

# Public Document Pack

**Gareth Owens LL.B Barrister/Bargyfreithiwr**  
Chief Officer (Governance)  
Prif Swyddog (Llywodraethu)



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To:

Councillors: Members of the Governance and Audit Committee

**Co-opted Members:**

Sally Ellis, Reverend Brian Harvey and Allan Rainford

31 May 2022

Dear Sir/Madam

**NOTICE OF REMOTE MEETING**  
**GOVERNANCE AND AUDIT COMMITTEE**  
**WEDNESDAY, 8TH JUNE, 2022 at 10.00 AM**

Yours faithfully

Steven Goodrum  
Democratic Services Manager

The meeting will be live streamed onto the Council's website. A recording of the meeting will also be available, shortly after the meeting at <https://flintshire.public-i.tv/core/portal/home>

If you have any queries regarding this, please contact a member of the Democratic Services Team on 01352 702345.

## A G E N D A

### 1 APPOINTMENT OF CHAIR

**Purpose:** To appoint a Chair for the Committee.

### 2 APPOINTMENT OF VICE-CHAIR

**Purpose:** To appoint a Vice-Chair for the Committee.

### 3 APOLOGIES

**Purpose:** To receive any apologies.

### 4 DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

**Purpose:** To receive any Declarations and advise Members accordingly.

### 5 MINUTES (Pages 7 - 12)

**Purpose:** To confirm as a correct record the minutes of the meeting held on 14 March 2022.

### 6 CARE INSPECTORATE WALES (CIW) - ASSURANCE CHECK (Pages 13 - 26)

Report of Chief Officer (Social Services) - Deputy Leader of the Council and Cabinet Member for Social Services and Wellbeing

**Purpose:** To note the content of the Annual Performance letter, Care Inspectorate Wales (CIW) assessment of the authority's performance during the year 2020/21 and CIW's Performance.

### 7 ANNUAL GOVERNANCE STATEMENT 2021/22 (Pages 27 - 62)

Report of Chief Officer (Governance) -

**Purpose:** To endorse the Annual Governance Statement for 2021/22.

### 8 CERTIFICATION OF GRANTS AND RETURNS 2020/21 (Pages 63 - 86)

Report of Corporate Finance Manager -

**Purpose:** To inform Members of the grant claim certification by Audit Wales for the year ended 31 March 2021.

9 **AUDIT WALES 2022 AUDIT PLAN** (Pages 87 - 106)

Report of Chief Executive, Corporate Finance Manager -

**Purpose:** To review the Audit Wales - Audit Plan 2022 for the Council which sets out the proposed audit work for the year along with timescales, costs and the audit teams responsible for carrying out the work.

10 **INTERNAL AUDIT ANNUAL REPORT 2021/22** (Pages 107 - 126)

Report of Internal Audit, Performance and Risk Manager -

**Purpose:** To inform members of the outcome of all audit work carried out during 2021/22 and to give the annual Internal Audit opinion on the standard of internal control, risk management and governance within the Council.

11 **GOVERNANCE AND AUDIT COMMITTEE ACTION TRACKING** (Pages 127 - 130)

Report of Internal Audit, Performance and Risk Manager -

**Purpose:** To inform the Committee of the actions resulting from points raised at previous Governance and Audit Committee meetings.

12 **FORWARD WORK PROGRAMME** (Pages 131 - 138)

Report of Internal Audit, Performance and Risk Manager -

**Purpose:** To consider the Forward Work Programme of the Internal Audit Department.

13 **INTERNAL AUDIT PROGRESS REPORT** (Pages 139 - 180)

Report of Internal Audit, Performance and Risk Manager -

**Purpose:** To present to the Committee an update on the progress of the Internal Audit Department.

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - TO  
CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC**

The following item is considered to be exempt by virtue of Paragraph(s) 12, 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

The report contains personal data and the public interest in withholding the information overrides the public interest in disclosing it.

14 **DRURY PRIMARY SCHOOL – FINANCIAL MANAGEMENT  
ARRANGEMENTS** (Pages 181 - 198)

Report of Internal Audit, Performance and Risk Manager -

**Purpose:** To inform Committee of the Internal Audit review of Drury Primary School.

***Please note that there may be a 10 minute adjournment of this meeting if it lasts longer than two hours***

## **Procedural Note on the conduct of meetings**

The Chair will open the meeting and introduce themselves.

The meeting will be attended by a number of Councillors. Officers will also be in attendance to present reports, with Democratic Services officers acting as hosts of the meeting.

All attendees are asked to ensure their mobile phones are switched off and that any background noise is kept to a minimum.

All microphones are to be kept muted during the meeting and should only be unmuted when invited to speak by the Chair. When invitees have finished speaking they should go back on mute.

To indicate to speak, Councillors will use the chat facility or use the electronic raise hand function. The chat function may also be used for questions, relevant comments and officer advice and updates.

The Chair will call the speakers, with elected Members addressed as 'Councillor' and officers addressed by their job title e.g. Chief Executive' or name. From time to time, the officer advising the Chair will explain procedural points or suggest alternative wording for proposals, to assist the Committee.

If and when a vote is taken, the Chair will explain that only those who oppose the proposal(s), or who wish to abstain will need to indicate, using the chat function. The officer advising the Chair will indicate whether the proposals are carried.

If a more formal vote is needed, this will be by roll call – where each Councillor will be asked in turn (alphabetically) how s/he wishes to vote

At County Council and Planning Committee meetings speaker's times are limited. A bell will be sounded to alert that the speaker has one minute remaining

The meeting will be live streamed onto the Council's website. A recording of the meeting will also be available, shortly after the meeting at <https://flintshire.public-i.tv/core/portal/home>

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## **GOVERNANCE AND AUDIT COMMITTEE** **14 MARCH 2022**

Minutes of the Governance and Audit Committee of Flintshire County Council held remotely on Wednesday, 14 March 2022

### **PRESENT: Councillor Chris Dolphin (Chair)**

### **Sally Ellis (Vice-Chair in the Chair for minute numbers 63-65)**

Councillors: Janet Axworthy, Geoff Collett, Patrick Heesom, Joe Johnson, Martin White and Arnold Woolley

Co-opted members: Sally Ellis and Allan Rainford

**APOLOGIES:** Chief Officer (Governance) and Corporate Finance Manager

### **IN ATTENDANCE:**

Councillor Ian Roberts (Leader of the Council and Cabinet Member for Education), Councillor Paul Johnson (Cabinet Member for Finance, Social Value and Procurement), Councillor Billy Mullin (Deputy Leader and Cabinet Member for Corporate Management and Assets), Chief Executive, Internal Audit, Performance & Risk Manager and Democratic Services Officer

Strategic Performance Advisor (minute numbers 58 & 59)

Strategic Finance Manager and Principal Accountant (minute number 60)

Senior Auditor and Housing & Prevention Service Manager (minute number 63)

Elaine Mojares - Graduate Trainee (observing)

Gwilym Bury and Mike Whiteley from Audit Wales

## **56. DECLARATIONS OF INTEREST**

None.

## **57. MINUTES**

The minutes of the meeting held on 26 January 2022 were approved, as moved and seconded by Councillors Martin White and Geoff Collett.

### **RESOLVED:**

That the minutes be approved as a correct record.

## **58. ANNUAL AUDIT SUMMARY FOR FLINTSHIRE COUNTY COUNCIL**

The Strategic Performance Advisor presented the Annual Audit Summary which summarised the findings of audit and regulatory work undertaken at the Council by Audit Wales (AW) during 2020/21. Overall this was a positive report with no formal recommendations made during the year. The Council's response to the proposals for improvement were detailed in the External Regulation Assurance item on the agenda.

The Chief Executive summarised key achievements such as early completion of the Council's financial statements to a good standard, recognition of a clear communications strategy and strong leadership of the Council's recovery from the impact of the pandemic. Reference to reduced comparative performance information reflected the impact of the pandemic upon all councils. Whilst it was acknowledged that the position on rent arrears had steadied, further opportunities were being explored to improve performance and engage with tenants.

In response to Allan Rainford's question on identifying different ways of working, Gwilym Bury said that the report set out the findings of audit work during 2020/21 and acknowledged the significant pressures arising from the pandemic.

The recommendation was moved by Allan Rainford and seconded by Councillor Janet Axworthy.

### **RESOLVED:**

That the Committee is assured by the content and observations of the Auditor General for Wales' Annual Audit Summary report for 2020/21.

## **59. EXTERNAL REGULATION ASSURANCE**

The Strategic Performance Advisor presented the summary report to give assurance that reports from external regulators and inspectors in 2021/22 had been considered in accordance with the agreed internal reporting protocol. This was a positive report demonstrating that actions were being taken in response to recommendations. Whilst there was no requirement for a local response to Audit Wales' national studies, the Council's approach to assess against local work was regarded as good practice. Attention was drawn to the three outstanding reports due to be scheduled for forthcoming meetings.

Sally Ellis sought clarity on the reporting process to enable the Committee to fulfil its role in being assured that actions were implemented and monitored.

The Chief Executive described the robust process whereby actions were monitored within portfolios or through further reviews by Internal Audit and subsequently reported back to Overview & Scrutiny and this Committee.

The Internal Audit, Performance & Risk Manager suggested that completed external actions, in addition to internal actions, could be reflected in the Annual Report and that this assurance could also be built into the Annual Governance Statement process. She also suggested that the annual External Regulation Assurance report include an appendix showing the status of all actions during the period.

Allan Rainford referred to the proposals for improvement (P1) on the Audit Wales report on rental income and asked about the implications of minor changes made to the Council's response. The Strategic Performance Advisor agreed to respond separately to the Committee.



The recommendation was moved by Councillor Arnold Woolley and seconded by Allan Rainford.

**RESOLVED:**

That the Committee is assured by the Council's response to external regulatory reports.

**60. QUARTER 4 TREASURY MANAGEMENT UPDATE 2021/22**

The Strategic Finance Manager presented the quarterly update on matters relating to the Council's Treasury Management Policy, Strategy and Practices to the end of February 2022. The Council's position on investment and long and short term borrowing was reported, along with an update on the economic context and interest rate forecast.

In response to questions from Allan Rainford, the Strategic Finance Manager said that the short-term borrowing approach continued, in line with the professional advice, and that no further long-term borrowing was forecast in this financial year, based on current cashflow.

Sally Ellis asked about any anticipated impact on the Strategy arising from the situation in Ukraine. The Strategic Finance Manager said that whilst the report reflected the position at that point in time, the Treasury Management advisors were continually monitoring and updating the team on any changes.

The recommendation was moved and seconded by Allan Rainford and Sally Ellis.

**RESOLVED:**

That the Treasury Management 2021/22 quarterly update be endorsed.

**61. INTERNAL AUDIT STRATEGIC PLAN**

The Internal Audit, Performance & Risk Manager presented the three year Internal Audit Strategic Plan for 2022-2025 which had been developed using assurance mapping, results of previous audit work, new and emerging risks and consultation with senior officers and Audit Wales. Whilst all high priority audits and annual reviews were included for completion in 2022/23, any work in responding to emerging issues/risks would take precedence over medium priority reviews which would be subject to regular review with portfolio holders.

In response to questions from Sally Ellis, the Internal Audit, Performance & Risk Manager provided assurance on capacity to deliver the Plan which was subject to regular review. She advised that risks around rising energy and living costs would form part of the audit of Climate Change & Environmental Sustainability and that risks in Social Services and Education were monitored including the findings of external assurance reviews.

Allan Rainford welcomed the report and was informed that business continuity plans for each portfolio had been tested throughout the emergency situation.

The recommendation was moved by Councillor Arnold Woolley and seconded by Councillor Janet Axworthy.

**RESOLVED:**

That having considered the areas covered, including those prioritised for the first year, and the level of audit resources, the Committee approves the Flintshire Internal Audit Strategic Plan for 2022-2025.

**62. PUBLIC SECTOR INTERNAL AUDIT STANDARDS**

The Internal Audit, Performance & Risk Manager presented the findings of the annual internal assessment of conformance with the Public Sector Internal Audit Standards (PSIAS). This, together with the external assessment undertaken for 2016/17 demonstrated that the Council continued to comply with the standards in all significant areas and operated independently and objectively. The next external assessment was due to be undertaken in May 2022 through a peer review process. It was confirmed that all actions arising from the previous assessment had been implemented.

Sally Ellis welcomed the various workforce development actions to improve service resilience. In response to questions, the Internal Audit, Performance & Risk Manager provided a brief update on her roles with Test, Trace & Protect, Performance and Risk Management and Central Despatch, and shared details of forthcoming commissioned audit work on Ransomware Attacks and the review of ICT governance arrangements. She gave assurance of continued direct access to the Chief Executive with regular discussions taking place on delivering the Audit Plan. Her comments were endorsed by the Chairman.

In response to a query, Allan Rainford was informed that feedback was captured in post-audit client questionnaires on which performance was included in the Internal Audit Progress Reports and the Annual Report.

The recommendation was moved and seconded by Allan Rainford and Sally Ellis.

**RESOLVED:**

That the report be noted.

**63. INTERNAL AUDIT PROGRESS REPORT**

The Internal Audit, Performance & Risk Manager presented the regular update on progress against the Plan, final reports issued, action tracking, performance indicators and current investigations.

Sally Ellis raised concerns about the number of outstanding live actions some of which were high priority. The Internal Audit, Performance & Risk Manager said that the process relied on service managers to update the system; this was an issue continually raised with the senior officer team. She acknowledged the importance of setting realistic deadlines as did the Chief Executive who assured the Committee that he would continue to work with the Chief Officer team to improve response times.

The only Red (limited assurance opinion) report issued during the period was a review of homeless and temporary accommodation which had been requested by the Housing & Prevention Service Manager following his appointment in 2020. The Senior Auditor provided background to the scope of the review which had focussed on the adequacy and effectiveness of controls to manage increased demands on the service during the pandemic and to meet emerging issues such as future 'Rapid Rehousing' requirements in Wales. The review identified that improved controls were needed to ensure the effective management of the temporary accommodation portfolio and that operational practices were not sufficiently robust to meet increased demand and potential growth of portfolio capacity. In addition, management information was not available to oversee control effectiveness of temporary accommodation rent collection, void and lease management. The actions - which had been escalated to the Chief Executive in his former role as Chief Officer (Housing & Assets) at that time - had been endorsed by Overview & Scrutiny.

In thanking all those involved in the review, the Housing & Prevention Service Manager gave an overview of actions within the robust and ambitious Service Improvement Plan which had been developed to address the findings.

Sally Ellis acknowledged the complexities of homelessness and the significant pressures on those delivering the service. In response to questions, the Service Manager spoke about the range of temporary accommodation currently available and the increase in demand during the pandemic which was experienced nationwide. He provided clarification on the documenting of Health & Safety processes, workforce development and resilience to meet the demands upon the service and increased engagement with private sector landlords. He said that whilst the timescales were challenging, they were achievable and that good progress had been made since publication of the report.

Councillor Ian Roberts extended his personal thanks to the Chief Executive and housing officers for their exceptional commitment and dedication to tackling homelessness. In accepting the findings of the report and acknowledging the impact from the pandemic, he also recognised the Council's responsibilities on the health and safety of tenants and as a County of Sanctuary to support those in need.

The Chief Executive gave assurance that the team was committed to working through the issues and delivering the improvements, whilst continuing to manage the service under challenging circumstances. He thanked the Senior Auditor and Service Manager for their work on the review and commended the

progress made by the team to date in implementing the actions, on which he was kept updated.

The recommendation was moved by Councillor Arnold Woolley and seconded by Allan Rainford.

**RESOLVED:**

That the report be accepted.

**64. ACTION TRACKING**

The Internal Audit, Performance & Risk Manager presented an update on actions arising from previous meetings.

The recommendation was moved by Councillor Janet Axworthy and seconded by Councillor Geoff Collett.

**RESOLVED:**

That the report be accepted.

**65. FORWARD WORK PROGRAMME**

The Internal Audit, Performance & Risk Manager presented the current Forward Work Programme for consideration.

There were no changes and the recommendations were moved and seconded by Councillors Janet Axworthy and Arnold Woolley.

As this was the final meeting of this Council term, as suggested by Councillor Janet Axworthy, tributes were paid to all the officers and co-optees for their contributions to the work of the Committee over the past two years.

**RESOLVED:**

- (a) That the Forward Work Programme be approved; and
- (b) That the Internal Audit, Performance & Risk Manager, in consultation with the Chair and Vice-Chair of the Committee, be authorised to vary the Forward Work Programme between meetings, as the need arises.

**66. ATTENDANCE BY MEMBERS OF THE PRESS AND PUBLIC**

None.

The meeting started at 10am and finished at 11.35am

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**Chair**



## GOVERNANCE AND AUDIT COMMITTEE

<b>Date of Meeting</b>	Wednesday, 08 June 2022
<b>Report Subject</b>	Care Inspectorate Wales – Assurance Check
<b>Cabinet Member</b>	Cabinet Member for Social Services
<b>Report Author</b>	Chief Officer (Social Services)
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

Care Inspectorate Wales (CIW) are the independent regulator of Social Care and Childcare in Wales. They regulate social care and early years services using the regulations and national minimum standards set out by Welsh Government through the Social Services and Well-being (Wales) Act 2014.

This report presents the findings of the CIW Assurance Check of Flintshire Social Services as detailed in the findings letter of the 26<sup>th</sup> May 2021. The report has previously been presented to Social & Health Care Overview & Scrutiny Committee and Cabinet.

The Assurance Check visit took place from the 19<sup>th</sup> to 23<sup>rd</sup> April 2021 with eight inspectors undertaking case file reading, meetings with individuals, families, practitioners, managers and partner agencies. All activities were undertaken virtually through Webex and some telephone conversations where this was appropriate. The inspectors were afforded remote access to PARIS for the duration of the visit.

CIW focused its key lines of enquiry within the four principles of the Social Services and Well-being (Wales) Act 2014 which are:

- People – Voice and Control
- Prevention
- Well-being
- Partnership and Integration.

The inspectorate also had particular focus on:

1. How well is the local authority discharging its statutory functions to keep people who need care and support and carers who need support, safe and promote their well-being during the pandemic?

2. What is the local authority doing to prevent the need for children to come into care; and are children returning home to their families quickly enough where safe to do so?

This report reflects CIW feedback that there are many strengths in Flintshire Social Services and the inspectors were “assured” that Flintshire is discharging its statutory functions to keep people safe and promote their well-being during the pandemic, and that the Council prevent the need for children to come in to care; and are children returning home to their families where appropriate.

In the verbal feedback received on the final day of the visit, inspectors found evidence of “very good practice” across all areas in Social Services and that staff were “dedicated, knowledgeable and focused on outcomes” for people.

The letter also identified areas for improvement including giving further consideration to the value of independent advocates to support children and young people. It was also identified that an area of improvement was to ensure that there is sufficient evidence in children’s services of the analysis of need and decision making in care records.

Finally, during child protection enquiries it was noted that children are seen and seen alone by the social worker.

## RECOMMENDATIONS

1	Members to note the positive feedback received from CIW following the Assurance Check in April 2021.
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## REPORT DETAILS

<b>1.00</b>	<b>BACKGROUND</b>
1.01	Care Inspectorate Wales undertook their Assurance Check of Flintshire Social Services from the 19 <sup>th</sup> to 23 <sup>rd</sup> April 2021. Eight inspectors reviewed 36 cases (18 in Children’s Services and 18 in Adult Services) plus 6 carer assessments.
1.02	Ten cases were tracked, meaning that the inspectors met with all the key professionals involved in the case as well as the individuals themselves, their families or foster carers.
1.03	Over the course of the week, inspectors attended 61 virtual meetings consisting of tracked case interviews, meetings with practitioners, managers, partners, carers and young people.
1.04	It is worth noting that this is the first fully-virtual CIW visit undertaken in Flintshire Social Services and it was pleasing to note that with the full support of IT colleagues, the 5 days took place with no technical issues or concerns.

<b>1.05</b>	<b>Summary of findings and priorities for improvement</b>
1.06	<p><u>People – Voice and Control</u></p> <p>CIW asked ‘how well is the local authority ensuring people, carers and practitioners are having their voices heard, making informed choices and maintaining control over their lives?’ The inspectorate was also mindful of the Public Health Wales and Welsh Government guidelines associated with the COVID-19 pandemic.</p>
1.07	<p>The inspectorate found evidence that people are involved in the planning and delivery of their care and support and that they were supported to identify what matters to them. In most cases outcomes were clearly described and actions to achieve them identified.</p>
1.08	<p>There was evidence that people were supported by informal advocates who assisted them to participate in assessments and decisions affecting them. There was also positive reference to the Case Conference buddies who support children and young people through the child protection case conference process. There was also recognition by the inspectors that whilst the offer of advocates was made, it was always accepted.</p>
1.09	<p>CIW also noted that it was positive to see practitioners seeing themselves as advocates for the children they work with, but as an area of improvement it was identified that there needs to be an increased understanding of the added value and function of independent advocacy. As a result the following actions have been taken:</p> <ul style="list-style-type: none"> <li>• Information was sent to all staff detailing the advocacy service and how to refer a child for independent advocacy</li> <li>• The independent advocacy provider has met with all teams to share information with staff directly and to discuss approaches for promoting the service with children and their families</li> <li>• The independent advocacy provider met with all newly qualified social workers as part of their ongoing induction and development</li> <li>• Information is now included in Community Care inform on the rights of children to be offered independent advocacy.</li> <li>• Changes to the Paris system to prompt practitioners</li> <li>• Case File Audits used to identify why young people decline advocacy and use the information to improve the offer</li> <li>• Quality assurance mechanisms now in place to ensure independent advocacy is offered at appropriate times at key points in the child’s journey</li> <li>• Feedback now sought from practitioners and partners on their experience of the service, which has in turn informed future procurement of the service.</li> </ul>
1.10	<p>There was also recognition by CIW of the additional pressures the pandemic had placed on carers and evidence seen that they had been appropriately supported by the service. Particular positive regard was given to the direct payment offer which allows people the opportunity to manager their own tailored support. The inspectors also commented positively on the work being undertaken to support young carers.</p>

1.11	The inspectors commented on the positive work undertaken by the new in-house direct payment team who have created a pool of personal assistants and used technology to support people to search for a personal assistant and make informed choices about who will support them.
1.12	Practitioners responded to CIW through either a survey or during virtual meetings and they reported feeling supported by colleagues, managers and described feeling valued and said managers were supportive and accessible, whilst senior managers were described as being visible and responsive.
1.13	<u>Prevention</u> CIW asked 'to what extent is the local authority successful in promoting prevention and reducing need for increased or formal support from statutory agencies?' Linked to this inspectors also sought evidence of the support for people bringing up children and how their own mental health was cared for.
1.14	The inspectors noted in their letter that the Council works hard to ensure prevention is an inherent part of its business. They found positive integrated approaches with partners and the allocation of resources to provide the right help and the right time.
1.15	In adult services the inspector saw a focus on preventative and targeted support including specialist dementia support workers, timely access to equipment and assistive technology. They also heard about a solutions focused approach in mental health services to avoid escalation.
1.16	In children's services there was much emphasis on the Early Help Hub and the development of parental coping mechanisms from a range of resources. The close working arrangements between agencies was positively commented upon during the pandemic and examples given around children and young people's mental health services (CAMHS) represented in the Early Help Hub.
1.17	CIW also commented that senior managers had a good understanding of the looked after children population in Flintshire and that the well-being of the child was seen as a priority in all decisions. Positive reference was also made about the authority's investment in Multi-Systemic Therapy.
1.18	<u>Partnership and Integration</u> CIW were looking to extent the local authority was able to assure itself opportunities for partnership working and positively exploit it to maximise person centred planning.
1.19	The inspectors found that partnership worked well at all levels and that there was evidence of integrated sustainable approached which met the needs of individuals and promoted well-being.



1.20	Senior leaders and partners were asked to complete a survey and the outcomes from that told CIW that the strategic partnership between Flintshire County Council and Betsi Cadwaladr University Health Board had developed and strengthened during the pandemic. Reference was made to the work undertaken to establish Ysbyty Enfys Glannau Dyfrdwy.
1.21	Care Providers spoke positively of the support they had received during the pandemic and that they had valued the communication, and quality of advice and support provided to them by the local authority.
1.22	CIW also recognised the strategic approach used by the local authority to manage the pandemic and the targeted collaboration working across portfolios. Particular mention was made around the effective collaborative working between education and children’s services to make appropriate provision for the most vulnerable children. The work of the Play Officers, Theatr Clwyd and Aura Sports was also singled out for positive comment.
1.23	Finally, the inspectors commented positively on the work undertaken to expand the North East Wales Community Equipment Stores to provide a PPE Hub and promote the effective delivery of PPE to the sector.
1.24	<u>Well-being</u> The inspectors asked ‘to what extent is the local authority promoting well-being, ensuring people maintain their safety and achieving positive outcomes that matter to them?’
1.25	CIW gave positive regard to the strong political support for both adults and children’s services and noted that there was a well-developed and thorough understanding of the services’ strengths and current challenges.
1.26	The inspectors saw evidence of good practice with child protection review minutes being written directly to the child, acknowledging the child’s wishes and explaining in child-friendly language the outcomes and decisions affecting them.
1.27	Inspectors found in some cases, timely responses to child protection concerns but also found in other cases reviewed there was a delay in the development of multi-agency safety plans. Work has been undertaken to improve this area and includes: <ul style="list-style-type: none"> <li>• Mapping the recording processes in the front door of children’s services</li> <li>• Implementing the Family Support Framework to create consistency of decision making.</li> <li>• Events were held with Team Managers and Senior Practitioners to review existing practices and approaches and with the use of a Vanguard review, changes made to ensure compliance with requirements.</li> <li>• Practice Directives were issues to ensure core groups were held within statutory timescales</li> <li>• Capacity was redistributed to the front-door to ensure the timely processing of reports (referrals) onto the Paris system.</li> </ul>

1.28	The inspectors also identified that the local authority needs to assure itself that children are seen and seen alone during the child protection enquiry stage and that core groups for children on the child protection register are consistently conducted in line with statutory requirements. This too was actioned by the service.
1.29	CIW saw evidence of good working relationships between the care management teams and key partners and that the right people were around involved in discussions.
1.30	In adult services, the importance of timely hospital discharges was understood and the authority had created additional capacity during the pandemic to facilitate safe discharges and support people to return home, thus avoiding unnecessary hospital delays.
1.32	<b>Next Steps</b>
1.33	CIW will continue to review progress on the areas of improvement through performance evaluation review meetings with the Chief Officer and Senior Managers.
1.34	Children's Services Quarterly Performance Meetings continue to review progress on the areas of improvement identified and these are also discussed in detail at the regular Children's Services Team Manager meetings.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	Resources necessary to implement improvements identified by CIW are within existing budgets.

<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>
3.01	The risk relates to the reputation of the Council should there be significant areas for improvement identified by CIW which were not addressed by the service, resulting in non-compliance. The level of risk is currently low.

<b>4.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
4.01	Regular meetings between managers and CIW representative.
4.02	Information and feedback from the Assurance Check has been shared with the workforce and regular update are provided on any feedback received from CIW.

<b>5.00</b>	<b>APPENDICES</b>
5.01	CIW Assurance Visit Letter

<b>6.00</b>	<b>CONTACT OFFICER DETAILS</b>
6.01	Contact Officer: Jane Davies Telephone: 01352 702503 E-mail: <a href="mailto:jane.m.davies@flintshire.gov.uk">jane.m.davies@flintshire.gov.uk</a>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<b>The Care Inspectorate Wales (CIW):</b> The inspectorate for Care and Social Services formally known as Care and Social Services Inspectorate Wales (CSSIW).
7.02	<b>Early Help Hub:</b> The newly developed multi agency Hub for Children and Families in Flintshire. This collective response to future referrals will negate the need for no further action responses and will provide a transformation of practice.
7.03	<b>Direct Payments:</b> Are a payment made by a local authority social services department to an individual who has been assessed as having care and support needs who wish to arrange their own care and support services.
7.04	<b>Carer:</b> Someone, usually unpaid, and often a friend or family member who supports a person with social care needs either full time or part time.
7.05	<b>PARIS:</b> Social Services Client Information System where all information regarding individuals in receipt of support for Social Services is recorded.
7.06	<b>Social Services Wellbeing (Wales) Act 2014:</b> The Social Services and Well-being (Wales) Act came into force on 6 April 2016. The Act provides the legal framework for improving the well-being of people who need care and support, and carers who need support, and for transforming social services in Wales.
7.07	<b>Community Care Inform:</b> a paid for internet information service available to social workers and support workers providing current legislative information, case law and scholarly articles as well as practical information to support practice.

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Neil Ayling  
Director of Social Services  
Flintshire County Council  
County Hall  
Mold  
Flintshire  
CH7 6NB

Dyddiad/Date: 26 May 2021

Dear Director,

## Care Inspectorate Wales (CIW) – Assurance Check 2021: Flintshire County Council

This letter summarises the findings of our assurance check on 19 to 23 April 2021. The purpose of this assurance check was to review how well local authority social services continue to help and support adults and children with a focus on safety and well-being.

