

Pecyn Dogfennau



Mark James LLM, DPA, DCA
Prif Weithredwr,
Chief Executive,
Neuadd y Sir, Caerfyrddin. SA31 1JP
County Hall, Carmarthen. SA31 1JP

DYDD GWENER, 16 MAWRTH 2018

AT: HOLL AELODAU'R PWYLLGOR ARCHWILIO

YR WYF DRWY HYN YN EICH GALW I FNYNCHU CYFARFOD O'R **PWYLLGOR ARCHWILIO** SYDD I'W GYNNAL YN **SIAMBR, NEUADD Y SIR, CAERFYRDDIN AM 10.00 AM AR DYDD GWENER, 23^{AIN} MAWRTH, 2018**, ER MWYN CYFLAWNI'R MATERION A AMLINELLIR AR YR AGENDA SYDD ATODEDIG.

Mark James DYB

PRIF WEITHREDWR



AILGYLCHWCH OS GWELWCH YN DDA

Swyddog Democrataidd:	Swyddog Gwasanaethau Democrataidd
Ffôn (Llinell Uniongyrchol):	01267 224470
E-bost:	DemocraticServices@sirgar.gov.uk
Cyf:	AD016-001

PWYLLGOR ARCHWILIO

**AELODAETH:
8 AELOD O'R CYNGOR AC 1 AELOD ALLANOL Â PHLEIDLAIS**

GRŴP PLAID CYMRU – 4 AELOD

1. Y Cyngorydd Hazel Evans
2. Y Cyngorydd Gareth John
3. Y Cyngorydd Carys Jones
4. Y Cyngorydd Elwyn Williams

GRŴP LLAFUR – 2 AELOD

1. Y Cyngorydd Tina Higgins [Cadeirydd]
2. Y Cyngorydd Bill Thomas

GRŴP ANNIBYNNOL – 2 AELOD

1. Y Cyngorydd Giles Morgan [Is-Gadeirydd]
2. Y Cyngorydd Edward Thomas

AELOD Â PHLEIDLAIS ALLANOL (1)

Mrs. Julie James

AGENDA

1. YMDDIHEURIADAU AM ABSENOLDEB
2. DATGANIADAU O FUDDIANNAU PERSONOL.
3. CYNLLUN ARCHWILIO MEWNOL 5 - 22
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7. COFRESTR RISG CORFFORAETHOL 55 - 66
8. DIWEDDARIAD GWASANAETHAU ARIANNOL 67 - 70
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 - 9.1 CYNGOR SIR GAERFYRDDIN DIWEDDARIAD PWYLLGOR ARCHWILIO - MAWRTH 2018 71 - 82
 - 9.2 CYNLLUN ARCHWILIO 2018 - CYNGOR SIR CAERFYRDDIN 83 - 114
 - 9.3 CYNLLUN ARCHWILIO 2018 - CRONFA BENSIWN DYFED 115 - 134
 - 9.4 ADRODDIADIADAU CENEDLAETHOL SWYDDFA ARCHWYLIO CYMRU 135 - 334
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11. LLOFNODI YN GOFNOD CYWIR COFNODION CYFARFOD Y PWYLLGOR A GYNHALIWYD AR 15FED RHAGFYR 2017. 353 - 360

Mae'r dudalen hon yn wag yn fwriadol

PWYLLGOR ARCHWYLIO

23^{AIN} MAWRTH 2018

CYNLLUN ARCHWILIO MEWNOL

Y Pwrpas:

Y diweddaraf ynghylch ar Cynllun Archwilio Mewnol 2017/18.

Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

I dderbyn yr adroddiad

Y Rhesymau:

Cyflwynir adroddiad cynnydd yn rheolaidd bob tro mae'r Pwyllgor Archwilio yn cyfarfod.

Ymgynghorwyd â'r pwyllgor craffu perthnasol : AMHERTHNASOL**Angen i'r Bwrdd Gweithredol wneud penderfyniad :** AMHERTHNASOL**Angen i'r Cyngor wneud penderfyniad :** AMHERTHNASOL**YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:-**

Cynghorydd David Jenkins

Y Gyfarwyddiaeth:

Gwasanathau Corfforaethol

Enw Pennaeth y Gwasanaeth:

Helen Pugh

Awdur yr Adroddiad:

Helen Pugh

Swyddi:Pennaeth Refeniw a
Chydymffurfio Ariannol

Rhif ffôn: 01267 246223

Cyfeiriad E-bost:

HLPugh@sirgar.gov.uk

EXECUTIVE SUMMARY

AUDIT COMMITTEE

23RD MARCH 2018

INTERNAL AUDIT PLAN UPDATE 2017/18

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

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

REPORT A (i) Internal Audit Plan 2017/18 – Progress Report

REPORT A(ii) Internal Audit Plan 2017/18 – Recommendations Scoring Matrix

REPORT B Summary of Completed Final Reports 2017/18 Relating to Key Financial Systems (*April 2017 to date*)

A Summary of Final Reports for the Key Systems completed during the last Quarter is attached.

1	Payroll
2	Teachers' salaries
3	Banking

REPORT C – Priority 1 Recommendations Relating to Reviews of Other Systems and Establishment Audits

This Section includes Reviews completed since April 2017 where Systems have one or more Fundamental Control Weaknesses or involve Reviews which the Chair of Audit Committee and the Audit & Risk Manager have agreed should be brought to the Committee

1	NONE TO REPORT
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DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

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

Signed: Helen Pugh Head of Revenues and Financial Compliance

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

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

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below
Signed: Helen Pugh Head of Revenues and Financial Compliance

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

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Strategic Audit Plan 2017-20	AC 28-03-16	Internal Audit Unit

Mae'r dudalen hon yn wag yn fwriadol

INTERNAL AUDIT PLAN 2017/18										
2017/18	% Plan Completion to Date	60%			% Target February 2018					85.0%
Job No	Departments	Days Planned	Pre. Audit Meeting	Terms of Reference Issued	Commenced	Field Work Complete	Draft Report Issued	Final Report Issued	Days to Date	Status
	Chief Executive									
1117001	Corporate Strategy/Policy Making	8	*	*	*	*	N/A	N/A	8.0	Complete
1117002	Partnership Arrangements	8							0.0	
1117003	Annual Governance Statement	8	*	*	*	*	*	*	8.0	Complete
1117004	HR Function - Recruitment / Safer Recruitment DBS	8							0.0	
1117005	Health & Safety	8	*	*	*	*	*	*	8.0	Complete
1117006	Staffing Policies	5							0.0	
1117007	Declaration of Interest	8							0.0	
1117008	Community Safety	5	*						0.0	Pre Audit Meeting
1117009	Electoral Services	5	*	*	*	*	*	*	5.0	Complete
1117010	Markets	5							0.0	
1117011	Sponsorship /Tourism/Marketing	5							0.0	
1117012	Property Management	8	*	*	*	*	*		7.2	Draft Report Issued
1117013	Estate Management	8	*	*	*	*	*		7.2	Draft Report Issued
1117014	European Programme	8	*	*	*				0.0	Commenced
1117015	Economic Development	10	*	*	*	*	N/A	N/A	10.0	Complete
1117016	City Deal - Governance Arrangements	8	*	*	*	*	*	*	8.0	Complete
1117017	Wellness Centre	8							0.0	
1117018	Community Regeneration	8	*						0.0	Pre Audit Meeting
1117019	RLP	5	*						0.0	Pre Audit Meeting
1117020	Performance/Governance/Improvement Plans	8	*	*	*	*	N/A	N/A	8.0	Complete
1117021	Physical Regeneration	8	*	*	*				0.0	Commenced
1117022	Well Being of Future Generations Act	5	*	*	*	*	*	*	5.0	Complete
1117023	Welsh Language Standards	5	*	*	*	*	*		4.5	Draft Report Issued
1117024	Information Governance / Retention of records / CFP	8	*	*	*	*			6.0	Field Work Complete
1117025	Property & Major Projects	10	*	*	*	*	N/A	N/A	10.0	Complete
1117026	Financial Management Other	5	*	*	*	*	N/A	N/A	5.0	Complete
	Grants									
1117027	Business Development	5	*	*	*				0.0	Commenced
1117028	Third Party Grants Monitoring	5							0.0	
1117029	Grants Data Base	5	*	*	*	*	N/A	N/A	5.0	Complete
	Computer Audits									
2117001	Computer Assisted Audit Testing(CAATs)	25	*	*	*	*			18.8	Field Work Complete
2117002	- Agresso Developments	5							0.0	
2117003	- Resource Link	10	*	*	*	*	*	*	10.0	Complete
2117004	- Payment Cards	5							0.0	
2117005	- Education & Childrens Services	5	*	*	*	*	N/A	N/A	5.0	Complete
2117006	National Fraud Initiative	35	*	N/A	*	*	N/A	N/A	35.0	Complete
2117007	Asset Management (Central/Other)	10	*	*	*				0.0	Commenced
2117008	Collaborative Working	10							0.0	
2117009	Networks inc WiFi	10	*	*	*	*	*		9.0	Draft Report Issued
2117010	Business Continuity Planning	10	*	*	*	*			7.5	Field Work Complete
2117011	Installations	10	*	*	*	*	*	*	10.0	Complete
2117012	Active Directory	10	*	*	*	*	*	*	10.0	Complete
2117013	Schools	10	*	*	*				0.0	Commenced
2117014	Other Systems - (Not TASK)	10	*	*	*	*	*	*	10.0	Complete
2117015	Digital Transformation	10							0.0	
2117016	Agile Working	10							0.0	

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2017/18	% Plan Completion to Date	60%			% Target February 2018				85.0%	
Job No	Departments	Days Planned	Pre-Audit Meeting	Terms of Reference Issued	Commenced	Field Work Complete	Draft Report Issued	Final Report Issued	Days to Date	Status
	Education & Children									
	School Improvement									
3117001	School Effectiveness Support Services	8							0.0	
	Education Services									
3117002	Special Educational Needs	8							0.0	
3117003	School Redundancy & EVR	8	*	*	*	*			6.0	Field Work Complete
	Strategic Development									
3117004	School Milk & Uniform Grants	5	*	*	*	*			3.8	Field Work Complete
3117005	School Meals & Primary Free Breakfast Services	12	*	*	*	*	*	*	12.0	Complete
	Curriculum & Well being									
3117006	Youth Service	8	*	*	*	*	N/A	N/A	8.0	Complete
3117007	Youth Service short term grants	3	*	*	*	*	N/A	N/A	3.0	Complete
3117008	Adult & Community Learning	5	*	*	*	*			3.8	Field Work Complete
	Children's Services									
3117009	Safeguarding	8	*	*	*				0.0	Commenced
3117010	Financial Management Other (Used for self assessment que	5	*	*	*	*	N/A	N/A	5.0	Complete
	Schools:									
3117011	Cross Hands C.P. School.	3	*	*	*	*	*		2.7	Draft Report Issued
3117012	Drefach C.P. School.	3	*	*	*	*	*		2.7	Draft Report Issued
3117013	Llangain C.P. School.	3	*	*	*	*	*	*	3.0	Complete
3117014	Banccfosfelin C.P. School.	3	*	*	*	*	*	*	2.7	Draft Report Issued
3117015	Pontyberem C.P. School.	3	*	*	*	*	*	*	3.0	Complete
3117016	Gwynfryn C.P. School.	3							0.0	
3117017	Carway C.P. School.	3							0.0	
3117018	Pontiets C.P. School	3							0.0	
3117019	Five Roads C.P. School	3							0.0	
3117020	Maesybont C.P. School.	3							0.0	
3117021	Blaenau C.P. School	3	*	*	*	*	*	*	3.0	Complete
3117022	Ysgol G. Mynyddgarreg	3							0.0	
3117023	Trimsaran C.P. School	3	*	*	*	*	*	*	3.0	Complete
3117024	Copperworks Infant & Nursery School	3	*	*	*	*	*		2.7	Draft Report Issued
3117025	Pen Rhos C.P. School.	3	*	*	*	*	*	*	2.7	Draft Report Issued
3117026	Peniel C.P. School.	3	*	*	*	*	*	*	3.0	Complete
3117027	Bro Banw	3	*	*	*				0.0	Commenced
3117028	Saron C.P. School	3	*	*	*	*	*	*	3.0	Complete
3117029	Llangadog C.P. School	3							0.0	
3117030	Ysgol Y Dderwen, Carmarthen	3	*	*	*	*	*	*	3.0	Complete
3117031	Llanmiloe C.P. School	3	*	*	*	*			2.3	Field Work Complete
3117032	Bryn C.P. School	3	*	*	*	*	*		2.7	Draft Report Issued
3117033	Y Felin (Felinfoel)	3	*	*	*	*	*	*	3.0	Complete
3117034	Ysgol Brynsierfel, Llanelli.	3	*	*	*	*	*	*	3.0	Complete
3117035	Llangunnor C.P. School.	3	*	*	*	*	*	*	3.0	Complete
3117036	Ysgol Gymraeg Teilo Sant, Llandeilo.	3							0.0	
3117037	Penygaer C.P. School.	3	*	*	*	*	*	*	3.0	Complete
3117038	Bigyn C.P. School.	3							0.0	
3117039	Richmond Park C.P. School.	3	*	*	*	*	*	*	3.0	Complete
3117040	Ysgol Griffith Jones	3	*	*	*	*	*		2.7	Draft Report Issued
3117041	St. Mary's R.C.P. School. Llanelli.	3	*	*	*	*	*		2.7	Draft Report Issued
3117042	St. Mary's R.C.P. School, Carmarthen.	3	*	*	*	*	*	*	3.0	Complete
3117043	Model V.A.P. School.	3	*	*	*	*	*	*	3.0	Complete
3117044	Ysgol Bro Dinefwr	7							0.0	
3117045	St John Lloyd	7	*	*	*	*	*	*	7.0	Complete
3117046	Dyffryn Taf	7	*	*	*	*	*	*	7.0	Complete
3117047	Ysgol Gyfun Emlyn	7							0.0	
3117048	Bro Myrddin	7	*	*	*	*	*	*	7.0	Complete
	Grants									
3117049	School Uniform	5	*	*	*	*	*	*	5.0	Complete
3117050	Post 16	5	*	*	*	*	*	*	5.0	Complete
3117051	Education - EIG - Q1 Audit	5	*	*	*	*	*	*	5.0	Complete
3117052	Education - EIG - Q2 Audit	5	*	*	*	*	*	*	5.0	Complete
3117053	Education - EIG - Q3 Audit	5	*	*	*	*	*	*	4.5	Draft Report Issued
3117054	Education - EIG - Q4 Audit	5	*	*	*	*	*	*	5.0	Complete
3117055	Education - EIG - Final Annual Audit	5	*	*	*	*	*	*	5.0	Complete
3117056	Education - PDG	5	*	*	*	*	*	*	5.0	Complete
3117057	Education & Children Grants - PDG Q4	5	*	*	*	*	*	*	5.0	Complete
3117058	Youth Work Strategy Grant	5	*	*	*	*	*	*	5.0	Complete

INTERNAL AUDIT PLAN 2017/18										
2017/18	% Plan Completion to Date	60%			% Target February 2018				85.0%	
Job No	Departments	Days Planned	Pre. Audit Meeting	Terms of Reference Issued	Commenced	Field Work Complete	Draft Report Issued	Final Report Issued	Days to Date	Status
	Corporate Services									
4117001	Main Accounting	10							0.0	
4117002	Budget Setting	5	*	*	*	*	*		4.5	Draft Report Issued
4117003	Budget Monitoring / Budget Manual Compliance	5	*	*	*	*	*		4.5	Draft Report Issued
4117004	VAT	8	*	*	*	*	*		7.2	Draft Report Issued
4117005	Capital Accounting incl.Fixed Asset Register	8							0.0	
4117006	Treasury Management - Loans	5							0.0	
4117007	Investments - Carmarthenshire CC	5							0.0	
4117008	Investments - Dyfed Pension Fund	5							0.0	
4117009	Pensions Payroll System	10	*	*	*	*	*	*	10.0	Complete
4117010	Housing Benefits	10	*	*	*				0.0	Terms of Reference
4117011	Council Tax	10	*	*	*				0.0	Commenced
4117012	NNDR	10	*	*	*	*			7.5	Field Work Complete
4117013	Payroll System	20	*	*	*	*	*	*	20.0	Complete
4117014	Creditor Payments	20	*	*	*				0.0	Commenced
4117015	Debtors System	20							0.0	
4117016	Cash Receipting	5	*	*	*	*	*		4.5	Draft Report Issued
4117017	Banking	5	*	*	*	*	*	*	5.0	Complete
4117018	Travel & Subsistence System	10	*	*	*				0.0	Commenced
4117019	Trust Funds	8	*	*	*	*	*	*	8.0	Complete
4117020	Burry Port Harbour - Accounts Return for WAO	5	*	*	*	*	*	*	5.0	Complete
4117021	Teachers Salaries	8	*	*	*	*	*	*	8.0	Complete
4117022	Asset Disposal / Acquisition	8							0.0	
4117023	Financial Management Other	5	*	*	*	*	N/A	N/A	5.0	Complete
	Communities									
5117001	Disability/Adaptations/Renewals/ARBED	8							0.0	
5117002	Houses for Homes	8							0.0	
5117003	Tenancy Management	8							0.0	
5117004	Homelessness	8	*	*	*	*	N/A	N/A	8.0	Complete
5117005	Rents	8	*	*	*	*	*	*	8.0	Complete
5117006	Contract Management/Partnerships	10	*	*	*				0.0	Commenced
5117007	Direct Payments	10	*	*	*	*	*	*	10.0	Complete
5117008	Residential Care Authority & Private Homes	8	*	*	*				0.0	Commenced
5117009	Day Care	8							0.0	
5117010	Learning Disabilities	5	*	*	*	*	*	*	5.0	Complete
5117011	Safeguarding	10							0.0	
5117012	Service User Assets	8	*	*	*	*	*		7.2	Draft Report Issued
5117013	Care Plans	5							0.0	
5117014	Independent Living Fund	5	*	*	*	*	*	*	5.0	Complete
5117015	Joint Equipment Store	5	*	*	*	*	*	*	5.0	Complete
5117016	Amman Valley Leisure Centre	4	*	*	*	*	*		3.6	Draft Report Issued
5117017	Carmarthen Leisure Centre	4	*	*	*	*	*		3.6	Draft Report Issued
5117018	Llanelli Leisure Centre	4	*	*	*	*	*		3.6	Draft Report Issued
5117019	Newcastle Emlyn Leisure Centre	4	*	*	*	*	*		3.6	Draft Report Issued
5117020	Pembrey Country Park / MCP / Country Parks	12	*	*	*	*	*		10.8	Draft Report Issued
5117021	Ski Centre	5	*	*	*	*	*		3.8	Field Work Complete
5117022	Countryside Access	5	*	*	*	*	*		3.8	Field Work Complete
5117023	St Clears Craft Centre	3	*	*	*	*	*		2.7	Draft Report Issued
5117024	West Area Leisure	5	*	*	*	*	*		3.8	Field Work Complete
5117025	Pendine Outdoor Education Centre	8	*	*	*	*	*		7.2	Draft Report Issued
5117026	Financial Management Other	5	*	*	*	*	*	*	5.0	Complete
	Grants									
5117027	Supporting People - Outcomes	5	*	N/A	*	*	*	*	5.0	Complete
5117028	Supporting People - Financials	10	*	*	*	*	*	*	10.0	Complete
5117029	Communities (time used for Supp People)	10	*	*	*	*	N/A	N/A	10.0	Complete

INTERNAL AUDIT PLAN 2017/18										
2017/18	% Plan Completion to Date	60%			% Target February 2018					85.0%
Job No	Departments	Days Planned	Pre. Audit Meeting	Terms of Reference Issued	Commenced	Field Work Complete	Draft Report Issued	Final Report Issued	Days to Date	Status
	Environment									
	Property:									
6117001	Property Maintenance	8	*	*	*	*	*	*	8.0	Complete
6117002	Property Management	5	*	*	*	*	N/A	N/A	5.0	Complete
6117003	Tenancy Management / Housing Voids	8							0.0	
6117004	Provision / livestock markets	5							0.0	
6117005	Grounds Maintenance	5	*	*	*	*	*	*	5.0	Complete
6117006	Waste Services	8							0.0	
6117007	Environmental Enforcement	5	*	*	*	*	*	*	5.0	Complete
	Highways and Transport:									
6117008	Highway Maintenance (incl. Trunk Roads)	8	*	*	*	*	*	*	8.0	Complete
6117009	Public transport	5	*	*	*	*	*	*	5.0	Complete
6117010	Fleet/Plant Management	5	*	*	*	*	*		4.5	Draft Report Issued
	Planning Services:									
6117011	Building Control	5	*	*	*	*	*	*	5.0	Complete
6117012	106 Agreements	5	*	*	*	*	*	*	5.0	Complete
6117013	Heritage	5	*	*	*	*	*	*	5.0	Complete
	Policy & Development Departmental:									
6117014	Management Systems - Total	5	*	*	*				0.0	Commenced
6117015	Procurement	3	*	*	*	*	*	*	3.0	Complete
6117016	Financial Management Other	5	*	*	*	*	*	N/A	5.0	Complete
	Grants									
6117017	Departmental Grants	10	*	*	*	*	*	N/A	10.0	Complete
	Procurement / Contracts									
7117001	Departmental Procurement Revenue Contracts	10	*	*	*				0.0	Commenced
7117002	Corporate Procurement	15							0.0	
7117003	Framework contracts	15	*	*	*	*			11.3	Field Work Complete
7117004	Regional Framework contracts	10	*	*	*				0.0	Commenced
7117005	Specific Projects	7	*	*	*	*	*	*	7.0	Complete
7117006	Capital Maintenance	5	*	*	*	*	N/A	N/A	5.0	Complete
7117007	21st Century Schools	5	*	*	*	*	*	*	5.0	Complete
7117008	Post Contract	7	*		*				0.0	Commenced
7117009	Contract Partnering Selection	5	*	N/A	*				0.0	Commenced
7117010	Capital Grant Management	5	*	*	*	*	*	*	5.0	Complete
7117011	Departmental Contract Management	8	*	*	*	*	*	*	8.0	Complete
7117012	Cost Management	8	*	*	*	*	*	N/A	8.0	Complete
7117013	Financial Management Other	10	*	*	*	*	N/A	N/A	10.0	Complete
	Total Approved Plan Days	1252							745.0	
	Fire									
8117001	Network Security	5	*	*	*				0.0	Commenced
8117002	Internet Security	5	*	*	*				0.0	Commenced
8117003	Aggresso	3			*				0.0	Commenced
8117004	Data Protection	5	*	*	*				0.0	Commenced
8117005	NFI	5	*	*	*	*			3.8	Field Work Complete
8217001	Main Accounting	5	*	*	*	*	*	*	5.0	Complete
8217002	VAT	5	*	*	*				0.0	Commenced
8217003	Capital Accounting incl.Fixed Asset Register	5							0.0	
8217004	Treasury Management - Loans	2	*	*	*	*			1.5	Field Work Complete
8217005	Treasury Management - Investments	4	*	*	*	*			3.0	Field Work Complete
8217006	Pensions Payroll System	5							0.0	
8217007	Payroll System	5	*	*	*				0.0	Commenced
8217008	Creditor Payments	5	*	*	*	*	*	*	4.5	Draft Report Issued
8217009	Debtors System	5	*	*	*	*	*	*	4.5	Draft Report Issued
8217010	Banking	4							0.0	
8217011	Travel & Subsistence System	5			*				0.0	Commenced
8217012	Procurement	5							0.0	
8217013	Asset Disposal / Acquisition / Asset Management	5							0.0	
8217014	3*grants	10							0.0	
	Total Audit Days for MWWFA	93							22.3	

INTERNAL AUDIT PLAN 2017/18										
2017/18	% Plan Completion to Date	60%			% Target February 2018					85.0%
Job No	Departments	Days Planned	Pre. Audit Meeting	Terms of Reference Issued	Commenced	Field Work Complete	Draft Report Issued	Final Report Issued	Days to Date	Status
Additional Work Not Included in Original Plan										
5117030	Pendine Investigation	25	*	*	*	*	*	*	25.0	Complete
4117024	Self Assessment	15	*	*	*	*	N/A	N/A	15.0	Complete
2117017	Ceredigion Payroll	14	*	*	*	*	*	*	14.0	Complete
5117030	Pendine Investigation Phase II	5	*	*	*	*	N/A	N/A	5.0	Complete
2217001	FOIA Query	4	*	*	*	*	N/A	N/A	4.0	Complete
	Swansea City Council Investigation	2	*	*	*	*	N/A	N/A	2.0	Complete
	Neath Port Talbot Investigation	2	*	*	*	*	N/A	N/A	2.0	Complete
3117059	PDG Q3	5	*	N/A	*	*	*	*	5.0	Complete
3117059	PDG Q1	8	*	*	*	*	*	*	8.0	Complete
3117059	PDG Q2	5	*	*	*	*	*	*	5.0	Complete
	Total Additional Work	178							107.3	
	Total Audit Time	1430							852.3	
	Productivity of Total Audit Plan Days as a Percentage of Approved Plan Days						68%			

Mae'r dudalen hon yn wag yn fwriadol

INTERNAL AUDIT PLAN 2017/18			REPORTING						
2017/18	Job No	Departments	Status	Issues			Total No. Issues	Score	Assurance Level
				No. of 3 * Issues	No. of 2 * Issues	No. of 1 * Issues			
		Chief Executive							
	1117001	Corporate Strategy/Policy Making	Complete	0	0	0	0	0	N/A
	1117002	Partnership Arrangements					0	0	
	1117003	Annual Governance Statement	Complete	0	3	0	3	9	Acceptable
	1117004	HR Function - Recruitment / Safer Recruitment DBS					0	0	
	1117005	Health & Safety	Complete	0	2	1	3	7	Acceptable
	1117006	Staffing Policies					0	0	
	1117007	Declaration of Interest					0	0	
	1117008	Community Safety	Pre Audit Meeting				0	0	
	1117009	Electoral Services	Complete	0	3	0	3	9	Acceptable
	1117010	Markets					0	0	
	1117011	Sponsorship /Tourism/Marketing					0	0	
	1117012	Property Management	Draft Report Issued				0	0	
	1117013	Estate Management	Draft Report Issued				0	0	
	1117014	European Programme	Commenced				0	0	
	1117015	Economic Development	Complete	0	0	0	0	0	N/A
	1117016	City Deal - Governance Arrangements	Complete	0	0	0	0	0	N/A
	1117017	Wellness Centre					0	0	
	1117018	Community Regeneration	Pre Audit Meeting				0	0	
	1117019	RLP	Pre Audit Meeting				0	0	
	1117020	Performance/Governance/Improvement Plans	Complete	0	0	0	0	0	N/A
	1117021	Physical Regeneration	Commenced				0	0	
	1117022	Well Being of Future Generations Act	Complete	0	0	0	0	0	High
	1117023	Welsh Language Standards	Draft Report Issued				0	0	
	1117024	Information Governance / Retention of records / CFP	Field Work Complete				0	0	
	1117025	Property & Major Projects	Complete	0	0	0	0	0	N/A
	1117026	Financial Management Other	Complete	0	0	0	0	0	N/A
		Grants							
	1117027	Business Development	Commenced				0	0	
	1117028	Third Party Grants Monitoring					0	0	
	1117029	Grants Data Base	Complete	0	0	0	0	0	N/A
		Computer Audits							
	2117001	Computer Assisted Audit Testing(CAATs)	Field Work Complete				0	0	
	2117002	- Agresso Developments					0	0	
	2117003	- Resource Link	Complete	0	0	0	0	0	High
	2117004	- Payment Cards					0	0	
	2117005	- Education & Children Services		0	0	0	0	0	N/A
	2117006	National Fraud Initiative	Complete	0	0	0	0	0	N/A
	2117007	Asset Management (Central/Other)	Commenced				0	0	
	2117008	Collaborative Working					0	0	
	2117009	Networks inc WiFi	Draft Report Issued				0	0	
	2117010	Business Continuity Planning	Field Work Complete				0	0	
	2117011	Installations	Complete	0	2	1	3	7	Acceptable
	2117012	Active Directory	Complete	0	1	4	5	7	Acceptable
	2117013	Schools	Commenced				0	0	
	2117014	Other Systems - (Not TASK)	Complete	0	2	0	2	6	Acceptable
	2117015	Digital Transformation					0	0	
	2117016	Agile Working					0	0	

