>CMT comment – 14/07/2022</u> Covid risks - General: ND stated that combining all Covid risks into one have been raised in the past, and that they remain separate. The risks had been reviewed and a couple have been merged where there are common issues but as the others were diverse they were not merged. It is still felt that there should be just one risk / they should be streamlined. WW suggested leaving the risks as they are and taking the matter that CMT wish to streamline the Covid risks and for Governance & Audit Committee to consider. Action:</p> <ul style="list-style-type: none"> CRR to Governance & Audit Committee – raise the matter of merging Covid risks – on FWP for G&AC Sept 2022 		Jul-22			

<p><u>Departmental Review for CMT - 14/07/2022</u> Control Measures: CRR190061/001 - Revisited gradings for home carers recruitment hotspot Complete - regrading of some critical posts and market supplements introduced e.g. Home Care and Residential Care. CRR190061/002 Reviewing wider T&Cs to make post more attractive Review underway – specific to Home Care and Residential Care CRR190061/003 Other employee benefits to be promoted Staff rewards hub launched earlier in the year providing staff with discounted shopping in large and local retailers CRR190061/004 Workforce planning workshops with CMT & HoS corporate priority Completed – the team will continue to provide the relevant people data to support services to workforce plan effectively. CRR190061/005 Reallocating responsibilities within People Management and Social Care to address crisis in hotspot area = Dom Care / REs care and social workers Funding for additional social care support has stopped and volumes remain high and application pools across the board remain low – causing problems within care sector. New Recruitment System – procurement of system finalised. Implementation team established. New system fully operational by end of financial year. General People Management comment We continue to experience challenges in this area – higher than average turnover in some areas, high number of vacancies, number of applicants relatively low. Risk Rating Substantial 4 Very likely to occur 5 = 20</p>	<p>Jul-22</p>		
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Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To			
CRR190046	Covid19 - Strategic Failure to ensure the expected progress and outcomes of all Carmarthenshire learners for the period that operation of schools and learning establishments are affected by the pandemic	Director of Education & Children Services			
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating
CRR190046/001	We will work closely with schools to monitor wellbeing, progress and outcomes of all learners		Director of Education & Children Services / Head of Education & Inclusion	Significant 20	Significant 20
CRR190046/002	We will plan for seamless transition from delivery to distance learning when required for all learners		Head of Curriculum and Wellbeing		Catastrophic Likely
Action Items					
	<p><u>Departmental Review for CMT - 14/07/2022</u> Comments June 2022: This risk should currently be kept separate from other covid risks and from the generic risk of Failure to deliver a quality Education Service (CRR190018) as the next set of results/measures will be the results of end of key stage tests and summer 2022 GCSE / A level exams at the end of an academic year (2021-22) which covers the last two years study affected by the pandemic. However, we propose reducing the current Risk Rating to 16 Significant (Substantial 4, Likely 4). This is due to a reflection on current data and the output from the Departmental Service Review. There has also been a reduction in Covid positive cases in learners and staff and a reduction in the likelihood for another lockdown. Transition to virtual learning, when required, has become smoother and most school support services have returned to normal delivery.</p> <p><u>CMT comment - 14/07/2022</u> ND stated that combining all Covid risks into one have been raised in the past, and that they remain separate. The risks had been reviewed and a couple have been merged where there are common issues but as the others were diverse they were not merged. It is still felt that there should be just one risk / they should be streamlined. WW suggested leaving the risks as they are and taking the matter that CMT wish to streamline the Covid risks and for Governance & Audit Committee to consider. Action: • CRR to Governance & Audit Committee – raise the matter of merging Covid risks – on FWP for G&AC Sept 2022</p>	Jul-22			
		Jul-22			

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190056	Ensuring that the Authority effectively manages its financial resources and responds to the challenges of reduced funding (formerly CRR190004)	Director of Corporate Services/Head of Financial Services				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190056/001	Medium Term Financial Strategy - 5 Year Plan (including efficiency targets)		Director of Corporate Services/Head of Financial Services	Significant 20	Significant 20	
CRR190056/002	Full County Council Elected Member Engagement on an annual basis to set priorities and allocate the Budget		Director of Corporate Services/Head of Financial Services		Catastrophic Likely	
CRR190056/003	Challenge from Scrutiny Committees		Head of Administration & Law			
CRR190056/004	Public Consultation regarding budget priorities on an Annual Basis		Director of Corporate Services/Head of Financial Services			
CRR190056/005	Engagement with Welsh Government via WLGA to ensure Carmarthenshire County Council receives fair funding from Welsh Government		Director of Corporate Services/Head of Financial Services			
CRR190056/006	TIC Programme to identify efficiencies and promote alternative methods of service delivery		Assistant Chief Executive			
CRR190056/007	Workforce Planning to ensure staff resources are planned to match demand		Assistant Chief Executive			
CRR190056/008	Wales Audit Office external challenge and assessment		Director of Corporate Services/Head of Financial Services			
CRR190056/009	CRR190056/009 Individual Heads of Service to develop efficiencies following external budget challenge reports		Director of Corporate Services			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 People Management Review CRR 190056/006 - TIC Programme to identify efficiencies and promote alternative methods of service delivery Establishment of a Transformation Board and development a new Transformation Strategy will help to re-prioritise areas of work. CRR 190056/007 - Workforce Planning to ensure staff resources are planned to match demand We continue to support the organisation to workforce plan via the provision of training and data. This year we will take steps to strengthen the performance monitoring of workforce management. General People Management comment We will develop a Workforce Strategy this year to ensure workforce skills match demand of the organisation.</p>		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

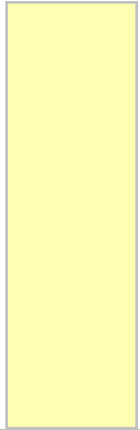
Manager


Corporate Management Team

Departmental Review for CMT - 14/07/2022

July 2022 update - Inflation forecasted to peak higher and last longer than previously expected, this is driving risk of higher pay settlements for 2022 (current risk year) as well as significant increases in third party spend including commission care. Any particular increases in year could lead to budgetary overspend and/or reduced capacity. NJC pay award likely to be significantly delayed - unions claim for the higher of £2k of RPI for all staff.

Jul-22



Risk Ref	Risk Title	Assigned To				
CRR190068	Continued deterioration of the condition of highways infrastructure and assets. Failure to address maintenance backlog (£38 million), as a consequence of falling investment levels leading to high levels of demand. Increased level of claims.	Director of Environment/Head of Transportation & Highways				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190068/001	Manage network in accordance with Highways Asset Management Plan adopting a risk based approach in accordance with the National Code		Director of Environment/Head of Transportation & Highways	Significant 20	Significant 20	25 
CRR190068/002	Continue to present the case for additional investment of capital , grant and revenue. Improve information systems on vulnerable assets such as drainage.		Director of Environment/Head of Transportation & Highways		Catastrophic Likely	-5
CRR190068/003	Inspection regime and response in line with highways asset management plan in compliance with Highways Maintenance Code of Practice		Director of Environment/Head of Transportation & Highways			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June update (Steve Pilliner) Uncontrolled risk rating has been reduced to 20 to reflect comments from CMT 12/05/2022. Regarding the query raised by CMT on risks/impact of insufficient funding on the highways infrastructure: It is the estimated that the cost to keep pace with on-going deterioration of our road surfaces across the 3500km network requires long term funding of £6m per year to carry out corrective and preventative maintenance. The current lack of planned maintenance is leading to increased abortive cost of reactive maintenance for potholes and surface failures, placing increased pressure on diminishing revenue budgets and increased replacement costs for future generations. Current budget levels (600k Capital), even with additional WG funding (£1500k PA in recent years but not confirmed for future years) is not keeping pace with deterioration and we face increased future costs and risk of claims against the authority. Current funding does not support the authorities' commitments and promotion of cycling on the highway network. Currently 9.4% of the County's classified road network are in a RED condition (plan maintenance soon) and in need of refurbishment to provide a safe and sustainable transport network. This is particularly prevalent for the C and unclassified road network in our rural areas. We continue to have an overall lower than average level of investment in our Highways and transport, ranking 18th out of 22 authorities and remain in the lower quartile across Wales. Key Facts:</p> <ul style="list-style-type: none"> • Carmarthenshire has the second largest highway network in Wales (3485 Km of highway) and is more than double the Welsh average of 1514km. • Carmarthenshire has the third highest traffic volume in Wales - in 2020 the Wales average was 1.12 billion vehicle km/per year and Carmarthenshire was third at 1.68 billion (Cardiff 2.65 and RCT at 1.77 were highest) • In 2020/21 our spend on highways and transport was ranked 18th out of 22 authorities on money spent per km on highways and roads. £3090/km compared to a Welsh average of £6610/km. • Based on current funding levels, the length of road estimated to be in a poor condition is predicted to increase from 9% to 28% over the next 20 years. 		Jul-22				

Page 122

Risk Ref	Risk Title	Assigned To				
CRR190066	Insufficient numbers of social work and care staff to provide sufficient assessment and care capacity which provides a risk to vulnerable people in not having needs assessed and being unsupported and potentially unsafe in the community.	Director of Communities/Head of Adult Social Care/Head of Integrated Services/Head of Commissioning				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190066/001	Develop and implement social care recruitment and retention strategy.		Director of Communities/Head of Adult Social Care/Head of Integrated Services/Head of Commissioning	Significant 25	Significant 20 Substantial Probable	
Action Items						
	<p>Departmental Review for CMT - 14/07/2022</p> <p>We are still experiencing significant difficulties in recruiting sufficient numbers of qualified social workers and unqualified care staff. These pressures are continuing to affect both our in-house services and the wider independent care sector. We continue to progress our Social Care Recruitment and Retention Plan which is overseen through fortnightly meetings chaired by the Director of Community Services, but we are not seeing any net gains from a workforce perspective so our ability to assess people as quickly as we would like, and provide timely care and support at home continues to be challenged. In the meantime we are continuing to risk assess all those waiting for assessment and those waiting for care to ensure that those with greatest needs are supported first. Key actions over the last reporting period has included a review of the Home Care Worker Job Description, which has resulted in a change of grade. We have also established a Care Academi which will give people the opportunity to work in care whilst accessing qualification to develop their career. In addition a further market supplement has been offered to social workers and is in the process of being finalised and we are continuing to contract with an external organisation to help with our backlog of assessments. Over the next few months, we will be looking at options to support social work career progression as a way to effectively retain and attract staff and intend to engage with the workforce surrounding some potential options. The ongoing inability to recruit and retain Approved Mental Health Professionals means that there is a continued risk we will be unable to fulfil our statutory responsibilities. However this year adult social care division is supporting 3 social work assistants to undertake a Masters in social work and we are continuing to second staff to the Open University Social Work Degree which is an established programme.</p>	Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190067	Lack of availability of domiciliary care to support vulnerable adults which leads to the risk of people being unsupported and potentially unsafe in the community, as well as people being delayed leaving hospital preventing others being able to access urgent medical treatment.	Director of Communities/Head of Adult Social Care/Head of Integrated Services/Head of Commissioning				
Control Measures						
		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190067/001	Support the sector to grow the workforce.		Director of Communities/Head of Adult Social Care/Head of Integrated Services/Head of Commissioning	Significant 25	Significant 20	
CRR190067/002	Review of all those receiving care to look at opportunities to safely reduce arrangements to release care hours to support others		Director of Communities/Head of Adult Social Care/Head of Integrated Services/Head of Commissioning		Substantial Probable	
CRR190067/003	Ongoing review of those waiting for care to reduce level of care needed.		Director of Communities/Head of Adult Social Care/Head of Integrated Services/Head of Commissioning			
CRR190067/004	Consideration of temporary placement where appropriate to support those waiting for care.		Director of Communities/Head of Adult Social Care/Head of Integrated Services/Head of Commissioning			
CRR190067/005	Bridge packages of care wherever possible.		Director of Communities/Head of Adult Social Care/Head of Integrated Services/Head of Commissioning			
Action Items						
	<p>Departmental Review for CMT - 14/07/2022</p> <p>We continue to experience significant pressures with availability of domiciliary care due to staffing availability both in-house and with external providers. We are continuing therefore to work within a significantly constrained number of hours of care in both the in-house and externally commissioned service. As a consequence we still have a significant number of people waiting for care in both the community and hospital, although the numbers waiting is now fairly static and many of those waiting continue to be bridged by some form of alternative care as an interim measure. Whilst work is ongoing to address the underlying staffing pressures, both through national and local recruitment initiatives, this work will take time. Therefore, the following controls continue to be progressed:</p> <ul style="list-style-type: none"> - Review of all those either receiving or waiting for care to see whether levels of care can safely be reduced, and care hours released. In addition, we are risk assessing all those waiting for care so we can prioritise those waiting when hours become available. - Considering bridging opportunities to temporarily provide care whilst a long-term provider is sourced. <p>Supporting those waiting in hospital for care to consider temporary residential placements where possible. In addition, we are working with the Health Board to look at how we can enhance the in-house reablement service via an integrated approach to recruitment of homecare workers. This will enhance the service to provide a focus on hospital admission avoidance and earlier discharge from hospital.</p>	Jul-22				


125

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190049	Risk of local business and economy not recovering from the lockdown and rises in energy and inflation	Head of Regeneration				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190049/001	Financial support to businesses		Head of Regeneration	Significant 20	Significant 16	20 
CRR190049/002	Advice to businesses		Head of Regeneration		Substantial Likely	-4
CRR190049/003	Support to businesses		Head of Regeneration			
CRR190049/004	Database of local suppliers and traders		Head of Regeneration			
CRR190049/005	Robust economic recovery plan to protect jobs and safeguard businesses		Head of Regeneration			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June Update - Businesses have done well to 'bounce back' - Restrictions imposed on businesses created a number of operational challenges which hampered income generation and productivity. Consumer demand and changing consumer spending practices were a significant concern but financial interventions and support provided by the Council have assisted businesses to operate and diversify in a post-lockdown economy which was complemented by a campaign to think and buy local through the '100% Sir Gar' initiative. As a result of the above the risk score has been changed :- Uncontrolled Risk Assessment = 20 Current Risk Assessment = 16</p>		Jul-22				
<p><u>Departmental Review for CMT - 14/07/2022</u> July 2022 Update - Rises in energy inflation expected to peak higher and longer than originally forecast</p>		Jul-22				

Risk Ref	Risk Title	Assigned To
CRR190032	Flood - Strategic Risk The physical effects of more frequent and intense storm conditions that compromise homes, businesses, essential infrastructure and services. This will also include the risk of managing the public's expectation that the Council can completely address, control and mitigate all flood risks regardless of source or asset owner.	Director of Environment

Control Measures	Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190032/001		Director of Environment	Significant	Significant	
CRR190032/002		Director of Environment	20	16	
CRR190032/003		Director of Environment		Substantial	
CRR190032/004		Director of Environment		Likely	
CRR190032/005		Director of Environment			
CRR190032/006		Director of Environment			
CRR190032/007		Director of Environment			
CRR190032/008		Director of Environment			

Action Items

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<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 –update (Ben Kathrens) No change to current risk rating. 001 – Flood Risk Strategy and FRMP A draft template has been prepared by the WLGA to ensure that all 22 LLFAs have similarly structured documents. Our FRMP will to drafted in house, not outsourced to consultant engineers. Currently Carmarthenshire’s highest risk flood areas and our priority areas for flood risk management are being developed. The report deadline in October 2023 before which there must be a public consultation and corporate signoff. 002 – No progress 003 – we are continuing to work with NRW and DCWW on a number of projects including the Llanybydder and Llandysul flood risk management business cases development and our evaluation of flood risk at Kidwelly post October 2021 flooding. 004 – A final draft of the S19 report into the October 2021 floods at Kidwelly is ready for the Director to review. 005 – The 2022/23 programme is underway have inspected over 100 flood and coastal erosion risk management (FCERM) assets. 006 – The FDCP team continue to use the latest Flood Maps for Planning (FMfP) and the Flood Risk Analysis Wales (FRAW) maps provided by NRW when we administer our functions. 007 – We are continuing to develop the SAB with the limited resources available. The focus in 2022, in addition to the determination of all applications within he statutory time frame is to develop strategies to target and manage non-compliance. With regards to the new TAN15, there have been national and regional meetings and conferences attended by Planning and Flood Risk Management managers. While the current policy has been delayed, the feedback is that changes are likely to be centred around development in existing towns. 008 – There are currently two public consultations running pertaining to flood risk in Llanybydder and Llandysul. A further consultation is planning for Llangennech by the end of the year.</p>	<p>Jul-22</p>			
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Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To			
CRR190038	Covid19 - Strategic Increase in levels of anxiety which is directly affecting mental health. Health and wellbeing of staff and the public	Assistant Chief Executive			
Control Measures	Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190038/001	Provision of support from Occupational Health to our own staff	Assistant Chief Executive	Significant 25	Significant 16 Substantial Likely	15  1
Action Items					
	<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 CRR190038/001 - Provision of support from Occupational Health to our own staff Employee wellbeing: Whilst we are emerging from the pandemic, concerns remain about general employee wellbeing, referrals into our WSS service is increasing. Factors affecting our staff include, the cost-of-living crisis, legacy of covid, inability to access treatments due to NHS waiting lists. Attendance is also impacted. Staff are waiting longer for NHS procedures or are unable to access GPs for referrals to necessary services. Wellbeing strategies are being put in place to support staff through this difficult time. However, capacity within the Health and Wellbeing team is problematic at a time where we should be increasing support for our staff. Mitigation: resource bids being prepared to increase the number of Wellbeing staffing so that additional / new interventions can be developed. Supporting Employee Mental Health: Mental Health support referrals are increasing. We have capacity concerns within OH service to meet the new demand. Mitigation: resource bids being prepared to increase OH staffing to support staff being referred for mental health therapies. Resourcing bids will ensure permanent funding for a service that has historically been funded by risk management bids or contributions from departments, General People Management comment: The impacts of moving to a different way of working with reduced restrictions and increasing numbers of staff mixing is likely to increase the number of covid cases and other respiratory diseases as we move through the summer. We will need to decide how we manage communicable diseases in the workplace when symptomatic testing will cease, and isolation guidance will change to taking additional precautions when ill such as staying at home where possible if sick. The pandemic has taught us much about contingency planning and ensuring business continuity. We should now consider a shift in policy in terms of how we deal with communicable diseases in the workplace going forward – so that services are not adversely affected by future outbreaks Revised Risk Rating Impact 4 Likelihood 4 = Overall Score 16</p>	Jul-22			

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

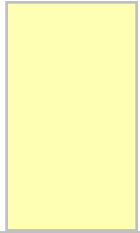
CMT comment - 14/07/2022

ND stated that combining all Covid risks into one have been raised in the past, but that they remain separate. The risks had been reviewed and a couple have been merged where there are common issues but as the others were diverse they were not merged. It is still felt that there should be just one risk / they should be streamlined. WW suggested leaving the risks as they are and taking the matter that CMT wish to streamline the Covid risks and for Governance & Audit Committee to consider.

Action:

- CRR to Governance & Audit Committee - raise the matter of merging Covid risks - on FWP for G&AC September 2022.

Jul-22




Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190015	Delivery of the Approved Capital Programme (Outcomes / Budget)	Director of Corporate Services				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190015/001	Strategic Asset Steering Group		Head of Financial Services	Significant	Significant	12 
CRR190015/002	Project Management Tool Kit		Head of Regeneration	16	16	4
CRR190015/003	Project Management Training		Assistant Chief Executive		Substantial	
CRR190015/004	Long term Treasury management / loan funding		Director of Corporate Services		Likely	
Action Items						
<p>Departmental Review for CMT - 14/07/2022 July 2022 update - Shortage of Contractor availability with a risk of increases in costs</p> <p>CMT comment - 14/07/2022 Inflation is an issue that needs to be reflected in the narrative. Risk Rating considered to be too low in the current climate - change to 16.</p> <p>Action:</p> <ul style="list-style-type: none"> Chris Moore to update the narrative and to amend the risk rating. 		Jul-22				
		Jul-22				

Carmarthenshire Corporate Risk Register


Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190016	Delivery of the Authority's Waste Management and Recycling Strategy to ensure that we meet our statutory recycling targets and wider obligations including improvements to the quality of recyclable materials to support circular economy principles and reduce carbon outputs in accordance with Welsh Governments Beyond Recycling national strategy	Head of Waste & Environmental Services				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190016/001	Maintain current provision and infrastructure for recycling		Head of Waste & Environmental Services	Significant 20	Significant 16	
CRR190016/002	Continue education and awareness activity to improve participation		Head of Waste & Environmental Services		Substantial Likely	
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 update (Ainsley Williams and Daniel John) No change to current risk rating. The current statutory target for 2022/23 is 64%, with the next specific statutory target being 70% by 24/25. We did not meet the statutory 64% target for 2021/22. The Welsh Government have been made aware of our performance last year and we are engaged with them on this matter. The adoption of the future waste strategy will be a long term mitigation of this risk and the WG are supportive of this direction of travel. We have also reintroduced our kerbside restriction policy and recycling contamination process to support with the education and enforcement of contraventions to our service policies. This action should improve our performance. To achieve this we have implemented a series of actions.</p> <ol style="list-style-type: none"> 1. Recycling contamination plan - A series of actions which look to reduce recycling contamination levels within the kerbside recycling scheme. Reducing contamination from in excess of 30% to 25%. 2. Deliver the first phase of the waste service change in November 2022 - With weekly recycling, three weekly black bag collections and glass recycling. The aim of this is to increase glass recycling capture, improve food waste and dry recycling yields and reduce residual waste. 3. Deliver the Nappy Waste Collection Scheme - Service roll out June 2022 will capture nappies from the residual waste and divert into recycling. Improving our recycling performance. 4. Deliver the Circular Economy Projects - With Paint recycling commencing in April 2022. The Eco-village at Nantycaws opening in June 2022, capturing waste for refurbishment, repair and resale diverting away from disposal and also Commercial waste recycling at Nantycaws. 		Jul-22				

Risk Ref	Risk Title	Assigned To				
CRR190019	Failure to ensure that schools effectively manage their resources and respond to the challenges of reduced funding	Director of Education & Children Services				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190019/001	Lead the TIC Schools project, working with colleagues and schools to identify significant savings as set by the County Council through the budget efficiency programme		Director of Education & Children Services / Head of Education & Inclusion	Significant 16	Significant 16 Substantial Likely	
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> Comments June 2022: The Risk Rating should remain as 16 Significant (Substantial 4, Likely 4). Although school balances are significantly improved during the 22/23 financial year, these budgets are highly buoyed by additional grant funding linked to the pandemic. Depletion of these grants will see a return to a to a fragile situation in many more schools. The risk therefore remains significant.</p>		Jul-22				

Risk Ref	Risk Title	Assigned To				
CRR190028	School Leadership - Our ability to recruit and retain high quality and resilient school leaders who can respond to and deal with the transformation of education in Wales	Director of Education & Children Services				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190028/001	Develop and use a more robust competency based process to recruit school leaders		Head of Education and Inclusion	Significant 16	Significant 16	12 
CRR190028/002	Provide each new school leader with a mentor who's an experienced and successful school leader		Head of School Effectiveness		Substantial Likely	4
CRR190028/003	Encourage leaders and prospective leaders to enrol on Partneriaeth's leadership courses/programmes		Head of School Effectiveness			
CRR190028/004	Provide Educational Support Adviser support for all new school leaders and provide bespoke induction/mentoring programme		Head of School Effectiveness			
CRR190028/005	Use the Headteacher Performance Management process effectively to challenge, develop and support school leaders		Head of School Effectiveness			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> Comments June 2022: The current Risk Rating needs to be amended to High 12; the impact remains Substantial 4 but the probability needs to increase to possible 3. This is due to the fall out of the pandemic which has led to a rise in early retirements with less of an appetite for deputies to step up. There is a risk that the current school footprint, which still contains many small schools which need school leaders covering multiple schools, is not an attractive role for applicants. We continue to use an Assessment Centre approach to recruit Headteachers; provide each new school leader with a mentor, encourage prospective leaders to enrol on Partneriaeth's leadership courses/programmes; provide Educational Support Adviser support for all new school leaders and use the Headteacher Performance Management process effectively to challenge, develop and support school leaders. A new recruitment drive is being developed with assistance from HR and Communications colleagues in order to attract more applicants for the current vacancies, this will form a key part of the new Workforce Strategy being developed for the Council.</p> <p><u>CMT comment - 14/07/2022</u> It felt that the risk doesn't reflect the current situation and needs to be increased - proposed that it should be 16.</p> <p>Action:</p> <ul style="list-style-type: none"> Aeron Rees to take it back to Education & Children's Service DMT. 		Jul-22				
		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190034	Cyber Risk such as: - Ransomware or malware infection - Denial of Service Attack (DOS) - Unauthorised network access (hacking) - External and Internal - Phishing Email Attack - staff approach - Increased risk of cyber crime due to phishing and malware attacks exploiting Covid-19	Head of ICT & Policy				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190034/001	Cyber incident response plan		Head of ICT & Policy	Significant 20	High 15	
CRR190034/002	Staff awareness training		Head of ICT & Policy		Catastrophic Possible	
CRR190034/003	Firewalls		Head of ICT & Policy			
CRR190034/004	Application control on servers		Head of ICT & Policy			
CRR190034/005	Security updates continuously rolled out		Head of ICT & Policy			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 - The risk from a cyber attack continues to be a significant risk to the Authority. There is an increase in the number of cyber criminals and state sponsored organisations who continually try and exploit internet facing services, with the Council having many of these. The work ICT undertakes does reduce this risk to high as we continue to rollout measures such as awareness training and multi-factor authentication. We are also testing Window 11, which will become Microsoft latest operating system with the latest security features embedded.</p>		Jul-22				

Risk Ref	Risk Title	Assigned To				
CRR190050	<p>Risk of contractor and suppliers failing to deliver projects/schemes, because of highly volatile macro economic conditions and inflation/disruption to suppliers, service goods and materials, which has an impact of the non-delivery of capital works.</p> <ul style="list-style-type: none"> - Failure to meet grant expenditure conditions. - contractors resources depleted - contract failure - cost increases - sourcing materials - Contractors unwilling to carry out work at framework prices 	Director of Environment				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190050/001	Review pipeline of projects with clients to align project delivery and budget with supply side capacity and market conditions.		Director of Environment	Significant 20	High 15	
CRR190050/003	Undertake regular financial checks on suppliers.		Director of Environment		Catastrophic Possible	
CRR190050/004	Approved exception process in place for exceptional circumstances		Director of Corporate Services			
CRR190050/005	Undertake a review of the Council's Contract Risk allocation		Director of Environment			
Action Items						
<p><u>CMT comment - 14/07/2022</u> WW highlighted the role of LG in taking measured risks / be the drivers for change in the economic environment - few National policy makers are stating we have a role. Will need to consider this when drafting our Risk Appetite Statement. NFA for register.</p> <p><u>Departmental Review for CMT - 14/07/2022</u> July 2022 update - combination of high inflation and significant staff shortages is an acute risk.</p>		Jul-22				
		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To			
CRR190072	Deterioration of the Council's School and Non-School buildings due to the lack of building surveys.	Director of Environment / Property Maintenance Manager			
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating
CRR190072/001	Building condition surveys on non-school buildings and reports to be reinstated		Property Maintenance Manager	Significant 25	High 15
CRR190072/002	Building condition surveys on school buildings and reports to be reinstated		Director of Environment / Property Maintenance Manager		Catastrophic Possible
CRR190072/003	Risk Management bid to be considered to fund urgent building condition surveys		Director of Environment / Property Maintenance Manager		
CRR190072/004	Establishment of a Schools Handy Van service for Primary school, with 2 inspections by an inspector annually.		Director of Environment / Property Maintenance Manager		
Action Items					
<p><u>CMT Comment - 14/07/2022</u> Consideration given as to why schools and non-schools have been combined, this was combined following the last CMT review of the register and concluded that there should be a general overarching risk in the Corporate Risk Register - Accepted. Action:</p> <ul style="list-style-type: none"> Noelwyn Daniel to update the wording on the control measure - CRR190072/003 		Jul-22			
<p><u>Departmental Review for CMT - 14/07/2022</u> June update (Jason G Jones) As per the CMT meeting of 12/05/22, this risk has been merged with CRR 190025, which has been deleted, and wording of CRR 190072 changed accordingly. All control measures from CRR 190025 have been included within this risk. No change to risk ratings. Update on Control measures CRR190072/001and 002 – Building condition surveys have commenced. County Farm estate is currently being prioritised by Regeneration with a report being presented to Council later in the year. A prioritised programme list to be developed to determine the schedule of future surveys. CRR190072/003 – Action complete, as bid has been approved and resources are in place. CRR190072/004 – Progress of the Schools Handy Van service is being monitored by the TIC Programme Board. - All Handyvan inspection visits undertaken for primary schools and Building Inspectors undertaking second visits for each primary school. - A schedule of repairs requiring budget approval by schools is held in Property Maintenance, but there are some delays in approval. Property Maintenance and Business Support developing a process for following up outstanding budget approvals with schools.</p>		Jul-22			

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To
CRR190027	Fraud & Corruption The cost of fraud to the Welsh Public Sector is estimated to be in the region of between £100million and £1billion annually (as reported by the WAO)	Head of Revenues & Financial Compliance/Director of Corporate Services

Control Measures	Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190027/001		Head of Revenues & Financial Compliance/Director of Corporate Services	Significant	High	
CRR190027/002		Head of Revenues & Financial Compliance/Director of Corporate Services	20	15	Catastrophic Possible
CRR190027/003		Head of Revenues & Financial Compliance/Director of Corporate Services			
CRR190027/004		Head of Revenues & Financial Compliance/Director of Corporate Services			
CRR190027/005		Head of Revenues & Financial Compliance/Director of Corporate Services			
CRR190027/006		Head of Revenues & Financial Compliance/Director of Corporate Services			
CRR190027/007		Head of Revenues & Financial Compliance/Director of Corporate Services			
CRR190027/008		Head of Revenues & Financial Compliance/Director of Corporate Services			
CRR190027/009	CRR190027/0009 Financial controls in place to mitigate fraud	Head of Revenues & Financial Compliance/Director of Corporate Services			
CRR190027/010	CRR190027/0010 Fraud is specifically included in the Internal Audit Plan	Head of Revenues & Financial Compliance/Director of Corporate Services			

Action Items

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

CMT comment - 14/07/2022

WW asked that the whistleblowing policy is linked / referred to where appropriate in the FPRs and CPRs. Consideration to the risk rating will be picked up by CMT in the next CRR review in two months time, following a meeting to consider current arrangements.