We focused our key lines of enquiry within the four principles of the Social Services and Well-being (Wales) Act 2014 and have recorded our judgements and findings aligned to these - People - Voice and Control, Prevention, Well-Being, Partnerships and Integration.

### Overview

In March 2020, CIW suspended its routine programme in response to the COVID-19 pandemic to enable local authorities and providers to focus fully on responding to the challenging circumstances. A revised programme with local authorities recommenced in September to provide assurance about how people are being safeguarded and well-being promoted during the pandemic. We considered safety and well-being of people who use or may need to use services, the safety of services they access and the safety and well-being of people who work in services. We focused our key lines of enquiry within the four principles of the Social Services and Well-being (Wales) Act 2014 and have recorded our judgements and findings aligned to these: People - Voice and Control, Prevention, Partnerships and Integration, Well-being.

### Our focus was on:

1. How well is the local authority discharging its statutory functions to keep people who need care and support and carers who need support, safe and promote their well-being during the pandemic?

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

2. What is the local authority doing to prevent the need for children to come into care; and are children returning home to their families quickly enough where safe to do so?

### **Summary of findings and priorities for improvement**

**People - voice and control - We asked:** How well is the local authority ensuring people, carers and practitioners are having their voices heard, making informed choices, and maintaining control over their lives. While also balancing the recommendations and requirements made by Public Health Wales and Welsh Government to limit the spread of COVID-19?

People are involved in the planning and delivery of their care and support services. They are supported to identify what matters to them and how they might achieve their personal well-being outcomes. In most of the cases we reviewed, outcomes are clearly described and the actions to achieve them are identified.

There was evidence of people being supported by informal advocates to participate in assessments and decisions that affect them and of children and families being supported by buddies to ensure their views are represented at child protection case conferences. The local authority gives regard to the rights of children to be offered formal advocacy. Whilst we heard and saw some examples of this offer being made, it was not always accepted. In speaking with practitioners it was positive that they see themselves as advocates for the children they work with, but it was less clear that there is a shared understanding of the added value and function of independent advocacy. This is an area where practitioners need to refresh to ensure consistent consideration is given to both informal and formal advocacy as outlined in Part 10 Code of Practice for the 2014 Act.

There was a recognition of the additional pressures experienced by carers during the pandemic. We found evidence of carers' needs including young carers being appropriately considered and supported alongside the cared for person.

People, including carers, were given the opportunity to tailor and manage their own support through use of direct payments. Evidence was seen of direct payments working well for individuals and carers and used creatively during the pandemic as a means of providing alternative respite.

The challenges of recruitment and retention of personal assistants is being addressed by the Flintshire Direct Payment Team who have re-designed the direct payment web page and created the Personal Assistant Portal. The web page provides the information and advice people need to enable them to make an informed choice whilst the portal aims to help people search for personal assistants as well as assisting personal assistants to find suitable employment. Alongside a learning provider, the team are designing specific training for personal assistants which includes an Induction Certificate which will be accessible to all employers wanting to provide training & development opportunities to their personal assistants.

People we spoke with told us the local authority had maintained safe contact with them throughout the pandemic. Where needed, direct safe face-to-face contact has continued, subject to a COVID risk assessment and Public Health Guidance. We saw examples of practitioners and providers working creatively as means of delivering their professional responsibilities, ensuing peoples voices were heard.

Most practitioners who responded to our survey felt supported by colleagues and managers and regarded their workload as manageable. We found the workforce to be knowledgeable, dedicated, and practitioners focused on positive outcomes for people. Whilst a small number of practitioners identified that vacancies and sickness created pressure for some teams, overall we found morale was good and practitioners were positive about their experience of working for the local authority. Staff described feeling valued and said managers were supportive and accessible, whilst senior managers were described as being visible and responsive.

Training opportunities have continued with a number of digital platforms used to enable the workforce to access online training. Flintshire County Council continue to support the professional development of practitioners and managers. Newly qualified staff told us they are supported in their first year of practice by regular supervision, mentoring arrangements, and a protected caseload. Whilst a senior practitioner told us of the support the local authority commissioned to develop her leadership skills.

**Prevention - We asked:** To what extent is the local authority successful in promoting prevention and reducing need for increased or formal support from statutory agencies? Including taking all necessary steps to support the upbringing of the child by the child's family and supporting people with mental health issues before they reach crisis.

Flintshire County Council have worked hard to ensure that prevention is an inherent part of the local authority's business and the importance of community support has been recognised during the pandemic.

We found a positive integrated approach resulting in a culture of prevention through joint working, supportive infrastructures, and aligned delivery systems. This was evident in a prudent approach to resource allocation ensuring the right help was available at the right time which prevents escalation of need and improves the quality of the individual's journey through the health and social care system.

In adults services we saw a focus on preventative and targeted support with the availability of step up/down and community resources to support people. This included specialist dementia workers, timely access to equipment, minor adaptations, and assistive technology. We heard how the solution focused approach in mental health prevented people from going on to need more intensive services.

In children's services the emphasis in the Early Help Hub is on helping parents to develop their own abilities, their coping mechanisms and strengths to identify and manage problems. Practitioners valued the range of resources available to support placement stability and improve emotional well-being and a better understanding of children's behavioural issues. We heard how closer working with other agencies during the pandemic had helped the authority to develop a better-shared awareness of the range of community

preventive services available to children and families. The inclusion of representation of the children and young people's mental health service (CAMHS) in the Early Help Hub during the pandemic was identified as a significant strength by practitioners. However, there is still a need to ensure the evidence/analysis which informs decision making in the Early Help Hub is consistently recorded to ensure people are getting the right support and assistance at the right time.

Senior managers have a good understanding and knowledge of the profile of children looked after. The well-being of the child is seen as the priority in all planning decisions, and there is a strong commitment to the preventative agenda and to the safe reduction of the children looked after population. The local authority has invested in Multi-Systemic Therapy and we heard how the team has worked to enable children at risk of coming in to care to remain with families without recourse to statutory services.

**Partnership and Integration - We asked:** To what extent is the local authority able to assure itself opportunities for partnership working are positively exploited to maximise person centred planning and ensure integrated service delivery and service sustainability?

Partnerships were found to be working well at all levels and are delivering an integrated sustainable approach to meeting need and promoting well-being in line with legislation and expectations. In the cases we reviewed we saw evidence of practitioners developing a professional working relationship with people built upon co-operation to promote independence and developing a shared understanding of what matters.

Senior leaders and partners who responded to our survey told us the strategic partnership between the Flintshire County Council and Betsi Cadwaladr University Health Board (BCUHB) has developed and strengthened during the pandemic. Partners worked together in the early stages of the pandemic to prepare the Ysbyty Enfys in Deeside, as well as expanding care home provision to alleviate pressure on hospitals and to ensure positive well-being outcomes for the people of Flintshire.

Managers and practitioners described well-established operational relationships with partners and a clear commitment to collaborative working across the authority. The increased use of digital platforms has meant agencies are contributing more effectively in statutory meetings including safeguarding strategy discussions and reviews.

Practitioners told us some key partners were not undertaking face-to-face visits until recently and how this had hindered the completion of assessment and care planning during the pandemic. Providers spoke positively of the support they had received from the local authority during the pandemic. They valued the level of communication and the quality of the advice and support received.

The strategic approach implemented by the local authority during the pandemic facilitated targeted collaborative working across portfolios and services. In children's services for example, we saw effective working relationship between children's services and education in identifying and making appropriate provision for the most vulnerable children during the pandemic. In addition, we saw partners working creatively with children's services to support families. Parents told us how much they valued the package of care and activities



developed with Play Officers, Theatre Clwyd and Aura Sports to give children and young people the opportunity to try something different during school holidays. In adults services we heard how departments within the local authority worked together to identify a building to become the North East Wales Personal Protective Equipment (PPE) Hub. Within three days of acquiring the building, the service was fully operational and enabled the North East Wales Community Equipment Service (NEWCES) to promptly set-up an efficient delivery system.

**Well-being - We asked:** To what extent is the local authority promoting well-being, ensuring people maintain their safety and achieve positive outcomes that matter to them?

Flintshire County Council benefits from an experienced senior management team. There is strong commitment and political support for both adults and children's services and a thorough and well-developed understanding of their strengths and current challenges.

The local authority has exercised its functions under the Social Services and Well-being (Wales) Act 2014 and ensures it makes a positive contribution to the well-being of people who need care and support.

The timeliness and quality of statutory reviews seen were good in both adults and children's services. In children's services we saw good practice with minutes being written directly to the child, acknowledging the child's wishes, and explaining in child-friendly language the outcomes and decisions of their review. Independent reviewing officers (IROs) told us they contact children prior to the review and it was positive that they undertook midpoint checks on progress. We found issues were escalated as needed and relationships between professionals supported through a constructive early resolution approach.

We found variable practice in relation to how well the local authority responded to children safeguarding matters. The best examples involved timely responses with prompt information gathering to help address child protection concerns. Whilst in some of the case files reviewed, responses were delayed including the development of multi-agency safety plans. The local authority should review how it conducts safeguarding enquiries to ensure the individual needs of each child is identified and addressed and is resulting in safety plans. The local authority should assure itself children are seen and seen alone as appropriate during the enquiry period, and core groups for children named on the child protection register are consistently conducted in line with statutory requirements.

In the cases we reviewed adult safeguarding reports were screened and enquiries were conducted within statutory requirements. Safeguarding discussions and meetings involved the right people and evidenced good working relationships with care management teams as well as key partners. Providers felt supported by the safeguarding team, their willingness to offer advice and guidance was appreciated.

The importance of timely hospital discharge is understood and remains a priority for the local authority and partners. During the pandemic, the local authority has sought to promote the well-being of people in need of care and support by creating additional capacity to facilitate safe discharges and to support people at home therefore avoiding unnecessary hospital admissions. The local authority has implemented the discharge to assess model

and in the cases we reviewed we saw a focus on supporting people to regain their independence, enabling people to return home in accordance with their wishes.

Whilst the changing patterns of work in response to the pandemic has created challenges, the local authority has also been proactive and innovative in its approach to promoting people's well-being. During the assurance check, many positive examples of how the partnership responded to the pandemic were shared with us. This included promoting the well-being of people by loaning iPads to people to enable them to call family/friends, to attend online activities and access services such as virtual consultations with GP.

The local authority has continued to identify opportunities to use existing transformation programme to drive further integration as well as to develop new models of care and support to improve outcomes for people.

#### **Method:**

- we reviewed documentation supplied in advance of our visit
- we spoke with carers and people who were receiving or had received care and support
- we reviewed 26 case files
- we held case tracking discussions on a further ten case files
- we administered eight surveys
- we held six focus groups

#### **Next Steps**

We have identified strengths and areas for priority improvement and we will review the progress of these areas through our performance evaluation review meetings with the heads of service and director. We expect the areas of improvement we have identified to be included in the local authority's improvement plans. We would like to extend our thanks to all those who helped with the arrangements for this assurance check and to those people and staff who spoke with us.

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Yours sincerely,



**Lou Bushell-Bauers**

Head of Local Authority Inspection

**Care Inspectorate Wales**



## GOVERNANCE AND AUDIT COMMITTEE

<b>Date of Meeting</b>	Wednesday, 8 <sup>h</sup> June 2022
<b>Report Subject</b>	Annual Governance Statement 2021/22
<b>Report Author</b>	Chief Officer, Governance
<b>Type of Report</b>	Assurance

### EXECUTIVE SUMMARY

Each financial year the Council is required to produce an Annual Governance Statement (AGS) as part of its final accounts. The AGS explains how the Council has complied with its Code of Corporate Governance, in securing good governance and managing its risks.

The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) issue detailed guidance note on the preparation and contents of an AGS – ‘Delivering Good Governance in Local Government: Guidance notes for Welsh authorities’ (December 2016). The AGS is based on the seven core principles of governance from that guidance note. It is good practice for the AGS to be presented separately from the final accounts to enable it to be given more detailed consideration.

This Annual Governance Statement has been prepared following engagement through questionnaires with members of the Governance & Audit Committee and Overview & Scrutiny Chairs for members to contribute their views on governance.

The AGS for 2021/22 is presented to Governance and Audit Committee today with a commitment that the Governance & Audit Committee would receive a mid-year progress update report on the areas for improvement within the AGS.

### RECOMMENDATIONS

1	That the Committee review the Annual Governance Statement 2020/21 to be attached to the Statement of Accounts and recommended to Council for adoption.
2	That the Committee notes for the next Annual Governance statement, views on governance will be sought from all Committee Chairs

## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE AGS REPORT</b>
1.01	Under the Accounts and Audit (Wales) Regulations 2018 each local authority must ensure it has a sound system of internal control to ensure good governance and manage risks. Each year they must conduct a review of the effectiveness of the system and prepare an Annual Governance Statement (AGS). The review must be considered and the AGS approved by a Committee or Full Council.
1.02	The AGS accompanies the financial statements but is not part of them. As such it is not part of the statement on which the external auditors' opinion is given. However, the auditors review the governance statement to confirm it is consistent with the audited financial statements and other information of which they are aware.
1.03	The preparation of the AGS has been coordinated by the Corporate Governance Working Group (CGWG) which has reported to the Chief Executive, the Monitoring Officer and the Section 151 Officer on its work.
1.04	<p>The working group continued this year with the format of the previous reports - keeping it aligned to the revised seven core CIPFA/SOLACE principles. These are as follows:</p> <ul style="list-style-type: none"> <li>• Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;</li> <li>• Principle B - Ensuring openness and comprehensive stakeholder engagement ;</li> <li>• Principle C - Defining outcomes in terms of sustainable economic, social, and environmental benefits;</li> <li>• Principle D- Determining the interventions necessary to optimise the achievement of the intended outcomes;</li> <li>• Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it</li> <li>• Principle F - Managing risks and performance through robust internal control and strong public financial management</li> <li>• Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability.</li> </ul>
1.05	It is this set of principles on which the assessment questionnaires and the resultant final draft governance statement is based. With regard to Principle E, Members asked that the term 'entity' not be used. In the text, it has been changed to 'organisation'.
1.06	<p>The process has been:</p> <ol style="list-style-type: none"> <li>i) Self-assessment questionnaire reviewed by Corporate Governance Working Group members, with challenge provided by statutory officers;</li> <li>ii) Governance &amp; Audit Committee Members and Overview &amp; Scrutiny Committee Chairs' questionnaires</li> <li>iii) Outstanding 'red' (major) risks contained within risk registers;</li> </ol>

	iv) Red / limited assurance internal audit reports issued during the year.
1.07	Progress against mitigating actions against governance issues identified in the Annual Governance Statement last year has also been included. Those actions closed are noted.
1.08	The Governance & Audit Committee will receive a mid-year report on progress against the areas for improvement.
1.09	A commitment had previously been given to involve Members of what was then the Audit Committee in the preparation of the AGS. The 2020 & 2021 lockdowns during the Covid pandemic stopped this happening for the 2020/21 AGS.
1.10	To shorten and simplify the Annual Governance Statement, it has been divided into two parts: a framework document, which explains the process and the AGS for 2020/21 itself.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	There are no direct resource implications related to this report.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	The Annual Governance Statement has been produced using information from all Statutory and Chief Officers, Service Managers, Chairs of all Overview and Scrutiny Committees and Members of the Governance & Audit committee.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	The Annual Governance Statement lists all the significant governance issues arising from the self-assessment along with any outstanding 'red' (major) risks. The Statement also describes actions taken against the governance issues reported in last year's Annual Governance Statement.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix A: 2021/22 Annual Governance Statement Part 1 Appendix B: 2021/22 Annual Governance Statement Part 2

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	N/A

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<p><b>Contact Officer:</b> Lisa Brownbill, Internal Audit, Performance and Risk Manager</p> <p><b>Telephone:</b> 01352 702231</p> <p><b>E-mail:</b> <a href="mailto:Lisa.brownbill@flintshire.gov.uk">Lisa.brownbill@flintshire.gov.uk</a></p> <p><b>Contact Officer:</b> Jay Davies, Strategic Performance Advisor</p> <p><b>Telephone:</b> 01352 702744</p> <p><b>E-mail:</b> <a href="mailto:Jay.davies@flintshire.gov.uk">Jay.davies@flintshire.gov.uk</a></p>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<p><b>Corporate Governance:</b> the system by which Local Authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p><b>Risk Management:</b> the process of identifying risks, evaluating their potential consequences and managing them. The aim is to reduce the frequency or likelihood of risk events occurring (wherever this is possible) and minimise the consequences if they occur. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.</p> <p><b>Financial Accounts / Statements:</b> The Council's annual finance report providing details of the Council's financial performance and position at the end of the financial year. The format is prescribed to enable external comparison with other public and private entities.</p> <p><b>Wales Audit Office:</b> works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p>

2021/22

Flintshire County Council  
Our Approach to the Annual Governance Statement  
Enclosure 1

Draft V4

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## What is the purpose of this document?

This document outlines our approach to the assessment of the Council's governance arrangements and the completion of the Annual Governance Statement. This document 'Our approach to Approach to the Annual Governance Statement' (Part one) explains:

- What Governance is;
- What is the Annual Governance Statement;
- How has the Annual Governance Statement been prepared;
- What are the key principles of the Corporate Governance Framework;
- Contributors to an effective Governance Framework; and
- How have we monitored and evaluated the effectiveness of our governance arrangements

The outcome of our assessment identifying areas of best practice and areas for further improvement is details within the document Annual Governance Statement 2021/22 – Part 2



## What is Governance?

“Governance is at the heart of public services. It underpins how resources are managed, how decisions are made, how services are delivered and the impact they have, now and in the future. It also infuses how organisations are led and how they interact with the public. Governance needs to be robust but it must also be proportionate. Well-governed organisations are dynamic and take well-managed risks; they are not stagnant and bureaucratic.”<sup>1</sup>

The governance framework comprises the culture, values, systems and processes by which an organisation is directed and controlled. The framework brings together an underlying set of legislative requirements, good practice principles and management processes.

Flintshire County Council acknowledges its responsibility for ensuring that there is a sound system of governance. We have developed a Local Code of Corporate Governance that defines the principles that underpin the governance of the organisation. The Local Code forms part of the Council Constitution and can be accessed on our website. A summary of the principles upon which it is based can be found later in this document.

Our governance framework supports our aim as a modern public body which has the **philosophy** of operating as a social business which refers to it:

- being lean, modern, efficient and effective;
- being designed, organised and operated to meet the needs of communities and the customer; and
- working with our partners to achieve the highest possible standards of public service for the well-being of Flintshire as a County

To meet these aspirations, we have set the **standards** of:-

- achieving excellence in corporate governance and reputation;
- achieving excellence in performance against both our own targets and against those of high performing peer organisations;
- being modern and flexible, constantly adapting to provide the highest standards of public, customer, and client service and support;
- using its four resources - money, assets, people and information - strategically, effectively and efficiently; and
- embracing and operating the leanest, least bureaucratic, efficient and effective business systems and processes

<sup>1</sup> Wales Audit Office: “Discussion Paper: The governance challenges posed by indirectly provided, publicly funded services in Wales” 2017

To achieve these standards, our **behaviours** are:-

- showing strategic leadership both of the organisation and our partnerships;
- continuously challenging, reviewing, changing and modernising the way we do things;
- being as lean and un-bureaucratic as possible;
- using new technology to its maximum advantage; and
- using flexible working to its maximum advantage

We are committed to the **principles** of being:-

- a modern, fair and caring employer;
- fair, equitable and inclusive in its policies and practices; and
- conscientious in planning and managing its activities, and making decisions, in a sustainable way

We are committed to specific values and principles in working with our key partners and partnerships. These cover strategic partnerships such as the Public Services Board and with the third sector such as agreeing a set of Voluntary Sector Funding principles.

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## What is the Annual Governance Statement?

We are required by the Accounts and Audit (Wales) Regulations 2018 to prepare a statement on internal control. Alongside many authorities in Wales, we refer to this as the 'Annual Governance Statement'. This is a public document that reports on the extent to which we as the Council comply with our own code of governance.

In this document, we, the Council:

- Acknowledge our responsibility for ensuring that there is a sound system of governance;
- summarise the key elements of that governance framework and the roles of those responsible for the development and maintenance of the governance environment;
- describe how we have monitored and evaluated the effectiveness of our governance arrangements in year, and any planned changes in the coming period;
- provide details of how we have responded to any issue(s) identified in last year's governance statement; and
- report on any governance issues identified from this review and provide a commitment to addressing them.

The Annual Governance Statement reports on the governance framework that has been in place at Flintshire County Council for the financial year 2021/22 and up to the date of approval of the Annual Statement of Accounts.

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## How has the Annual Governance Statement been prepared?

The initial review of our governance framework was carried out by the Corporate Governance Working Group. This group worked with each corporate Chief Officer and also for some specific governance functions such as finance, human resources and legal. Our approach was based on the seven principles that follow in the main part of this document and were assessed to identify any areas for improvement. Questionnaires were also completed by the Members of the Governance & Audit Committee and Chairs of Overview and Scrutiny committees.

The preparation and content of this year's governance framework has been considered by the statutory officer's, with assurance support from Internal Audit, Governance & Audit Committee and Audit Wales. We recognise that our governance framework cannot eliminate all risk of failure to meet the targets in our policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

In preparing the Annual Governance Statement, we have:

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- reviewed the Council's existing governance arrangements against the Local Code of Corporate Governance.
- updated the Local Code of Corporate Governance where necessary, to reflect changes in the Council's governance arrangements and the requirements of the new CIPFA/Solace 2016 – Guidance Notes for Welsh Authorities.
- assessed the effectiveness of the Council's governance arrangements and highlighted any planned changes in the coming period.

The Chief Officer Team, which is led by the Chief Executive, have also considered the governance issues and principles facing the Council. These are evidenced in the Annual Governance Statement (Part 2) from page 15 of the document. Principles assessed as needing further improvement are detailed in the Annual Governance Statement from Page 17.

Our Governance & Audit Committee provides assurance to the Council on the effectiveness of its governance arrangements, risk management framework and internal control environment. As part of this role the Committee reviews and approves the Annual Governance Statement. The Governance and Audit Committee were also asked to consider and comment on the progress made on the last AGS and any further matters to be considered. They expressed general satisfaction with the Annual Governance Statement.

The five Overview & Scrutiny Chairs have also considered and commented on issues within the remit of their respective committees. They expressed general satisfaction with the Annual Governance Statement.

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## What are the key principles of the Corporate Governance Framework?

We aim to achieve a good standard of governance by adhering to the seven key principles of the CIPFA/Solace 2016 – Guidance Notes for Welsh Authorities, which form the basis of the Local Code of Corporate Governance. The seven key principles are:

Principle A	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
Principle B	Ensuring openness and comprehensive stakeholder engagement
Principle C	Defining outcomes in terms of sustainable economic, social, and environmental benefits
Principle D	Determining the interventions necessary to optimise the achievement of the intended outcomes
Principle E	Developing the our organisation's capacity, including the capability of its leadership and the individuals within it
Principle F	Managing risks and performance through robust internal control and strong public financial management
Principle G	Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Please note whilst the Code refers to an 'entity' for the purpose of greater clarity we have replaced this with 'our organisation'.

## Contributors to an effective Governance Framework

Council	<ul style="list-style-type: none"> <li>• Approves the Council Plan</li> <li>• Endorses the Constitution</li> </ul>
Cabinet	<ul style="list-style-type: none"> <li>• Primary decision making body of the Council</li> <li>• Comprises of the Leader of the Council and Cabinet Members who have responsibility for specific portfolios</li> </ul>
Governance & Audit Committee	<ul style="list-style-type: none"> <li>• Help raise the profile of internal control, risk management and financial reporting issues within the Council, as well as providing a forum for the discussion of issues raised by internal and external auditors</li> </ul>
Standards Committee	<ul style="list-style-type: none"> <li>• Standards Committee promotes high standards of conduct by elected and co-opted Members and monitors the operation of the Members' Code of conduct</li> <li>• Constitution &amp; Democratic Services Committee considers and proposes changes to the Constitution and the Code of Corporate Governance</li> </ul>
Portfolio	<ul style="list-style-type: none"> <li>• Track efficiencies, highlighting risk and mitigating actions to achievement</li> <li>• Consider the robustness of efficiency planning and forecasting and consider resourcing of planned delivery</li> </ul>
Overview & Scrutiny Committees	<ul style="list-style-type: none"> <li>• Review and scrutinise the decisions and performance of Council, Cabinet, and Committees</li> <li>• Review and scrutinise the decisions and performance of other public bodies including partnerships</li> <li>• Assists the Council and Cabinet in the development of the Budget and Policy framework by in-depth analysis of policy issues</li> <li>• Established the Chair/Vice Chair Liaison Group</li> </ul>
Chief Officer Team & Service Managers	<ul style="list-style-type: none"> <li>• Set governance standards</li> <li>• Lead and apply governance standards across portfolios</li> <li>• Undertake annual self-assessment</li> </ul>
Internal Audit	<ul style="list-style-type: none"> <li>• Provide an annual independent and objective opinion on the adequacy and effectiveness of internal control, risk management and governance arrangements</li> <li>• Investigates fraud and irregularity</li> </ul>

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## How we monitored and evaluated the effectiveness of our governance arrangements?

On an annual basis, we review the effectiveness of our governance framework including the system of internal control. The key elements of assurance that inform this governance review are detailed below:

Chief Officers Team	Monitoring Officer	Section 151 Officer	Information Governance	Internal Audit
<ul style="list-style-type: none"> <li>Corporate oversight and strategic planning</li> <li>Annual Corporate Governance Assessment</li> <li>Implement and monitor regulatory and other governance protocols</li> </ul>	<ul style="list-style-type: none"> <li>Legal and regulatory assurance</li> <li>Monitors the operation of the Constitution</li> <li>Ombudsman investigations</li> <li>Designated Senior Information Risk Owner (SIRO)</li> </ul>	<ul style="list-style-type: none"> <li>Proper administration of the Council's financial affairs</li> </ul>	<ul style="list-style-type: none"> <li>The Monitoring Officer is designated as our Senior Information Risk Owner (SIRO)</li> <li>The Information Governance manager is our Data Protection Officer (DPO)</li> <li>Information Compliance including associate policies, procedures and systems (Data Protection, Freedom of Information)</li> <li>Information Security, Information Standards &amp; Records Management</li> </ul>	<ul style="list-style-type: none"> <li>Annual opinion report on adequacy of internal controls, risk management and governance arrangements</li> <li>Internal Audit plan and report tracking / performance by Audit Committee</li> <li>Provision of advice &amp; consultancy</li> </ul>
Overview & Scrutiny Committees	Governance & Audit Committee	Risk Management	External Audit / Inspections	Counter Fraud
<ul style="list-style-type: none"> <li>Policy review and challenge</li> <li>Overview &amp; scrutiny of topics</li> <li>Corporate &amp; Portfolio Performance &amp; Risk monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Self-assessment of Governance &amp; Audit Committee</li> <li>Review effectiveness of internal and external audit</li> <li>Consider the adequacy of the internal control, risk management and Governance arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Risk Management Policy and Strategy</li> <li>Quarterly monitoring and reporting of Strategic Risks</li> </ul>	<ul style="list-style-type: none"> <li>Financial statements audit</li> <li>Thematic &amp; national reviews</li> <li>Other external inspections</li> </ul>	<ul style="list-style-type: none"> <li>Anti-Fraud and Corruption &amp; Whistleblowing arrangements</li> <li>Codes of Conduct for Officers and Members</li> <li>Financial and Contract Procedure Rules</li> </ul>

**Flintshire County Council Corporate Governance Framework**

**Public Key Documents:  
Annual Review / Production**

**Key Documents:  
Ad-hoc Review / Production**

**Contributing Processes Regulatory Monitoring**

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- Annual Governance Statement
- Annual Outturn Finance Report
- Annual Performance Report
- Annual Information Governance Statement
- Capital Strategy and Asset Management Plan
- Code of Corporate Governance
- Code of Ethical Practice on Procurement
- Contract Procedure Rules
- Digital Strategy
- Equal Pay Audit (Gender Pay Reporting)
- Financial Regulations
- Council Plan
- Medium Term Financial Strategy
- Members' Allowance Scheme
- Overview and Scrutiny Annual Report
- People Strategy
- Portfolio Business Plans
- Public Services Board Wellbeing Plan
- Statement of Accounts
- Strategic Equality Plan
- Strategic Risk Register
- Treasury Management Strategy
- Annual Audit Report
- Pay Policy Statement

- Anti-Fraud Work plan
- Business Continuity Plans
- Communications Principles
- Constitution
- Digital Strategy
- Data Protection Policy
- Equality and Diversity Policies
- Employment Policies
- Health & Safety Policies
- Internal/External Audit Protocol
- IT Policies
- Members Code of Conduct
- Officers Code of Conduct
- Procurement Strategy
- Social Media Policy
- Welsh Language Standards
- Whistle Blowing Policy

- Appraisal and Supervision
- Attendance management
- Governance & Audit Committee
- Budget Monitoring Reports
- Comments, Complaints and Compliments
- Corporate Governance
- Corporate Health & Safety
- Council (Plan) Governance Framework
- Council Meetings
- Engagement and Consultation
- External Audit
- FCC Web site
- Inspectorate Reports
- Induction (Corporate and Service)
- Internal Audit
- Job Descriptions / Person Specifications
- Manager Toolkits
- Member Training
- Monitoring Officer
- Partnership Self Assessments
- Performance Management
- Risk Management
- Scrutiny Framework
- Your Council newsletter



2021/22

Flintshire County Council  
Annual Governance Statement  
Enclosure 2

Draft V4

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## What is the purpose of this document?