INTERNAL AUDIT PLAN 2017/18			REPORTING					
2017/18			Issues					
Job No	Departments	Status	No. of 3 * Issues	No. of 2 * Issues	No. of 1 * Issues	Total No. Issues	Score	Assurance Level
	Education & Children							
	School Improvement							
3117001	School Effectiveness Support Services					0	0	
	Education Services							
3117002	Special Educational Needs					0	0	
3117003	School Redundancy & EVR	Field Work Complete				0	0	
	Strategic Development							
3117004	School Milk & Uniform Grants	Field Work Complete					0	
3117005	School Meals & Primary Free Breakfast Services	Complete	0	2	2	4	8	Acceptable
	Curriculum & Well being							
3117006	Youth Service	Complete	0	0	0	0	0	N/A
3117007	Youth Service short term grants	Complete	0	0	0	0	0	N/A
3117008	Adult & Community Learning	Field Work Complete						
	Children's Services							
3117009	Safeguarding	Commenced				0	0	
3117010	Financial Management Other (Used for self assessment)	Complete	0	0	0	0	0	N/A
	Schools:							
3117011	Cross Hands C.P. School.	Draft Report Issued				0	0	
3117012	Drefach C.P. School.	Draft Report Issued				0	0	
3117013	Llangain C.P. School.	Complete	0	1	2	3	5	Acceptable
3117014	Banccfosfelin C.P. School.	Draft Report Issued				0	0	
3117015	Pontyberem C.P. School.	Complete	0	0	0	0	0	High
3117016	Gwynfryn C.P. School.					0	0	
3117017	Carway C.P. School.					0	0	
3117018	Pontiets C.P. School					0	0	
3117019	Five Roads C.P. School					0	0	
3117020	Maesybont C.P. School.					0	0	
3117021	Blaenau C.P. School	Complete	0	0	6	6	6	Acceptable
3117022	Ysgol G. Mynyddgarreg					0	0	
3117023	Trimsaran C.P. School	Complete	0	1	7	8	10	Acceptable
3117024	Copperworks Infant & Nursery School	Draft Report Issued				0	0	
3117025	Pen Rhos C.P. School.	Draft Report Issued				0	0	
3117026	Peniel C.P. School.	Complete	0	1	0	1	3	Acceptable
3117027	Bro Banw	Commenced				0	0	
3117028	Saron C.P. School	Complete	0	1	0	1	3	Acceptable
3117029	Llangadog C.P. School					0	0	
3117030	Ysgol Y Dderwen, Carmarthen	Complete	0	0	1	1	1	High
3117031	Llanmiloe C.P. School	Field Work Complete				0	0	
3117032	Bryn C.P. School	Draft Report Issued				0	0	
3117033	Y Felin (Felinfoel)	Complete	0	2	0	2	6	Acceptable
3117034	Ysgol Brynsierfel, Llanelli.	Complete	0	3	1	4	10	Acceptable
3117035	Llangunnor C.P. School.	Complete	0	3	0	3	9	Acceptable
3117036	Ysgol Gymraeg Teilo Sant, Llandeilo.					0	0	
3117037	Penygaer C.P. School.	Complete	0	1	2	3	5	Acceptable
3117038	Bigyn C.P. School.					0	0	
3117039	Richmond Park C.P. School.	Complete	0	1	4	5	7	Acceptable
3117040	Ysgol Griffith Jones	Draft Report Issued				0	0	
3117041	St. Mary's R.C.P. School. Llanelli.	Draft Report Issued				0	0	
3117042	St. Mary's R.C.P. School, Carmarthen.	Complete	0	1	7	8	10	Acceptable
3117043	Model V.A.P. School.	Complete	0	4	3	7	15	Low
3117044	Ysgol Bro Dinefwr					0	0	
3117045	St John Lloyd	Complete	0	0	4	4	4	Acceptable
3117046	Dyffryn Taf	Complete	0	1	3	4	6	Acceptable
3117047	Ysgol Gyfun Emlyn					0	0	
3117048	Bro Myrddin	Complete	0	3	2	5	11	Low
	Grants							
3117049	School Uniform	Complete	0	3	5	8	14	Low
3117050	Post 16	Complete	0	0	0	0	0	N/A
3117051	Education - EIG - Q1 Audit	Complete	0	0	0	0	0	N/A
3117052	Education - EIG - Q2 Audit	Complete	0	0	0	0	0	N/A
3117053	Education - EIG - Q3 Audit	Draft Report Issued				0	0	
3117054	Education - EIG - Q4 Audit	Complete	0	0	0	0	0	N/A
3117055	Education - EIG - Final Annual Audit	Complete	0	0	0	0	0	N/A
3117056	Education - PDG	Complete	0	0	0	0	0	N/A
3117057	Education & Children Grants - PDG Q4	Complete	0	0	0	0	0	N/A
3117058	Youth Work Strategy Grant	Complete	0	0	1	1	1	N/A

INTERNAL AUDIT PLAN 2017/18				REPORTING				
2017/18			Issues					
Job No	Departments	Status	No. of 3 * Issues	No. of 2 * Issues	No. of 1 * Issues	Total No. Issues	Score	Assurance Level
	Corporate Services							
4117001	Main Accounting					0	0	
4117002	Budget Setting	Draft Report Issued				0	0	
4117003	Budget Monitoring / Budget Manual Compliance	Draft Report Issued				0	0	
4117004	VAT	Draft Report Issued				0	0	
4117005	Capital Accounting incl.Fixed Asset Register					0	0	
4117006	Treasury Management - Loans					0	0	
4117007	Investments - Carmarthenshire CC					0	0	
4117008	Investments - Dyfed Pension Fund					0	0	
4117009	Pensions Payroll System	Complete	0	0	0	0	0	High
4117010	Housing Benefits	Terms of Reference				0	0	
4117011	Council Tax	Commenced				0	0	
4117012	NDR	Field Work Complete				0	0	
4117013	Payroll System	Complete	0	2	3	5	9	Acceptable
4117014	Creditor Payments	Commenced				0	0	
4117015	Debtors System					0	0	
4117016	Cash Receipting	Draft Report Issued				0	0	
4117017	Banking	Complete	0	0	2	2	2	High
4117018	Travel & Subsistence System	Commenced				0	0	
4117019	Trust Funds	Complete	0	2	1	3	7	Acceptable
4117020	Burry Port Harbour - Accounts Return for WAO	Complete	0	6	1	7	19	Low
4117021	Teachers Salaries	Complete	0	2	1	3	7	Acceptable
4117022	Asset Disposal / Acquisition					0	0	
4117023	Financial Management Other					0	0	
	Communities							
5117001	Disability/Adaptations/Renewals/ARBED					0	0	
5117002	Houses for Homes					0	0	
5117003	Tenancy Management					0	0	
5117004	Homelessness	Complete	0	0	0	0	0	N/A
5117005	Rents	Complete	0	0	0	0	0	High
5117006	Contract Management/Partnerships	Commenced				0	0	
5117007	Direct Payments	Complete	0	0	2	2	2	High
5117008	Residential Care Authority & Private Homes	Commenced				0	0	
5117009	Day Care					0	0	
5117010	Learning Disabilities	Complete	0	0	0	0	0	High
5117011	Safeguarding					0	0	
5117012	Service User Assets	Draft Report Issued				0	0	
5117013	Care Plans					0	0	
5117014	Independent Living Fund	Complete	0	1	1	2	4	Acceptable
5117015	Joint Equipment Store	Complete	0	2	2	4	8	Acceptable
5117016	Amman Valley Leisure Centre	Draft Report Issued				0	0	
5117017	Carmarthen Leisure Centre	Draft Report Issued				0	0	
5117018	Llanelli Leisure Centre	Draft Report Issued				0	0	
5117019	Newcastle Emllyn Leisure Centre	Draft Report Issued				0	0	
5117020	Pembrey Country Park / MCP / Country Parks	Draft Report Issued				0	0	
5117021	Ski Centre	Field Work Complete				0	0	
5117022	Countryside Access	Field Work Complete				0	0	
5117023	St Clears Craft Centre	Draft Report Issued				0	0	
5117024	West Area Leisure	Field Work Complete				0	0	
5117025	Pendine Outdoor Education Centre	Draft Report Issued				0	0	
5117026	Financial Management Other	Complete	0	0	0	0	0	N/A
	Grants							
5117027	Supporting People - Outcomes	Complete	0	0	0	0	0	N/A
5117028	Supporting People - Financials	Complete	0	0	0	0	0	N/A
5117029	Communities (time used for Supp People)	Complete	0	0	0	0	0	N/A

INTERNAL AUDIT PLAN 2017/18			REPORTING					
2017/18			Issues					
Job No	Departments	Status	No. of 3 * Issues	No. of 2 * Issues	No. of 1 * Issues	Total No. Issues	Score	Assurance Level
	Environment							
	Property:							
6117001	Property Maintenance	Complete	0	1	2	3	5	Acceptable
6117002	Property Management	Complete	0	0	0	0	0	N/A
6117003	Tenancy Management / Housing Voids					0	0	
6117004	Provision / livestock markets					0	0	
6117005	Grounds Maintenance	Complete	0	4	0	4	12	Low
6117006	Waste Services					0	0	
6117007	Environmental Enforcement	Complete	0	0	0	0	0	High
	Highways and Transport:							
6117008	Highway Maintenance (incl. Trunk Roads)	Complete	0	3	0	3	9	Acceptable
6117009	Public transport	Complete	0	0	0	0	0	High
6117010	Fleet/Plant Management	Draft Report Issued				0	0	
	Planning Services:							
6117011	Building Control	Complete	0	0	0	0	0	High
6117012	106 Agreements	Complete	0	0	0	0	0	High
6117013	Heritage	Complete	0	0	0	0	0	High
	Policy & Development Departmental:							
6117014	Management Systems - Total	Commenced				0	0	
6117015	Procurement	Complete	0	0	0	0	0	N/A
6117016	Financial Management Other	Complete	0	0	0	0	0	N/A
	Grants							
6117017	Departmental Grants	Complete	0	0	0	0	0	N/A
	Procurement / Contracts							
7117001	Departmental Procurement Revenue Contracts	Commenced				0	0	
7117002	Corporate Procurement					0	0	
7117003	Framework contracts	Field Work Complete				0	0	
7117004	Regional Framework contracts	Commenced				0	0	
7117005	Specific Projects	Complete	0	0	0	0	0	High
7117006	Capital Maintenance	Draft Report Issued	0	0	0	0	0	N/A
7117007	21st Century Schools	Complete	0	0	0	0	0	High
7117008	Post Contract	Commenced				0	0	
7117009	Contract Partnering Selection	Commenced				0	0	
7117010	Capital Grant Management	Complete	0	0	0	0	0	High
7117011	Departmental Contract Management	Complete	1	0	0	1	5	Low
7117012	Cost Management	Complete	0	0	0	0	0	N/A
7117013	Financial Management Other	Complete	0	0	0	0	0	N/A

DEPARTMENT Chief Executives	AUDIT REVIEW Payroll	AUDIT REF 4117013
PLANNED DAYS 8	ACTUAL DAYS 8	Frequency of Audit

Background

The Authority pays over 8,500 employees amounting to approximately £184m. Payroll is a centralised function and the Authority has an integrated Payroll and HR system operated through "Resource Link". The system is classified as high risk given the value and volume of transactions.

Scope

The review covered the internal controls within the Payroll System for the payment of salaries and wages to ensure that:

- Recommendations from the previous audit report have been implemented;
- There are adequate documented procedures in place which are adhered to;
- Exception reports are generated and reviewed with queries dealt with appropriately;
- Access to standing data processing and programmes is restricted to appropriate personnel and amendments are properly authorised;
- Time-sheets, overtime claims, advance payments, SSP, etc. have been properly authorised and data entered correctly;
- Appropriate BACS controls exist;
- The payroll system is regularly reconciled to the main accounting system;
- Individual departments verify the accuracy of employee standing data.

General Opinion

From the testing undertaken it is apparent that many expected key controls have been established and are operating to a good standard. Audit testing did, however, highlight issues which need addressing at the appropriate level. In particular,

- No overtime should be sanctioned unless prior approval from the Chief Executive and relevant Director is attained.
- It should be ensured unpaid leave is correctly calculated. From the sample of 20 deductions tested, it appeared 6 had been incorrectly calculated resulting in the 6 employees having to repay the shortfall in their deduction.

RECOMMENDATIONS		OVERALL ASSURANCE
Priority 1- Fundamental Weaknesses	None	Acceptable
Priority 2 – Strengthen Existing Controls	3	
Priority 3 – Minor Issues	2	

DEPARTMENT Corporate Services	AUDIT REVIEW Teachers' Salaries	AUDIT REF 4117021
PLANNED DAYS 8	ACTUAL DAYS 8	Frequency of Audit ANNUAL

BACKGROUND

An Internal Audit of Teachers – Starters & Leavers was carried out as part of the Authority's Annual Internal Audit Plan. The Authority pays out approximately £70 million per annum on Teachers Payroll Costs which includes Supply Teacher payments (excluding agency supply).

SCOPE

To ensure that:

- Recommendations made in the previous Internal Audit report have been addressed
- Appropriate procedures have been established and effectively communicated;
- Input documentation is adequately completed and certified;
- Payments made are accurate.

SUMMARY OF RESULTS

The current review has identified that procedures and expected key controls in operation in respect of Teachers' Salaries are currently being undertaken to an acceptable level and therefore the review has reduced to being of Medium risk to the Authority.

The areas which require improvement include developing Standard Operating Procedures for all functions, ensuring an adequate separation in duties exists, ensuring all HR forms are completed accurately and in full and all HR forms are properly authorised. In addition, as schools rely heavily on admin officers and business managers for budget monitoring, it is imperative that such documentation is completed accurately and in full, and is appropriately authorised.

NUMBER OF RECOMMENDATIONS		OVERALL ASSURANCE
Priority 1- Fundamental Weaknesses	None	Acceptable
Priority 2 – Strengthen Existing Controls	2	
Priority 3 – Minor Issues	1	

DEPARTMENT Corporate Services	AUDIT REVIEW Banking	AUDIT REF 4117017
PLANNED DAYS 5	ACTUAL DAYS 5	Frequency of Audit ANNUAL

BACKGROUND

This Audit reviewed four main sections:

- The Administration Section - the administration of cheques such as cheque ordering, receipt of new stock, reconciliation of cheques and receipt of returned cheques;
- The Accountancy Section - the reconciliation of the Authority's Bank;
- The Creditor Payments Section - the administration and reconciliation of Standing Orders and Direct Debits;
- The Treasury and Investments Section - bank mandates.

SCOPE

To ensure that there were:

- adequate, documented, procedures are in place and are complied with;
- effective controls over banking arrangements which are formally documented;
- effective controls over cheque stocks, cheques raised and returned cheques;
- reconciliation of standing orders and direct debit payments are undertaken to ensure validity of all payments made;
- effective, regular reconciliations of all bank accounts are undertaken.

SUMMARY OF RESULTS

It was pleasing to report that procedures adopted continue to be undertaken to a high standard demonstrating a good control over banking arrangements including the security of cheques. As a result the risk to the Authority will remain as low.

Some minor issues were identified during the Internal Audit review that have been discussed with the relevant party and an assurance has been provided that these issues will be addressed.

NUMBER OF RECOMMENDATIONS		OVERALL ASSURANCE
Priority 1- Fundamental Weaknesses	None	High
Priority 2 – Strengthen Existing Controls	None	
Priority 3 – Minor Issues	2	

Mae'r dudalen hon yn wag yn fwriadol

**PWYLLGOR ARCHWILIO
23^AIN MAWRTH 2018**

**CYNLLUN ARCHWILIAD MEWNOL BLYNYDDOL 2018/19
& BWRIEDIR EI GYNNWYS YN 2019-21.**

ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

I gymeradwyo'r Cynllun Archwiliad Mewnol Blynyddol ar gyfer 2018/19 ac i gadarnhau'r hyn y bwriedir ei gynnwys yn 2019-21.

RHESYMAU:

Mae'n hanfodol bod archwiliadau yn cael eu cynllunio mewn modd strwythuredig ar sail risg. Mae rhaglen dreigl dros dair blynedd yn sicrhau sylw digonol o ran archwiliad ac yn darparu'r hyblygwrydd i ddelio â newidiadau mewn systemau yn yr Awdurdod

Ymgynghorwyd â'r Pwyllgor Craffu perthnasol	Amherthnasol
Angen i'r Bwrdd Gweithredol wneud penderfyniad	Amherthnasol
Angen i'r Cyngor wneud penderfyniad	Amherthnasol

Cyfarwyddiaeth:

Adnoddau

Enw Pennaeth y Gwasanaeth:

Helen Pugh

Swydd:

**Pennaeth Refeniw a Chydymffurfio
Ariannol**

Rhif Ffôn:

(01267) 246223

Cyfeiriad E-bost:

HLPugh@sirgar.gov.uk



EXECUTIVE SUMMARY
AUDIT COMMITTEE MEETING

23RD March 2018

INTERNAL AUDIT PLAN UPDATE 2018/19 & PLANNED COVERAGE FOR 2019-21
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The Audit Plan was compiled using risk assessment principles and taking into account changes in services. The adoption of a three year rolling programme provides assurance of the adequacy of audit coverage and allows the flexibility to deal with changes to systems within the Authority. The Plan assumes full staffing within the Section of 9.4 FTE staff.

The following report is attached for approval

Internal Audit Plan 2018-21 – Detailed Listing of Planned Reviews

DETAILED REPORT ATTACHED?	YES
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INTEGRATION

I confirm that the Community Strategy Integration Tool has:

Not been used to appraise the subject of this report as it is not appropriate to do so.

Signed: Helen Pugh Head of Revenues and Financial Compliance

IMPLICATIONS

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

Signed: Helen Pugh Head of Revenues and Financial Compliance

Policy and Crime & Disorder	Legal	Finance	ICT	Risk Management Issues	Organisational Development	Physical Assets
NONE	NONE	NONE	NONE	NONE	NONE	NONE

CONSULTATIONS

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

Signed: Helen Pugh Head of Revenues and Financial Compliance

1. Local Member(s) N/A
2. Community / Town Council N/A
3. Relevant Partners N/A
4. Staff Side Representatives and other Organisations N/A

Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:
THERE ARE NONE



Mae'r dudalen hon yn wag yn fwriadol

INTERNAL AUDIT - 3 YEAR PLAN

Job Title	2018-19	2019-20	2020-21
Chief Executives			
Annual Governance Statement	11	*	*
TIC		*	
Coroners / other services		*	
Registrars			*
PMP Function - Recruitment / Safer Recruitment DBS	8	*	*
PMP Function L&D			*
PMP Organisational Development		*	
Ethics	15		
Health & Safety			*
Performance Management	8		
Staffing Policies		*	*
Declaration of Interest & Hospitality		*	*
Executive Support		*	*
Whistleblowing	5		
Legal		*	
Democratic Services			*
Democratic Advice and Support		*	
Financial Management Other	5	*	*
Total - Chief Executive	52		
Information & Communications Audit			
Security of Information		*	
Operating Systems		*	
Social Media		*	
Internet Security		*	
Licensing		*	
Communications		*	
Computer Assisted Audit Testina(CAATs)	25	*	*
Chief Executives Systems:			
- Resource Link	10		*
- Contact centre		*	
Corporate Services Systems:			
- Agresso	5	*	*
- Pensions	6		
- Revenues/ Benefits / DIPS	8		
- Insurance & Risk		*	
- Payment Cards		*	*
Education & Children Services Systems	10	*	*
- SIMMS / Teacher Centre / Parentpay			
Social Care & Housing Systems	15	*	
- Carefirst			
- OHMS			
Environment Systems	15	*	*
- Total			
- Planning & Building Control			
- Asset Management			
IT Procurement	10		
Corporate File Plan		*	
Cloud Computing	10		
Data Protection	10		
National Fraud Initiative		*	
Collaborative Working			*
Networks Inc. Wi-Fi			*
Business Continuity Planning			*
Installations			*
Active Directory			*
Schools			*
Other Systems			*
Digital Transformation / Agile Working / Information	20		*
Financial Management Other	6	*	*
Total - Information & Communications	150		
Regeneration & Policy			
Corporate Strategy/Policy Making		*	*
Partnership Arrangements		*	*
Call Centre		*	
Print Commissioning		*	
Customer Services	10		
Press Office / Communication	10		
Modern Records	10		
Community Safety			*
Electorat Services			*
Markets			*
Sponsorship /Tourism/Marketing			*
Property & Estate Management	15	*	*
New Funding Programmes (eg ESI)	10		*
City Deal	10		*
Wellness Centre	10		*
Performance/Governance/Improvement Plans			*
Corporate Plan / Business Plans	10		
Regeneration Strand 1	10		*
Regeneration Strand 2	8	*	
Regeneration Strand 3	8	*	
Regeneration Strand 4	10		*
Well Being of Future Generations Act			*
Welsh Language Standards			*
Complaints	10		*
Freedom of Information			*
Data Protection	10		
Information Governance / Retention of records / CFP			*
Financial Management Other	5	*	*
Grants			
Third Party Grants	10		*
Grants General			*
Total - Regeneration & Policy	156		

Job Title	2018-19	2019-20	2020-21
Education & Children Services			
School Improvement			
School Effectiveness Support Services			*
ERW inc arrangements for EIG & PDG	10		
Welsh Language Support		*	
Education Services			
Special Educational Needs			*
School Redundancy & EVR			*
Challenge Advisors	10		
Additional Needs			*
Inclusion			*
School Improvement	10		
Governance / School Governors		*	
School Modernisation		*	
Early Years Non-Maintained Provision			*
Sensory Impairment		*	
Educational Psychology		*	
Strategic Development			
Information & Improvement	10		
Business Support	10		
Children & Young People Participation		*	
Schools - TIC		*	
Curriculum & Well being			
Education Welfare		*	
Education Other Than At School (EOTAS)	5		
Post 16 Funding		*	
Music Services for Schools		*	
Youth Service			*
Youth Service short term grants			*
Families First Grant (Youth)	5		
School Consultants	10		*
Youth Offending & Prevention Service		*	
Adult & Community Learning			
Learning Transformation - eg Cynnydd, Cam Nesa	10		
Children's Services			
Adoption & Fostering		*	
Child Support		*	
Corporate Parenting	10		
Early Years Prevention			*
Family Support	5		
Partnering / Procurement		*	
Residential Care		*	
Education Welfare		*	
Safeguarding	10	*	*
Quality Assurance			*
Planning & Commissioning		*	
Financial Management Other	5		*
Schools:			
Schools DBS	5	*	*
Schools Recruitment & Teachers salaries	10	*	*
Schools - Monitoring deficits & surpluses	10	*	*
School Meals, Free Meals & Primary Free Breakfast Services	10	*	*
Schools Questionnaires	30	*	*
School visits	30	*	*
Grants			
School Uniform			*
School Milk			*
Post 16	8	*	*
Education - EIG - Final Annual Audit	5	*	*
Education - EIG - Q1 Audit	10	*	*
Education - EIG - Q2 Audit	5	*	*
Education - EIG - Q3 Audit	5	*	*
Education - EIG - Q4 Audit	5	*	*
Education - PDG - Final Annual Audit	5	*	*
Education - PDG - Q1	8	*	*
Education - PDG - Q2	5	*	*
Education - PDG - Q3	5	*	*
Education - PDG - Q4	5	*	*
14 to 19 Learning Pathways	10		
Education & Children Grants		*	
Youth Work Strategy Grant	10	*	*
Total: Education & Children Services	291		

Job Title	2018-19	2019-20	2020-21
Corporate Services			
Risk Management		*	
Main Accounting		*	
Budget Setting / Delivery of Efficiencies	10		*
Budget Monitoring / Budget Manual Compliance		*	
VAT	8	*	*
Capital Accounting incl. Fixed Asset Register		*	
Treasury Management - Loans	5		*
Investments - Carmarthenshire C.C.		*	*
Investments - Dyfed Pension Fund		*	*
Pensions Payroll System		*	
Housing Benefits	10		*
Council Tax		*	
NDR		*	
Payroll System	15	*	*
Creditor Payments	15	*	*
Debtors System	15	*	*
Cash & Bank	10	*	*
Travel & Subsistence System	10		*
Deputyships	15		*
Trust Funds	15	*	*
Burry Port Harbour - Accounts Return for WAO	8	*	*
Financial Management Other	5	*	*
Grants			
Corporate Services		*	
Total: Corporate Services	141		
Communities			
Disability/Adaptations/Renewals/ARBED		*	
Houses for Homes		*	
Tenancy Management			*
Homelessness		*	
Rents		*	
HRA		*	*
Contract Management/Partnerships		*	
Direct Payments		*	
Home Care	10	*	*
Residential Care Authority & Private Homes	10	*	*
Supported Living	10		
Day Care		*	
Learning Disabilities	5		*
Mental Health		*	
Transport			*
Safeguarding	10	*	*
Public Health / Protection		*	*
Travellers Sites		*	
Affordable Homes	10		
Meal provision			*
Financial assessments and Collections			*
Appointeeship		*	*
Licensing and other fees	10		
Service User Assets		*	
Care Plans		*	
Joint Equipment Store		*	
Arts Development		*	*
Cultural: Oriel Myrddin		*	*
Museums	10	*	*
Libraries	10		*
Amman Valley Leisure Centre	8	*	*
Carmarthen Leisure Centre	10	*	*
Llanelli Leisure Centre	10	*	*
Newcastle Emlyn Leisure Centre		*	*
East Area Leisure / NERS / Marketing		*	*
Partnerships		*	*
Pembrey Country Park / MCP / Country Parks	10	*	*
Ski Centre	10	*	*
Burry Port Harbour		*	*
Theatres	8		
South Area Leisure / Education & Workforce	8		
Countryside Access			*
St Clears Craft Centre		*	
West Area Leisure			*
Pendine Outdoor Education Centre	8		
Llesiant Delta Wellbeing Ltd - LATC			
- Debtors / Income	20		
- Procurement			
- Governance			
- Payroll			
Housing Company	20		
Financial Management Other	5	*	*
Grants			
Supporting People	15	*	*
Communities	10		
Total: Communities	227		

Job Title	2018-19	2019-20	2020-21
Environmental Services			
Property:			
Property Maintenance	15	*	*
Asset Transfer		*	
Property & Estate Management (sale of assets)	15		
Tenancy Management / Housing Voids		*	
Provision / livestock markets		*	*
Energy Strategy	10		
Cleaning Services		*	*
Waste and Environment:			
Grounds Maintenance	10	*	*
Urban Parks		*	*
Cleansing Services	10	*	*
Waste		*	*
Environmental Enforcement		*	
Public Conveniences		*	*
Cemetery		*	
Land Drainage		*	*
Highways and Transport:			
Highway Maintenance (incl. Trunk Roads)	10	*	*
Other Streetwork	10		
Street Lighting	10		
Public transport		*	*
School & College, Community transport		*	*
Parking Inc. Enforcement	8		
Fleet/Plant Management		*	*
Traffic Management		*	*
Road Safety		*	*
Active Travel		*	*
Public Rights of Way			*
Planning Services:			
Management Development Control		*	*
Building Control		*	*
Conservation		*	*
106 Agreements			
Local Development Plan	10		
Heritage			
Policy & Development Departmental:			
Management Systems - Total	10		
Financial Management Other	5	*	*
Grants			
Departmental Grants	20	*	*
Total: Environmental Services	143		
Procurement / Contracts			
Departmental Procurement Revenue Contracts		*	*
Corporate Procurement		*	*
Framework contracts	15	*	*
Regional Framework contracts		*	*
Specific Projects (new and post contact review)	20	*	*
Capital Maintenance		*	*
21st Century Schools		*	*
Contract Partnering Selection		*	*
Capital Grant Management		*	*
Capital Programme / SASG		*	*
Departmental Contract Management	20	*	*
Community Benefits	10	*	*
Category Management	10	*	*
Cost Management		*	*
Financial Management Other	5	*	*
Total: Procurement	80		

TOTAL AUDIT DAYS	1240
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	Total
GENERAL AUDIT	900
PROCUREMENT/CONTRACT AUDIT	80
COMPUTER AUDIT	150
SCHOOLS	95
Fraud Work	15
TOTAL AUDIT DAYS	1240

PWYLLGOR ARCHWYLIO**23^{AIN} MAWRTH 2018****BLAENRHAGLEN GWAITH 2017/18****Y Pwrpas:**

Adroddiad blynyddol archwyliad mewnol 2017/18 ir pwyllgor

Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

I dderbyn yr adroddiad

Y Rhesymau:

Blaenrhaglen Blynyddol i hysbysu'r Aelodau or Pwyllgor Archwylio am yr eitemau agenda yw trafod am y flwyddyn 2017/18

Ymgynghorwyd â'r pwyllgor craffu perthnasol : AMHERTHNASOL**Angen i'r Bwrdd Gweithredol wneud penderfyniad : AMHERTHNASOL****Angen i'r Cyngor wneud penderfyniad : AMHERTHNASOL****YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:-**

Cynghorydd David Jenkins

Y Gyfarwyddiaeth:

Gwasanathau Corfforaethol

Enw Pennaeth y Gwasanaeth:

Helen Pugh

Awdur yr Adroddiad:

Helen Pugh

Swyddi:Pennaeth Refeniw a
Chydymffurfio Ariannol

Rhif ffôn: 01267 246223

Cyfeiriad E-bost:

[HLPugh@sirgar.gov.uk](mailto:HPugh@sirgar.gov.uk)