Action:

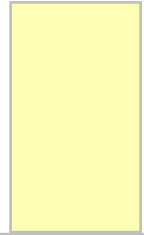
- Wendy Walters, Chris Moore, Linda Rees-Jones and Paul Thomas to meet to consider current processes, Code of Conduct etc.

Departmental Review for CMT - 14/07/2022

July 2022 update - Code of conduct training undertaken for new Members and Governance and Audit Committee scheduled for Friday 8th July 2022.

Jul-22

Jul-22



Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190043	Post Covid19 - Strategic Financial Implications - loss of income Financial implications - increased costs due to Covid-19 demands and compliance with Cabinet and Welsh Government instructions	Director of Corporate Services/Head of Financial Services/Head of Revenues & Financial Compliance				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190043/001	Recovery of Council Tax & NNDR whilst being sensitive to the current situation		Director of Corporate Services/Head of Financial Services/Head of Revenues & Financial Compliance	Significant 25	High 15	
CRR190043/002	Recovery of Housing Rent		Director of Corporate Services/Head of Financial Services/Head of Revenues & Financial Compliance		Catastrophic Possible	
CRR190043/004	CRR190043/003 Regular and robust budget monitoring to assess ongoing income loss/additional costs, unidentified correct action		Director of Corporate Services/Head of Financial Services/Head of Revenues & Financial Compliance			
Action Items						
<p><u>CMT comment - 14/07/2022</u> Decision: leave as is. NFA Covid Risks - general: ND stated that combining all Covid risks into one have been raised in the past, and that they remain separate. The risks had been reviewed and a couple have been merged where there are common issues but as the others were diverse they were not merged. It is still felt that there should be just one risk / they should be streamlined. WW suggested leaving the risks as they are and taking the matter that CMT wish to streamline the Covid risks and for Governance & Audit Committee to consider. Action:</p> <ul style="list-style-type: none"> CRR to Governance & Audit Committee – raise the matter of merging Covid risks – on FWP for G&AC Sept 2022 <p>Departmental Review for CMT - 14/07/2022 July 2022 update - Covid levels appear to be rising within population currently causing short term sickness absence resulting in additional supply cover/agency costs for front line services.</p>		Jul-22				
		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190031	Failure to comply with the requirements of the Local Government and Elections (Wales) Act	Corporate Management Team				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190031/001	Public participation strategy being produced		Corporate Management Team	High 12	High 12	
CRR190031/002	Petition scheme being developed		Corporate Management Team		Substantial Possible	
CRR190031/005	Collaborative working with Principal councils - awaiting further guidance from WG		Corporate Management Team			
CRR190031/006	Corporate Joint Committees - Guidance awaiting from WG - LG engagement will be expected in developing regulation		Corporate Management Team			
CRR190031/007	Webcasting of meetings arrangements in place and work ongoing on developing the arrangements for moving from remote attendance meetings to hybrid meetings		Corporate Management Team			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 - The new Performance requirements in the Act are being embedded gradually with self-assessment forming part of the Council Annual Report for 2021-22. We have also undertaken an external review of our approach to date with embedding self-assessment (completed by Ness Young, through WLGA support). The findings of this review will be considered and implemented as appropriate. Ongoing discussion with Audit Wales in terms of approach and direction of travel.</p>		Jul-22				
<p><u>CMT comment - 14/07/2022</u> Joint Committees - member training needed. Action:</p> <ul style="list-style-type: none"> Linda Rees-Jones to include training an action on the risk and to arrange training for members 		Jul-22				
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 CRR190031/001 - Public Participation Strategy approved by Full Council on 9th February 2022, public consultation period on the document closes 7th July 2022. Responses will be considered and any changes required to the Strategy reported back to Council for decision. CRR190031/002 – Petition Scheme approved by Full Council on 9th February 2022, and live. CRR190031/006 - South West Wales Corporate Joint Committee established and inaugural meeting held in January 2022. CRR190031/007 – Post election democratic meetings held as multi location meetings, as from the AGM on 25th May 2022.</p>		Jul-22				
<p><u>Departmental Review for CMT - 14/07/2022</u> July 2022 update - Three Lay Members have been appointed with the fourth Lay Member position currently being advertised.</p>		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190013	Delivery of the City Deal (Outcomes / Budget)	Corporate Management Team				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190013/001	Establishment of Swansea Bay City Region Board		Corporate Management Team	Significant 16	High 12	
CRR190013/002	Development of Regional Joint Committees		Corporate Management Team		Substantial Possible	
CRR190013/003	An agreement between the UK and Welsh Governments and 4 local authorities (Carmarthenshire, Swansea, Neath & Port Talbot and Pembrokeshire) and successful private and public collaboration will address the economic underperformance of the region, with emphasis on uplifting productivity, skills, employment and prosperity.		Corporate Management Team			
CRR190013/004	Financial Planning SBCD portfolio level risks are identified within the quarterly report under each project/programme		Director of Corporate Services			
Action Items						
<p>CMT comment - 14/07/2022 Inflation is an issue as well as borrowing costs - these need to be included in the narrative of this risk. Risk rating to stay as it is for now, but for further review / consideration in the Sept CRR review. Action:</p> <ul style="list-style-type: none"> Chris Moore to incorporate inflation and borrowing costs into this risk. 		Jul-22				

<p>• Departmental Review for CMT - 14/07/2022 July 2022 - A Joint Committee is in operation, with supporting governance and advisory boards. Each project within the city deal has its own local project board. A Joint Committee agreement has been implemented to support the four regional authorities in the discharge of their obligations to one another, the Welsh Government and the United Kingdom Government ("UK Government") and to promote and facilitate projects funded under the Swansea Bay City Deal in order to further the growth of the Swansea Bay City Region. The Councils have accordingly agreed to enter into this Agreement to document and regulate their respective rights and obligations to each other and to enable the Councils to work together to establish and to participate in a Joint Committee. A five year operational budget has been compiled and was approved by the Joint Committee on 9th July 2020. An annual budget for 2022/23 was approved on 23rd June 2022. Collaboration agreements to facilitate the delivery of regional projects are currently being finalised. These will support the regional authorities in the discharge of their functions and support delivery of the three SBCD regional projects. The SBCD implement evaluation and monitoring arrangements to support the delivery of the portfolio, these include a portfolio level risk register, supported by project level risk registers, integrated assurance action plan, quarterly monitoring updates and highlight report, quarterly financial monitoring update, forward works programme and COVID 19 impact risk assessments. All of the nine SBCD projects are now engaged in delivery and have been formally approved by both UK and Welsh Government. The SBCD portfolio is subjected to an independent external audit by Audit Wales, currently the audit review is in the process of completion in respect of the 2021/22 financial statements.. An internal Audit Review was conducted during February 2022 with a substantial level of assurance issued 'There are no or few weaknesses in the adequacy and/or effectiveness of the governance, internal control, risk management and financial management arrangements, and they would either be unlikely to occur or their impact is not likely to affect the achievement of the SBCD objectives'. Specific portfolio risks recorded and reviewed in the SBCD Risk Register including legal, operational and financial risks. The risk register is updated quarterly and reported to governance boards and committees with appropriate mitigation or control actions. SBCD manage the grant award in line with the funding conditions set out by Governments and inline with discernment conditions outlined within the SBCD Joint Committee agreement, programme and project funding agreements and Carmarthenshire County Council's financial regulations and appropriate adopted financial strategies. Funding for year 4 (2021/22) of the SBCD has been received, including the front loading of UK government grant. The control measures we have in place to mitigate the risk include:</p> <ul style="list-style-type: none"> • Establishment of Swansea Bay City Region Board • Development of Regional Joint Committees • An agreement between the UK & Welsh Governments and 4 Local Authorities (Carmarthenshire, Swansea, Neath & Port Talbot & Pembrokeshire) & successful private & public collaboration will address the economic underperformance of the region, with emphasis on uplifting productivity skills, employment & prosperity. • Financial Planning – SBCD portfolio level risks are identified within the quarterly report under each project/programme. 	<p>Jul-22</p>		
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Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190005	Ensuring effective management of Grant Funding (including accessing Grant Funding) Threat of having to repay significant Grant monies. Failure to manage grants and maximise on the funding resources available Failure to secure funding Failure to deliver current projects within the set timescales Failure to deliver outputs in line with the T&Cs of grant paying department	Director of Corporate Services				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190005/005	Recovery Group reviewing financial position		Director of Corporate Services	Significant 16	High 12	
CRR190005/006	Reprioritisation of funding to best address the current liabilities		Director of Corporate Services		Substantial Possible	
CRR190005/007	Reprioritisation of capital programme		Director of Corporate Services			
CRR190005/001	Project Management Training		Director of Corporate Services			
CRR190005/002	Grant Funding Bodies Guidance Briefings and Training		Director of Corporate Services			
CRR190005/003	Grants Panel		Director of Corporate Services			
CRR190005/004	Grants Manual / CPRs / FPRs		Director of Corporate Services			
CRR190005/008	CRR190005/005 Effective budget monitoring		Director of Corporate Services			
Action Items						
<p>Departmental Review for CMT - 14/07/2022 July 2022 update - Contractor availability is a risk and we need to ensure that the Terms and Conditions of the grant are adhered to.</p>		Jul-22				
<p>CMT comment - 14/07/2022 Control measures need to be updated to include Contract Management Tool Kit and contract Management training. Action: Chris Moore to update control measures.</p>		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190057	Maintain and develop an effective Local Development Plan	Head of Place & Sustainability				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190057/001	Development of an effective Local Development Plan (LDP)		Head of Place & Sustainability	High 12	High 12	
CRR190057/002	Adopted LDP in place with no defined end date – continued monitoring through Annual Monitoring Reports to assess effective implementation.		Head of Place & Sustainability		Substantial Possible	
CRR190057/003	Develop policy interventions to ensure the effective implementation of the adopted LDP including use of LDO's etc enabling policy approaches to be agile and adaptable to changes in context and strategic objectives.		Head of Place & Sustainability			
CRR190057/004	To continue the preparation of the Revised LDP reflecting of the Councils corporate and strategic objectives whilst having appropriate regard to national policy and legislation.		Head of Place & Sustainability			
CRR190057/005	Put in place a revised Delivery Agreement and timetable by April 2022 for the preparation of the Revised LDP with WG agreement.		Head of Place & Sustainability			
CRR190057/006	To participate and collaborate regionally on the preparation of the Strategic Development Plan for South-West Wales.		Head of Place & Sustainability			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 Update (Rhodri Griffiths) Maintain existing risk rating CRR190057/001 – Ongoing – Adopted LDP in place work ongoing on the replacement Revised LDP. CRR190057/002 – Ongoing – in accordance with the requirement for annual monitoring the 2022/21 Annual Monitoring Report (AMR) submitted to WG and published in October 21. 2021/22 AMR under preparation for reporting to County Council in October ahead of publication. CRR190057/003 – Ongoing – LDO's adopted for Ammanford and Carmarthen Town Centres and under preparation for the Cross Hands East Strategic Employment Site. CRR190057/004 – Ongoing – County Council on the 9th of March 2022 resolved to prepare a second Deposit Revised LDP. Evidence gathering and work ongoing ahead of reporting and publication. CRR190057/005 – Ongoing – Informal agreement with WG on proposed revised timetable pending official response. CRR190057/006 – Ongoing – Collaboration ongoing. Regional work on evidence commenced on Flood Risk and the spatial extent and impacts of the National Growth Area for Swansea and Llanelli</p>		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190065	Failure to determine or secure Extension of Time (EOT) for Planning applications which are outside the determination date. Current risk in relation to the repayment of the planning fee applicants where a planning application is over time (not been determined within the determination date) or has not been subject to an agreed EOT, as at 30/6/22 - 323 planning applications and fees of £536,000 at risk of repayment), which is reducing.	Head of Place & Sustainability				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190065/001	Develop, review and implement processes relating to the timely determination of planning applications.		Head of Place & Sustainability	High	High	
CRR190065/002	Develop, review and implement protocols and polices to ensure improved consistency and approach in determining planning applications, including the use of EOT.		Head of Place & Sustainability	15	12	Substantial Possible
CRR190065/003	Standardise and ensure consistent use of EOT letters (where there may be delays in the timely determination of planning applications) including monitoring mechanisms and protocols for the identification of relevant applications.		Head of Place & Sustainability			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 update (Rhodri Griffiths) No change to current risk rating. Mitigation actions continue to improve determination times and ensure consistent use of Extension of Time (EOT) for Planning applications. Significant improvements have been made since the Wales Audit review, with a reduction in outstanding planning applications from 402 in September 2021 to 323 in June 2022, (fees risk of repayment reduced from £756, 000 to £536,000.)</p>		Jul-22				

Risk Ref	Risk Title	Assigned To				
CRR190026	Ash die back and the risk to public safety	Head of Place & Sustainability				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190026/001	The Council's Tree Safety Officer carries out regular tree safety inspections of all trees on CCC properties where required.		Head of Place & Sustainability	Significant 20	High 12	
CRR190026/002	Officers delivering approved strategy for managing risk to highways posed by diseased ash trees		Head of Place & Sustainability		Substantial Possible	
CRR190026/003	Highways inspectors complete annual surveys of the extent of ash dieback adjacent to highway network, and safe routes to schools		Head of Place & Sustainability			
CRR190026/004	Chainsaw training for Council operatives specific to Ash die back		Head of Place & Sustainability			
CRR190026/005	CCC's Ash Dieback project to work with landowners of affected trees adjacent to the highway network to ensure these trees are removed.		Head of Place & Sustainability			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 update (Rhodri Griffiths) No change to the risk rating</p> <ul style="list-style-type: none"> Removal of all CCC owned trees identified as posing a risk to highways in Summer 2021 were removed by May 2022. Repeat summer surveys of all A and B roads to be completed by Highways by mid-September 2022, with some more heavily used C roads included in this survey where time permits. Highway Area Managers and teams allocate c. 1 day per week in the summer to ADB survey work. TSO is completing Tree Safety Surveys of all trees in schools' sites, over the Summer with the aim of getting all necessary work completed either over the Summer holidays or in the October half term. Approximately 50 sites will be surveyed in 2022. Education now has a central budget for tree safety work, so this no longer falls on the Head Teachers to fund. Following completion of the survey, the TSO organises the work using the appropriate procurement process. Work required in different schools is grouped for tenders. This approach ensures that necessary safety works are completed without delays and is a marked improvement on the previous arrangement. 		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To			
CRR190029	Net Zero Carbon Failure to deliver the Council's commitment to become a net zero carbon local authority by 2030	Director of Environment/Head of Place and Sustainability			
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating Previous Rating since 27/05/2022
CRR190029/001	The Council has adopted a realistic, pragmatic and achievable approach in its Net Zero Carbon Plan.		Head of Place & Sustainability	Significant 20	High 12 Substantial Possible
Action Items					
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 update (Rhodri Griffiths) No change to current risk rating. - Annual report on the NetZero Plan has been developed and will be presented to pre-cabinet on the 24 June 2022. The report shows a 214 % decrease on 2020/21 carbon emissions. Control measure updates - New cabinet member for Climate change Decarbonisation and Sustainability appointed in May 2022 - Training for councillors on climate change completed on 15 July - First of 5 carbon literacy training events for councillors on 5th July. - Intra authority steering group convened in December and March 2022 to coordinate activities. - Governance arrangements for CC and nature currently being reviewed.</p>		Jul-22			
<p><u>CMT comment - 14/07/2022</u> There is now a cross-party group established which needs to be reflected in the measures. Action:</p> <ul style="list-style-type: none"> Noelwyn Daniel to amend the wording Noelwyn Daniel to discuss with Cllr Aled Vaughan-Owen - Cabinet member 		Jul-22			

Risk Ref	Risk Title	Assigned To				
CRR190040	Covid19 - Strategic Availability of Personal Protective Equipment (PPE)	Director of Communities				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190040/001	Procurement arrangements in place for PPE		Director of Communities	Significant 25	High 10	
CRR190040/002	Central controlled stock arrangements in place		Director of Communities		Catastrophic Unlikely	
CRR190040/003	Stock management is robust to ensure correct level of supply and use		Director of Communities			
Action Items						
<p>Departmental Review for CMT - 14/07/2022 Ongoing work with the Store to rationalise deliveries is ongoing based on bringing the service to a close in March 2023, when the free issue of PPE is due to stop. The current supply of PPE is stable; therefore, the risk is slightly lower. The longer-term plan for the store is to look at the central procurement of PPE for the Department, this will ensure that the costs of PPE can be controlled centrally and to gain economies of scale, and enable the store to hold a backup supply as a contingency for any future events.</p> <p>CMT comment - 14/07/2022 ND stated that combining all Covid risks into one have been raised in the past, and that they remain separate. The risks had been reviewed and a couple have been merged where there are common issues but as the others were diverse they were not merged. It is still felt that there should be just one risk / they should be streamlined. WW suggested leaving the risks as they are and taking the matter that CMT wish to streamline the Covid risks and for Governance & Audit Committee to consider.</p> <p>Action:</p> <ul style="list-style-type: none"> CRR to Governance & Audit Committee – raise the matter of merging Covid risks – on FWP for G&AC Sept 2022 		Jul-22				
		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To			
CRR190009	Deliver Effective Safeguarding Arrangements - Children (Detail in separate Safeguarding Risk Register)	Head of Children Services			
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating
CRR190009/002	Develop implement and regularly monitor effective safeguarding policies and procedures for Children's Services		Head of Children Services	Significant 25	High 10
CRR190009/003	To have a sound procedure for professional abuse allegations effectively promptly and correctly		Head of Children Services		Catastrophic Unlikely
CRR190009/004	To respond appropriately to Regulators reports and recommendations		Head of Children Services		
CRR190009/005	To proactively monitor adequate procedures are being effectively operated by third party providers		Head of Children Services		
CRR190009/006	Ensure sexual exploitation Risk Assessments (SERAFs) and Missing Persons Risk Assessments are completed as required		Head of Children Services		
CRR190009/010	New arrangements implemented for our leaving care services in accordance with the Social and Well-being Act 2014		Head of Children Services		
Action Items					
<p><u>Departmental Review for CMT - 14/07/2022</u> Comments June 2022: The Risk Rating remain High, the impact of failing to deliver effective safeguarding remains Catastrophic 5. Circumstances have not changed since the last review and therefore the probability remains Unlikely 2. The Corporate Parenting Panel continues to meet, to monitor and scrutinise the care and support that the Local Authority provides to our Looked After Children and Care Leavers. In addition, Looked After Children and care leavers have continued to be supported via the childcare teams and corporate parenting service to ensure they are safeguarded and enabled to reach their potential. Regular MALAC (Multi Agency Care Management meetings) and CYSUR Audit and Evaluation Meetings have continued to take place virtually to ensure the council fulfils its corporate parenting role and progress is monitored as part of the Corporate Parenting Strategy. Service Managers continue to carry out monthly audits and assessments, plans and reviews. Internal inspection is carried out within the Internal Audit and Evaluation sub-group of the Safeguarding Board. There is a sound procedure for professional abuse allegations to be dealt with effectively, promptly and correctly. We continue to ensure the regional threshold and multi agency child protection arrangements are working effectively. All regulatory reports and recommendations are included in business planning and monitored quarterly. We continue to ensure that appropriate Safeguarding measures are included in all Third Party contracts. Sexual Exploitation Risk Assessments (SERAFs) are regularly monitored via the Childrens Safeguarding Audit and Evaluation Group and the Multi Agency Operational Group.</p>		Jul-22			

Risk Ref	Risk Title	Assigned To				
CRR190051	Covid19 - Strategic Failure to recover from the COVID19 impact and non delivery of departmental objectives	Chair - Silver Recovery				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190051/001	Silver Recovery Group		Chair - Silver Recovery	Significant 16	Medium 9	
CRR190051/002	Performance Management Framework quarterly reporting & monitoring to CMT		Chair - Silver Recovery		Significant Possible	
Action Items						
<p>Departmental Review for CMT - 14/07/2022</p> <p>Whilst national restrictions have been lifted and we progress to our 'Moving Forward' and 'covid-stable' phase of recovery, case numbers are again on the increase. As life returns to more normal patterns, greater social mixing and engagement are, as expected, leading to covid variants affecting infection rates across our population, albeit with high risk groups better protected than ever. It is therefore prudent to keep the risk rating at Impact 3 (Significant) and Probability 3 (Possible), giving an overall risk rating score of 9 (Medium). Whilst Silver and Gold command have been stood down, covid related guidance continues to be updated via the corporate intranet pages. Work is ongoing across departments to continuously update service control plans and associated risk assessments, especially as we adopt better ways of working principles and in many instances move to hybrid working models, promoting protective behaviours and making environmental adaptations where appropriate.</p>		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To
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CRR190074	Potential risks of disputes in relation to pay negotiations	Assistant Chief Executive
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Control Measures	Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
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CRR190074/001	Regular consultation with Trade Union colleagues to avoid disputes escalating to disruptions to services	Assistant Chief Executive	Significant	Medium	15
CRR190074/002	Introduction of a Joint Consultative Forum with trades union / elected Member	Assistant Chief Executive	20	9	-6
CRR190074/003	Development of an Employee Relations Strategy, which will clarify how we will work with our TU colleagues	Assistant Chief Executive		Significant	
CRR190074/004	Review current pay model	Assistant Chief Executive		Possible	
CRR190074/005	Contingency plans if strike action taken in critical services	Director of Communities			
CRR190074/006	Contingency plans if strike action taken in other service areas	Corporate Management Team			

Action Items	Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
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<p><u>CMT Comment - 14/07/2022</u> Agreed - it is a risk.</p>	Jul-22				
<p><u>Departmental Review for CMT - 14/07/2022</u> NEW RISK FOR CMT CONSIDERATION.</p>	Jul-22				


Page 154

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190023	The post Brexit Settlement	Economic Development Manager				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190023/005	Decrease in external funding due to new SPF regimes		External Funding Manager	High	Medium	12 
CRR190023/001	Officer/Member Working Group with representations from all council services		Economic Development Manager		Significant	-3
CRR190023/002	Review all services/plan contingencies		Economic Development Manager		Possible	
CRR190023/003	Follow advice from Welsh Government and WLGA		Economic Development Manager			
CRR190023/004	Communications with residents and businesses		Economic Development Manager			
Action Items		Target Date				
<p><u>Departmental Review for CMT - 14/07/2022</u> June Update CMT agreed the following on 14/4/22. 1. Discontinue future meetings of the CCC Brexit Member and Officer Working group following the April meeting. A Corporate Funding Group has been established to channel information on external funding sources which replace EU funds. 2. Regeneration Department will continue to communicate any relevant information from WLGA and any other sources relating to Brexit to this group via the Teams channel that has been set up for this purpose as and when necessary. 3. Pass all remaining risks from the Brexit risk register to the departments for inclusion on departmental registers where necessary. Carmarthenshire's Shared Prosperity Fund allocation is now known, at £38.68m. So the risk of uncertainty of external funds has decreased. Risk rating reduced as a result of the above:- Uncontrolled Risk Assessment = 12 Current Risk Assessment = 9</p>		Jul-22				
<p><u>CMT comment - 14/07/2022</u> Leave as is - NFA</p>		Jul-22				

CMT comment - 14/07/2022
 Leave as is - NFA


Page 155

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190058	SAC Phosphate & NRW Interim Planning Advice	Director of Environment/Head of Place and Sustainability				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190058/001	Identify and triage "major" applications and those related to the Council's Covid Recovery Strategy along with those with grant related potential - identify opportunities for consideration where available.		Head of Place & Sustainability	Significant 20	Medium 9	12 
CRR190058/002	Lobby and work with WG/NRW to get clarity around the scope of the requirements resulting from the Interim Advice to ensure that the authority can progress with determinations whilst still meeting its duties as a Competent authority in relation to the Habitat Regulations		Head of Place & Sustainability		Significant Possible	-3
CRR190058/003	Stakeholder Engagement - Instigate a communication and awareness raising programme reaching out across all sectors to ensure the implications are known and to develop an understanding of shared ownership and solution finding in addressing the issue		Head of Place & Sustainability			
CRR190058/004	Developer and Applicant Guidance - Preparation of a guidance pack for applicants and developers on the type and application of mitigation in relation to proposals impacted by the NRW guidance		Head of Place & Sustainability			
CRR190058/005	Develop a Catchment based Phosphate Calculator - Develop and implement including NRW endorsement. Calculator would enable the phosphate loading from any given development to be understood and consequential mitigation/compensation schemes to be identifiable.		Head of Place & Sustainability			
CRR190058/006	Specialist Legal and Ecological Support - Ensure decision making is supported by robust interpretations of the Council's duties and of the NRW guidance including identifying opportunities to refine the scope of the guidance and our understanding of the types of development that may be permissible.		Head of Place & Sustainability			
CRR190058/007	Provide a dedicated and continually refreshed webpage to set out the latest information and any updated guidance. To include also provide guidance for planning applicants, businesses and other interested parties - ensuring support and information is available.		Head of Place & Sustainability			
CRR190058/008	Collaborate across sectors on developing an understanding of the issues and in establishing solution based approaches.		Head of Place & Sustainability			
Action Items						

Page 156

Departmental Review for CMT - 14/07/2022

June 2022 update (Rhodri Griffiths)

Change proposed to current risk rating: to significant x possible score of 9.

The development of a calculator, further guidance and establishment of the nutrient management boards moves us into the active management of the issue.

Control measure updates

CRR190058/001 — Action complete and ongoing “Major” applications triaged on an on going basis as applications are received.

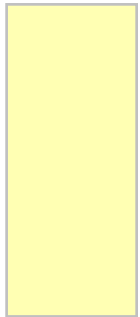
CRR190058/002 – Action complete. Nutrient management boards have been established.

CRR190058/003 – Programme of agent and developer days in development for Summer- April 22/23

CRR190058/004 – Further mitigation guidance has been developed to be issued in Summer 2022

CRR190058/005 – Action complete. Phosphate Calculator published online on 01 March 2022.