This document details our assessment against the Council's Corporate Governance Framework and identifies the areas of best practise and areas for further improvement. The document explains:

- What is the Annual Governance Statement
- Governance response to the COVID-19 Pandemic
- Comparison of the Effectiveness of the Council's Governance Framework
- Key principles of the Corporate Governance Framework and our statement:
  - Principle A - Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law
  - Principle B - Ensuring openness and comprehensive stakeholder engagement
  - Principle C - Defining outcomes in terms of sustainable economic, social, and environmental benefits
  - Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes
  - Principle E - Developing our organisations capacity, including the capability of our leadership and the individuals within it
  - Principle F - Managing risks and performance through robust internal control and strong public financial management
  - Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability
- How have we addressed the governance and strategic issues from 2020/21 AGS
- What are the governance issues identified during 2021/22
- What are the strategic issues identified during 2021/22
- Certification of the Annual Governance Statement

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## What is the Annual Governance Statement?

The Accounts and Audit (Wales) Regulations 2018 require us to prepare a statement on internal control. Like many authorities in Wales, this is referred to as the 'Annual Governance Statement'. This is a public document that reports on the extent to which we as the Council comply with our own code of governance.

In this document, we, the Council:

- Acknowledge our responsibility for ensuring that there is a sound system of governance;
- summarise the key elements of that governance framework and the roles of those responsible for the development and maintenance of the governance environment;
- describe how we have monitored and evaluated the effectiveness of our governance arrangements in year, and any planned changes in the coming period;
- provide details of how we have responded to any issue(s) identified in last year's governance statement; and
- report on any governance issues identified from this review and provide a commitment to addressing them.

The Annual Governance Statement reports on the governance framework that has been in place at Flintshire County Council during the financial year 2021/22 and up to the date of approval of the Statement of Accounts.

## Governance response to the COVID-19 Pandemic

At the beginning of 2021/22 saw the continuing impact of the Coronavirus/Covid-19 emergency. Our formal Council, Cabinet and Committee continued as 'Remote Attendance Meetings' utilising WebEx and Zoom video technology. The Council's continued response to the pandemic was through the Emergency Management Response Team (EMRT), led by the Chief Executive which worked through significant changes to our working lives and culture.

Whilst the pandemic severely impacted the delivery of projects within our digital strategy, the use of technology to facilitate the delivery of services from home has increased the appetite and engagement in digital delivery. The way that we were able to use our information to support vulnerable residents through the Shielding Programme has also highlighted the value of developing high quality data and the potential improvements that can be made by securely sharing information across the council and with our partners.

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A politically balanced Member Recovery Committee, supported by the statutory and specialist officers as necessary was set up in June 2021. Working together, the Recovery Committee operated between June 2021 and March 2022, discharging elements of decision making as well as scrutiny. The terms of reference of the Board were tightly drawn:

1. To re-set the recovery objectives for the whole organisation and for each of the service portfolios;
2. To overview recovery against those objectives;
3. To refer issues to the Cabinet and the Overview and Scrutiny Committees for detailed review/planning;
4. To help give assurance to the public and partner organisations on our local planning

Auditor General for Wales concluded in the Annual Audit Summary in January: *'We undertook this work on an ongoing basis, providing real-time and ongoing feedback where appropriate. Our key findings were the Council's communications with the public and residents during the pandemic have been consistent, clear, and innovative. The Council has now carefully 'unlocked' many of its key services in line with Welsh Government guidance and identified what will be different as staff return to work to keep them safe. The reopening of services has progressed well, once again helped by a clear communications strategy.'*

Our Annual General Meeting of Council was held on 25<sup>th</sup> May, at which point the five committee Overview & Scrutiny structure was agreed.

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## Chief Finance Officer Statement on Compliance with the Financial Management Code

The CIPFA Financial Management Code (CIPFA FM Code) sets out the principles by which authorities should be guided in managing their finances. It has been developed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. The CIPFA FM Code sets out the specific standards that authorities should, as a minimum seek to achieve.

The Code is based on a series of principles including the CIPFA Statement of Principles of Good Financial Management. These principles are the benchmarks for authorities to measure the effectiveness of their financial management and sustainability to enable authorities to:

- financially manage the short, medium- and long-term finances of a local authority;
- manage financial resilience to meet foreseen demands on services; and
- financially manage unexpected shocks in their financial circumstances.

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The specific principles within the code include the elements of Organisational Leadership, Accountability, Transparency, Professional Standards, Assurance, and Sustainability.

Each local authority must demonstrate that the requirements of the Code are being satisfied.

As Section 151 Officer I have the Statutory Responsibility (supported by the Chief Officer Team and Elected Members) for ensuring compliance with the FM Code.

As part of the annual review of the Annual Governance Statement I have carried out a full assessment of Flintshire's compliance with the FM Code and I can confirm that in my opinion Flintshire is compliant with the code in the majority of areas.

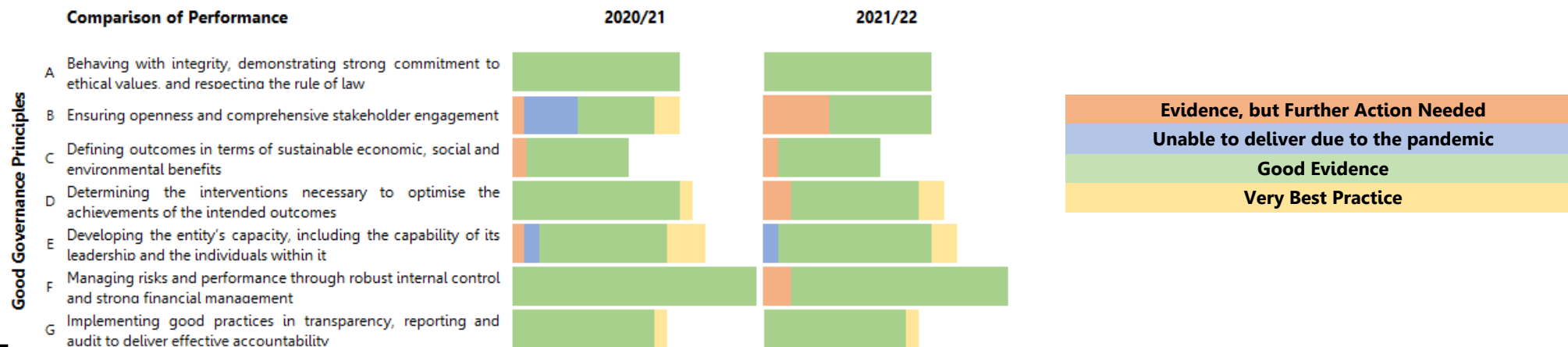
This is supported by the Audit Wales Financial Sustainability Review which was undertaken in 2021 which made no recommendations and required no further actions.

**However, the assessment recognises that, due to the continuing financial challenges for all local authorities, the following areas will require continual review and improvement:**

- Indicative funding settlements for 2023/24 and 2024/25 are now known requiring the need to focus on our financial planning requirements over the longer term.

- As part of the above develop the latest Medium Term Financial Strategy and begin considerations early on options for ensuring a sustainable budget including exploring any opportunities for transformation of services.
- Ensure compliance with the process for increased engagement for services in contributing to and signing off method statements for both pressures and efficiencies.
- Complete the assessment of the revised CIPFA Prudential Code for Capital to ensure compliance and to ensure future Capital plans are affordable, prudent and sustainable.
- To review and develop a future approach to budget consultation as part of Stakeholder Engagement.

## Comparison of the Effectiveness of the Council’s Governance Framework



### Areas of Very Best Practice:

- (D48) Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage.
- (D49) Ensuring the achievement of 'social value' or 'community benefits' through service planning and commissioning. The Public Services (Social Value) Act 2012 states that this is "the additional benefit to the community over and above the direct purchase.
- (E52) Recognising the benefits of partnerships and collaborative working where added value can be achieved.
- (G92) Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations.

### Unable to deliver due to the pandemic:

- (E51) Benchmarking against peers due to lack of need to submit nationally

### Further Action Required:

- (B17, B21, B23, B24, B25) Circumstances have curtailed our ability to consult and engage, but not the willingness to do so. Further planning required following the legislation on Local Government & Elections (Wales) Act 2021
- (C30) Identifying and managing risks to the achievement of outcomes.
- (D39) Engaging with internal and external stakeholders in determining how services and other interventions can best be delivered
- (D40) Considering and monitoring risks facing each partner when working collaboratively including shared risks.
- (F66, F73, F74) An Internal Audit review of the risk management framework was undertaken during 21/22 and has highlighted some areas for improvement to build upon the risk management framework and processes going forward.

**Annual Internal Audit Opinion 2021/22:** "For the year ending 31 March 2021, based on the work the Internal Audit Service has undertaken my opinion is that Flintshire County Council has an adequate and effective framework of governance, risk management and internal control".

**Internal Audit, Performance and Risk Manager, Flintshire County Council**

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## Key principles of the Corporate Governance Framework

We aim to achieve a good standard of governance by adhering to the seven key principles of the CIPFA/Solace 2016 – Guidance Notes for Welsh Authorities, which form the basis of the Local Code of Corporate Governance. In the following section we have defined how we achieve the standard against the seven key principles which are:

Principle A	Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
Principle B	Ensuring openness and comprehensive stakeholder engagement
Principle C	Defining outcomes in terms of sustainable economic, social, and environmental benefits
Principle D	Determining the interventions necessary to optimise the achievement of the intended outcomes
Principle E	Developing the entity's capacity, including the capability of its leadership and the individuals within it
Principle F	Managing risks and performance through robust internal control and strong public financial management
Principle G	Implementing good practices in transparency, reporting, and audit to deliver effective accountability



Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of the law

Sub Principles	How we do this / How we achieve this
Behaving with Integrity	<ul style="list-style-type: none"> <li>• The behaviour and expectations of Members and Officers are set out in our Codes of Conduct, Constitution, and a suite of policies and procedures</li> <li>• Codes of Conduct for Members and Officers specify the requirements around declarations of interests formally and at the beginning of meetings, gifts and hospitality etc</li> <li>• We take fraud seriously. Key policies are in place to prevent, minimise and manage such occurrences</li> <li>• Compliance with policies and protocols e.g. Contract Procedure Rules</li> <li>• Enhanced profile of Internal Audit</li> </ul>
Demonstrating strong commitment to ethical values	<ul style="list-style-type: none"> <li>• A set of leadership competencies are deployed in each Portfolio and led by each Chief Officer</li> <li>• Our recruitment policy, training and competencies based appraisal processes underpin personal behaviours with ethical values</li> <li>• Robust policies and procedures are in place, subject to formal approval prior to adoption by formal committees</li> <li>• All contracts and external service providers, including partnerships are engaged through the robust procurement process and follow the Contract Procedure rules regulations</li> <li>• Application of the corporate operating model; working internally to promote high standards of professional performance and ethical behaviour to achieve organisational priorities and objectives</li> </ul>
Respecting the rule of law	<ul style="list-style-type: none"> <li>• We ensure that our Members and Officers fulfil legislative and regulatory</li> <li>• We ensure that the full use of the Council powers are optimised by regular challenge and keeping abreast of new legislation to achieve corporate priorities have an Effective Anti-Fraud and Corruption framework</li> <li>• Our Monitoring Officer is responsible for ensuring the Council complies with the law and avoids maladministration. Our Constitution &amp; Democratic Services Committee promotes high standards of conduct which are monitored by the Standards Committee</li> </ul>

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**What has worked well during 2021/22**

- Open decision making on the basis of evidence and principle is at the heart of the standard form of reporting to Council, Cabinet and committees

Principle B – Ensuring openness and comprehensive stakeholder engagement

Sub Principles	How we do this/how we achieve this
Openness	<ul style="list-style-type: none"> <li>• Committed to having an open culture, demonstrated through accessible website, policies and procedures and open environment meetings.                             <ul style="list-style-type: none"> <li>○ The most appropriate and effective interventions / courses of action are determined using formal and informal consultation and engagement. Consultation principles</li> <li>○ Formal and informal engagement models with employees and communities e.g. alternative delivery models Member workshops</li> <li>○ County Forum (Town and Community Councils)</li> <li>○ Positive engagement with Trade Unions both formally and informally</li> </ul> </li> </ul>
Engaging comprehensively with institutional stakeholders	<ul style="list-style-type: none"> <li>• We engage effectively with stakeholders to ensure successful and sustainable outcomes by:                             <ul style="list-style-type: none"> <li>○ Effective application and delivery of communication strategies to support delivery</li> <li>○ Targeting communications and effective use of Social Media</li> <li>○ Effective stakeholder engagement on strategic issues</li> <li>○ Service led feedback questionnaires and events</li> </ul> </li> <li>• Effective use of resources and achievement of outcomes is undertaken by the Council both through informal and formal partnerships:                             <ul style="list-style-type: none"> <li>○ Extensive range of partnerships to support the delivery of the Council’s strategic priorities, including the Public Services Board</li> <li>○ Open and productive partnership arrangements supported by an effective governance framework</li> <li>○ Trust and good relations lead to delivery of intended outcomes e.g. community asset transfers</li> </ul> </li> </ul>
Engaging stakeholders effectively, including individual citizens and service users	<ul style="list-style-type: none"> <li>• The achievement of intended outcomes by services is supported by a range of meaningful guidance on consultation engagement and feedback techniques with individual citizens, service users and other stakeholders</li> <li>• We have structures in place to encourage public participation governed through the Communication and Social Media Policies. These include the following (but not all have been possible during the last year because of Covid restrictions; E-newsletters, The Council’s website, Tenants Forums, Service user groups, Quality circles, Use of infographics</li> </ul>

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What has worked well during 2021/22	Areas identified for Further Improvement
<ul style="list-style-type: none"> <li>• Formal and informal partnerships from strategic levels (PSB) to operational partnerships (Community Endowment Fund / Regional Armed Forces Partnership)</li> <li>• New partnerships have emerged and are working well (the Joint Flintshire and Wrexham Public Services Board / North Wales Research and Insight Partnership)</li> <li>• Good relationship management with partners</li> <li>• Partnership working based on trust and commitment has increased and evidenced strongly during this year due to the pandemic.</li> </ul>	<ul style="list-style-type: none"> <li>• (B17, B21, B23, B24, B25) Circumstances have curtailed our ability to consult and engage, but not the willingness to do so. Further planning required following the legislation on Local Government &amp; Elections (Wales) Act 2021</li> </ul>

Principle C – Defining outcomes in terms of sustainable economic, social, and environmental benefits

Sub Principles	How we do this/how we achieve this
Defining outcomes	<ul style="list-style-type: none"> <li>• We have a clear vision describing the organisation’s purpose and intended outcomes which is achieved through:                             <ul style="list-style-type: none"> <li>○ Linking of vision and intent to the MTFS</li> <li>○ Service Planning consideration including sustainability of service delivery</li> </ul> </li> <li>• Risk Management is applied consistently at all levels ensuring consistent application of risk process and terminology</li> <li>• The development of the County’s Well-being Plan and delivery of the Public Services Board’s priorities ensure that public services work effectively together to add value</li> <li>• Annual Performance Report contains recommendations of improvements or area of priority working for the following year</li> </ul>
Sustainable economic, social and environmental benefits	<ul style="list-style-type: none"> <li>• When deciding future service provision we take a longer-term view, balancing the economic, social, environmental impact along with the wider public interest. This is supported by:                             <ul style="list-style-type: none"> <li>○ Longer term business planning and budgeting using effective forecasting models</li> <li>○ Multi-disciplinary approach to policy development delivering defined outcomes and ensuring fair access to services</li> <li>○ Procurement strategy defines expectations around economic, social and environment benefits which inform service specifications, tenders and contracts</li> <li>○ Communication plans for public and community engagement</li> </ul> </li> </ul>

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What has worked well during 2021/22	Areas identified for Further Improvement
<ul style="list-style-type: none"> <li>• Portfolio Business Recovery Plans with a risk-based approach ensured effective planning</li> <li>• Member workshops/briefing sessions</li> <li>• In addition to the normal budget management process significant monitoring took place to manage the additional expenses / funding received / reallocation of resources to address the pandemic</li> <li>• The Flintshire Public Services Board published their Assessment of Well-being for Flintshire 2022 (This went out to consultation) which will help inform the new Well-being Plan and priorities going forward to improve the economic, social, environmental and cultural well-being of Flintshire</li> </ul>	<ul style="list-style-type: none"> <li>• (C30) Identifying and managing risks to the achievement of outcomes.</li> </ul>

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcomes

Sub Principles	How we do this/how we achieve this
Determining interventions	<ul style="list-style-type: none"> <li>• Full engagement with Members on a longer-term basis e.g. MTFS, Council Plan, Business Planning and other key workforce strategies e.g. digital and procurement</li> <li>• The MTFS and budget setting process provides opportunities for all public, stakeholders to be engaged in considering options.</li> <li>• Active engagement of key decision making in the development of initial ideas, options and potential outcomes and risks e.g. ADM Programme, Gateways</li> <li>• Clear option appraisals, including the use of forecasting models, to ensure best value is achieved</li> <li>• Regular budget monitoring for each Portfolio</li> <li>• Application of Integrated Impact Assessments</li> </ul>
Planning interventions	<ul style="list-style-type: none"> <li>• We established and implemented robust planning and control cycles covering response and recovery through Emergency Management Response Team</li> <li>• We applied the risk management principles when developing the Recovery Strategy and Portfolio Business Recovery Plans</li> <li>• Regular monitoring of business planning, efficiency and reliability including feedback</li> <li>• Service performance is measured by establishing a range of local indicators, which are regularly monitored, reported and used for recovery monitoring</li> </ul>
Optimising achievement of intended outcomes	<ul style="list-style-type: none"> <li>• Resource requirements are identified through the business planning process, including any projected shortfall in those requirements.</li> <li>• Regular engagement and ownership of the budget process is undertaken through the Chief Officer Team and in consultation with Members through workshops and the scrutiny process</li> <li>• Social values are achieved through the effective commissioning of services and compliance with Council procedures</li> <li>• Consultation and engagement events, particularly relating to ongoing decisions on significant service delivery issues or to changes in the external environment set the context for the MTFS for both residents and employees</li> </ul>

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What has worked well during 2021/22	Areas identified for Further Improvement
<ul style="list-style-type: none"> <li>• Ensuring social value through Council activity and procurement is established practice, for which the Council is renowned</li> <li>• The use of historical data to inform the MTFS and looking forward in terms of what the future landscape for services may be and applying a risk-based approach to decision making around the budget setting process</li> </ul>	<ul style="list-style-type: none"> <li>• (D39) Engaging with internal and external stakeholders in determining how services and other interventions can best be delivered.</li> <li>• (D40) Considering and monitoring risks facing each partner when working collaboratively including shared risks.</li> </ul>

Principle E – Developing our organisations capacity, including the capability of our leadership and the individuals within it

Sub Principles	How we do this/how we achieve this
Developing our organisation’s capacity	<ul style="list-style-type: none"> <li>• We review our operations, performance, and use of assets on a regular basis to ensure their continuing effectiveness through service delivery reviews, performance and risk management and Programme Boards’ development and monitoring</li> <li>• We review the sufficiency and appropriateness of resource allocation through techniques such as benchmarking internally against previous performances and to support internal challenge, and normally externally to identify improvement opportunities</li> <li>• Benefits of collaborative and partnership working both regionally and nationally to ensure added value is achieved by linking services and organisation priorities to partnership working</li> <li>• Develop and maintain the workforce plan to enhance the strategic allocation of resources and future workforce and succession planning</li> </ul>
Developing the capability of our organisation’s leadership and other individuals	<ul style="list-style-type: none"> <li>• Effective shared leadership which enables us to respond successfully to changing external demands and risks is supported by a range of management and leadership development programme, run in partnership with Coleg Cambria                             <ul style="list-style-type: none"> <li>○ The Leader of the Council and the Chief Executive have clearly defined and distinct leadership roles</li> </ul> </li> <li>• Individual and organisational requirements are supported through:                             <ul style="list-style-type: none"> <li>○ Corporate induction for new employees to the Council and service specific inductions for employees in new jobs</li> <li>○ Opportunities for continued learning and development for employees</li> <li>○ A comprehensive range of learning and development opportunities available</li> <li>○ Feedback and shared learning to the organisations both through reports and interactive sessions such as the Senior leaders ‘Academi’</li> </ul> </li> <li>• Support and maintain physical and mental wellbeing of the workforce, via our in-house Occupational Health Service, Care First (Employee Assistance Programme) and a range of internal training and awareness sessions to support mental, financial and physical health related issues.</li> </ul>

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What has worked well during 2021/22	During 21/22 what was affected by the Pandemic
<ul style="list-style-type: none"> <li>• Partnership and collaborative working – regional and nationally</li> <li>• Lead on regional partnerships e.g. residual waste project</li> <li>• Successful local partnerships e.g. Flintshire Public Services Board / Joint Flintshire and Wrexham Public Services Board around community resilience</li> <li>• Service specific inductions have taken place. New methods have been used to recruit and induct new starters through the pandemic which is being retained</li> <li>• Increased workforce comms, introduction of wellbeing appraisals, strong recognition of mental health impacts and support networks provided</li> </ul>	<ul style="list-style-type: none"> <li>• (E51) Benchmarking against peers due to lack of need to submit nationally</li> </ul>

Principle F – Managing risks and performance through robust internal control and strong public financial management

Sub Principles	How we do this/how we achieve this
Managing risk	<ul style="list-style-type: none"> <li>The Council has clear and concise risk management framework. There are a number of risk registers which are reported regularly which outline the risks faced by the Council and its service areas. These all include, current risk ratings and target risk ratings supported by mitigation comments</li> </ul>
Managing performance	<ul style="list-style-type: none"> <li>Members and senior management are provided with regular reports on service performance against key performance indicators and milestones against recovery objectives</li> <li>Members are clearly and regularly informed of the financial position and implications including environmental and resource impacts</li> </ul>
Robust internal control	<ul style="list-style-type: none"> <li>Internal Audit provides the Council, through the Governance &amp; Audit Committee, with an annual independent and objective opinion on the adequacy and effectiveness of the Council’s internal control, risk management, governance arrangements and associated policies.</li> <li>We are dedicated to tackling fraud as detailed within the Anti-Fraud and Corruption Strategy, Fraud Response Plan, and Whistleblowing Policy</li> </ul>
Managing data	<ul style="list-style-type: none"> <li>We have effective strategic direction, advice and monitoring of information management with clear policies and procedures on personal data and provide regular training to ensure compliance with these</li> <li>We have appropriate Information Sharing Protocols in place in respect of all information shared with other bodies</li> <li>The quality and accuracy of data used for decision making and performance monitoring is supported by guidance from a range of professional bodies</li> <li>Internal Audit review and audit regularly the quality and accuracy of data used in decision making and performance monitoring</li> </ul>
Strong public financial management	<ul style="list-style-type: none"> <li>Our Financial management arrangements support both the long-term achievement of outcome and short-term financial performance through the delivery of the MTFs</li> <li>Setting a prudent Minimum Revenue Provision for the repayment of debt</li> <li>The integration of all financial management and control was reviewed as part of the finance modernisation project</li> </ul>

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What has worked well during 2021/22	Areas identified for Further Improvement
<ul style="list-style-type: none"> <li>Maintained performance monitoring at mid and end of year</li> <li>Roll out and use of new Performance and risk management system (InPhase)</li> </ul>	<ul style="list-style-type: none"> <li>(F66, F73, F74) An Internal Audit review of the risk management framework was undertaken during 21/22 and has highlighted some areas for improvement to build upon the risk management framework and processes going forward.</li> </ul>

Principle G – Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Sub Principles	How we do this/how we achieve this
Implementing good practice in transparency	<ul style="list-style-type: none"> <li>• We recently improved the layout and presentation of our reports in order to improve the presentation of key information to decision-makers and monitor this regularly</li> <li>• We are mindful of providing the right amount of information to ensure transparency</li> <li>• A review of information sharing protocols has been undertaken and new principles adopted</li> </ul>
Implementing good practices in reporting	<ul style="list-style-type: none"> <li>• We report at least annual on the achievement and progress of our intended outcome and financial position. This is delivered through the Annual Performance report assessing performance against the Council Plan</li> <li>• Progress against the Well-being Plan</li> <li>• Annual Statement of Accounts</li> <li>• Our Annual Governance Statement is published following robust and rigorous challenge to assess and demonstrate good governance</li> </ul>
Assurance and effective accountability	<ul style="list-style-type: none"> <li>• Through robust assurance mechanism, we can demonstrate effective accountability. These mechanisms include:                             <ul style="list-style-type: none"> <li>○ Internal Audit undertakes independent reviews to provide an annual assurance opinion of the Council’s control, risk management, and governance framework. To allow this Internal Audit has direct access to Chief Officer and Members of the Council</li> <li>○ All agreed actions from Internal Audit reviews are monitored regularly through monthly reports to Chief Officers and each Governance &amp; Audit Committee</li> <li>○ Any ‘limited/red’ assurance opinions are reported to Governance &amp; Audit Committee in full and progress monitored closely</li> <li>○ Peer challenge and inspection from regulatory bodies and external compliance reviews. The outcomes from these inspections are used to inform and improve service delivery</li> <li>○ Through effective commissioning and monitoring arrangements and compliance with Council’s procedures, we gain assurance on risk associated with delivering services through third parties and any transitional risks</li> <li>○ Reports are presented to Cabinet and an annual report to Governance &amp; Audit Committee of external feedback from regulatory work and peer reviews along with the Council’s responses</li> </ul> </li> </ul>

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During 2021/22 what worked well
<ul style="list-style-type: none"> <li>• Open and embracing attitude / good evidence. Increased working through the workshops for all regulatory bodies in early 2021 to give an overview of suggested plans and areas of work.</li> </ul>

## How have we addressed the governance and strategic issues from 2020/21 AGS?

The 2020/21 Annual Governance Statement contained 3 governance and 21 strategic issues. Of these areas:

- Two Internal Governance issues were closed and detailed within the table below;
- One Internal Governance issues remain open and this is included within the 2021/22 actions;
- Sixteen strategic issues were closed from the 2020/21 AGS and detailed within the table below;
- Four are new strategic issues and included within the 2021/22 actions; and
- Nine Strategic issues remain open and included within the 2021/22 actions.

Ref	Closed Internal Governance & Strategic Issues detailed in 2020/21 AGS	Details
<b>Closed Governance Issues from the AGS 2020/21</b>		
Page 56	Defining outcomes in terms of sustainable economic, social and environmental benefits. Also carried forward from 2019/20.	Risk closed. Whilst a draft Council Plan for 2020/21 was produced due to the response phase to the pandemic, the report never reached the democratic process for sign off and adoption. All Strategic reports committee reports have a section to consider Integrated Impact Assessment and Risk Management to ensure that all considerations have been given fully.
	2 Structures for public participations have still been in place, but ability to deliver has been curtailed due to the pandemic and could be strengthened	Risk closed. The recent transfer of Corporate Communications to Customer Contact is a step towards transforming the way we communicate using digital technology. Opportunities to use animations, video and media platforms will be explored with the assistance of newly appointed higher-level trainees to strengthen participation by members of the public.
<b>Closed Strategic Issues from the AGS 2020/21</b>		
3	<b>CG20</b> - Council Tax Collections rate reduce and impacts on cash-flow, annual budget and Medium Term Financial Strategy (MTFS) due to suspension of debt recovery	In September we reported to Recovery Committee the Risk allocations to OSC's and their FWPs. CG20 was identified within this as a duplicate of CF08 and was recommended for closure due to duplication.
4	<b>HA04</b> - Increased financial risk due to business failures and ability to anticipate Council Tax Refund Scheme (CTRS) due to business closure, unemployment, reduced hours of work	Risk rating has reduced to green and is included in the Housing & Assets Risk Register
5	<b>PE03</b> - Unable to regenerate Town Centres through implementation of the Town Centre Strategy due to insufficient resources and the compound economic consequences of the emergency situation	Risk rating has reduced to amber and is included in the Planning, Environment & Economy Risk Register



Ref	Closed Internal Governance & Strategic Issues detailed in 2020/21 AGS	Details
6	<b>CF08</b> - A reduction in Council Tax collection impacts on (1) cash-flow and (2) annual budget	Risk rating has reduced to amber and is included in the Corporate Recovery Risk Register
7	<b>CF19</b> - A reduction in Business Rates collection impacts on (1) cash-flow and (2) the stability of the National Collection Pool	Risk rating has reduced to amber and is included in the Corporate Recovery Risk Register
8	<b>CF20</b> - Insufficient capacity to deliver grants and rate relief whilst also recovering lost income/debts may impact debt recovery capacity	In July we reported to Recovery Committee the Corporate Risk Register and Mitigations Documents with a recommendation a number of risks were closed. CF20 was included in this list due to 'grant schemes ending and the Council no longer required to administer it'.
9	<b>CG04</b> - Diversion of resource to emergency management delays implementation of key digital and infrastructure projects	Risk rating has reduced to amber and is included in the Corporate Recovery Risk Register
10	<b>PE12</b> - The implications of Ash Die back on finances and reputation of the Council due to the scale of the problem and the ability to make safe Highways and Council amenity land	Risk rating has reduced to amber and is included in the Planning, Environment & Economy Risk Register
Page 57	<b>ST10</b> - Increased expenditure on contract, labour, plant, vehicles and materials due to changing work patterns in response to pandemic	Risk rating has reduced to amber and is included in the Streetscene & Transportation Risk Register
	<b>ST17a</b> - Increased risk of ill health due to mental health and well-being, personal and/or family issues	Risk rating has reduced to amber and is included in the Streetscene & Transportation Risk Register
	<b>ST28a</b> - Unable to gain regulatory approval (planning; Drainage; environmental permitting) to progress key infrastructure projects in a timely manner due to delays in processing applications	Risk removed as it is included in the Streetscene & Transportation Risk Register as an operational risk
14	<b>ST35</b> - Lack of preparedness to respond to multiple emergencies or major incidents during pandemic (severe weather event, fire, major transport accident) due to resource focused on delivering key services	Risk rating has reduced to amber and is included in the Streetscene & Transportation Risk Register
15	<b>PE07</b> - Impact on service delivery due to the resilience of staff and succession planning	Risk rating has reduced to amber and is included in the Planning, Environment & Economy Risk Register as an Operational Risk
16	Funding will not be secured for priority flood alleviation schemes – Carried forward from 2019/20	Risk Closed - Replaced by Non-compliance with Sustainable Urban Drainage System legislation due to capacity of the team.
17	The scale of the financial challenge – Carried forward from 2019/20	Risk Closed - Legacy risk from 2019/20 which are now superseded by other risks the Council has to manage.
18	Fully funding demand led services and inflationary pressures – Carried forward from 2019/20	Risk Closed - Legacy risk from 2019/20 which are now superseded by other risks the Council has to manage.