EXECUTIVE SUMMARY

AUDIT COMMITTEE

23RD MARCH 2018

FORWARD WORK PROGRAMME 2017/18

To provide Members with a Forward Work Programme for the 2017/18 Audit Committee cycle to ensure that all appropriate committees have a published up to date programme owned by the Committee Members

The following Report is attached:
Forward Work Programme

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

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

Signed: Helen Pugh Head of Revenues and Financial Compliance

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

CONSULTATIONS

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

Signed: Helen Pugh Head of Revenues and Financial Compliance

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

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW:-

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Strategic Audit Plan 2017-20	AC 28-03-14	Internal Audit Unit

Mae'r dudalen hon yn wag yn fwriadol

FORWARD WORK PROGRAMME - Audit Committee

Audit Committee 2017/18

Subject area and brief description of nature of report	Lead Department	Responsible Officer			Sep-18	Dec-18
			Mar-18	Jul-18		
Appointment of Audit Committee: <ul style="list-style-type: none"> Chair Vice Chair 	Corporate Services	Audit Committee		✓		
Annual Audit Report	Corporate Services	Head of Revenues and Financial Compliance		✓		
Forward Work Programme	Corporate Services	Head of Revenues and Financial Compliance	✓	✓	✓	✓
Internal Audit Plan Update <ul style="list-style-type: none"> To receive the progress report To receive the Scoring Matrix for finalised reviews 	Corporate Services	Head of Revenues and Financial Compliance	✓	✓	✓	✓
		Head of Revenues and Financial Compliance				
Internal Audit indicative three year plan	Corporate Services	Head of Revenues and Financial Compliance	✓			
Assurance Reviews: <ul style="list-style-type: none"> Fundamental financial systems 3* reports 	Corporate Services		As required			
		Head of Revenues and Financial Compliance				
		Head of Revenues and Financial Compliance				
Progress reports as requested by Audit Committee <ul style="list-style-type: none"> Supporting People Museums Coastal facilities 	Communities					
		Safeguarding & Commissioning Manager		✓		
		Head of Leisure		✓		
		Head of Leisure	✓			
Approval of Audit Charter	Corporate Services	Head of Revenues and Financial Compliance		✓		
Approval of Contract & Quotation Rules	Corporate Services	Head of Revenues and Financial Compliance				
Approval of Audit Strategy	Corporate Services	Head of Revenues and Financial Compliance				

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FORWARD WORK PROGRAMME - Audit Committee

Audit Committee 2017/18

Subject area and brief description of nature of report	Lead Department	Responsible Officer			Sep-18	Dec-18
			Mar-18	Jul-18		
Approval of Financial Procedure Rules	Corporate Services	Head of Revenues and Financial Compliance				
Approval of Risk and Business Continuity Strategy	Corporate Services	Head of Revenues and Financial Compliance	✓			
Approval of Anti-Fraud and Corruption Strategy	Corporate Services	Head of Revenues and Financial Compliance	✓			
Receive the Corporate Risk Register	Corporate Services	Head of Revenues and Financial Compliance	✓			
Statement of Accounts including Annual Governance Statement for Carmarthenshire CC & Dyfed Pension Fund <ul style="list-style-type: none"> To be received To be approved 	Corporate Services	Head of Financial Services		✓	✓	
Burry Port Harbour Accounting Statement 2015-16 <ul style="list-style-type: none"> To be received To be approved 	Corporate Services	Head of Financial Services		✓	✓	
Audit enquiries to those charged with governance and management for: <ul style="list-style-type: none"> Carmarthenshire CC Dyfed Pension Fund 	Corporate Services	Head of Financial Services			✓	
Single Tender Action	Corporate Services	Director of Corporate Services	As required			
Minutes for noting: <ul style="list-style-type: none"> Grants Panel Corporate Governance Group Risk Management Steering Group 	Corporate Services	Head of Revenues and Financial Compliance				
		Head of Financial Services	✓	✓	✓	✓

FORWARD WORK PROGRAMME - Audit Committee

Audit Committee 2017/18

Subject area and brief description of nature of report	Lead Department	Responsible Officer				
			Mar-18	Jul-18	Sep-18	Dec-18
Wales Audit Office:	Corporate Services	Wales Audit Office				
<ul style="list-style-type: none"> Audit Plan Update 			✓	✓	✓	✓
<ul style="list-style-type: none"> Annual Improvement Report 				✓		
<ul style="list-style-type: none"> Financial Statements – ISA260 Report presented to those charged with Governance)in relation to the Statement of Accounts for <ul style="list-style-type: none"> Carmarthenshire CC Dyfed Pension Fund 					✓	
<ul style="list-style-type: none"> Letter of Representation <ul style="list-style-type: none"> Carmarthenshire CC Dyfed Pension Fund 					✓	
<ul style="list-style-type: none"> Annual Audit Letter: <ul style="list-style-type: none"> Carmarthenshire CC Dyfed Pension Fund 						✓
<ul style="list-style-type: none"> Certification of Grants and Returns <ul style="list-style-type: none"> 2016-17 			✓			
<ul style="list-style-type: none"> Thematic Study: Well-being of Future Generations - Baseline assessment 			✓			
<ul style="list-style-type: none"> Thematic Study: Well-being of Future Generations -Scrutiny Review 			✓			
<ul style="list-style-type: none"> Thematic Study: Service User Review 			✓			
<ul style="list-style-type: none"> LG Improvement Study - Intermediate Care Fund 						
<ul style="list-style-type: none"> LG Improvement Study - Using Data Effectively 					✓	
<ul style="list-style-type: none"> LG Improvement Study - How well do public bodies provide services to rural communities 					✓	
<ul style="list-style-type: none"> Local Project work 			✓			
<ul style="list-style-type: none"> Auditor General's fees <ul style="list-style-type: none"> Financial Audits: <ul style="list-style-type: none"> Carmarthenshire CC Dyfed Pension Fund Performance Audit 			✓			

Mae'r dudalen hon yn wag yn fwiadol

Audit Committee Training / Informal Sessions

Subject area and brief description of nature of report	Lead Department	Responsible Officer	Dates								
			Feb-17	Jul-17	Autumn '17	Dec-17	Feb-17	Jul-18	Autumn 18	Dec-18	
Audit Committee Self-Assessment	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance	✓		✓					✓	
Meeting with Auditors	Corporate Services				✓	✓	✓	✓			✓
Risk Register	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance	✓					✓			
Statement of Accounts	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance		✓					✓		
Audit Committee Development Session	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance		✓							
Category Management	Corporate Services	Director Corporate Services Head of Revenues and Financial Compliance			✓						

Mae'r dudalen hon yn wag yn fwiadol

**PWYLLGOR ARCHWILIO
23^{AIN} MAWRTH 2018**

**DIWEDDARU CYNLLUN GWEITHREDU
CYFLEUSTERAU ARFORDIROL**

Y Pwrpas:

I nodi'r ymdeithiad i weithredu'r Cynllun Gweithredu Cyfleusterau Arfordirol.

Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

I gymeradwyo'r gwelliannau a'r amcanion gwaith parhaol.

Y Rhesymau:

Gofynnwyd Y Pwyllgor Archwilio yng nghyfarfod y 29 Medi, 2017 am adroddiad cynnydd pob chwe mis.

Ymgynghorwyd â'r pwyllgor craffu perthnasol :

AMHERTHNASOL

Angen i'r Bwrdd Gweithredol wneud penderfyniad :

AMHERTHNASOL

Angen i'r Cyngor wneud penderfyniad :

AMHERTHNASOL

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:-

Cyng. P. Hughes-Griffiths (Diwylliant, Chwaraeon A Thwristiaeth)

Y Gyfarwyddiaeth:

Cymunedau

Enw Pennaeth y Gwasanaeth:

Ian Jones

Awdur yr Adroddiad:

Ian Jones

Swyddi:

Pennaeth Hamdden

Rhifau ffôn:

01267 228309

Cyfeiriadau E-bost:

ijones@sirgar.gov.uk

EXECUTIVE SUMMARY

AUDIT COMMITTEE

23RD MARCH, 2018

COASTAL FACILITIES ACTION PLAN UPDATE

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

The attached Action Plan summarises the agreed work and progress to date by the Outdoor Recreation Service to improve its processes following the Internal Audit Summary Report presented to the Audit Committee meeting on 22nd March 2016. An update was also provided to Scrutiny committee on the 30th Sept 2016, the 6th January 2017, the 22nd March 2017 and the 29th September 2017.

In addition, the Service has had another Internal Audit in January / February 2018 with the resultant Report and Action Plan at draft stage.

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

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

Signed: Ian Jones

Head of Leisure

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	YES	YES	YES	YES	YES	YES
<p>1. <u>Legal</u> Appropriate advice is now being sought from Legal, Property Management, Finance, Health & Safety, Internal Audit and Risk to ensure procedures are compliant.</p>						
<p>2. <u>Finance</u> Significant focus of review to ensure that Financial Procedure Rules are complied with.</p>						
<p>3. <u>ICT</u> New technology to be introduced where this improves control.</p>						
<p>4. <u>Risk Management</u> Increased focus on evaluating exposure to risk and addressing weaknesses identified.</p>						
<p>5. <u>Staffing Implications</u> Action Plan addresses concerns identified re: recruitment and safety of staff.</p>						
<p>6. <u>Physical Assets</u> Leisure now working closely with Environment Department to ensure proper arrangements for maintenance and control of physical assets.</p>						

CONSULTATIONS

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

Signed: Ian Jones

Head of Leisure

1. Scrutiny Committee N/A
2. Local Member(s) N/A
3. Community / Town Council N/A
4. Relevant Partners N/A
5. Staff Side Representatives and other Organisations N/A

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Internal Audit Summary Report re Coastal Facilities and Draft Action Plan		Audit Committee Meeting Agenda and Minutes - March 2016 and July 2016

1. Summary of Issues and Recommendations

Rating

- *** - Fundamental control issues to be addressed as a high priority.
- ** - Control issues required to strengthen existing procedures.
- * - Minor issues.

	Summary Of Issues	Recommendations	Rating	Comments / Agreed Actions	Responsible Officer	Target Date
	Non-Compliance with Financial Procedure Rules		***			
R1	<p>A new structure has been implemented with 3 new managerial posts included. Due to the previous fundamental weaknesses identified and the improvements in procedures only being recent it would be beneficial if management monitoring was introduced to ensure that the procedures adopted continue and do not lapse over a period of time. It is acknowledged that the BSU Section have commenced monitoring of the income generating activities.</p> <p>As part of the new structure many of the job descriptions have been updated. However, there are some job descriptions that have not been updated and reflect the old structure. These need to be reviewed and updated where appropriate.</p>	<p>Management monitoring should be introduced to ensure procedures adopted at the facility operate to a good standard and comply with all set policies and procedures.</p> <p>All job descriptions should be accurate and up to date to ensure that all staff are clearly aware of their roles and responsibilities.</p>		<p>The new structure is currently being implemented and should be completed by the end of the summer.</p> <p>Job descriptions have been reviewed and all job descriptions will be periodically reviewed in the future to ensure that they continue to reflect roles</p>	Neil Thomas	<p>Complete</p> <p>Completed</p>

	Summary Of Issues	Recommendations	Rating	Comments / Agreed Actions	Responsible Officer	Target Date
R2	<p>It was previously reported that the Authority's approved policies and procedures and in some instances statutory legislation were not being fully complied with. Significant improvements have been made in order to address this issue, however there are still some areas where non-compliance exists. In particular, Contract / Quotation Procedure Rules, although it should be noted that this is not always a Coastal Facilities specific issue but rather an Authority wide issue.</p>	<p>The Authority's approved policies and procedures should be fully complied with.</p>		<p>Staff are reminded of the need to follow policies and procedures and the implementation of the new structure will give greater clarity on roles and responsibilities and will ensure staff are aware of their responsibilities and accountabilities</p>	Neil Thomas	Ongoing
	<p>Whilst documented procedures have been formulated for many areas to include the improvements recently implemented, Internal Audit have been advised that there are still areas that are yet to be completed.</p>	<p>The update of the documented procedures which are consistent with the requirements of the Authority's Financial Procedure Rules should be completed and subsequently made available to all relevant staff.</p>		<p>The main systems are being documented as they are reviewed and as new systems are developed then the appropriate procedures will be developed and documented</p>	Lyn Walters / Kelly Shefford	Complete

R3	<p>Whilst some improvements have been made for income collection, recording, banking and monitoring, there are further improvements intended in the form of a new barrier system and camping booking system. It is important that progress continues in these areas.</p>	<p>It is important that the intended improvements are implemented within the specified time frames.</p>	<p>Reconciliation will continue on a monthly basis but as it is an excel file it is not possible to evidence when the file is reviewed by a senior officer. The senior officer will confirm that the file has been reviewed by email</p>	Lindsey Roberts	Ongoing
	<p>Currently the BSU Section undertake a reconciliation of income due to income received, banked and recorded on the Authority's Financial Management System and a spreadsheet is maintained to record that the reconciliation has been undertaken. Internal Audit have been advised that the Senior Manager is involved in the reconciliations although there is no evidence that this is the case. This is of some concern particularly as there appear to be instances where large variances have been identified which do not appear to have been investigated and reasons recorded. It is noted that the</p>	<p>The reconciliation of Income due to income received, banked and recorded on the Authority's Financial Management System should be reviewed by a senior member of staff and this should be evidenced. All significant variances should be investigated and reasons recorded.</p>	<p>Ad hoc audit visits will take place at all points that money is collected</p>	Lindsey Roberts	Complete
			<p>The replacement of the barrier system is progressing and the project will go to tender by the end of the summer and will be operational for next summer</p>	Lyn Walters	Ongoing
			<p>The online booking system for the caravan park will go live during this summer season.</p> <p>The banking variances prior to the interim staffing structure being implemented were identified as it was decided</p>	Lyn Walters	Completed

	Summary Of Issues	Recommendations	Rating	Comments / Agreed Actions	Responsible Officer	Target Date
	larger variances occurred prior to the additional staffing resources being brought in to address the previous weaknesses identified.			to review the whole year. The variance resulted in a greater amount being banked than was collected.		
R4	An up to date inventory has recently been completed and the movement of assets is now recorded. At the time of the Internal Audit review the asset lists had not been subject to physical check by an independent person, although Internal Audit had been advised that it was the intention to undertake such a check in the Autumn.	The list of assets should be subject to physical check by an independent person at least on an annual basis and this should be evidenced.		An annual audit of plant and equipment will be undertaken	Margaret Pullen	Completed

	Summary Of Issues	Recommendations	Rating	Comments / Agreed Actions	Responsible Officer	Target Date
R5	<p>The management and administration of third party agreements has currently been delegated to the Authority's Corporate Property Section to ensure adequate, up to date agreements are in place. It is important that such agreements are formulated as soon as possible, responsibilities defined and monitoring arrangements subsequently established.</p> <p>In relation to events, improvements have been made and a formal process has now been established, although the approval of the events contract and documentation from the Authority's Legal Section is currently being waited on. For large events a panel meets and decisions are recorded on the event summary sheet, however the panel members are not required to physically sign off the decision being recorded.</p>	<p>Accurate and up to date agreements should be formulated as soon as possible and monitoring arrangements subsequently established.</p> <p>All monitoring should be recorded as evidence that it has been undertaken.</p> <p>A response from the Authority's Legal Section should be obtained as soon as possible in order that an assurance may be given that the policy and documentation being utilised are appropriate.</p> <p>All panel members should sign the decision recorded on the event summary sheet.</p>		<p>An event contract is being prepared by the legal section. This has been received and is currently being reviewed</p>	Lyn Walters / Legal	Dec17
				<p>All third party agreements have been referred to Corporate Property to develop agreements in line with service requirements</p>	Peter Edwards	Complete
				<p>All mobile catering concessions have been retendered and licences have been prepared and are currently being reviewed for completeness and will be signed by all parties during the summer</p>	Lyn Walters / Legal	Complete
				<p>The mooring contract for BPH is being reviewed by the Council's solicitors and this will be completed by the end of the summer</p>	Lyn Walters / Legal	Complete

	Summary Of Issues	Recommendations	Rating	Comments / Agreed Actions	Responsible Officer	Target Date
R6	The Ski Slope and Ski shop have been transferred over to the Sports and Leisure Unit and improvements are currently being implemented in the management and administration of the facility including a full stock take of all shop assets and the implementation of the Gladstone till system.	Improvements in the management and administration of the ski slope and shop should continue to ensure the Authority's and locally set policies and procedures are fully complied with.		<p>An upgraded Gladstone (360) Management Software Platform System is being installed to align with leisure centre systems.</p> <p>Implementation of Leisure Facilities Finance and Administration Procedures.</p> <p>Stock Check completed. Asset disposal policy drafted for approval to close the shop.</p>	Lee S Jones	1/09/17

	Summary Of Issues	Recommendations	Rating	Comments / Agreed Actions	Responsible Officer	Target Date
R7	<p>Procedures have improved in order to demonstrate a good control on the use of facilities and Internal Audit have been advised that it is intended that current procedures will be extended to include further spot checks particularly on the camping and entry into Pembrey Country Park.</p> <p>Internal Audit have also been advised that items available for resale are very minimal and this situation is due to decrease further. It should be ensured that adequate arrangements are put in place to ensure that all stock and all income is properly accounted for.</p>	<p>Spot checks on the use of facilities should be expanded as intended particularly during the busy summer season. It would be appropriate to place signs at the barrier informing visitors to expect and retain receipts for possible checks that are likely to occur.</p> <p>Adequate arrangements should be put in place to ensure that all stock and all income is properly accounted for.</p>		<p>A sign already exists at the barrier advising visitors to keep receipts</p> <p>CCTV cameras have been installed to cover the cash till at the barrier</p> <p>Regular unannounced visits to undertake cash ups and other audit functions will take place at all points where monies are collected within the Outdoor Recreation section</p>	<p>Lyn Walters</p> <p>Lyn Walters</p> <p>Lindsey Roberts</p>	<p>Complete</p> <p>Complete</p> <p>Complete</p>

	Summary Of Issues	Recommendations	Rating	Comments / Agreed Actions	Responsible Officer	Target Date
	Risk Management & Business Continuity Strategy		**			
R8	The training needs of all staff have been reviewed and recorded on a training matrix. This matrix has identified a significant training need across the coastal facilities and it is acknowledged that some training has already been arranged. It is imperative that where a training need has been identified that staff are provided with the necessary training as soon as possible.	All staff identified as having a training need should receive the relevant training as soon as possible.		A training needs evaluation has taken place in conjunction with the Council's training section and health and safety section. Training courses have been arranged and some training has already been completed. Further training will take place to complete the initial training requirements. Training requirements will be reviewed regularly.	Neil Thomas	Ongoing

	Summary Of Issues	Recommendations	Rating	Comments / Agreed Actions	Responsible Officer	Target Date
R9	<p>Improvements have been made relating to the management and administration of functions at the coastal facilities which were developed on conjunction with the Authority's Health & Safety and Risk Management Staff.</p> <p>However, in respect of Burry Port Harbour there has been a delay in the implementation of the newly formulated process which included the issue of updated contracts and the checking of insurance documents on an annual basis. A response from the Authority's legal Section is currently being awaited regarding the adequacy of the contracts prior to their issue. As current mooring agreements are headed as being annual, mooring holders do not have current contracts and insurance documents have not been checked to ensure they are up to date which presents an insurance risk for the Authority.</p>	<p>As previously recommended <i>'All activities should be subject to a robust registration and checking procedure to protect the authority'</i>.</p> <p>A response from the Authority's Legal Section should be followed up to enable up to date contracts to be issued and insurance risks checked as soon as possible.</p>		<p>The mooring contract for BPH is being reviewed by the Council's solicitors and this will be completed by the end of the summer</p> <p>The legal Section has advised that existing contracts are constructed to roll on automatically therefore all moorings should have a contract. The Legal section is reviewing the clause within the contract and whether it is more appropriate to enter into a new contract annually or have a rolling contract.</p> <p>The Harbour Master will check insurance of each mooring at least once per annum</p>	Lyn Walters	Complete

Mae'r dudalen hon yn wag yn fwriadol

PWYLLGOR ARCHWILIO

23^{AIN} MAWRTH 2018

COFRESTR RISG CORFFORAETHOL

Y Pwrpas:

I dderbyn y Cofrestr Risg Corfforaethol

Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:

- I dderbyn y Cofrestr Risg Corfforaethol.
- I sicrhau fod y Cofrestr Risg Corfforaethol yn parhau i gael ei gyflwyno i'r Pwyllgor Archwilio

Y Rhesymau:

I sicrhau fod y Pwyllgor Archwilio wedi eu hysbysu o'r Risgiau Corfforaethol.

Ymgynghorwyd â'r pwyllgor craffu perthnasol : AMHERTHNASOL

Adolygu a monitor y Cofrestr Risg Corfforaethol wedi ei ddirprwyo i'r Pwyllgor Archwilio yn unol a Chylch Gorchwyl y Pwyllgor Archwilio

Angen i'r Bwrdd Gweithredol wneud penderfyniad : AMHERTHNASOL - Swyddogaeth y Pwyllgor Archwilio**Angen i'r Cyngor wneud penderfyniad : AMHERTHNASOL - Swyddogaeth y Pwyllgor Archwilio****YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:-**

Cyngorydd David Jenkins

Y Gyfarwyddiaeth: Gwasanaethau Corfforaethol**Enw Pennaeth y Gwasanaeth:**

Helen Pugh

Awdur yr Adroddiad:

Helen Pugh

Swyddi:

Pennaeth Refeniw a Chydymffurfio Ariannol

Rhif ffôn: 01267 246223**Cyfeiriad E-bost:**[HLPugh@sirgar.gov.uk](mailto:HPugh@sirgar.gov.uk)

EXECUTIVE SUMMARY

AUDIT COMMITTEE

23rd MARCH 2018

CORPORATE RISK REGISTER

The Council has a mature approach to Risk Management and has maintained a Corporate Risk Register for some years. The Corporate Assessment undertaken by Wales Audit Office concluded that a clear framework is in place to manage corporate and project risks with dedicated senior political and officer leadership and risk champions at departmental level. Risks are overseen by a Risk Management Steering Group which includes political representation from the Council's Executive.

The Corporate Assessment recommended that the Corporate Risk Register as approved by CMT should be shared with the Audit Committee.

Arrangements will be put in place to ensure that the Corporate Risk Register is also taken to Preliminary Executive Board.

The Authority have utilised the Services of an External Risk Consultant (Zurich Risk Consulting) to provide external challenge. The services were provided at no additional cost to the Authority given Zurich Municipal provide the Authority's Insurance Liability Cover. The external challenge proved useful to ensure that the risks were strategic in nature and the scoring was sound and evidenced.

The Authority operate a 5x5 Scoring System with a maximum potential score of 25 (i.e. 5x5). The scoring methodology for both Impact and Likelihood is attached.

DETAILED REPORT ATTACHED ?

YES (Corporate Risk Register and Scoring Matrix)

IMPLICATIONS

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

Signed: Helen Pugh

Head of Revenues and Financial Compliance

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

1. Risk Management Issues

The Authority maintains a Corporate Risk Register to evaluate its exposure to key strategic risks. The Corporate Assessment recommended that the Corporate Risk Register should be shared with the Audit Committee. The Register will be reviewed by the Audit Committee. Arrangements will be put in place to ensure that the Corporate Risk Register is also brought to Preliminary Executive Board.

CONSULTATIONS

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

Signed: Helen Pugh

Head of Revenues and Financial Compliance

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

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THERE ARE NONE

Mae'r dudalen hon yn wag yn fwriadol

Carmarthenshire County Council - Corporate Risk Register

2017 Corporate Risk Register

Review of 2017 Corporate Risk Register

Corporate Management Team

Date: , 20 February, 2018

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	March 2017 Register			Updated Risk - February 2018				Summary of change
	Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	Impact	Probability	Risk Rating	Change	
CR20170001 - Compliance with the Wellbeing of Future Generations (Wales) Act 2015	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Public Service Board established Well-being Assessment nearing completion Council Service Planning adapted to address the requirements of the Act Draft Well-being objectives being prepared for publication by the 31st March 2017 deadline Regular meetings with Wales Audit Office Members Seminars and Information Sheets Integrated into Budget Planning process and Revenue Report <i>In Progress (0% complete)</i> Adapting at Corporate processes Committee cover sheets, Equality Impact Assessments, Financial Planning, Risk 	Wendy Walters	Substantial 4	Possible 3	High 12	Substantial 4	Unlikely 2	Medium 8	↓	<p>Public Service Board established Well-being Assessment nearing completion</p> <p>Now need to ensure Carmarthenshire Public Services Board publishes a Well-being Plan and establishes appropriate arrangements to deliver its objectives and monitor progress</p>
CR20170002 - Managing and Developing the Welsh Language and meeting the Welsh Language Standards	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Monitor the Compliance Strategy received from the Welsh Language Commissioner Recruitment procedures and guidance updated and monitored Learning and development for staff Prepare an Annual Report on implementation of the Standards, for discussion with the Corporate Management Team and the Members Advisory Panel Work closely with Departments to advise on the Standards and offer practical support with any challenges that may arise 	Wendy Walters Paul R Thomas Paul R Thomas Wendy Walters Wendy Walters	Substantial 4	Unlikely 2	Medium 8	Substantial 4	Unlikely 2	Medium 8	↔	<p>Annual Report on implementation submitted and accepted by the Welsh Language Commissioner</p> <p>Officer appointed to support development of programme for staff</p> <p>Risk remains at Medium to allow for full embedding of requirements across all services</p>

Carmarthenshire County Council - Corporate Risk Register

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	March 2017 Register			Updated Risk - February 2018				Summary of change
	Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	Impact	Probability	Risk Rating	Change	
CR20170003 - Responding to New Legislation / Policy from Welsh Government	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Development and updating of current CCC policies Learning and development of staff 	Gwyneth Ayers Wendy Walters	Substantial 4	Unlikely 2	Medium 8	Substantial 4	Unlikely 2	Medium 8	↔	Ongoing review, respond accordingly to any new requirements.
CR20170004 - Ensuring that the Authority effectively manages its financial resources and responds to the challenges of reduced funding	Catastrophic 5	Likely 4	Significant 20	<ul style="list-style-type: none"> Medium Term Financial Strategy - 5 Year Plan (including efficiency targets) Full County Council Elected Member Engagement on an annual basis to set priorities and allocate the Budget Challenge from Scrutiny Committees Public Consultation regarding budget priorities on an Annual Basis Engagement with Welsh Government via WLGA to ensure Carmarthenshire County Council receives fair funding from Welsh Government TIC Programme to identify efficiencies and promote alternative methods of service delivery Workforce Planning to ensure staff resources are planned to match demand Wales Audit Office external challenge and assessment 	Chris Moore / Owen Bowen Chris Moore / Owen Bowen Linda Rees Jones Chris Moore/Owen Bowen Chris Moore / Owen Bowen Robin Staines Paul R Thomas Chris Moore / Owen Bowen	Catastrophic 5	Possible 3	High 15	Catastrophic 5	Possible 3	High 15	↔	Risk to remain high as economic outlook remains uncertain and period of austerity in public sector set to continue for the foreseeable future.
CR20170005 - Ensuring effective management of Grant Funding (including accessing Grant Funding) Threat of having to repay significant Grant monies. Although improvements have been made, some problems still exist which could result in claw backs of funding.	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Project Management Training Grant Funding Bodies Guidance Briefings and Training Grants Panel Grants Manual 	Chris Moore Chris Moore Chris Moore Chris Moore	Substantial 4	Possible 3	High 12	Substantial 4	Unlikely 2	Medium 8	↓	Improved feedback and findings from WAO Grants Audit. However, need to continue with the risk measures put in place to monitor performance and to ensure continued improvement.