Jul-22



Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190014	Delivery of the Pentre Awel Project (Outcomes / Budget)	Chief Executive				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190014/001	Project Board is operational with suitable governance and representative membership		Chief Executive	Significant 16	Medium 8	
CRR190014/002	Development of Zones 1-4 of Pentre Awel consisting of business, education and skills, research and clinical delivery and leisure facilities (Zone 1), assisted living (Zones 2 and 3), affordable and social housing (Zone 2) and hotel and open market housing (Zone 4)		Chief Executive		Substantial Unlikely	
CRR190014/003	Financial Planning		Director of Corporate Services			
Action Items						
	<p><u>Departmental Review for CMT - 14/07/2022</u> July 2022 - Update July Zone 1</p> <ul style="list-style-type: none"> • Full Council in March unanimously approved the maximum cost for the construction of £87.07m and to delegate authority to the Project Senior Responsible Owner, Chris Moore, Director of Corporate Services to agree the final cost envelope and confirm affordability in discussion with Chief Executive and Leader of the Council. • Reserve Matters application submitted in June and unanimously approved by Planning Committee. • Through pre construction internal areas have been confirmed for Swansea university and Hywel Dda University Health Board. • Through the pre-construction phase internal areas have been confirmed for the dry and wet sports areas. • Heads of Terms drafted for Swansea University , Hywel Da University Health Board and for University of Wales Trinity St David. • Agreement in place with Cardiff University to lead on the innovation and business. The lead is Barbara Coles who is the University's ACCELERATE Project Manager and Clinical Innovation Hub Manager • Lead appointed within Cardiff University to co-ordinate their academic input into Pentre Aweel. The lead is Professor John Wilde – Head of the School of Optometry. • Health, Leisure, Research and Education workstreams have now progressed to the implementation phase and groups operational. • Community Benefits working group with Bouygues operational and CCC oversight groups for performance assurance established and incorporated within the governance structure. <p>Update Zone 2 and 3</p> <ul style="list-style-type: none"> • Work to commence to update the demand, capacity and affordability modelling for Zone 2, residential care. • Work progressing on the deign development of Zone 3 – 144 units of retirement accommodation and 10,000 sqm of business expansion space. 	Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190060	Critical Authority wide IT systems	Head of ICT & Policy				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190060/001	Main server and backup server at different sites		Head of ICT & Policy	Significant 20	Medium 8	
CRR190060/002	Microsoft database SQL expertise in IT department		Head of ICT & Policy		Substantial Unlikely	
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022 - Hybrid approach to our main servers IT systems, with some hosted in cloud service and the remainder in our data centres in 3 Spilman Street and Ty Parcyrhun. Audit Wales recently undertook an inspection of both data centres, focusing on physical security and access control and we are awaiting the results and recommendations from this.</p>		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190010	Deliver Effective Safeguarding Arrangements - Vulnerable Adults	Director of Communities				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190010/001	Representation at the Regional Board		Director of Communities	Significant 16	Medium 8	
CRR190010/002	Implementing effective safeguarding policies and procedures for vulnerable adults		Director of Communities		Substantial Unlikely	
CRR190010/003	Monitoring the performance of safeguarding within adult services		Director of Communities			
CRR190010/004	Responding to regulators reviews and recommendations		Director of Communities			
CRR190010/005	Monitoring of third party providers to ensure safeguarding procedures are being effectively operated		Director of Communities			
CRR190010/006	Robust process for professional concerns and increase staffing resource to respond to increasing demands		Director of Communities			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> Carmarthenshire is well represented on the board and associated subgroups. The Head of Adult Social Care continues to chair the Adult Practice Review Group and there is a rigorous process for manageing and tracking reviews and recommendations. Performance in relation to safeguarding is consistent the number of adult protection enquiries completed within 7 days is at 83.3% (average over the last year). There are no outstanding actions to respond to in terms of regulatory requirements. The Senior Manager Safeguarding is chairing a workstream in relation to the current Ukraine situation, and ensuring a robust response to safeguard adults. Carmarthenshire leads on strategic developments in relation to Violence Against Women, Domestic Abuse and Sexual Violence (VAWDASV).</p> <p><u>CMT comment - 14/07/2022</u> Action:</p> <ul style="list-style-type: none"> Jake Morgan to provide update and review the risk rating. 		Jul-22				
		Jul-22				

Risk Ref	Risk Title	Assigned To				
CRR190006	Ensuring effective People Management (including interpreting changes in HR legislation, capacity and compliance with Employment Law and Health & Safety Legislation)	Assistant Chief Executive				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190006/001	Competence based recruitment, assessment centres for recruitment of key roles, induction training, coaching and mentoring, appraisals and supervision, probationary policy		Assistant Chief Executive	Significant 16	Medium 8	
CRR190006/002	Development of Employment Policies and briefings and training, audit and monitoring		Assistant Chief Executive		Substantial Unlikely	
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> June 2022</p> <p>In terms of Health and Safety, the pandemic raised the profile of ensuring safe working practices and environments, this has continued as we move beyond the emergency phase and WG advise that workplace Risk Assessments should continue to be carried out. To support this process, we have developed:</p> <ul style="list-style-type: none"> • A general Risk Assessment to help managers assess the risks linked to their activities. • Prepared guidance for managers who have people that were previously classed as ECV so that quality discussions can be had to ensure a safe working environment. • Refreshed the Pregnant Workers Risk Assessment. • A checklist for managers to ensure a safe working environment beyond the emergency phase, which includes a framework for having individual conversations with team members. <p>This information can then be used to complete a Service Control Plan including any contingency planning.</p> <p>The H&S team will now re-focus its work from Covid to ensure all health and safety risks are identified managed effectively</p> <p>In terms of HR – a comprehensive work programme is in place; we have reviewed a range of policies to align with the Better Ways of Working project and developed new Hybrid Working guidance with online resources to support managers and their teams who are moving to a hybrid way of working. We have also reviewed other policies such as Travel Policy, Secondment Policy, Domestic Abuse Policy incorporating the Safe Leave policy, Ukrainian paid leave guidance.</p> <p>Transitional People Management Guidance has also been developed to support managers during the transition period – which has been recently extended to the end of July.</p> <p>No new legislation on the horizon although we are keeping a watching brief on the Exit Pay cap.</p> <p>In terms of effective people management, our recently launched Employee Engagement Survey should provide us with data to assess how engaged staff are in terms of working for us.</p>		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190022	Manage and Develop Cwm Environmental & Llesiant Delta Wellbeing	Corporate Management Team				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190022/001	Governance arrangements incl management and Councillor representation on Shareholder/Governance Boards		Corporate Management Team	Significant 16	Medium 8	
CRR190022/002	Compliance with Companies Act and relevant legislation		Corporate Management Team		Substantial Unlikely	
CRR190022/003	Financial Planning Financial Reporting arrangements Audit programme		Corporate Management Team			
CRR190022/004	Training to be arranged for Directors		Corporate Management Team			
Action Items						
<p><u>CMT comment - 14/07/2022</u> Narrative missing. Action:</p> <ul style="list-style-type: none"> Seek update from Owen Bowen 		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190007	Ensuring effective management of Procurement / Contract Management and Partnership arrangements	Head of Revenues & Financial Compliance				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190007/002	Participation in the WLGA Heads of Procurement Forum		Head of Revenues & Financial Compliance	Significant 16	Medium 8	
CRR190007/003	New Procurement Strategy developed and approved in April 2018		Head of Revenues & Financial Compliance		Substantial Unlikely	
CRR190007/005	TIC Expenditure Stream		Head of Revenues & Financial Compliance			
CRR190007/006	Economic Recovery Plan / Progressive procurement approach - agreed and signed off by CMT, P&R, Scrutiny and Cabinet		Head of Revenues & Financial Compliance			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> July 2022 update - The Procurement Strategy is due to be reviewed to include additional elements such as net zero carbon, progressive procurement and local spend. Contract Procedure Rules are being updated and going forward to CMT in August and to the Governance and Audit Committee in September for approval.</p>		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team


Risk Ref	Risk Title	Assigned To				
CRR190012	Failure to adhere to an effective Corporate Governance Framework	Head of Revenues & Financial Compliance				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190012/001	Corporate Governance Group		Head of Revenues & Financial Compliance	Significant 16	Medium 8	
CRR190012/002	Implementation of the WLGA Review of Governance		Head of ICT & Policy		Substantial Unlikely	
CRR190012/003	Annual Governance Statement		Head of Revenues & Financial Compliance			
Action Items						
<ul style="list-style-type: none"> Departmental Review for CMT - 14/07/2022 July 2022 update - The Corporate Governance Group continues to meet on a quarterly basis. Better use of resources and building a better council are aligned to the Annual Governance Statement which are structured based on the 7 CIPFA principles of Good Governance. The Code of Corporate Governance has been updated to reflect the Future Generations Act and the 7 CIPFA principles of good governance. 		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190018	Failure to deliver a quality Education Service	Director of Education & Children Services				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190018/003	Raise standards at each key stage		Head of Education and Inclusion	High 12	Medium 8	12 
CRR190018/004	Support schools to develop and deliver new curriculum		Head of Education and Inclusion / Head of Curriculum and Wellbeing		Substantial Unlikely	-4
CRR190018/005	Support schools to implement ALN reform		Head of Education and Inclusion			
CRR190018/007	Provide appropriate support for vulnerable learners - ALN, LAC, EAL, Travellers, e-FSM		Head of Education and Inclusion			
CRR190018/008	Manage the 21st Century School Programme and reduce the number of surplus places with the schools system		Head of Access to Education			
Action Items						
<p><u>Departmental Review for CMT - 14/07/2022</u> Comments June 2022: As per commentary for CRR 190046, the Department recommends keeping these risks separate while currently in an academic year affected by the pandemic. The current risk rating should be amended to Medium 8 (the Impact remains Substantial 4, but the possibility is reduced to Unlikely 2). The Departments work on our Service Evaluation and individual Service reviews coupled with Estyn school inspections and our quality assurance in school's success indicates that the possibility of failure to deliver a quality Education Service has reduced. Standards at each key stage remain high but exams and assessments for summer 2022 still cover a period affected by the pandemic. Following WG guidance, Standards are also moving away from attainment and toward progress and wellbeing. While we await a national set of measures for progress and wellbeing, we are currently reflecting progress based on Education Support Advisors conversations with schools and evidence of individual progress during academic year. We are continuing to develop trusting relationships in order to work closely with schools and partners in delivering the new curriculum and provide support and challenge. Some initiatives we lead on are cutting edge with schools appreciative and enthusiastic. Our experienced, dedicated Inclusion Team have fully up skilled to administer the new ALN system and processes for the LA, its schools and other relevant persons. The Vulnerable Learners Strategic Focus Group draws together all officers and services involved with supporting vulnerable learners to provide a supportive structure to provide appropriate support for all vulnerable learners. The Sustainable Communities for Learning (formally Modernising Education Programme) is currently undertaking a review in order to invigorate the 21st Century School Programme.</p>		Jul-22				

Page 165

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190069	Contractor and internal capacity issues leading to a high backlog of housing responsive repairs and housing voids which reduces the number of homes available to let and a delay in repairs being completed.	Director of Communities				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190069/001	Parcel work based on type and geographical location to encourage take up by contractor		Head of Housing Property & Strategic Projects	High 15	Medium 6	
CRR190069/002	Procurement arrangements to be reviewed to introduce a new Minor Works Framework by August 2023		Head of Housing Property & Strategic Projects		Moderate Possible	
CRR190069/003	Staffing resources to be reviewed as part of Divisional realignment in 2022		Head of Housing Property & Strategic Projects			
CRR190069/004	Discussions with contractors to encourage take up of work during existing Framework		Head of Housing Property & Strategic Projects			
CRR190069/005	Employment of additional operational staff to provide greater in-house resilience and to reduce dependence on the limited contractor base in the area		Head of Housing Property & Strategic Projects			
CRR190069/006	Undertake a review of Voids processes		Head of Housing Property & Strategic Projects			
CRR190069/007	Upgrade Total Repairs property maintenance job management system to Total Connect and Asset Management system to CX Assets to improve data management and issuing of work to contractors / in-house staff, plus improved communication with tenants		Head of Housing Property & Strategic Projects			
Action Items						

Departmental Review for CMT - 14/07/2022

In response to the CMT review of the Risk Register in May it is proposed that this risk is renamed "Contractor and internal capacity issues leading to a high backlog of housing responsive repairs and housing voids which reduces the number of homes available to let and a delay in repairs being completed". We are currently assessing backlog works and parcelling, where possible, to encourage take up by contractors but contractor capacity remains low. It is proposed that packaging of Voids is undertaken under the Minor Works Framework, to encourage commitment from contractors. The Environment Department is shortly to commence work on renewing the Minor Works Framework before expiry in August 2023 and both housing and non-housing property teams are looking at ways to make the next iteration of the Framework more effective. As part of the ongoing review of Voids processes meetings with framework contractors have facilitated an increase in the number of void properties that a small number of contractors are able to deal with, through wider use of sub-contractors and more frequent payment arrangements. Other contractors, however have withdrawn from working on Voids in favour of larger project work, as framework rates have not increased in line with inflation since October 2021. Disaggregation of the remaining maintenance and design teams into housing and non-housing teams is to commence in July and conclude by October, which will enable a wider Divisional realignment before the end of 2022. Recent recruitment has led to the appointment of 11 housing maintenance technicians from 22 applicants for 17 posts to start the process of undertaking more work in-house. Advertising for a further round of recruitment is to start soon. The Voids Review was completed in May and an Improvement Board now meets fortnightly to oversee implementation of the Action Plan. Environment is migrating and implementing the new Total Connect system and housing repairs is now planned to go live in November 2022, with Voids to follow later in the early 2023. In summary, with the above mitigations, and a current month-on month improvement in the number of outstanding voids (down from 385 at 30/4/22 to 350 as at 5/7/22) and a gradual reduction in the housing repairs backlog, it is recommended that this risk is maintained at Medium (6)

Jul-22

CMT comment - 14/07/2022

Current climate its felt that this risk rating is too low. Needs to be revisited, need also to consider external forces not just internal capacity and performance issues.

Action:

- Jake Morgan to expand the risk narrative and reassess the risk.


Jul-22

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190063	Failure in Determination of Major Planning Applications (Failure to determine major planning applications within timescale is adversely impacting on our ability as an Authority to achieve our regeneration ambitions)	Head of Place & Sustainability				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190063/001	A dedicated officer and support staff have commenced work on 'Major Projects' that support the county's economic recovery plan outputs and aspirations		Head of Place & Sustainability	Significant 20	Medium 6	16 
CRR190063/002	Establish a Corporate Major Projects Group comprising council officers representing the range of services involved in development proposals, e.g. Planning, Regeneration, Highways & Legal (but not limited to). Priority focus to be afforded to projects that deliver jobs and growth in support of the Council's economic recovery plan. This will be led by the Head of Regeneration.		Head of Regeneration		Moderate Possible	-10
CRR190063/003	Protocol to be developed covering applications for major development projects (schemes above 10 residential units or 1,000 m ² of commercial development) – setting out how we will engage with applicants / developers, with clarity and commitment on the process(es) we will adopt to provide a quality and efficient planning process. Protocol will include, and clearly articulate, the programme activities, timescales and responsibilities that will support CCC's protocol and commitment to determine major applications.		Head of Place & Sustainability			
CRR190063/004	Consideration to be given to whether a Planning Performance Agreement (PPA) should be entered into with applicants for major development projects. PPA would set out set out the scope and timetable for pre-application engagement and subsequent submission and determination of the planning application. Possible useful project management tool that would be bespoke to each development, requiring commitment from both parties – applicant and LPA.		Head of Place & Sustainability			
Action Items						
	<ul style="list-style-type: none"> Departmental Review for CMT - 14/07/2022 June 2022 update Change to current risk rating to moderate x possible score of 6 As of 08 June 2022, 15 of the AW recommendations have been completed. Of 49 sub actions, 47 actions have been completed with a Cabinet update provided on 20th June, Planning committee quarterly performance report published on 23 June detailing the progress made. Following the AGW report, the team identified 133 planning applications which were subsequently classed as major projects, and a further 23 applications have been received in this period. Of these 156 applications, 23 applications currently remain in determination. Control measure updates CRR190063/001 – Action complete. Major Projects lead now in place. CRR190063/002 - Action complete. Major Projects now in SMT monthly, RDT consideration of the planning position considered quarterly CRR190063/003 – Action complete. CRR190063/004 – PPA being developed for roll out in Summer 2022 	Jul-22				


168

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To				
CRR190064	Failure to address Significant performance issues in development management are undermining effective service delivery. (Significant backlog of undetermined planning applications, significant caseload in planning enforcement, timeliness of validation process, and lack of performance monitoring.)	Head of Place & Sustainability				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190064/001	Planning Hwb to act as a single point of contact for Development Management and Enforcement queries.		Head of Place & Sustainability	Significant 20	Medium 6	12 
CRR190064/002	Develop, review and implement processes relating to the determination of planning applications.		Head of Place & Sustainability		Moderate Possible	-6
CRR190064/003	Develop, review and implement protocols and polices to ensure improved consistency and approach in determining planning applications.		Head of Place & Sustainability			
CRR190064/004	Develop a comprehensive suite of performance measures to ensure the Service can be held to account.		Head of Place & Sustainability			
CRR190064/005	Embed robust performance and case management within the Service to ensure effective performance management and improved performance.		Head of Place & Sustainability			
CRR190064/006	Review Scheme of Delegation and Planning Protocol and seek approval at CRWG/Full Council.		Head of Place & Sustainability			
CRR190064/007	To focus on positive recruitment and retention practices to motivate and sustain the workforce in order that we maintain a sufficient workforce and one that is equipped to perform their work requirements.		Head of Place & Sustainability			
CRR190064/008	Re-Design and develop a customer focused Planning section within the Corporate website.		Head of Place & Sustainability			
Action Items						

<ul style="list-style-type: none"> <u>Departmental Review for CMT - 14/07/2022</u> June 2022 update (Rhodri Griffiths) Proposed change to current risk rating: to moderate x possible score of 6 As of 08 June 2022, 15 of the AW recommendations have been completed. Of 49 sub actions, 47 actions have been completed. At the end of the financial year 2021/2022 annual Planning performance standards set by the Welsh Government have been exceeded for the first time. PAM/018 Percentage of all planning applications determined in time. Cumulative 12-month figure - 80.4% (WG target 80%) PAM/019 Percentage of planning appeals dismissed. Cumulative 12-month figure - 75% (WG target 70%) Quarter 1 performance standards for 2022 indicate that progress has further improved to outperform the standards set by the Welsh Government. Control measure updates CRR190064/002 and 003 – Action complete Revised processes are continuing to be developed and implemented in the determination of planning applications services. (e.g., progress on producing protocols for validation, consultation and publicity of applications). CRR190064/004 and 005 – Action complete Planning service and case management indicators are being prepared and quarterly performance reports are being prepared for consideration by divisional SMT. CRR190064/006 – Action complete Revised Scheme of Delegation and Planning Protocol was agreed by council in February 2022 CRR190064/007 – A new Head of Place and Sustainability commenced at the start of January 2022. Key posts have been filled temporarily and the section is currently going through a workforce review. CRR190064/008 – Action complete 	<p>Jul-22</p>		
<ul style="list-style-type: none"> <u>CMT comment - 14/07/2022</u> Leave as is - awaiting Audit Wales review and will then revisit. 	<p>Jul-22</p>		

Risk Ref	Risk Title	Assigned To				
CRR190062	Failure to implement Audit Wales Review Recommendations into the Authority's Planning Service. (17 recommendations have been made - key areas addressed specifically in risks CRR190063, CRR19064 and CRR19065.	Head of Place & Sustainability				
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating	Previous Rating since 27/05/2022
CRR190062/001	Intervention Board and Intervention Assurance Board set up to regularly monitor progress and review performance data via Arcus Global dashboards		Head of Place & Sustainability	Significant 25	Medium 6	
CRR190062/002	Monthly Progress Report presented to Preliminary Executive Board		Head of Place & Sustainability		Moderate Possible	
CRR190062/003	Fortnightly meetings held with respective Executive Board portfolio members to report on progress		Head of Place & Sustainability			
CRR190062/004	Performance Report presented quarterly to Planning Committee		Head of Place & Sustainability			
Action Items						
<p>Departmental Review for CMT - 14/07/2022 June 2022 update (Rhodri Griffiths) The Council's intervention board has provided oversight for a programme of works to address the AW Report. As of 08 June 2021, 15 of the AW recommendations have been completed. Of 49 sub actions, 47 actions have been completed. A further two relating to the development of a planning and enforcement charter, are currently being developed with a view to completion in the Summer of 2022. At the end of the financial year 2021/2022 annual Planning performance standards set by the Welsh Government have been exceeded for the first time. PAM/018 Percentage of all planning applications determined in time. Cumulative 12-month figure - 80.4% (WG target 80%) PAM/019 Percentage of planning appeals dismissed. Cumulative 12-month figure - 75% (WG target 70%) Quarter 1 performance standards for 2022 indicate that progress has further improved to outperform the standards set by the Welsh Government. CRR190062/001. The intervention board meeting of July 4th will consider closing down exception reporting based on the resolution of recommendations CRR190062/002, 003. Exception report provided to Cabinet on 20 June 2022 CRR190062 004. Quarterly report presented to planning committee on 23 June.</p>		Jul-22				

Carmarthenshire Corporate Risk Register

Risk Register - Carmarthenshire Corporate Risk Register

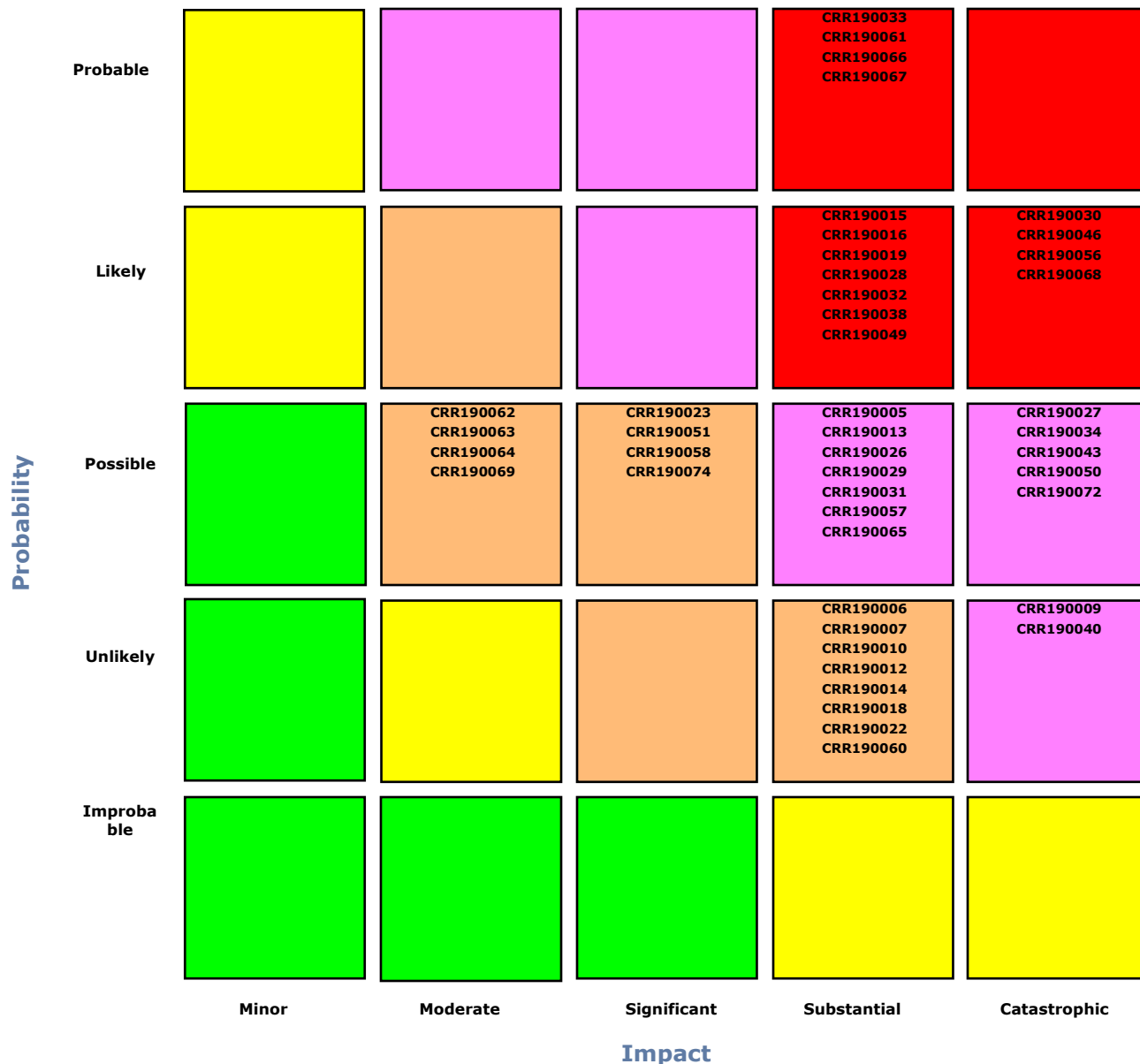
Manager

Corporate Management Team

Risk Ref	Risk Title	Assigned To			
CRR190073	Ensure effective Business Continuity Plans across the Authority.	Corporate Management Team			
Control Measures		Review Date	Control Owner	Uncontrolled Risk Rating	Current Risk Rating
CRR190073/001	Emergency Planning section to establish and coordinate working group on behalf of CMT to look at Business Continuity Plans across the Authority.		Corporate Management Team		
Action Items					
<p><u>Details</u> <u>Departmental Review for CMT - 14/07/2022</u> June update (Alan Howells) New Corporate Risk has been set up and risk rating scored as requested by CMT 12/05/2022. CRR 190073/01 update – Working Group being established and will meet in July 2022 to review and co-ordinate Business Continuity Plans across the Authority.</p>		Jul-22			

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Carmarthenshire CRR Heatmap



Detailed Risk Information

Current Risk Rating	Risk Ref	Details	Assigned To
20	CRR190030	Coronavirus - Risk to business continuity, system failure and service delivery	Director of Communities
20	CRR190033	Flood - Operational Risk The physical effects of more frequent and intense storm conditions that compromise and stretch our operational ability to respond to widespread and prolonged emergencies both in the immediate response phase and recovery phase of a flood event, whilst also maintaining normal services. This will also include the risk of managing the public's expectation as the Council cannot respond to all requests for help during storm conditions. Response is curtailed by the resources available and the priorities at the time.	Director of Environment

Detailed Risk Information

Current Risk Rating	Risk Ref	Details	Assigned To
20	CRR190046	Covid19 - Strategic Failure to ensure the expected progress and outcomes of all Carmarthenshire learners for the period that operation of schools and learning establishments are affected by the pandemic	Director of Education & Children Services
20	CRR190056	Ensuring that the Authority effectively manages its financial resources and responds to the challenges of reduced funding (formerly CRR190004)	Director of Corporate Services/Head of Financial Services
20	CRR190061	Effect of Covid-19 and Brexit on recruiting and impact of workforce planning	Assistant Chief Executive
20	CRR190066	Insufficient numbers of social work and care staff to provide sufficient assessment and care capacity which provides a risk to vulnerable people in not having needs assessed and being unsupported and potentially unsafe in the community.	Director of Communities/Head of Adult Social Care/Head of Integrated Services/Head of Commissioning
20	CRR190067	Lack of availability of domiciliary care to support vulnerable adults which leads to the risk of people being unsupported and potentially unsafe in the community, as well as people being delayed leaving hospital preventing others being able to access urgent medical treatment.	Director of Communities/Head of Adult Social Care/Head of Integrated Services/Head of Commissioning
20	CRR190068	Continued deterioration of the condition of highways infrastructure and assets. Failure to address maintenance backlog (£38 million), as a consequence of falling investment levels leading to high levels of demand. Increased level of claims.	Director of Environment/Head of Transportation & Highways
16	CRR190015	Delivery of the Approved Capital Programme (Outcomes / Budget)	Director of Corporate Services
16	CRR190016	Delivery of the Authority's Waste Management and Recycling Strategy to ensure that we meet our statutory recycling targets and wider obligations including improvements to the quality of recyclable materials to support circular economy principles and reduce carbon outputs in accordance with Welsh Governments Beyond Recycling national strategy	Head of Waste & Environmental Services
16	CRR190019	Failure to ensure that schools effectively manage their resources and respond to the challenges of reduced funding	Director of Education & Children Services
16	CRR190028	School Leadership - Our ability to recruit and retain high quality and resilient school leaders who can respond to and deal with the transformation of education in Wales	Director of Education & Children Services
16	CRR190032	Flood - Strategic Risk The physical effects of more frequent and intense storm conditions that compromise homes, businesses, essential infrastructure and services. This will also include the risk of managing the public's expectation that the Council can completely address, control and mitigate all flood risks regardless of source or asset owner.	Director of Environment
16	CRR190038	Covid19 - Strategic Increase in levels of anxiety which is directly affecting mental health. Health and wellbeing of staff and the public	Assistant Chief Executive

Detailed Risk Information

Current Risk Rating	Risk Ref	Details	Assigned To
16	CRR190049	Risk of local business and economy not recovering from the lockdown and rises in energy and inflation	Head of Regeneration
15	CRR190027	Fraud & Corruption The cost of fraud to the Welsh Public Sector is estimated to be in the region of between £100million and £1billion annually (as reported by the WAO)	Head of Revenues & Financial Compliance/Director of Corporate Services
15	CRR190034	Cyber Risk such as: - Ransomware or malware infection - Denial of Service Attack (DOS) - Unauthorised network access (hacking) - External and Internal - Phishing Email Attack - staff approach - Increased risk of cyber crime due to phishing and malware attacks exploiting Covid-19	Head of ICT & Policy
15	CRR190043	Post Covid19 - Strategic Financial Implications - loss of income Financial implications - increased costs due to Covid-19 demands and compliance with Cabinet and Welsh Government instructions	Director of Corporate Services/Head of Financial Services/Head of Revenues & Financial Compliance
15	CRR190050	Risk of contractor and suppliers failing to deliver projects/schemes, because of highly volatile macro economic conditions and inflation/disruption to suppliers, service goods and materials, which has an impact of the non-delivery of capital works. - Failure to meet grant expenditure conditions. - contractors resources depleted - contract failure - cost increases - sourcing materials - Contractors unwilling to carry out work at framework prices	Director of Environment
15	CRR190072	Deterioration of the Council's School and Non-School buildings due to the lack of building surveys.	Director of Environment / Property Maintenance Manager
12	CRR190005	Ensuring effective management of Grant Funding (including accessing Grant Funding) Threat of having to repay significant Grant monies. Failure to manage grants and maximise on the funding resources available Failure to secure funding Failure to deliver current projects within the set timescales Failure to deliver outputs in line with the T&Cs of grant paying department	Director of Corporate Services
12	CRR190013	Delivery of the City Deal (Outcomes / Budget)	Corporate Management Team
12	CRR190026	Ash die back and the risk to public safety	Head of Place & Sustainability
12	CRR190029	Net Zero Carbon Failure to deliver the Council's commitment to become a net zero carbon local authority by 2030	Director of Environment/Head of Place and Sustainability
12	CRR190031	Failure to comply with the requirements of the Local Government and Elections (Wales) Act	Corporate Management Team

Detailed Risk Information

Current Risk Rating	Risk Ref	Details	Assigned To
12	CRR190057	Maintain and develop an effective Local Development Plan	Head of Place & Sustainability
12	CRR190065	Failure to determine or secure Extension of Time (EOT) for Planning applications which are outside the determination date. Current risk in relation to the repayment of the planning fee applicants where a planning application is over time (not been determined within the determination date) or has not been subject to an agreed EOT, as at 30/6/22 - 323 planning applications and fees of £536,000 at risk of repayment), which is reducing.	Head of Place & Sustainability
10	CRR190009	Deliver Effective Safeguarding Arrangements - Children (Detail in separate Safeguarding Risk Register)	Head of Children Services
10	CRR190040	Covid19 - Strategic Availability of Personal Protective Equipment (PPE)	Director of Communities
9	CRR190023	The post Brexit Settlement	Economic Development Manager
9	CRR190051	Covid19 - Strategic Failure to recover from the COVID19 impact and non delivery of departmental objectives	Chair - Silver Recovery
9	CRR190058	SAC Phosphate & NRW Interim Planning Advice	Director of Environment/Head of Place and Sustainability
9	CRR190074	Potential risks of disputes in relation to pay negotiations	Assistant Chief Executive
8	CRR190006	Ensuring effective People Management (including interpreting changes in HR legislation, capacity and compliance with Employment Law and Health & Safety Legislation)	Assistant Chief Executive
8	CRR190007	Ensuring effective management of Procurement / Contract Management and Partnership arrangements	Head of Revenues & Financial Compliance
8	CRR190010	Deliver Effective Safeguarding Arrangements - Vulnerable Adults	Director of Communities
8	CRR190012	Failure to adhere to an effective Corporate Governance Framework	Head of Revenues & Financial Compliance
8	CRR190014	Delivery of the Pentre Awel Project (Outcomes / Budget)	Chief Executive
8	CRR190018	Failure to deliver a quality Education Service	Director of Education & Children Services
8	CRR190022	Manage and Develop Cwm Environmental & Llesiant Delta Wellbeing	Corporate Management Team
8	CRR190060	Critical Authority wide IT systems	Head of ICT & Policy
6	CRR190062	Failure to implement Audit Wales Review Recommendations into the Authority's Planning Service. (17 recommendations have been made - key areas addressed specifically in risks CRR190063, CRR190064 and CRR190065.	Head of Place & Sustainability
6	CRR190063	Failure in Determination of Major Planning Applications (Failure to determine major planning applications within timescale is adversely impacting on our ability as an Authority to achieve our regeneration ambitions)	Head of Place & Sustainability

Detailed Risk Information

Current Risk Rating	Risk Ref	Details	Assigned To
6	CRR190064	Failure to address Significant performance issues in development management are undermining effective service delivery. (Significant backlog of undetermined planning applications, significant caseload in planning enforcement, timeliness of validation process, and lack of performance monitoring.)	Head of Place & Sustainability
6	CRR190069	Contractor and internal capacity issues leading to a high backlog of housing responsive repairs and housing voids which reduces the number of homes available to let and a delay in repairs being completed.	Director of Communities
0	CRR190073	Ensure effective Business Continuity Plans across the Authority.	Corporate Management Team

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GOVERNANCE & AUDIT COMMITTEE

30 SEPTEMBER 2022

ANNUAL ANTI-FRAUD AND ANTI-CORRUPTION REPORT 2021/22		
Recommendations / key decisions required: To receive the report.		
Reasons: To receive the Annual Anti-Fraud and Anti-Corruption Report 2021/22		
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 30 SEPTEMBER 2022

ANNUAL ANTI-FRAUD AND ANTI-CORRUPTION REPORT 2021/22

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 2021/22 financial year.