## What are the governance issues identified during 2021/22?

The review of the effectiveness of the Council’s governance framework identified one internal governance issue during 2021/22. Details of how the issue has been addressed and if it remains open is provided below:

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Internal Council Governance issues for 2021/22	Mitigation Actions	Current Status
<ul style="list-style-type: none"> <li>(B17, B21, B23, B24, B25) Circumstances have curtailed our ability to consult and engage, but not the willingness to do so. Further planning required following the legislation on Local Government &amp; Elections (Wales) Act 2021</li> </ul>	<p>An action plan is being developed to make improvements in the coming year a review of the Council’s Consultation Strategy.</p>	<ul style="list-style-type: none"> <li>Open</li> </ul>
<ul style="list-style-type: none"> <li>(C30) Identifying and managing risks to the achievement of outcomes.</li> </ul>	<p>Full Action Plan has been developed and shared with Governance and Audit Committee in June 2022</p>	<ul style="list-style-type: none"> <li>Open</li> </ul>
<ul style="list-style-type: none"> <li>(D39) Engaging with internal and external stakeholders in determining how services and other interventions can best be delivered.</li> </ul>	<p>In relation to the Public Services Board, improvements could be made to ensure greater engagement of internal and external stakeholders in determining interventions which would provide greater synergy between the strategic partnership and operational delivery</p>	<ul style="list-style-type: none"> <li>Open</li> </ul>
<ul style="list-style-type: none"> <li>(D40) Considering and monitoring risks facing each partner when working collaboratively including shared risks.</li> </ul>	<p>Full Action Plan has been developed and shared with Governance and Audit Committee in June 2022</p>	<ul style="list-style-type: none"> <li>Open</li> </ul>
<ul style="list-style-type: none"> <li>(F66, 73, 74) An Internal Audit review of the risk management framework was undertaken during 21/22 and has highlighted some areas for improvement to build upon the risk management framework and processes going forward.</li> </ul>	<p>Full Action Plan has been developed and shared with Governance and Audit Committee in June 2022</p>	<ul style="list-style-type: none"> <li>Open</li> </ul>
<ul style="list-style-type: none"> <li>Red / Limited Assurance Audit – Drury Primary School</li> </ul>	<p>Full Action Plan has been developed and shared with Governance and Audit Committee in June 2022</p>	<ul style="list-style-type: none"> <li>Open</li> </ul>
<ul style="list-style-type: none"> <li>Red / Limited Assurance Audit – Homelessness &amp; Temporary Accommodation</li> </ul>	<p>Full Action Plan has been developed and shared with Governance and Audit Committee in March 2022</p>	<ul style="list-style-type: none"> <li>Open</li> </ul>
<ul style="list-style-type: none"> <li>Red / Limited Assurance Audit – Contract Management: Residential Development</li> </ul>	<p>Full Action Plan has been developed and shared with Governance and Audit Committee in November 2021</p>	<ul style="list-style-type: none"> <li>Open</li> </ul>

## What are the strategic issues identified during 2021/22

The review of the effectiveness of the Council’s governance framework identified nine strategic issues during 2021/22. Details of how the issue has been addressed and if it remains open is provided below:

Strategic Issues for 2020/21	Mitigating Actions
<p><b>CF14</b> - Increase in rent arrears impacts on the stability of the Housing Revenue Account (HRA) Business Plan</p>	<ul style="list-style-type: none"> <li>• Regular weekly monitoring of the financial impact by the Housing Rents team to track in-year rent collection levels and compare to previous year</li> <li>• Continued use of Mobysoft 'Rent Sense' to identify early arrears cases to allow the team to engage with and support these tenants by signposting to the support that may be available for the payment of Housing Rents</li> <li>• Reporting impacts to Financial TCG on a regular basis</li> <li>• Regular referral of cases to an officer led Case Review Panel to ensure all housing interventions are coordinated and cases at risk of homelessness are tracked by all teams</li> <li>• Increase of resource levels to support the work in rent income service</li> </ul>
<p><b>EY01</b> - Secondary schools are not financially viable due to insufficient base funding and falling pupil numbers</p>	<ul style="list-style-type: none"> <li>• Risk associated with insufficient base budgets for secondary schools included in the MTFS.</li> <li>• Funding Formula review</li> </ul>
<p><b>EY06</b> - Insufficient funding to deliver new archive premises</p>	<ul style="list-style-type: none"> <li>• Regular progress monitoring meetings between the Archive Project Board of senior officers and political leaders.</li> <li>• Cabinet and Executive support for the bid to National lottery Heritage Fund with formal commitment to provide capital funding to top up the scheme from both Flintshire and Denbighshire.</li> <li>• Effective project management ensuring the project is progressing within budget and timescales.</li> <li>• Revise project to reduce costs, develop further applications to the Wales Lottery Heritage Fund and explore other funding streams (Stage 1 bid submitted to the National Lottery Heritage Fund was unsuccessful. This has created a significant financial shortfall of £8.5m)</li> </ul>
<p><b>CF05</b> - An increase in the level of debt owed to the Council.</p>	<ul style="list-style-type: none"> <li>• Collection of income continues</li> <li>• Active engagement with tax-payers, tenants, customers and businesses to offer flexible arrangements</li> <li>• Enforcement has begun for tax-payers and tenants who are falling into debt and not made any contact with us</li> <li>• Risk is being taken into account in the review of the Medium-Term Financial Strategy (MTFS) including a review of the adequacy of levels of bad debt provision across the Council</li> </ul>

Strategic Issues for 2020/21	Mitigating Actions
	<ul style="list-style-type: none"> <li>Additional funding (circa £1.05m) from Welsh Government to compensate for losses of 2020/21 council tax collections is helping to provide financial resilience as we enter the recovery phase</li> </ul>
<p><b>HA06</b> - Impacts on income stream based on delayed/non recovery of housing benefit overpayment</p>	<ul style="list-style-type: none"> <li>Financial monitoring – Budget and Income</li> <li>Contacting customers to arrange to repayment plans at a level which suits their new income</li> <li>Offering customers support and advice to claim available benefits</li> </ul>
<p><b>ST24a</b> - Unable to progress with key infrastructure improvement projects due to resilience in staff, contractors and supply chain</p>	<ul style="list-style-type: none"> <li>The service is continuing to see an issue in the supply chain to progress infrastructure projects. This is resulting in delays to schemes however the overall impact of progress is not resulting in project failure.</li> <li>Each grant funded project is given a project team to control delivery within specified timescales. Additional partners (consultants; WRAP) have been engaged in projects to support staff with delivery.</li> </ul>
<p><b>SS01</b> - Expenditure on out of county placements increases as placement costs increase in a demand market</p>	<ul style="list-style-type: none"> <li>Develop in house residential care services for children with complex needs who would otherwise need to be placed out of county.</li> <li>Grow our in house fostering service to support more looked after children within Flintshire</li> </ul>
<p><b>SS29</b> - Insufficient capacity in the social care workforce (social work and occupational therapy) is a risk to the reputation of the Council and its ability to fulfil its statutory and essential functions with respect to social care</p>	<ul style="list-style-type: none"> <li>We are experiencing significant challenges in workforce recruitment within a highly competitive market, where people are choosing other, often better paid, career choices. A regional and local analysis of the underlying issues and actions to mitigate has been developed and will require national support and funding as well as local action.</li> <li>Project team meets fortnightly and reports to the Portfolio Programme Board.</li> <li>In the short term we have moved to a 12 month market supplement for Level 3 Childcare Social Workers</li> </ul>
<p><b>CW10</b> - Impacts of the third wave in the pandemic on the continuous availability of key workers to operate services in a further response phase</p>	<ul style="list-style-type: none"> <li>Key workers will be invited to attend for a flu vaccine when they are available</li> </ul>

## Certification

The review provides good overall assurance that Flintshire County Council's arrangements continue to be regarded as fit for purpose in accordance with the governance framework requirements for Local Authorities within Wales.

Opportunities to maintain and develop the Council's governance arrangements have been identified through this review. We pledge our commitment to addressing these issues over the coming year and we will monitor their implementation and operation as part of our next annual review.

Signed on behalf of Flintshire County Council

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**Neal Cockerton – Chief Executive**

**Cllr. Ian B Roberts – Leader of the Council**

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## GOVERNANCE & AUDIT COMMITTEE

<b>Date of Meeting</b>	Wednesday 8 <sup>th</sup> June 2022
<b>Report Subject</b>	Certification of Grants and Returns 2020/21
<b>Report Author</b>	Corporate Finance Manager

### EXECUTIVE SUMMARY

The purpose of the report is to inform Members of the grant claim certification for the year ended 31<sup>st</sup> March 2021.

The Councils external auditors, Audit Wales are required to report annually on the certification of grant claims and returns and the annual report for 2020/21 is appended to this report.

The Finance Management Team and the relevant service areas have considered the report in detail and have addressed the specific findings contained in the report.

A number of recommendations have been made and all agreed management actions in response to the recommendations are included in the report and are in progress.

The Council will work to enhance the systems in place for the 2021/22 audit and continue to work closely with Audit Wales and Internal Audit to ensure that the processes in place are adequate.

### RECOMMENDATIONS

1	Members are requested to note the content of the Grant Claim Certification report for 2020/21
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## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE GRANT CERTIFICATION REPORT 2020/21</b>
1.01	The Councils external auditors, Audit Wales are required to report annually on the certification of grant claims and returns and the annual report for 2020/21 is appended to this report. Audit Wales will be in attendance at the meeting to present the report.
1.02	The findings and specific recommendations made by Audit Wales in the report have been considered by Officers and responses on the actions to be taken are included within the report and are in progress.
1.03	In relation to the overall grants total of £108.6m, there were no significant adjustments to any claims (over £0.010m) with a positive minor adjustment of £120 being made on the Housing Benefit Subsidy Return.
1.04	As in previous years Officers will continue to work alongside Audit Wales to further improve the quality of the claims and to address specific issues as they arise.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	As set out in the report

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	The report has been shared with staff with responsibility with dealing with grants.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	As set out in the report

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 – Certification of Grants and Returns 2020-21 – Flintshire County Council, Audit Wales report

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<b>Contact Officer:</b> Gary Ferguson – Corporate Finance Manager <b>Telephone:</b> 01352 702271 <b>E-mail:</b> <a href="mailto:gary.ferguson@flintshire.gov.uk">gary.ferguson@flintshire.gov.uk</a>



7.00	GLOSSARY OF TERMS
	<p><b>Grant:</b> The annual external audit of the Council's Statement of Accounts.</p> <p><b>Financial Year:</b> a financial assistance mechanism providing money, property, or both to an eligible entity to carry out an approved project or activity.</p> <p><b>Certification:</b> A statement, signed by an applicant or grantee as a prerequisite for receiving funds, that it (1) meets or will adhere to certain conditions and/or (2) will undertake or not undertake certain actions.</p> <p><b>Audit Wales:</b> works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p> <p><b>Grant Completion Checklist:</b> a template produced to determine the evidence and information required to be prepared to support a grant claim submission.</p> <p><b>Revenue:</b> a term used to describe the day to day costs of running the Council services and income derived from those services. It also includes charges for the repayment of debt, including interest, and may include direct funding of capital expenditure.</p> <p><b>Budget:</b> a statement expressing the Councils policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>

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## Certification of Grants and Returns 2020-21 – Flintshire County Council

Audit year: 2020-21

Date issued: April 2022

Document reference: 2882A2022

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and Audit Wales are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to Audit Wales at [infoofficer@audit.wales](mailto:infoofficer@audit.wales).

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

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# Summary of certification work outcomes

- 1 Under Paragraph 20 of Schedule 8 to the Government of Wales Act 2006 the Auditor General shall, if required by a local government or another grant-receiving body, make arrangements for certifying claims and returns (referred to as grant claims, hereafter).
- 2 We undertook our work with the aim of certifying individual claims and to answer the question:
  - ‘Does Flintshire County Council (the Authority) have adequate arrangements in place to ensure the production of co-ordinated, accurate, timely and properly documented grant claims?’
- 3 We have completed the audit and conclude that while the Authority had generally adequate arrangements in place for the production and submission of its 2020-21 grant claims, there is scope for improvement. We are continuing to work with the Authority to make these improvements for 2021-22.
- 4 For 2020-21, we certified three grant claims totalling a grant value of £108.6 million (2019-20: three claims totalling £106.6 million). All three claims were received by us by their due date.
- 5 We would like to acknowledge the assistance and co-operation received from officers during the audit.

<b>Introduction and background</b>	<p><b>This report summarises the results of work on the certification of the Authority's 2020-21 grant claims and returns</b></p> <ul style="list-style-type: none"> <li>As appointed auditors of the Authority, we are asked on behalf of the Auditor General to certify grant claims made by the Authority.</li> <li>For 2020-21, we certified three grants and returns with a total value of £108.6 million.</li> <li>We have produced this report so that we can provide feedback collectively to those officers having the responsibility for grant management so that we can work together to identify further improvements which can be made to improve the processes.</li> </ul>
<b>Timely receipt of claims and returns</b>	<p><b>All three grants and returns were received on time</b></p> <ul style="list-style-type: none"> <li>Our analysis shows that all claims and returns were received by the Authority's deadline. This represents an improvement from 2019-20 when only one claim was received on time.</li> </ul>
<b>Certification results</b>	<p><b>All three grants and returns were qualified.</b></p> <ul style="list-style-type: none"> <li>The reasons for qualifying the grants are detailed on <b>pages 7 to 9</b> of this report.</li> </ul>
<b>Audit adjustments</b>	<p><b>Adjustments were necessary to one claim as a result of our auditor certification work this year.</b></p> <ul style="list-style-type: none"> <li>This is an improvement from 2019-20, where adjustments were necessary to all claims and returns submitted for audit.</li> <li>There were no significant adjustments (ie, over £10,000). An adjustment of £120 was made on the Housing Benefit Subsidy Return.</li> </ul>
<b>The Authority's arrangements</b>	<p><b>The Authority has adequate arrangements for preparing its grants and supporting our certification work, but some improvements are required as detailed on pages 7 to 9 of this report.</b></p>

- 6 Detailed on the following page is a summary of the key outcomes from our certification work on the Authority's 2020-21 grants and returns, showing where either audit amendments were made as a result of our work or where we had to qualify our audit certificate.
- 7 A qualification means that issues were identified concerning the Authority's compliance with a scheme's requirements that could not be resolved through adjustment. In these circumstances, it is likely that the relevant grant-paying body will require further information from the Authority to satisfy itself that the full amounts of grant claimed are appropriate.

Grants and returns	Claim due	Claim received	Late	Qualified certificate	Adjustment (>£10,000)	Adjustment (<£10,000)
Housing Benefit and Authority Tax Subsidy	30.04	22.04	No	Yes	No	£120
Non-Domestic Rates Return	31.05	28.05	No	Yes	No	No
Teachers' Pensions	31.05	21.05	No	Yes	No	No
Total				3	£0	£120



8 This table summarises the key issues behind each of the adjustments or qualifications.

Ref	Summary observations	Amendment
1	<p><b>Housing Benefit and Authority Tax Subsidy</b></p> <p><b>Non-HRA rent rebates</b></p> <ul style="list-style-type: none"> <li>• Current year overpayment misclassification – our testing identified two cases where overpayments had been incorrectly classified as eligible overpayments.</li> <li>• Incorrect start date – testing identified one case where the claim had been started from the wrong date, resulting in an underpayment to the claimant.</li> <li>• A further claim was unable to be fully reconciled due to issues identified with the Civica system, which were referred to the software provider for investigation.</li> </ul> <p><b>HRA Rent Rebates</b></p> <ul style="list-style-type: none"> <li>• Benefits cap – we identified one case where the Council had applied the benefit cap as notified by the Department for Work &amp; Pensions (DWP). Officers later found information which indicated that the benefit cap should not have been applied by DWP. This was raised with the Department and the benefit cap was removed, which resulted in an underpayment to the claimant.</li> </ul> <p><b>Rent Allowances</b></p> <ul style="list-style-type: none"> <li>• Incorrect annuity income – testing identified one case where the value of annuity income included was incorrect.</li> <li>• Incorrect student loan income – testing identified one case where the value of student loan income included was incorrect.</li> </ul>	<p>Our qualification letter to the Department for Work and Pensions (DWP) reported extrapolated errors totalling £41,253.</p> <p>The Department is currently considering our findings and is proceeding to decide on the potential recovery of any overpaid subsidy.</p>

	<ul style="list-style-type: none"> <li>• Missing tenancy agreements – testing identified two cases where the claimant’s tenancy agreements were no longer retained by the Council. We understand these were removed due to the application of the Council’s GDPR document retention policy.</li> </ul> <p><b>Modified scheme subsidy</b></p> <ul style="list-style-type: none"> <li>• As reported last year, there remain six modified scheme cases where supporting documentation to demonstrate that claimants were in receipt of war pension income was no longer retained by the Council. We understand this was removed due to the application of the Council’s GDPR document retention policy.</li> </ul> <p>The claim was amended as our audit identified errors that affected a number of cells within the return. The net effect of these amendments was to decrease the amount payable by the Authority to DWP by £120.</p>	
2	<p><b>Non-Domestic Rates Return</b></p> <ul style="list-style-type: none"> <li>• Testing of prior-year transitional relief in Line 4.1 of the return identified one case where relief had been awarded, despite the property not being eligible to receive such relief. We understand this to be the result of an issue with the Civica system.</li> <li>• Officers have raised this issue with Civica for investigation. Once a response is received, we will work with officers to identify any other cases potentially affected by this issue and will review how these are resolved.</li> <li>• This matter was reported to the Welsh Government as required by the certification instruction.</li> <li>• Contributions to the Pool in Line 27 of the NDR3 form of £62,066,913 were £7,896 less than shown in the Council’s general ledger.</li> <li>• Testing of empty premises relief under Line 12 identified that relief was awarded for Deeside Leisure Centre for two days before the property became empty on 20 March 2020. The value of the relief incorrectly awarded was £293.</li> </ul>	None

3	<p><b>Teachers' Pensions Return</b></p> <ul style="list-style-type: none"> <li>• Our testing of a sample of teachers paid by the Council identified one individual had the incorrect status when checked on the Teachers' Pension employer portal. The teachers had a status of 'Opted out' on the employer portal, despite being an active member.</li> <li>• Testing confirmed that teachers' contributions had been deducted at the correct rate by the Council, and that both the teacher's and employer's contributions have been appropriately paid over to Teachers' Pensions.</li> <li>• The matter has been reported to Teachers' Pensions as required by the certification instruction.</li> </ul>	None
	<b>Total effect of amendments to the Authority</b>	<b>£120</b>

# Recommendations

- 9 We have given each recommendation a risk rating and agreed what action management will need to take. We will follow up these recommendations during next year’s audit.

Priority 1	Priority 2	Priority 3
<p>Issues that are fundamental and material to your overall arrangements for managing grants and returns or compliance with scheme requirements. We believe that these issues might mean that you do not meet a grant scheme requirement or reduce (mitigate) a risk.</p>	<p>Issues that have an important effect on your arrangements for managing grants and returns or complying with scheme requirements, but do not need immediate action. You may still meet scheme requirements in full or in part or reduce (mitigate) a risk adequately, but the weakness remains in the system.</p>	<p>Issues that would, if corrected, improve your arrangements for managing grants and returns or compliance with scheme requirements in general, but are not vital to the overall system. These are generally issues of best practice that we feel would benefit you if you introduced them.</p>

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
<p>Errors in housing subsidy claim, including:</p> <ul style="list-style-type: none"> <li>• housing subsidy overpayments misclassified;</li> <li>• incorrect start date applied; and</li> <li>• instances identified where annuity income and student loan income found to be incorrect.</li> </ul>	<p>Claims may be qualified.</p>	<p>R1 Review the existing quality assurance arrangements for housing benefit overpayments, awards and deductions to determine whether they can be strengthened to reduce the number of errors in the housing subsidy claim.</p>	<p>1</p>	<p>These areas will form part of our quality assurance process in 2022/23.</p> <p>Our pre-audit Local Authority Error allocation was in excess of 99.5% accuracy.</p> <p>Training in respect of incorrect start date will be considered dependant on the</p>	<p>Ben Steventon / Anna Friend</p> <p>March 2023</p>

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
				<p>outcome of future testing.</p> <p>All claims within rent allowance with annuity as an income type have been tested as part of the audit process. Subsequently, no further work in this area can be undertaken.</p>	

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
Housing benefit system issues resulting in the benefit awarded not being able to be fully reconciled	Claims may be qualified.	R2 Continue to engage with the Authority's software supplier (Civica) to resolve all issues and correct affected claims as appropriate to ensure they fully reconcile to the system.	1	This is due to system issues with our software provider. This issue will be monitored for a resolution throughout 2022/23.	Ben Steventon / Anna Friend  March 2023

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
Supporting documentation for housing benefit claims no longer being retained by the Council due to application of the GDPR document retention policy.	Insufficient supporting documentation leading to claim being qualified.	R3 Continue to engage with DWP to obtain clarification of their requirements for document retention in the context of GDPR.	2	We are awaiting official guidance from DWP in this regard.	Ben Steventon / Anna Friend  N/a – awaiting DWP
Contributions to the pool not fully reconciled to the Authority's financial ledger.	Any variance in contribution may need to be recovered by the Welsh Government.	R4 Fully reconcile contributions to pool to the financial ledger prior to submission to the Welsh Government.	1	The minor variances are within the acceptance threshold that are accepted by Welsh Government and do not require additional	David Barnes  30/04/2022



Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
				contributions into or from the National Collection Pool	
Prior-year transitional relief incorrectly awarded.	Claims may be qualified.	R5 Engage with the Authority's software supplier (Civica) to resolve the issues and correct affected cases as appropriate.	2	Since conducting the audit, the transitional relief issues have been resolved by Civica - the anomaly only impacted on four records, all of low	David Barnes 31/03/2022

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
				value and which have been corrected during 2021-22 for inclusion in the NDR3 for 2021-22.	
Testing identified that one of the teachers sampled had the incorrect status when checked on the Teachers' Pension employer portal. The teacher had a status of 'Opted out' on the employer portal, despite being an active member.	Teachers' Pension records may be incorrect. If not resolved, this could result in an inaccurate pension being paid on retirement.	R6 Liaise with Teachers' Pensions to ensure the membership record for the teacher is corrected.	3	This issue relates to an opt in form not being logged/ received by Teachers' Pensions prior to 2007, before the regulations changed.	Paul Jones N/a

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
				<p>Unless we have reason to download an employee salary and service record we would not identify this issue.</p> <p>Usually, the employee will query this, or at retirement TP will ask if the member has been contributing and a back dated election form can be completed and supporting</p>	

Issue	Implication	Recommendation	Priority	Comment	Responsible officer and target date
				evidence provided by the employer to change the service to be reckonable.	



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telephone calls in Welsh and English.  
Rydym yn croesawu gohebiaeth a  
galwadau ffôn yn Gymraeg a Saesneg.





## GOVERNANCE AND AUDIT COMMITTEE

<b>Date of Meeting</b>	Wednesday 8 <sup>TH</sup> June 2022
<b>Report Subject</b>	Audit Wales 2022 Audit Plan
<b>Report Author</b>	Chief Executive / Corporate Finance Manager

### EXECUTIVE SUMMARY

External auditors are required to carry out an audit to discharge their statutory duties as Auditor General and fulfil their obligations under the Public Audit (Wales) Act 2004, the Local Government (Wales) Measure 2009, Wellbeing of Future Generations (Wales) Act 2015, the Local Government Act 1999, and the CIPFA Code of Audit Practice.

Audit Wales, being the Council's external auditor, has prepared an audit plan for 2022 for the Council (attached at Appendix 1 to this report) which sets out their proposed audit work for the year along with timescales, costs and the audit teams responsible for carrying out the work.

The plan presented to Members is a draft version as 1 or 2 minor details are still to be agreed.

### RECOMMENDATIONS

1	Members review the draft Audit Wales plan.
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### REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE AUDIT WALES AUDIT PLAN</b>
1.01	The draft 2022 Audit Plan for Flintshire County Council is attached at Appendix 1 and Audit Wales will be in attendance at the meeting to present the plan.

1.02	The Audit Plan for Flintshire County Council is a combined plan covering; <ul style="list-style-type: none"> <li>• Financial audit of the 2021/22 Statement of Accounts</li> <li>• Other audit work relating to North Wales Residual Waste Joint Committee</li> <li>• Performance audit</li> <li>• Certification of grant claims</li> </ul>
1.03	The programme of performance audit work in 2022/23 is outlined in paragraphs 15 to 26 and in exhibit 2 in the Audit Wales plan.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
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2.01	Proposed fees charged for the audit work for Flintshire County Council is included in the Audit Wales plan as exhibit 3.
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<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
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3.01	None required.
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<b>4.00</b>	<b>RISK MANAGEMENT</b>
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4.01	All audit work is carried out on a risk based approach which is covered in detail within the Audit Wales reports.
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<b>5.00</b>	<b>APPENDICES</b>
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5.01	Appendix 1 – Audit Wales draft 2022 Audit Plan Flintshire County Council
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<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
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6.01	<b>Contact Officer:</b> Gary Ferguson – Corporate Finance Manager <b>Telephone:</b> 01352 702271 <b>E-mail:</b> <a href="mailto:gary.ferguson@flintshire.gov.uk">gary.ferguson@flintshire.gov.uk</a>
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<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
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	<p><b>Audit Wales:</b> works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p> <p><b>Financial Audit:</b> The annual external audit of the Council’s Statement of Accounts.</p>
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**Financial Year:** the period of 12 months commencing on 1 April

**Material:** A concept used to inform judgements regarding the accuracy of the Council's Statement of Accounts. The basis could be quantitative with an assigned value or qualitative and affected by issues that are legal, regulatory, or politically sensitive.

**Statement of Accounts / Final Accounts / Financial Accounts or Statements:** The Council's annual finance report providing details of the Council's financial performance and position at the end of the financial year. The format is prescribed to enable external comparison with other public and private entities.

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## 2022 Audit Plan – Flintshire County Council

Audit year: 2022

Date issued: March 2022

Document reference: 2880A2022

**This document is a draft version pending further discussions with the audited and inspected body. Information may not yet have been fully verified and should not be widely distributed.**

This document has been prepared as part of work performed in accordance with statutory functions.

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

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# 2022 Audit Plan

## About this document

- 1 This document sets out the work I plan to undertake during 2022 to discharge my statutory responsibilities as your external auditor and to fulfil my obligations under the Code of Audit Practice.

## My duties

- 2 I complete work each year to meet the following duties.

## Audit of financial statements

- 3 Each year I audit Flintshire County Council's (the Council) financial statements to make sure that public money is being properly accounted for.

## Value for money

- 4 The Council has to put in place arrangements to get value for money for the resources it uses, and I have to be satisfied that it has done this.

## Sustainable development principle

- 5 The Council needs to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives. The Auditor General must assess the extent to which they are doing this.

## Impact of COVID-19

- 6 The COVID-19 pandemic has had an unprecedented impact on the United Kingdom and the work of public sector organisations.
- 7 While Wales is currently at Coronavirus Alert Level 0, Audit Wales will continue to monitor the position and will discuss the implications of any changes in the position with your officers.