Carmarthenshire County Council - Corporate Risk Register

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	March 2017 Register			Updated Risk - February 2018				Summary of change
	Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	Impact	Probability	Risk Rating	Change	
CR20170006 - Ensuring effective People Management (including capacity and compliance with Employment Law and Health & Safety Legislation)	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Competence based recruitment, assessment centres for recruitment of key roles, induction training, coaching and mentoring, appraisals and supervision, probationary policy Development of Employment Policies and briefings and training, audit and monitoring 	Paul R Thomas Paul R Thomas	Substantial 4	Possible 3	High 12	Substantial 4	Unlikely 2	Medium 8	↓	Increased scrutiny and greater focus on H&S, including sickness Member and Officer Challenge Board has been established - 'Corporate Health & Safety Leadership Board' Behavioural standards training has been rolled out
CR20170007 - Ensuring effective management of Procurement / Contract Management and Partnership arrangements	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Welsh Government Procurement Fitness Checks - Implementation of Areas for Improvement Participation in the National Procurement Service Development of New Procurement Strategy (involving Policy & Resources Members Focus Group) 	Helen Pugh Helen Pugh Helen Pugh	Substantial 4	Unlikely 2	Medium 8	Substantial 4	Unlikely 2	Medium 8	↔	Procurement Strategy developed. To be presented to P&R in April 2018 Work commenced with Departments to develop improved Contract Management processes
CR20170008 - Transforming business operations through effective Digital Transformation	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Implementation of Digital Transformation Strategy Members and staffing workshop 	NDaniel NDaniel	Substantial 4	Possible 3	High 12	Substantial 4	Unlikely 2	Medium 8	↓	As some of the mitigations are now complete, probability to be reduced to unlikely changing risk rating to Medium
CR20170009 - Maintaining high standards of governance in relation to Information Management	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Dedicated Senior Information Risk Owner on Corporate Management Team IT Security Officer Annual Information Management & Governance Report to Corporate Governance Group and Audit Committee 	Wendy Walters NDaniel Wendy Walters	Substantial 4	Possible 3	High 12	Substantial 4	Possible 3	High 12	↔	Remains at High: Work in progress to address new GDPR requirements Worksteam in place to review paper and electronic information held

Carmarthenshire County Council - Corporate Risk Register

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	March 2017 Register			Updated Risk - February 2018				Summary of change
	Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	Impact	Probability	Risk Rating	Change	
CR20170010 - Deliver Effective Safeguarding Arrangements for both Children and Vulnerable Adults (Detail in separate Safeguarding Risk Register)	Catastrophic	Probable	Significant	<ul style="list-style-type: none"> Continue to improve the quality of Care Plans ensuring a multi-agency assessment Ensure Sexual Exploitation Risk Assessments (SERAF's) and Missing Persons Risk Assessments are completed as required Review our assessments in light of the implementation of the Social Services and Well-being Act (2014) Implement the "Signs of Safety" model within Carmarthenshire and incorporate into practice Continue to work with partners to improve appropriate accommodation options and housing support for all vulnerable young people (aged 16-25). Implement new arrangements for our leaving care services in accordance with the Social Services and Well-being Act 2014 Ensure that all councillors are equipped to act as corporate parents to looked after children Ensure the Independent Reviewing Service (IRO) becomes more outcome focused Carmarthenshire's Multi Agency Adult Safeguarding Board Duty Safeguarding Service operating within normal working hours Trained Standby Officers for out of hours emergencies during evenings and weekends Clear point of access has been provided to the public and professionals for accepting Adult Protection referrals 	Stefan Smith	Catastrophic	Unlikely	High	Catastrophic	Unlikely	High	↔	
	5	5	25		5	2	10	5	2	10			
						Stefan Smith							
						Stefan Smith							
						Stefan Smith							
						Stefan Smith							
						Stefan Smith							
						Stefan Smith							
						Jake Morgan							
						Jake Morgan							

Carmarthenshire County Council - Corporate Risk Register

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	March 2017 Register			Updated Risk - February 2018				Summary of change
	Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	Impact	Probability	Risk Rating	Change	
CR20170011 - Develop and Deliver the Improvement Plan / Corporate Performance Plans	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Undertake detailed analysis of all lower quartile Performance Indicators to develop action plans. Address underperformance via Business Planning process Monitoring progress via Performance and Improvement Monitoring System (PIMS) and dashboards 	Wendy Walters Wendy Walters Wendy Walters	Substantial 4	Unlikely 2	Medium 8	Substantial 4	Unlikely 2	Medium 8	↔	Our improvement Agenda looks at lower quartile performance indicators and takes into account the issues raised which are then fed into the business planning processes. Ranking tables for performance indicators and lower quartile comparative data is developed and reported to CMT on a quarterly basis. Where appropriate action plans are developed and will be incorporated into our 18/19 Business Plans
CR20170012 - Failure to adhere to an effective Corporate Governance Framework	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Corporate Governance Group Wales Audit Office Corporate Assessment Action Plan monitored via Dashboard Implementation of the WLGA Review of Governance Annual Governance Statement 	Helen Pugh Wendy Walters Wendy Walters Helen Pugh	Substantial 4	Unlikely 2	Medium 8	Substantial 4	Unlikely 2	Medium 8	↔	We will continue to implented the controls alreadye determined
CR20170013 - Delivery of the City Deal (Outcomes / Budget)	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Establishment of Swansea Bay City Region Board Development of Regional Joint Committees An agreement between the UK and Welsh Governments and 4 local authorities (Carmarthenshire, Swansea, Neath & Port Talbot and Pembrokeshire) and successful private and public collaboration will address the economic underperformance of the region, with emphasis on uplifting productivity, skills, employment and prosperity. Financial Planning 	Wendy Walters Wendy Walters Wendy Walters Chris Moore	Substantial 4	Possible 3	High 12	Substantial 4	Possible 3	High 12	↔	Agreement drafted, Board and Committee are now fully confirmed.

Carmarthenshire County Council - Corporate Risk Register

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	March 2017 Register			Updated Risk - February 2018				Summary of change
	Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	Impact	Probability	Risk Rating	Change	
CR20170014 - Delivery of the Wellness Project (Outcomes / Budget)	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Membership of Project Board Memorandum of Understanding Development of Life Science and Well-being network of campuses and villages, consisting of primary / community care facility, an Institute of Life Science and an educational and skill development capability. Financial Planning 	Wendy Walters Wendy Walters Wendy Walters Chris Moore	Substantial 4	Possible 3	High 12	Substantial 4	Possible 3	High 12	↔	<ul style="list-style-type: none"> Establishment of the Project Management Office with delegated authority from Project Board to maintain project to approved timeline Work Streams established to progress elements of the Village development all partners represented Governance Structure established through partner organisations for decisions sign off
CR20170015 - Delivery of the Approved Capital Programme (Outcomes / Budget)	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Strategic Asset Steering Group Project Management Tool Kit Project Management Training 	JFearn Wendy Walters Paul R	Substantial 4	Unlikely 2	Medium 8	Substantial 4	Unlikely 2	Medium 8	↔	Project Management Tool Kit - this sits on CCC's intranet and forms the basis of the training programme for CCC Managers on Project Management
CR20170016 - Delivery of the Authority's Waste Management Strategy (including meeting Landfill Targets)	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Maintain current provision and infrastructure for recycling Continue education and awareness activity to improve participation. 	Ainsley Williams Ainsley Williams	Substantial 4	Possible 3	High 12	Substantial 4	Possible 3	High 12	↔	The risk remains high due to the import restrictions effected by China with respect to paper and plastics. This has and will continue to have an effect on UK markets. In addition, there are difficulties with export markets relating to residual waste disposal that also have the potential to negatively affect our recycling figures. This position exposes the Council to potential financial risk due to reduced commodity values and therefore higher disposal cost. Mixed paper and plastics are likely to continue to reach the recycling markets and thus continue to contribute to our recycling figures in the immediate term. The Council will have to closely monitor the situation and review our position as appropriate, depending on the prevailing market conditions.

Carmarthenshire County Council - Corporate Risk Register

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	March 2017 Register			Updated Risk - February 2018				Summary of change
	Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	Impact	Probability	Risk Rating	Change	
CR20170017 - Effective Management of demand for Social Care (Adult & Children)	Significant 3	Likely 4	High 12	<ul style="list-style-type: none"> Establish effective systems to ensure thresholds for access and eligibility criteria are understood and consistently applied by staff and partners Deliver implementation plan for Social Services and Wellbeing Act Collaborate with partners to deliver information, advice, assistance and preventative services Recommission Families First and Flying Start programmes to deliver early intervention with children and families Work with partners, local community action groups and local people to build resilient communities and community models of support Promote and develop social enterprises and cooperatives to provide preventative services, care and support 	Stefan Smith/Avril Bracey/Rhian Dawson Stefan Smith/Avril Bracey/Rhian Dawson Stefan Smith/Avril Bracey/Rhian Dawson Stefan Smith Avril Bracey / Rhian Dawson Avril Bracey / Rhian Dawson	Significant 3	Possible 3	Medium 9	Significant 3	Possible 3	Medium 9	↔	
CR20170018 - Delivery of quality Education Service. Ensuring that Schools effectively manage their financial resources and respond to the challenges of reduced funding.	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Implement the actions detailed in the Modernising Education Programme for 2016/17 Steering Group monitors work on an ongoing basis 	Gareth Morgans Gareth Morgans	Substantial 4	Possible 3	High 12	Substantial 4	Unlikely 2	Medium 8	↓ ↔	This risk on review now needs to be split: CR20170018 (i) - Failure to deliver a quality Education Service CR20170018 (ii) - Failure to ensure that schools effectively manage their financial resources and respond to the challenges of reduced funding. The risk scores have been re-evaluated in line with their separation and the current circumstances around school funding.

Carmarthenshire County Council - Corporate Risk Register

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO controls in place)			Risk Control Measures	Assigned To	March 2017 Register			Updated Risk - February 2018				Summary of change
	Impact	Probability	Risk Rating			Impact	Probability	Risk Rating	Impact	Probability	Risk Rating	Change	
CR20170019 - Ensure quality and adequate supply of Housing within the County	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Implement Carmarthenshire Homes Standard project plan Continue work of review of access Social Housing 	Robin Staines Robin Staines	Substantial 4	Improbable 1	Low 4	Substantial 4	Improbable 1	Low 4	↔	<p>Risk rating remain the same</p> <p>We continue to deliver investment programmes that maintain the Carmarthenshire Homes Standard- £26m over next three years</p> <p>Affordable Homes Delivery Plan continues to meet targets with over 400 additional homes delivered over first two years. Establishment of Local Housing Company will further enhance delivery both in terms of numbers and range of affordable housing options</p> <p>Review of Access to Social Housing Policy complete (April 2017)</p> <p>Cross departmental Steering Group monitors delivery every two months</p>
CR20170020 - Maintain and develop effective Planning Policies (including delivering effective enforcement)	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Rural Development Plan (RDP) Local Development Plan (LDP) Local Enforcement 	Linos Quelch Linos Quelch Linos Quelch	Substantial 4	Unlikely 2	Medium 8	Substantial 4	Possible 3	High 12	↑	<p>As we are commencing LDP review probability risk rating needs to be changed to High</p>

New Risk to be included in addition to the above in 2018 Corporate Risk Register

Manage and Develop new external arrangements	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Governance arrangements incl management and Councillor representations on Boards Compliance with Companies Act and relevant legislation Financial Planning Financial Reporting arrangements Audit programme Training - arranged for Directors 	CMT				Substantial 4	Possible 3	High 12	New	
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PWYLLGOR ARCHWILIO

23^{AIN} MAWRTH 2018

DIWEDDARIAD GWASANAETHAU ARIANNOL		
Argymelliadau / penderfyniadau allweddol sydd angen:		
I dderbyn Nodyn Cau Cyfrifon yn Gynnar 2017/18 (Cyngor Sir Caerfyrddin)		
Rhesymau:		
I ddarparu diweddariad ar gynnydd cau cyfrifon yng nghynt.		
Pwyllgor Craffu perthnasol i'w ymgynghori: Ddim yn berthnasol		
Angen Penderfyniad Bwrdd Gweithredol NA		
Angen Penderfyniad y Cyngor NA		
AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM BORTFFOLIO:- Cyng. David Jenkins		
Cyfarwyddiaeth: Gwasanaethau Corfforaethol	Dynodiadau:	Rhif Ffôn. 01267 224886
Pennaeth Gwasanaeth: Randal Hemingway	Pennaeth Gwasanaethau Ariannol	Cyfeiriad E Bost: RHemingway@carmarthenshire.gov.uk
Awdur yr Adroddiad: Randal Hemingway		

EXECUTIVE SUMMARY

AUDIT COMMITTEE

23RD MARCH 2018

FINANCIAL SERVICES UPDATE

Earlier Closure of Accounts

The current deadline for the completion of the draft Statement of Accounts is 30th June with an audit completion date of 30th September. However the Accounts and Audit(Wales)(Amendment)Regulations 2018 introduced a change to the timetable for local government bodies to prepare and publish their statement of accounts as follows;

	2017/18	2018/19	2019/20	2020/21
Draft (Unaudited)	30-Jun	15-Jun	15-Jun	31-May
Publish (Audited)	30-Sep	15-Sep	15-Sep	31-Jul

The period of notice given for this change provides an opportunity to make advanced preparations to meet the deadlines. Although there is no obligation to do so, the council will be working towards completing the 2017/18 Statement of Accounts by 15 June, which will be the regulatory deadline for 2018/19 prior to the further revision of 31st May for the 2020/21 accounts.

The closure timetable has been reviewed in order to identify time savings in the accounts preparation processes and procedures whilst still completing all required tasks in an effective and efficient manner.

It may also be necessary to consider the use of estimates for accounts preparation in consultation with Wales Audit Office. Meeting these future requirements will be challenging and will require a co-ordinated approach involving all departments.

Members are requested to note the earlier closure progress.

DETAILED REPORT ATTACHED ?

NO

IMPLICATIONS

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

Signed: Randal Hemingway

Head of Financial Services

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

CONSULTATIONS

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

Signed: Randal Hemingway

Head of Financial Services

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

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Accounts and Audit (Wales) (Amendment) Regulations 2018		Corporate Services Department, County Hall, Carmarthen

Mae'r dudalen hon yn wag yn fwriadol

PWYLLGOR ARCHWILIO**23^{AIN} MAWRTH 2018**

CYNGOR SIR GAERFYRDDIN DIWEDDARIAD PWYLLGOR ARCHWILIO – MAWRTH 2018
--

Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen: I dderbyn adroddiad Swyddfa Archwilio Cymru a nodir uchod.

Y Rhesymau: Mae Swyddfa Archwilio Cymru yn gwneud gwaith archwilio ariannol a pherfformiad yn y Cyngor. Mae'r adroddiad yn crynhoi eu gwaith archwilio hyd at Mawrth 2018.
--

Ymgynghorwyd â'r pwyllgor craffu perthnasol NADDO

Angen i'r Bwrdd Gweithredol wneud penderfyniad NAC OES
--

Angen i'r Cyngor wneud penderfyniad NAC OES

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:-

Cyng. David Jenkins		
---------------------	--	--

Y Gyfarwyddiaeth: Gwasanaethau Corfforaethol	Swyddi:	
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Awdur yr Adroddiad: Swyddfa Archwilio Cymru		
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EXECUTIVE SUMMARY
AUDIT COMMITTEE
23RD MARCH 2018

CARMARTHENSHIRE COUNTY COUNCIL
AUDIT COMMITTEE UPDATE – MARCH 2018

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

The Wales Audit Office carries out both financial audit and performance audit work at the Council. This report summarises the progress on their audit work as at March 2018.

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

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

I confirm that other than those implications listed below there are no implications for the Authority arising from this report. If necessary, the Authority will need to respond to implications arising from the report where applicable.

Signed: **Randal Hemingway** Head of Financial Services

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

CONSULTATIONS

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

Signed: **Randal Hemingway** Head of Financial Services

1. Scrutiny Committee – N/A
2. Local Member(s) – N/A
3. Community / Town Council – N/A
4. Relevant Partners – N/A
5. Staff Side Representatives and other Organisations – N/A

Section 100D Local Government Act, 1972 – Access to Information
 List of Background Papers used in the preparation of this report:
THERE ARE NONE



Reference: 464A2018-19

Date issued: March 2018

Carmarthenshire County Council Wales Audit Office Work Programme: Audit Committee Update, March 2018

Financial audit work 2016-17 – Dyfed Pension Fund

Activity	Scope	Status
Audit Plan.	Plan of financial audit work for 2016-17.	Complete - Report was presented to the Audit Committee March 2017.
Financial Statements/Annual Audit Letter.	Audit of the Pension Fund's 2016-17 financial statements and Annual Audit Letter.	Complete - Report was presented to the Audit Committee September 2017.

Financial audit work 2016-17 – Carmarthenshire County Council

Activity	Scope	Status
Audit Plan 2017.	Plan of financial audit work for 2016-17.	Complete - Report was presented to the Audit Committee March 2017.
Financial Statements 2016-17.	Audit of the Council's 2016-17 financial statements.	Complete - Report was presented to the Audit Committee September 2017.

Activity	Scope	Status
Annual Audit Letter.	Report summarising our 2016-17 financial audit work.	Complete - Reported to the Audit Committee December 2017.
Final Accounts Memorandum.	Report summarising our findings from our audit of the 2016-17 financial statements.	Complete – Reported to the Audit Committee December 2017.

Financial audit work 2017-18 – Dyfed Pension Fund

Activity	Scope	Status
Audit Plan	Plan of financial audit work for 2017-18.	Report to be presented to the Audit Committee March 2018.
Financial Statements 2017-18	Audit of the Pension Fund's 2017-18 financial statements.	Report to be presented to the Audit Committee September 2018.

Financial audit work 2017-18 – Carmarthenshire County Council

Activity	Scope	Status
Audit Plan	Plan of financial audit work for 2017-18.	Report to be presented to the Audit Committee March 2018.
Financial Statements 2017-18	Audit of the Council's 2017-18 financial statements.	Report to be presented to the Audit Committee September 2018.
Annual Audit Letter.	Report summarising our 2017-18 financial audit work.	Report to be presented to the Audit Committee December 2018.

Activity	Scope	Status
Final Accounts Memorandum.	Report summarising our findings from our audit of the 2017-18 financial statements.	Report to be presented to the Audit Committee December 2018.

Performance audit work 2016-2017 – Carmarthenshire County Council

Activity	Scope	Status
Audit Plan.	Plan of performance audit work for 2016-17.	Complete – Audit Committee March 2016.
Improvement Plan Audit.	Audit of the discharge of the Council's duty to publish an improvement plan.	Complete – Review of ARIP complete. Certificate issued. Presented to Audit Committee September 2016.
Assessment of performance.	Audit of the discharge of the Council's duty to publish an assessment of performance.	Complete – see above.
Annual Improvement Report (AIR).	Report from the Audit General for Wales reviewing the Council's performance and arrangements. The AIR included the local project work that reviewed progress against the Corporate Assessment Proposals for Improvement.	Complete - Published June 2017.
Thematic Study: Financial Resilience (3).	Focus: Savings Plans.	Complete - Local report issued March 2017.

Activity	Scope	Status
Thematic Study: Governance.	Focus: Governance of significant service changes.	Complete - Local report issued May 2017.
Thematic Study: Transformation.	To gather the views of officers about the key issues they face in dealing with change/transformation.	Workshop outputs shared with the Council – February 2018.
Local Government Improvement Study – Improving well-being through housing adaptations.	Carmarthenshire Council will participate in the survey only.	Complete – national report published February 2018.
Local Government Improvement Study – Strategic commissioning of learning disability services by local authorities.	Carmarthenshire Council will participate in the survey only.	Report in clearance. Output – report to Public Accounts Committee. Report due March 2018.
Local Government Improvement Study – How local government manages demand – Homelessness services.	Carmarthenshire Council is one of five sample local authorities participating in this study (involving fieldwork).	Complete – national report published January 2018.

Performance audit work 2017-2018 – Carmarthenshire County Council

Activity	Scope	Status
Audit Plan.	Plan of performance audit work for 2017-18.	Complete – Audit Committee March 2017.
Improvement Plan Audit.	Audit of the discharge of the Council's duty to publish an improvement plan.	Complete – Certificate issued April 2017.
Assessment of performance.	Audit of the discharge of the Council's duty to publish an assessment of performance.	Complete – Certificate issued November 2017.
Annual Improvement Report (AIR).	Report from the Auditor General for Wales reviewing the Council's performance and arrangements.	To be published summer 2018.
Thematic Study: Well-Being of Future Generations - Baseline assessment.	The Year One Commentary: The Wales Audit Office will gather evidence on how the 44 bodies are beginning to respond to the requirements of the WFG Act and identify examples of notable emerging practice. The work will be designed to support improvement and inform future audit work under the Act.	Fieldwork completed (Output – National report on findings to be published May2018).
Thematic Study: Overview and Scrutiny – Fit for the Future?	This review will examine the impact of the WFG Act on the work of scrutiny committees, including PSB scrutiny, facilitating improvement and the sharing of good practice.	Project brief issued, fieldwork complete. Output will be a local report due March 2018.
Thematic Study: Service user review.	This project will test the service-user interface at all authorities. The review will evaluate what it feels like (as a member of	Project brief to be issued – intended tracer area to be channel shift within the digital

Activity	Scope	Status
	the public) to deal with council services, involving a selection of services and scenarios.	transformation project. Fieldwork dates to be agreed. Report by July 2018
Local Project work.	<p>To include projects on:</p> <ul style="list-style-type: none"> • proposals for improvement follow up work; • people management; • audit committee; and • digital transformation. 	<p>To take place throughout the 2017-18 audit year.</p> <p>Project underway. Output will be a local report due March 2018.</p> <p>Project brief issued. Fieldwork underway. Output will be a local report due by May 2018.</p> <p>To be combined as part of the Service user review project.</p>
Local Government Improvement Study – Integrated Care Fund.	<p>The review will examine if the Integrate Care Fund is being used effectively to deliver sustainable services that achieve better outcomes for service users.</p> <p>Interviews will be undertaken with a selection of officers on each of the Regional Partnership Boards and Welsh Government officials.</p>	<p>Terms of reference issued March 2018. Output will be a national report due to be published January 2019.</p>

Activity	Scope	Status
Local Government Improvement Study – Using data effectively.	<p>This study will primarily focus on the role of local authorities in how effective they are at managing and using data.</p> <p>Interviews will be undertaken with each local authority and their key Public Service Board partners.</p>	<p>Project brief issued – June 2017. Project underway. Output will be a national report, due to be published Summer/Autumn 2018.</p>
Local Government Improvement Study – How well do public bodies provide services to rural communities.	<p>This review will focus on assessing how effective public organisations in Wales are in working together to assess needs, identify priorities, deliver and maintain the provision of key operational services to meet the needs of people in rural communities.</p> <p>Carmarthenshire County Council will be one of the sample of councils where fieldwork will be undertaken.</p>	<p>Project brief issued – June 2017. Project underway. Output will be a national report, due to be published Summer/Autumn 2018.</p>

Last updated: 05.03.18

Mae'r dudalen hon yn wag yn fwriadol

PWYLLGOR ARCHWILIO

23^{AIN} MAWRTH 2018**CYNLLUN ARCHWILIO 2018 – CYNGOR SIR CAERFYRDDIN****Argymhellion / penderfyniadau allweddol sy'n ofynnol:**

Derbyn adroddiad Swyddfa Archwilio Cymru a nodwyd uchod.

Rhesymau:

Yr Archwilydd Cyffredinol yw archwilydd Cyngor Sir Caerfyrddin ac mae'r cynllun hwn yn rhoi crynodeb o'r gwaith i'w gynnal i gyflawni ei gyfrifoldebau o dan Ddeddf Archwilio Cyhoeddus (Cymru) 2004.

Pwyllgor craffu perthnasol i ymgynghori ag ef: dd/b**A oes angen Penderfyniad gan y Bwrdd Gweithredol?** Nac oes**A oes angen Penderfyniad gan y Cyngor?** Nac oes**DEILIAD PORTFFOLIO YR AELOD GWEITHREDOL O'R BWRDD GWEITHREDOL:-**

Y Cynghorydd David Jenkins:

Adroddiad Swyddfa Archwilio
Cymru

EXECUTIVE SUMMARY

AUDIT COMMITTEE

23RD MARCH 2018

2018 AUDIT PLAN – CARMARTHENSHIRE COUNTY COUNCIL

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

The Auditor General is the auditor for Carmarthenshire County Council and this plan summarises the work to be carried out to discharge his statutory responsibilities under the Public Audit (Wales) Act 2004.

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

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

I confirm that other than those implications listed below there are no implications for the Authority arising from this report. If necessary, the Authority will need to respond to implications arising from the report where applicable.

Signed: **Randal Hemingway** Head of Financial Services

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

CONSULTATIONS

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

Signed: **Randal Hemingway** Head of Financial Services

1. Scrutiny Committee – N/A
2. Local Member(s) – N/A
3. Community / Town Council – N/A
4. Relevant Partners – N/A
5. Staff Side Representatives and other Organisations – N/A

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THERE ARE NONE



EICH CYNGOR arleinamdani
www.sirgar.llyw.cymru

YOUR COUNCIL doonline
www.carmarthenshire.gov.wales



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

2018 Audit Plan – Carmarthenshire County Council

Audit year: 2017-18

Date issued: March 2018

Document reference: 444A2018-19

This document has been prepared for the internal use of Carmarthenshire County Council as part of work performed/to be performed in accordance with statutory functions.

No responsibility is taken by the Auditor General, the staff of the Wales Audit Office or, where applicable, the appointed auditor in relation to any member, director, officer or other employee in their individual capacity, or to any third party.

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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.

This document was produced by John Herniman, Huw Rees, Jason Garcia, Jeremy Evans, Alison Lewis and Kate Havard.

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2018 Audit Plan

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2018 Audit Plan

Summary

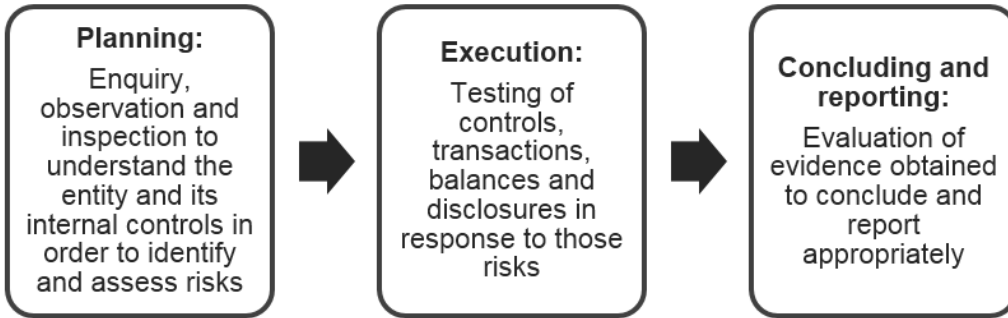
- 1 As your external auditor, my objective is to carry out an audit which discharges my statutory duties as Auditor General and fulfils my obligations under the Public Audit (Wales) Act 2004, the Local Government (Wales) Measure 2009 (the Measure), Wellbeing of Future Generations (Wales) Act 2015, the Local Government Act 1999, and the Code of Audit Practice, namely to:
 - examine and certify whether your financial statements are 'true and fair';
 - assess whether you have made proper arrangements for securing economy, efficiency and effectiveness in the use of resources;
 - audit and assess whether you have discharged the duties and met requirements of the Measure; and
 - undertake studies to enable me to make recommendations for improving economy, efficiency and effectiveness or for improving financial or other management arrangements.
- 2 The purpose of this plan is to set out my proposed work, when it will be undertaken, how much it will cost and who will undertake it.
- 3 There have been no limitations imposed on me in planning the scope of this audit.
- 4 My responsibilities, along with those of management and those charged with governance, are set out in [Appendix 1](#).

Audit of accounts

- 5 It is my responsibility to issue a certificate and report on the financial statements which includes an opinion on their 'truth and fairness'. This provides assurance that the accounts:
 - are free from material misstatement, whether caused by fraud or error;
 - comply with statutory and other applicable requirements; and
 - comply with all relevant requirements for accounting presentation and disclosure.
- 6 I also consider whether or not Carmarthenshire County Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and report by exception if the Annual Governance Statement does not comply with requirements.
- 7 [Appendix 1](#) sets out my responsibilities in full.
- 8 The audit work I undertake to fulfil my responsibilities responds to my assessment of risks. This understanding allows me to develop an audit approach which focuses on addressing specific risks whilst providing assurance for the financial statements as a whole. My audit approach consists of three phases as set out in [Exhibit 1](#).

Exhibit 1: my audit approach

My audit approach involves three key stages: planning, execution and finally concluding and reporting



9 The risks of material misstatement to the financial statements are set out in **Exhibit 2** along with the work I intend to undertake to address them.

Exhibit 2: financial statement risks

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

Financial audit risk	Proposed audit response
<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>My audit team will:</p> <ul style="list-style-type: none"> • test the appropriateness of journal entries and other adjustments made in preparing the financial statements; • review accounting estimates for biases; • evaluate the rationale for any significant transactions outside the normal course of business; and • additional procedures to address any specific risks of management override which are not addressed by the mandatory work above.