The following report is attached:
Annual Anti-Fraud and Anti-Corruption Report 2021/22

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.**

**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

2021-22

July 2022



carmarthenshire.gov.wales

Contents	Page
1. Introduction	2
2. Strategic Governance	2
3. Proactive Work	3
4. Prevention and Deterrence	4
5. Investigations	5
6. Case Information	7
7. Conclusion	8

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 2021/2022 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, this hasn't been possible to undertake. It is hoped that face-to-face presentations will soon resume.

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 December 2021 on tackling fraud, and specifically the 'Take Five' campaign. Take Five is a national campaign that offers straight-forward and impartial advice to help everyone protect themselves from preventable financial fraud. The message was issued to staff via the Authority's Marketing & Media weekly e-mail.

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. As such during 2021/22, activity in this area has focussed on the following key areas:

- Financial Procedure Rules
- Contract Procedure Rules

During the year, a media article was published in a national newspaper, detailing several successful prosecutions achieved by the Council. Where possible, successful cases are promoted in order to achieve a deterrent effect, deterring anyone from committing 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 was undertaken in 2021/22. The exercise identified numerous matches which were further explored; the majority of matches had either already been identified through Internal Audit testing and worked through to ensure they were not fraudulent, or were genuine situations which were not fraudulent. One match did, however, result in a positive identification of an employee having worked elsewhere whilst on sick leave from the Authority; this case is currently continuing to be investigated.

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.

Due to the Covid-19 pandemic, a number of additional payments have been, and continue to be, made to individuals and businesses, for example in the form of free school meals payments and grants, via the Authority. Investigations into potentially fraudulent grant applications prevented substantial payments of support grants and identified some grants which had been fraudulently claimed owing to misrepresentation by the applicant. Furthermore, the Internal Audit section has, and continues to, assist in the processes 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. During the year, this testing identified duplicate travel claims having been made and paid; 56 journeys, relating to 17 different employees, were found to have been erroneously claimed. Further detailed testing was undertaken on the duplicate claims to ensure that the claims were not the result of fraudulent activity. All duplicate payments made were subsequently recovered from the relevant employees.

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 2021/22:

Fraud Offence	2021/22 Investigations	2020/21 Investigations
Fraud by False Representation	7	4
Fraud by Failure to Disclose Information	0	2
Fraud by Abuse of Position	3	4

The following statistics outline **Benefit Fraud** investigatory work undertaken during 2021/22:

A total of 245 referrals were received by the fraud team (compared to 234 referrals in 2020/21).

- 68 were accepted for fraud investigation.
- 173 of these were referred to the Department for Work & Pensions (DWP) for their own investigations.
- 4 were rejected.

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.

The restrictions placed on duties due to the pandemic meant that the inability to interview face to face had a major impact on a number of more serious cases which are joint investigations with colleagues in DWP. Full duties continue to remain restricted since March 2020 (office interviews and home visits), but it is hopeful that these ongoing restrictions will be removed in the coming months.

The Compliance Officer was redeployed on other duties for the majority of the financial year which also impacted upon the ability to deal with workloads.

In 2021/22, as in the previous year, due to a change in working practices, the focus changed to prevention and detection rather than deterrent.

- A total of £46,741.27 in recoverable Housing Benefit overpayments was identified, a notable decrease of 33.9% on the previous year and deemed to be directly attributable to the impact of Covid-19 and the restrictions on duties as well as the redeployment of staff.
- A total of £22,446.07 in Council Tax Reduction Scheme adjustments/overpayments was identified from investigations.
- Council Tax charges and arrears identified from investigative work amounted to £10,285.40 in 2021/22 and empty property discounts were cancelled to the total value of £2,264.34.

The following statistics outline fraud investigatory work undertaken by the **Consumer and Business Affairs service** during 2021/22:

Fraud Act Prosecutions, which have either been completed or are currently in the Court System:	
Fraud Misrepresentation/Unfair Practices	11
Fraudulent Trading	3
Money Laundering	3

During the year, the Consumer and Business Affairs service received a total of 2,244 referrals for investigation (compared to 2,113 in 2020/21), with the following outcomes recorded:

No of convictions completed (all)	9
No of cautions (all)	3
Total detriment prevented (i.e., money that would be lost without Trading Standards intervention)	£5,176,000
Number of preventative / proactive press releases	7
Number of prosecution case press releases	8
Number of preventative/proactive literature distributed	6,784

6. **Case Information**

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

A Housing Benefit Matching Service (HBMS) data match report identified a tenant who was claiming Housing Benefit and Council Tax Reduction at a privately rented property in Llanelli and was also linked to an address in the Midlands.

Enquiries with fraud colleagues in Birmingham City Council established that Housing Benefit had been claimed from them for an overlapping period.

The tenant denied the offence stating that he had not claimed elsewhere and had not given anyone permission to claim on his behalf.

Evidence of identity provided by the tenant when making his claim in the Midlands was obtained from the Council in Birmingham, this including his signature on a tenancy agreement and also his passport. The evidence providing conclusive proof that the tenant had claimed for the same period in Birmingham and Carmarthenshire.

As a result of the investigation the tenant was ordered to repay in excess of £6,500 Housing Benefit and over £500 Council Tax Reduction, both of which would not have been paid if the tenant had correctly informed of his circumstances.

A full investigation into Housing Benefit and Council Tax Reduction claims commenced following a referral from the Housing department.

It was alleged that a single male had not been living at his claim address for some time and had possibly been absent for more than 12 months and suspected that he may be living near or with his estranged wife in the Bristol area. The tenant's wife had been previously subject to a similar non-residency investigation and was found to be living in Gloucestershire while continuing to claim benefits in Carmarthenshire.

Enquiries made through the National Anti-Fraud Network (NAFN) identified third party credit checks having been made for the subject at his wife's address in Bristol – an address he had never declared he was living.

Investigations identified two active bank accounts; inspection of bank account statements identified the subject to have been living permanently in Bristol, from June 2020, with the exception of a couple of days in August 2020 when he had returned to Llanelli.

As a direct result of the investigation both the Housing Benefit and Council Tax Reduction claims were cancelled due to non-residency with a recoverable overpayment of Housing Benefit calculated amounting to £6,996.49 and a further Council Tax Reduction overpayment/adjustment of £1,578.15.

During the year, an investigation was undertaken into a staff member who was abusing the Authority's flexi time system. The investigation involved review of the use of the Authority's IT systems, which evidenced that the hours worked by the employee were substantially less than the employee had claimed on their flexi sheet. Following a disciplinary hearing, the employee was issued with a written warning, with time owed to the Authority worked back.

Further examples of fraud investigations undertaken relating to members of staff include:

- Working for a different employer whilst off sick from the Authority;
- Submitting false claims for payment;
- Personal use of Council vehicle.

During the year, the Consumer and Business Affairs service has investigated a variety of cases, including the following examples:

Unsafe / misrepresented PPE - hand sanitiser not safe for use.

Sale of puppies – including fraudulent documents and fraudulent adverts.

Rogue trading – examples of conducting work where not required, overcharging for work, charging for work not complete and pressure sales.

Fraudulent trading – home improvement, gold bullion sales, Internet Protocol television (IPTV) sales – whereby the whole business is operated for the purpose of fraud.

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 2021/22. 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.
- 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

6th July 2022

GOVERNANCE AND AUDIT COMMITTEE

30 SEPTEMBER 2022

OMBUDSMAN'S ANNUAL LETTER 2021/2022 CARMARTHENSHIRE COUNTY COUNCIL

Purpose:

To receive the Public Services for Wales Annual Letter 2021/22 (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 reviewing performance.

Cabinet Decision Required YES

Council Decision Required NO

CABINET MEMBER PORTFOLIO HOLDER:- Councillor Darren Price

Directorate:	Designations:	Tel: 01267 224694
Name of Head of Service: Linda Rees Jones	Head of Administration and Law	Email addresses: NEvans@carmarthenshire.gov.uk:
Report Author: Nigel J Evans:		

EXECUTIVE SUMMARY

GOVERNANCE AND AUDIT COMMITTEE

30 SEPTEMBER 2022

OMBUDSMAN'S ANNUAL LETTER 2021/2022 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 reviewing performance.**
2. **This year's Letter is attached to this summary. Selected items include:**
 - The number of complaints relating to Local Authorities increased by 47% nationally when compared with last year;
 - There has also been a higher number of Code of Conduct complaints when compared with last year. In addition, there has been a record number referred to either the Adjudication Panel for Wales, or local standards committees;
 - Under his new 2019 Act powers, he published the outcome of his first "Own Initiative Investigation" (Homelessness Review), resulting in specific recommendations and suggestions designed to bring about changes for people using homelessness services. The Ombudsman also completed three extended investigations i.e. extending an investigation already underway to cover other issues;
 - Also under his new powers, his Complaints Standards team (CSA) have continued to work with public bodies, and for the first time have published information on complaints handled by Local Authorities. The CSA information showed over 15,000 complaints were recorded by Local Authorities, with nearly half (46%) of those complaints being investigated within 20 working days. About 8% of all closed complaints ended up being referred to the PSOW;
 - In terms of Carmarthenshire specifically, the PSOW received 54 complaints directly to his office against the Council. See Appendix A of the Letter. Whilst all Council's were subject to more complaints, Carmarthenshire was one of the Council's that saw the highest increase. In terms of population the number of complaints equated to 0.29 complaints per 1000 residents, against an average for Wales of 0.36 (Carmarthenshire being the fourth most populous county in Wales). Last year the figure of complaints for Carmarthenshire was 27, which equated to 0.14 against an average of 0.25;
 - Appendix B shows how Carmarthenshire complaints are broken down into subject area. Planning, Housing and complaints handling nationally and traditionally, generate a large proportion of complaints. It is also mentioned that the classification of subject area is ascribed by the Ombudsman, so does not take into account service structures at Carmarthenshire. Subject areas may therefore contain individual cases that Carmarthenshire would categorise to a different area of service;
 - Appendix C shows that there were no reports issued against Carmarthenshire, either upheld or not upheld.

- Appendix D shows to what extent the Ombudsman intervened in cases. These are cases that are settled, resolved early, or where he has issued a report. For Carmarthenshire the rate of interventions decreased when compared with last year. It equated to 14% of cases with the national also being 14%. This is in comparison with 21% of cases last year with a national average of 13%
- Code of Conduct figures for Carmarthenshire at Appendices E and F, show there were no referrals to the Standards Committee or the Adjudication Panel for Wales.

DETAILED REPORT ATTACHED?

YES – the PSOW’s Annual Letter 2021/22

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 performance to be reviewed. 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 2021/22	CCOM-975	<p>https://www.ombudsman.wales/wp-content/uploads/2022/08/Carmarthenshire-Eng.pdf</p> <p>http://www.ombwdsmon.cymru/wp-content/uploads/sites/2/2022/08/Carmarthenshire-Cym.pdf</p>
The PSOW's Annual report 2021/22	CCOM-975	<p>https://www.ombudsman.wales/wp-content/uploads/2022/08/ANNUAL-REPORT-2021-22-Signed-Version.pdf</p> <p>https://www.ombudsman.wales/wp-content/uploads/2022/08/2021-22-ANNUAL-REPORT-2021-22-EXECUTIVE-SUMMARY.pdf</p> <p>http://www.ombwdsmon.cymru/wp-content/uploads/sites/2/2022/08/ADRODDIAD-BLYNYDDOL-2021-22-Signed-Version.pdf</p> <p>http://www.ombwdsmon.cymru/wp-content/uploads/sites/2/2022/08/2021-22-ADRODDIAD-BLYNYDDOL-2021-22-CRYNODEB-GWEITHREDOL.pdf</p>

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Ask for: Communications

 01656 641150

Date: August 2022

 communications@ombudsman.wales

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

Annual Letter 2021/22

Dear Councillor Price

I am pleased to provide you with the Annual letter (2021/22) 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 is my first annual letter since taking up the role of Public Services Ombudsman in April 2022, and I appreciate that the effects of the pandemic are still being felt by all public bodies in Wales. Our office has not been immune from this, with records numbers of cases being referred to us over the last two years. The strong working relationships between my Office and local authorities continues to deliver improvements in how we are dealing with complaints and ensuring that, when things go wrong, we are learning from that and building stronger public services.

Complaints relating to Maladministration & Service Failure

Last year the number of complaints referred to us regarding Local Authorities increased by 47% (compared to 20/21 figures) and are now well above pre-pandemic levels. It is likely that complaints to my office, and public services in general, were suppressed during the pandemic, and we are now starting to see the expected 'rebound' effect.

During this period, we intervened in (upheld, settled or resolved at an early stage) a similar proportion of complaints about public bodies, 18%, when compared with recent years. Intervention rates (where we have investigated complaints) for Local Authorities also remained at a similar level – 14% compared to 13% in recent years.

Page 1 of 9

Complaints relating to the Code of Conduct for Councillors

We also received a high number of Code of Conduct complaints last year, relating to both Principal Councils and Town and Community Councils. A record number (20) were referred to either the Adjudication Panel for Wales or local standards committees, due to evidence of a breach of the Code.

Supporting improvement of public services

In addition to managing record levels of complaints, we also continued our work using our proactive powers in the Public Services Ombudsman (Wales) Act 2019. Specifically undertaking our first Own Initiative Investigation and continuing our work on the Complaints Standards Authority.

October 2021 saw the publication of the first own initiative investigation in Wales: [Homelessness Reviewed](#). The investigation featured three Local Authorities and sought to scrutinise the way Homelessness assessments were conducted. The report made specific recommendations to the investigated authorities, as well as suggestions to all other Local Authorities in Wales and Welsh Government. Some of these recommendations will bring about immediate change – updating factsheets and letter and assessment templates to ensure that key equality and human rights considerations are routinely embedded into processes for example – all the recommendations were designed to bring about tangible change to people using homelessness services in Wales.

The Complaints Standards Authority (CSA) continued its work with public bodies in Wales last year. The model complaints policy has already been adopted by local authorities and health boards in Wales, we have now extended this to an initial tranche of Housing Associations and Natural Resources Wales. The aim being to implement this work across the Welsh public sector.

In addition to this, the CSA published information on complaints handled by local authorities for the [first time](#) – a key achievement for this work. The data for 21/22 showed:

- Over 15,000 complaints were recorded by Local Authorities
- 4.88 for every 1000 residents.
- Nearly half (46%) of those complaints were upheld.
- About 75% were investigated within 20 working days.
- About 8% of all complaints closed ended up being referred to PSOW.

The CSA has now implemented a model complaints policy with nearly 50 public bodies, and delivered 140 training sessions, completely free of charge, during the last financial year. The feedback has been excellent, and the training has been very popular - so I would encourage Carmarthenshire County Council to engage as fully as possible.

Complaints made to the Ombudsman

A summary of the complaints of maladministration/service failure received relating to your Council is attached, along with a summary of the Code of Conduct complaints relating to members of the Council and the Town & Community Councils in your area.

In light of the new duties on political leaders and standards committees to promote and maintain high standards of conduct of their members, we look forward to working with you, your Monitoring Officer and standards committees to share any learning from the complaints we receive and to support your authority's work.

I would also welcome feedback on your Governance & Audit Committee's review of your authority's ability to handle complaints effectively so that we can take this into account in our work and support its work on the handling of complaints.

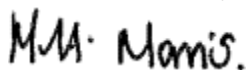
Finally, can I thank you and your officials for the positive way that local authorities have engaged with my Office to enable us to deliver these achievements during what has been a challenging year for everyone. I very much look forward to continuing this work and collaboration to ensure we further improve public services across Wales.

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 & Audit Committee to assist members in their scrutiny of the Council's performance and share any feedback from the Cabinet and the Governance & Audit Committee with my office.
- Continue to engage with our Complaints Standards work, accessing training for your staff, fully implementing the model policy, and providing complaints data.
- Inform me of the outcome of the Council's considerations and proposed actions on the above matters by 30 September.

This correspondence is copied to the Chief Executive of your Council and to your Contact Officer. Finally, a copy of all Annual Letters will be published on my website.

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	14	0.20
Bridgend County Borough Council	55	0.37
Caerphilly County Borough Council	60	0.33
Cardiff Council*	182	0.50
Carmarthenshire County Council	54	0.29
Ceredigion County Council	52	0.72
Conwy County Borough Council	27	0.23
Denbighshire County Council	34	0.36
Flintshire County Council	99	0.63
Gwynedd Council	39	0.31
Isle of Anglesey County Council	29	0.41
Merthyr Tydfil County Borough Council	27	0.45
Monmouthshire County Council	20	0.21
Neath Port Talbot Council	45	0.31
Newport City Council	40	0.26
Pembrokeshire County Council	39	0.31
Powys County Council	55	0.42
Rhondda Cynon Taf County Borough Council	51	0.21
Swansea Council	71	0.29
Torfaen County Borough Council	18	0.19
Vale of Glamorgan Council	61	0.46
Wrexham County Borough Council	71	0.52
Total	1143	0.36

* inc 17 Rent Smart Wales

Appendix B - Received by Subject

Carmarthenshire County Council	Complaints Received	% Share
Adult Social Services	11	20%
Benefits Administration	1	2%
Children's Social Services	2	4%
Community Facilities, Recreation and Leisure	0	0%
Complaints Handling	8	15%
Covid19	0	0%
Education	0	0%
Environment and Environmental Health	5	9%
Finance and Taxation	1	2%
Housing	8	15%
Licensing	0	0%
Planning and Building Control	12	22%
Roads and Transport	1	2%
Various Other	5	9%
Total	54	

Appendix C - Complaint Outcomes (* denotes intervention)

County/County Borough Councils	Out of Jurisdiction	Premature	Other cases closed after initial consideration	Early Resolution/ voluntary settlement*	Discontinued	Other Reports- Not Upheld	Other Reports Upheld*	Public Interest Report*	Total
Carmarthenshire County Council	5	20	17	7	0	0	0	0	49
% Share	10%	41%	35%	14%	0%	0%	0%	0%	

Appendix D - Cases with PSOW Intervention

	No. of interventions	No. of closures	% of interventions
Blaenau Gwent County Borough Council	0	13	0%
Bridgend County Borough Council	7	54	13%
Caerphilly County Borough Council	7	58	12%
Cardiff Council	45	159	28%
Cardiff Council - Rent Smart Wales	1	16	6%
Carmarthenshire County Council	7	49	14%
Ceredigion County Council	13	46	28%
Conwy County Borough Council	2	24	8%
Denbighshire County Council	4	33	12%
Flintshire County Council	15	94	16%
Gwynedd Council	6	41	15%
Isle of Anglesey County Council	3	28	11%
Merthyr Tydfil County Borough Council	2	26	8%
Monmouthshire County Council	2	21	10%
Neath Port Talbot Council	5	45	11%
Newport City Council	4	36	11%
Pembrokeshire County Council	2	40	5%
Powys County Council	7	55	13%
Rhondda Cynon Taf County Borough Council	3	45	7%
Swansea Council	10	76	13%
Torfaen County Borough Council	2	20	10%
Vale of Glamorgan Council	9	62	15%
Wrexham County Borough Council	4	67	6%
Total	160	1108	14%

Appendix E - Code of Conduct Complaints

County/County Borough Councils	Discontinued	No evidence of breach	No action necessary	Refer to Adjudication Panel	Refer to Standards Committee	Withdrawn	Total
Carmarthenshire County Council	1	5	0	0	0	0	6

Appendix F - Town/Community Council Code of Complaints

Town/Community Council	Discontinued	No evidence of breach	No action necessary	Refer to Adjudication Panel	Refer to Standards Committee	Withdrawn	Total
Betws Community Council	-	-	-	-	-	-	0
Cwmaman Town Council	1	1	0	0	0	0	2
Llanelli Rural Council	1	0	0	0	0	0	1
Llanelli Town Council	-	-	-	-	-	-	0
Llanfynydd Community Council [Carmarthenshire]	-	-	-	-	-	-	0
Llangunnor Community Council	-	-	-	-	-	-	0
Llannon Community Council	0	1	0	0	0	0	1

Information Sheet

Appendix A shows the number of complaints received by PSOW for all Local Authorities in 2021/2022. These complaints are contextualised by the number of people each health board reportedly serves.

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 2021/2022. 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 2021/2022. 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 2021/2022. 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. 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

30 SEPTEMBER 2022

FINANCIAL PROCEDURE RULES		
Recommendations / key decisions required: To consider and approve the Financial Procedure Rules.		
Reasons: The Governance & Audit Committee has delegated authority, as part of the Council's Constitution, to consider and approve amendments to the Financial Procedure Rules.		
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: Helen Pugh	Designation: Head of Revenues and Financial Compliance	Tel No.: 01267 246223 E Mail Address: HLPugh@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 30 SEPTEMBER 2022

FINANCIAL PROCEDURE RULES

The existing Financial Procedure Rules document has been reviewed and revised to ensure the information contained within is current and appropriate.

The need for Financial Procedure Rules

Financial Procedures Rules explain the procedures which officers must follow to ensure high standards of financial management. They tell us the things we cannot do, but also tell us the things we can do whilst keeping within the rules.

Whilst the Chief Officers are accountable for the deployment of the resources for which they have been given responsibility, they will delegate functions of a financial nature to individual officers, e.g. budgetary control, ordering of goods and services, payment of accounts and the certification of time sheets.

If officers undertake an activity which affects the Council's finances, they should ensure that they understand the requirements of the Financial Procedure Rules so that they can comply with the approved arrangements.

These Financial Procedure Rules have been produced to provide a structure for officers and Members to follow, allowing the Section 151 Officer to fulfil his statutory duty under the Local Government Finance Act 1972 (Section 151) for the "proper administration of the financial affairs of the Council".

The Governance & Audit Committee has delegated authority, as part of the Council's Constitution, to consider and approve amendments to the Financial Procedure Rules.

DETAILED REPORT ATTACHED?

YES

- 1. Financial Procedure Rules**
- 2. Summary of amendments made to the Financial Procedure Rules**

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 Director of Corporate Services has the statutory responsibility for the "proper administration of the financial affairs of the Council" (Local Government Finance Act 1972, section 151).

The Director of Corporate Services also has the duty to report to Members and the Appointed Auditor on unlawful expenditure and over-commitment of resources (Local Government Finance Act 1988).

Finance

Financial Procedures Rules explain the procedures which officers must follow to ensure high standards of financial management.

Risk Management Issues

Ensuring that the Authority effectively manages its financial resources.

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.**

**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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Carmarthenshire County Council

Financial Procedure Rules



Contents

1. Introduction	8
1.1 The need for Financial Procedure Rules	
1.2 Cabinet	
1.3 Role of the Director of Corporate Services	
1.4 Corporate Services Department Structure	
1.5 Emergencies	
1.6 Accounting Instructions	
1.7 Relationship of Financial Procedure Rules and Other Corporate Documents	
1.8 Internal Audit Reports on Breaches of Financial Procedure Rules	
1.9 Compliance with Financial Procedure Rules	
1.10 Chief Officers and Heads of Service	
1.11 Items not covered by the Financial Procedure Rules	
1.12 Partnerships with other Organisations	
1.13 Subsidiary Companies	
2. Revenue Budget	10
3. Capital Budget	10
4. Electronic Signatures	11
4.1 Introduction	
4.2 Basic Principles	
5. Income	11
5.1 Introduction	
5.2 Receipts	
5.3 Electronic Banking/Online Payments/Internet/Standing Orders/BACS	
5.4 Cash tills	
5.5 Manual Registers	
5.6 Cash Holdings	
5.7 Vending Machines & Other Cash-collecting Apparatus	
5.8 Change Floats	
5.9 Personal cashing of cheques	
5.10 Personal borrowing of monies	
5.11 Shortages and surpluses	
5.12 Transfer of monies between officers	

- 5.13 Paying in to the council's bank account
- 5.14 Completion of bank paying-in slips
- 5.15 Credit Income
- 5.16 Credit Income - Small amounts
- 5.17 Credit income – Prompt raising of accounts
- 5.18 Cancellations, Write-off procedures & Non-Recovery of Debts
- 5.19 Suspension of recovery action
- 5.20 Debit / Credit card income systems
- 5.21 Direct debit income facilities
- 5.22 Companies holding money on behalf of the Authority
- 5.23 Internal recharges

6. Purchasing 17

- 6.1 Introduction
- 6.2 IT hardware and software
- 6.3 Inducements
- 6.4 Staff sales – Private or personal consumption
- 6.5 Leasing – Compliance with Capital Finance Regulations

7. Imprest Accounts 18

- 7.1 Introduction
- 7.2 Claims for reimbursement
- 7.3 Annual Petty Cash Certification Exercise

8. Orders for Goods, Services and Works 19

- 8.1 Introduction
- 8.2 Authorisation of Orders
- 8.3 Authorised Signatories
- 8.4 Budget Provision
- 8.5 Orders for Property-Related Works

9. Payment of Accounts 20

- 9.1 Introduction
- 9.2 Passing Invoices for Payment
- 9.3 Final Approval – Authorised Signatories
- 9.4 Timeliness of Processing Creditor Payments

- 9.5 VAT
- 9.6 Return of Cheques to Originating Officer
- 9.7 Copy Invoices
- 9.8 Statements of Account
- 9.9 Construction Payments
- 9.10 Financial Coding
- 9.11 Outstanding Accounts
- 9.12 Standing Payments
- 9.13 Prepayments
- 9.14 Credit Notes
- 9.15 Payments to Individuals for Services
- 9.16 On-line (Back Office) Creditor Processing
- 9.17 Credit Card Payments
- 9.18 Purchase Cards

10. Payroll **27**

- 10.1 Notification of Information
- 10.2 Authorised Signatories
- 10.3 Timesheets
- 10.4 Advances of Pay
- 10.5 Employment Certification Exercises
- 10.6 Absence Records

11. Pensions **28**

- 11.1 Introduction
- 11.2 Review of Entitlement of Benefit

12. Travel and Associated Expenses **28**

- 12.1 Introduction
- 12.2 Value for Money
- 12.3 Promptness of Claims
- 12.4 Basis of Claim
- 12.5 Certification
- 12.6 Subsistence

13. External Funding	29
13.1 Introduction	
13.2 Maximising Grant Entitlement	
13.3 Notifying the Director of Corporate Services	
14. Trust Funds	30
14.1 Introduction	
14.2 Administration of Trust Funds	
15. Other Funds	30
15.1 Introduction	
15.2 Approval of Chief Officer	
15.3 Financial Control	
16. Banking	31
16.1 Introduction	
16.2 Opening/Closing Accounts	
16.3 Special Banking Arrangements	
16.4 Custody of Cheques	
16.5 Bank Reconciliation	
16.6 Cheque Signatories	
16.7 Debit and Credit Card Income	
17. Leasing	31
17.1 Introduction	
17.2 Maintenance of Records	
17.3 Leasing – Compliance with Capital Financial Regulations	
18. Risk Management and Insurance	32
18.1 Introduction	
18.2 Risk Management	
18.3 Variations to Insurance Requirements	
18.4 Claims Management	

19. Treasury Management	33
19.1 Introduction	
19.2 Treasury Management Strategy and Policy	
19.3 Reporting	
20. Internal Audit	33
20.1 Introduction	
20.2 Governance & Audit Committee	
20.3 Professional Standards	
20.4 Independence	
20.5 Breaches of Financial Procedure Rules	
21. Fraud, Corruption and Theft	34
21.1 Introduction	
21.2 Reporting Procedures Fraud and Corruption	
22. Stocks and Stores	35
22.1 Introduction	
22.2 Stores Systems	
22.3 Valuations	
23. Land and Buildings	36
23.1 Introduction	
23.2 Asset Management System	
23.3 Asset Register	
23.4 Title Deeds	
23.5 Disposal of Land and Buildings	
23.6 Use of Council Premises	
23.7 Minimising Risks in Council Premises	
24. Other Assets	37
24.1 Introduction	
24.2 Inventories	
24.3 Portable High-Value Items	
24.4 Security Marking of Assets	

24.5	Disposal of Assets	
25.	Security	38
25.1	Introduction	
25.2	Protection of Clients' Private Property	
25.3	Incoming Mail	
25.4	Outgoing Mail	
25.5	Receipt of Goods	
25.6	Access to Buildings	
26.	Personal Use of Council Equipment	39
26.1	Introduction	
26.2	Council Vehicles	
26.3	Pool Cars	
27.	Retention of Financial Records	39
27.1	Introduction	
27.2	Retention Periods	
27.3	Disposal of Records	
28.	Controlled Corporate Financial Stationery	40
28.1	Introduction	
28.2	Controlled Stationery	
29.	Employee Declarations	40
30.	Value Added Tax	41
31.	Information Technology	41

1 Introduction

1.1 The Need for Financial Procedure Rules

Financial Procedure Rules explain the procedures which officers must follow to ensure high standards of financial management. They tell us the things we cannot do, but also tell us the things we can do whilst keeping within the rules.