## Audit of financial statements

- 8 It is my responsibility to issue a certificate and report on the financial statements. This includes:
  - an opinion on the on the 'truth and fairness' of the Council's group financial statements for the financial year ended 31 March 2022; and
  - an assessment as to whether the Council's Narrative Report and Annual Governance Statement is prepared in line with the CIPFA Code and relevant

guidance and is consistent with the financial statements and with my knowledge of the Council.

- 9 In addition to my responsibilities for auditing the Council's financial statements, I also have responsibility for:
- certifying a return to the Welsh Government which provides information about the Council to support preparation of Whole of Government Accounts;
  - responding to questions and objections about the accounts from local electors (additional fees will be charged for this work, if necessary);
  - auditing the Council's pension fund accounts (a separate audit plan has been prepared for the audit of the pension fund);
  - the audit of North East Wales Residual Waste Joint committee; and
  - the certification of a number of grant claims and returns as agreed with the funding bodies.
- 10 I do not seek to obtain absolute assurance on the truth and fairness of the financial statements and related notes but adopt a concept of materiality. My aim is to identify material misstatements, that is, those that might result in a reader of the accounts being misled. The levels at which I judge such misstatements to be material will be reported to the Governance and Audit Committee prior to completion of the audit.
- 11 Any misstatements below a trivial level (set at 5% of materiality I judge as not requiring consideration by those charged with governance and therefore will not report them.
- 12 There have been no limitations imposed on me in planning the scope of this audit.
- 13 I will also report by exception on a number of matters which are set out in more detail in our Statement of Responsibilities, along with further information about my work.

## Audit of financial statements risks

14 The following table sets out the significant risks I have identified for the audit of the Council.

### Exhibit 1: financial statement audit risks

This table summarises the key financial statement audit risks identified at the planning stage of the audit.

Audit risk	Proposed audit response
<b>Significant risks</b>	
<p>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.31-33].</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• test the appropriateness of journal entries and other adjustments made in preparing the financial statements;</li> <li>• review accounting estimates for biases; and</li> <li>• evaluate the rationale for any significant transactions outside the normal course of business.</li> </ul>
<b>Other audit risks</b>	
<p><b>Impact of COVID-19</b> Although COVID-19 restrictions have now been removed, there have been ongoing pressures on staff resources and of remote working that may impact on the preparation, audit and publication of accounts. There is a risk that the quality of the accounts and supporting working papers, eg around estimates and valuations, may be compromised leading to an increased incidence of errors. Quality monitoring arrangements may be compromised due to timing issues and/or resource availability.</p>	<p>We will discuss your closedown process and quality monitoring arrangements with the accounts preparation team and monitor the accounts preparation process. We will help to identify areas where there may be gaps in arrangements.</p>



Audit risk	Proposed audit response
<b>Other audit risks</b>	
<p>The COVID-19 pandemic will have a significant impact on the risks of material misstatement and the shape and approach to my audit. The Welsh Government has made available various funding streams to the authority. In some cases, these monies provide financial support to the authority itself. In other cases, the funds have been administered by the authority, making payments to third parties on behalf of the Welsh Government. Payments have been made available through a number of different schemes over the course of 2021-22 and the amounts involved are material to the accounts.</p> <p>Examples of audit risks include:</p> <ul style="list-style-type: none"> <li>• Incorrect accounting treatment for COVID-19 funding ie principal or agency arrangements</li> <li>• Fraud/error risks</li> <li>• Potential year-end valuation uncertainty</li> <li>• Estimation of accrued annual leave provisions</li> </ul>	<p>We will review the funding streams received from the Welsh Government and confirm the appropriate accounting treatment with the authority.</p>
<p><b>Asset valuations</b></p> <p>Accounting for Property, Plant and Equipment and Intangible Assets continued to be one of the most challenging areas of the accounts and gives rise to most of our audit findings.</p> <p>In light of the COVID restrictions that were in place throughout 2021-22 and uncertainties over market values for assets since the start of the pandemic, there is a risk that the carrying value of assets reported in the accounts may be materially different to the current value of assets as at 31 March 2022. In particular, this may be the case where assets have been valued on a rolling basis and not as at the financial year-end.</p>	<p>We will review the Council's asset valuation programme to establish when individual groups of assets were valued and seek to confirm that valuations carried out earlier than as at 31 March 2022 are not materially different to the current value of assets as at the year-end.</p>

## Performance audit

- 15 In addition to my Audit of Financial Statements I also carry out a programme of performance audit work to discharge my duties as Auditor General as set out in **paragraphs 4 and 5** in relation to value for money and sustainable development.
- 16 In response to the pandemic, I adopted a flexible approach to my performance audit work both in terms of topic coverage and methodology. This enabled me to respond to the fast-moving external environment and provide more real-time feedback in a range of formats.
- 17 For 2022-23, I intend to continue this approach to help enable my work to be responsive and timely, and where possible to share learning more quickly. As part of this approach, I anticipate that a significant proportion of my local performance audit programme will continue to be delivered through the Assurance and Risk Assessment Project, that will be ongoing throughout the year.
- 18 Given the high degree of commonality in the risks facing councils I also intend to deliver a number of thematic projects examining risks common to all councils.
- 19 During 2020-21, I consulted public bodies and other stakeholders on how I will approach my duties in respect of the Well-being of Future Generations (Wales) Act 2015 from 2020-2025.
- 20 In March 2021, I wrote to the public bodies designated under the Act setting out my intentions, which include a). carrying out specific examinations of how public bodies have set their well-being objectives and b). integrating my sustainable development principle examinations of steps to meet well-being objectives with my national and local audit programmes.
- 21 My auditors are liaising with Flintshire County Council to agree the most appropriate time to examine the setting of well-being objectives.
- 22 The examination of steps to meet well-being objectives will be conducted as part of work set out in this audit plan and successive audit plans, leading up to my statutory report under the Act in 2025.
- 23 For 2022-23, my performance audit work at Flintshire County Council is set out below.

## Exhibit 2: Performance Audit Programme 2022-23

This table summarises the performance audit programme for 2022-23

Performance audit programme	Brief description
Assurance and Risk Assessment	<p>Project to identify the level of audit assurance and/or where further audit work may be required in future years in relation to risks to the Council putting in place proper arrangements to secure value for money in the use of resources and acting in accordance with the sustainable development principle.</p> <p>At Flintshire County Council the project is likely to focus on:</p> <ul style="list-style-type: none"> <li>• Financial position</li> <li>• Capital programme management</li> <li>• Use of performance information – with a focus on service user feedback and outcomes</li> <li>• Setting of well-being objectives</li> <li>• Role of Cabinet and Scrutiny to compare data and performance with other organisations</li> </ul>
Thematic review – unscheduled care	<p>We intend to undertake a cross-sector review focusing on the flow of patients out of hospital. This review will consider how Flintshire County Council is working with its partners to address the risks associated with the provision of social care to support hospital discharge, as well as prevent hospital admission. The work will also consider what steps are being taken to provide medium to longer-term solutions.</p>
Thematic review (to be confirmed)	<p>To be confirmed following the consultation referred to in <b>paragraph 24</b> below.</p>
Local review	<p>Arrangements for the Council’s Commissioning of looked after children out of county placements.</p>

24 In March 2022, I published a [consultation](#) inviting views to inform our future audit work programme for 2022-23 and beyond. In particular, it considers topics that may be taken forward through our national value for money examinations and studies and/or through local audit work across multiple NHS, central government and local

government bodies. As we develop and deliver our future work programme, we will be putting into practice key themes in our new five-year strategy, namely:

- the delivery of a strategic, dynamic, and high-quality audit programme; supported by
- a targeted and impactful approach to communicating and influencing.

25 The possible areas of focus for future audit work that we set out in the consultation were framed in the context of three key themes from our Picture of Public Services analysis in autumn 2021, namely: a changing world; the ongoing pandemic; and transforming service delivery. We also invited views on possible areas for follow-up work.

26 We will provide updates on the performance audit programme through our regular updates to those charged with governance.

## Certification of grant claims and returns

27 I have also been requested to undertake certification work on the Council's grant claims, which I anticipate will include Housing Benefits, Teachers' Pensions and Non-Domestic Rates returns.

## Statutory audit functions

28 In addition to the audit of the accounts, I have statutory responsibilities to receive questions and objections to the accounts from local electors. These responsibilities are set out in the Public Audit (Wales) Act 2004:

- Section 30 Inspection of documents and questions at audit; and
- Section 31 Right to make objections at audit.

29 As this work is reactive, I have made no allowance in the fee table below. If I do receive questions or objections, I will discuss potential audit fees at the time.

## Fee, audit team and timetable

30 My fees and planned timescales for completion of the audit are based on the following assumptions:

- the financial statements are provided in accordance with a timescale to be agreed taking into account the impact of COVID-19, to the quality expected and have been subject to a robust quality assurance review;
- information provided to support the financial statements is in accordance with the agreed audit deliverables document;
- appropriate facilities are provided to enable my audit team to deliver the audit in an efficient manner;
- all appropriate officials will be available during the audit;

- you have all the necessary controls and checks in place to enable the Responsible Financial Officer to provide all the assurances that I require in the Letter of Representation addressed to me; and
- Internal Audit's planned programme of work is complete and management has responded to issues that may have affected the financial statements.

31 If I do receive questions or objections, I will discuss potential audit fees at the time.

## Fee

32 As set out in our Fee Scheme 2022-23, our fee rates for 2022-23 have increased by 3.7% as a result of the need to continually invest in audit quality and in response to increasing cost pressures.

33 The estimated fee for 2022 is set out in **Exhibit 3**. This represents a 4.5% increase compared to your actual 2020 fee.

### Exhibit 3: audit fee

This table sets out the proposed audit fee for 2022, by area of audit work, alongside the actual audit fee for last year.

Audit area	Proposed fee (£) <sup>1</sup>	Actual fee last year (£)
Audit of accounts <sup>2</sup>	203,823	196,699
Performance audit work <sup>3</sup>	103,908	100,390
Grant certification work <sup>4</sup>	35,000-40,000	35,662
North Wales Residual Waste Joint Committee. <sup>5</sup>	578	550
<b>Total fee</b>	<b>348,309</b>	<b>333,301</b>

34 Planning will be ongoing, and changes to my programme of audit work, and therefore my fee, may be required if any key new risks emerge. I shall make no changes without first discussing them with the Council.

35 Further information can be found in my [Fee Scheme 2022-23](#).

<sup>1</sup> Notes: The fees shown in this document are exclusive of VAT, which is not charged to you.

<sup>2</sup> Payable November 2021 to October 2022.

<sup>3</sup> Payable April 2022 to March 2023.

<sup>4</sup> Payable as work is undertaken.

<sup>5</sup> Payable October 2022.

## Audit team

36 The main members of my team, together with their contact details, are summarised in **Exhibit 4**.

### Exhibit 4: my audit team

This table lists the members of the local audit team and their contact details.

Name	Role	Contact number	E-mail address
Matthew Edwards	Engagement Director	02920 320663	<a href="mailto:matthew.edwards@audit.wales">matthew.edwards@audit.wales</a>
Mike Whiteley	Audit Manager (Financial Audit)	02920 829389	<a href="mailto:mike.whiteley@audit.wales">mike.whiteley@audit.wales</a>
Simon Monkhouse	Audit Lead (Financial Audit)	02920 829394	<a href="mailto:simon.monkhouse@audit.wales">simon.monkhouse@audit.wales</a>
Jeremy Evans	Audit Manager (Performance Audit)	07825 052861	<a href="mailto:jeremy.evans@audit.wales">jeremy.evans@audit.wales</a>
Gwilym Bury	Audit Lead (Performance Audit)	02920 320500	<a href="mailto:gwilym.bury@audit.wales">gwilym.bury@audit.wales</a>

37 The only known threats to independence that I need to bring to your attention relate to Matthew Edwards, the Engagement Director. A member of his family is employed as a teacher by the Council. As a result, he will not be involved in any work at that school and his involvement in any other audit work in relation to education will only be permitted following a risk assessment.

38 I can confirm that there are no other known threats to the independence of my team members. In addition, I am not aware of any potential conflicts of interest that I need to bring to your attention.

## Timetable

- 39 The key milestones for the work set out in this plan are shown in **Exhibit 5**.
- 40 The Public Audit (Wales) Act 2004 provides electors with the right to ask questions and to make objections to the Authority's accounts to the Auditor General. The rights to ask questions and make objections at audit are linked to electors' rights to inspect the accounts that are also set out in the 2004 Act.

### Exhibit 5: audit timetable

Planned output	Work undertaken	Report finalised
2022 Audit Plan	February and March 2022	March 2022
<b>Audit of Financial statements work:</b> <ul style="list-style-type: none"> <li>• Audit of Financial Statements Report</li> <li>• Opinion on Financial Statements</li> <li>• Financial Accounts Memorandum</li> </ul>	June to August 2022	September 2022  September 2022  October 2022
<b>Performance audit work:</b> <ul style="list-style-type: none"> <li>• Assurance and Risk Assessment project</li> <li>• Thematic Review – unscheduled care</li> <li>• Thematic Review [to be confirmed]</li> <li>• Local review – Local review – Arrangements for the Council's commissioning of looked after children out of county placements.</li> </ul>	Timescales for individual projects will be discussed with the Council and detailed within the specific project briefings produced for each piece of work.	
<b>Grants certification work</b> <ul style="list-style-type: none"> <li>• Housing Benefit</li> <li>• Non-Domestic rates</li> <li>• Teachers' Pensions Return</li> </ul>	Autumn/Winter 2022	Autumn/Winter 2022

<b>Planned output</b>	<b>Work undertaken</b>	<b>Report finalised</b>
<b>Annual Audit Summary</b>	Not applicable	December 2022

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## GOVERNANCE AND AUDIT COMMITTEE

<b>Date of Meeting</b>	Wednesday, 8 <sup>th</sup> June 2022
<b>Report Subject</b>	Internal Audit Annual Report
<b>Report Author</b>	Internal Audit Manager
<b>Type of Report</b>	Assurance

### EXECUTIVE SUMMARY

The Internal Audit, Performance and Risk Manager is required to deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.

The annual report must incorporate:

- The opinion;
- A summary of the work that supports the opinion; and
- A statement on conformance with the Public Sector Internal Audit Standards (PSIAS), and the results of the quality assurance and improvement programme (QAIP).

This report fulfils that requirement. The audit opinion is that Flintshire has an adequate and effective framework of governance, risk management and control. Audit work undertaken throughout the year is summarised within the report. A self-assessment against the PSIAS, including a review of QAIP was undertaken and reported to the committee in March 2022. This report shows that Internal Audit generally conforms to the Standards, and the QAIP is in operation and effective in promoting continual improvement.

The report and opinion has been used to inform the Annual Governance Statement, presented in another paper to this Committee.

### RECOMMENDATIONS

1	The Committee is requested to consider the report and receive the internal audit annual opinion.
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## REPORT DETAILS

1.00	EXPLAINING THE INTERNAL AUDIT ANNUAL REPORT
1.01	The Internal Audit Manager is required to prepare a report giving the annual internal audit opinion and summarising the outcome of all internal audit work undertaken during the year. This is part of the framework of assurance that assists the Council in preparing the Annual Governance Statement for 2021/22.
1.02	It also aids the Governance and Audit Committee in its role to review the effectiveness of the Authority's systems of corporate governance, internal control and risk management and to make reports and raise actions to the Council on the adequacy and effectiveness of those arrangements.
1.03	<p>The report outlines the role of the Internal Audit team and the professional standards it must meet. It includes a statement that the team generally conforms to the PSIAS. It then gives the annual audit opinion.</p> <p><b>For the year ending 31 March 2022, based on the work the Internal Audit Service has undertaken my opinion is that Flintshire County Council has an adequate and effective framework of governance, risk management and internal control.</b></p>
1.04	The report covers the governance framework. In detail this covers corporate governance, information governance, risk management and internal controls. The report highlights where independent external assurance is received which supports the adequacy of the Council's governance arrangements.
1.05	<p>The report gives the level of coverage of the audit team during the year and summarises the work undertaken in 2021/22.</p> <p>A summary of work undertaken by the service by Portfolio is provided on the assurance levels given to the reviews, together with the categorisation and the number of agreed actions to address control weaknesses.</p>
1.07	Overall performance of the team continues to be positive with all but three targets either achieved or exceeded.

2.00	RESOURCE IMPLICATIONS
2.01	None as a result of this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	Internal Audit operate to a risk-based plan designed to enable the annual opinion to be delivered. The report includes an opinion on risk management within the Council.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix A – Internal Audit Annual Report.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<p>None.</p> <p><b>Contact Officer:</b> Lisa Brownbill, Internal Audit, Performance and Manager</p> <p><b>Telephone:</b> 01352 702231</p> <p><b>E-mail:</b> <a href="mailto:Lisa.brownbill@flintshire.gov.uk">Lisa.brownbill@flintshire.gov.uk</a></p>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<p><b>PSIAS, Public Sector Internal Audit Standards:</b> a set of standards that all Internal Audit teams working in the public sector must comply with.</p> <p><b>Corporate Governance:</b> the system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p><b>Risk Management:</b> the process of identifying risks, evaluating their potential consequences and managing them. The aim is to reduce the frequency of risk events occurring (wherever this is possible) and minimise the severity of their consequences if they occur. Threats are managed by a process of controlling, transferring or retaining the risk. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.</p>

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# Internal Audit Annual Report



2021/22

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# 1 Introduction

## 1.1 The Definition and Role of Internal Audit

The definition of Internal Auditing in the Public Sector Internal Audit Standards (PSIAS) is as follows:

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation achieve its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The role and responsibilities of the Flintshire County Council's Internal Audit Service are outlined in the Internal Audit Charter, which has been approved by the Governance and Audit Committee and is part of the Constitution. It also specifies the department's independence, authority, scope of work and reporting arrangements. All audit work is carried out in accordance with the contents of the Charter.

The role of Internal Audit is to provide an independent and objective opinion to the organisation on the overall adequacy and effectiveness of the framework of internal control, risk management and governance. Internal audit is therefore a key part of Flintshire County Council's assurance cycle, and if used effectively, can inform and update the organisation's risk profile. Internal Audit is just one of the sources of assurance available to the Council and Governance and Audit Committee that assists the Council to prepare the Annual Governance Statement.

## 1.2 Professional Standards

The professional responsibilities for Internal Auditors are set out in the International Standards for the Professional Practice of Internal Auditing, published by the Chartered Institute of Internal Auditors (CIIA) in the UK and Ireland. Public Sector Internal Audit Standards (PSIAS) are based on these Standards.

The Standards require the Audit Manager to develop a Quality Assurance and Improvement Programme (QAIP), designed to enable an evaluation of Internal Audit's conformance with the Standards. The QAIP must include both internal and external assessments. External assessments must be completed at least every five years. Internal assessments must include:

- Ongoing monitoring of the performance of the Internal Audit activity; and
- Periodic self-assessments

Ongoing monitoring of performance is in place. The quality of audit work is ensured by the use of an audit manual, ongoing supervision and management of staff and the review of all audit work. Performance targets are set and actual performance reported to quarterly Governance and Audit Committee meetings.

An external assessment of Flintshire's Internal Audit Service against the Standards is required every five years. This was last undertaken in March 2017 by the Chief Internal Auditor, Ceredigion County Council and the final external assessment report was presented to the Audit Committee (as previously named) in June 2017. All actions identified as part of the external assessment have been implemented. The next external assessment is due to take place in June 2022.

A self-assessment against the Standards has been completed and the results were reported to the Governance and Audit Committee in March 2022. The Internal Audit Service was self-

assessed as being generally conforming. The Internal Audit Service maintains a Quality Assurance Improvement Programme (QAIP). The programme includes the evaluation of the Internal Audit Service's conformance with the Standards and an evaluation of whether internal auditors apply The Institute of Internal Auditor's Code of Ethics and the QAIP components to ensure continuous improvement.

QAIP reflects the actions following the external assessment and the annual self-assessment. This was presented to Governance and Audit Committee separately and is within Appendix C of this report.

Overall internal and external assessment concluded:

**Following both the internal self-assessment and the external assessment, the Internal Audit Service continues to Generally Conform to the Standards.**

**That means that the relevant structures, policies and procedures for the department, as well as the processes by which they are applied, comply with the requirements of the Standards and of the Code of Ethics in all materials respects.**

**General Conformance does not require complete / perfect conformance, the ideal situation etc.**

### 1.3 Declaration of Independence

During the year 2021/22, all Auditors have acted with integrity and objectivity and at no point has their independence been compromised.

Annually each Auditor completes an independence and pecuniary interest declaration to identify any pecuniary or non-pecuniary interests they have. Where declarations are made work is allocated on the basis to ensure a conflict does not exist.

Internal Audit is well positioned within the Council to ensure independence remains. The Internal Audit, Performance and Risk Manager reports direct to the Chief Officer, Governance and the Council's Monitoring Officer and has direct access to and meets bimonthly with the Chief Executive and the Leader of the Council.

## 2 Internal Audit Assurance for 2021/22

### 2.1 Context

The Internal Audit Service to Flintshire County Council is required to provide the Council (through the Governance and Audit Committee) with an opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. In giving that opinion it should be noted that assurance can never be absolute. The most that the Internal Audit Service can provide to the Council is a reasonable assurance that there are no major weaknesses in risk management, governance and control processes.

The matters raised in this report are only those which came to our attention during our Internal Audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

There have been no limitations made on the scope of Internal Audit coverage during the year.

### 2.2 Resources

As a result of an internal secondment from Senior Auditor to Principal Auditor and an increase in hours for other part time staff, the service was fully resourced.

In early 2021 our application for a further Graduate Trainee was successful, recruitment took place in June 2021 and the Graduate Trainee started in the position in September 2021.

There has been some long-term sickness in the service, however overall there has been sufficient resources within the team to draw a reasonable conclusion on the adequacy and effectiveness of Flintshire County Council's governance, risk management and internal control arrangements.

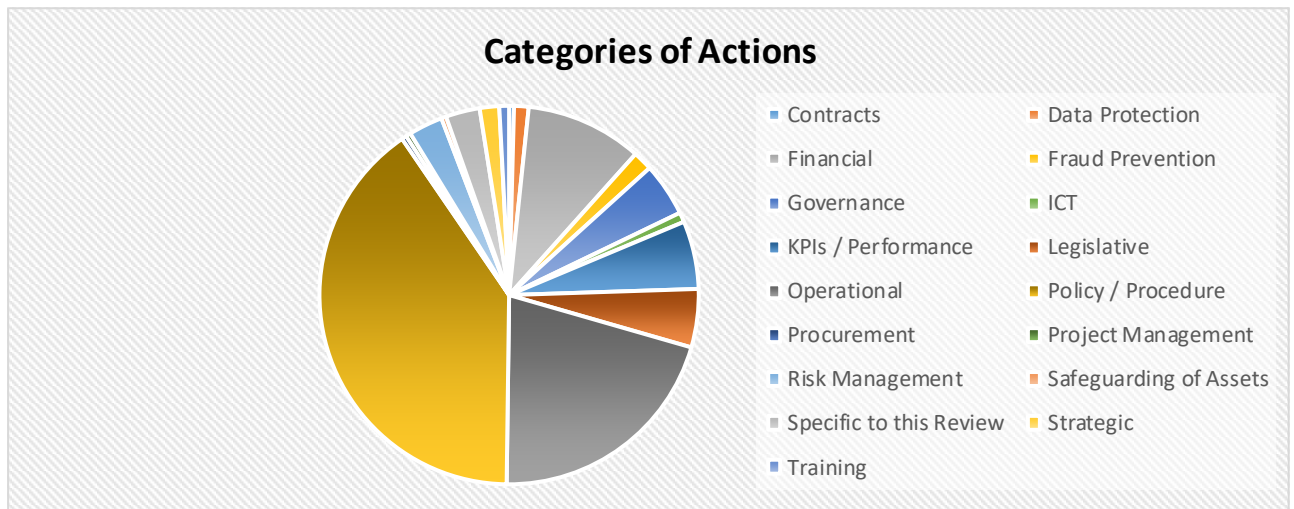
### 2.3 Internal Audit Opinion

**For the year ending 31 March 2022, based on the work the Internal Audit Service has undertaken my opinion is that Flintshire County Council has an adequate and effective framework of governance, risk management and internal control.**

During 2021/22 we have issued three 'Red / Limited assurance' opinions (compared to previous years 2020/21 zero audits, 2019/20 one audit, 2018/19 two audits, 2017/18 three audits, 2016/17 four audits & 2015/16 six audits), where an urgent system revision was required.

Overall 68% of assurance opinions issued were either Green or Amber Green providing the Committee assurance that of the audits undertaken this year in the main there are effective arrangements in place for governance, risk management and internal control.

An analysis of the category of actions raised during 2021/22 show actions primarily relate to policy and / or operational matters of the service. The graph below provides you with further information of the other category of actions raised during 2021/22.



## 2.4 Scope of the Internal Audit Opinion

In arriving at this opinion, I have taken into account:

- The results of all internal audits undertaken during the year ended 31 March 2022 (see Appendix B for a summary of audit opinions and number of agreed actions);
- The results of follow-up action taken in respect of audits from previous years;
- The appropriateness of the proposed action by management to address control weaknesses and consequent risks;
- Matters arising from previous reports or other assurance providers to the Governance and Audit Committee and/or Council;
- Direct assurance from management;
- External assurance from Audit Wales;
- No limitations have been placed on the scope of Internal Audit;
- No resource constraints have been imposed upon us which may have impinged on our ability to meet the full internal audit needs of the organisation; and
- Where weaknesses have been identified I am happy that appropriate action plans are in place to address those weaknesses and to mitigate risks.
- During 2021/22, 125 actions were raised and 143\* were implemented to date. \* Some relate to previous years audit reviews.

## 2.5 The Basis of the Opinion

In reaching this opinion the following factors were taken into particular consideration:

### Corporate Governance

A Corporate Governance Working Group operated during the year and were tasked with updating and co-ordinating the annual governance self-assessment and preparing it in line with the seven principals from the CIPFA/SOLACE guidance on ‘delivering good governance’ in Local Authorities in Wales released in 2016.

The group was chaired by the Internal Audit Manager and members included the Democratic Services Manager, Strategic Performance Advisor, IT Business Services Manager, Senior

Manager Human Resources and Organisational Development, and a Principal Accountant. The group updated the Council's Code of Corporate Governance, then prepared and drafted the Annual Governance Statement. The group issued corporate governance self-assessment assurance questionnaires to the Chairs of Overview and Scrutiny Committees and facilitated a challenge workshop with nominated members of the Governance and Audit Committee. This process provided an opportunity for senior officers and members to consider the effectiveness of governance arrangements. The group also considered the overall assurance framework.

The Annual Governance Statement explains how Flintshire County Council complies with its own Code of Corporate Governance, in line with the seven principles and also meets the requirements of the Accounts and Audit (Wales) Regulations 2018. The Annual Governance Statement includes actions to cover:

- Emerging risks and areas for improvement following a review against the Code of Corporate Governance.
- Enhance on the performance already made.
- How the governance framework supported Council to effectively manage the Pandemic.
- Strategic risks of the Council.

The Council is subject to external inspections by Audit Wales (AW), Estyn, and CIW. Assessments undertaken by AW are both on a local and national level where the Council may be part of thematic review. Regardless of whether the Council is directly involved, the Council performs a self-assessment against the reports' findings. All actions from external inspections are monitored. During 2021/22 the Council has undergone reviews and received reports from Audit Wales (AW), Care Inspectorate Wales (CIW) and the Information Commissioner Office (ICO):

National Reports Received:

- At Your Discretion Local Government Discretionary Services (AW)
- Regenerating Town Centres in Wales (AW)
- Financial Sustainability of Local Government (AW)
- The Welsh Government's Warm Homes Programme (AW)
- Information Commissioner's Annual Report 2020-21(ICO)

External Local Reviews:

- Flintshire County Council – Rental Income (AW)
- Flintshire County Council – Financial Sustainability Assessment (AW)
- Commissioning Older People's Care Home Placements – North Wales Councils and Betsi Cadwaladr University Health Board (June/July 2022) (AW)
- Care Home Commissioning for Older People (June/July 2022) (AW)
- Assurance Check April 2021: Social Services (CIW)

The outcome of these reviews and national reported managed in accordance with the External Regulation Reporting Protocol. In March 2022, a summary of all actions and progress against these action from the above reports were presented to Governance and Audit Committee for consideration. Actions are on progress for implementation.

In March 2022, the Annual Audit Summary 2021 (AW) summarises the audit and regulatory work undertaken at the Council by Audit Wales during 2020/21. From the report published there are no significant issues arising which would raise concern.

## Information Governance

Information Governance is a major component to the overall governance framework of the Council. To ensure the Council's IT infrastructure is secure, IT Services is subject to a number of external inspections and these are detailed in the table on the following page.