Financial audit risk	Proposed audit response
<p>Financial Statements Production</p> <p>The timetable for producing the financial statements remains demanding. The Council have committed to provide a draft set of financial statements for audit by 18 June 2018 which is two weeks before the required deadline for the 2017-18 financial statements in preparation for meeting the earlier deadlines in future years.</p> <p>Management will need to ensure that appropriate arrangements are in place for the preparation and oversight of robust financial statements that comply with International Financial Reporting Standards (IFRS) and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code'). In addition, ensuring good quality working papers are provided on the commencement of the audit, with both these and the statements having been subject to appropriate senior management review.</p> <p>For Whole of Government Accounts purposes, Management must prepare a consolidation pack to support the consolidation of public sector resource accounts and there is a risk this may be inconsistent with the audited financial statements.</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • provide support and advice wherever possible without compromising our independence; • provide an audit deliverables report to assist in the preparation of relevant working papers in support of the financial statements; • review closedown plans to assess that arrangements are in place to produce robust financial statements within the prescribed timetable; • agree a timetable for the audit and certification of the financial statements; • assess whether the financial statements comply with the Code ;and • review the consolidation pack to ensure that it accurately reflects the audited financial statements.
<p>Valuation of property, plant and equipment</p> <p>In previous years we have encountered weaknesses in the processes in place to value property assets. This has resulted in some material amendments in the 2014-15 and 2015-16 financial statements. Improvements were seen in 2016-17 with new procedures introduced. However, these procedures need to be fully embedded in the Council's day-to-day processes.</p> <p>There is a risk that these new procedures and internal quality assurance processed are not embedded appropriately and this could result in asset valuations being misstated in the 2017-18 accounts.</p>	<p>My audit team will meet with Council officers early to discuss the valuation programme for 2017-18. We will also review the assumptions and bases used in the valuations, and test the accounting for movements in carrying values of assets to confirm compliance with the LG Code.</p>

Financial audit risk	Proposed audit response
<p>New Companies</p> <p>During 2017-18 the Council has decided to set up some new private companies to support service provision. These companies are:</p> <ul style="list-style-type: none"> • a new housing company • a careline company <p>Whilst it is unlikely these companies will be set up and operating in 2017-18, they will introduce new financial, governance and delivery challenges that need to be managed. Going forward there will be a number of accounting issues to address including whether the Council will need to compile group accounts.</p>	<p>My audit team will review progress on setting up these companies and consider if there is an impact on the 2017-18 financial statements and whether any additional disclosures are required.</p>
<p>City deal</p> <p>City deals are arrangements negotiated with government that give greater accountability for actions in return for new powers to help encourage growth and jobs. The Swansea Bay City Deal (the City Deal) involves four local authorities. The City Deal is still in the process of being ratified by all participating authorities but we are led to believe this agreement will be signed early in the 2018-19 financial year.</p> <p>The authorities have established a shadow joint committee to oversee delivery of 11 projects which are designed to increase connectivity and to improve physical and digital infrastructure over the course of 15 years. The City Deal includes total funding of £1.3 billion, of which £240 million is provided by Government, £637 million provided by private funding and £396 million provided by public funding.</p> <p>Whilst there will be no funding transfers made prior to 1 April 2018, this significant programme will have financial, governance and delivery risks that need to be managed. Carmarthenshire County Council is the host authority for the Swansea Bay City Deal region. Going forward there will be a number of accounting issues to address including potential consolidation of joint committee accounts.</p>	<p>Liaising closely with the external auditors of the other local authorities, my audit team will monitor progress with the City Deal project and carry out early work as necessary to assess the existing and proposed financial and governance arrangements.</p>

- 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 Audit Committee prior to completion of the audit.
- 11 For reporting purposes, I will treat any misstatements below a trivial level set at 5% of materiality as not requiring consideration by those charged with governance and therefore I will not report them.
- 12 My fees are based on the following assumptions:
- information provided to support the financial statements is timely, to the quality expected and has been subject to quality assurance review;
 - appropriate accommodation and 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.
- 13 In addition to my responsibilities in respect of the audit of Carmarthenshire County Council's statutory financial statements set out above, I am also required to certify a return to the Welsh Government which provides information about the Council to support preparation of Whole of Government Accounts.

Statutory audit functions

- 14 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.
- 15 Audit fees will be chargeable for work undertaken in dealing with electors' questions and objections. Because audit work will depend upon the number and nature of any questions and objections, it is not possible to estimate an audit fee for this work.
- 16 If I do receive questions or objections, I will discuss potential audit fees at the time.

Other financial audit work

- 17 I am also responsible for the independent examination of Burry Port Harbour Authority's 2016-17 financial statements and will be undertaking the audit of the new All Wales Pension Partnership joint committee which is being hosted by Carmarthenshire County Council.

18 My audit fee for the independent examination of Burry Port Harbour is set out in [Exhibit 5](#). However, we will communicate the audit fee for the All Wales Pension Partnership joint committee once we have established with management the amount of work required to audit the 2017-18 financial statements.

Performance audit

- 19 I need to balance my existing, new and proposed statutory duties with the need to continue to undertake meaningful, risk-based and proportionate audits and assessments. In discharging my responsibilities I will continue to seek to strike the most appropriate balance and add value by:
- providing assurance on the governance and stewardship of public money and assets;
 - offering insight on the extent to which resources are used wisely in meeting people's needs; and
 - identifying and promoting ways by which the provision of public services may be improved.
- 20 As it is likely that the anticipated Local Government Wales Bill will propose that the Local Government (Wales) Measure 2009 no longer applies to councils, I will minimise work that focuses on the process of improvement planning.
- 21 In recent years I have placed reliance on my work under the Measure to help discharge my duty under the Public Audit (Wales) Act 2004 to satisfy myself that councils have made proper arrangements to secure economy, efficiency and effectiveness (value for money) in the use of resources. Given that in the future I will be unable to rely on my work under the Measure, in 2018-19, and subsequent years, the focus of my local performance audit programmes will be more clearly aligned to discharging my Public Audit (Wales) Act 2004 duty.
- 22 In 2017-18 I undertook my first work under the Wellbeing of Future Generations (Wales) Act 2015, the Year One Commentary. This work sought to identify how public bodies are beginning to respond to the Act and share emerging practice. My 2018-19 programme will include the first examinations to be carried out under the Act. These examinations will assess the extent to which you are applying the sustainable development principle when taking steps towards meeting your well-being objectives.
- 23 The Wales Audit Office also undertakes a programme of local government studies. This work is included within the Wales Audit Office estimates for funding from the Welsh Consolidated Fund and not local fees. [Exhibit 3](#) summarises the present position on the current programme of studies. These studies primarily lead to a national report augmented by good practice and shared learning outputs rather than by local reports. Local findings, where relevant, will be captured in improvement assessment work and reported in annual improvement reports depending on the timing and the focus of conclusions.

- 24 In the spring of 2018 I will also be consulting on my forward programme of studies across all sectors and I would welcome views on the areas I should focus my national reviews on when the consultation is launched.

Exhibit 3: local government studies

In 2016-17 I published three national reports related to local government and will undertake fieldwork for a further three reports during the summer and autumn of 2018

Study	Status
2016-17 studies	
How local government manages demand	Published January 9 2018
Strategic commissioning	Publish in March 2018
Improving wellbeing through housing adaptations	Published 22 February 2018
2017-18 studies	
Services to rural communities	Fieldwork – Publish Summer/Autumn 2018
Use of data	Fieldwork – Publish Summer/Autumn 2018
Integrated care fund	Fieldwork February – Publish Autumn 2018

- 25 Taking all these factors into consideration, my 2018-19 programme of work will comprise:

Exhibit 4: performance audit programme

My 2018 performance audit programme will include local projects and national studies

Performance audit programme	Brief description
Improvement audit and assessment work including improvement planning and reporting audit	Audit of discharge of duty to publish an improvement plan, and to publish an assessment of performance.
Well-being of Future Generations Act (Wales) 2015 (WFG Act) examinations	Examination of the extent to which the Council has acted in accordance with the sustainable development principle when taking steps to meet one or more of its wellbeing objectives, which we will discuss and agree with the Council during early 2018-19.
Assurance and Risk Assessment	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.

Performance audit programme	Brief description
<p>One or more of the theme reviews described opposite. We are currently discussing with the Council which of the review(s) will be undertaken. The outcomes of the discussions will be reported to the next meeting of the Audit Committee.</p>	<p>Environmental Health Review of the arrangements the Council has put in place to deliver environmental health services building on the study previously undertaken by the Auditor General as part of the 'delivering with less' themed studies.</p>
	<p>Leisure Services Review of the arrangements the Council has put in place to deliver leisure services building on the 'study previously undertaken by the Auditor General as part of the 'delivering with less' themed studies.</p>
	<p>Corporate Safeguarding Arrangements Review of the effectiveness of corporate safeguarding arrangements building on the study previously undertaken by the Auditor General in this area.</p>
<p>2018-19 Local Government Studies</p>	<p>Funded by the Welsh Government</p>
<p>Implementation of the Social Services and Well-being Act</p>	<p>The Social Services and Well-being (Wales) Act 2014 focuses on reforming and simplifying the law relating to social services. The Act introduced new duties for local authorities, local health boards and other public bodies and covers adults, children and their carers, and came into force on 6 April 2016. The study will review progress by authorities in delivering their new duties under the Act and help to identify opportunities for improving current management and delivery arrangements. Further information can be found in our call for evidence report published in August 2017.</p>

Performance audit programme	Brief description
Implementation of Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015	The Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015 aims to improve the Public Sector response to violence against women, domestic abuse and sexual violence; provide a strategic focus on these issues; and ensure consistent consideration of preventive, protective and supportive mechanisms in the delivery of services. Our review will focus on the effectiveness of arrangements to improve support for people affected by such abuse and violence. Further information can be found in our call for evidence report published in August 2017.
Value for Money of Planning Services	The Planning (Wales) Act 2015 (the Act) gained Royal Assent on 6 July 2015. The Act sets out a series of legislative changes to deliver reform of the planning system in Wales, to ensure that it is fair, resilient and enables development. An effective planning service will be at the front of shaping the character, development and prosperity of a local authority or national park. Given the requirements of the Act, it is important that planning authorities ensure that their services are fit for the future to ensure they meet both their statutory responsibilities but also support the delivery of corporate, regional and national priorities. Our review will consider the effectiveness and impact of planning services on local communities in Wales. Further information can be found in our call for evidence report published in August 2017.

- 26 The performance audit projects included in last year's Audit Plan, which are either still underway or which have been substituted for alternative projects in agreement with you, are set out in [Appendix 2](#).

Certification of grant claims and returns

- 27 We have recently completed the certification work on Carmarthenshire County Council's 2016-17 grant claims and returns. For the 2016-17 financial year, we received 13 grant claims and returns. In auditing these grant claims we have reached one of the following conclusions:
- provided an unqualified certificate;
 - provided an unqualified certificate following agreed amendments to the claim;
 - provided a certificate which is accompanied by a qualification letter; or
 - provided a certificate following agreed adjustments to the claim which is accompanied by a qualification letter.
- 28 With the exception of one claim which has exceeded its 31 December 2017 submission deadline, we have completed our work and conclude that there have been improvements in the Council's arrangements for the production and submission of grant claims in 2016-17 compared to previous years.
- 29 Our conclusion is based on the following overall findings:
- all but one of the claims were submitted to us on time;
 - there were no significant amendments made to any of the claims, with three claims receiving minor amendments; and
 - only one of the claims required a qualification letter.
- Given these improvements, our fee for certification of returns has decreased from £72,709 in 2015-16 to £60,914 in 2016-17.
- 30 I have also been requested to undertake certification work on Carmarthenshire County Council's 2017-18 grant claims and returns. Details there are provided on our expectation that the Welsh Government will streamline its assurance arrangements by rolling out the 'Summary Schedule of Certified Welsh Government Grants' to all unitaries. This follows successful piloting at four authorities last year. This means that there should only be a small number of claims and returns which remain to be certified in the 'traditional' way.
- 31 For this year, the Welsh Government will not require me to provide any report of factual findings related to any activity levels or outcomes.
- 32 My audit fee for this work is set out in [Exhibit 5](#).

Fee, audit team and timetable

Fee

- 33 Your estimated fee for 2018 is set out in [Exhibit 5](#).
- 34 As per our approved Fee Scheme for 2018-19, a small increase has been applied to my fee rates (less than 1%) which we have looked to offset by a reduction in the time needed to complete the audit.

Exhibit 5: audit fee

The total audit fee will be £344,957, made up of £183,946 for the audit of accounts, £100,261 for performance audit work, £60,000 for certification of grant claims and returns and £750 for other financial audit work

Audit area	Proposed fee (£) ¹	Actual fee last year (£)
Audit of accounts ²	183,946	180,086
Performance audit work ³	100,261	100,261
Grant certification work ⁴	60,000	60,914
Burry Port Harbour independent examination	750	781
Total fee	344,957	342,042

Notes:

¹ The fees shown in this document are exclusive of VAT, which is no longer charged to you.

² Payable November 2017 to October 2018.

³ Payable April 2018 to March 2019.

⁴ Payable as work is undertaken.

- 35 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.
- 36 Further information on my [fee scales and fee setting](#) can be found on the Wales Audit Office website.

Audit team

37 The main members of my team, together with their contact details, are summarised in [Exhibit 6](#).

Exhibit 6: my team

This table provides contact details for the audit team

Name	Role	Contact number	E-mail address
John Herniman	Engagement Director and Engagement Lead – Financial Audit	029 20320566	John.herniman@audit.wales
Huw Rees	Engagement Lead – Performance Audit	029 20320599	Huw.rees@audit.wales
Jason Garcia	Financial Audit Manager	07854022649	Jason.garcia@audit.wales
Kate Havard	Financial Audit Team Leader	07813 449396	Kate.havard@audit.wales
Jeremy Evans	Performance Audit Manager	07825 052861	jeremy.evans@audit.wales
Alison Lewis	Performance Audit Lead	07773 193217	alison.lewis@audit.wales

38 I can confirm that my team members are all independent of Carmarthenshire County Council and your officers. In addition, I am not aware of any potential conflicts of interest that I need to bring to your attention.

Timetable

39 I will provide reports, or other outputs as agreed, to the Council covering the areas of work identified in this document. My key milestones are set out in [Exhibit 7](#).

Exhibit 7: timetable

This table sets out my proposed timetable for completion and reporting of my audit work at the Authority

Planned output	Work undertaken	Report finalised
2018 Audit Plan	January to March 2018	March 2018
Financial accounts work: <ul style="list-style-type: none"> • Audit of Financial Statements Report • Opinion on Financial Statements • Financial Accounts Memorandum 	January to September 2018	September 2018 September 2018 October 2018
Performance work: <ul style="list-style-type: none"> • Improvement Plan Audit and Assessment of Performance Audit • Assurance and Risk Assessment • WFG Act Examinations • Thematic review(s) • Local bespoke projects 	April 2018 to December 2018 Throughout the audit year September 2018 to February 2019* April to December 2018* April to December 2018*	May 2018 and December 2018 To inform the 2019-2020 audit programme By end of March 2019 By end of March 2019 By end of March 2019
Annual Improvement Report	April 2018 – May 2019	May 2019
2019 Audit Plan	October to December 2018	February 2019

* Estimated dates. Reporting subject to timely clearance of draft findings with Carmarthenshire County Council.

Future developments to my audit work

- 40 Details of future developments including changes to key International Financial Reporting Standards (IFRS) and of the Wales Audit Office's Good Practice Exchange (GPX) seminars are set out in [Appendix 4](#).
- 41 The Wales Audit Office's GPX programme seeks to support the improvement of public services across Wales by identifying and sharing good practice. The GPX seminars bring a range of public sector bodies together to share their practical experiences and learning in areas we consider would benefit from sharing good practice. The seminars are provided free of charge to delegates. Forthcoming events include:
- **Sustainable Procurement** - focused upon how to create a mindset that supports sustainable procurement in relation to the WFG Act.

- **Measuring Outcomes** - supporting the WFG Act, 44 bodies shift their focus from outputs to outcomes and impact.
- **Adverse Childhood Experiences** - in partnership with ACE's Hub at Public Health Wales and the Future Generations Office.
- **Digital Seminar** - taking account of the Wales Audit Office 'Using Data Effectively' study. Working in partnership with The Information Commissioners Office and Y Lab.
- **Building Resilient Communities** - focusing on renewable energy, community skills, Welsh Language, housing and economy and Public Health Wales.
- **Partnership working between Voluntary bodies and Public Sector Bodies** - will also include the launch of the Good Practice Guide to Grants Management.
- **Financial Audit – Early Closure of Local Government Accounts** - focusing on cultural and behaviour changes.
- **Alternative Service Delivery Models** - in partnership with WLGA, WCVA, Community Housing Cymru, Welsh NHS Confederation, and Good Practice Wales.
- **Cybersecurity** - focusing on governance arrangements.
- **Preventing Hospital Admissions** - jointly with NHS, Social Care, Housing and partners from the Third Sector.
- **Youth** - following thematic reports from Estyn, CSSIW, HIW and the Wales Audit Office on the topic of youth. The GPX team will follow on with a seminar to share the learning.

Appendix 1

Respective responsibilities

Audit of accounts

As amended by the Public Audit (Wales) Act 2013, the Public Audit (Wales) Act 2004 sets out my powers and duties to undertake your financial audit. It is my responsibility to issue a certificate and report on the financial statements which includes an opinion on:

- their 'truth and fairness', providing assurance that they:
 - are free from material misstatement, whether caused by fraud or error;
 - comply with the statutory and other applicable requirements; and
 - comply with all relevant requirements for accounting presentation and disclosure.
- the consistency of information in the Annual Report with the financial statements.

I must also state by exception if the Annual Governance Statement does not comply with requirements, if proper accounting records have not been kept, if disclosures required for remuneration and other transactions have not been made or if I have not received all the information and explanations I require.

The Public Audit (Wales) Act 2004 requires me to assess whether Carmarthenshire County Council has made proper arrangements for securing economy, efficiency and effectiveness in the use of resources. To achieve this, I consider:

- the results of the audit work undertaken on the financial statements;
- The Council's system of internal control, as reported in the Annual Governance Statement and my report thereon;
- the results of other work carried out including work carried out under the Local Government (Wales) Measure 2009 (the Measure), certification of claims and returns, and data-matching exercises;
- the results of the work of other external review bodies where relevant to my responsibilities; and
- any other work that addresses matters not covered by the above, and which I consider necessary to discharge my responsibilities.

The Public Audit (Wales) Act 2004 sets out the rights of the public and electors to inspect Carmarthenshire County Council's financial statements and related documents, to ask me, as the Appointed Auditor questions about the accounts and, where appropriate, to challenge items in the accounts. I must also consider whether in the public interest, I should make a report on any matter which comes to my notice in the course of the audit.

My audit work does not relieve management and those charged with governance of their responsibilities which include:

- the preparation of the financial statements and Annual Report in accordance with applicable accounting standards and guidance;

- the keeping of proper accounting records;
- ensuring the regularity of financial transactions; and
- securing value for money in the use of resources.

Management agrees to provide me with:

- access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- additional information that I may request from management for the purpose of the audit; and
- unrestricted access to persons within the Council from whom I determine it necessary to obtain audit evidence.

Management will need to provide me with written representations to confirm:

- that it has fulfilled its responsibilities for the preparation of the financial statements;
- that all transactions have been recorded and are reflected in the financial statements;
- the completeness of the information provided to me for the purposes of the audit; and
- to support other audit evidence relevant to the financial statements or specific assertions in the financial statements if I deem it necessary or if required by ISAs.

Performance audit

The Public Audit (Wales) Act 2004 requires me, by examination of the accounts or otherwise, to satisfy myself that the body has made proper arrangements for:

- securing economy, efficiency and effectiveness in its use of resources; and
- that the body, if required to publish information in pursuance of a direction under section 47 (performance information) has made such arrangements for collecting and recording the information and for publishing it as are required for the performance of its duties under that section.

The Measure places a general duty on improvement authorities to 'make arrangements to secure continuous improvement in the exercise of [their] functions'. It also places specific requirements on authorities to set improvement objectives, and to publish annual improvement plans and assessments of performance. Improvement authorities are defined as county and county borough councils, national park authorities, and fire and rescue authorities.

The Measure also requires me to carry out an improvement assessment for each improvement authority every year, to determine whether the authority is likely to comply with its general duty and requirements of the Measure. I must also carry out an audit of whether the authority has discharged its improvement planning and reporting duties.

The Auditor General may also in some circumstances carry out special inspections (under section 21), in respect of which he will provide a report to the relevant authorities

and Ministers, and which he may publish (under section 22). The Auditor General will summarise audit and assessment reports in his published Annual Improvement Report (under section 24). This will also summarise any reports of special inspections.

Section 15 of the Well-being of Future Generations Act (Wales) 2015 requires me to carry out examinations of public bodies for the purposes of assessing the extent to which it has acted in accordance with the sustainable development principle when:

- (a) setting well-being objectives; and
- (b) taking steps to meet those objectives.

I must carry out such an examination of each public body at least once during a five-year period. Before the end of the period I must report on the results of those examinations to the National Assembly.

Appendix 2

Performance work in last year's audit outline still in progress

Exhibit 8: performance work in last year's audit outline still in progress

Six pieces of performance audit work included in last year's audit plan remain outstanding.

Performance audit project	Status	Comment
Thematic Review: Overview and Scrutiny – Fit for the Future?	Fieldwork completed	Draft report planned for issue March 2018.
Thematic Review: Service User Perspective	Fieldwork to be scheduled for April/May 2018	A service user focused review. The specific area to be reviewed is under discussion with the Council.
Local work: <ul style="list-style-type: none">Proposals for improvement follow upReview of Audit Committee EffectivenessReview of People Management Processes	Work completed Fieldwork underway Fieldwork completed	To be reported in the Annual Improvement Report Draft report April/May 2018 Draft report March/April 2018
Annual Improvement Report	In progress	Draft to be issued April 2018

Appendix 3

Other future developments

Forthcoming key IFRS changes

Exhibit 9: forthcoming key IFRS changes

There are three key changes to accounting rules that will impact on the authority over the next three years.

Standard	Effective date	Further details
IFRS 9 Financial instruments	2018-19	IFRS 9 financial instruments will replace IAS 39 and includes a new principles-based approach for the classification and measurement of financial assets. It also introduces a new impairment methodology for financial assets based on expected losses rather than incurred losses. This will result in earlier and more timely recognition of expected credit losses. The accounting requirements for financial liabilities are almost all carried forward unchanged from IAS 39.
IFRS 15 Revenue from contracts with customers	2018-19	IFRS 15 revenue from contracts with customers introduces a principles-based five-step model for recognising revenue arising from contracts with customers. It is based on a core principle requiring revenue recognition to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration the body expects to be entitled to, in exchange for those goods or services. It will also require more extensive disclosures than are currently required.
IFRS 16 Leases	2019-20	IFRS 16 will replace the current leases standard IAS 17. The key change is that it largely removes the distinction between operating and finance leases for lessees by introducing a single lessee accounting model that requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. It will lead to all leases being recognised on the balance sheet as an asset based on a 'right of use' principle with a corresponding liability for future rentals. This is a significant change in lessee accounting.

General Data Protection Regulation (GDPR)

The GDPR is a new data protection law for the whole of the EU applicable from 25 May 2018, which has the intention of harmonising and updating data protection laws. The UK Government has introduced the Data Protection Bill which will incorporate the GDPR into UK law and replace the 1998 Data Protection Act, and which it intends will also come into force on 25 May 2018.

The GDPR introduces new requirements for personal data processing, including an accountability principle which will require more detailed records of the processing of personal data, evidence of compliance with the data protection principles and the technical and organisational security measures taken to protect the data. We are updating our own policies, processes and documentation with a view to meeting these requirements and expect that the bodies we audit will be taking similar steps. Key areas of additional work include the use of more detailed fair processing notices, more privacy impact assessments and more extensive record keeping in relation to processing activities.

Wales Pension Partnership

The administering authorities for the eight Local Government Pension Scheme (LGPS) funds in Wales have established a pension investment pool in line with government requirements. The Wales Pension Partnership Joint Governance Committee will, from April 2018 onwards, oversee the pooling of some £15 billion of investments from the eight LGPS funds in Wales.

The relevant authorities need to be fully engaged in this process to ensure that appropriate arrangements are put in place that meet their requirements and to achieve the benefits of pooling which include economies of scale and reduced costs.

Good Practice Exchange

The Wales Audit Office's Good Practice Exchange (GPX) helps public services improve by sharing knowledge and practices that work. Events are held where knowledge can be exchanged face-to-face and resources shared online.

Exhibit 10: Planned forthcoming GPX webinars and Seminars

My planned GPX programme includes 11 subject areas

Date	Format	Topic
April 2018	Webinar	Sustainable Procurement. Focused upon how to create a mind-set that supports sustainable procurement in relation to the WFG Act.
May 2018	Webinar	Measuring Outcomes. Supporting the WFG Act 44 bodies shift their focus from outputs to outcomes and impact

Date	Format	Topic
June 2018	Seminar	Adverse Childhood Experiences. In partnership with ACE's Hub at Public Health Wales and the Future Generations Office.
June 2018	Seminar	Digital. Seminar, taking account of the Wales Audit Office 'Using Data Effectively' study. Working in partnership with The Information Commissioners Office and Y Lab.
July 2018	Seminar	Building Resilient Communities. Focusing on renewable energy, community skills, Welsh Language, housing and economy and Public Health Wales.
September 2018	Seminar	Partnership working between Voluntary bodies and Public Sector Bodies. Will also include the launch of the Good Practice Guide to Grants Management.
October 2018	Webinar	Financial Audit – Early Closure of Local Government Accounts. Focussing on cultural and behaviour changes.
December 2018	Seminar	Alternative Service Delivery Models. In partnership with WLGA, WCVA, Community Housing Cymru, Welsh NHS Confederation and Good Practice Wales.
January 2019	Webinar	Cybersecurity. Focusing on governance arrangements.
February 2019	Seminar	Preventing Hospital Admissions. Jointly with NHS, Social Care, Housing and partners from the Third Sector.
March 2019	Seminar	Youth. Following thematic reports from Estyn, CSSIW, HIW and the Wales Audit Office on the topic of youth. The GPX team will follow on with a seminar to share the learning.

Appendix 4

National value-for-money studies

The Council may also be interested in the national value-for-money examinations that I undertake, some of which will be of particular relevance to, and may involve evidence gathering across, local government. These studies are supported by funds approved by the National Assembly. Reports are presented to the National Assembly's Public Accounts Committee to support its scrutiny of public expenditure and potentially support scrutiny by other National Assembly committees.

Exhibit 11 covers all of the value-for-money studies work currently programmed. The programme includes all-Wales summaries of audit work undertaken locally in the NHS and reactive examinations into specific issues of public concern that have been raised with me. In addition to the work outlined below, I may decide during the year to prepare other national reports summarising local audit work, follow-up work, or based on the findings of other reactive examinations.

Further updates on my programme of value-for-money studies will be provided to you within the regular progress reports prepared by my team.

Exhibit 11: national value-for-money studies

Topic	Anticipated publication (as at 11 January 2018)
Primary care services ²	February/March 2018
Access to public services with the support of specialist interpretation and translation	March/April 2018
Waste management (waste prevention) Waste management (municipal recycling) Waste management (procurement of infrastructure)	March/May 2018
Early intervention and public behaviour change ³	March/April 2018
GP out-of-hours services – national summary report	April/May 2018
Rural Development Programme 2014-2020	April/May 2018
Business finance	May 2018

² An initial data rich report presenting a 'picture of primary care' in advance of further local audit work.

³ Following on from some good practice work, we are planning to produce a short summary paper to highlight some of the issues raised and evidence gathered through that work, supported by a series of podcasts.

Topic	Anticipated publication (as at 11 January 2018)
NHS agency staffing costs ⁴	Summer 2018
EU Structural Funds programmes 2014-2020	Summer 2018
Improving the wellbeing of young people	Autumn 2018
Radiology services – national summary	To be confirmed
Integrated Care Fund	To be confirmed
Care experienced by children and young people ⁵	To be confirmed

⁴ Work has recently commenced on gathering data from across the health services of the UK to support a paper on the various approaches being taken to address the increasing costs of employing agency medical and nursing staff within the NHS. The precise format for this output is still to be determined.

⁵ The PAC has now set out its initial plans for some ongoing inquiry work on this topic. I will be supporting this work, although the precise nature of, and timescale for, any additional audit-related outputs is still to be determined.

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone : 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru
24 Heol y Gadeirlan
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru

PWYLLGOR ARCHWILIO

23^{AIN} MAWRTH 2018**CYNLLUN ARCHWILIO 2018 – CRONFA BENSIWN DYFED****Argymhellion / penderfyniadau allweddol sy'n ofynnol:**

Derbyn adroddiad Swyddfa Archwilio Cymru a nodwyd uchod.

Rhesymau: Yr Archwilydd Cyffredinol yw archwilydd Cronfa Bensiwn Dyfed ac mae'r cynllun hwn yn rhoi crynodeb o'r gwaith i'w gynnal i gyflawni ei gyfrifoldebau o dan Ddeddf Archwilio Cyhoeddus (Cymru) 2004.

Pwyllgor craffu perthnasol i ymgynghori ag ef: dd/b

A oes angen Penderfyniad gan y Bwrdd Gweithredol?

Nac oes

A oes angen Penderfyniad gan y Cyngor?

Nac oes

DEILIAD PORTFFOLIO YR AELOD GWEITHREDOL O'R BWRDD:-

Y Cyngorydd David Jenkins

Adroddiad Swyddfa Archwilio Cymru

EXECUTIVE SUMMARY

AUDIT COMMITTEE

23RD MARCH 2018

2018 AUDIT PLAN – DYFED PENSION FUND

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

The Auditor General is the auditor for Dyfed Pension Fund and this plan summarises the work to be carried out to discharge his statutory responsibilities under the Public Audit (Wales) Act 2004.