Whilst the Chief Officers are accountable for the deployment of the resources for which they have been given responsibility, they will delegate functions of a financial nature to individual officers, e.g., budgetary control, ordering of goods and services, payment of accounts and the certification of time sheets.

If officers undertake an activity which affects the Council's finances, they should ensure that they understand the requirements of this document so that they can comply with the approved arrangements.

1.2 Cabinet

The Cabinet has overall responsibility for regulating and controlling the Council's finances, but responsibility also rests with Chief Officers, Heads of Service and Cabinet Members.

1.3 Role of the Director of Corporate Services

The Director of Corporate Services is the person who has the statutory responsibility for the "proper administration of the financial affairs of the Council" (Local Government Finance Act 1972, section 151).

The specific duties of the Director of Corporate Services include:

- Prescribing the accounting systems.
- Prescribing the form of accounts.
- Prescribing the form of financial records.
- Ensuring the approved accounting systems are observed.
- Ensuring the accounts and supporting records are kept up to date.
- On behalf of the Authority, maintaining an adequate and effective internal audit in accordance with the Accounts and Audit Regulations 1996.

The Director of Corporate Services also has the duty to report to Members and the Appointed Auditor (Audit Wales) on unlawful expenditure and over-commitment of resources (Local Government Finance Act 1988).

The Governance & Audit Committee has delegated authority, as part of the Council's Constitution, to consider and approve amendments to the Financial Procedure Rules.

1.4 Corporate Services Department Structure

The Director of Corporate Services prefers to put the emphasis on assisting departments to achieve the delivery of cost-effective quality services rather than on the enforcement of his legal powers.

In order to deliver high quality financial services, the Department is organised into two Divisions, each under the control of a Head of Service:

- Head of Financial Services
- Head of Revenues & Financial Compliance

1.5 Emergencies

In the event of an Emergency (as defined in Section 138 of the Local Government Act 1972), Chief Officers will be empowered to incur expenditure which is essential to meet any urgent needs created by the individual situation subject to such action being subsequently reported to the Cabinet.

1.6 Accounting Instructions

The Director of Corporate Services is empowered to supplement these Financial Procedure Rules with Accounting Instructions. Accounting Instructions may be issued for general distribution or to a particular Department or establishment. Such instructions fall within the powers of the Director of Corporate Services as set out in Section 1.3 and compliance with Accounting Instructions will be required where specified by the Director of Corporate Services.

1.7 Relationship of Financial Procedure Rules and Other Corporate Documents

The following corporate documents are to be treated as if they form part of the Financial Procedure Rules:

- Budget Manual
- Capital Guidance
- Income and Charging Policy
- Contract Procedure Rules
- Grants Manual
- Anti-Fraud and Anti-Corruption Strategy
- Travel and Associated Expenses Policy

Amendments to the above documents will be approved by the Governance & Audit Committee or appropriate Scrutiny Committee.

1.8 Internal Audit Reports on Breaches of Financial Procedure Rules

Internal Audit will report significant breaches of the Financial Procedure Rules to the Chief Executive, Director of Corporate Services, relevant Cabinet Members, and the Governance & Audit Committee.

1.9 Compliance with Financial Procedure Rules

Each Employee is required to understand and comply with these Financial Procedure Rules.

Failure to comply may result in disciplinary action against the individual(s)/line manager responsible.

Employees must ensure that they use public funds entrusted to them in a responsible and lawful manner and must not utilise property, vehicles or other facilities of the Authority for personal use unless authorised to do so. They should strive to ensure value for money to the local community and to avoid legal challenge to the Authority.

1.10 Chief Officers and Heads of Service

Any reference to Chief Officers will include the Chief Executive and Directors who are responsible for the strategic direction of the Authority and for the activities of their individual Departments.

Heads of Service under the Authority's management arrangements are responsible for the proper management of the services assigned to them.

1.11 Items not covered by the Financial Procedure Rules

From time-to-time issues will arise which were not foreseen when these Procedure Rules were drawn up. Officers are required to act prudently in such cases and where there is any doubt over the propriety of an action relating to a financial matter, the officer should seek guidance from the Director of Corporate Services prior to committing the Authority to the action.

1.12 Partnering with other Organisations

Where the Council enters into a formal partnership agreement with another organisation, it must be made clear from the outset which organisation's Financial Procedure Rules will apply to the partnership. Where the Financial Procedure Rules adopted are not those of Carmarthenshire County Council, any variances should be brought to the attention of the Director of Corporate Services who should consider whether the lesser standards are acceptable.

1.13 Subsidiary Companies

Where the Council sets up subsidiary companies, those companies must develop, and have appropriately approved, a set of financial procedure rules upon which to abide by and such financial procedure rules must be broadly in line with those of the Council.

2 Revenue Budget

Officers are required to fully comply with the provisions of the Budget Manual. The document assists staff in understanding their responsibilities for sound and effective budgetary control.

3 Capital Budget

Officers are required to fully comply with by the provisions of the Managing Capital document, which is to be treated as if it formed part of these Financial Procedure Rules. The document assists managers by setting out the roles and responsibilities for sound and effective budgetary control in relation to the Capital Programme.

4 Electronic Signatures

4.1 Introduction

An electronic signature is a digitalised form of a traditional physical signature. Like a standard handwritten signature, electronic signatures are mostly there to serve as proof that the signer has approved the document in question. Use of electronic signatures must be done in a controlled manner, with the basic principles set out below being followed.

4.2 Basic Principles

- An inserted image of someone's signature in a Word document is not an electronic signature, it is simply a picture and can easily be copied.
- Hand-written or "wet" signatures can be copied or forged as easily as electronic versions.
- Internal processes do not need wet signatures or secure signature systems. Authorisations for internal processes should be done by email from a secure personal account or through suitable management systems.
- Images or scans of a wet signature should not be shared in any editable documents. Documents being sent by email should be converted to PDF, otherwise the image of the signature can be copied, or contents of the document changed without the author or authorisers knowledge.
- Secure electronic signatures should be used on documents intended to create a binding legal relationship between the Council and other organisations or persons. Only secure electronic signature platforms approved for use by the Authority should be utilised.
- An image of a person's signature or a typed signature should NOT be used on a document intended to create a binding legal relationship between the Council and other persons or organisations.

5 Income

5.1 Introduction

The Director of Corporate Services is responsible for ensuring suitable arrangements are in place for the receipt of money.

Directors and Heads of Service must ensure that:

- The Income and Charging Policy is adhered to and that charges for Council services are reviewed annually, in consultation with the Director of Corporate Services.
- Any new income collection arrangements are discussed and agreed with Head of Revenues & Financial Compliance.

Budget Holders are responsible for ensuring that there are adequate procedures within their areas of responsibility to ensure that the requirements of the Director of Corporate Services are met for the collection and banking of cash income and for the prompt raising of sundry debtor accounts.

5.2 Receipts

A receipt must be offered whenever cash is received, unless a specific dispensation has been agreed in writing by the Director of Corporate Services. Such dispensation will

normally be given for systems where receipts would be inappropriate, but alternative recording arrangements will be required for control purposes.

Receipts will be in a form approved and controlled by the Director of Corporate Services.

Receipts may be electronically generated receipts, tickets, hand-written receipts, till receipts or other devices approved by the Director of Corporate Services.

All points at which cash income is taken by the Council should clearly display a notice advising payers that a receipt should be obtained for their payment.

Receipts will not normally be dispatched to debtors sending payment through the post unless requested.

Stocks of blank/unused receipts must be stored securely, and appropriate records maintained to account for their use. A receipt which has been removed but is not accounted for in the relevant income system may be an indication that money received has not been processed into the County's funds.

In circumstances where money is taken in advance for the sale of tickets (e.g. a show), the tickets should be pre-numbered or uniquely referenced, adequately controlled and reconciled.

5.3 Electronic Banking / Online Payments / Internet / Standing Orders / BACS

Payment advice and documentation must always include a reference number which must be quoted by the customer on all payments. This reference number should relate to the charging document (e.g. invoice number) or other reference to identify the debt raising department.

Where ParentPay is used to pay for school meals and other school-related payments, each parent/guardian must have a unique username and password to access the system. Income collected via ParentPay must be regularly reconciled to the Authority's ledger, to ensure that all income due to the Authority has been received.

When giving out the Council's bank details to customers for ad hoc BACS/CHAPS payments – employees must inform Cashiers of the expected income, to ensure income is credited to the appropriate ledger code.

5.4 Cash Tills

Where cash tills are operating, all income received should be registered through the till. Keys to cash tills should be held securely.

Operators should not have access to keys/ facilities which 'zeroise' the till readings and reconcile the till records to cash received.

Operators should take till readings at prescribed times and record them.

Periodically (e.g. daily), an officer other than the till operator should 'zeroise' the till readings and reconcile the till records to cash received.

Managers responsible for the supervision of staff who operate cash tills are required to carry out periodic unannounced cash ups of the tills concerned. At least one cash up should be performed on each operator in each financial year.

Due to the higher volume and value of transactions, main cash offices should be subject to more frequent and random, unannounced cash-ups at least quarterly.

Departments may make their own arrangements for independent staff to carry out the inspections where appropriate. Evidence of cash ups must be maintained.

5.5 Manual Registers

In some circumstances it is effective to use a manual register (e.g. Primary School Meals) to record and control income.

Where a manual register is used, the following principles should be followed:

- Only officially approved registers should be used.
- Separate registers should be used for different income collection responsibilities.
- When money is received, the register should be fully updated to show clearly the amount of cash collected and the person from whom it was received.
- At appropriate periods the amount recorded should be totalled and noted on the register.
- Bankings should be recorded and independently reconciled to the register.
- Arrangements for the reconciliation or comparison of anticipated income and actual income. Such reconciliation should be periodically checked and certified by a senior member of staff independent of the collecting officer.

5.6 Cash Holdings

Cash held at individual establishments should preferably be banked daily but at least weekly in order to minimise risk. Where cash is to be left on Council premises overnight the following action is required:

- Sums in excess of £300 to be locked in a suitable safe on the premises.
- Sums up to £300 may be retained on the premises but they must be adequately secured in a locked receptacle.

5.7 Vending Machines and other Cash-collecting Apparatus

Where a Department/establishment has vending machines, payphones or any other apparatus which collects money automatically, the appropriate Budget Holder must ensure that adequate controls operate to secure monies collected. Such instructions should include the following:

- Two members of staff should be present to empty and count the cash collected. Where this is not feasible, the specific approval of the Director of Corporate Services for alternative arrangements must be obtained. This approval may be conditional upon adequate compensating controls.
- Maintenance of a permanent record which should include the date the cash is collected, the amount collected, the signatures of both of the staff involved, and where appropriate meter readings.
- The frequency of emptying cash should be related to the amount of cash taken by the machine; it should be ensured that no more than £300 is held in the machine at any one time.
- Procedures for ensuring the prompt and secure banking of all amounts collected.
- Arrangements for the reconciliation or comparison of anticipated income (e.g.

calculated using meter readings or through examining stock records) and actual income. Such reconciliation should be periodically checked and certified by a senior member of staff independent of the collecting officer.

Departments responsible for operating other, more secure, self-service payment facilities, such as car parking Pay and Display Machines, or Self-Service Payment kiosks which supplement cash offices, should ensure that collection and income recording arrangements are appropriate to the value and location of the machines.

5.8 Change Floats

Where a Department/establishment requires a change float, the Director of Corporate Services will arrange for an advance of cash to the collecting officer. Such a cash float should be adequate to provide for the normal requirements for change but not so large as to be unnecessary or to create a security problem.

When paying in cash takings to the Council's bank account, the amount advanced as the change float should be retained by the collecting officer for future change requirements.

5.9 Personal Cashing of Cheques

Under no circumstances should any Council monies be used to cash personal or third-party cheques.

5.10 Personal Borrowing of Monies

Under no circumstances should any employee borrow money from cash income collected; doing so would constitute a disciplinary offence.

5.11 Shortages and Surpluses

Any shortages or surpluses arising when reconciling the cash collected with receipts, till readings etc. should be clearly recorded within the computerised system. Shortages and surpluses must be reported exactly as they occur and not used to balance each other out.

If errors are frequent or significant in value, disciplinary action may be appropriate regardless of whether the individual has offered to make good the value of the shortages. Staff will not normally be expected to make good shortages due to error.

5.12 Transfer of Monies between Officers

Where monies are transferred between officers for accounting or paying-in, the transfer of money should normally be acknowledged in a permanent written record a copy of which is to be retained by both the individual/establishment handing over the money and the receiving officer. Where this is impractical, the Head of Revenues & Financial Compliance should be advised, and alternative procedures agreed.

5.13 Paying-in to the Council's Bank Account

All money collected must be paid in promptly to the Council's bank account, using an official paying-in book or card provided by the Council's appointed bankers. The serial number of the paying-in slip/card should be recorded by the payee at the banking establishment; failure to identify the serial number reference may result in the income being unidentifiable and not credited to the appropriate ledger code. Subject to the limits for cash held on

premises not being exceeded (see section 5.6), a maximum of 5 working days should apply. Money can be paid in via branches of the Council's appointed bankers, via Post Offices (Giro System) or any of the Cashiers Offices currently located at the following Council offices:

- Spilman Street, Carmarthen
- Yr Hwb, Llanelli
- Yr Hwb, Ammanford

The Director of Corporate Services may in exceptional circumstances authorise the paying in of money via a branch of a Bank other than the Council's appointed bankers where it can be clearly demonstrated that such an arrangement would be more economical.

In order to minimise the risks to staff and cash, banking of cash should be carried out as safely as possible. Issues for consideration include:

- Regular banking reduces the amount of cash being carried at any one time. Varying the banking arrangements (e.g. time, people involved) can help reduce the risk.
- Collection services are available for a charge and may be more appropriate.

5.14 Completion of Bank Paying-in Slips

Bank paying-in slips must be completed showing separate totals for cash and cheques. All E>Returns must be fully completed, reconciled and submitted to the Cashiering Service within 2 working days of the income being banked, to ensure compliance with VAT and accounting requirements.

Each cheque must be individually listed on the paying-in slip clearly showing the drawer, the account and sufficient information, such as receipt number or description to identify the cheque and the debt to which it relates.

Income relating to invoiced accounts should not be paid in directly to income codes as this will cause difficulty in reconciliation and arrears recovery.

The need to complete and submit all required reconciliation records to Cashiering Service must be within the timescales specified by the Corporate Services Department.

5.15 Credit Income

Sums due to the Authority will be recorded on the sundry debtor system administered by the Director of Corporate Services unless an individual Chief Officer has obtained specific approval from the Director of Corporate Services to record and pursue individual debts via a suitable alternative system.

5.16 Credit Income – Small Amounts

To avoid the uneconomic use of the sundry debtor system, small sums (below £30) should, wherever possible, be collected in advance or at the time of receipt of the service. Where this is not possible, or practicable, the sundry debtors system should be utilised.

5.17 Credit Income – Prompt Raising of Accounts

Budget Holders have the responsibility to ensure that sundry debtor accounts are raised

promptly. All income due to the Authority should be processed through the debtors system.

Debt raising Departments should raise debts via the Financial Management System or in exceptional circumstances by dispatching a Debtors Invoice Request Form to Debtors. Debts should be raised within a maximum of ten working days from the incurring of the debt. The debtors invoice request form and hence the debtors invoice should be sufficiently detailed to fully identify the exact nature of the debt.

Where for valid reasons this target cannot be complied with, specific approval of alternative arrangements should be obtained from the Director of Corporate Services.

5.18 Cancellations, Write-Off Procedures & Non-Recovery of Debts

The Director of Corporate Services is authorised to cancel debts where the debt has been raised in error. Where a Department/establishment requests the cancellation of a debt raised in error, the Director of Corporate Services will require a submission from the budget holder and a written explanation of the reasons for the cancellation.

Where the Director of Corporate Services is satisfied that a properly raised debt is irrecoverable/uneconomic to pursue, consideration will need to be given to writing off the amount concerned.

The Council operates the following write-off policy (values per Debtor)

- Up to £1,500: Director of Corporate Services
- £1,500 or over: Cabinet Member decision

In cases where it is not considered appropriate to recover an overpayment of Housing Benefit or Council Tax Reduction (Benefit) i.e. where it is due to “official error”, the Revenues Manager is authorised to approve non-recovery.

5.19 Suspension of Recovery Action

Where the Department which was responsible for raising a debt wishes to suspend recovery action on the debt, the Corporate Services Department shall have authority to determine the level of authorisation and explanation required. All disputes should be resolved within 30 days and suspended debts will be reviewed on a regular basis. The Corporate Services Department will consider the viability of these debts with reference to Section 5.18 above and whether any extensions will be permitted.

5.20 Debit / Credit Card Income Systems

Officers responsible for taking payments by credit or debit cards must be mindful of, and ensure compliance with, the Payment Card Industry Data Security Standard and the Council’s guidance in this respect. Particularly but not exclusively, the directive not to record or retain in any format (paper or electronic) the customers’ card details.

In compliance with the General Data Protection Register (GDPR), data will be *“processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures”*

Should credit & debit card facilities/machines be required, the Treasury Management

section and the Cashiers section should be contacted to assist with facilitating this; machines should not be purchased without first liaising with the relevant sections.

5.21 Direct Debit Income Facilities

Direct debit income facilities may only be set up by the Director of Corporate Services; who may specify procedural requirements for such a scheme to be implemented.

5.22 Companies Holding Money on Behalf of the Authority

Where a company is in a position of holding money on behalf of the Authority, e.g. where they have been appointed as agents for the disposal of surplus equipment, adequate checks should be undertaken prior to the arrangement taking place in order to ensure that the company is financially sound.

Officers should contact the Director of Corporate Services for guidance on the appropriate checks.

5.23 Internal Recharges

The sundry debtors system should not be used for internal recharges. This also applies for recharges involving schools. Accountancy sections should be contacted for clarification of the appropriate and most efficient method for recharging, whether occurring on a regular or ad hoc basis. VAT should not be charged on any internal transactions.

6 Purchasing

6.1 Introduction

Officers are required to abide by the Authority's [Contract Procedure Rules](#).

6.2 IT Hardware and Software

Purchases of I.T. equipment must comply with [I.T. requirements](#). The purchasing of I.T. hardware and software must be discussed and agreed with the I.T. section prior to being procured.

6.3 Inducements

Employees must not accept personal gifts, loans, fees, rewards or advantage from service users, contractors, potential contractors including those who have previously worked for Council, or outside suppliers, regardless of the value. Employees must not accept inducements e.g. a bribe. All offers of inducement must immediately be reported to the appropriate senior manager. Employees must not benefit personally from any customer loyalty schemes offered by suppliers. Where such schemes are available, they must either not be used or with the Head of Service's approval they should be applied to the Authority's benefit.

Section 29 of this Document deals with the procedures for Employee Declarations.

6.4 Staff Sales - Private or Personal Consumption

The Authority's purchasing arrangements must not be used under any circumstances to

obtain goods or services for the personal use of individual employees regardless of whether the employee concerned intends fully reimbursing the Authority all costs incurred.

6.5 Leasing - Compliance with Finance Regulations

Complex rules exist to govern the classification of Local Authority capital expenditure in relation to leasing arrangements.

In order to ensure that arrangements are treated correctly, all leasing, rental, hire purchase agreements, deferred purchase agreements and other arrangements where the use of an asset is acquired without the ownership of it being acquired must be referred to the Technical Accountancy section within Corporate Services.

7 Imprest Accounts

7.1 Introduction

The Director of Corporate Services shall be empowered to establish such imprest accounts as appropriate for the purpose of defraying petty cash and other expenses.

Heads of Service will designate an individual member of staff to be responsible for each imprest account.

Official Purchase Orders should be raised wherever possible, however in the case of some minor purchases petty cash may be used up to £75. Staff must not circumvent this maximum value by entering more than one line for an item of expenditure on the reimbursement claim.

An appropriate separation of duties is required, with the officer holding the cash and carrying out the day-to-day maintenance and record keeping of the account being separate from the officer responsible for the account (i.e. monitoring, authorising claims and expenditure).

7.2 Claims for Reimbursement

Claims should be made monthly (or more frequently if appropriate) on a petty cash claim form. Claims must receive final approval from an officer designated as an authorised signatory for creditor payments, normally the responsible officer for the account.

Claims must be supported by receipts, or other relevant vouchers together with adequate reason why receipts were not available.

At the time of each claim the responsible officer for the account must ensure that the expenditure and the balance remaining are correct and fully accounted for. This control should be formally evidenced. In addition, the responsible officer should carry out a spot check on the account without warning at not more than six monthly intervals. A record should also be kept of this procedure.

In order to allow the Authority to recover VAT paid, invoices including VAT must be retained and provide details of the supplier's VAT registration number.

7.3 Annual Petty Cash Certification Exercise

All petty cash floats must be reconciled at financial year end and the certificates must be completed within 10 working days and returned to the Director of Corporate Services.

8 Orders for Goods, Services and Works

8.1 Introduction

Purchase Orders (PO) must be issued for all goods, services and works to be supplied to the Council unless the Director of Corporate Services has specifically and formally approved alternative arrangements.

Purchase Orders are not required for electricity, gas, water, rates, rents or for items acquired using petty cash imprest systems.

The Authority is currently working towards an *achieving purchase order compliance policy* (with exceptions). Invoices submitted without a valid order number may experience a delay in being paid.

8.2 Authorisation of Orders

P2P Orders

Where Purchase to Pay (P2P) is used, a requisition must be completed on the Financial Management System which will be workflowed to the Authorising officer who must be an authorised signatory for both ordering goods and invoice payment. Once authorised, the requisition is converted to a purchase order.

Other Orders

Where P2P is not in use, official orders must be issued and approved by an authorised signatory.

A copy of the order must be retained, showing the authorisation.

The order must be sufficiently detailed to fully identify the exact item being ordered.

Where, as a matter of urgency, orders have been placed verbally, an Official Purchase Order shall be issued in confirmation. This must be clearly marked as a confirmation and a copy of the confirmatory Official Purchase Order must be retained.

Orders must NOT be raised after invoice has been received.

8.3 Authorised Signatories

Chief Officers and/or Heads of Service will determine those staff who have authority to certify Purchase Orders within their respective Departments. These must be notified to the Director of Corporate Services. Any new authorised signatory must provide a wet specimen signature to be held centrally by the Business Support Unit within Corporate Services.

Details of Authorised Signatories should be made available to all staff within the Department who are responsible for exercising the control of checking that the document is authorised. This is an addition to the requirement to provide the details to the Director of

Corporate Services.

8.4 Budget Provision

Orders must be based on the actual price (excluding VAT) which is to be paid. This must be clear at the time of ordering and be noted or entered on the Purchase Order.

Prior to placing an order, the officer authorising the order must ensure that sufficient funds are available to meet payment.

8.5 Orders for Property-Related Works

Actions carried out on buildings can lead to problems (such as leaving the building in a dangerous condition or the release of hazards such as asbestos, for example) and these have serious implications for the Authority and for the individual responsible for placing the order (who may be held personally liable to civil or criminal action).

In order to minimise the exposure of the Authority and its officers to these risks, all orders for property-related works must be subject to prior consultation with the Property Division who will provide advice on the works and the selection of an appropriate contractor.

Under no circumstances shall works be undertaken to the fabric of land and buildings without prior consultation regarding the legal and safety issues with the Property Division of the Environment Department. This requirement relates to minor works such as drilling holes in walls, painting, digging for the erection of fencing etc., as well as more major exercises such as removing partitions, new building work and so on. Managers must ensure that adequate notice is given to the Property Division in order that the assessment can be carried out in time for the work to commence as planned. The required notice will be longer for larger projects.

All requests for new property maintenance work to be initially directed via the Contact Centre 01267 234567/ direct@ Carmarthenshire.gov.uk

9 Payment of Accounts

9.1 Introduction

The Director of Corporate Services shall establish appropriate systems of control to ensure the proper payment of accounts.

Each Budget Holder is responsible for ensuring compliance with the budget manual and the system controls and procedures laid down for the purpose of paying invoices.

9.2 Passing Invoices for Payment

P2P Invoices

For P2P purchase order payments, goods receipting must be carried out on the Financial Management System **prior** to the original invoice being submitted to the central accounts payable team for scanning and payment via scheduled payment runs. To prevent delay in payment, the goods receipt/delivery note must be registered on the system as soon as the

goods are received, staff should not wait for the invoice before carrying out this task.

For P2P non order payments, such as utility payments, the supply of the service must be verified and recorded as received prior to the original invoice being submitted to the central accounts payable section for scanning through to payment.

Staff are required to:

- Save PDF invoices received electronically, directly from suppliers, in agreed areas on the council file plan, where agreement with the central accounts payable section has been reached. **In these cases, the original email must be retained by the department in accordance with invoice retention regulations.**
- Date stamp all paper invoices with the date of receipt.
- Submit the invoices to the central accounts payable section within 5 working days of receipt.

Other invoices

Where P2P is not in use, prior to obtaining final approval (Regulation 8.3), appropriate checks must be undertaken and each relevant item on the certification grid should be initialled separately by the person responsible for each check and finally authorised by the approving officer.

Staff must ensure:

- Each invoice has been checked against an Official Purchase Order (where appropriate).
- The goods have been received, the work carried out or the service rendered satisfactorily.
- The prices are correct and appropriate discounts have been deducted. The inventory / stores records have been updated (where appropriate).
- Payment has not been made previously.
- The arithmetic has been checked.
- The officer undertaking the checks for completion of the grid stamp should not also give final approval for the invoice.

9.3 Final Approval - Authorised Signatories

Department Directors and/or Heads of Service will determine those Staff who have authority to certify invoices for payment within their respective Departments. These officers must be notified to the Director of Corporate Services. Any new authorised signatory must provide a wet specimen signature to be held centrally by the Business Support Unit within Corporate Services.

For P2P purchase order payments, provided the amount of the invoice is within a set tolerance level, authorisation for payment of the invoice has already taken place at the requisition authorisation stage. In this case, invoices are scanned, matched to the order and paid without further authorisation.

For P2P non order payments and order invoices outside of the tolerance, the invoice is scanned and then workflowed on the Financial Management System to the relevant authorised signatory before it can be paid.

Where input is carried out on-line through the Financial Management System Back Office

within the Department, details of Authorised Signatories should be made available to all staff within the Department who are responsible for exercising the control of checking that the document is authorised. This is an addition to the requirement to provide the details to the Director of Corporate Services.

Where a certification grid stamp is completed, invoices must be given final approval by the full signature of an authorised signatory.

Where an authorised signatory is responsible for raising/approving orders for goods/services, a separate authorised signatory must give final approval for the payment of the invoices, ensuring segregation of duties is maintained.

9.4 Timeliness of Processing Creditor Payments

In order to ensure that the Authority complies with the requirements of:

- the Late Payment of Commercial Debts (Interest) Act 1998;
- Late Payment of Commercial Debts Regulations 2002, 2013 and 2018 and
- the Authority's Performance Indicator for the prompt payment of undisputed invoices within 30 days.