Area of IT Independently Assessed	Independent Assessor	Supporting Information
IT Infrastructure:	Public Services Network (PSN)	To assess the Council's infrastructure and ensure it is meeting best practices as define by the Cabinet Office in Line with National Cyber Security Centre (NCSC) Guidance. The assessment is undertaken annually. The council successfully met the requirements as part of the latest accreditation process and the current certificate expires in March 2023.
IT Infrastructure:	Cyber Essentials Plus (CEP)	It is the intention of the council to pursue Cyber Essentials Plus accreditation in September 2022 and have engaged an external partner to assist with the process. This work has been severely impacted by the pandemic and capacity issues within the service as we migrate to cloud-based Microsoft Services
Information Management & Address Standards:	Geoplace	Monthly assessment undertaken of the Council's address data to ensure the addresses used to populate the National Land and Property Gazetteer meet the required Standards. The Council has maintained its Gold Standard and was highly commended at the annual GeoPlace Awards for the way that we were able to use our address data in response to the Covid-19 pandemic and a project to support the work of our Brokerage team in Social Services.
Information, Processes and Procedures around Financial Systems	Audit Wales	As part of the annual audit, Audit Wales considers the adequacy of the Council's security and interfaces with the Council's financial systems. No actions have been raised following this review. This work is currently underway and due to be completed by end of April. Any actions will be prioritised within the service accordingly.
Website Accessibility	Government Digital Service (GDS)	All public sector websites must reach Web Content Accessibility Guidelines (WCAG) 2.1. The Council's website meets this standard.

Any actions arising from these external assessments are monitored and managed by IT services ensuring any developments required are implemented to support and compliment the role out of the Digital Strategy.

### Risk Management

During 2021/22, the Internal Audit (as previously titled) Manager took over managing the Performance and Risk Management Service following the retirement of the previous post holder. The Council continued to provide progress reports against the Council's emergency and recovery risks. These were presented to both the Recovery Board and Overview and Scrutiny Committees.

During the year the Internal Audit Service undertook a review of how portfolios managed their operational risks and the findings were reported directly to the Chief Officer Governance in order to maintain independence of the Internal Audit, Performance and Risk Manager. Areas for improvement were identified and these have been incorporated into a programme of work for the service.

The Strategic Risks are considered when identifying the audit work for the forthcoming year. My annual opinion is also informed by the number of risk-based audit assignments completed during the year review.

### Internal Control

Audits were carried out in all areas of the Council during the year. The overall level of control found in audit assignments this year was good. 68% of audits resulted in a 'green' or 'amber green' assurance level. No area stood out as being worse than the others. In all cases the findings were reported to the Governance and Audit Committee. During 2021/22, 125 actions were raised to improve the internal control, risk management and governance arrangements across the authority. During the year a total 143 actions have been implemented. Some of these relate to actions raised in previous years. All actions are monitored and progress reported to Chief Officers monthly and at each Governance and Audit Committee meeting. Summary results are given in Appendix B, together with definitions of the assurance levels (Appendix A).

## 2.6 Level of audit coverage during the year

The number of reviews / audit work completed and presented to Governance and Audit Committee in each area of the Council is detailed in the table below.

Review Type	High	Medium	Annual / Follow Up	A&C	New	In Progress	Deferred / NLR	Total
Corporate	3				-		-	3
Education and Youth	8		1	1	1	2	-	13
Governance	1	1	2	1	2		1	8
Housing & Assets	2		1			1	2	6
People and Resources	2	1	2	1			-	6
Planning, Environment & Economy	1			1			2	4
Social Services	1				2		4	7
Streetscene and Transportation		2	1			1	1	5
External				1		1	1	3
<b>Total</b>	<b>18</b>	<b>4</b>	<b>7</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>11</b>	<b>55</b>
			<b>39</b>					

The original plan approved contained 48 audits / areas of work to be undertaken (including carry forward work). The plan continued to be reviewed quarterly with Chief Officers and their senior management teams. All high priority audits would be undertaken and any new requests for audit assistance would be considered and replace (where applicable) medium priority audits. As a result of reviewing the plan 11 audits were deferred or no longer relevant and replaced with seven audits. Any changes to the plan were reported back to Governance and Audit Committee.

Status of 2021/22 Audit Plan					
Priority	Completed	In Progress / Draft Report	Deferred	NLR *	Total
High	23	1	2	2	28
Medium	4		6		10
Annual / Follow Up	7	1			8
Advice & Consultancy	5	3	1		9
Position Original Plan	39	5	9	2	55

\* No Longer Relevant. This is where the service requested the work and this was no longer needed or the audit has been combined within another review.

There is always a time lag in terms of the dates of audits. The audit plan for the following financial year will always include work carried over.

Within 2021/22, including carry forward work, 39 final audits were brought to the Governance and Audit Committee and at the time of this report a further five issued/ due to be issued as awaiting finalisation or near completion. Given the flexibility of the plan and the ability to move reviews based on risk overall the 2021/22 plan was substantially completed.

All the deferred audits were considered during the planning meetings for the 2022/23 to 2024/25 audit strategic plan and all nine deferred audits from 2021/22 have been included within the 2022/23 Audit plan.

## 2.7 Assurance Levels

The definitions for the assurance levels are given in Appendix A of this report. The tables in Appendix B show the assurance opinions and number of agreed actions made in 2021/22.

## 2.8 Other Internal Audit Work

In addition to the reviews analysed in Appendix B, we have also carried out the following internal audit work during the year.

Area of Work	Comments
Schools Audits	5 individual school audits and a Control Risk Self-Assessment (CRSA) sent to all schools
Investigations	See 2.9 below
National Fraud Initiative	2.5 days on work relating to National Fraud Initiative
Advisory work	133 days on advisory work in the year
Grant audits	3 audits of grants
COVID19	Involved in specific workstreams detailed in 2.10



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## 2.9 Anti-Fraud and Corruption and Investigations

At the start of the year and during the year there have been no investigations.

## 2.10 Advisory / Consultancy work

This includes work that, in some cases, does not result in an audit report and or assurance opinion however adds value to the Authority by contributing to working groups or providing advice. Examples include:

- Advice on GDPR Project Group and Board
- Membership of the Corporate Governance Working Group
- Membership of Accounts Governance Group
- Membership of the Programme Co-ordinating Group
- Membership of the Emergency Management Response Team
- COVID19 - Governance and Legal Silver Tactical Group
- COVID19 - Organisational Recovery Group
- COVID19 - TTP Regional Tracing, Operation and Performance Group
- COVID19 - TTP Regional Oversight Group
- COVID19 - TTP Flintshire Oversight Group
- COVID19 - Prevention & Surveillance Group
- Corporate Health & Safety Group
- Corporate Data Protection Group

It should be noted that the number of days spent on advisory work (133 for 2021/22) continues to remain high (111 2020/21, 97 2019/20, 91, 2018/20, 124 days for 2017/18, 79 days for 2016/17) and demonstrates the noticeable rise in requests for Internal Audit to become involved in emerging issues, supporting the business to response to the emergency of the pandemic whilst working with the organisation to ensure a robust control environment is in place.

## 2.11 Audit of Third Parties

Following the transformation changes of services and the creation of Aura Leisure and Libraries and NEWydd in 2016/17 the Internal Audit Service has a 3 year SLA to deliver an internal audit service to these organisations. During 2019/20, these SLAs were renewed for a further three years.

Due to the impact the pandemic has had on both external third parties it has not been possible to audit NEWydd. Audit reviews are scheduled to resume in 2022/23.

## 2.12 Internal Audit Performance

The performance of the department against performance measures and targets is set out below.

Performance against target is reported to each Governance and Audit Committee and is summarised in the table below. Overall apart from two all internal performance targets were achieved or exceeded. There continues to be a low number of questionnaires returned.

Currently there is no benchmarking data available, however this is something the All Wales Head of Audit's Group is looking at as part of a Task and Finish Group.

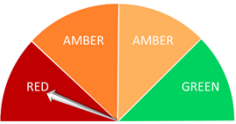
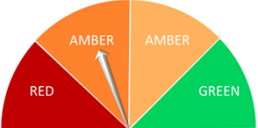
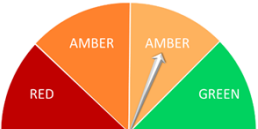
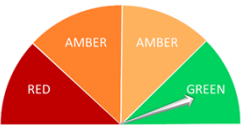
**Internal Audit Performance Indicators**

Performance Measure	Reporting Period					Overall Average Performance 21/22	21/22 Target
	Jun 21	Sep 21	Nov 21	Jan 22	Mar 22		
Reported to Committee							
Average number of days from end of fieldwork to debrief meeting	6	9	44	9	9	15	20
Average number of days from debrief meeting to the issue of draft report	3	4	7	2	5	4	5
Days for departments to return draft reports	4	9	8	8	6	7	7
Average number of days from response to issue of final report	1	2	2	0	0	1	2
Total days from end of fieldwork to issue of final report	12	29	61	28	30	32	34
Audits completed within planned time	88%	86%	100%	57%	50%	76%	80%
Productive audit days	61%	65%	85%	70%	100%	76%	75%
Client questionnaires responses as satisfied	100%	100%	100%	100%	100%	100%	95%
Return of client satisfaction questionnaires	33%	67%	100%	75%	79%	71%	80%

## Levels of Assurance – Standard Audit Reports

## Appendix A

The audit opinion is the level of assurance that Internal Audit can give to managements and all other stakeholders on the adequacy and effectiveness of controls within the areas audited. It is assessed following the completion of the audit and is based on the findings from the audit. Progress on the implementation of agreed actions will be monitored. Findings from **Red** assurance audits will be reported to the Governance and Audit Committee.

Level of Assurance	Explanation
<p><b>Red – Limited</b></p> 	<p><b>Urgent system revision required (one or more of the following)</b></p> <ul style="list-style-type: none"> <li>• Key controls are absent or rarely applied</li> <li>• Evidence of (or the potential for) significant financial / other losses</li> <li>• Key management information does not exist</li> <li>• System / process objectives are not being met, or are being met at a significant and unnecessary cost or use of resources.</li> </ul> <p>Conclusion: a lack of adequate or effective controls.</p> <p><b>Follow Up Audit</b> - &lt;30% of actions have been implemented. Unsatisfactory progress has been made on the implementation of high priority actions.</p>
<p><b>Amber Red – Some</b></p> 	<p><b>Significant improvement in control environment required (one or more of the following)</b></p> <ul style="list-style-type: none"> <li>• Key controls exist but fail to address all risks identified and / or are not applied consistently and effectively</li> <li>• Evidence of (or the potential for) financial / other loss</li> <li>• Key management information exists but is unreliable</li> <li>• System / process objectives are not being met, or are being met at an unnecessary cost or use of resources.</li> </ul> <p>Conclusion: key controls are generally inadequate or ineffective.</p> <p><b>Follow Up Audits</b> - 30-50% of actions have been implemented. Any outstanding high priority actions are in the process of being implemented.</p>
<p><b>Amber Green – Reasonable</b></p> 	<p><b>Key Controls in place but some fine tuning required (one or more of the following)</b></p> <ul style="list-style-type: none"> <li>• Key controls exist but there are weaknesses and / or inconsistencies in application though no evidence of any significant impact</li> <li>• Some refinement or addition of controls would enhance the control environment</li> <li>• Key objectives could be better achieved with some relatively minor adjustments</li> </ul> <p>Conclusion: key controls generally operating effectively.</p> <p><b>Follow Up Audit:</b> 51-75% of actions have been implemented. All high priority actions have been implemented.</p>
<p><b>Green – Substantial</b></p> 	<p><b>Strong controls in place (all or most of the following)</b></p> <ul style="list-style-type: none"> <li>• Key controls exist and are applied consistently and effectively</li> <li>• Objectives achieved in a pragmatic and cost effective manner</li> <li>• Compliance with relevant regulations and procedures</li> <li>• Assets safeguarded</li> <li>• Information reliable</li> </ul> <p>Conclusion: key controls have been adequately designed and are operating effectively to deliver the key objectives of the system, process, function or service.</p> <p><b>Follow Up Audit:</b> 75%+ of actions have been implemented. All high priority actions have been implemented.</p>
<p><b>Categorisation of Actions</b></p>	<p>Actions are prioritised as High, Medium or Low to reflect our assessment of risk associated with the control weaknesses</p>
<p><b>Value for Money</b></p>	<p>The definition of Internal Audit within the Audit Charter includes 'It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of resources.' These value for money findings and recommendations are included within audit reports.</p>

Internal Audit Opinions and Recommendations 2021/22

Appendix B

Auditable Area	Number of Reports & Audit Opinions						Priority & Number of Agreed Actions			
	Red	Amber -	Amber +	Green	Advisory / Grant - No Opinion Given	In Total *	High	Medium	Low	In Total
Corporate		1	2			3	0	11	4	15
Education and Youth	1		5	3	2	11	5	14	11	30
Governance	1	1	1	2	2	7	3	12	3	18
Housing & Assets	1	1			1	3	3	8	2	13
People and Resources		2	2		2	6	2	9	9	20
Planning, Environment & Economy		1			1	2	2	2	0	4
Social Services			3			3	1	4	7	12
Streetscene and Transportation		1	1	1		3	2	5	3	10
External			1			1	0	1	2	3
<b>Total</b>	<b>3</b>	<b>7</b>	<b>15</b>	<b>6</b>	<b>8</b>	<b>39</b>	<b>18</b>	<b>66</b>	<b>41</b>	<b>125</b>

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PSIAS –Quality Assurance Improvement Programme (QAIP)

Appendix C

Actions from External Assessment (EA) March 2017 and Self-Assessment (SA) February 2022 (questions not scored as conforming)

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Ref	Conformance with the Standard	Compliance	Planned Actions	Person Resp.	Timescale	Comment
2120 (SA)	Has the internal audit activity evaluated the potential for fraud and also how the organisation itself manages fraud risk?	Partial	Improve awareness of fraud. Collect data on fraud risk.(2120)	LB	Implemented	Anti-Fraud and Corruption Strategy and Fraud Response Plan has been updated and presented to Governance and Audit Committee in February 2019.
					Implemented	Fraud risk assessment has been undertaken with each of the key service areas.
					Implemented	Develop an online reporting solution which supports digital and customer strategies. The privacy notice is currently being finalised and it will be ready to go live in the new financial year.
2110 (SA & EA)	Internal Audit reviews the activities in place that manage and monitor the effective implementation of the organisation's ethics and values.	Partial	(SA) Review as part of CGWG – review of Code of Corporate Governance.  (EA) The Service needs to undertake a review to evaluate the design, implementation and effectiveness of the	LB	Implemented	Audit work is based on the Council's objectives and priorities and covers areas in the Code of Corporate Governance such as organisational, performance management, and communication of risk and control information.  Whilst ethics is considered as part of routine audits, a specific review on ethics and values has been undertaken as part of the 2021/22 plan and a copy of the report

Ref	Conformance with the Standard	Compliance	Planned Actions	Person Resp.	Timescale	Comment
			Council's ethics related objectives, programs & activities. (2110.A1)			provided to members of the Governance and Audit Committee for information.



## GOVERNANCE AND AUDIT COMMITTEE

<b>Date of Meeting</b>	Wednesday, 8 <sup>th</sup> June 2022
<b>Report Subject</b>	Action Tracking
<b>Report Author</b>	Internal Audit, Performance and Risk Manager
<b>Category</b>	Advisory

### EXECUTIVE SUMMARY

The report shows the action points from previous Governance and Audit Committee meetings and the progress made in completing them. The majority of the requested actions have been completed, with some still outstanding. They will be reported back to a future meeting.

### RECOMMENDATIONS

1	The Committee is requested to accept the report.
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### REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE ACTION TRACKING REPORT</b>
1.01	In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points. This paper summarises those points and provides an update on the actions resulting from them.  Full action tracking details within Appendix A.
<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	None as a result of this report.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	Action owners contacted to provide an update on their actions.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	None as a result of this report.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix A – Action Points.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<p>None.</p> <p><b>Contact Officer:</b> Lisa Brownbill, Internal Audit, Performance and Risk Manager</p> <p><b>Telephone:</b> 01352 702231</p> <p><b>E-mail:</b> <a href="mailto:lisa.brownbill@flintshire.gov.uk">lisa.brownbill@flintshire.gov.uk</a></p>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	None.



**GOVERNANCE AND AUDIT COMMITTEE – ACTION SHEET**Presented Wednesday 8<sup>th</sup> June 2022

27 <sup>th</sup> January 2021				
Agenda Item No.	Report	Action Required	Responsible Officer	Action Taken
25.	IA Progress Report	To circulate an update on the position on school funds.	L Brownbill	This will be provided to the committee once the school reviews have been completed.

24 <sup>th</sup> November 2021				
Agenda Item No.	Report	Action Required	Responsible Officer	Action Taken
39.	Governance and Audit Committee Self-Assessment	That preparations for the Annual Report should incorporate a review of the Committee's Terms of Reference to ensure that the remit was being met in full.	L Brownbill	This will be undertaken in preparation for the Governance and Audit Committee's Annual report in the Autumn.
39.	Governance and Audit Committee Self-Assessment	That the outcomes and training requirements identified in the action plan from the self-assessment be noted and progressed.	L Brownbill	A training programme will be developed and updated to support the Committee's future self - assessment

14<sup>th</sup> March 2022

Agenda Item No.	Report	Action Required	Responsible Officer	Action Taken
59.	External Regulation Assurance	To include progress on external actions in the Annual Report and AGS process, and to include an appendix to future External Regulation Reports.	L Brownbill J Davies	Process updated for Internal Audit Annual Report, AGS and Reporting on External Regulations.
59.	External Regulation Assurance	To provide a response to the Ctte on Allan Rainford's query on the Rental Income report (P1 on p.27 of agenda), ie whether 'both' in the first bullet point means that these are two separate measures; and whether 'in unpaid rents' indicates that other write-off amounts are included.	J Davies	Update provided to members 19.05.2022



## GOVERNANCE AND AUDIT COMMITTEE

<b>Date of Meeting</b>	Wednesday, 8 <sup>th</sup> June 2022
<b>Report Subject</b>	Forward Work Programme
<b>Report Author</b>	Internal Audit, Performance and Risk Manager
<b>Category</b>	Advisory

### EXECUTIVE SUMMARY

The Governance and Audit Committee presents an opportunity for Members to determine the Forward Work Programme of the Committee of which they are Members. By reviewing and prioritising the Forward Work Programme, Members are able to ensure it is Member-led and includes the right issues. A copy of the Forward Work Programme is attached at Appendix A for Members' consideration which has been updated following the last meeting.

The Committee is asked to consider, and amend where necessary, the Forward Work Programme for Governance and Audit Committee.

### RECOMMENDATION

1	That the Committee considers the draft Forward Work Programme and approve/amend as necessary.
2	That the Internal Audit, Performance and Risk Manager, in consultation with the Chair and Vice-Chair of the Committee, be authorised to vary the Forward Work Programme between meetings, as the need arises.

### REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE FORWARD WORK PROGRAMME</b>
1.01	Items feed into a Committee's Forward Work Programme from a number of sources. Many items are standard every quarter, six months or annually, and Members can also suggest topics for review by the Committee. Items can also be referred by the Cabinet, County Council or Chief Officers.

1.02	<p>In identifying topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:</p> <ol style="list-style-type: none"> <li>1. Will the review contribute to the Council's priorities and/or objectives?</li> <li>2. Is it an area of major change or risk?</li> <li>3. Are there issues of concern in governance, risk management or internal control?</li> <li>4. Is it relevant to the financial statements or financial affairs of the Council?</li> <li>5. Is there new government guidance or legislation?</li> <li>6. Is it prompted by the work carried out by Regulators/Internal Audit?</li> </ol>			
1.03	<p>Following the Committee meeting in March there one change to the Forward Work programme. This is listed below.</p>			
	<b>Report</b>	<b>Reason for Movement</b>	<b>Original Date</b>	<b>New Report Date</b>
	Risk Management	The update following the audit on Risk Management is contained within the Internal Audit Progress Report instead of providing a separate report.	June 2022	January 2023

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
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2.01	None as a result of this report.
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<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
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3.01	Publication of this report constitutes consultation.
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<b>4.00</b>	<b>RISK MANAGEMENT</b>
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4.01	None as a result of this report.
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<b>5.00</b>	<b>APPENDICES</b>
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5.01	Appendix A - Draft Forward Work Programme.
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<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
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6.01	None.
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	<p><b>Contact Officer:</b> Lisa Brownbill Internal Audit, Performance and Risk Manager</p> <p><b>Telephone:</b> 01352 702231</p> <p><b>E-mail:</b> <a href="mailto:lisa.brownbill@flintshire.gov.uk">lisa.brownbill@flintshire.gov.uk</a></p>
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<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<p><b>Governance</b> - The system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p> <p><b>Risk Management</b> - The process of identifying risks, evaluating their potential consequences and managing them. The aim is to reduce the frequency of risk events occurring (wherever this is possible) and minimise the severity of their consequences if they occur. Threats are managed by a process of controlling, transferring or retaining the risk. Opportunities are managed by identifying strategies to maximise the opportunity or reward for the organisation.</p> <p><b>Internal Control</b> - Appropriate procedures and processes are in place to mitigate any risk which may prevent the organisation from achieving its objectives and service delivery.</p> <p><b>Financial Management</b> - The planning, organising, directing and control of the financial activities of the Council to ensure sufficient resources are available to delivery its intended outcomes.</p> <p><b>Audit Wales</b> - Works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p>

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**GOVERNANCE AND AUDIT COMMITTEE - FORWARD WORK PROGRAMME 2022/23**Presented to Committee – Wednesday 8<sup>th</sup> June 2022

Meeting Date	Agenda Item	Author
<b>8<sup>th</sup> June 2022</b>	Certification of Grants and Returns Report (AW) Audit Plan (AW) Draft Annual Governance Statement Internal Audit Annual Report 2021/22 Internal Audit Progress Report 2022/23 Audit Committee Action Tracking Forward Work Programme	Gary Ferguson Audit Wales Lisa Brownbill / Jay Davies Lisa Brownbill Lisa Brownbill Lisa Brownbill Lisa Brownbill
<b>27<sup>th</sup> July 2022</b>	Draft Statement of Accounts 2021/22 Supplementary Financial Information to Draft Statement of Accounts 2021/22 Treasury Management 2022/23 Q1 Update and Annual Report 2021/22 Risk Management update 2022/23	Gary Ferguson / Christopher Taylor Christopher Taylor Christopher Taylor Jay Davies

Meeting Date	Agenda Item	Author
<b>September 2022</b>	Statement of Accounts 2021/22	Gary Ferguson
	Commissioning Older People's Care Home Placements – Audit Wales External Assurance Report	Jay Davies / Audit Wales
	School Reserves – Annual Report on School Balances	Claire Homard / Liz Thomas
	Budget 2023/24 - Stage 2	Gary Ferguson
	Grant Certification Claim	Gary Ferguson
	Climate Change and Decarbonisation Report	Alex Ellis
	Internal Audit Progress Report 2022/23	Lisa Brownbill
	Audit Committee Action Tracking	Lisa Brownbill
<b>November 2022</b>	Risk Management update 2022/23 and Mid-Year report	Jay Davies
	Asset Disposals and Capital Receipts	Neal Cockerton
	Treasury Management Mid-Year Review Q2 2022/23	Christopher Taylor
	Corporate Complaints – Annual Report	Rebecca Jones / Gareth Owens
	Governance and Audit Committee Self-Assessment 2022/23	Lisa Brownbill
	Governance and Audit Committee Annual Report	Chair of G&AC / Lisa Brownbill



Meeting Date	Agenda Item	Author
	Forward Work Programme	Lisa Brownbill
	Audit Committee Action Tracking	Lisa Brownbill
<b>January 2023</b>	Treasury Management 2022/23 Q3 Update and 2023/24 Strategy	Christopher Taylor
	Risk Management Update	Jay Davies
	Code of Corporate Governance	Lisa Brownbill / Jay Davies
	Annual Governance Statement 2021/22 – Mid-year Review	Lisa Brownbill / Jay Davies
	Internal Audit Charter	Lisa Brownbill
	Internal Audit Progress Report 2022/23	Lisa Brownbill
	Audit Committee Action Tracking	Lisa Brownbill
	Forward Work Programme	Lisa Brownbill
<b>March 2023</b>	Annual Audit Summary (AW) (2021/22)	Jay Davies / Gary Ferguson
	Treasury Management 2022/23 Q4 Update	Christopher Taylor
	Annual Report on External Inspections 2022	Jay Davies
	Internal Audit Strategic Plan 2023/2026	Lisa Brownbill
	Public Sector Internal Audit Standards Compliance 2022/23	Lisa Brownbill

Meeting Date	Agenda Item	Author
	Internal Audit Progress Report 2022/23	Lisa Brownbill
	Audit Committee Action Tracking	Lisa Brownbill
	Forward Work Programme	Lisa Brownbill
	Private Meeting (AW and Internal Audit)	

### Biennial Reviews

Meeting Date	Agenda Item	Author
<b>November 2022</b>	Financial Procedural Rules (Biennial)	Sara Dulson
<b>January 2023</b>	Anti-Fraud and Corruption Strategy & Fraud Response Plan	Lisa Brownbill
<b>January 2023</b>	Whistleblowing Policy	Lisa Brownbill



## GOVERNANCE AND AUDIT COMMITTEE

<b>Date of Meeting</b>	Wednesday, 8 <sup>th</sup> June 2022
<b>Report Subject</b>	Internal Audit Progress Report
<b>Report Author</b>	Internal Audit, Performance and Risk Manager
<b>Type of Report</b>	Assurance

### EXECUTIVE SUMMARY

Internal Audit produces a progress report for the Governance and Audit Committee every quarter. This shows the position of the team against the plan, changes to the plan, final reports issued, action tracking, performance indicators and current investigations. This meets the requirements of the Public Sector Internal Audit Standards, and also enables the Committee to fulfil the Terms of Reference with regards to Internal Audit. The current progress report is attached.

### RECOMMENDATIONS

1	To consider and accept the report.
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### REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE INTERNAL AUDIT PROGRESS REPORT</b>
1.01	Internal Audit gives a progress report to the Governance and Audit Committee every quarter as part of the usual reporting process. The report is divided into several parts.
1.02	The level of audit assurance for standard audit reviews is detailed within Appendix A. All reports finalised since the last committee meeting are shown in Appendix B.
1.03	Appendix C provides an oversight to Governance & Audit Committee on the cumulative assurance for 2022/23 audit plan; however, it should be noted this will be fluid. A footnote has been included to list those reports issued with a Red / Amber Red assurance opinion.

1.04	Since the last report on progress to Committee in March, there has been two Amber Red / Some Assurance reports and one Red / Limited assurance report. Appendix D details the Amber Red reports. The Red / Limited Assurance report is detailed in Appendix E. This will be considered as a Part 2 paper. Copies of all final reports are available for Members if they wish to see them.
1.05	<p>The automated tracking of actions is completed through the use of the integrated audit software. All actions are tracked automatically and the system allows Managers and Chief Officers to monitor their own teams' outstanding actions and confirm they are being implemented.</p> <p>At the last Committee in March, 52 actions were overdue. This has increased to 62 for this reporting period. Overall 49% of live actions are overdue of which seven are High priority actions and 33 Medium priority actions. Overall 126 actions are live.</p> <p>As agreed, only those High or Medium priority actions are to be reported to Committee, of which there are 40. Actions overdue are listed in Appendix G. Appendix H lists 9 medium actions that are older than six months from the original due date.</p>
1.06	Appendix I shows the status of current investigations into alleged fraud or irregularities. One whistleblowing referral has been received since the last Committee meeting.
1.07	<p>Appendix J shows the range of performance indicators for the department.</p> <p>Overall performance remains good however there is one PIs where performance has reduced this is Productive Audit Days. Due to the time of the year (leave etc) this is an expected impact on the PIs.</p>
1.08	Appendix K shows the current position of the 2021/22 audit plan. Overall three audits remain in progress and near completion. Appendix I shows the current position of the 2022/23 audit plan. The plan will continue to be reviewed on a regular basis and reprioritised to accommodate any new requests for work, or to respond to emerging issues. Since the last committee in March, there has been no movement in the plan

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	None

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	None required.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	The work of Internal Audit provides assurance to the Council that adequate and effective controls are in place to mitigate risks.