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

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

I confirm that other than those implications listed below there are no implications for the Authority arising from this report. If necessary, the Authority will need to respond to implications arising from the report where applicable.

Signed: **Randal Hemingway** Head of Financial Services

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

CONSULTATIONS

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

Signed: **Randal Hemingway** Head of Financial Services

1. Scrutiny Committee – N/A
2. Local Member(s) – N/A
3. Community / Town Council – N/A
4. Relevant Partners – N/A
5. Staff Side Representatives and other Organisations – N/A

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THERE ARE NONE



EICH CYNGOR arleinamdani
www.sirgar.llyw.cymru

YOUR COUNCIL doonline
www.carmarthenshire.gov.wales



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

2018 Audit Plan – Dyfed Pension Fund

Audit year: 2017-18

Date issued: February 2018

Document reference: 455A2018-19

This document has been prepared for the internal use of Dyfed Pension Fund as part of work performed/to be performed in accordance with statutory functions.

No responsibility is taken by the Auditor General, the staff of the Wales Audit Office or, where applicable, the appointed auditor in relation to any member, director, officer or other employee in their individual capacity, or to any third party.

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, the Wales Audit Office and, where applicable, the appointed auditor are relevant third parties.

Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at 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.

This document was produced by John Herniman, Jason Garcia and Kate Havard.

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2018 Audit Plan

Summary

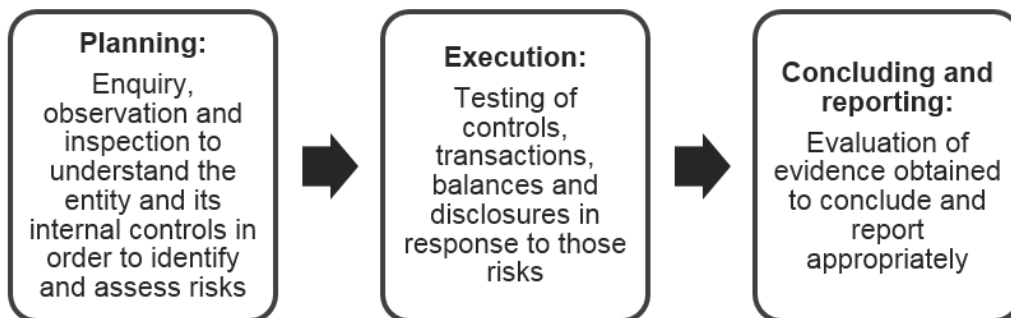
- 1 As your external auditor, my objective is to carry out an audit which discharges my statutory duties as Auditor General and fulfils my obligations under the Code of Audit Practice to examine and certify whether Dyfed Pension Fund (the Pension Fund) accounting statements are 'true and fair'.
- 2 The purpose of this plan is to set out my proposed work, when it will be undertaken, how much it will cost and who will undertake it.
- 3 There have been no limitations imposed on me in planning the scope of this audit.
- 4 My responsibilities, along with those of management and those charged with governance, are set out in [Appendix 1](#).

Audit of Pension Fund accounts

- 5 It is my responsibility to issue a report on the accounting statements which includes an opinion on their 'truth and fairness'. This provides assurance that the accounts:
 - are free from material misstatement, whether caused by fraud or error;
 - comply with statutory and other applicable requirements; and
 - comply with all relevant requirements for accounting presentation and disclosure.

[Appendix 1](#) sets out my responsibilities in full.
- 6 The audit work I undertake to fulfil my responsibilities responds to my assessment of risks. This understanding allows us to develop an audit approach which focuses on addressing specific risks whilst providing assurance for the Pension Fund accounts as a whole. My audit approach consists of three phases as set out in [Exhibit 1](#).

Exhibit 1: my audit approach



7 The risks of material misstatement, are set out in [Exhibit 2](#) along with the work I intend to undertake to address them.

Exhibit 2: financial audit risks

Financial audit risk	Proposed audit response
<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.</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • test the appropriateness of journal entries and other adjustments made in preparing the financial statements; • review accounting estimates for biases; and • evaluate the rationale for any significant transactions outside the normal course of business.
<p>Investment Management</p> <p>The systems and records of the investment managers generate account entries made to the Pension Fund Account and Net Assets Statement.</p> <p>The investment managers provide internal controls reports on the investments held on behalf of the Pension Fund. These are independently audited and provide the Pension Fund with assurance on a wide range of controls, eg valuation of the investment portfolio held.</p> <p>There is a risk that the internal controls' reports will not be available in the necessary timescales and, when received, highlight specific control weaknesses.</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • assess the investment managers as a service organisation; • obtain direct confirmation from the investment managers and custodian of year-end investment balances and holdings; and • assess whether the investment manager's internal control reports for all investment managers provide assurance over a wide range of relevant controls, including valuation of investments held.
<p>Unquoted investment assets</p> <p>Year-end valuations of unquoted property investments are provided by investment managers which are based upon forward looking estimates and judgements and industry guidelines. As there is no quoted market price, there is a greater risk for the reasonableness of valuation bases of these investments.</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • confirm the investment valuations to audited financial statements; and • seek additional assurance over the valuation basis from controls assurance reports where available.

Financial audit risk	Proposed audit response
<p>Financial Statements Production</p> <p>The timetable for producing the financial statements remains demanding. Management will need to ensure that appropriate arrangements are in place for the preparation and oversight of robust financial statements that comply with CIPFA's Code of Practice on Local Authority Accounting ('the Code'). In addition, ensuring good quality working papers are provided on the commencement of the audit, with both these and the statements having been subject to appropriate senior management review.</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • provide support and advice wherever possible without compromising our independence; • provide an audit deliverables report to assist in the preparation of relevant working papers in support of the financial statements; • review closedown plans to assess that arrangements are in place to produce robust financial statements within the prescribed timetable; • agree a timetable for the audit and certification of the financial statements; and • assess whether the financial statements comply with the Code.
<p>Benefits payable</p> <p>The Local Government Pension Scheme has been subject to significant reform over recent years leading to changes in the benefit structure of the scheme, with transitional arrangements in place for those within ten years of retirement at the dates of these reforms. These changes, along with the complexity of the benefit structure, increase the risk that benefits may be inaccurately calculated which could potentially lead to many years of incorrect payments.</p>	<p>My audit team will assess the risks of inaccurate calculation of pension entitlements and undertake further testing as appropriate.</p>

Financial audit risk	Proposed audit response
<p>All Wales Pension Partnership</p> <p>The eight Pension Funds in Wales have created a pooled investment vehicle which will be overseen and reported on by a joint governance committee. An inter-authority agreement has been signed by the eight Welsh Pension Funds and the joint committee will be producing financial statements for the 2017-18 financial period. However, no investments will be transferred to this new management arrangement until after 1 April 2018.</p> <p>Separate financial statements will need to be prepared for the joint committee which for 2017-18 are only expected to include administration costs of setting up the joint committee. The audit of the joint committee will be subject to a separate audit plan and fee once there is more certainty about the content of the accounts.</p> <p>However, individual Pension Funds will need to consider recognising a share of the 2017-18 joint committee accounts in their financial statements.</p>	<p>My audit team will review progress on this arrangement and consider if there is an impact on the 2017-18 financial statements and what additional disclosures are required.</p>
<p>Triennial actuarial valuation</p> <p>The Pension Fund was subject to a full actuarial valuation as at 31 March 2016. The new contribution rates come into effect on 1 April 2017.</p> <p>There is a risk that these new contribution rates are not fairly reflected in the Pension Fund's financial statements.</p>	<p>My audit team will check that the revised contribution rates have been correctly calculated in the 2017-18 financial statements.</p>
<p>Amendments to Accounts and Audit regulations</p> <p>Welsh Government have issued revised Accounts and Audit regulations for Wales by 31 March 2018. This revised legislation will apply to the 2017-18 financial year.</p> <p>One of the key changes included in this legislation is that Pension Fund accounts no longer need to be included into the administering authority accounts and can be produced as a stand-alone document.</p>	<p>My audit team will work with officers to ensure that the new legislative requirements are complied with.</p>

- 8 I do not seek to obtain absolute assurance that the Pension Fund accounting statements are true and fair, 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 Pension Committee and the Audit Committee as those charged with governance for Carmarthenshire County Council (the Council), as the administering authority of the Pension Fund as a whole, prior to completion of the audit.

- 9 For reporting purposes, I will treat any misstatements below a trivial level set at 5% of materiality as not requiring consideration by those charged with governance and therefore I will not report them.
- 10 My fees are based on the following assumptions:
- information provided to support the financial statements is timely, to the quality expected and has been subject to quality assurance review;
 - appropriate accommodation and facilities are provided to enable my audit team to deliver my 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.

Statutory audit functions

- 11 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.
- 12 Audit fees will be chargeable for work undertaken in dealing with electors' questions and objections. Because audit work will depend upon the number and nature of any questions and objections, it is not possible to estimate an audit fee for this work.
- 13 If I do receive questions or objections, I will discuss potential audit fees at the time.

Fee, audit team and timetable

Fee

- 14 Your estimated fee for 2018 is set out in [Exhibit 3](#). This figure is consistent with the fee set out in the 2017 audit plan.
- 15 As per our approved Fee Scheme for 2018-19, a small increase has been applied to my fee rates (less than one per cent) which we have looked to offset by a reduction in the time taken to complete the audit.

Exhibit 3: audit fee

Audit area	Proposed fee for 2018 (£)	Actual fee for 2017 (£)
Audit of pension fund accounts ¹	28,322	28,322

- 16 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 Director of Corporate Services.
- 17 Further information on my [fee scales and fee setting](#) can be found on the Wales Audit Office website.

Audit team

- 18 The main members of my team, together with their contact details, are summarised in [Exhibit 4](#).

Exhibit 4: my team

Name	Role	Contact number	E-mail address
John Herniman	Engagement Lead – Financial Audit	029 20320566	john.herniman@audit.wales
Jason Garcia	Financial Audit Manager	07854022649	jason.garcia@audit.wales
Kate Havard	Financial Audit Team Leader	07813 449396	kate.havard@audit.wales

¹ The fees shown in this document are exclusive of VAT, which is no longer charged to you.

19 I can confirm that my team members are all independent of the Pension Fund and its officers. In addition, I am not aware of any potential conflicts of interest that I need to bring to your attention.

Timetable

20 I will provide reports, or other outputs as agreed, to the Pension Committee and the Audit Committee, covering the areas of work identified in this document. My key milestones are set out in [Exhibit 5](#).

Exhibit 5: timetable

Planned output	Work undertaken	Report finalised
2018 Audit Plan	January to February 2018	March 2018
Financial accounts work <ul style="list-style-type: none">• Audit of Financial Statements Report• Opinion on Financial Statements	February to September 2018	September 2018 September 2018
2019 Audit Plan	October to December 2018	January 2019

Future developments

Well-being of Future Generations (Wales) Act 2015

21 The Well-being of Future Generations (Wales) Act 2015 (the Act) became law in April 2016. The Act requires me to report every five years to the National Assembly on how public bodies apply the sustainability principles. During 2016 I consulted on my options for reshaping public audit in Wales and this year have been working collaboratively with a small number of public bodies, to develop an audit approach which is rigorous, meaningful and proportionate. I have also undertaken my first audit work relating to the Act, the Year One Commentary. I will publish a report on my findings in spring 2018 and will share those findings at a national stakeholder event in May 2018.

Other

- 22 Details of other future developments including changes to key International Financial Reporting Standards (IFRS) and of the Wales Audit Office's Good Practice Exchange (GPX) seminars are set out in [Appendix 2](#).
- 23 The Wales Audit Office's GPX programme seeks to support the improvement of public services across Wales by identifying and sharing good practice. The GPX seminars bring a range of public sector bodies together to share their practical experiences and learning in areas we consider would benefit from sharing good practice. The seminars are provided free of charge to delegates.

Appendix 1

Respective responsibilities

The Council is the administering authority of the Pension Fund. This Audit Plan has been prepared to meet the requirements of auditing standards and proper audit practices. It provides the Council with an outline of the financial audit work required for the Pension Fund accounts.

As amended by the Public Audit (Wales) Act 2013, the Public Audit (Wales) Act 2004 sets out my powers and duties to undertake your financial audit. It is my responsibility to issue a certificate and report on the Pension Fund accounting statements which includes an opinion on their 'truth and fairness', providing assurance that they:

- are free from material misstatement, whether caused by fraud or error;
- comply with the statutory and other applicable requirements; and
- comply with all relevant requirements for accounting presentation and disclosure.

My audit work does not relieve management and those charged with governance of their responsibilities which include:

- the preparation of the financial statements and Annual Report in accordance with applicable accounting standards and guidance;
- the keeping of proper accounting records;
- ensuring the regularity of financial transactions; and
- securing value for money in the use of resources.

Management agrees to provide me with:

- access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- additional information that I may request from management for the purpose of the audit; and
- unrestricted access to persons within the authority from whom I determine it necessary to obtain audit evidence.

Management will need to provide me with written representations to confirm:

- that it has fulfilled its responsibilities for the preparation of the financial statements;
- that all transactions have been recorded and are reflected in the financial statements;
- the completeness of the information provided to me for the purposes of the audit; and
- to support other audit evidence relevant to the financial statements or specific assertions in the financial statements if I deem it necessary or if required by ISAs.

Appendix 2

Other future developments

Forthcoming IFRS changes

Exhibit 6: forthcoming IFRS changes

Standard	Effective date	Further details
IFRS 9 financial instruments	2018-19	IFRS 9 financial instruments will replace IAS 39 and includes a new principles-based approach for the classification and measurement of financial assets. It also introduces a new impairment methodology for financial assets based on expected losses rather than incurred losses. This will result in earlier and more timely recognition of expected credit losses. The accounting requirements for financial liabilities are almost all carried forward unchanged from IAS 39.

General Data Protection Regulation (GDPR)

The GDPR is a new data protection law for the whole of the EU applicable from 25 May 2018, which has the intention of harmonising and updating data protection laws. The UK Government has introduced the Data Protection Bill which will incorporate the GDPR into UK law and replace the 1998 Data Protection Act, and which it intends will also come into force on 25 May 2018.

The GDPR introduces new requirements for personal data processing, including an accountability principle which will require more detailed records of the processing of personal data, evidence of compliance with the data protection principles and the technical and organisational security measures taken to protect the data. We are updating our own policies, processes and documentation with a view to meeting these requirements and expect that the bodies we audit will be taking similar steps. Key areas of additional work include the use of more detailed fair processing notices, more privacy impact assessments and more extensive record keeping in relation to processing activities.

Good Practice Exchange

The Wales Audit Office's Good Practice Exchange (GPX) helps public services improve by sharing knowledge and practices that work. Events are held where knowledge can be exchanged face to face and resources shared online.

The focus of GPX events include financial management, public sector staff and governance. Further information, including details of forthcoming GPX events and outputs from past seminars, can be found on the [GPX section of the Wales Audit Office website](#).

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone : 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru
24 Heol y Gadeirlan
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru

**Y PWYLLGOR ARCHWILIO
23^{AIN} MAWRTH 2018**

**ADRODDIADIADAU CENEDLAETHOL
SWYDDFA ARCHWYLIO CYMRU**

Argymhellion / penderfyniadau allweddol sy'n ofynnol:

Derbyn a nodi adroddiad Swyddfa Archwilio Cymru a nodir uchod.

Rhesymau:

Derbyn adroddiad Swyddfa Archwilio Cymru

Pwyllgor craffu perthnasol i ymgynghori ag ef: dd/b

A oes angen Penderfyniad gan y Bwrdd Gweithredol? Nac oes

A oes angen Penderfyniad gan y Cyngor? Nac oes

DEILIAD PORTFFOLIO YR AELOD GWEITHREDOL O'R BWRDD GWEITHREDOL:-

Y Cynghorydd David Jenkins:

Adroddiad Swyddfa Archwilio Cymru		
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EXECUTIVE SUMMARY

AUDIT COMMITTEE

23RD MARCH 2018

WALES AUDIT OFFICE NATIONAL REPORT

1. BRIEF SUMMARY OF PURPOSE OF REPORT.

To receive the Wales Audit Office National report related to:

- How Local Government Manage Demand – Homelessness
- Housing Adaptations.

DETAILED REPORT ATTACHED ?

YES

IMPLICATIONS

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

I confirm that other than those implications listed below there are no implications for the Authority arising from this report. If necessary, the Authority will need to respond to implications arising from the report where applicable.

Signed: **Randal Hemingway** Head of Financial Services

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

CONSULTATIONS

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

Signed: **Randal Hemingway** Head of Financial Services

1. Scrutiny Committee – N/A
2. Local Member(s) – N/A
3. Community / Town Council – N/A
4. Relevant Partners – N/A
5. Staff Side Representatives and other Organisations – N/A

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THERE ARE NONE

Mae'r dudalen hon yn wag yn fwriadol

Archwilydd Cyffredinol Cymru
Auditor General for Wales

How Local Government manages demand – Homelessness



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU



I have prepared and published this report in accordance
with the Public Audit (Wales) Act 2004.

The Wales Audit Office study team was project managed by Nick Selwyn and comprised Gareth Jones, Steve Frank, Euros Lake, Martin Gibson and Duncan Mackenzie under the direction of Jane Holownia.

Huw Vaughan Thomas
Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

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

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

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

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

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Summary report

Local authorities are reacting to the problems caused by homelessness with varying degrees of success, but there is limited focus on preventing the fundamental causes of homelessness

- 1 Given the ageing population and rising public expectations, which are putting a strain on local authorities' budgets, many local authorities across the UK are considering where they can drive greater efficiencies, improve productivity, or reduce expenditure on services by reducing levels of service or removing services entirely. Demand management can be a starting point for local authorities and public service providers as they balance delivery of services that meet the needs of citizens with fewer resources at their disposal.
- 2 In the past, increasing demand for services was often addressed by allocating more resources, widening out activities, developing new programmes or projects, improving infrastructure and increasing provision. With reduced public sector funding, public bodies need to find ways of reducing demand, and costs, whilst continuing to meet their statutory responsibilities.
- 3 This review of homelessness services assesses how well the local government is managing demand, considering the wider principle of prevention. We selected homelessness for a number of reasons. First, the Welsh Government, through the Housing (Wales) Act 2014, fundamentally changed the duties of local authorities with regard to homeless people. From April 2016 local authorities are required to provide everyone, whether homeless or not, with housing advice and assistance, and must seek to prevent homelessness from occurring where possible. A focus on prevention fits well with managing demand.

- 4 Secondly, people become and stay homeless for a whole range of complex and overlapping reasons, and solving homelessness is about much more than putting a roof over people's heads. Many homeless people face a number of issues in addition to, but often compounded by, their homelessness. For example, homelessness can be the result of:
 - a a lack of affordable accommodation;
 - b poverty and unemployment;
 - c mental health issues;
 - d alcohol, drug and gambling addictions;
 - e traumatic life events including childhood abuse, family breakdowns or instability, foster care, frequent moving, domestic violence, institutional care and parental death;
 - f convictions and imprisonment along with a lack of appropriate support following release; and
 - g discrimination by some landlords.
- 5 Thirdly, by looking at homelessness, we have been able to test how well local authorities balance delivery of services that people are entitled to, with finding solutions that are cost effective and reduce future demand. Responding to homelessness is also within the gift of each local authority and there is no prescribed or single approach in how authorities meet these needs. Our examination of homelessness services touches on wider corporate policies and approaches to managing demand for other public services and other public bodies.
- 6 Finally, data sets have been revised by the Welsh Government to take account of the new responsibilities of homelessness prevention and provide sufficient information to be able to assess if authorities and their partners are preventing homelessness.

About this report

- 7 This review has focussed on assessing if local authorities and their partners are addressing demand through the development of appropriate and effective prevention approaches. Our study methods are set out in [Appendix 1](#). These include audit fieldwork at five local authorities; a commissioned survey of citizens about local authority services; a detailed analysis of data and expenditure on homelessness services; website and document reviews; and interviews with national organisations. Based on the findings of this audit, the Auditor General has concluded that local authorities are reacting to the problems caused by homelessness with varying degrees of success, but there is limited focus on preventing the fundamental causes of homelessness.

Summary of our findings

- 8 The Housing (Wales) Act 2014 places homeless prevention at the centre of local authority duties, requiring authorities to focus their work on problem solving, negotiating, persuading and mediating to address homelessness. This requires authorities to both widen staff skills, and change how they organise services to mainstream prevention work and reduce demand. Better performing authorities recognise that how services are structured and delivered can encourage and create unnecessary demand, which requires new and very different ways of working to successfully prevent homelessness. However, many authorities are yet to strategically review their services to improve their effectiveness in preventing homelessness or changing citizens' behaviour.
- 9 To assist with the implementation of the 2014 Act the Welsh Government provided grant funding of approximately £11.5 million between 2015-16 to 2017-18 and plan to spend a further £6 million per year in 2018-19 and 2019-20. Whilst this funding has supported authorities to implement their new duties, the overall level of funding on homelessness and housing advice services has fallen in real terms. This is concerning as citizens we surveyed have low levels of satisfaction with homeless services, rating them as the poorest quality service that local authorities provide.

- 10 Despite low levels of service user satisfaction with homelessness services, citizens still consider their local authority to be the key agency to contact to resolve issues and address their problems. However, authorities are not always organising their services to consistently engage with users and potential users of homeless services, and opportunities to reduce homelessness demand by broadening and better targeting advice are being missed. Website information varies too widely to consistently meet people's needs.
- 11 Whilst citizens have clear expectations of how and what they want authorities to do in all areas of activity, their experience suggests that services are becoming less accessible overtime. Authorities need to make available a range of options, directly and indirectly with partners, to address homelessness. However, current approaches vary too widely and homeless people get very different solutions depending on where they seek help in Wales.
- 12 The Welsh Government recognises the importance of joint working between key partners in tackling homelessness. The Housing (Wales) Act 2014 places new duties on social services and housing associations requiring them to collaborate with local authority homelessness services to prevent and address homelessness. The impact of these new duties has been negligible in many local authority areas and partners are not always contributing to the prevention of homelessness.
- 13 Whilst national data highlights some achievements in preventing homelessness, the levels of successful prevention work is beginning to decline and the numbers threatened with homelessness and requiring temporary accommodation from local authorities are growing. Some authorities are not meeting their responsibilities under the Equality Act 2010, and are unable to demonstrate that their services are equally accessible and made available to all citizens.
- 14 The change in emphasis for local authorities in addressing homelessness has been positive, and progress is being made in a number of important areas. However, responses still focus on resolving the symptoms of homelessness and local authorities and partners are not effectively tackling the underlying causes.
- 15 Ensuring long-term sustainable prevention is difficult in key areas of activity across all of Wales because the work of public bodies in Wales is often shaped by decisions they cannot influence. Policy alignment is critical to preventing homelessness but the split in responsibilities between the UK and Welsh Government creates challenges for local authorities and partners, particularly in respect of welfare benefits.

- 16 Focusing on demand, management is hard because responsibilities rarely fall to one organisation and requires long-term commitment to deliver sustainable results. Collaboration is critical to managing demand but solutions are still too often driven by individual organisations. There is growing recognition that managing demand needs to become more central to how public bodies collectively plan and deliver services, but progress has been slow. Local authorities have generally not moved from conceptualizing what demand management could mean for them to actually improving how they manage demand in distinct services. Consequently, public bodies' current approaches to managing demand are often falling short of their responsibilities under the Wellbeing of Future Generations Act 2015.

Recommendations

Our work has identified a series of recommendations for improvement and these are set out below.

Recommendations

R1 Implementing the Housing (Wales) Act 2014 requires local authorities to develop services which are focussed on preventing homelessness and reducing demand. These are very different to traditional casework led homelessness services, and prevention work requires new skills and early interaction with users and potential users. We found local authorities' progress in revising and strengthening services is variable (paragraph 1.12 – 1.20). **We recommend that local authorities:**

- **ensure their staff are sufficiently skilled to deal with the new demands of mediating, problem solving, negotiating and influencing with homeless people; and**
- **review and reconfigure their services to engage more effectively with homeless and potentially homeless people to prevent homelessness.**

R2 The Welsh Government provided funding to support local authorities to implement the Housing (Wales) Act 2014 and this funding has been critical in enabling new preventative services to be developed. The funding is in place until 2019-20 but authorities need to ensure they use to headspace provided by these resources to revise their services to deliver their responsibilities in the future (paragraph 1.21 – 1.28). **We recommend that local authorities review their funding of homelessness services to ensure that they can continue to provide the widest possible preventative approach needed. Reviews should consider use of Supporting People as well as General Council fund monies to support delivery of the authority's homelessness duties.**

Recommendations

R3 How services are configured and managed at first point of contact can significantly influence how effective local authorities are in managing and reducing demand. Easy to access services which maximise usage, avoid gate keeping and focus on early solutions can significantly improve the prospects for successful homelessness prevention. We found that some authority point of entry systems are poorly designed which reduces the authority's prospects for early intervention to prevent homelessness from occurring ([paragraphs 2.4 – 2.11](#)). **We recommend that local authorities:**

- **design services to ensure there is early contact with service users;**
- **use 'triage' approaches to identify and filter individuals seeking help to determine the most appropriate response to address their needs; and**
- **test the effectiveness of first point of contact services to ensure they are fit for purpose.**

R4 Establishing clear standards of service that set out what the authority provides and is responsible for is critical to ensuring people know what they are entitled to receive and what they need to resolve themselves. We found that authorities are not always providing clear, concise and good quality information to help guide people to find the right advice quickly and efficiently ([paragraphs 2.12 – 2.17](#)). **We recommend that local authorities publish service standards that clearly set out what their responsibilities are and how they will provide services to ensure people know what they are entitled to receive and what they must do for themselves. Service standards should:**

- **be written in plain accessible language;**
- **be precise about what applicants can and cannot expect, and when they can expect resolution;**
- **clearly set out the applicant's role in the process and how they can help the process go more smoothly and quickly;**
- **be produced collaboratively with subject experts and include the involvement of people who use the service(s);**
- **effectively integrate with the single assessment process;**
- **offer viable alternatives to the authority's services; and**
- **set out the appeals and complaints processes. These should be based on fairness and equity for all involved and available to all.**

Recommendations

R5 Local authorities need to design services to engage with service users effectively and efficiently, but current standards are too variable to ensure service users are getting access to the advice they need (paragraphs 2.18 – 2.24). **To improve current performance we recommend that local authorities make better use of their websites to help manage demand by:**

- **testing the usability and effectiveness of current website information using our lines of enquiry set out in Appendix 5;**
- **increasing and improving the range, quality and coverage of web based information; making better use of online applications; and**
- **linking more effectively to information from specialist providers' and advice specialists, such as Citizens Advice.**

R6 The Housing (Wales) Act 2014 introduces a new duty on social services and housing associations to collaborate with local authority homelessness services in preventing homelessness. We found that these arrangements are not operating effectively and service responses to prevent homelessness and assist homeless people are not always being provided, nor are they consistently effective (paragraph 3.13 – 3.25). **We recommend that local authorities set out and agree their expectations of partners identifying how they will work together to alleviate homelessness. The agreement should be reviewed regularly and all partners' performance reviewed to identify areas for improvement.**

R7 Local authorities monitoring systems and evaluation approaches to ensure compliance with their responsibility under the Equality Act 2010 and the Public Sector Equality Duty are not working as well as they should (paragraph 3.35 – 3.39). **We recommend that local authorities address weaknesses in their equalities monitoring, and ensure that their homelessness service accurately records and evaluates appropriate data to demonstrate equality of access for all service users that the local authority has a duty towards.**

Recommendations

R8 Managing demand can be challenging for local authorities. There are some clear lessons to be learnt with regard to the implementation of the Housing (Wales) Act 2014 and homelessness prevention duties that can be applied to managing demand in other services (paragraphs 4.24 – 4.27). **We recommend that local authorities use the checklist set out in Appendix 10 to undertake a self-assessment on services, to help identify options to improve how they can help manage demand.**

Part 1

Legislation focusses on preventing homelessness but not all authorities have effectively organised themselves to fully implement these new duties



- 1.1 Dating back to 1977, there has been a legal duty for the state to help people who are homeless or threatened with homelessness. Local authorities are responsible for this in England, Scotland and Wales, while Northern Ireland has a single organisation – the Northern Ireland Housing Executive (NIHE) – who is responsible for housing. With the devolution of housing policy to Northern Ireland, Scotland and Wales, each country has developed different approaches to tackling homelessness. In Wales, authorities have to provide everyone, whether homeless or not, with housing advice and assistance, and must seek to prevent homelessness from occurring where possible. This is very different to other parts of the United Kingdom.
- 1.2 In this section of our report we briefly outline the different approaches to addressing homelessness in the United Kingdom, highlighting the Welsh Government’s change in focus to create new duties that seek to prevent homelessness from happening in the first place. We also review how authorities are progressing in implementing these new duties, drawing out the challenges they present to the traditional focus on homelessness casework services and the very different skillset now required to prevent homelessness. We highlight how well authorities are addressing this challenge and the risks that remain. Finally we review how authorities are investing in homelessness services to support full implementation of the prevention agenda, and set out the financial risks that authorities face.