Staff must:

- Pay non-P2P invoices promptly.
- Register goods received on the system as soon as the goods are received, staff should not wait for the invoice before carrying out this task.
- submit P2P invoices to the central accounts payable section within 5 working days of receipt.
- Where a dispute has occurred with the supplier regarding the invoice, this must be highlighted clearly on the invoice.
- All paper invoices should be date stamped at the point of initial receipt and at each internal point where any part of the processing takes place. After invoices have been batched it is sufficient to date stamp the batch header only.
- The actual date of submission should be recorded on the batch header.

Any claims for interest on overdue accounts must be referred to the central accounts payable section (Corporate Services Department) for investigation.

9.5 VAT

For the Council to reclaim VAT on individual payments, the Council is required under VAT Regulations to obtain the supplier's VAT registration number and invoice to be addressed to Carmarthenshire County Council.

9.6 Return of Cheques to Originating Officer

Where a cheque is to be returned to the originating Department for dispatch, this action must be authorised in writing on the form available from the Accounts Payable Section, Corporate Services Department, St David's Park, Carmarthen.

9.7 Copy Invoices

If an account is alleged not to have been paid in full enquiries, including checking on the

Financial Management System, must be made prior to processing the copy invoice for payment to ensure that the original invoice has not been paid.

Where a copy invoice is passed for payment following sufficient checking, the copy invoice shall be clearly marked to indicate that it is a copy.

9.8 Statements of Account

Under no circumstances should statements be approved and processed for payment.

9.9 Construction Payments

9.9.1 Construction Act

The Construction Grants (Housing and Regeneration) Act 1996 (as amended) (the “Construction Act”) and the Scheme for Construction Contracts 1998 (the “Scheme”) govern payments to be made under “Construction Contract(s)” (as defined by the Construction Act).

“Construction Contract” means an agreement with a person for the carrying out of construction operations and includes arranging for the carrying out of construction operations by others and providing labour, or the labour of others. It specifically includes agreements to do architectural, design or surveying work and to provide advice on building, engineering, interior or exterior decoration or on the laying out of landscapes in relation to construction operations.

Where a Construction Contract is entered into, whether in writing, orally or a combination of both, the provisions of the Construction Act must be adhered to.

Construction Contracts must make provision for the following in order to be Construction Act compliant:

- | | |
|-------------------------|--|
| Due Date for payment: | often the date on which the payor receives the payee’s application for payment, typically the first day of the month for sums owed for the previous month. |
| Final Date for payment: | set as ‘X’ number of days after the Due Date, usually between 14 and 28 days depending on the payor’s payment processes. |
| A Payment Notice: | to be given to the payee by the payor not later than 5 days after the Due Date stating the amount the payor considers is due to the payee and the basis upon which that has been calculated. |
| A Pay Less Notice: | a notice from the payor, no later than 5 days before the final date for payment (this period can be shortened) stating the intention to pay less than the sums applied for, stating the sum the payor intends to pay and the basis upon which that sum was calculated. |
| Adjudication: | the Construction Act requires that every Construction Contract provides that a party can refer a dispute or difference to adjudication. |

Where any of the above minimum provisions are missing from a Construction Contract, then the relevant provision of the Scheme will be implied into the contract instead. Some of the key consequences from a payment perspective are:

- (i) the time period between the Due Date and the Final Date for payment under the Scheme is 17 days, a much shorter timeframe than can be agreed contractually;
- (ii) Pay Less Notices must be given no later than seven days before the Final Date for payment under the Scheme, resulting in fewer days available in which to issue a Pay Less Notice after receiving an application for payment;
- (iii) If the payor fails to serve a Pay Less Notice (or it is served late or found to be defective in some way), then the unpaid party may give notice of its intention to:
 - a. Suspend performance of any and all of its obligations under the Construction Contract; and
 - b. Refer a dispute to adjudication.

This could result in the Authority having to make an immediate payment to the unpaid party (regardless of whether the sums applied for are properly due) and delays to the programme as a result of the unpaid party's suspended performance.

Therefore, it is imperative that:

- (i) Construction Contracts entered into by the Authority include the minimum provisions required by the Construct Act, to avoid the shorter timescales of the Scheme applying; and
- (ii) the payment processes outlined in any Construction Contracts are strictly followed.

9.9.2 Construction Industry Scheme (CIS)

For certain types of construction work, the Authority is obliged under HMRC's Construction Industry Scheme Regulations to deduct tax at source from sub-contractor payments, at the appropriate rate, from the invoiced amount. Those CIS sub-contractors paid under deduction must have the labour/material split shown on the invoice and entered onto the Financial Management System. Further guidance can be obtained from the central payments team.

Sub-contractors must be verified and registered on the Financial Management System.

9.10 Financial Coding

The Director of Corporate Services requires that all expenditure be properly coded to appropriate budget headings.

Invoices submitted for payment which contain invalid or incorrect codes may be returned to the originating Department for correct completion. In this case it is the originating Department which will be held responsible for any delays caused by this process.

9.11 Outstanding Accounts

Budget Holders must ensure that appropriate arrangements are in place during the financial year, especially in the lead up to and at the year-end (31st March), to identify outstanding accounts which should be charged to the previous financial year. Such accounts should be promptly passed for payment prior to the formal closure of the accounts, in line with guidance notes from the Director of Corporate Services.

9.12 Standing Payments

The Director of Corporate Services will periodically undertake certification exercises for Departments to confirm the validity of standing payment data held, e.g. periodic payments, direct debits, and recurring payments. Budget Holders will be required to verify and validate such payments as part of the regular audits.

9.13 Prepayments

Payment in advance for goods and services is not permitted. However, where, in exceptional circumstances, it is necessary for payment to be made in advance, such payments must be approved by the Director of Corporate Services. The following situations, however, may be paid in advance, with specific approval from the relevant Head of Service:

- Booking Training Courses
- Booking Train Transport
- Booking Accommodation
- College Fees
- Software Licences
- Memberships/Subscriptions on behalf of Carmarthenshire County Council

9.14 Credit Notes

The Director of Corporate Services will ensure that any credit notes outstanding after 3 months on the payments system are reversed. The credit granted to the Department will also be reversed and the Department will have the responsibility of recovering the overpayment by other means.

To avoid this situation occurring, Departments should not pass credit notes for processing as a matter of course without checking whether there is an ongoing relationship with the supplier. In such cases, alternative methods of recovery should be adopted.

9.15 Payments to Individuals for Services

Where an individual has been engaged to perform a service, Budget Holders must ensure that the relevant employment status checks have been undertaken in accordance with Her Majesty's Revenue and Custom legislation. The outcome of which shall determine if the individual is to be paid by invoice or be subject to Tax and National Insurance deduction through the payroll process.

9.16 On-Line (Back Office) Creditor Processing

Prescribed procedures have been established for on-line processing which provide guidance and ensure that the interests of the staff and the Authority are safeguarded; these

may be obtained from the Systems & Accounts Payable Manager within the Corporate Services Department.

It is essential that any passwords created for the Financial Management System are held securely, changed on a regular basis and not supplied to other staff.

For control purposes, where the total amount of an invoice is £20,000 or over, a copy must be e-mailed to FI Creditor payments immediately stating it is an *Over £20K copy only*. This applies to all invoices processed online including those processed via feeder systems e.g. Total or Care First.

9.17 Credit Card Payments

The Authority's corporate credit card facility is available to members of staff who are required/authorised to:

- reserve accommodation
- purchase rail tickets
- or where one-off purchases are required.

The card is held centrally at County Hall, Carmarthen and requests can be sent, by email, on a completed form, to *CRCreditcard* inbox.

The cardholder must maintain a log of all transactions for reconciliation with information provided by the bank.

Reconciliations and approvals must be carried out by an authorising officer who is not a cardholder.

The cardholder may only use the card for business purposes.

9.18 Purchase Cards

Purchasing Cards are used as part of Carmarthenshire's procurement and purchasing arrangements.

Any requests for Purchasing Cards must be approved by the Director of Corporate Services.

The cardholder conducts Purchasing Card transactions within set agreed limits. Restrictions are placed on all Purchasing Cards limiting spend to specific categories.

The cardholder must maintain a log of all transactions for reconciliation with information provided by the bank.

The supplier gets paid by the bank within 4 working days of the transaction, and the Council receives monthly statements detailing the transactions for each cardholder. Monthly deadlines are set for approval of Purchase card transactions, which must be adhered to.

The Council makes one payment per month to the Bank to cover all card transactions and the reconciled transactions are exported each month and manually input into the Council's Financial Management System to charge the appropriate cost centre(s).

Reconciliations and approvals must be carried out by an authorising officer who is not a cardholder.

The cardholder may only use the card for business purposes.

10 Payroll

10.1 Notification of Information

The Assistant Chief Executive, Chief Officers and Heads of Service must ensure that proper arrangements are in place to ensure that the Employee Services Section is notified of any change in circumstances which may affect an individual's pay. Such changes would include:

- Appointments, retirements, resignations, dismissals, secondments, transfers, severance, restructuring and new posts, following Corporate Service approval for all business cases for amendment to pay.
- Absences from duty for sickness or other reasons apart from approved annual leave or flexi-leave within normal entitlements.
- Changes in remuneration, including normal increments, regrading and pay awards relating to national and local agreements.
- Changes in hours of work and / or duties or any other factors affecting rates of pay or total pay.
- Information necessary to maintain records of service, pension entitlement,
- Income Tax and National Insurance.

Notifications must be submitted promptly on standard forms and approved by authorised officers.

10.2 Authorised Signatories

Chief Officers and/or Heads of Service will determine those staff who have authority within their respective Departments to certify changes as identified in Regulation 10.1. These officers must be notified to the Director of Corporate Services. Any new authorised signatory must provide a wet specimen signature to be held centrally by the Business Support Unit within Corporate Services.

10.3 Timesheets

Timesheets must be approved by an authorised signatory. Any exceptions to this must be specifically approved in writing by the Director of Corporate Services, who may require compensating controls to be put in place. Where input is carried out on-line within the Department, details of Authorised Signatories should be made available to all staff within the Department who are responsible for exercising the control of checking that the document is authorised. This is in addition to the requirement to provide the details to the Director of Corporate Services.

10.4 Advances of Pay

The Director of Corporate Services will only authorise payments of salaries or wages outside the provisions of the normal payroll in the following circumstances:

- Where an employee has commenced work but pay records cannot be processed in time for the pay run, and where delay until the following pay date may cause hardship.
- Where a Chief Officer certifies there are exceptional circumstances justifying an advance.
- The Director of Corporate Services must ensure that advances of salaries or wages are properly processed and that no duplication of payment will occur and that no payment is in excess of the amount due to the employee at the time of payment.

10.5 Employment Certification Exercises

The Director of Corporate Services will periodically carry out certification exercises to obtain verification from employing Departments of the accuracy of payroll records.

Chief Officers must ensure that their Departments respond fully and promptly to employment certification exercises carried out by the Director of Corporate Services.

10.6 Absence Records

Each Chief Officer must ensure that adequate procedures are in place within the Department to identify and record staff absences due to annual leave, flexi-leave, special leave, unpaid leave and sick leave.

The procedures adopted by the Authority in respect of management of all leave should be followed.

11 Pensions

11.1 Introduction

Carmarthenshire County Council administers the Dyfed Pension Fund under the provisions of the Local Government Pension Scheme (LGPS) for the majority of its employees and employees of other organisations participating in the Fund. This includes the administration of the LGPS in-house Additional Voluntary Contribution arrangements. The Director of Corporate Services also has some administrative responsibilities in respect of deductions made as part of the Teachers' Pension Scheme. By agreement of the Chief Constable and Chief Fire Officer, the Director of Corporate Services administers the Police and Fire Pension Schemes and has responsibility for the accurate payment of benefits for the following categories: Local Government Pension Fire Pensions Gratuities Injury Awards.

11.2 Review of Entitlement to Benefit

The Director of Corporate Services will be responsible for undertaking periodic checks to ensure that persons to whom payments are made are still entitled to benefit.

12 Travel and Associated Expenses

12.1 Introduction

Staff are eligible to claim travel and subsistence expenses incurred in the course of their employment.

All staff are reminded of their obligation to comply with the requirements of the Travel & Associated Expenses Policy

12.2 Value for Money

It is the responsibility of the employee and the authorising manager to ensure that the most economical and sustainable methods of travel and accommodation, where relevant, are

utilised for every journey. All staff are expected to travel in the most economical manner appropriate in the discharge of their duties. Where Standard mileages have been set these must be claimed for the journey undertaken, irrespective of routes.

12.3 Promptness of Claims

Claims should be made via ResourceLink, where appropriate. Claims must be submitted during the month following the incurring of the expenditure; late claims may be rejected.

12.4 Basis of Claim

The normal starting and finishing place for official journeys will be the location where the individual is based.

Where an Officer starts a journey from a location other than his/her base or ends a journey at a location other than his/her base, the mileage claimed should be limited to the *additional mileage* incurred as a result of their official duties.

12.5 Certification of Claims

Completed claims must be approved by a signatory approved by the Chief Officer for that purpose. Claims for reimbursement must be supported by relevant VAT receipts.

The authorising officer must be satisfied before approving a claim that the meetings were attended, that the distances, method of travel and other related expenses are reasonable and that no previous claim has been made for them.

Following approval of manual claims, claim forms should not be returned to the claimant; claim forms should be held by the authorising officer.

No officer should certify their own expenses claims. Late submissions will be authorised at the discretion of the authorised signatory.

12.6 Subsistence

Subsistence allowance is payable as per the Travel & Associated Expenses Policy. Claims will be made on the basis of actual expenditure supported by receipts.

13 External Funding

13.1 Introduction

The securing of financial assistance from external bodies is a key area in the Council's Budget Strategy. Comprehensive guidance on all aspects of the administration of externally funded grants is available within the [Grants Manual](#) maintained by the Director of Corporate Services. There is a requirement to adhere to the Grants Manual where relevant to the project.

13.2 Maximising Grant Entitlement

Chief Officers must ensure that appropriate systems are in place to identify grant opportunities that exist in respect of their areas of responsibility. Chief Officers must ensure that appropriate steps are taken to maximise the Council's potential grant entitlement through the submission of accurately costed applications and the subsequent prompt and accurate claiming of monies due. Applications should only be made for assistance on

schemes which are consistent with the Council's objectives. Where a potential grant will only cover part of the expenditure to be incurred, due consideration must be given to how the remainder (Council's contribution) can be financed and any ongoing revenue consequences of undertaking the scheme must be identified. Where appropriate, grant monies to cover administrative and audit support should be claimed.

13.3 Notifying the Director of Corporate Services

The Director of Corporate Services must be promptly notified of all proposed grant applications and claims.

14 Trust Funds

14.1 Introduction

A number of Trust Funds have been established for the benefit of the Carmarthenshire County Council area which involve officers of the Council acting as trustees. Where officers act as trustees, they must ensure that they fully discharge their legal responsibilities.

14.2 Administration of Trust Funds

All securities should be deposited with the Head of Legal Services. The Director of Corporate Services is responsible for the financial administration of Trust Funds. The establishment of any new Trust Funds should only be carried out in consultation with the Director of Corporate Services. All new Trust Funds should be established in the name of Carmarthenshire County Council.

15 Other Funds

15.1 Introduction

"Other Funds" for the purpose of these Financial Procedure Rules are any funds which do not belong to the Council but are administered wholly or in part by employees of the Authority by virtue of their employment by the Authority. Where any "Other Fund" is administered by an employee of the Authority, by virtue of his/her office, there is a responsibility on the part of the Authority to protect the interests of the donors and beneficiaries.

15.2 Approval of Chief Officer

Chief Officers must individually approve the establishment of all Other Funds to be maintained by staff within their Departments in the course of their duties. The Director of Corporate Services should be consulted prior to the establishment of any new funds.

15.3 Financial Control

Adequate records must be maintained in order to properly account for all expenditure and income. An Annual Statement of the Accounts should be prepared and audited by an independent person. The Director of Corporate Services shall be entitled to obtain details relating to the administration and financial transactions of all Other Funds.

16 Banking

16.1 Introduction

The Director of Corporate Services administers the Council's banking arrangements and is responsible for regularly tendering Banking Services.

16.2 Opening/Closing Accounts

The opening and closing of any bank accounts in relation to official funds must only be undertaken with the specific approval of the Director of Corporate Services.

16.3 Special Banking Arrangements

Any payments from the Authority's bank accounts using Direct Debits, Standing Orders etc. can only be established by the Director of Corporate Services. Similarly, any direct income collection methods, such as Direct Debit income facilities can only be established by the Director of Corporate Services.

16.4 Custody of Cheques

The Director of Corporate Services shall ensure that there are proper arrangements to ensure the secure custody and control of blank cheques and cheques awaiting despatch.

16.5 Bank Reconciliation

The Director of Corporate Services shall ensure that appropriate arrangements are in place to facilitate the periodic reconciliation of the Council's Bank Accounts.

16.6 Cheque Signatories

The Director of Corporate Services shall determine those Officers authorised to sign individual cheques or transactions on the Council's Bank Accounts. These arrangements are subject to approval by the Cabinet. Rules for the manual signing of cheques (manual cheques and computer-generated cheques) will apply in accordance with the bank mandate.

16.7 Debit and Credit Card Income

Any new arrangements for the collection of income via debit or credit cards must only be made with the approval of and in consultation with the Head of Revenues & Financial Compliance. The Director of Corporate Services may specify aspects of the procedures required for such systems in order to ensure that accounting arrangements are satisfactory.

17 Leasing

17.1 Introduction

Budget Holders are required to liaise with the Director of Corporate Services who will provide advice and be responsible for negotiating and finalising any agreements with

Leasing Companies. Note that the term "Leasing" in this regulation includes all leasing, rental, hire purchase agreements, deferred purchase agreements and other arrangements where the use of an asset is acquired without the ownership.

17.2 Maintenance of Records

Each Budget Holder must ensure that appropriate records are maintained in respect of all lease agreements and that all property which is subject to such agreements is identifiable. When assets which are subject to a lease are to be disposed of, Chief Officers are required to ensure that the Head of Financial Services is advised in order that contractual obligations in the individual leases can be complied with.

17.3 Leasing - Compliance with Capital Finance Regulations

See Regulation 6.5.

18 Risk Management and Insurance

18.1 Introduction

The Director of Corporate Services is responsible for the administration of the Council's Risk Management and Insurance arrangements.

18.2 Risk Management

Chief Officers are required to ensure that an active approach is taken to risk management. Consideration should be given to means by which risks can be minimised. A Risk Management Steering Group exists to consider strategic and operational risk management issues. Each Department has a designated Risk Champion representing it on the Steering Group. Funding may be available for proactive risk management initiatives from this Group. Further advice on Risk Management is available from the Head of Revenues & Financial Compliance or your Departmental Risk Champion.

18.3 Variations to Insurance Requirements

Chief Officers and Heads of Service must ensure that variations to existing activities are promptly notified to the Head of Revenues & Financial Compliance. A new project/initiative may give rise to new insurance requirements and the Risk Management Unit (Corporate Services Department) should be consulted before the Authority is committed to the risk.

18.4 Claims Management

Claims need to be submitted to the Risk Management Unit in written form, or by completion of a claim form (where a suitable form exists). Claim Forms, Claim Letters or County Court Summonses should be referred immediately to the Risk Management Unit. In order to ensure compliance with legal requirements the Risk Management Unit will be responsible for all correspondence, including acknowledgement of the original letter. Strict deadlines are set at distinct stages of proceedings and failure to meet those deadlines will have a major impact on the cost of defending claims. The Council's Insurers/Claims Handlers will need to know the circumstances surrounding the issue. Copies of all relevant data and correspondence must be collated and forwarded to the Risk Management Unit within five

working days. At a later stage, Departments may be asked for additional information or clarification on contentious points; such requests should receive prompt attention.

19 Treasury Management

19.1 Introduction

The Director of Corporate Services is responsible for the Council's Treasury Management function. Treasury Management deals with Cash Flows, Borrowing and Lending on the Council's Bank Accounts. The administration of Loans and Investments will accord with the principles of the CIPFA Code of Practice relating to Treasury Management in Local Authorities.

19.2 Treasury Management Strategy and Policy

19.2.1 This Council will create and maintain, as the cornerstones for effective Treasury Management:

- A Treasury Management Policy Statement, stating the policies, objectives and approach to risk management of its Treasury Management activities
- Suitable Treasury Management Practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities

19.2.2 This Council will receive reports on its Treasury Management policies, and activities, including an annual strategy in advance of the year, quarterly activity reports during the year and a year-end annual report, in the form prescribed in its TMPs.

19.2.3 This Council delegates responsibility for the implementation and monitoring of its Treasury Management policies and practices to the Cabinet, and for the execution and administration of Treasury Management decisions to the Director of Corporate Services, who will act in accordance with the Council's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.

19.2.4 The Council nominates the Policy and Resources Scrutiny Committee to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and Policies.

19.3 Reporting

The Director of Corporate Services shall prepare an Annual Report for the Cabinet summarising the transactions and outlining the Treasury Management Strategy being pursued.

20 Internal Audit

20.1 Introduction

The Internal Audit function is provided 'in house' and forms part of the Corporate Services

Department. It is a statutory requirement upon the Authority to maintain an adequate and effective Internal Audit function and for the Internal Auditors to have access to any information from the Authority which they require to carry out their duties. Whilst Internal Audit has these statutory obligations and powers, it is to be seen as a function which is provided as a service to management in order to assist in the proper, economic, efficient, and effective use of resources.

The Internal Audit function undertakes systems reviews and other related work including Fraud investigation. The Division may review any area of operations and must be given unlimited access to records, assets, premises and/or personnel.

20.2 Governance & Audit Committee

The Authority has a Governance & Audit Committee which meets on at least a quarterly basis. The Committee is provided with regular updates of progress in relation to the approved Audit Plan and are advised of Key Recommendations/Significant Weaknesses resulting from individual reviews.

20.3 Professional Standards

Internal Audit operates in accordance with the Public Sector Internal Audit Standards (PSIAS) established in 2013, which are the mandatory professional standards for Internal Audit in Local Government.

20.4 Independence

Internal Audit is independent of the functions which it reviews and acts in an independent and impartial manner at all times. The Head of Revenues & Financial Compliance has unrestricted access to Senior Management and reports directly to the Governance & Audit Committee.

20.5 Breaches of Financial Procedure Rules

See section 1.8.

21 Fraud, Corruption and Theft

21.1 Introduction

Fraud is an act of dishonesty or deception intended for personal gain, or to cause a loss to another party.

The Authority has an [Anti-Fraud and Anti-Corruption Strategy](#), which sets out the Authority's approach to preventing, detecting and dealing with fraud and corruption.

Carmarthenshire County Council has a zero tolerance towards fraud, bribery and corruption. Fraud, bribery or corruption in the Council is unacceptable; it takes away vital resources intended for the provision of high-quality services for the population of Carmarthenshire.

Where sufficient evidence of fraud, bribery or corruption exists, Carmarthenshire County

Council will pursue appropriate criminal, civil or disciplinary sanctions and will always seek to recover identified losses and relevant investigation costs.

21.2 Reporting Procedures Fraud & Corruption

Any case of suspected fraud or corruption by any officer or member of the Council must be reported immediately to the Head of Revenues & Financial Compliance. Where cases are logged on the Whistleblowing Database, the Monitoring Officer will be responsible for formally referring the case to the Head of Revenues & Financial Compliance. No internal investigation should be attempted by any Department. The Head of Revenues & Financial Compliance will arrange for the necessary investigation to be carried out. Where, as a consequence of the investigation, there appears to be reasonable grounds to indicate that an Officer has been guilty of fraud or corruption, the Head of Revenues & Financial Compliance will discuss the matter with the Section 151 Officer who will be responsible for deciding whether the matter should be formally referred to the Police. All cases of suspected fraud or corruption will be reported to the Chief Executive.

Thefts: Where cash or items are stolen, such incidents should normally be immediately reported to the Police. If it is suspected that a member of staff may have been involved in the theft, it may be appropriate to liaise with Internal Audit prior to formally referring the case to the Police. This decision must be made by the Divisional Heads of Services depending upon the circumstances. Where the issue is referred directly to the Police, the Head of Revenues & Financial Compliance must be made aware of the referral as soon as is reasonably possible. All thefts of cash or items should be notified to the Head of Revenues & Financial Compliance.

22 Stocks and Stores

22.1 Introduction

Heads of Service are responsible for determining items for which formal stores systems should be in place.

22.2 Stores Systems

Stores control systems should be appropriate to the items, the risks faced and the costs of the controls. Where a formal stores system is in operation the following procedures should be in place:

- Levels ordered are reasonable.
- Purchases are secured on delivery.
- The receipt of items is adequately recorded with records updated promptly. Stocks and stores are secured.
- The issuing or disposal of materials is adequately controlled and recorded.
- Returns or write-offs are adequately and promptly recorded.
- Regular stocktakes (at least annually) are undertaken and involve independent members of staff.
- Significant or recurring discrepancies must be reported to Internal Audit.

22.3 Valuations

The Director of Corporate Services shall be entitled to receive, on request, from each Chief Officer, such information as is required relating to the levels of stock held and valuations of stock.

23 Land and Buildings

23.1 Introduction

Individual members of staff are required to behave responsibly on and in respect of Council premises so as not to put the health and safety of themselves or others at risk.

The Head of Regeneration is responsible for the maintenance of the Asset Manager system for Land and Buildings; an Asset Register, detailing assets owned or rented by the Council, forms part of the Asset Manager system.

23.2 Asset Management System

The Asset Management System should include as a minimum the following details: Purpose for which the land or buildings are utilised Location (including extent & plan reference) Purchase details or rents payable details of any tenancies granted.

23.3 Asset Register

The Asset Register is a schedule of the fixed and moveable assets held by the Authority. A copy of the register will be circulated annually; Heads of Service should verify the accuracy of data held.

23.4 Title Deeds

The Head of Legal Services shall be responsible for making appropriate arrangements for the safe custody of all Title Deeds.

23.5 Disposal of Land and Property

Where Land, Property and Property-related assets are identified as being surplus to requirements, disposal shall be managed by the Head of Regeneration.

Note: Disposal of Leased items: When assets, which are subject to a lease or deferred payment scheme are to be disposed of Budget Holders are required to ensure that the Head of Financial Services is advised in order that contractual obligations in the individual leases can be complied with.

23.6 Use of Council Premises

Council operational premises are to be used only for official Council purposes, and that of partner organisations where joint working or shared accommodation arrangements exist.

23.7 Minimising Risks in Council Premises

Individual members of staff are required to behave responsibly on and in respect of Council premises so as not to put the health and safety of themselves or others at risk. Employees not authorised or qualified to carry out works to buildings should not take any such work upon themselves without first consulting with the Property Compliance Unit. Employees may find themselves personally liable to civil or criminal proceedings if they carry out works, however minor, which endanger others. For example, drilling holes for new shelving could release asbestos into the office environment. Any significant risks which are identified in relation to Council premises should be referred to an appropriate officer, i.e., Property Services or Risk Management.

24 Other Assets

24.1 Introduction

All Officers are required to take reasonable measures to ensure that all assets are adequately secured from risk of theft or damage.

24.2 Inventories

Heads of Service are required to ensure that appropriate records are maintained of equipment, furniture, plant and machinery held by individual officers / Sections or within establishments. The aim of such records (inventories) will be to assist in the management of such items and to catalogue items at risk as the records may be used to identify any losses which occur.

Verification of Inventories: All inventories must be physically verified and updated on at least an annual basis.

24.3 Portable High-Value Items

In the case of items of equipment which are portable and of high-value, and where these are regularly removed from Council offices by members of staff, Heads of Service are required to ensure that there are adequate arrangements to ensure which officer is responsible for such items at any point in time.

24.4 Security Marking of Assets

All valuable and portable items should be security marked. Advice on this issue and appropriate methods of marking can be obtained from the Risk Management Unit, Corporate Services Department.

24.5 Disposal of Assets

Heads of Service are responsible for ensuring that all assets which are surplus to requirements, and fall within their own service area of responsibility, are disposed of through the most appropriate method of disposal.

Method of Disposal

Items will be disposed of in a manner which is most economically beneficial to the Council.

Account must be taken of:

- Restrictions relating to the ownership of the asset.
- Opportunities for utilising the asset elsewhere within the Council.
- Appropriate use of tendering procedures.
- Fairness in allowing the public, employees and other parties to bid.
- Information security requirements.
- Safety requirements.
- The costs of disposal arrangements relative to the expected income.

All fleet vehicles and plant must be disposed of via the Council's Fleet Management service. Methods of disposal will be through a contracted auction company, scrap company or tender. The disposal of the asset will be formally recorded on the Fleet Register.

25 Security

25.1 Introduction

Heads of Service are responsible for maintaining proper security, custody and control at all times for buildings, stocks, stores, furniture, equipment, cash, incoming and outgoing mail and other assets appertaining to their Divisions. Heads of Service are also responsible for ensuring that appropriate arrangements are in place for the security of property belonging to clients.

Whilst Heads of Service have the overall responsibility for security, all employees have a role to play in securing the Authority's assets.

25.2 Protection of Clients' Private Property

Heads of Service shall take all necessary steps to prevent or mitigate against loss or damage of all clients' property entrusted to the care of their officers, and shall arrange for an itemised inventory in each case to be prepared in the presence of two officers.

25.3 Incoming Mail

Incoming mail should be delivered to a secure, theft proof environment.

Where mail may include payments to the Council or valuable contents, post opening procedures should be formalised and more than one officer should be involved. The receipt of cash, cheques or other valuable items should be recorded.