<b>5.00</b>	<b>APPENDICES</b>
5.01	<p>Appendix A Levels of Audit Assurance</p> <p>Appendix B Final Reports Issued Since March 2022</p> <p>Appendix C Audit Assurance Summary</p> <p>Appendix D Amber Red / Some Assurance Provided</p> <p>Appendix E Red / Limited Assurance Provided</p> <p>Appendix F Action Tracking – Portfolio Statistics</p> <p>Appendix G High &amp; Medium Overdue Actions (including actions older than 6 months if overdue)</p> <p>Appendix H Actions older than six months from original due date and not overdue</p> <p>Appendix I Investigation Update</p> <p>Appendix J Performance Indicators</p> <p>Appendix K Operational Plan 2021/22</p> <p>Appendix L Operational Plan 2022/23</p>

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<p><b>Contact Officer:</b> Lisa Brownbill, Internal Audit, Performance and Risk Manager</p> <p><b>Telephone:</b> 01352 702231</p> <p><b>E-mail:</b> <a href="mailto:Lisa.brownbill@flintshire.gov.uk">Lisa.brownbill@flintshire.gov.uk</a></p>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<p><b>Internal Audit:</b> Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.</p> <p><b>Audit Wales:</b> works to support the Auditor General as the public sector watchdog for Wales. They aim to ensure that the people of Wales know whether public money is being managed wisely and that public bodies in Wales understand how to improve outcomes.</p> <p><b>Corporate Governance:</b> the system by which local authorities direct and control their functions and relate to their communities. It is founded on the basic principles of openness and inclusivity, integrity and accountability together with the overarching concept of leadership. It is an inter-related system that brings together the underlying set of legislative requirements, governance principles and management processes.</p>

	<b>Operational Plan:</b> the annual plan of work for the Internal Audit team.
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# Flintshire Internal Audit

Progress Report



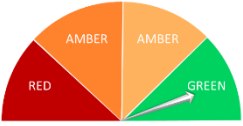
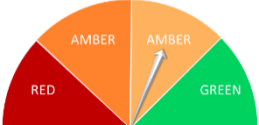
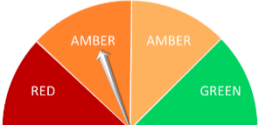

June 2022

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Red / Limited Assurance Opinion Issued	Appendix E
Action Tracking – Portfolio Statistics.....	Appendix F
High & Medium Actions Over Due.....	Appendix G
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Investigation Update.....	Appendix I
Internal Audit Performance Indicators.....	Appendix J
Internal Audit Operational Plan 2021/22.....	Appendix K
Internal Audit Operational Plan 2022/23.....	Appendix L



The audit opinion is the level of assurance that Internal Audit can give to management and all other stakeholders on the adequacy and effectiveness of controls within the area audited. It is assessed following the completion of the audit and is based on the findings from the audit. Progress on the implementation of agreed actions will be monitored. Findings from **Red** assurance audits, and summary findings from Amber Red audits will be reported to the Governance and Audit Committee.

Level of Assurance	Explanation
<p style="text-align: center;"><b>Green – Substantial</b></p> 	<p><b>Strong controls in place (all or most of the following)</b></p> <ul style="list-style-type: none"> <li>• Key controls exist and are applied consistently and effectively</li> <li>• Objectives achieved in a pragmatic and cost effective manner</li> <li>• Compliance with relevant regulations and procedures</li> <li>• Assets safeguarded</li> <li>• Information reliable</li> </ul> <p>Conclusion: key controls have been adequately designed and are operating effectively to deliver the key objectives of the system, process, function or service.</p> <p><b>Follow Up Audit:</b> 85%+ of actions have been implemented. All high priority actions have been implemented.</p>
<p style="text-align: center;"><b>Amber Green – Reasonable</b></p> 	<p><b>Key Controls in place but some fine tuning required (one or more of the following)</b></p> <ul style="list-style-type: none"> <li>• Key controls exist but there are weaknesses and / or inconsistencies in application though no evidence of any significant impact</li> <li>• Some refinement or addition of controls would enhance the control environment</li> <li>• Key objectives could be better achieved with some relatively minor adjustments</li> </ul> <p>Conclusion: key controls generally operating effectively.</p> <p><b>Follow Up Audit:</b> 51-85% of actions have been implemented. All high priority actions have been implemented.</p>
<p style="text-align: center;"><b>Amber Red – Some</b></p> 	<p><b>Significant improvement in control environment required (one or more of the following)</b></p> <ul style="list-style-type: none"> <li>• Key controls exist but fail to address all risks identified and / or are not applied consistently and effectively</li> <li>• Evidence of (or the potential for) financial / other loss</li> <li>• Key management information exists but is unreliable</li> <li>• System / process objectives are not being met, or are being met at an unnecessary cost or use of resources.</li> </ul> <p>Conclusion: key controls are generally inadequate or ineffective.</p> <p><b>Follow Up Audits</b> - 30-50% of actions have been implemented. Any outstanding high priority actions are in the process of being implemented.</p>
<p style="text-align: center;"><b>Red – Limited</b></p> 	<p><b>Urgent system revision required (one or more of the following)</b></p> <ul style="list-style-type: none"> <li>• Key controls are absent or rarely applied</li> <li>• Evidence of (or the potential for) significant financial / other losses</li> <li>• Key management information does not exist</li> <li>• System / process objectives are not being met, or are being met at a significant and unnecessary cost or use of resources.</li> </ul> <p>Conclusion: a lack of adequate or effective controls.</p> <p><b>Follow Up Audit</b> - &lt;30% of actions have been implemented. Unsatisfactory progress has been made on the implementation of high priority actions.</p>
<p><b>Categorisation of Actions</b></p>	<p>Actions are prioritised as High, Medium or Low to reflect our assessment of risk associated with the control weaknesses</p>
<p><b>Value for Money</b></p>	<p>The definition of Internal Audit within the Audit Charter includes ‘It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of resources.’ These value for money findings and recommendations are included within audit reports.</p>

## Final Reports Issued Since March 2022

## Appendix B

The following reports and advisory work have been finalised since the last Governance and Audit Committee. Action plans are in place to address the weaknesses identified.

Project Reference	Portfolio	Project Description	Audit Type	Level of Assurance	New Actions		
					High	Med	Low
<b>2021/22 Audit Plan</b>							
12-2021/22	E&Y	21/22 Risk Based Thematic Review - Elfed High School	Risk Based	G	0	2	1
40-2021/22	E&Y	Repairs & Maintenance to School Estate	Risk Based	G	0	0	1
48-2021/22	GOV	Records Management - Assurance around change of provider	Risk Based	G	0	0	1
23-2021/22	E&Y	Schools Budgeted Licensed Deficit	Risk Based	AG	0	0	2
31-2021/22	GOV	Data Protection (GDPR)	Risk Based	AG	0	4	0
49-2021/21	SS	Direct Payment & Care Agreement	Risk Based	AG	0	1	2
12-2021/22	E&Y	21/22 Risk Based Thematic Review - Ysgol Derwenfa, Leeswood	Risk Based	AG	0	2	3
12-2021/22	E&Y	21/22 Risk Based Thematic Review - Ysgol Gwenffrwd, Holywell	Risk Based	AG	0	1	3
12-2021/22	E&Y	21/22 Risk Based Thematic Review - Nannerch Federation	Risk Based	AG	0	3	1
12-2021/22	E&Y	21/22 Risk Based Thematic Review - Nercwys Federation	Risk Based	AG	0	3	0
38-2021/22	CORP	Risk Management	Risk Based	AR	0	6	0
2-2021/22	P&R	Use of Agency, Relief, Self-Employed & Supply Teachers (including IR35 Compliance)	Risk Based	AR	0	2	2
45-2021/22	E&Y	Drury Primary School	Risk Based	R	5	0	0

Project Reference	Portfolio	Project Description	Audit Type	Level of Assurance	New Actions		
					High	Med	Low
AC 05-2021/22	PE&E	Planning Self-Assessment	Advisory	Advisory	-	-	-
46-2021/22	GOV	Corporate Mobile Phones	Advisory	Advisory	-	-	-
<b>2022/23 Audit Plan</b>							
AC01-2022/23	S&T	Integrated Transport Unit	Advisory	Advisory	-	-	-

# Audit Assurance Summary for 22/23

# Appendix C

Portfolio	Number of Reports & Assurance						Priority & Number of Agreed Actions			
	Red	Amber Red	Amber Green	Green	Advisory / Grant - No Opinion Given	In Total	High	Medium	Low	In Total
Corporate						0				0
Education & Youth						0				0
Governance						0				0
Housing & Assets						0				0
People & Resources						0				0
Planning, Environment & Economy						0				0
Social Services						0				0
Streetscene & Transportation					1	1	-	-	-	0
Cross Cutting Portfolio's						0				0
External						0				0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Footnote:**

**Red Assurance:**

**Amber Red Assurance:**

**Governance: Risk Management – 42-2021/22**

<i>Areas Managed Well</i>	<i>Areas Identified for Further Improvement</i>
<ul style="list-style-type: none"> <li>The Risk Management Framework and User Guide V5 approved by COT in March 2020 has defined some roles and responsibilities for those responsible for risk management activities across the Council.</li> <li>Method statements are in place for all risks tested.</li> <li>Portfolios have a standing agenda item at their DMT/SMT meetings to discuss risk.</li> <li>Risks have been included in the information packs for the respective Overview and Scrutiny Committees as part of the Recovery Strategy Updates which were last completed in March 2021. Some risks were also included in individual reports presented at Overview and Scrutiny.</li> </ul>	<p><i>Opportunities for improvement to the control environment have been identified to ensure compliance is maximised. The service area has provided a comprehensive action plan which contains the agreed actions, responsible officer and individual due dates to address the areas listed below.</i></p> <ul style="list-style-type: none"> <li><i>The role and responsibilities of the Performance and Risk Management team could be more clearly defined, and the expectations of the framework be reviewed for efficiency and effectiveness.</i></li> </ul> <p><b>Agreed Management Action:</b> <i>Process mapping of the Risk Management Framework will be undertaken. The User Guide will be updated to this and incorporate those changes being brought in with the new Risk Management system, InPhase. The User Guide will clearly identify the roles and responsibility of those involved in the Risk management process. The revised process and guidance will be presented to COT for sign off, shared at DMTs and Senior Leadership Academi. Training on Risk Management and the revised process, user guide and system will be provided and supporting documentation made accessible to all.</i></p> <p><b>Due date for this action: December 2022</b></p> <ul style="list-style-type: none"> <li><i>Risk method statements have not been updated since inception. This means that the mitigating actions and evidence / indicators to underpin risk scores are either not in place or out of date. Risk mitigating documents to explain a risk assessment have reverted back to management commentary.</i></li> </ul> <p><b>Agreed Management Action:</b> <i>The Risk Management process will be reviewed as stated in 1 above, including the requirement for tolerance levels to be identified. The current process is resource intensive and has to be manually collated. The new InPhase system will address / support most issues arising in this report. Unfortunately, the implementation of InPhase has been delayed due to the Pandemic and a change of personnel within Senior Management and the Performance and Risk Management Team. The individual method statements and risk mitigation documents will be superseded through the design of the InPhase System. The new system will have automatic reminders for reviewing and escalating risks in line with individual risk tolerances. Going forward the Risk Management Team will escalate any non-compliance with process to COT.</i></p> <p><b>Due date for this action: June 2023</b></p> <ul style="list-style-type: none"> <li><i>Risk performance is not monitored over time which further limits the effectiveness of challenge/scrutiny or escalation.</i></li> </ul> <p><b>Agreed Management Action:</b> <i>This was highlighted in the previous advisory review and agreed that this would be included as part of the new InPhase system due to inefficiency this would cause with the current manual system. However, the role out of the new system has been significantly delayed due to the pandemic and change in personnel. The new system will have set automatic reminders for reviewing and escalating risks in line with individual risk tolerances and highlighting risk trends and performance.</i></p> <p><b>Due date for this action: June 2023</b></p>

Areas Managed Well	Areas Identified for Further Improvement
	<ul style="list-style-type: none"> <li> <p data-bbox="600 264 2175 323">• The basis for challenging and in particular escalating any risk which is outside of tolerance is not clearly defined and is difficult to evidence.</p> <p data-bbox="645 339 2175 399"><b>Agreed Management Action:</b> There is a process in place for the escalation of risks, however it is acknowledged this needs to be enhanced, including reporting progress to the various committees. This will form part of the agreed action 1 above.</p> <p data-bbox="645 408 2175 499">This audit review is in relation to portfolio (operational) risks only. The Council also manages, Strategic and project risks together with Recovery risks. The management and collation of risk needs to be refined into one risk register and separately categorised. InPhase will enable the management of this efficiently.</p> <p data-bbox="645 509 1106 534"><b>Due date for this action: March 2022</b></p> </li> <li> <p data-bbox="600 550 2175 609">• The quality of evidence / indicator / metric used to support risk scores and demonstrate effective risk management within tolerance is limited.</p> <p data-bbox="645 625 2175 775"><b>Agreed Management Action:</b> As agreed in 1 above the Risk Management Process and User Guide will be reviewed and amended and InPhase rolled out. All three elements will ensure risks need to be measurable and risk appetite identified. This will need to be confirmed by risk owners at the outset and kept under review should appetite change. The new InPhase system is also a Business Planning and Performance Management system, therefore business plans are currently being input into the system. Performance management data will support the progress against agreed actions together the Council risks.</p> <p data-bbox="645 785 1088 810"><b>Due date for this action: June 2023</b></p> </li> <li> <p data-bbox="600 826 1809 852">• The relationship between Council Plan priorities and portfolio risk management is not always evident.</p> <p data-bbox="645 868 2175 991"><b>Agreed Management Action:</b> This review looked at Portfolio (operational) risks. However, it is apparent / acknowledged that some risks have not been identified for some Council priorities. As agreed in 1 and 4 above and the implementation of InPhase and bringing together Portfolio, Strategic and Recovery Risks, Business Planning and Performance Management, this action will be addressed.</p> <p data-bbox="645 1000 1088 1026"><b>Due date for this action: June 2023</b></p> </li> </ul>

## People & Resources: Use of Agency Workers (including IR35 Compliance) – 02-2021/22

<i>Areas Managed Well</i>	<i>Areas Identified for Further Improvement</i>
<ul style="list-style-type: none"> <li>• Reports are run by the Business Information and Compliance Adviser (BICA) on a quarterly basis for the purpose of presenting information to CROSC. Reports includes detail regarding agency workers (spend &amp; length of contract) and off-contract (non-Matrix) spend.</li> <li>• There is IR35 Compliance Guidance for Managers available on the Infonet.</li> <li>• There is an Agency Workers Policy available which provides information to engaging officers/managers around expectation of Matrix and non-Matrix contracts.</li> <li>• There are documented Accounts Payable (AP) procedures for setting up new suppliers on the New Supplier Database which consider compliance with IR35 rules.</li> <li>• There are New Supplier Request database instructions which refer to self-employment IR35 checks available on the Infonet. The IR35 Compliance Guidance for Managers FCC policy has been added as a link to the New Supplier form.</li> <li>• There are monitoring and reporting mechanisms around the use of relief staff.</li> </ul>	<p>Opportunities for improvement to the control environment have been identified to ensure compliance is maximised. The service area has provided a comprehensive action plan which contains the agreed actions, responsible officer and individual due dates to address the areas listed below.</p> <ul style="list-style-type: none"> <li>• Reporting to CROSC is not highlighting the risk that off-contract agency placements and the use of long-term placements (Matrix and off-contract) presents and does not support the effective ongoing management of these risks.  <i>Agreed Management Action:</i> Management confirmed that as at 17.05.2022 placements exceeding 12 weeks had reduced to 56% of total placements.                      Reporting of Matrix and off-contract agency placements to be brought to COT quarterly by Senior Manager HR&amp;OD.                      Engagement with HR from hiring managers around the use of non-Matrix staff to establish reasons why services are going off contract and to improve oversight of these placements.                      Enhanced reporting to CROSC around risk of agency placements and extent to which placements are properly managed.  <b>Due date for this action: 30<sup>th</sup> June 2022</b> </li> <li>• The available data around spend on agency workers and length of placement indicates non-compliance with the Agency Workers Policy.  <i>Agreed Management Action:</i> A piece of work is being undertaken by HR to understand why long-term agency contracts are in place and any barriers to applying to permanent job vacancies.  <b>Due date for this action: 30<sup>th</sup> June 2022</b> </li> <li>• At the time of audit, the IR35 Compliance Guidance for Managers FCC policy 2017–2020 required updating.  <i>Agreed Management Action:</i> The IR35 Compliance Guidance for Managers FCC policy has now been updated.  <b>Due date for this action: 3rd May 2022</b> </li> <li>• HMRC IR35 employment status check results were identified which did not include the suppliers name, as such it was not possible to tell if the paperwork was for that supplier/vendor.  <i>Agreed Management Action:</i> Going forward it will be ensured that all IR35 employment status check result forms include the vendor name.  <b>Due date for this action: 31<sup>st</sup> May 2022</b> </li> </ul>

Red / Limited Assurance Opinion Issued

Appendix E

Drury Primary School – Financial Management Arrangements  
This will be reviewed as a Part 2 Paper



# Action Tracking – Portfolio Performance Statistics

# Appendix F

Portfolio	Live Actions – June 2022				Actions beyond <u>Original</u> due date			
	Live Actions	Actions Beyond Due Date <i>(excludes Actions with revised due date)</i>			Actions between 6 & 12 months	Actions Greater than 12 Months (13+)		
		H	M	L				
Chief Executives	10	0	0	4	3	0	3	
Education & Youth	3	0	0	0	3	3	0	
Governance	25	0	10	1	12	5	7	
Housing & Assets	28	3	9	5	22	10	6	
People & Resources	17	2	9	4	9	8	5	
Planning, Environment & Economy	6	0	1	1	5	1	1	
Social Services	5	0	3	0	2	2	0	
Streetscene & Transportation	10	2	0	2	8	2	2	
External	3	0	0	0	0	0	0	
Individual Schools	19	0	1	5	6	2	4	
<b>Total</b>	<b>126</b>	<b>7</b>	<b>33</b>	<b>22</b>	<b>70</b>	<b>33</b>	<b>28</b>	
		<b>62</b>						

See Appendix F & G

## High and Medium Actions Overdue

## Appendix G

Audit	Ref	Action	Priority	Original Due Date	Revised Due Date	Age of Action from Original Due Date (Months)	Last Update Provided	Reason for Revised Due Date and Current Position	How Risk is Being Managed
<b>Governance</b>									
Joint Corporate Procurement Unit 17/18	2253	Action (Ref) 1.3(ii) A review of Contract Procedure Rules relating to extensions, variations and direct awards to ensure markets are regularly tested and the most competitive price obtained. Staff to be reminded why extensions, variations and direct awards should only be taken up as a last alternative and should be for a minimum period of time while a tender is completed.	M	31/10/2018	31/12/2021	42	19/01/2022	Due to the changes in management a sensible timescale would be end of this year by the time a new manager is appointed and the have opportunity to review CPR's.	CPR's are in the process of being revised, currently out for consultation but there may be further changes required as a result of Brexit. No immediate risk to be managed as existing CPR's will remain in place whilst the revision is ongoing.
Legal Case Management System 2017/18 Procedural Guidance	2212	Procedural guidance specific to the way the system operates for the Section in 2018 should be compiled and issued to the users of the system. These procedures should state which specific areas of the system officers are supposed to be using and which areas are mandatory i.e. all chargeable time should be recorded on the Iken system. Consideration should also be given to getting users to confirm that they have received the procedural guidance and agree to comply with it.	M	31/03/2019	30/11/2021	37	01/10/2021	Revised due date relates to complex and specific user journeys not covered and data cleanse, following which a FCC specific manual will be developed and circulated.	They are implementing an upgrade so will align the guidance with this. The upgrade has been implemented but has created a vast amount of user issues which need to be resolved before the guidance can be prepared.
Deferred Charges on Properties 2018/19	2412	A spreadsheet will be set up which records all legal charges that relate to the Council.	M	31/07/2019	30/11/2021	33	17/05/2021	Requested due date be extended to 30.11.21 recognising the current workload within the Legal team.	Notification of completed charges are retained on the legal file and also client departments as notified.
Procurement Contract	2772	Chief Officers to review contract management within their portfolios to	M	31/12/2019	31/12/2021	28	04/11/2020	Organisational capacity does not exist to complete	Each portfolio agreed to review contract

Management 2018/19		<p>ensure; Staff have appropriate skills and experience, and have received appropriate training where required. All contracts over £25k are recorded on the Proactis Contract Register / all contracts on Proactis e-sourcing have been closed down and 'pushed through' to the Proactis Contract Register. Signed contracts are in place to support all contracts on the Proactis Contract Register. Contract Management activity is recorded in the Proactis Contract Management module where appropriate. The evidence retained to support contract management activity is appropriate and robust. Delivery of Community Benefits / Social Value is appropriately monitored. Compliance with contract clauses around the use of sub-contractors is appropriately monitored. Appropriate inclusion of performance indicators / performance data requirements within contract terms and conditions, and appropriate monitoring of contractor performance data. Chief Officers will develop Action Plans for each of their portfolios to ensure any issues identified in the reviews carried out (above) are appropriately addressed.</p>						this work across the council due to the ongoing response to the pandemic	<p>management arrangements across their services and develop an action plan to address issues identified (if any). Contract management action plans are now in place across a number of portfolios (Social Services; Housing &amp; Assets; Planning, Environment &amp; Economy; Streetscene &amp; Transportation). It is unclear if these action plans are being actively monitored and updated within portfolios to drive implementation of the agreed actions / drive compliance with contract management best practice. This has been highlighted within New Audit Findings at Section 3 (URN 03028). Contract Management Action Plans are not yet in place for Education; Governance or Corporate Services (it is recognised however that work has recently recommenced on ascertaining the 'as is' position within these portfolios) with the intention that Action Plans will now be developed.</p>
Procurement Contract	2726	In addition to delivery of the Action Plans developed by Chief Officers following the portfolio reviews agreed at finding	<b>M</b>	31/03/2020	31/03/2022	25	-	No update provided	No update provided

Management 2018/19		<p>(1); Development of a formal training programme for contract managers to ensure; Appropriate awareness of the issues to be considered in ensuring effective delivery of Community Benefits / Social Value. Appropriate awareness of the risks around the use of sub-contractors in the delivery of contracts &amp; understanding of the activity which should be carried out as part of the contract management process to ensure terms and conditions around the use of sub-contractors are being complied with. Appropriate awareness of the use of performance indicators / performance data requirements within contract terms and conditions &amp; the robustness of processes in place for the validation and monitoring of performance data. Appropriate awareness of the requirement to include all contracts on the Proactis Contract Register and to ensure a robust understanding of the processes for uploading signed contracts onto Proactis. Use of the Proactis Contract Management module.</p>							
Contract Management Follow Up 2020/21	3022	<p>The Chief Officer Governance, will raise the issues identified within the findings and implications and will consider enhanced controls in future processes at COT in 2021. These will include:-</p> <ul style="list-style-type: none"> <li>• Data from the P2P and Proactis systems to be analysed to provide a more detailed understanding of the extent to which contractors are used across services / portfolios (to understand the extent of the risk).</li> <li>• Alternative controls to enhance Contractor performance across the Council to be considered.</li> <li>• Performance expectations (and impact</li> </ul>	<b>M</b>	31/03/2021	30/06/2021	13	16/03/2021	No update provided	No update provided

		of failing to meet expectations) to be clear in all contract documentation. <ul style="list-style-type: none"> <li>Contractor performance (and available remedies) to be highlighted in Contract Management training events.</li> </ul>							
20/21 Right of Access	3072	Potentially there is a lack of resource within the Portfolios to deal with IRR. This will be discussed at COT and their potential lack of resource will be highlighted.	M	30/06/2021	-	10	-	No update provided	No update provided
21/22 CCTV (Cross Cutting)	3201	Chief Officer, Housing & Assets to table a COT report to facilitate discussion around oversight and control of CCTV. Consideration to be given to: Overarching responsibility for CCTV camera systems; Development of a live asset register of all CCTV cameras to be used as a basis for ensuring Council wide regulatory compliance); Oversight and reporting of cross Council compliance with the Surveillance Camera Code; Oversight and reporting of cross Council completion of Data Protection Impact Assessments (DPIA); Appropriateness of protocols in place (contracts / SLA's, etc.) to support partnership arrangements with third parties. Control around the purchasing of CCTV cameras. the Public Realm CCTV Manager will continue to provide cross portfolio operational support to officers responsible for CCTV to ensure compliance with the Protection of Freedoms Act 2012.	M	30/09/2021	29/04/2022	7	04/10/2021	Need to obtain third party information relating to the Alltami CCTV system. Monitored remotely by Crime Prevention Ltd.	Need to obtain third party information relating to the Alltami CCTV system. Monitored remotely by Crime Prevention Ltd.
21/22 Organisational Ethics & Values	3241	The published version of the Constitution will be updated quickly after changes are approved by Council. Constitution to be reviewed and updated to ensure it contains the most recent versions of all key policies and protocols.	M	18/10/2021	30/11/2021	7	07/11/2021	Due date of 18.10.21 but Final report not issued until 7.11.21. To allow time to assess evidence to support implementation of this action the due date has been updated to	No update provided

								30.11.21.	
21/22 Organisational Ethics & Values	3262	Key ethical policies & guidance owned by the Governance Portfolio to be reviewed and refreshed in accordance with defined review dates, specifically; Declaration of Interest guidance notes on the Infonet (for officers) not updated since May 2003. Employee Privacy Policy & Statement 2018-2020. Email and Internet Usage Policy (not updated since July 2012).	M	31/12/2021	-	4	-	No update provided	No update provided
<b>People and Resources</b>									
21/22 Notification of Leavers to CPF	3181	KPIs will be reviewed and agreed periodically between the parties and consideration should be given to introducing additional controls as part of the Employer Liaison Agreement to oversee and manage the accuracy of the work being delivered through the employer liaison team. Monthly/Quarterly reporting should also be provided by CPF and reviewed by the Council in line with contract management procedures.	H	30/07/2021	31/12/2021	9	04/11/2021	No updated provided	No update provided
21/22 Notification of Leavers	3178	A quality assurance process to be devised to ensure information keyed which has an impact on pension benefits payment is checked for accuracy against supporting information and not just the leaver form. A set of information buttons (pop-ups) be added to the HR Forms Database to help educate and assist managers on the completion of the respective HR form.	H	31/08/2021	31/12/2021	8	30/11/2021	No updated provided	No updated provided
Main Accounting AP&P2P	2621	Council no longer publish this data but it is available and from 2019/20 it will be included in the Key Performance Indicators reported as part of the MTFS.	M	30/09/2019	30/09/2021	31	17/05/2021	Needs to be discussed further GF for confirmation.	The Council has implemented its 'Fast Track' Programme from 1st April which provides available discounts for early payment to suppliers. The implementation

									has resulted in to changes in the way payment terms are calculated. Consideration will now be given to relevant Performance Indicators that will be incorporated into the current MTFS suite of indicators.
Main Accounting (AR)	2734	Write offs will be recommended and actioned on a quarterly basis to ensure the Council can track BDP and adjust provision where necessary. To ensure there are adequate management controls and separation of duties, responsibility for recommending the write offs will remain in the Corporate Debt Team but carrying out the write off transactions will revert back to Corporate Finance.  Debbie Griffiths will discuss with Gary Ferguson where the process for actioning Write Offs will be best suited.	M	31/03/2020	30/09/2021	25	05/11/2021	A review of roles and responsibilities has been undertaken with Revenues and Corporate Finance. Debt Recovery are responsible for recommending write-offs and the corporate finance manager is responsible for authorising write-offs in line with Finance Procedure Rules. The cashier team process the write offs and corporate finance will account for the bad debt provision.	A review of roles and responsibilities has been undertaken with Revenues and Corporate Finance. Debt Recovery are responsible for recommending write-offs and the corporate finance manager is responsible for authorising write-offs in line with Finance Procedure Rules. The cashier team process the write offs and corporate finance will account for the bad debt provision.
Corporate Grants 19/20	2802	The necessary training will be provided with the new alternative CGD solution. e.g. Manager Grants Database workshops.  Communication and awareness to be provided to relevant officers in the Portfolios to ensure the requirements for grant funding/bids are known and shared with Finance. Consideration of grant funding streams already forms part of the normal budget monitoring process involving finance and the service lead.	M	30/06/2020	30/06/2021	22	25/10/2021	Training is still outstanding for the schools finance team and Social Services Finance Team. Hoping to schedule training dates before the end of May 2021 - on this basis (and allow for delay in the roll out of training) the due date has been revised to 30.06.21.	Further training of the Grants System being held over the last few weeks.
20/21 Health & Safety and	3026	Quarterly reports to be tabled at COT highlighting excessive credit balances	M	31/12/2021	-	4	04/11/2021	Not implemented as yet but this is something	Not implemented as yet but this is

Wellbeing of Employees		on Etarmis / average working hours exceeding Working Time Policy. Caveat to be included highlighting potential data inaccuracies within reports.  Individual Chief Officers to determine action to be taken following consideration of reports.						which can be put in place quite quickly with the caveat that huge pockets of the workforce are not on Etarmis so will not be picked up in this reporting. Due date to be revised to 31.12.21 to allow reports to be put in place.	something which can be put in place quite quickly with the caveat that huge pockets of the workforce are not on Etarmis so will not be picked up in this reporting.
20/21 Health & Safety and Wellbeing of Employees	3027	HR to be included in the working group for the roll out of a new time management system. Management to liaise with Social Services Business Support to establish timetable for roll out.  Commitment to be sought for use of a single time recording system across the council.	M	30/06/2021	31/03/2022	10	04/11/2021	Implementation schedule is being developed with HFX however there is no capacity within Flintshire IT to begin work on this project until September 2022. IT managers meeting scheduled for 17.11.21 at which this will be discussed further, Sharon will also flag this with the Chief Executive (NC). Due date to be revised to 31.3.22 pending outcomes of further discussion with IT.	A business case has been submitted to the Digital Strategy Board for the purchase of Imperago as a replacement system for Etarmis. The business case was approved and funding is in place.
20/21 Collaborative Planning	3038	Management is confident that other controls are in place and there is no wider risk to the Council's budget monitoring processes In relation to this specific scope and review: Finance will produce a formal procedure to compliment the already available CP user guide and advice from accounts.  A reminder of roles and responsibilities will be communicated to budget holders and will be made available on the Finance infonet page	M	30/06/2021	-	10	25/10/2021	For CP, the roles and responsibilities document is being developed and was discussed further in a recent Systems User Group meeting.	For CP, the roles and responsibilities document is being developed and was discussed further in a recent Systems User Group meeting.
20/21 Collaborative Planning	3043	Management is confident that other controls are in place and there is no wider risk to the Council's budget monitoring processes	M	30/06/2021	-	10	-	No update provided	No update provided