The Housing (Wales) Act 2014 changes how local authorities address homelessness and represents a major shift in approach compared to other parts of the UK

- 1.3 The [Housing \(Homeless Persons\) Act \(1977\)](#) made local authorities responsible for the long-term rehousing of some groups of homeless people for the first time. The Act defined which groups of homeless people were considered to have a ‘priority need’, and therefore might be owed a statutory duty to be provided with settled accommodation by local authorities. Whilst the 1977 Act created a safety net that required local authorities to assist homeless people, it also made a distinction between those who should be assisted – mainly families with dependent children – and those who authorities did not have to assist.

- 1.4 In 1996, the duties in the 1977 Act were revised with the introduction of the Housing Act 1996 (for England and Wales), and the definitions of households in priority need was set out in greater detail and the circumstances in which local authorities should assist homeless persons or those threatened with homelessness. Under the 1996 Act eligibility for assistance was more tightly defined and authorities were required to assess and determine whether someone:
- a was homeless or would become homeless within 28 days;
 - b was deemed eligible for assistance;
 - c had a priority need as defined in the statutory guidance;
 - d had a local connection with the local authority area; and
 - e had become, or will become, homeless unintentionally.
- 1.5 The duty placed on local authorities was therefore to assist those households who were considered to be the most vulnerable and often the victims of circumstances beyond their control. Consequently a large number of homeless people, especially single people, had no automatic right to accommodation or help to prevent their homelessness, even if they occupied very temporary or insecure accommodation or, indeed, no accommodation and were sleeping rough.
- 1.6 The 1996 Act¹ broadly remained the basis for authorities' responsibilities towards homeless people in Wales up until 2014, when the Welsh Government² introduced the [Housing \(Wales\) Act 2014](#) (the '2014 Act') which changes the focus of local authority work and widens authority responsibilities to cover a much broader group of people³. Central to the new approach introduced by the 2014 Act, is a focus on better managing demand by preventing homelessness and finding more cost effective and sustainable solutions by intervening earlier to address the people's homelessness.

1 This is the system that currently operates in England and Northern Ireland.

2 Housing policy, in particular how local authorities manage homelessness, is a devolved matter within the United Kingdom with each country setting its own legislative and policy framework for administering and tackling homelessness. In recent years, there have been changes in how each country addresses homelessness and there are consequently significant differences between the four countries of the United Kingdom.

3 The new legislation was introduced on 27 April 2015 following research, development and consultation and replaced Part VII of the [Housing Act 1996](#), the [Homeless Persons \(Priority Need\) \(Wales\) Order 2001](#), the [Homelessness Act 2002](#) and the [Homelessness \(Suitability of Accommodation\) \(Wales\) Order 2006](#)

- 1.7 The legislation has changed the law on homelessness in Wales in a number of important ways and the new system, which commenced in April 2015, is very different to the legal frameworks for homelessness in the rest of the United Kingdom. The 2014 Act:
- a places a new duty on local authorities to carry out ‘reasonable steps’ to prevent or relieve homelessness for all eligible households, greatly increasing the number of people who can be helped;
 - b has created more flexibility in the range of local authority interventions, and also expanded the definition of ‘threatened with homelessness’ so that people are assisted when they are within 56 days of losing their home;
 - c requires authorities to undertake better, more targeted, prevention work with increased help, advice and information for households;
 - d has also sought to encourage a more person-centred service culture within local authorities, so that service users are closely involved in identifying and putting into action the solutions to their housing problems;
 - e has a stronger focus on the service user, requiring local authorities to help homeless and potentially homeless people to address the causes of their homelessness and make informed decisions on finding solutions to their housing problem; and
 - f places a stronger emphasis on co-operation and multi-agency working to enable a holistic response to meeting the needs of homeless and potentially homeless people, in particular enabling local authorities to make more effective use of the private rented sector as a solution to homelessness.
- 1.8 Taken together, these changes greatly increase the number of people who authorities can assist and is very different to the previous legislative system. Under the old systems local authorities had to challenge and investigate each case of homelessness and determine what assistance, if any, they had to provide. Whilst local authorities in England⁴ and the Northern Ireland Housing Executive are encouraged to focus on preventing homelessness where possible, their duties in respect of homelessness are not framed around prevention as the primary driver. This is very different to Wales.

⁴ The legislation governing homelessness is, however, due to change in England with the implementation of the [Homelessness Reduction Act 2017](#). The 2017 Act sets out new duties on English local authorities with the aim of preventing homelessness and is similar in coverage to the 2014 Act in Wales. These new duties will come into force in 2018.

- 1.9 In comparison to the rest of the United Kingdom, the Scottish Government through its [Homeless \(Abolition of Priority Need Test\) \(Scotland\) Order 2012](#), removed the distinction between priority cases of homelessness and those that up until 2012 had only been entitled to temporary accommodation. In Scotland local authorities no longer operate unintentionality and priority need tests, and the 2012 Act, entitles anyone finding themselves homeless through no fault of their own, to settled accommodation. Previously, homeless people with ‘priority need’, such as families with dependent children, had the accommodation entitlement from local authorities, but that has been extended to anyone, such as single people, finding themselves ‘unintentionally homeless’. This has removed much of the investigative requirements and has resulted in Scottish authorities rehousing greater numbers of homeless people.
- 1.10 As a result of these different changes, care needs to be taken in comparing performance between countries as the systems that govern homelessness are very different. [Appendix 1](#) summarises the key differences between the countries of the United Kingdom.

The new prevention duties require different staff skills and new ways of working but authority responses to these challenges vary

- 1.11 As noted in the preceding section, front-line responsibility for helping homeless people in Wales falls to local authorities who have a statutory duty to assist those who are homeless or threatened with homelessness. Up until the introduction of the 2014 Act this required local authority staff to make inquiries, and satisfy themselves whether a duty was owed to a homeless applicant based on their investigation of each individual’s circumstances against the five eligibility tests noted above ([paragraph 1.4](#)). This assessment could often be very complex, drawing in a wide range of information covering, for example; tenancy disputes, a person’s behaviour, family issues, relationship breakdown, an assessment of potential vulnerability, employment matters, financial standing and immigration status.

- 1.12 Given the previous investigatory focus of homelessness work, authorities needed to appoint and train staff to have a detailed knowledge of housing case law and tenancy rights. This was essential if authorities were going to both conduct and complete a thorough investigation into the individual circumstance of each homeless person and make the right initial decision, but to also defend the authority if its decision was challenged legally⁵. Authorities also had to ensure that they had staff with a good understanding of associated welfare and social policies such as housing benefits, immigration status, welfare payments and social care eligibility and assessment criteria; key areas that often needed to be investigated when making a decision on someone's homeless application.
- 1.13 With the introduction of the 2014 Act local authorities now need their staff to prevent homelessness through effective problem solving, negotiating, mediating and influencing people and behaviours. Upskilling staff to focus on problem solving, mediation, multi-service responses, and knowing how and where to commission the right prevention activity is a very different set of skills to traditional homelessness casework. For example, local authority staff now need to:
- a persuade and convince homeless people to make choices and often take different actions;
 - b negotiate effectively with landlords to change their decisions;
 - c work creatively to problem solve and overcome obstacles to find a solution that best resolves a situation; and
 - d influence people – parents and family members for example – to reach a mutually satisfactory agreement that may not have been their original intention.

5 Homeless applicants had the right to request a review by the authority and, subject to the outcome of this review, could also appeal to the County Court and, in certain circumstances, request a judicial review. For example, where an authority refused to house a homeless applicant while it carried out enquiries; ignored relevant factors (such as their health) when deciding whether the temporary accommodation they provided was suitable or not; or refused to review its original decision.

- 1.14 Despite local authorities anticipating that the 2014 Act would require a change in staff skills, a large number have struggled to make the effective transition from the old homelessness system to the new one. Authorities we visited noted that implementing the Housing Act 2014 created difficulties for them, particularly in respect of the amount of work required to deliver the new duties, the changing focus of activity and the personal interaction skills required by staff to work with vulnerable people to prevent homelessness. This is borne out by the findings of a recent Welsh Government survey of local authorities on the challenges of implementing the Act which found that 17 of the 22 authorities have experienced significant challenges implementing the Act⁶. In particular, fieldwork authorities noted to us that training and guidance provided by the Welsh Government was delivered very shortly before the commencement of the new duties, which limited the opportunities to reorganise services in sufficient time.
- 1.15 In addition to developing new skills amongst staff, local authorities recognise that they need to change their systems and processes for managing homelessness to enable them to effectively deliver the duties of the 2014 Act. In particular, the need to organise services to deliver more prevention options, reduce dependency and encourage self-reliance amongst individuals. Positively, most of our fieldwork authorities are changing how they structure and deliver homelessness services to better manage and prevent homelessness demand. The better performers recognise that how services are structured and delivered can encourage and create unnecessary demand, and to successfully prevent homelessness requires the adoption of new and very different ways of working.

6 The Welsh Government appointed Salford University to undertake a survey of local authorities on their experience in implementing the Housing Act 2014. The survey was undertaken in August 2016 and was reported in August 2017 – Post-implementation evaluation of the homelessness legislation (Part 2 of the Housing Act (Wales) 2014) Interim Report, 8 August 2017, Welsh Government. The Welsh Government provided the Wales Audit Office with the anonymised raw data to support delivery of this study and to avoid duplication of activity.

- 1.16 For example, Carmarthenshire County Council has moved away from face-to-face office based application and assessment processes to introduce more flexible ways of working to increase the prospects of preventing homelessness from occurring. Similarly, Bridgend County Borough Council is seeking to move more information relating to housing issues online so that people can access that information without needing to meet a council official in person. The authority has also developed a Customer Service and Access Strategy which sets out actions to reduce failure demand⁷.
- 1.17 Too often though, the changes that authorities are making to their homelessness services are initiative-led rather than a fundamental reconfiguration of services. Consequently, many of the changes we have seen are very new and their success has not been subject to a full evaluation. They do however, show a willingness from local authorities to try new ways of working to deliver better outcomes to reduce demand and prevent homelessness. However, only four authorities noted that they had upgraded their IT systems to bring their management systems in line with the 2014 Act.
- 1.18 Despite the greater emphasis placed on authorities needing to prevent homelessness, roughly a third of authorities have a limited focus on changing behaviours amongst service users and, to an extent, staff. Some authorities continue to provide a 'paternalistic' service with homelessness services and staffing responsibilities continuing to operate with little change. These approaches can often create a culture of entitlement and dependency simply because the authority has structured services to encourage demand.
- 1.19 The impact of legislative change and the requirement to develop new staffing and service responses can be challenging. Frontline staff we interviewed during our study fieldwork noted that rigid eligibility criteria and prescriptive requirements, often set for valid and good reasons, can in practice be a barrier to managing demand. For example, one of the requirements for implementing the 2014 Act of the Welsh Government was for local authorities to use a series of notification letters that are sent out at different times during their investigations. A substantial number of local authority officers noted to us that these decisions are stretching staff resources and increasing workload. The administration time required to provide various notification letters, and personal housing plans, are time consuming to prepare and great caution has to be taken to ensure they are not open to legal challenge, although the Welsh Government has noted that these are to be provided over a 100 day or more period and they do not consider them to be too onerous.

1.20 Likewise, local authorities who require homeless people to physically present at their office for assistance and staff continuing to investigate intentionality and priority need rather than seeking quicker and more timely approaches which deliver quicker solutions to prevent homelessness. Prescriptive approaches reduce discretion, limit suitable alternatives, decrease local choice, and ultimately adversely impact on public bodies' ability to improve how they manage demand for services. Recent research by Shelter Cymru found that "homelessness services are in transition. Currently this transition appears to be taking place unevenly, within authorities as well as between them. We spoke to people who felt they'd been helped effectively and people who felt they'd been brushed off with minimal help, despite having presented to the same authority at the same time."⁸

Reductions in local authority expenditure on homelessness services has been offset by Welsh Government grant funding but not all authorities are using this grant to develop sustainable approaches to tackling homelessness

1.21 An area where local authorities have been positive about the support provided by the Welsh Government is the grant funding allocated for the implementation of the 2014 Act. To assist with the implementation of the 2014 Act the Welsh Government provided Homelessness Prevention Transitional Funding to local authorities of: £5.6 million in 2015-16; £3 million in 2016-17; and £2.8 million in 2017-18. The draft budget for 2018-19 and 2019-20 includes an additional £6 million in each year which has been added to the Revenue Support Grant to support delivery of local authority homelessness prevention duties under Part 2 of the 2014 Act. This funding has been provided to support authorities to review and reorganise their services to better position themselves to deliver their new statutory duties.

8 Reasonable steps: experiences of homelessness services under the Housing (Wales) Act 2014, Shelter Cymru, 2016.

1.22 Without the Welsh Government ring fenced grant, authority homelessness staff stated to us that they would not have been able to implement the Act. We found that local authorities are using the transitional funding in three main ways:

- a employing additional staff in, for example, private rented sector or housing solutions roles or to work with specific groups of homeless or potentially homeless people. However, these posts can often be fixed term or temporary for the duration of the funding and there is uncertainty if authorities will continue with these posts in the medium to long-term;
- b developing their IT infrastructure to improve efficiency of administration and improve prevention work and casework management; and
- c creating prevention funds for deposits, rent in advance, rent guarantees, bonds, and to cover debt and arrears.

1.23 In some authorities, however, the transitional funding has been used to offset reductions in core authority funding with Welsh Government monies covering the cost of posts previously funded from the General Council Fund. 14 of the 22 authorities responding to the Welsh Government's survey on implementing the 2014 Act, note that apart from the transitional funds, there had been no increase in resources available within their local authority to prevent and tackle homelessness. We found through our fieldwork that some authorities have consequently not taken the opportunity afforded by the Welsh Government's transitional monies to change their homelessness services to better deliver their new duties.

1.24 Our analysis of annual data returns to the Welsh Government since 2009-10, set out in [Exhibit 1](#), show that in absolute (cash) and real terms, spending on homelessness and housing advice has fallen significantly in recent years; homelessness by roughly £7 million, and housing advice by £1.4 million. In real terms, a 24.1% and 27.9% cut respectively. A detailed analysis of homelessness and housing advice expenditure by local authority is set out in [Appendix 3](#).

Exhibit 1 – Total local authority expenditure on homelessness and housing advice services in Wales in absolute (cash) and real terms between 2009-10 to 2015-16.

There has been a significant reduction in local authority expenditure on housing advice and homelessness services in recent years.

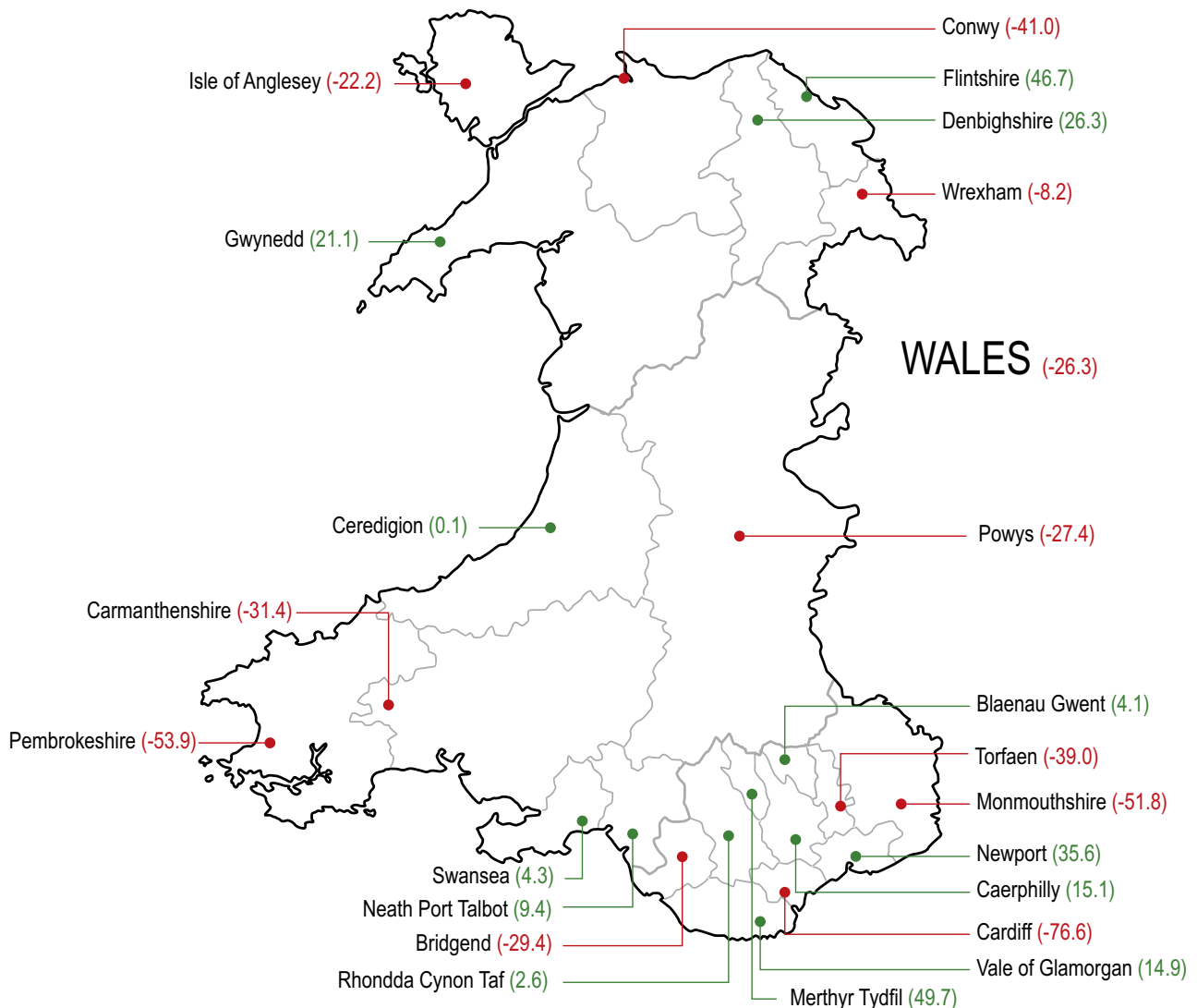
Year	Homelessness spend			Housing advice spend		
	Absolute (£'000)	Real terms (£'000)	Real terms (% change)	Absolute (£'000)	Real terms (£'000)	Real terms (% change)
2009-10	£26,269	£28,773	-	£6,637	£7,270	-
2010-11	£31,333	£33,703	17.1%	£5,101	£5,487	-24.5%
2011-12	£23,734	£25,180	-12.5%	£4,253	£4,512	-37.9%
2012-13	£22,843	£23,736	-17.5%	£4,231	£4,396	-39.5%
2013-14	£20,461	£20,916	-27.3%	£5,035	£5,147	-29.2%
2014-15	£18,849	£18,989	-34.0%	£5,246	£5,285	-27.3%
2015-16	£21,822	£21,822	-24.1%	£5,240	£5,240	-27.9%

Source: Revenue outturn (RO) data collection, Welsh Government. This information has been audited by the Wales Audit Office and the figures presented in the exhibit are drawn from updated returns collated from local authorities. This information is different to the unaudited data presented on StatsWales.

1.25 From our analysis of local authority expenditure, we found that roughly half of the authorities reduced expenditure between 2009-10 and 2015-16. **Exhibit 2** below, shows that the largest budget reductions between 2009-10 and 2015-16 have been in Cardiff (-73.8%), Pembrokeshire (-48.5%) and Monmouthshire (-46.2%). 11 authorities have increased expenditure in this period with the largest rises in Merthyr Tydfil (67.1%), Flintshire (63.8%) and Newport (51.3%).

Exhibit 2 – Real terms change in expenditure on homelessness and housing advice services in Wales between 2009-10 and 2015-16 by local authority

The graph shows the proportional change in investment made by local authorities in their homelessness and housing advice services in the last seven years. The graph highlights that overall there has been a 26.3% reduction in real terms on how much all Welsh local authorities are spending on homelessness and housing advice services. The change in expenditure ranges from budgets reducing by 76.6% in Cardiff to budgets increasing by 49.7% in Merthyr Tydfil.



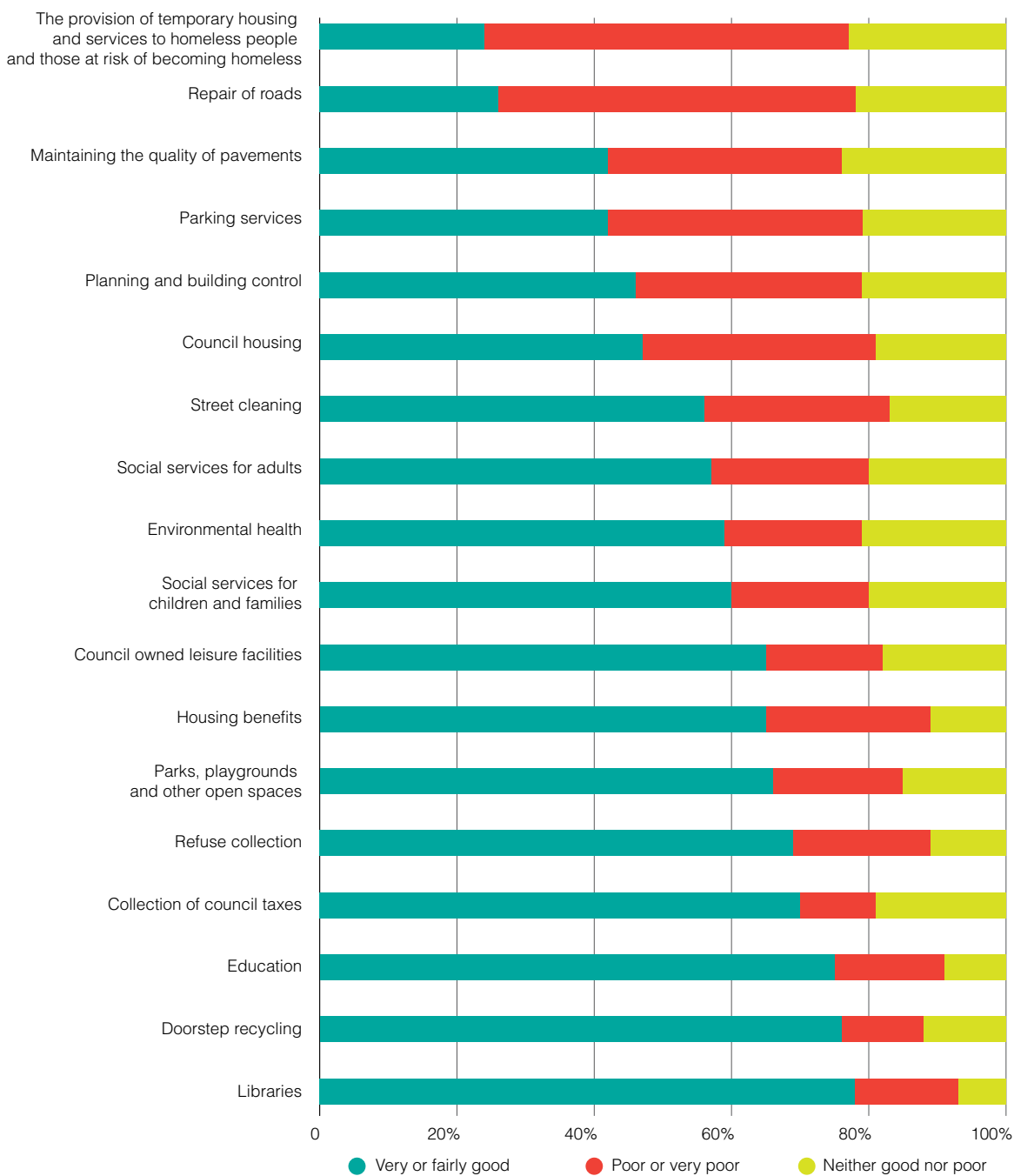
Source: revenue outturn (RO) data collection, Welsh Government. This information has been audited by the Wales Audit Office and the figures presented in the exhibit represent updated information collated from local authorities. This information is different to the unaudited data presented on StatsWales.

- 1.26 There are a number of reasons for some of these reductions in authority expenditure. For example, Cardiff Council's figures include payments from the Home Office under the National Asylum Support Service contract⁹, which has now ended. In Monmouthshire County Council the transfer of private sector leasing properties to a housing association has resulted in a fall in expenditure on homelessness.
- 1.27 Given the reduction in expenditure in some authorities, there is a risk that authorities will not be able to continue to provide some of the new services critical to preventing homelessness. This was flagged by roughly a third of authorities responding to the Welsh Government survey of those concerned that the loss of transitional funding in 2018-19 would present a threat to their continued implementation of the Act. The continuation of Welsh Government funding will help support authorities to deliver their new responsibilities.
- 1.28 This is particularly challenging for local authorities as the citizens we surveyed who have used homelessness services in the last 12 months generally have low levels of satisfaction with the quality of services they receive. Continued reductions in authority resources for homelessness and housing advice services are likely to result in even lower levels of satisfaction in the future. We found that citizens are most satisfied with libraries, doorstep recycling, education, collection of council taxes and refuse collection. The local authority services with the lowest levels of satisfaction are provision of temporary housing and homelessness services and repair of roads. Temporary accommodation and homelessness services comparatively, have very low levels of satisfaction and are well below the average satisfaction rate for all local authority services. **Exhibit 3** below summarises the detailed survey findings.

⁹ The National Asylum Support Service (NASS) provided accommodation for asylum seekers whilst their application was considered by the Home Office. Cardiff Council was the regional lead for accommodation provision working with the Home Office under the NASS contract which has since ended.

Exhibit 3 – Citizens’ views on the quality of local authority services they have used in the last 12 months

The graph summarises the views of 750 citizens on the quality of local authority services and shows that citizens we surveyed rate homelessness and temporary accommodation services as the poorest quality service provided by their local authority.



Source: Wales Audit Office, Citizen Survey, March 2017

Part 2

Authorities are changing how they provide services and are generally effective at providing advice, but not all homeless people and potentially homeless people get the help they need



- 2.1 A key duty of authorities under the Housing (Wales Act) 2014 is the provision of effective advice and assistance. Section 60 of the 2014 Act places a duty on local authorities to provide everyone, whether homeless or not, with housing advice and assistance to help to secure accommodation. Advice and information should be based on person-centred assessment of need; be available to all people in its area, or people who have local connection; should be free; and should at least relate to preventing homelessness, securing accommodation and accessing any other help that is needed.
- 2.2 Local authorities should use a variety of media to provide advice, including face-to-face, telephone based, printed material and on-line. The timing of advice is also important, with a wide a range of information made available as early as possible. Having the right first point of contact and the right mediums to engage with service requests is also a prerequisite for authorities being able to respond to the needs of homeless people, manage expectations and influence demand for their services. Improving customer care, digitization of services, including self-help and improved online and paper based guidance are key components of demand management.
- 2.3 In this section of the report we consider how citizens find out about the services that local authorities provide, and whether services are configured to maximise usage and assistance. We review how well authorities engage with users and potential users, and whether services are provided both quickly and efficiently to homeless people to offer them timely advice to prevent homelessness. We also consider whether changes made to services are improving how homeless and potentially homeless people are accessing the help they need.

Local authorities have not organised their services to efficiently and consistently engage with potentially homeless people

- 2.4 Appropriate, available and timely advice is essential to help homeless and potentially homeless people make the right choices to address their housing situation. Local authorities have a duty to homeless people to ensure they make available good quality information in accessible ways. The importance of good quality advice is recognised in the findings of the Welsh Government's survey of local authorities on implementing the Housing Act 2014, where 20 of the 22 authorities agree that the 2014 Act has influenced them to provide improved information and advice. To discharge their homelessness duties local authorities need to use a wide range of channels to engage with their citizens; offer good quality advice and information in a range of formats; and test that their approaches are working effectively.

- 2.5 We asked people who use local authority services how they obtain information about their local authority and the services it provides. We found that many citizens place greater reliance on indirect and non-authority sources of information than material published by authorities. For example, 44% of people rely primarily on local media as their main source of information about local authority services. Nonetheless, citizens we surveyed continue to see their authority as the first point of contact to resolve issues and the primary source of advice and information to help address their problems. For example, just over half of the citizens said that their main reason for contacting the council in the past year had been to either report a problem (27%), or to seek advice and information (24%). A higher proportion of those aged over 55 contacted their authority to report a problem, whilst younger respondents and people who are unemployed are more likely to request advice and information.
- 2.6 The 2014 Act requires authorities to now deal with people who are at risk of homelessness much earlier (56 days) than under the previous legislation, and to provide a broader range of options to resolve and prevent homelessness from happening. Configuring services to effectively engage with citizens is essential if authorities are to comply with their statutory duties and maximise their resources to better meet the demand from homeless people.
- 2.7 Citizens tend to use a range of approaches when contacting an authority to request a service, or when they need assistance. Our survey found that whilst service users most often telephone authorities, either via a customer call line/centre or directly to a specific department or person, a significant number also use e-mail (directly or via the authority website), as well as visiting an office or information centre. Authorities need to ensure that people are aware of the methods that they can use to contact the authority, and they should monitor the effectiveness of these arrangements.
- 2.8 There are a number of challenges for authorities delivering services to homeless people. On a practical level, people who are homeless, and those threatened with homelessness, often do not have the finances to visit authority offices. The quality of public information also tends to be generic and not tailored to individuals, which makes it less relevant and consequently often ineffective at guiding them on what they need to do. People who use homeless services use in person contact and third party contact with local authorities rather than web based services and social media. Authorities need to understand service users' communication preferences and to design information in ways that they can best access directly or via partner agencies.