25.4 Outgoing Mail

Outgoing mail should be adequately protected whilst in the custody of the Council. The level of protection required will be influenced by the nature of the items to be dispatched, i.e. the extent to which valuables or payments are likely to be included.

25.5 Receipt of Goods

Heads of Service shall ensure that appropriate arrangements are in place to ensure that goods are adequately safeguarded from the moment the Authority takes delivery of them.

25.6 Access to Buildings

Heads of Service are required to implement reasonable security measures for Council premises.

26 Personal use of Council Equipment

26.1 Introduction

Instances in which staff are entitled to make personal use of Council equipment should be strictly limited and should be specifically approved by Heads of Service. Written records should be maintained. In all cases, the full cost of personal use of Council equipment must be fully reimbursed to the Authority. Council mail franking facilities are not to be used for private purposes, even if full reimbursement is offered.

26.2 Council Vehicles

The Council has a significant amount of resource invested in vehicles and plant. The safe and secure storage and parking of vehicles is essential to minimising the risk of theft. Vehicles/plant must be properly secured when left unattended, all doors locked, and keys removed.

Vehicles may only be taken home by an employee with the written permission of the Department Head of Service under the following circumstances:

- Standby Duty for emergency call-out.
- To enable an employee to report direct to site.

On no account is any private mileage permitted in an authority operated vehicle. The carriage of unauthorised goods is not permitted, nor will any private business be transacted in the course of a journey on Council business.

26.3 Pool Cars

Taking pool cars home at night has significant VAT implications, which must be taken into account; see section 30. The potential income tax implications of taking a pool car home must also be addressed. Advice should be sought from the Employee Services Section to ensure that taxable liabilities are considered and properly administered.

27 Retention of Financial Records

27.1 Introduction

Care must be exercised to retain financial records for a number of years beyond the financial year to which the individual documents relate. The records concerned may need to be retained for a number of purposes e.g. statutory requirements, audit, grant conditions.

27.2 Retention Periods

Depending on the type of record(s) held, there are different retention periods. You will find the [retention schedules](#) on the Corporate Website.

27.3 Disposal of Records

Before disposing of records, please refer to the Authority's retention schedules and/or relevant grant conditions. Records due for disposal must be disposed of in an appropriate manner depending on the content of the documents. All documents containing personal data must be treated as being strictly confidential and disposed of securely. Confidential records which are not of a personal nature must also be disposed of securely.

28 Controlled Corporate Financial Stationery

28.1 Introduction

For numerous routine financial and administrative processes, there are standardised and controlled corporate documents available. These documents help to ensure that the required controls have been implemented and ensure efficient use of staff time, as the format is predefined. This section relates to items of controlled corporate financial stationery. These are controlled by the Financial Services Division (Corporate Services Department).

28.2 Controlled Stationery

Those Corporate Services staff who are responsible for the ordering, storage, issue and reconciliation of controlled stationery will ensure that:

- Controlled stationery is only ordered in a secure manner to prevent unauthorised ordering.
- Controlled stationery is held securely from the moment of delivery to the Authority to its issue to users.
- That formal records are kept of receipts and issues, showing which documents have been provided to which users.
- That regular stocktakes are carried out and formally evidenced.
- The users of controlled stationery will: Comply with the requirements of those staff issuing the documents to them regarding the recording of the issue.
- Hold sufficient but not excessive stocks of controlled stationery.
- Store all unused controlled stationery securely.
- Comply with instructions from the Director of Corporate Services regarding the use and completion of controlled stationery.
- Ensure that spoilt items of controlled stationery are retained as evidence that they have not been improperly used.

29 Employee Declarations

Employees are required to declare any conflict of interest, which also includes additional work carried out (paid or unpaid) outside of employment with the Council. Employees are required to have prior permission to engage in this outside activity (paid or unpaid) by submitting a Declaration of Interest form to their Line Manager.

All employees must comply with the [Authority's annual certification procedures](#) in respect of personal interests and other declarations. Any non-financial or financial interest that could bring about conflict with the Council's interests must be declared.

Section 117 of the Local Government Act 1972 requires that “an officer of a Local Authority shall not, under colour of his/her office or employment, accept any fee or reward whatsoever other than his/her proper remuneration”.

Employees must not accept personal gifts, loans, fees, rewards or advantage from service users, contractors, potential contractors including those who have previously worked for Council, or outside suppliers, regardless of the value.

Heads of Service are responsible for ensuring that appropriate procedures are in place to make employees aware of the requirements of the Employee Declarations Policy. In addition, Heads of Service must ensure that appropriate procedures are in place to allow employees to declare any relevant issues and operate an Annual Declaration Exercise within their Divisions.

30 Value Added Tax

The Director of Corporate Services shall establish appropriate systems of control for the proper accounting of Value Added Tax inputs and outputs. The Director of Corporate Services will also produce and distribute a VAT guidance document to all departments, schools etc, to enable officers to comply with HMRC VAT regulations.

31 Information Technology

Officers are required to abide by the provisions of relevant I.T. [Policies](#) and [Strategies](#).

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Amendments made to the FPRs – September 2022

Paragraph	Amendment made	Further details
<i>Throughout Document</i>	All reference to Executive Board has been updated to Cabinet.	
<i>Throughout Document</i>	All reference to Audit Committee has been updated to Governance & Audit Committee.	
<i>Throughout Document</i>	All reference to Wales Audit Office has been updated to Audit Wales.	
<i>Throughout Document</i>	All reference to Authorised Signatories has been updated to include Heads of Service (as well as Chief Officers) as having authority to determine those staff with authorised signatory responsibilities.	
<i>Throughout Document</i>	All reference to 'Terrier' has been updated to the 'Asset Management System'.	
<i>Throughout Document</i>	All sections relating to Authorised Signatories have been updated to include the following statement: <i>Any new authorised signatory must provide a wet specimen signature to be held centrally by the Business Support Unit within Corporate Services.</i>	
1.13	Additional wording added: <i>Where the Council sets up subsidiary companies, those companies must develop, and have appropriately approved, a set of financial procedure rules upon which to abide by and such financial procedure rules must be broadly in line with those of the Council.</i>	
4.	New Section Included: 4. Electronic Signatures	
5.3	Additional paragraph added: <i>When giving out the Council's bank details to customers for ad hoc BACS/CHAPS payments – employees must inform Cashiers of the expected income, to ensure income is credited to the appropriate ledger code.</i>	
5.11	Paragraph amended to read: <i>Any shortages or surpluses arising when reconciling the cash collected with receipts, till readings etc. should be clearly recorded within the computerised system. Shortages and surpluses must be reported exactly as they occur and not used to balance each other out.</i>	Paragraph originally read: <i>Any shortages or surpluses arising when reconciling the cash collected with receipts, till readings etc. should be clearly noted in the appropriate control record e.g. "Collections and Deposit Book". Shortages and surpluses must be reported exactly as they occur and not used to balance each other out.</i>

5.13	<p>Paragraph amended to read:</p> <p><i>All money collected must be paid in promptly to the Council's bank account, using an official paying-in book or card provided by the Council's appointed bankers. The serial number of the paying-in slip/card should be recorded by the payee at the banking establishment; failure to identify the serial number reference may result in the income being unidentifiable and not credited to the appropriate ledger code.</i></p>	<p>Paragraph originally read:</p> <p><i>All money collected must be paid in promptly to the Council's bank account.</i></p>
5.20	<p>Additional paragraph added:</p> <p><i>Should credit & debit card facilities/machines be required, the Treasury Management section and the Cashiers section should be contacted to assist with facilitating this; machines should not be purchased without first liaising with the relevant sections.</i></p>	
6.3	<p>Paragraph amended in line with new policy on Gifts & Hospitality; paragraph now reads:</p> <p><i>Employees must not accept personal gifts, loans, fees, rewards or advantage from service users, contractors, potential contractors including those who have previously worked for Council, or outside suppliers, regardless of the value. Employees must not accept inducements e.g. a bribe. All offers of inducement must immediately be reported to the appropriate senior manager.</i></p>	<p>Paragraph originally read:</p> <p><i>All offers of gifts and hospitality (whether accepted or not) with a value estimated to exceed £25.00, which arise as a direct result from your duties must be formally declared. Employees must be aware that it may be an offence for them to receive or give any gift, loan, fee, rewards or advantages for doing or not doing anything or showing favour, or disfavour, to any person in their official capacity.</i></p>
7.1	<p>Additional sentence added:</p> <p><i>Staff must not circumvent this maximum value by entering more than one line for an item of expenditure on the reimbursement claim.</i></p>	
8.2	<p>Paragraph amended to read:</p> <p><u>Other Orders</u> <i>Where P2P is not in use, official orders must be issued and approved by an authorised signatory.</i></p>	<p>Paragraph originally read:</p> <p><u>Other Orders</u> <i>Where P2P is not in use, all orders must be issued in writing and signed by an authorised signatory.</i></p>
9.9.1	<p>New section included:</p> <p>9.9.1 Construction Act</p>	
9.13	<p>Additional sentence added:</p> <p><i>The following situations, however, may be paid in advance, with specific approval from the relevant Head of Service:</i> <i>Booking Training Courses</i> <i>Booking Train Transport</i> <i>Booking Accommodation</i> <i>College Fees</i></p>	

	<i>Software Licences Memberships/Subscriptions on behalf of Carmarthenshire County Council</i>	
9.18	Additional sentence added: <i>Any requests for Purchasing Cards must be approved by the Director of Corporate Services.</i>	
12.3	Paragraph amended to read: <i>Claims should be made via ResourceLink, where appropriate. Claims must be submitted during the month following the incurring of the expenditure; late claims may be rejected.</i>	Paragraph originally read: <i>Claims should be made, via ResourceLink where appropriate, during the month following the incurring of the expenditure.</i>
12.6	Subsistence Section amended to read: <i>Subsistence allowance is payable as per the Travel & Associated Expenses Policy. Claims will be made on the basis of actual expenditure supported by receipts.</i>	Section originally read: Subsistence Overnight Accommodation and Subsistence Allowances (Out of County) Officers will be eligible to claim reasonable expenses, as subject to the subsistence rate, supported by receipts. Subsistence rates are documented within the Travel and Associated Expenses Policy. Out of County Expenses Subsistence allowance is payable as per the Travel and Associated Expenses Policy. Claims will be made on the basis of actual expenditure supported by receipts. The maximum allowance in each case will be paid only if actual expenditure equals or exceeds it.
18.3	Paragraph amended to read: <i>Chief Officers and Heads of Service must ensure that variations to existing activities are promptly notified to the Head of Revenues & Financial Compliance. A new project/initiative may give rise to new insurance requirements and the Risk Management Unit (Corporate Services Department) should be consulted before the Authority is committed to the risk.</i>	Paragraph originally read: <i>Chief Officers and Heads of Service must ensure that variations to existing insurance requirements are promptly notified to the Head of Revenues & Financial Compliance. Where a new project/initiative may give rise to new insurance requirements, the Risk Management Unit (Corporate Services Department) should be consulted before the Authority is committed to the risk.</i>
18.4	Paragraph amended to read: <i>Claims need to be submitted to the Risk Management Unit in written form, or by completion of a claim form (where a suitable form exists). Claim Forms, Claim Letters or County Court Summonses should be referred immediately to the Risk Management Unit. In order to ensure compliance with legal requirements the Risk Management Unit will be responsible for all correspondence, including acknowledgement of the original</i>	Paragraph originally read: <i>Claims need to be submitted to the Risk Management Unit in letter form, or by completion of a claim form (where a suitable form exists). Claim Forms, Claim Letters or County Court Summonses should be referred immediately to the Risk Management Unit. In order to ensure compliance with legal requirements the Risk Management Unit will be responsible for all correspondence, including acknowledgement of the original</i>

	<p><i>letter. Strict deadlines are set at distinct stages of proceedings and failure to meet those deadlines will have a major impact on the cost of defending claims. The Council's Insurers/Claims Handlers will need to know the circumstances surrounding the issue. Copies of all relevant data and correspondence must be collated and forwarded to the Risk Management Unit within five working days. At a later stage, Departments may be asked for additional information or clarification on contentious points; such requests should receive prompt attention.</i></p>	<p><i>letter. Strict deadlines are set at distinct stages of proceedings and failure to meet those deadlines will have a major impact on the cost of defending claims. The Council's Insurers/Claims Handlers will need to know the circumstances surrounding the issue. Copies of all relevant data and correspondence must be collated and forwarded to the Risk Management Unit as soon as possible. At a later stage, Departments may be asked for additional information or clarification on contentious points; such requests should receive prompt attention.</i></p>
23.5	<p>Title and paragraph amended to read:</p> <p>Disposal of Land and Property</p> <p><i>Where Land, Property and Property-related assets are identified as being surplus to requirements, disposal shall be managed by the Head of Regeneration.</i></p>	<p>Title and paragraph originally read:</p> <p>Disposal of Land and Buildings</p> <p><i>Where Land and Buildings are identified as being surplus to requirements, disposal shall be managed by the Head of Regeneration.</i></p>
23.6	<p>Paragraph amended to read:</p> <p><i>Council operational premises are to be used only for official Council purposes, and that of partner organisations where joint working or shared accommodation arrangements exist.</i></p>	<p>Paragraph originally read:</p> <p><i>Council premises are to be used only for official Council purposes.</i></p>
23.7	<p>Paragraph amended to read:</p> <p><i>Employees not authorised or qualified to carry out works to buildings should not take any such work upon themselves without first consulting with the Property Compliance Unit.</i></p>	<p>Paragraph originally read:</p> <p><i>Employees not authorised or qualified to carry out works to buildings should not take any such work upon themselves without first consulting with the Property Division of the Regeneration Department.</i></p>
24.5	<p>Paragraph amended to read:</p> <p><i>Heads of Service are responsible for ensuring that all assets which are surplus to requirements, and fall within their own service area of responsibility, are disposed of through the most appropriate method of disposal.</i></p> <p><i>All fleet vehicles and plant must be disposed of via the Council's Fleet Management service. Methods of disposal will be through a contracted auction company, scrap company or tender. The disposal of the asset will be formally recorded on the Fleet Register.</i></p>	<p>Paragraph originally read:</p> <p><i>Heads of Service are responsible for ensuring that all assets which are surplus to requirements are referred to the Head of Property who will have full authority to determine the disposal action to be taken.</i></p>
26.2	<p>Paragraph amended to read:</p> <p><i>The Council has a significant amount of resource invested in vehicles and plant. The safe and secure storage and parking of vehicles is essential to minimising the risk of theft. Vehicles/plant must be properly secured when left unattended, all doors locked, and keys removed.</i></p>	<p>Paragraph originally read:</p> <p><i>Council vehicles are not to be used for private purposes. Taking pool cars home at night has significant VAT implications, which must be taken into account; see section 29.1. The potential income tax implications of taking a pool car home must also be addressed. Advice should be sought from Page 260 employee</i></p>

	<p>Vehicles may only be taken home by an employee with the written permission of the Department Head of Service under the following circumstances:</p> <ul style="list-style-type: none"> - Standby Duty for emergency call-out. - To enable an employee to report direct to site. <p>On no account is any private mileage permitted in an authority operated vehicle. The carriage of unauthorised goods is not permitted, nor will any private business be transacted in the course of a journey on Council business.</p>	<p>Services Section to ensure that taxable liabilities are considered and properly administered.</p>
26.3	<p>New section included:</p> <p>26.3 Pool Cars</p>	
27.1	<p>Paragraph amended to read:</p> <p><i>Care must be exercised to retain financial records for a number of years beyond the financial year to which the individual documents relate. The records concerned may need to be retained for a number of purposes e.g., statutory requirements, audit, grant conditions.</i></p>	<p>Paragraph originally read:</p> <p><i>Care must be exercised to retain financial records for a number of years beyond the financial year to which the individual documents relate. The records concerned may need to be retained for a number of purposes e.g., statutory requirements, audit.</i></p>
27.3	<p>Sentence amended to read:</p> <p><i>Before disposing of records, please refer to the Authority's retention schedules and/or relevant grant conditions.</i></p>	<p>Sentence originally read:</p> <p><i>Before disposing of records, please refer to the Authority's retention schedules.</i></p>
27.3	<p>Sentence amended to read:</p> <p><i>All documents containing personal data must be treated as being strictly confidential and disposed of securely.</i></p>	<p>Sentence originally read:</p> <p><i>All documents relating to personal data must be disposed of in a manner which preserves their confidentiality.</i></p>
29	<p>Paragraph amended in line with policy on Employee Declarations; paragraph now reads:</p> <p><i>Employees are required to declare any conflict of interest, which also includes additional work carried out (paid or unpaid) outside of employment with the Council. Employees are required to have prior permission to engage in this outside activity (paid or unpaid) by submitting a Declaration of Interest form to their Line Manager.</i></p> <p><i>All employees must comply with the Authority's annual certification procedures in respect of personal interests and other declarations. Any non-financial or financial interest that could bring about conflict with the Council's interests must be declared.</i></p> <p><i>Section 117 of the Local Government Act 1972 requires that "an officer of a Local Authority shall not, under colour of his/her office or employment, accept any fee or</i></p>	<p>The following paragraph was previously included, but has now been completely removed:</p> <p><i>All offers of gifts and hospitality (whether accepted or not) with a value estimated to exceed £25 which arises as a direct result from your duties must be formally declared.</i></p>

reward whatsoever other than his/her proper remuneration”.

Employees must not accept personal gifts, loans, fees, rewards or advantage from service users, contractors, potential contractors including those who have previously worked for Council, or outside suppliers, regardless of the value.

Heads of Service are responsible for ensuring that appropriate procedures are in place to make employees aware of the requirements of the Employee Declarations Policy. In addition, Heads of Service must ensure that appropriate procedures are in place to allow employees to declare any relevant issues and operate an Annual Declaration Exercise within their Divisions.

GOVERNANCE & AUDIT COMMITTEE

30 SEPTEMBER 2022

REVISED CONTRACT PROCEDURE RULES		
Recommendations / key decisions required: To approve the revised Contract Procedure Rules (Version 4).		
Reasons: Significant work has been undertaken to update the Contract Procedure Rules to take account of a number of changes in our procurement procedures and changes in terminology in light of the UK leaving the EU.		
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: Clare Jones	Designation: Head of Revenues and Financial Compliance Procurement Manager – Strategy & Compliance	Tel No.: 01267 246223 E Mail Address: HLPugh@carmarthenshire.gov.uk Tel No.: 01267 246240 E Mail Address: clajones@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 30 SEPTEMBER 2022

REVISED CONTRACT PROCEDURE RULES

The Contract Procedure Rules have been reviewed and updated to take account of a number of changes in procurement regulations and procurement policies/procedures.

The Contract Procedure Rules (CPR's) have been updated following detailed consultations with officers in legal and the Section 151 Officer and Monitoring Officer.

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

- Deleted references to EU or OJEU throughout the document has been amended from 'OJEU' to 'Above Threshold'
- The evaluation criteria of all Authority led exercises over £25,000 has been amended from 70% based on price to 60% based on Price. Where this is inappropriate the agreement of the Director of Corporate Services must be sought. (Clause 8.3.1)
- For all Tenders above Threshold a Principal procurement Officer will attend and lead the Tender Evaluation Panel Meetings. (Clause 8.4.1)
- Amended wording on Sustainability in Clause 8.9 to reflect the Council's net Zero Carbon agenda.
- Updated the Contract Management clause (11.1) to advise of new Contract Management Guidance available (due to go live end of September).
- Exceptions and Waivers to Competition – Clause 12, 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.
- New clause on Modifications of existing contracts – Clause 13. This Clause provides clarity on permitted circumstances and the necessary approvals to modify an existing contract.

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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Contract Procedure Rules

Carmarthenshire County Council

Contents

		Page
1.	<u>Introduction</u>	3
2.	<u>Definitions and Interpretation</u>	4
3.	<u>Openness and Transparency</u>	4
4.	<u>Lead officer Responsibilities</u>	5
5.	<u>Collaborative Arrangements and Frameworks</u>	8
6.	<u>Pre-Procurement Requirements</u>	10
7.	<u>Thresholds</u>	11
8.	<u>Preparation for Quotations (£25,000-£75,000) and Tenders (over £75,000)</u>	14
9.	<u>The Procurement Process</u>	16
10.	<u>Contract Award</u>	20
11.	<u>Contract Management</u>	22
12.	<u>Exceptions and Waivers to Requirements of Competition</u>	23
13.	<u>Modification or Extension of Existing Contracts</u>	28
14.	<u>Review</u>	31
14.	<u>Appendix 1 Definitions & Interpretations</u>	32

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 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;

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;

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.

Lots

- 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).

External Funding

- 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.

Risk

- 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.

Second Hand Purchasing

- 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 £5,000 needs to be referred to the Section 151 Officer and the Monitoring Officer.

Tendering Procedures

- 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

- 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.

Welsh Language Standards

General Data Protection Regulation (GDPR)

Concession Contract

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 £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.

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.

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.

**Post Tender
Negotiations**

Standstill

**Document
Retention**

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.

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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. ~~In every written contract a clause shall be inserted requiring the contractor to comply with any relevant directives or regulations of the European Commission for the time being in force in the United Kingdom.~~

10.3.8. 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.

10.3.9. 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.

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

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

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

10.3.10.3. 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.** When contracts are modified at any time during the contract term a new tender process will be required unless specific conditions as set on in the Public Contracts Regulations (2015) are met. Advice must be sought from CPU before proceeding under these conditions.~~

11.3. Contract Extensions

11.3.1. 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.

11.3.2. 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 advice or service provided by Counsel.

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;

For Quotations
and Tenders
above **£75,000**
and up to the
Threshold

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 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.

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Single Tender
Action Reporting

CPU Reporting

Modifying or
extending an
existing contract

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 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 extend the term or scope of an existing contract, in any of the following circumstances:

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 £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.

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:

(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 £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.

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 Audit Committee.

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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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CPR Version 4 Tracked Amendments 2022

Key

 Highlighted in yellow shows new wording

Existing CPR V3 Clause wording	Amended wording for V4	Comments / Rationale for the amendment
	Deleted references to EU, OJEU throughout the document. Amended 'OJEU' to 'Above Threshold'	Due to UK leaving the EU
Introduction		
<p>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.</p>	<p>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 and the modification or extension will cause the overall contract value to exceed £75,000 (see CPR 13 below).</p>	Additional wording on the new modification clause
<p>1.8. Evaluation criteria of all Authority led exercises over £25,000 must consist of at least 70% 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).</p>	<p>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).</p>	Geldards – advised of the Welsh Government guidance to give at least a 10% weighting to social value. This leaves just 20% for quality at the current 70/30 ratio. Bethan Lloyd from Geldards advised we will need to think about using some scoring safeguards (e.g. a threshold pass mark for quality) or some contractual safeguards to ensure you get the quality needed, and to avoid a situation where the contract must go to a winning bid which is cheap but of very poor quality. NB: We

		<p>already include minimum score thresholds where appropriate to do so.</p> <p>Agreed to modify to 60/40 ratio in meeting with Section 151 and Monitoring Officer</p>
<p>Openness and Transparency</p>		
<p>3.1. In order that all potential suppliers are treated fairly, equally and in a manner that does not discriminate, officers should ensure that they abide by the EC Treaty principles which include openness, transparency, proportionality and non-discrimination.</p>	<p>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.</p>	<p>Geldards - Advised the duties of equal treatment, non-discrimination, transparency and proportionality no longer apply in relation to below threshold procurements, but recommended that the Council applies a requirement to observe these principles across the board because it will help to keep bidders happy and help to ensure that the correct behaviours become ingrained in those officers carrying out procurement activity.</p>
<p>General Data Protection Regulation (GDPR)</p>		
<p>4.12. The Lead Officer must consider whether the supplier(s) will be provided with Personal Data by the Council or collect personal data on our behalf in line with the Data Protection Act 2018/General Data Protection Regulation. If this is the case the Information Governance and Complaints Manager must be consulted for further guidance.</p>	<p>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.</p>	<p>New wording as advised by John Tillman</p>

<p>4.12.1. If the product/service being procured requires the use of new technologies in the collection/use of Personal Data that may 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 and Complaints Manager must be contacted for further guidance.</p>	<p>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.</p>	
<p>4.13. Any Contracts where the Contractor makes a profit from the works/service is covered by the Concession Contracts Regulations 2016 (CCR 2016). 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.</p>	<p>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.</p>	<p>As advised by Geldards</p>
<p>Aggregation</p>		
<p>6.1.3. Where the Lead Officer is unable to determine the value of a proposed contract an estimate shall be made on the basis of a 48 month contract period.</p>	<p>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.</p>	<p>As advised by Geldards</p>
<p>6.1.4. In estimating relevant contract values, officers shall have regard to the principle of aggregation. Repeat purchases of the same set of</p>	<p>6.1.4 In estimating relevant contract values, officers shall have regard to the principle of aggregation. Repeat purchases of similar</p>	<p>Geldards – advised the rules on contract valuation could be set out more fully here but they are rather</p>

<p>goods/services/works over a sustained period may exceed the Authority's or EU's threshold, and must be treated as one contract. (e.g. 48 monthly purchases at £4,000 per month equals £192,000 total contract value) and the appropriate Tender/EU procurement process must therefore be adhered to.</p>	<p>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.</p>	<p>detailed. Geldards suggested the approach of cross-referencing regulation 6 to estimate the contract value, even for below-threshold procurements. However, Geldards advised there is no legal requirement to aggregate requirements provided you are below the public procurement threshold.</p> <p>Section 151 and Monitoring Officer confirmed this wording is to remain</p>
<p>Tenders</p>		
<p>7.2.1.3. In addition to any requirements under the Public Contracts Regulations 2015 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.</p>	<p>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.</p>	<p>As advised by Geldards</p>
<p>7.3.1. Where the estimated value of a contract exceeds the current EU threshold, then the contract must be tendered in accordance with the UK's Public Contracts Regulations (2015) and these CPR's. In all such circumstances appropriate advice must be sought from the Corporate Procurement Unit.</p>	<p>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.</p>	<p>As advised by Geldards</p>
<p>Evaluation Criteria</p>		

<p>8.3.1. Evaluation criteria of all Authority led exercises above £25,000 needs to ensure that at least 70% is based on Price. Where this is inappropriate then the agreement of the Director of Corporate Services must be sought in writing.</p>	<p>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.</p>	<p>As part of the wider review – proposed changing from the 70/30 split to 60/40.</p>
<p>Evaluation Panel</p>		
	<p>8.4.1 For all Tenders above the Procurement Threshold a Principal Procurement Officer from CPU will lead the Tender Evaluation Panel.</p>	<p>Additional wording following recent tender evaluations where it was advised that Principal Procurement Officers should be involved in high value tenders. This is now our policy</p>
<p>Insurances</p>		
<p>8.6 The Authority’s Head of Revenues and Financial Compliance shall be consulted to determine the appropriate type and level of Insurance Protection (e.g. Employers’ Liability, Professional Indemnity etc) to cover the Authority’s potential liability which must be maintained for the duration of the Contract/Framework</p>	<p>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, Professional Indemnity etc) to cover the Authority’s potential liability which must be maintained for the duration of the Contract/Framework</p>	<p>Updated wording to direct to the Risk Team</p>
<p>Net Zero Carbon / Sustainability</p>		
<p>Additional wording added</p>	<p>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.</p>	<p>New wording in accordance with the Net Zero Carbon</p>
<p>e-Tender</p>		
<p>No previous clause</p>	<p>9.1.1 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</p>	<p>As advised by Geldards</p>

	Regulations 2015) and provided you do not make any substantial alterations to the contract as advertised.	
Errors		
9.2.1. No adjustment or qualification to any tender(s) is permitted. Errors found during the examination of tenders shall be dealt with in one of the following ways:-	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:-	Additional wording as advised by Geldards
9.6. For Contracts above the EU 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 start of the contract. CPU can offer guidance and templates.	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.	As advised by Geldards amended our wording from start of contract to award of the contract.
Terms and Conditions		
10.3.7. In every written contract a clause shall be inserted requiring the contractor to comply with any relevant directives or regulations of the European Commission for the time being in force in the United Kingdom.	Removed this clause from Version 4	Geldards deleted clause due to UK's exit from EU
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.	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	Additional wording added to reflect new Guidance

	Management Guidance document is available on the Intranet	
Contract Modification		
11.2. When contracts are modified at any time during the contract term a new tender process will be required unless specific conditions as set on in the Public Contracts Regulations (2015) are met. Advice must be sought from CPU before proceeding under these conditions.		Remove this clause from this section as now covered in Clause 13.
Exceptions and Waivers to Requirements of Competition		
No previous wording	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.	Geldards added this wording to the start of Clause 12
No previous wording	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.	Geldards added this wording to the start of Clause 12
12.2. Head of Revenues and Financial Compliance Decision (Up to £25,000)	12.2. Head of Revenues and Financial Compliance & Legal Services Manager Decision (Up to £75,000)	Added in Rob Edgecumbe's role in approving exceptions and amended the value from £25,000 to £75,00 as agreed with Section 151 Officer and monitoring Officer.