		<p>In relation to this specific scope and review The roll out of the CP self-service was intended to continue to all but the most high risk budgets. Recently a System User Group has been set up to look at the use of financial systems across the Council and provide suggestions on improvements of use to Chief Officers and Chief Executive.</p> <p>As a result of this audit and feedback from accountants and budget managers, a review of the roll out plan will take place, and an action plan will be presented to Chief Officers.</p>							
20/21 Collaborative Planning	3061	A Financial Systems User group has been set up, to allow those with responsibility for how financial systems are used to be able to recommend improvements of use and share concerns of lack of discipline of use. These will be shared with COT.	M	30/06/2021	-	10	-	No update provided	No update provided
21/22 Main Accounting	3293	<p>Assurance to be sought from Oxygen Finance that the FreePay eligibility errors which resulted in ineligible suppliers being added to the FreePay list have been appropriately addressed to prevent any further issues.</p> <p>Logic reviews of the FreePay list to be diarised and undertaken by the AP team with spot checks to ensure accuracy and appropriateness of inclusion of suppliers.</p>	M	31/03/2022	-	1	29/03/2022	Regular checks will be carried out to ensure the data is correct. This will be carried out until the end of this year and after the full annual review.	Regular checks will be carried out to ensure the data is correct. This will be carried out until the end of this year and after the full annual review.
<b>Planning, Environment &amp; Economy</b>									
Houses to Homes 2019	2815	A quarterly reconciliation to take place between service area Houses to Homes tracker, the information available on the CIVICA system for the Houses to Homes Loans	M	31/03/2020	30/06/2021	25	-	No updated provided	No updated provided
<b>Social Services</b>									
20/21	3092	The performance management team	M	30/04/2021	31/07/2021	12	30/04/2021	Practice Directive in	No updated provided

Adoption Services		have devised a system to capture key activities to ensure Measure 20a is compliant. The PARIS team will have designed a new PARIS information system to capture and produce key information. Relevant social work teams and managers will receive an internal communicate (known as a Practice Directive) setting out the requirements and timeframes to meet Measure 20a. This measure will be complete by the time the child and their potential adopters are presented at the Matching Panel.						place, information being collected in PARIS currently and will be available for first reporting at quarter end (July) - management relying on this to close down action.. Discussed lack of assurance currently that the development to PARIS sufficiently mitigates risk.	
20/21 Adoption Services	3095	The performance management team have devised a system to capture key activities to ensure Measure 20 is compliant. The PARIS team will have designed a new PARIS information system to capture and produce key information. Relevant social work teams and managers will receive an internal communicate (known as a Practice Directive) setting out the requirements and timeframes to Measure 20. This measure will be complete by the time the child is subject to their second Looked After / Adoption Review, with the Independent Reviewing Officer ensure compliance has been achieved.	M	30/04/2021	31/07/2021	12	30/09/2021	1. Discussed lack of assurance currently that the development to PARIS sufficiently mitigates risk. 2. Practice Directive in place 3. information being collected in PARIS currently and will be available for first reporting at quarter end (July) - management relying on this to close down action.	No updated provided
21/22 Direct Payments to Children	3329	Managers have reviewed all 7 identified records and work is progressing well in relation to the outstanding actions. (Service Manager, Childrens Services)  The 21 records requiring authorisation is being undertaken. (Team Managers, Childrens Services)	M	30/04/2022	-	-	-	No updated provided	No updated provided
<b>Housing &amp; Assets</b>									
21/22 Maes Gwern Contractual	3140	A process to be introduced to monitor the overage sum in line with the agreed calculation stated in the overarching	H	29/10/2021	31/03/2022	6	19/11/2021	Due date is revised to 31.03.22 to allow time for the review meetings to be set up, tasks allocated and	The process of calculating the overage will be addressed through the review

Arrangement		agreement.						outcomes to be reviewed.	meetings outlined above. The overage calculation was always predicated on the scheme being completed. To date assumed construction costs have been monitored. Hereafter actual costs will be included in the monitoring of the costs by our QS advisors.
21/22 Maes Gwern Contractual Arrangements	3159	A process and a process owner to be devised and introduced to identify any discrepancies in changes to property type and chase any remaining funds and interest due to the Council since the completion date. Any risks to the achievement of the agreed capital receipts should be considered and escalated to Chief Officer.	H	29/10/2021	31/12/2021	6	18/01/2022	Three documents were sent to internal audit on 18/1/22. After review by SA, it is unclear what the process which has been set up to deal with these changes going forward, the impact on capital receipts as a result of the review and whether any remaining funds are outstanding. Need to discuss further with PC.	The team have completed a review of the property types per plot based on the information provided.
21/22 Maes Gwern Contractual Arrangements	3174	A review to be complete of all current processes and these be aligned with the requirements stipulated in the Development Agreement. Management information to be reviewed at established governance routines to ensure programme deliverables are on track in line with Development Agreement. Identified changes to capital receipts should be escalated to the Chief Officer of Housing and Assets.	H	29/10/2021	31/03/2022	6	19/11/2021	Due date is revised to 31.03.22 to allow time for the review meetings to be set up, tasks allocated and outcomes to be reviewed.	Regular review meetings with key council departments and Wates from December onwards until the project is completed later in 2022. This will include Sales data/values, and scheme costs/abnormals. Quarterly reports to COT, and an outturn report/contract review will take place later in Sept/October 2022.
Procurement Contract	2771	Chief Officers to review contract management within their portfolios to	M	31/12/2019	31/12/2021	28	04/11/2021	Due date revised to 31.12.21 to allow this	Managers will be required to completed

Management 2018/19		<p>ensure;</p> <p>Staff have appropriate skills and experience, and have received appropriate training where required.</p> <p>All contracts over £25k are recorded on the Proactis Contract Register / all contracts on Proactis e-sourcing have been closed down and 'pushed through' to the Proactis Contract Register.</p> <p>Signed contracts are in place to support all contracts on the Proactis Contract Register.</p> <p>Contract Management activity is recorded in the Proactis Contract Management module where appropriate.</p> <p>The evidence retained to support contract management activity is appropriate and robust.</p> <p>Delivery of Community Benefits / Social Value is appropriately monitored.</p> <p>Compliance with contract clauses around the use of sub-contractors is appropriately monitored.</p> <p>Appropriate inclusion of performance indicators / performance data requirements within contract terms and conditions, and appropriate monitoring of contractor performance data.</p> <p>Chief Officers will develop Action Plans for each of their portfolios to ensure any issues identified in the reviews carried out (above) are appropriately addressed.</p>						meeting to take place and to reflect the new Chief Executive coming into post on 1.11.21.	<p>'as is' spreadsheets by the end of January, with a full meeting to be scheduled for early February to address issues arising and to pull together the required Action Plan.</p> <p>No impact on risk from a short extension to the due date.</p>
SARTH Follow Up 2019/20	3008	<p>Ensure that there is regional oversight for "overrides" through the SARTH Operational Panel, and that opportunities for service improvement are identified for action at the local level.</p> <p>Explore opportunities for improvements within the Open Housing System to reduce the number of overrides through</p>	<b>M</b>	31/07/2021	31/12/2021	9	07/09/2021	<p>New manager re SARTH/Housing Register. Need to develop plan for Homelessness. SJ Revised due date on this basis.</p>	<p>Request to revise date to 31/12/21 - new manager re SARTH/Housing Register. Need to develop plan for Homelessness.</p>

		changes or enhancements to the Allocations Module. Ensure all staff allocating properties via SARTH (FCC and Housing Partners), have regular training on the matching process. When overrides are necessary they should be recorded accurately with reason codes and detailed narrative for justification.							
SARTH Follow Up 2019/20	3009	Embed the periodic review process within routine operational practice of the Housing Register Team. Explore opportunities to use technology such as text, and online engagement to assist with the applications and periodic review process. Ensure robust management oversight of periodic reviews through monthly monitoring reports and a clearly documented process.	M	31/07/2021	31/12/2021	9	07/09/2021	New manager re SARTH/Housing Register. Need to develop plan for Homelessness. SJ Revised due date on this basis.	Request to revise date to 31/12/21 - new manager re SARTH/Housing Register. Need to develop plan for Homelessness.
SARTH Follow Up 2019/20	3010	Review the pre tenancy approach with SARTH Partners to develop a consistent way of undertaking "pre tenancy checks". Clearly document the outcome of any changes to practice and formalise through a documented procedure Develop an internal transfer's procedure for FCC, which picks up on those applicants who are existing FCC tenants, in order to assess their suitability for a move (not housing need, but picking up on arrears and property condition) as well as helping tenants to prepare for a move. Develop a Tenancy Ready / Home Starter Support Matrix which will identify households who may require additional support with setting up home and managing the practicalities of a move in order to target support services at those with greatest support needs	M	31/07/2021	31/12/2021	9	07/09/2021	New manager re SARTH/Housing Register. Need to develop plan for Homelessness. SJ Revised due date on this basis.	Request to revise date to 31/12/21 - new manager re SARTH/Housing Register. Need to develop plan for Homelessness.
21/22 Maes	3137	Abnormal costs to be tracked in line with	M	29/10/2021	31/03/2022	6	19/11/2021	Due date is revised to	Intend to address

Gwern Contractual arrangements		the figure stated in the Development Agreement. Impact to be assessed whether abnormal costs will be met.						31.03.22 to allow time for the review meetings to be set up, tasks allocated and outcomes to be reviewed.	issues with regular review meetings with key council departments and Wates from December onwards until the project is completed later in 2022. This will include Sales data/values, and scheme costs/abnormals. Quarterly reports to COT, and an outturn report/contract review will take place later in Sept/October 2022.
21/22 Maes Gwern Contractual Arrangements	3141	A process to be introduced to oversee and compare the unit completion date and time with the date and time of when the payments are received by the council to highlight instances where interest may be due in line with the Overarching Agreement.	M	29/10/2021	31/03/2022	6	19/11/2021	Due date is revised to 31.03.22 to allow time for the review meetings to be set up, tasks allocated and outcomes to be reviewed.	Intend to address issues with regular review meetings with key council departments and Wates from December onwards until the project is completed later in 2022. This will include Sales data/values, and scheme costs/abnormals. Quarterly reports to COT, and an outturn report/contract review will take place later in Sept/October 2022.
21/22 Maes Gwern Contractual Arrangements	3158	Adequate accounting records to be kept for all payments received and these to be monitored in line with the figures stipulated in the Development Agreement. Any discrepancies to be raised with management and rectified in a timely manner.	M	29/10/2021	31/03/2022	6	19/11/2021	Due date is revised to 31.03.22 to allow time for the review meetings to be set up, tasks allocated and outcomes to be reviewed.	Intend to address issues with regular review meetings with key council departments and Wates from December onwards until the project is completed later in 2022. This will

									include Sales data/values, and scheme costs/abnormals. Quarterly reports to COT, and an outturn report/contract review will take place later in Sept/October 2022.
21/22 Maes Gwern Contractual Arrangements	3160	A full review to be completed by the newly appointed SHARP Project Manager to ensure contractual requirements are being met and roles and responsibilities have been defined	M	29/10/2021	31/03/2022	6	19/11/2021	Due date is revised to 31.03.22 to allow time for the review meetings to be set up, tasks allocated and outcomes to be reviewed.	The overall SHARP scheme and partnership with Wates over Maes Gwern was a massive undertaking and thus far a successful one. The review undertaken suggests that this was achieved with a minimum of resources and recommendations to strengthen the development team capacity have been recommended to the Chief Officer.
Homelessness & temporary Accommodation 21/22	3236	A weekly review of temporary accommodation capacity and those individuals/families likely to move on (leaving temporary accommodation) takes place. Capacity is increased if required; emergency accommodation can be achieved through booking bed and breakfasts through block booking arrangements.  Additional pressures have been observed due to Covid, housing market pressures and the need to increase capacity immediately. Welsh Government Covid Hardship Grant has enabled this as part of the emergency homeless and public health response.	M	31/03/2022	-	1	-	No updated provided	No updated provided

		<p>It is not possible to accurately forecast homelessness numbers. Trend analysis prior to Covid19 is not applicable and would deliver limited value due to the significant change the pandemic has had on the landscape.</p> <p>Achievement of deliverables in line with the Rapid Rehousing Transition Plan is the ultimate aim.</p> <p>Short term (March 2022) Identification of reasons for refusal of permanent accommodation and action process to manage “unreasonable refusals” to be documented.</p>								
<b>Streetscene &amp; Transportation</b>										
2020/21- Loss of O license	3118	<p>A review of the current process in relation to tachograph compliance to be conducted and timescales to be agreed to deal with non-compliance. Processes to be mapped and responsibilities to be shared to ensure reliance on individuals is removed.</p> <p>Repeat offender reporting to be devised in order to identify and manage underperformance, with compliance checks to be undertaken regularly alongside professional competency checks.</p> <p>Roles and responsibilities to be reviewed, process to be streamlined and automated leading to timely resolution of non-compliance issues, with escalation of any delays in response.</p>	H	31/07/2021	-	9	07/02/2022	<p>The newly recruited Fleet Manager has reviewed the processes and consulted the stakeholders to agree the measures and timescales for the capturing, recording and distributing tach information. This process is captured in the attached document. Request for newly devised repeat offender reporting to be uploaded for review and to allow for action to be marked as completed.</p>	<p>Work continues with recording processes, key contacts, responsibilities and standard documentation, however following key changes to key personnel for the contractor and FCC Fleet completion has been delayed.</p>	
2020/21- Loss of O license	3119	<p>A documented set of procedures to be drafted to document the end to end process which demonstrates compliance with O Licence requirements. This should also set out roles and responsibilities, timescales for</p>	H	31/07/2021	31/01/2022	9	07/02/2022	<p>Need the full set of documented procedures (1st bullet), evidence of the compliance checks completed (2nd bullet), and what training is</p>	<p>Work continues with recording processes, key contacts, responsibilities and standard documentation,</p>	



		<p>completion of the various processes and will ensure the process is embedded across all transport operations. Through the assignment of roles and responsibilities this will assist with the identification of single person dependencies and support service resilience.</p> <p>Compliance checks to be regular conducted to ensure that the processes are being delivered correctly and in a timely manner.</p> <p>Training to be provided to additional staff in critical roles to ensure business continuity in the event the individual responsible is not available.</p>						<p>required or has been provided to ensure critical roles are not covered by just one individual (3rd bullet). Also an observation from the Fleet Task Duty spreadsheet review is that there are quite a number of items in the various tabs which are solely reliant on one person and in some cases it's the same person for a large number of tasks. This may result in an issue when the individual is on holiday or off sick and was the point bullet 1 was trying to address. Advised action would remain open until this information provided.</p>	<p>however following key changes to key personnel for the contractor and FCC Fleet completion has been delayed.</p>	
<b>Schools</b>										
Schools Audit 2019/20 - Maes Garmon	2947	The school will arrange for an Information Asset Register to be in place as soon as possible.	M	30/09/2020	31/12/2021	19	22/10/2021	No Information Asset Register in place whilst waiting for contractor to provide support.	No Information Asset Register in place whilst waiting for contractor to provide support.	

## Appendix H

### High and Medium Priority Actions with a Revised Due Date Six Months Beyond Original Due Date and Not Overdue

Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date	Current Status	How Risk is Being Managed
<b>Chief Executives</b>									
Voluntary Sector Grants - 2019/20	2765	A formal signed agreement will be put in place between the Council and the relevant third party organisation which defines the roles and responsibilities of all parties in administering the individual grant schemes, including any fees and charges to be paid to the administrating organisation.	M	31/03/2020	31/05/2022	29/03/2022	This was delayed because of capacity issues created by Covid -19.	Draft contract sent to Community Foundation in Wales (Mar 22) awaiting their feedback and then the contract can be signed. To reflect this the due date has been amended to 31.5.22	The draft contract has now been sent to Community Foundation in Wales and waiting for feedback before being able to sign the contract.
Voluntary Sector Grants - 2019/20	2807	Invoices or equivalent documentation will be requested to support the fees and charges levied by the CFiW. All fees and charges levied by the CFiW in respect of investing our fund monies and administering the grant scheme will be checked as being accurate.	M	31/03/2020	31/05/2022	29/03/2022	Awaiting feedback and to be in a position to sign. Date amended to 31.5.22 to reflect this.	Draft contracts sent in March 22, awaiting feedback and then will be in a position to sign.	Formal signed agreements to be put in place with CFiW re the Welsh Church Act Fund and Flintshire Endowment Fund.
<b>Education and Youth</b>									
20/21 School Attendance & Exclusions	3101	DP training to be updated on iTrent. ISPs to be put in place, with appropriate awareness sessions to ensure staff within the team are aware of, and comply with the protocols.	M	31/08/2021	31/08/2022	12/05/2022	Some progress has been made but need to resolve appropriately over the summer. Requested to amend the date to 31.8.22.	A standing item on Service Development Agenda is in relation to Audit and Estyn targets and these factors are cross checked with Business Support Records. Outline ISP has been completed and submitted for the Progression Service and a meeting with IT is booked to	The staff within the cohort receive regular supervision which includes reference to training updates and requirements. The Managers cascade these requirements and reminders to

Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date	Current Status	How Risk is Being Managed
		Privacy notices will be reviewed and updated following changes to the service delivery model.						finalise EWO version. This will facilitate privacy notice aspect of the audit requirements when completed. Revised date 31 12 21.	staff are repeated in supervision and appraisal.
20/21 School Attendance & Exclusion	3105	Periodic exception reporting will be undertaken from the CAPITA ONE system to identify all children with a recent end date – these records will be reviewed to ensure new in-county educational settings have been updated where appropriate.	M	31/08/2021	31/08/2022	28/03/2022	Some progress has been made but need to resolve appropriately over the summer. Requested to amend the date to 31.8.22.	The data audit process continues to evolve. The SMIT team and Admissions team have now formed a strategic group to look at good practice and areas of concern and meet quarterly. Children at risk of off rolling, CME and any other EOTAS situations are considered and this process runs in tandem with regular data updates.	A number of actions have been undertaken and continue with regard to this audit target. The LA EOTAS Panel now considers the registration status of all pupils discussed and a new Fresh Strat Coordinator commenced employment within the PRU Service on 1 9 21 to lead on and review all children that are not on a school or PRU register. In addition a Registration Practices Forum has been created that utilizes case studies to discuss and agree practice to ensure that the LA has a uniform understanding. This work is complex and incremental and will continue right

Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date	Current Status	How Risk is Being Managed
									throughout the school year.
20/21 School Attendance & Exclusions	3110	Detailed action plan will be developed to support the roll out of the new service model.	M	31/08/2021	31/08/2022	28/03/2022	Some progress has been made but need to resolve appropriately over the summer. Requested to amend the date to 31.8.22.	An action plan has been created and implemented. Revised service requirements are being reinforced via joint supervision sessions and regular whole service days. The revised model is in transition with full date of commencement to take place on 01/09/22.	An action plan has been created and implemented. Revised service requirements are being reinforced via joint supervision sessions and regular whole service days. The revised model is in transition with full date of commencement to take place on 01/09/22.
<b>Governance</b>									
Data Protection Act Compliance 2018/19	2594	Guidance on drafting a Privacy Notice is available to all staff via the Infonet. When requested and as part of the Data Protection Impact Assessment process, the Information Governance Team review Privacy Notices.  The Phase 2 GDPR Action Plan includes the following task: Update system to allow copies of privacy notices to be held against information assets.  The Denbighshire privacy notice is a compliance issue for Denbighshire as the data controller and not Flintshire as the data processor.	M	31/12/2019	30/06/2022	04/02/2022	Progress stalled between August and December 2021 due to staff absence.	Project now re-allocated.	Agreed at GDPR Project Board. All forms available for printing / downloading on the FCC website and Infonet to be identified and privacy notice reviewed. This review will be jointly conducted by web team to remove obsolete forms and develop electronic versions of the forms.

Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date	Current Status	How Risk is Being Managed
GDPR 2019/20	3011	Targeted training (using practical examples and scenarios) to be delivered to Information Asset Owners to ensure adequate understanding of roles and responsibilities.	M	30/06/2021	30/06/2022	02/07/2021	Due to a large number of right of access requests assigned to the Team, it hasn't been possible to start this work.	Due to a large number of right of access requests assigned to the Team, it hasn't been possible to start this work.	Due to a large number of right of access requests assigned to the Team, it hasn't been possible to start this work.
<b>Housing &amp; Assets</b>									
Travellers 2018/19	2352	Significant work is being undertaken by the Council to bring forward transit sites following the endorsement of this work by the Community and Housing Scrutiny Committee in December 2017. The Council has identified a number of sites for detailed appraisal and at the time of the audit, was awaiting comments from Arc4 who had been commissioned on their suitability. It should be noted that no local authority in Wales has a Transit Site.	M	30/09/2020	25/07/2022	27/01/2022	Delays caused by Covid, however the local development plan review is expected to be completed in October.	Any decision regarding the development of a transit site at Flint has been deferred until the Planning Inspector's LDP report is received. Unable to progress any application for planning permission until they have received the final report from the LDP Inspection. This action will have to be deferred for another three months	Any decision regarding the development of a transit site at Flint has been deferred until the Planning Inspector's LDP report is received.
<b>People &amp; Resources</b>									
Payroll 2017/18	2218	Midland have advised functionality is in place to allow for the removal of all required information to comply with GDPR requirements. Internal testing will be completed to provide assurance over this anticipated functionality.	M	30/09/2018	31/03/2022	23/03/2022	PMJ requested to move the revised due date to 31.03.2022 due to shortage of staff.	In discussion with regards to the need/provision of an additional testing environment. Update meeting are scheduled to take place up until the end of the year.	Preparations are in place to build and test redaction in a test environment, including reviewing those records we are required to keep longer in relation to safeguarding and running the redaction process - this will be helped by the issues previously found

Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date	Current Status	How Risk is Being Managed
									with work undertaken where numbers requested to be redacted didn't match following the process being run.

# Investigation Update

# Appendix I

Ref	Date Referred	Investigation Details
<b>1. New Referrals</b>		
1.1	24.05.2022	An anonymous whistleblowing referral has been received
<b>2. Reported to Previous Committees and still being Investigated</b>		
2.1		N/A
<b>3. Investigation Completed</b>		
3.1	N/A	

Internal Audit Performance Indicators

Appendix J

Performance Measure	21/22	June 22	Sept 22	Jan 23	Mar 23	Target	RAG Rating	
Audits completed within planned time	76%	85%	-	-	-	80%	G	↑
Average number of days from end of fieldwork to debrief meeting	15	16	-	-	-	20	G	↓
Average number of days from debrief meeting to the issue of draft report	4	1	-	-	-	5	G	↑
Days for departments to return draft reports	7	6	-	-	-	7	G	↑
Average number of days from response to issue of final report	1	1	-	-	-	2	G	→
Total days from end of fieldwork to issue of final report	32	25	-	-	-	34	G	↑
Productive audit days	76%	68%	-	-	-	75%	A	↓
Client questionnaires responses as satisfied	100%	100%	-	-	-	95%	G	→
Return of Client Satisfaction Questionnaires to date	71%	100%	-	-	-	80%	G	↑

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-Key					
<b>R</b>	Target Not Achieved	<b>A</b>	With-in 20% of Target	<b>G</b>	Target Achieved
<b>↑</b>	Improving Trend	<b>→</b>	-No Change	<b>↓</b>	Worsening Trend



Audit – 2021/22	Priority	Status of Work	Supporting Narrative
<b>Corporate</b>			
Risk Management	H	Complete	Quarter 4
<b>Education &amp; Youth</b>			
Schools Risk Based Thematic Reviews	H	Complete	Quarter 4
Drury CP	New	Complete	
Schools Control Risk Self-Assessment - Summary	Annual	In Progress	
Schools Budgeted Licensed Deficit	H	Complete	Quarter 4
Repairs & Maintenance to School Estate	H	Complete	Quarter 4
<b>Governance</b>			
Data Protection (GDPR)	Annual	Complete	Quarter 4
<b>Housing &amp; Assets</b>			
Housing Benefits (including Subsidy Grant)	Annual	In Progress	
<b>People &amp; Resources</b>			
Use of Agency, Relief, Self-Employed & Supply Teachers (including IR35 Compliance)	H	Complete	Quarter 4
<b>Planning, Environment &amp; Economy</b>			
Planning Self-Assessment	H	Complete	
<b>Streetscene &amp; Transportation</b>			
Highways Structures (Bridges) (2 <sup>nd</sup> Stage review)	H	In Progress	Quarter 4
<b>External</b>			
SLA - Aura - 10 days per annum	Annual	In Progress	Quarter 4

Audit – 2022/23	Priority	Status of Work	Supporting Narrative
<b>Corporate</b>			
Climate Change & Environmental Sustainability / ESG (Environmental Social Governance)	H		
Supply and Demand Risk and Shocks	H	In Progress	
Social Value / Community Benefits	M		
Core Funding 3 <sup>rd</sup> Sector	M		
Section 106 Agreements (cross cutting)	M		
Use of Consultants	M		
<b>Education &amp; Youth</b>			
Schools Risk Based Thematic Reviews	H		
School Funds	H	In Progress	
After School Club Salary Payments	H	In Progress	
Integrated Youth Service	M		
Scheme for Financing Schools / School Financial Regulations	M	In Progress	
Schools Control Risk Self-Assessment (CRSA)	Annual		
Education Grants – Education Improvement Grant (EIG)	Annual		
<b>Governance</b>			
Protection against Ransomware Attack	H	In Progress	
Corporate Debt Management (including bad debt provision and write offs)	H		
Information Technology Governance	H	In Progress	
Corporate Complaints	H	In Progress	
Enforcement Agents / Bailiffs	M	In Progress	
Procurement Legal Advice	M		
Cyber Security & Data Security	M		
Data Protection (GDPR)	Annual		
<b>Housing &amp; Assets</b>			
Housing Rent & Arrears	H	In Progress	
Maes Gwern Follow Up	Follow Up		
Carelink / Telecare	H		
Housing Demand	H		

Audit – 2022/23	Priority	Status of Work	Supporting Narrative
Complaints (Housing and Assets)	M	In Progress	
Temporary Accommodation	M		
Capital Components	M		
Supporting People Grant	Annual		
<b>People &amp; Resources</b>			
MFTS & supporting Method Statements / Budget Challenge	H		
Housing Revenue Account	H		
Main Accounting – General Ledger	H		
Financial Management Accounting within Portfolios	H		
Compliance with the CIPFA FM Code	M		
Corporate Grants (replacement of AW work)	Annual		
Pay Modelling	H	In Progress	
Payroll	Biennial	In Progress	
Supply Teachers (previously E Teach)	M		
Learning & Development	M		
Apprenticeships / Apprentice Levy	M		
<b>Planning, Environment &amp; Economy</b>			
Flood Alleviation Scheme	H	In Progress	
Houses of Multiple Occupancy	H		
Corporate Health & Safety	H		
Domestic Energy	H	In Progress	
Planning – Prioritisation & Activities (including Enforcement)	H		
Carbon Emissions – Data Collection methodology	M		
<b>Social Services</b>			
Placements	H	In Progress	
Safeguarding	H		
Childcare Development	M		
Deputyship	M		
Single Point of Access (SPOA)	M	In Progress	
<b>Streetscene &amp; Transportation</b>			

Audit – 2022/23	Priority	Status of Work	Supporting Narrative
Integrated Transport Unit	H	Complete	
Loss of O Licence	H		
Regional Transport / Transport Operator Supply Chain Risks	H		
Recycling Targets	M		
Complaints Handling	M	In Progress	
Parc Adfer	Annual		
<b>External</b>			
Clwyd Pension Fund - Investment, Management & Accounting	Biennial		
SLA - Aura - 10 days per annum	Annual		
SLA - NEWydd - 10 days per annum	Annual		

### Glossary

<b>Risk Based Audits</b>	Work based on strategic and operational risks identified by the organisation in the Improvement Plan and Service Plans. Risks are linked to the organisation's objectives and represent the possibility that the objectives will not be achieved.
<b>Annual (System Based) Audits</b>	Work in which every aspect and stage of the audited subject is considered, within the agreed scope of the audit. It includes review of both the design and operation of controls.
<b>Advice &amp; Consultancy</b>	Participation in various projects and developments in order to ensure that controls are in place.
<b>VFM (Value For Money)</b>	Audits examining the efficiency, effectiveness and economy of the area under review.
<b>Follow Up</b>	Audits to follow up actions from previous reviews.
<b>New to Plan</b>	Audits added to the plan at the request of management. <b>All new audits to the plan are highlighted in red.</b>
<b>Audits to be Deferred</b>	Medium priority audits deferred. <b>These audits are highlighted in green within the plan.</b>

By virtue of paragraph(s) 12, 14 of Part 4 of Schedule 12A  
of the Local Government Act 1972.

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