<p>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 are carried out by only one provider and where no reasonably satisfactory alternative is available;</p>	<p>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;</p>	<p>Geldards added additional wording and made an amendment</p>
<p>12.3. Monitoring Officer and Section 151 Officer Decision (Above £25,000 and up to OJEU Threshold Value)</p>	<p>12.3. Monitoring Officer and Section 151 Officer Decision (Above £75,000 and up to Threshold Value)</p>	<p>Amended to reflect the new value thresholds.</p>
<p>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 are carried out by only one provider and where no reasonably satisfactory alternative is available;</p>	<p>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;</p>	<p>Geldards suggested amendment</p>
<p>12.4 Monitoring Officer and Section 151 Officer Decision (Above OJEU Threshold value)</p>	<p>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.</p>	<p>New layer of approvals added in following discussion with Section 151 and Monitoring Officer</p>
<p>12.4.1. Where a Negotiated Procedure without Prior Publication is proposed (OJEU Procedure) the Lead Officer will be required to seek approval from the Monitoring Officer and Section 151 Officer.</p>	<p>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.</p>	<p>Geldards suggested amendment</p>
<p>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</p>	<p>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</p>	<p>Geldards suggested amendment</p>

participate have been submitted in response to an open procedure or a restricted procedure.	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.	
No previous clause	(d) where you require additional supplies from the original contractor as a partial replacement for, or an extension to, existing supplies or installations and a change of supplier would result in the Authority having to acquire supplies 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.	Additional clause added to include another ground for using the Negotiated Procedure without Prior Publication – extract from Reg 72
12.5.1. The Section 151 Officer will prepare a retrospective report to the Authority’s Audit Committee for all Single Tender Actions (exceptions granted above £75,000 under clauses 12.2 or 12.3 above) and the subsequent procurement activity undertaken.	12.5.1. The Section 151 Officer will prepare a retrospective report to the Authority’s 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	Amended to reflect clauses above
13. Modification or Extension of Existing Contracts		
No previous Clause	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:	As advised by Geldards and agreed by Legal

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);

	<p>13.1.6. Where the original contractor is replaced by a new contractor and either:</p> <p>(a) this is in accordance with CPR 13.1.1; or</p> <p>(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.</p>	
<p>No previous clause</p>	<p>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:</p> <p>13.2.1. Where the need for a modification has been brought about by circumstances which could not have been foreseen.</p>	<p>As advised by Geldards and agreed by Legal</p>
<p>No previous clause</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 £5,000 or less, provided the Lead Officer is satisfied that the modification represents value</p>	<p>Wording as advised by Geldards and agreed by Legal.</p> <p>Awaiting confirmation from Legal about approvals</p>

	<p>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: (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.</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>No previous clause</p>	<p>13.4. Modification Reporting</p> <p>13.4.1. All Modifications must be reported to CPU for consideration prior to submission for</p>	<p>Wording as advised by Geldards and agreed by Legal.</p>

	approval via the online Exception & Modification Reporting System.	
APPENDIX 1 - Definitions & Interpretations		
	Threshold 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	Geldards advised amended wording

GOVERNANCE & AUDIT COMMITTEE

30 SEPTEMBER 2022

GOVERNANCE & AUDIT COMMITTEE FORWARD WORK PROGRAMME 2022/23

Recommendations / key decisions required:

To receive the report.

Reasons:

Annual Forward Work Programme to inform Members of the expected Agenda Items for the 2022/23 Governance & Audit Committee Cycle.

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

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EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 30 SEPTEMBER 2022

GOVERNANCE & AUDIT COMMITTEE FORWARD WORK PROGRAMME 2022/23

To provide Members with a Forward Work Programme for the 2022/23 Governance & Audit Committee cycle to ensure that all appropriate Committees have a published up to date programme owned by the Committee Members.

The following Report is attached:
Forward Work Programme

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	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 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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Subject area and brief description of nature of report	Lead Department	Responsible Officer	Sep-22	Oct-22	Dec-22	Mar-23	Jul-23	
Appointment of Audit Committee: - Chair - Vice Chair	Corporate Services	Governance & Audit Committee					✓	
Annual Audit Report	Corporate Services	Head of Revenues and Financial Compliance					✓	
Forward Work Programme	Corporate Services	Head of Revenues and Financial Compliance	✓	✓	✓	✓	✓	
Internal Audit Plan Update	Corporate Services	Head of Revenues and Financial Compliance	✓	✓	✓	✓	✓	
Internal Audit indicative three year plan	Corporate Services	Head of Revenues and Financial Compliance				✓		
Assurance Reviews: - Fundamental financial systems - 3* reports	Corporate Services	Head of Revenues and Financial Compliance	As Required					
Progress Report - Delivery of External Audit Recommendations	ICT & Policy	Performance Planning Section			✓			
Progress Report - Delivery of Internal Audit Recommendations	Corporate Services	Head of Revenues and Financial Compliance				✓		
Internal Audit Progress Updates requested by Audit Committee:	Corporate Services	Head of Revenues and Financial Compliance	As Required					
Progress reports as requested by Audit Committee								
- Review of Planning Services	Environment	Head of Planning			✓			
- Review of Waste Services	Environment	Head of Waste and Environmental Services			✓			
Approval of Audit Charter	Corporate Services	Head of Revenues and Financial Compliance	As Required					
Approval of Strategies / Rules & Regulations	Corporate Services	Head of Revenues and Financial Compliance	As Required					
Annual Anti-Fraud and Corruption Report	Corporate Services	Head of Revenues and Financial Compliance	✓					
Receive the Corporate Risk Register	Corporate Services	Head of Revenues and Financial Compliance	✓			✓		
Opportunity for Members to discuss Risks	Corporate Services	Risk owners	✓			✓		
Receive the Corporate Annual Report	ICT & Policy	Corporate Policy & Partnership Manager		✓				
Receive the Annual Complaints Report	ICT & Policy	Corporate Policy & Partnership Manager		✓				
Annual Governance Statement for Carmarthenshire County Council - To be received - To be approved	Corporate Services	Head of Revenues and Financial Compliance		✓			✓	
Statement of Accounts for Carmarthenshire County Council - To be received - To be approved	Corporate Services	Head of Financial Services		✓				
Statement of Accounts including Annual Governance Statement for Dyfed Pension Fund - To be received - To be approved	Corporate Services	Head of Financial Services		✓				
Burry Port Harbour Accounting Statement - To be received - To be approved	Corporate Services	Head of Financial Services		✓				
Audit enquiries to those charged with governance and management for: - Carmarthenshire County Council - Dyfed Pension Fund	Corporate Services	Head of Financial Services		✓				
Single Tender Action	Corporate Services	Director of Corporate Services	As Required					
Minutes for noting: - Grants Panel - Corporate Governance Group - Risk Management Steering Group	Corporate Services	Head of Revenues and Financial Compliance Head of Financial Services	✓	✓	✓	✓	✓	
Audit Wales: - Audit Plan Update			✓	✓	✓		✓	
- Financial Statements – ISA260 Report presented to those charged with Governance in relation to the Statement of Accounts for: o Carmarthenshire County Council o Dyfed Pension Fund				✓				
- Annual returns – Reports re independent examination for: o Burry Port Harbour Authority				✓				
- Letter of Representation o Carmarthenshire County Council o Dyfed Pension Fund	Corporate Services	Audit Wales		✓				
- Annual Audit Letter o Carmarthenshire County Council				✓		✓		
- Audit Plans, including information on fees o Carmarthenshire County Council o Dyfed Pension Fund							✓	

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Governance & Audit Committee Training / Informal Sessions

Subject area and brief description of session	Lead Department	Responsible Officer(s)														
			Winter 2019	Spring 2020	Summer 2020	Autumn 2020	Winter 2020	Spring 2021	Summer 2021	Autumn 2021	Winter 2021	Spring 2022	Summer 2022	Autumn 2022	Winter 2022	
Meeting with Auditors	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance		✓		✓					✓				✓	
Governance & Audit Committee - Self Assessment	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance														✓
Risk Register	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance	✓	✓		✓			✓		✓		✓		✓	
Risk Management & Risk Appetite	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance										✓				
Statement of Accounts & Annual Governance Statement	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance			✓					✓				✓		
Fraud Awareness	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance				✓										
Local Authority Trading Companies	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance												✓		

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GOVERNANCE & AUDIT COMMITTEE

30 SEPTEMBER 2022

MINUTES OF RELEVANT GROUPS TO THE GOVERNANCE & AUDIT COMMITTEE

Recommendations / key decisions required:
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Minutes to be received.

Reasons:

Terms of Reference for the Governance & Audit Committee stipulate that minutes of the Grants Panel, Corporate Governance Group and Risk Management Steering Group be received by the Governance & Audit Committee.

Cabinet Decision Required:	N/A
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Council Decision Required:	N/A
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CABINET MEMBER PORTFOLIO HOLDER: Cllr A Lenny
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Directorate: Corporate Services		
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Name of Head of Service: Helen Pugh	Designation: Head of Revenues and Financial Compliance	Tel No.: 01267 246223 E Mail Address: HLPugh@carmarthenshire.gov.uk
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Report Author: Helen Pugh		
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EXECUTIVE SUMMARY

GOVERNANCE & AUDIT COMMITTEE 30 SEPTEMBER 2022

MINUTES OF RELEVANT GROUPS TO THE AUDIT COMMITTEE

To provide Members with minutes from supporting Governance Groups for information.

The following Minutes are attached:

- Corporate Governance Group – 15th February 2022

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	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

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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Minutes of the Corporate Governance Group

15th February 2022

2.00 pm – 2.45pm

Virtual Meeting: Teams

Present:

Cllr. David Jenkins (DJ)	Executive Board Member (Resources) (Chair)
Paul Thomas (PT)	Assistant Chief Executive
Helen Pugh (HP)	Head of Revenues and Financial Compliance
Alison Wood (AW)	People Services Manager
Linda Rees Jones (LRJ)	Head of Administration and Law
Gwyneth Ayers (GA)	Corporate Policy & Partnership Manager
John Williams (JW)	ICT Operations & Governance Manager
Nia Hughes (NH)	Business Support Supervisor

Apologies:

Chris Moore (CM)	Director of Corporate Services
Noelwyn Daniel (ND)	Head of ICT
Cllr. Tina Higgins (TH)	Councillor

Item No.	Discussion / Action	Responsible Officer
1.	<u>Apologies</u> As noted above.	RM
2.	<u>Minutes of previous Meetings dated 10th December 2021 and Matters Arising</u> <u>AOB</u> Roger Thomas is the Chief Fire Officer for Mid and West Wales Fire Service not Rhodri Thomas as stated in the previous minutes.	
3.	<u>AGS</u> <u>Update on Actions – (All)</u> A group discussion had been carried out in terms of reviewing / updating the outstanding current Actions and HP updated the AGS master template accordingly. HP confirmed, updated papers to be shared in the next meeting. <u>Timetable for completion 2021/22</u> HP stated that the AGS will be updated and sent out shortly. To be returned by the end of March 2022. HP will send to DJ to look over.	HP HP

4.	<p><u>Internal Audit Report – AGS – Follow up Actions</u> HP reminded the group of the delivery of actions on the Internal Audit Report by April 2022.</p>	ALL
5.	<p><u>Council Performance Management Framework – (GA)</u></p> <p><u>Engagement and Assurance Sessions</u></p> <ul style="list-style-type: none"> • Engagement and Assurance Sessions have taken place with all DMT's. • There is an emerging approach for future corporate strategy to focus on thematic priorities which align with the new administration's commitments. 	FOR INFO
6.	<p><u>Information Governance – Verbal Update – (JW)</u> Since the last update, no breaches had been reported to the ICO. However, there continued to be concerns regarding numerous e-mail addresses being forwarded incorrectly. Management Team and HoS have been informed of this.</p> <p>An update to be provided in the next meeting in relation to the promoting of the Handling Personal Information Policy which has been circulated to employees.</p> <p>Require to continue raising awareness with regards to these errors.</p> <p>The Cyber Security Stock-take Report has been approved by CMT. JW to circulate to group members the Recommendations from the Report, which are listed as follows:-</p> <ul style="list-style-type: none"> • Enforce Multi-Factor Authentication (MFA) for all staff. This will be a similar principal to on-line banking where you receive a secure code or text message to your mobile phone to confirm identity. Work with HR on how this could possibly be implemented into new staff contracts and service areas to raise awareness of the benefits of using MFA. • Service areas need to prepare for cyber incidents by having Business Continuity plans that do not rely on IT – if systems needed to be restored from backup, there is a time for recovery during which there would be no access to IT systems. • ICT Services to carry out testing of DR plans to determine how long it would take to recover a system from tape (offline backups). • Penetration testing – vulnerability scanning is carried out regularly but there is value in having an ethical hacker attempt 	

	<p>to break into IT systems in the same way as their black-hat counterpart would.</p> <ul style="list-style-type: none"> • Continue to develop and evolve the Cyber Incident Response Plan to reflect emerging cyber risks. • Procurement of new Cyber Awareness Training for all staff. Welsh Government have already funded training for Councillors. <p>2 Actions being:-</p> <ul style="list-style-type: none"> • Action Plan from the Report. • Figures and feedback from the Phishing Exercise to be brought back to the group. <p><u>Information Governance – Informal Group Actions/Minutes – (Last meeting cancelled, therefore no minutes to share)</u> As stated above.</p>	
7.	<p><u>Performance and governance of principal councils (Local Government and Elections Bill (Wales) - Update</u> There were no further updates regarding panel assessments. These will be undertaken when in the new administration is in place.</p>	FOR INFO
8.	<p><u>Corporate Joint Committees (CJCs) – Verbal Update – (LRJ)</u> An Inaugural Meeting took place. Cllr Rob Stewart from Swansea County Council is the Chair and Cllr Emlyn Dole is the Vice Chair.</p> <p>Monitoring will be undertaken by Neath Port Talbot Council Chief Executive. The budget has been set at £60,000. There are no staff at the moment, but NPT will be recruiting a Project Officer.</p>	FOR INFO
9.	<p><u>CRWG – Verbal Update – (LRJ)</u> Protocol on Representations to the County Council on Planning Applications was taken to Full Council.</p> <p>Following the Full Council meeting LRJ contacted the 2 members of CRWG who had voted against the protocol to advise that objections should have been raised at the CRWG meeting not at Full Council.</p> <p>Cllr Ken Lloyd is the new chair of CRWG.</p>	
10.	<p><u>Monitoring Outputs of Carmarthenshire CC led projects</u> AGREED to be deferred until March 2022.</p>	
11.	<p><u>Planning Service Governance Arrangements – (HP)</u> Audit Wales are happy with the steps that have been taken and a new HOS has been appointed therefore this can now be removed from the Agenda.</p>	

<p>12.</p>	<p><u>Any Other Business</u></p> <p>The following items had been raised:-</p> <ul style="list-style-type: none"> • <u>Staff Reward Scheme</u> The above scheme has been launched. A Governance group has been established to monitor what companies are taking part in the scheme. Terms of Reference will be established. <p>LRJ to check with Gaynor Morgans who should attend the meeting instead of Cllr Mair Stephens.</p> <p>Chair thanked all present for their attendance and contribution and called the meeting to a close at 2.45 pm.</p>	<p style="text-align: center;">LRJ</p>
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1. APOLOGIES FOR ABSENCE.

There were no apologies for absence.

2. DECLARATIONS OF PERSONAL INTERESTS

Member	Agenda item	Nature of Interest
Cllr. D. E. Williams	8.3 - Dyfed Pension Fund Audit Plan 2022.	Member of the Dyfed Pension Fund Chair of the Dyfed Pension Fund Committee
Cllr.K. Broom	8.3 - Dyfed Pension Fund Audit Plan 2022.	Member of the Dyfed Pension Fund
Cllr. K. Davies	8.3 - Dyfed Pension Fund Audit Plan 2022.	Member of the Dyfed Pension Fund
Mr M. MacDonald	8.3 - Dyfed Pension Fund Audit Plan 2022. 12.2 – Minutes of the Governance and Audit Committee 08 April 2022.	Member of the Dyfed Pension Fund Minutes refers to his appointment as a Lay Member on the Committee.
Cllr J. Williams	8.3 - Dyfed Pension Fund Audit Plan 2022.	Member of the Dyfed Pension Fund
Ms J. James	12.2 – Minutes of the Governance and Audit Committee 08 April 2022.	Minutes refers to her appointment as a Lay Member on the Committee.
Mr D MacGregor	12.2 – Minutes of the Governance and Audit Committee 08 April 2022.	Minutes refers to his appointment as a Lay Member on the Committee.

3. APPOINTMENT OF CHAIR OF THE GOVERNANCE AND AUDIT COMMITTEE FOR 2022/23

UNANIMOUSLY RESOLVED that Mr D. MacGregor be appointed Chair of the Committee for the 2022/23 municipal year.

4. APPOINTMENT OF VICE CHAIR OF THE COMMITTEE FOR 2022/23

UNANIMOUSLY RESOLVED that Councillor G. Morgan be appointed Vice-Chair of the Committee for the 2022/23 municipal year.

5. PROGRESS REPORTS:

5.1. SCHOOL BUDGETS

Further to minute 8.1 of the meeting held on the 16th July 2021, the Committee considered a schools budget report which provided an update on the Authority's end of financial year position for primary, secondary and special schools within Carmarthenshire. Comparable figures were also provided for 2018/19, 2019/20 and 2020/21. The Committee recognised that significant additional grant funding had been made available to schools by the Welsh Government during the coronavirus pandemic, which had resulted in a positive impact upon several school budgets for the current and forthcoming financial year.

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

- Members queried the impact of grant funding, in comparison with the provision of Local Authority support, to address the budgetary position of school deficits. The Head of Education and Inclusion Services confirmed that the grant funding made available since 2020 had enabled schools to stabilise their budgets, however it was recognised that the provision may not be available on a long-term basis. A synopsis of the array of ongoing support mechanisms offered to schools was provided to Members which comprised enhanced analysis and scrutiny of school budgets and regular discussions with Headteachers, Business Managers and School Governors in respect of financial accountability. Furthermore, it was reported that successful awareness raising initiatives driven by the Section 151 Officer had resulted in the delegation of budget monitoring to School Improvement Officers, with clear expectations that areas of concern are reported to the Authority in a timely manner.
- Concerns were raised regarding the variability of the school balances and budgetary position across schools and it was queried whether special intervention measures were available to the Authority, if required. The Head of Education and Inclusion Services provided an assurance to the Committee that as a result of the support mechanisms provided by the Authority, all schools now had an enhanced awareness of budget planning and expenditure requirements. It was confirmed that no schools were currently placed within special measures and Estyn liaised with the Authority as part of the School Inspection Programme.
- Reference was made to the general funding formula for schools which had been reviewed to address the pressures identified by schools, particularly those in rural areas with lower pupil numbers. The Committee's gratitude was extended to the Authority in respect of the additional support provided which had been gratefully received by the schools. The Head of Education and Inclusion Services confirmed that the arrangements put in place to assist schools were resource intensive. In this regard, the Committee was informed that the Modernising Education Programme (MEP) was a focus area for the Authority and would be considered further in the Autumn of 2022.

- In response to a request by the Committee, it was agreed that a review be undertaken in 6 months, with an update report to be submitted for consideration by the Education and Children Scrutiny Committee.

UNANIMOUSLY RESOLVED that

- 5.1.1 The current position regarding school budgets in primary, secondary and special schools be noted.**
- 5.1.2 A review of the position regarding school budgets in primary, secondary and special schools be reviewed in 6 months' time, and an update report be submitted for consideration by the Education and Children Scrutiny Committee.**

5.2. AUDIT WALES REVIEW OF PLANNING SERVICES CARMARTHENSHIRE COUNTY COUNCIL

Further to minute 4.2 of the meeting held on the 17 December 2021, the Committee considered an update report in response to the Audit Wales recommendations and agreed actions arising from the review of the Council's Planning Services. The report sought to provide assurance to the Committee that significant progress had been made over the last seven months.

Committee was pleased to note that 15 of the 17 Audit Wales recommendations had been completed to date and 47 of the 49 sub actions which underpinned the Audit Wales recommendations had been completed.

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

- Members were encouraged to note the significant progress made to address the Audit Wales recommendations and staff were commended for their sterling work which provided Committee with an assurance that the issues identified were being addressed.
- The Committee was particularly pleased to note that staff morale had improved, and emphasised the importance of staff well-being which was considered critical to maintain service improvement.
- In response to concerns raised by Members in respect of enforcement related matters, the Interim Director of Environment explained that the number of outstanding cases had significantly reduced from May 2021 and the division had dealt with a number of complex cases and continued to make good progress to resolve both current and historic cases. In this regard, the Committee was assured to note that a performance monitoring framework had been implemented to strengthen processes within the division.
- Reference was made to the fluctuations in performance levels, as set out in the report. The Interim Director of Environment acknowledged that the recruitment of experienced professional staff remained a challenge across the whole planning sector, and therefore the variance was attributable to fluctuations in resources.

- A request was made by the Committee for a 'deep dive' review of enforcement related matters, the outcome of which would be reported back to the Committee in December 2022. It was acknowledged that the report would be influenced by the scheduled Audit Wales follow-up review of Planning Services.

UNANIMOUSLY RESOLVED

- 5.2.1 To note the progress made by Carmarthenshire County Council in response to the Audit Wales recommendations.**
- 5.2.2 That a 'deep-dive' review of enforcement related matters be undertaken, the outcome of which to be reported to the Committee in December 2022 and have regard to the Audit Wales follow up review Planning Services.**

6. INTERNAL AUDIT PLAN UPDATE 2021/22 AND 2022/23

The Committee considered a report which provided an update on the progress made on the implementation of the Internal Audit Plans for 2021/22 and 2022/23. It was reported that a completion rate of 93% had been achieved for 2021/22, and that the outstanding items had been incorporated into the 2022/23 Internal Plan, which reported a completion rate of 12.5% to date. The Committee duly reviewed the progress made in respect of the delivery of the audit programme.

The Committee's attention was then drawn to the completed review of the Authority's key financial systems in respect of Payroll and Creditor Payments. The report set out the scope of the review, the issues identified, and the recommendations made.

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

- In response to a request by the Committee, it was agreed that future Audit Plan Update reports would incorporate the number of days taken to complete each audit.
- Reference was made to the application processes for Maternity and Paternity pay, which were not generally submitted in accordance with the required timescales. The Head of Revenues and Financial Compliance acknowledged that Managers had a degree of responsibility to ensure the appropriate documentation was submitted in accordance with the Authority's policy. It was also noted that the issue was further compounded by delays in surgeries issuing the MATB1 certificates and in this regard, the Committee was assured that Officers would review the matter with the Human Resources department, with a view of possibly raising the matter with the Health Authority.
- It was reported that the scale of credit balances had reduced from a value of £289k to £184k since the previous audit. The complexity of the process was explained to Members and an assurance was provided that efforts were being made to address the matter, particularly for historic invoices, and be accurately reflected in the Authority's accounts.

- Concerns were raised in respect of the failure to raise purchase orders in appropriate circumstances. The Head of Revenues and Financial Compliance reported that the matter had been referred to the Transform, Innovate and Change (TIC) programme with a view to enhancing compliance and performance in this area. Accordingly, an 'Achieving Purchase Order Compliance' Policy was scheduled to be piloted imminently to address the matter. The Head of Financial Services highlighted to Members that non-compliance could, in some cases be the result of a reporting issue as a result of the systems implemented by the Authority. Following a request made by a Member, it was agreed that a progress update be fed back to Members in a timely manner outside the meeting process with a view to providing an assurance that the area of risk had been mitigated by way of effective controls.
- The Committee deemed the level of response to the employee certification exercise to be unacceptable. It was suggested that non-responses should be addressed during staff appraisals. The Director of Corporate Services reported that the concerns expressed by the Committee would be considered at a future meeting of the Corporate Management Team.
- An observation was made that whilst the overall audit rating for the key financial systems had been categorised as acceptable, it was considered that some of the issues identified were fundamental and of high risk. The Head of Revenues and Financial Compliance explained the process utilised by the Auditors in reaching the assurance rating, within the context of the scale of the Creditor Payments System which comprised many different controls; accordingly, the Auditors would have considered the system as a whole and used their professional opinion on which to base a conclusion. The Head of Revenues and Financial Compliance confirmed that the comments made would be fed back to the auditors.

UNANIMOUSLY RESOLVED that

- 6.1 The Internal Audit Plan update 2021/22 and 2022/23 be noted.**
- 6.2 Progress in respect of purchase order compliance be fed back to Members in a timely manner outside the meeting process.**

7. INTERNAL AUDIT ANNUAL REPORT 2021/22

The Committee considered the Internal Audit Annual Report for 2021/22 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 2021/22 Internal Audit Plan approved by the Governance and Audit Committee on 26 March 2021. 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 or the 2020/21 reporting period.

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 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.

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

- Reference was made to section 9.4 of the report whereby it was confirmed that the Cyber Security risk rating had been reviewed following the request made by the Committee at its meeting on 11 March 2022, and it was confirmed that the rating had been appropriately set due to the mitigation controls in place within the Authority.
- In response to a query, the Head of Revenues and Financial Compliance provided a synopsis of the comprehensive training and development programme and opportunities available to employees within the Corporate Services section to enhance skillsets and encourage staff retention. Furthermore, the Director of Corporate Services referred to an all-Wales initiative to encourage individuals into roles within public sector finance and a National Talent Management Programme to attract and retain finance professionals within Local Government.

UNANIMOUSLY RESOLVED that, in line with statutory requirements, the Internal Audit Annual Report for 2021/22 be noted.

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

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

8.1. AUDIT WALES WORK PROGRAMME UPDATE

The Committee considered a report presented by the Audit Wales Representatives on the Audit Wales Work Programme and Timetable quarterly update, as at 31 March 2022.

UNANIMOUSLY RESOLVED that the Audit Wales Work Programme Update.

8.2. 2022 AUDIT PLAN - CARMARTHENSHIRE COUNTY COUNCIL

The Committee considered the 2022/23 Audit Plan for Carmarthenshire County Council. 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.

During consideration of the financial statement audit risks set out at Exhibit 1 of the report, the Director of Corporate Services clarified the timescales for the audit of financial statements and explained that the delay in the Statement of Accounts for 2021/22 was, in the main, attributable to factors which related to the coronavirus pandemic, in addition to the completion of works required to address the risks pertaining to the valuation of assets.

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

- It was clarified to Members that the Audit Wales asset valuation process represented a variation of the CIPFA guidance.
- Reference was made to the Pentre Awel Life Science and Well-being Village project led by the Council whereby it was noted that the total investment for the project amounted to £200 million, with the contract amount for 2022-23 being £87 million. £40 million of the total project investment will be met from Welsh Government Funding.
- In response to a query, the External Auditor confirmed that Audit Wales was currently undergoing a period of consultation to identify possible areas of focus for future audit work. It was reported that the provision of digital services would be reviewed within all County Councils across Wales in the context of changing working practices following the coronavirus pandemic; in this regard the Committee was informed that further information could be shared upon completion of the scoping phase.

UNANIMOUSLY RESOLVED that the 2022/23 Audit Plan for the Authority be noted.

8.3. 2022 AUDIT PLAN - DYFED PENSION FUND

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

The Committee considered the 2022/23 Audit Plan for the Dyfed Pension Fund. 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 2022/23 Audit Plan for the Dyfed Pension Fund be noted.

9. CARMARTHENSHIRE COUNTY COUNCIL ANNUAL GOVERNANCE STATEMENT 2021/22

The Committee reviewed the Council's Annual Governance Statement (AGS) for the year ended 31 March 2022 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 issues/observations raised by the Committee were addressed as follows:-

- The Committee commended the AGS template as an exemplar of best practice. Reference was made to the requirements emanating from the Local Government and Elections (Wales) Act 2021 in terms of effective governance arrangements. It was suggested that some of the information be reconfigured and placed within the Appendix section to ensure appropriate monitoring of required actions.
- In response to comments made by a Member, the Head of Revenues and Financial Compliance confirmed that the Committee would receive an annual report on complaints which would include comparative information on complaint themes.

UNANIMOUSLY RESOLVED that the Annual Governance Statement be noted.

10. FORWARD WORK PROGRAMME

The Committee considered the Forward Work Programme for the 2022/23 Governance and Audit Committee Cycle which detailed the items to be presented to Committee at scheduled meetings during the forthcoming year, in addition to a programme of development sessions in order to equip Members with the necessary skills to effectively undertake their role on the Committee.

The Committee requested that training on Cyber Risks and Fraud be incorporated into the 2022/23 training programme.

UNANIMOUSLY RESOLVED that the Forward Work Programme 2022/23 be noted.

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

11.1. RISK MANAGEMENT STEERING GROUP 12 MAY 2022

UNANIMOUSLY RESOLVED that the minutes of the Risk Management Steering Group held on the 12th May 2022 be received.

11.2. MINUTES OF THE GRANTS PANEL 29 NOVEMBER 2021

UNANIMOUSLY RESOLVED that the minutes of the Grants Panel held on the 29 November 2021 be received.

11.3. MINUTES OF THE GRANTS PANEL 08 MARCH 2022

UNANIMOUSLY RESOLVED that the minutes of the Grants Panel held on the 8th March 2022 be received.

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

12.1. 11TH MARCH 2022

The Head of Revenues and Financial Compliance referred to the Garreg Lwyd Residential Care report previously reported to the Committee and reported that the results of the updated review would be submitted to a future meeting.

UNANIMOUSLY RESOLVED that the minutes of the meeting of the Governance and Audit Committee held on the 11th March 2022 be signed as a correct record.

12.2. 8TH APRIL 2022

[Note: Ms J. James, Mr M MacDonald and Mr D MacGregor declared a personal interest in this item and remained in the meeting but did not vote].

RESOLVED that the minutes of the meeting of the Governance and Audit Committee held on the 8th April 2022 be signed as a correct record.

CHAIR

DATE