- 2.9 Given the different approaches citizens use, authorities need to ensure they offer a broad range of options to respond effectively to their needs. Authorities also need to understand how and when people enter the 'public service system'. Good quality customer/user data and intelligence is critical to this process. Therefore systems for customer contact should be wide ranging; fully accessible; and capture the work of all relevant public sector bodies¹⁰.
- 2.10 Carmarthenshire County Council reviewed its housing options services in 2011 to determine the best way of providing housing options services to enable staff to engage more quickly and efficiently with service users in ways that reflected the preferences of homeless people. The review concluded that homeless people preferred a telephone based service to face to face office based interviews. Subsequently, the authority has introduced a telephone call handling service to act as a first point of contact triage service which provides initial advice and information to identify how best to meet client's needs. If a person's circumstances are more complex and require further intervention, then the triage team refer the individual onto specialist case officers.

Carmarthenshire County Council – The authority's Housing Options and Advice team's approach to coping with incoming activity provides a good example of how to deal with service demand

In 2013, the Council had limited information on customer satisfaction and addressed this with the introduction of five evaluative questions asked to each person who contacted the service. These were focussed on the quality of advice, resolution of issues and communication methods. The Council also analysed the numbers of calls being dealt with, and found that only 40% of calls were being answered at the first point of contact.

The Council installed a screen to show the demand coming in and to allow team members to better manage the demand, enabling the use of data to match callers to the best suited staff members. The new approach contributed to increasing the proportion of housing options calls dealt with at first contact to 96%.

The Council strives to resolve issues at the first point of contact wherever possible. In 'making every contact count', the core team dealing with incoming calls is made up of officers with a variety of backgrounds who can provide solutions to people's problems. This is also found to be more satisfying for team members who actually help and advise on housing options for people as a result, rather than taking and diverting calls to more suitable departments.

¹⁰ Gateway reviews along intervention timelines in youth justice services are an increasingly established way of understanding how and when people enter the 'public service system'.

2.11 A number of authorities noted that a substantial percentage of contacts between the public and housing options officers is not for specific homelessness assistance, but to obtain advice on wider housing issues. For example, at the time of our fieldwork Merthyr County Borough Council operated generic Housing Solutions Officers which provide services for a wide range of issues including homelessness and other matters. The housing options service requires those threatened with, or actually homeless, to physically attend offices and to be interviewed, unless they are unable to attend the civic centre. Whilst officers recognise that this approach enables the authority to identify and focus on the needs of homeless people, their initial analysis and evaluation of casework found that only 19% of contacts were requests for homelessness services and the other 81% related to other housing issues. Poor organisation of staff and services can therefore generate additional and often unnecessary demand.

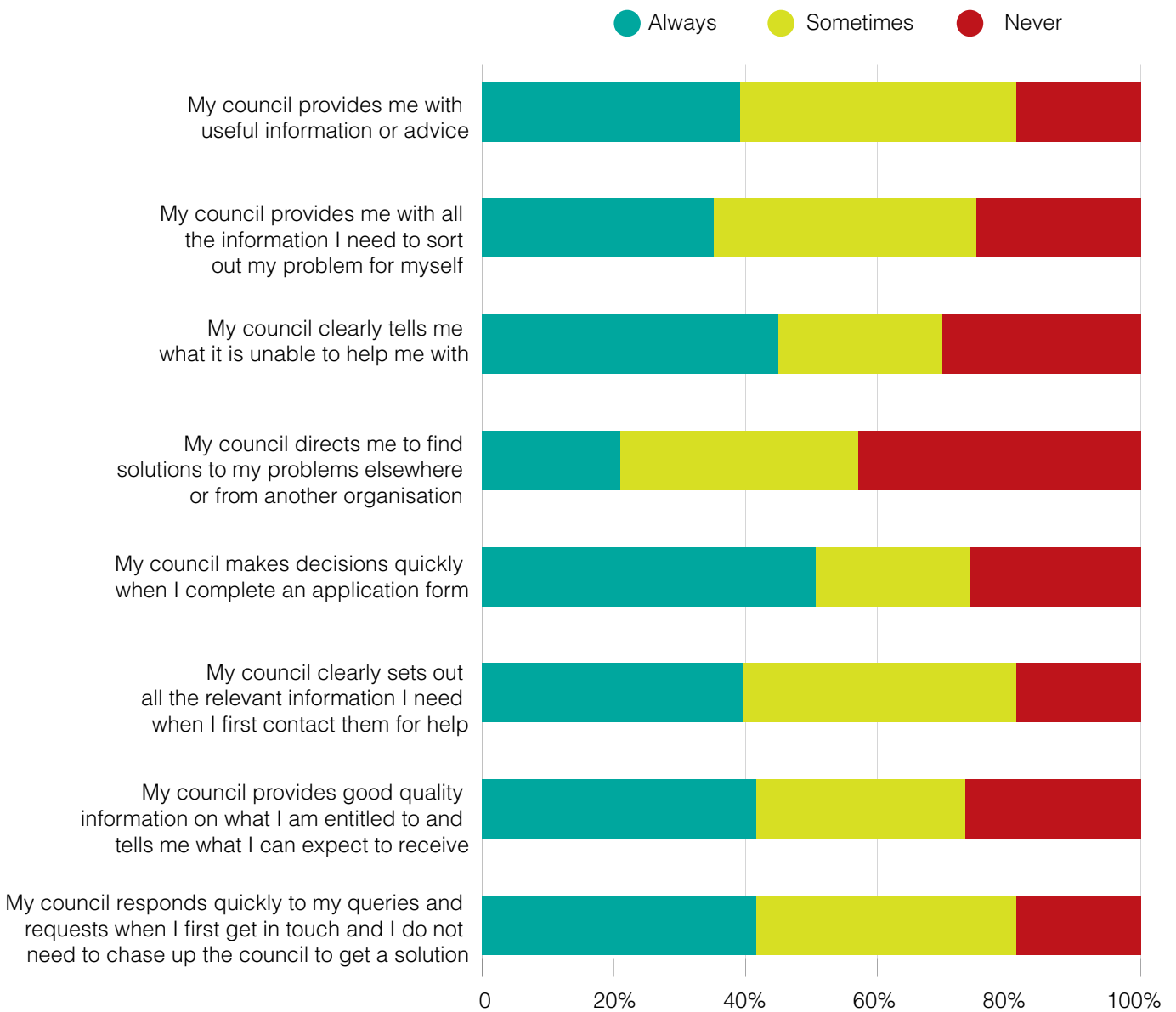
There are opportunities to reduce homelessness demand through the provision of effective information and advice, but authorities fall short of the standards required in key areas

- 2.12 As well as making advice available through a range of appropriate channels, authorities also need to ensure the advice they provide meets the needs of those requiring help to avoid creating ‘failure demand’¹¹. Avoiding ‘failure demand’ is better for the service user and more cost effective for an authority as it cuts costs by reducing avoidable contact between the authority and its users by resolving problems as quickly and efficiently as possible. To achieve this authorities need to resolve citizens’ problems at the first point of contact by providing information and advice that is relevant, timely, comprehensive and clear.
- 2.13 Poorer performing authorities are often creating additional demand by failing to do something or do something right for the service user at the initial contact. **Exhibit 4** below summarises the findings of our citizens’ survey and shows that there is variable performance across Wales, and authorities are not always effective in how they engage with services users.

11 [Vanguard Method](#).

Exhibit 4 – How well local authorities respond to requests for assistance

There is variable performance in relation to how well authorities respond to request for assistance from homeless people and other local authority service users and are consequently able to avoid failure demand



Source: Wales Audit Office, Citizen Survey, March 2017.

2.14 Engaging effectively and early with homeless people is essential if authorities are to successfully prevent homelessness. Our survey found that there is no discernible difference between the views and experiences of homeless people compared to those who use other services provided by local authorities. Citizens who have used homelessness services are generally positive that authorities respond quickly to requests for help, providing useful advice and information. Where people apply for a homelessness service the majority stated that authorities make decisions quickly. However, authorities are not always good at directing homeless people to find solutions to problems elsewhere, or from another organisation. Similarly, authorities do not always clearly set out what homeless people are entitled to and can expect to receive, which is creating uncertainty and ambiguity for them. A quarter of survey respondents also note that their authorities are also poor at telling them what they are unable to help with.

- 2.15 Reducing unnecessary demands on homelessness services is often hindered by poor or unclear service standards¹². Service standards are often not published, and it is not always clear what homeless people can expect now and in the future. Some public services provide clear service standards. Whilst many authorities have some form of corporate customer care standard, for example Flintshire County Council's Customer Service Policy¹³, these often lack clear measures of success, and do not set out what authorities do not do and the expectations of homeless applicants and wider users of public services. Good service standards need to:
- a be written in plain accessible language that is well understood by users, including those that may be anxious or uncertain about their future;
 - b be precise about what applicants can and cannot expect, and when they can expect resolution;
 - c be clear about the applicant's role in the process and how they can help the process go more smoothly and quickly;
 - d be produced collaboratively with subject experts and includes the involvement of people who use the service(s);
 - e be linked to good gatekeeping and a single assessment process;
 - f offer viable alternative preventative services; and
 - g be based on fairness and equity for all with appeals and complaints processes clearly set out and promoted widely.
- 2.16 Better performing authorities organise homelessness services in ways which help people to resolve their problem at first interaction. Integrating customer contact centres can help manage demand by reducing the numbers of separate service requests from homeless people and signposting a fuller package of support and information. Newport City Council's Information Station, on the site of the old Newport railway station, offers services from Newport City Council and partner organisations and services such as citizen's advice, tourism, employment, community safety and the authority's homelessness services as well as an increasing range of other authority services such as housing, social services and planning.

¹² Service standards define the service provided by a public body. They inform customers of the services they are entitled to receive; provide a foundation for the delivery of services; allow for better measurement of an organisation's performance; and form the basis of the internal management information systems.

¹³ [Customer Service Policy](#)

2.17 Partner organisations we interviewed such as Shelter Cymru highlighted that from their experience authorities have yet to develop comprehensive or accessible information and advice services that consistently meet the needs of homeless people. Because of the complexities of homelessness, voluntary sector partners also feel that authorities are not maximising opportunities to work collaboratively with specialist agencies to identify and address the needs of people with challenging issues – prison leavers and people with substance misuse issues for example – and advice often falls short of providing timely and effective solutions.

Digitisation offers authorities opportunities to improve how homeless people access services and advice but current approaches vary too widely to meet their needs

2.18 Smartphones¹⁴ are invaluable tools for connecting people who are isolated, and empowering homeless individuals to access important, often, life-changing services and gain self-sufficiency. Some homeless people are using social media to build support networks and solve practical issues such as where to find help and assistance. Mobile phones, and in particular smartphones, offer homeless people a valuable lifeline to opportunities. Homelessness organisations told us that some homeless people often need support to access information on local authority websites, and authorities are beginning to address how information is accessed. All organisations recognised however, that access to good quality on-line information is vital and the use of mobile telephones to access this data is growing.

Better use of technology to help prevent homelessness

Better technology can help manage and prevent further challenges to homelessness people. New services include touch-screen kiosks, phone charging terminals, better Wi-Fi coverage and free access to the use of computer terminals¹⁵. Projects such as the Virtual Backpack – which is an electronic bundle of important personal documents – builds on the work by Westminster City Council who hosted a Homeless Hack Day to take advantage of the free Wi-Fi provided for Olympics visitors in 2012. The [Homeless Link website](#) lists information on 9,000 services such as hostels, day centres, and advice and support services and is offered by local authorities in response to the increasing numbers of rough sleepers in London. Sandwell Council in the West Midlands provides an internet based application system for young homeless people to access services, keep in contact with friends and family, and find jobs.

14 A smartphone is a mobile personal computer with a mobile operating system with useful features for mobile or handheld use. Testing the mobile experience for 'Better connected' is done from a smartphone and fully integrated into the overall assessment.

15 The potential for empowering homeless people through digital technology, Lemos and Crane 2013.

- 2.19 Authorities need to therefore ensure that online information is accurate, of a good quality and up-to date to support homeless people addressing their needs. Our review suggests that at present there is scope for authorities to improve how they organise and provide their services online to both ensure homeless people, and those threatened with homelessness, get the help they need but also enable authorities to make the best use of their resources.
- 2.20 SOCITM's Better Connected Ratings¹⁶ provide an overall evaluation of a user experience of local authorities' digital platforms across all services including homelessness. SOCITM's Better Connected results for 2016-17 (Appendix 4) rated no council in Wales as having a four star (very good) user experience for their digital platforms. 11 local authorities are rated as three star and 11 as two star or below. When comparing performance with 2015-16, six local authorities improved their rating, three saw their ratings worsen and 13 local authorities' ratings stayed the same. Overall, there is scope for the Welsh local government to improve how it uses its web assets to engage with and support people.
- 2.21 16 authorities are rated by SOCITM as having passed the mobile standard¹⁷ assessment, and 15 authorities the accessibility assessment¹⁸. Only one council improved its rating in the area of accessibility, with all others retaining their previous rating. Compared to 2015-16, three local authorities that passed have now failed, and three that failed have now passed. Local authorities who make no attempt to optimise their sites for mobile access are providing the service user with a poorer user experience.

16 SOCITM, the society for public sector IT practitioners undertakes annual reviews of council digital performance, websites, social media and customer portals, as well as take-up, satisfaction and management. SOCITM reviewers conduct some tests on a smartphone, given nearly half of all visits are made from mobile devices. SOCITM publishes the results of their reviews as Better Connected data.

17 The mobile standard is determined by the average satisfaction rating for each of five questions used by SOCITM to find common information from a mobile device plus overall ease of use. Generally, better performing authorities have no errors while people are browsing the authority site and the overall mobile experience is rated satisfactory or very good.

18 Websites must be as accessible as possible for all users, including people with disabilities. Badly designed and implemented websites can make it difficult or impossible for disabled people to use the internet, including those using assistive technologies, for example, text-to-speech screenreaders. SOCITM rate the accessibility of local authority website against 14 design and coding best practices.

- 2.22 We assessed the quality, accessibility and range of current information that authorities provide on their websites for their homelessness service and, for comparison, two other service areas – home to school transport, and bulky waste – to assess the current standards of service and the quality of information provided. Our review judges the effectiveness of authority websites to provide quick and easy ‘customer journeys’ and successful resolution of homeless peoples service requests against a five point scale ranging from very poor to very good to rate the information across 13 aspects. [Appendix 5](#) sets out our detailed findings and the key lines of enquiry for our assessment.
- 2.23 Authorities generally provide up-to-date information which is available in a range of formats and languages which is easy to find. The best performing authorities have developed on-line application processes, although this was more prevalent for home to school transport and bulky waste than homelessness services. However, most authorities do not provide comprehensive wide ranging advice and information that is sufficient to allow citizens to make considered choices and decisions on what they should do to resolve their problem. Information relating to homelessness was harder to find and did not always clearly signpost people to where they could get assistance to address their problems, compared with the other two services we reviewed. These weaknesses present a less than positive starting point for homeless people, and does not offer them the information they need to make informed choices to address their predicament. The poor quality of current digital services may also explain the low current take up amongst service users.
- 2.24 From our fieldwork, we have concluded that whilst authorities recognise that they need to design services to engage with homeless people effectively and efficiently, current standards of services are too variable to ensure homeless people are getting access to the advice and assistance they need. Taken together, SOCITM’s analysis and the findings of our review highlight that authorities could make better use of their websites to help manage demand. For this to work, authorities will need to consider when and where channel shift can take place and ensure they engage with homeless people and other stakeholders to maximise the potential benefits of these approaches.

Homeless people are clear on how they want their local authority to provide services to them but their experience suggests that services are becoming less accessible

2.25 Homeless people and other local authority service users have high expectations of what authorities should do for them and how they should provide services to them. Whilst many people acknowledge local government is having to change how they provide services to reflect the resources that are available, homeless people and other people using local authority services still believe that their local authority should continue to provide a safety net when they need help. The findings of our survey bear this out and provide some clear messages for how local government provides homelessness and other services in the future – **Exhibit 5.**

Exhibit 5 – Key issues in how local authority should provide services in the future

Homeless people and other local authority service users are clear on how they want local authorities to provide homelessness and other local authority services to them in the future.

Thinking about the services your council needs to provide in the future, to what extent do you agree or disagree that they should focus on...	Strongly agree/ agree	Strongly disagree/ disagree	Do not know
Focus on providing advice and information and directing me to others who are best placed to solve my problem	83%	9%	8%
Focus on providing advice and information to solve people's problems	81%	12%	7%
Direct people to other organisations who are best placed to solve their problems	81%	10%	9%
Provide more services in the community and in people's homes	79%	12%	9%
Be the first point of contact for any problem people have in their area	78%	18%	4%
Share offices with other public bodies	69%	15%	17%
Make more services available online	63%	26%	12%

Thinking about the services your council needs to provide in the future, to what extent do you agree or disagree that they should focus on...	Strongly agree/ agree	Strongly disagree/ disagree	Do not know
Equip people to find their own solution to the problems they have	60%	31%	10%
Prioritise what is provided and reduce services in other areas of activity	51%	30%	19%
Reduce services provided from offices away from main town hall/county hall to local offices	42%	40%	18%
Increase council tax charges to have enough money to continue to provide existing services	29%	64%	7%

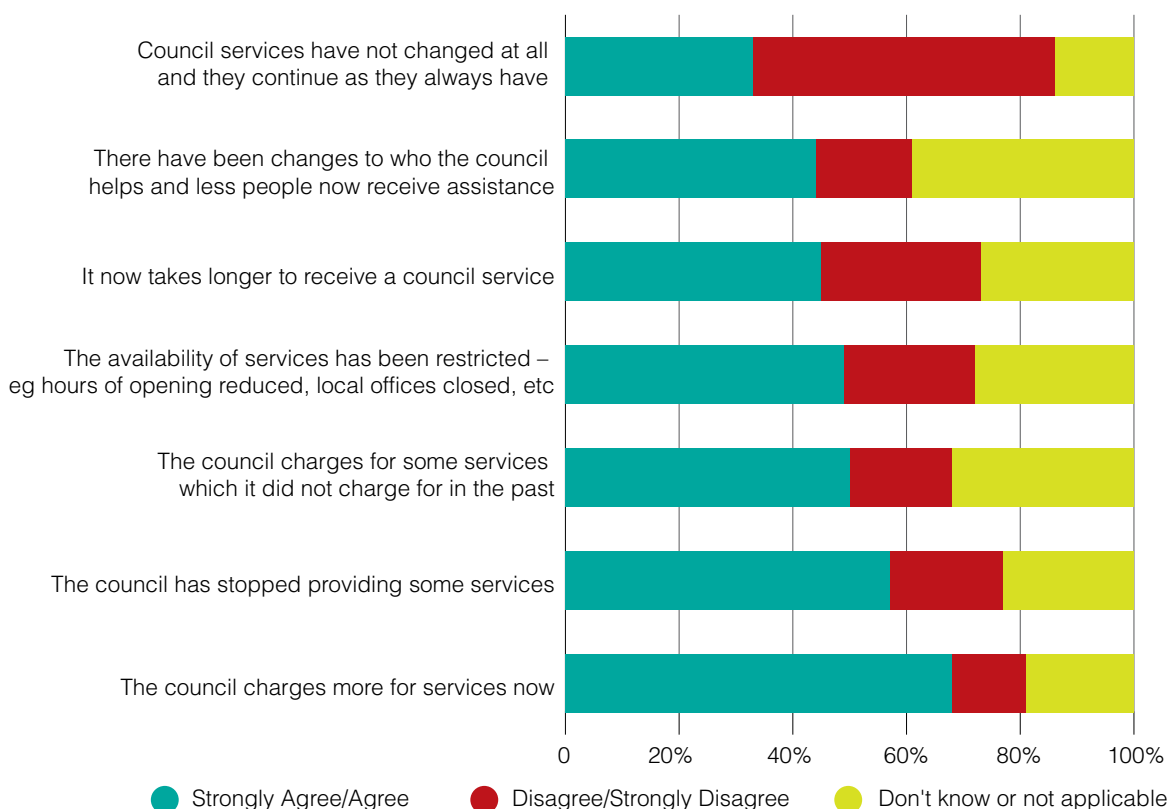
Source: Wales Audit Office, Citizen Survey, March 2017.

- 2.26 Positively, the majority of citizens continue to see the local government as their first point of contact when they require help to resolve their homelessness problems. Whilst citizens recognise that authorities need to equip them to become more self-resilient, the majority of respondent to our survey (78%) want their local authority to continue to act as a safety net to provide help and assistance if they are unable to address their homelessness or other problems themselves. People want their local authority to ensure that the advice and information they need is made available, either directly by authorities or indirectly by partners who work with the local government.
- 2.27 We also found that citizens are conscious of the need for local authorities to make the best use of their resources and support moving services online, sharing offices with partners and providing more services in the community and to people's homes. Just over half of respondents to our survey also recognise that the local government needs to prioritise where it spends its money. Whilst less than a third of people support increasing council tax charges to continue to pay for services, there is growing recognition that there may be a need to increase charges for services to ensure they continue to be made available.

2.28 We found through our fieldwork that local authority responses, following implementation of the 2014 Act, are too often focussing on their immediate challenges and authorities are not always taking a sufficiently strategic and preventative view on how best to meet need in the medium to long-term. Whilst a third of citizens who responded to our survey ([Exhibit 6](#) below) have seen no discernible change in the services they receive from local government, the majority noted that from their experience, all authority services, including homelessness, are becoming less visible, available and accessible. Such choices, which are often made for very valid financial reasons, limit the potential to engage with service users quickly to prevent homelessness from occurring.

Exhibit 6 – Thinking about the services your council provides, in your experience, to what extent do you agree or disagree that...

Changes made to homelessness and other local government services affect how homeless people and others access and use authority services.



Source: Wales Audit Office, Citizen Survey, March 2017.

2.29 Too few local authorities are engaging users of homelessness services in their plans for the future, and therefore the authority's expectations of what is possible may be set unrealistically high. Consultation tends to be piecemeal and a 'one-off' set piece rather than a well-integrated, considered conversation with residents, partners and opinion formers. Some local authorities do analyse findings and set out what changes as a result, but most local authorities do not. For instance, Cardiff City and County Council regularly consults with local people on a wide range of policies, plans and proposals affecting the local community. The Ask Cardiff section of the authority's website includes an analysis of results of surveys conducted by the Council led Cardiff Research Centre.

Part 3

Homeless people or those at risk of homelessness get very different solutions depending on where they seek help in Wales



- 3.1 Local authorities recognise that preventing homelessness is a better outcome for homeless people. For many local authorities homelessness prevention is attractive in its potential contributions to financial savings, as well as easing the pressure on existing housing resources. A prevention-centred approach is, however, not an easy option for a local authority. Effective prevention work generally requires a more proactive approach, and demands greater flexibility and effort in order to achieve results. Authorities need to make available a range of options, directly and indirectly with partners, to make the most effective and long-term beneficial impact for a homeless, or potentially homeless, person.
- 3.2 In this part of the report we consider the range of options being used by authorities to address homelessness demand. We review current partnership arrangements, in particular the duty placed on local authority social services and housing associations to collaborate to prevent homelessness. We conclude this part of the report with an analysis of the effectiveness of local authority performance in preventing homelessness.

Most authorities have developed a range of choices to address homelessness but opportunities to broaden options remain

- 3.3 To address homelessness local authorities need to ensure that they have a range of options available to them to both prevent someone from losing their home and to secure accommodation where the authority has a duty to provide settled accommodation. A broad range of effective solutions, provided either directly or in partnership with other organisations, is essential.
- 3.4 Part 2 of the 2014 Act provides authorities with options to use the private rented sector to assist applicants and to bring their homeless duties to an end where the accommodation provided is both suitable and available for a minimum period of six months. This is an important change to the former legislation governing homelessness in Wales. Previously an authority's duty required them to secure settled accommodation, primarily using social housing. The 2014 Act therefore provides authorities with potential access to a wider range of property to discharge their homelessness duties, in particular the private rented sector.

- 3.5 Work with private landlords needs to be carefully managed to ensure homeless people are able to access private rented homes. To achieve this, a number of authorities have appointed staff to develop their work with landlords to improve access to properties. For example, the City and County of Swansea Council, Carmarthenshire County Council and Bridgend County Borough Council have all recognised the importance of engaging with private landlords and have invested resources in developing and managing these relationships. Authorities are also creating funds to support their work with private landlords providing rent in advance, bonds or rent guarantees as a means of encouraging joint working to secure accommodation for homeless people.
- 3.6 Whilst the 2014 Act allows greater use of the private rented sector, authorities note that securing homes from private landlords is not always easy. The introduction of mandatory licensing of private rented homes under the Rent Smart scheme¹⁹ has resulted in some landlords electing not to continue to rent homes because the licensing regime is considered too onerous. For example, landlords or their agents have to undertake approved training to obtain a licence. Licences are issued subject to a condition that the Code of Practice issued under the 2014 Act is adhered to.
- 3.7 We found that the range of options used by authorities has generally increased since the introduction of the 2014 Act. For example, all 22 authorities use grants or loans to cover rent deposit schemes for accommodation in the private rented sector, which help homeless people resolve their housing predicament. In 18 of the 22 authorities grant provision has increased since April 2015. Similarly, all authorities provide support to homeless people to help manage debt or rent/mortgage arrears, and 15 have seen an increase in this provision under the 2014 Act. Similarly, all 22 authorities are able to use mediation²⁰ services and in ten authorities provision has increased in the last two years.
- 3.8 Whilst the range of assistance provided by local authority homelessness service is increasing, we found that some authorities are yet to develop a comprehensive suite of solutions to tackle homelessness. For instance, eight authorities do not use guarantee of payment schemes. Nonetheless, since the 2014 Act options to prevent and address homelessness are increasing and authorities are focussing on providing a wide range of options to tackle homelessness. Our detailed analysis is set out in [Appendix 6](#).

¹⁹ Rent Smart Wales processes landlord registrations and grants licences to landlords and agents who need to comply with the Housing (Wales) Act 2014. Rent Smart Wales is hosted by Cardiff Council who ensures compliance with the legislation in partnership with the other 21 Welsh local authorities.

²⁰ Mediation is a process for resolving disagreements in which an impartial third party (the mediator) helps people in dispute to find a mutually acceptable resolution.

- 3.9 Despite this positive picture, authorities face some challenges. Whilst the majority of authorities report that their preventative work is more effective following introduction of the 2014 Act, many state that success in preventing homelessness has only been possible because of the ring fenced grant from the Welsh Government. 15 of the 22 authorities also report that key services required to help prevent people becoming homeless in their area are currently unavailable or not available to the levels they need to meet demand. In particular, specialist housing for specific difficult to house groups, such as people with substance misuse issues, rough sleepers and young single people; affordable private rented accommodation; and supporting people services²¹.
- 3.10 One important service that all authorities state is critical to prevent people becoming homeless, are Supporting People services. Further information on how the total Supporting People budget of £124 million per annum is broken down and spent across the different categories of support can be found in the Auditor General's recent report on the Welsh Government's Supporting People Programme²². In brief, whilst spend within the Supporting People Programme specifically on generic floating support services for homelessness prevention has fallen by 25% from £21.3 million to £15.9 million between 2013-14 and 2016-17, the number of units of support has risen from 4,498 to 4,933 in this period. The pattern of supporting people services to homeless people is changing. Fieldwork authorities stated their use of generic floating support services for homelessness prevention allows them to proactively avoid homelessness from occurring or re-occurring.
- 3.11 We found that some authorities are using their Supporting People funds creatively. For example, the City and County of Swansea Council uses Supporting People monies to directly engage homelessness prevention officers to deliver prevention work, and Carmarthenshire County Council uses it to improve access to properties in the private rented sector and work with private sector landlords.

21 The Supporting People programme provides housing-related support to help vulnerable people to live as independently as possible. The Welsh Government invests over £124.4 million annually supporting more than 57,000 people to live as independently as they can. Supporting People funds housing related support services that a landlord (such as a housing association) or other provider such as a voluntary organisation can provide. Support means advice and help to make it easier for vulnerable people to maintain their independence. People can receive support in a hostel or in sheltered housing or other type of supported living as well as their own home through 'floating support services'.

22 [Supporting People Programme](#).

3.12 However, some authorities have not successfully aligned their Supporting People service with the prevention of homelessness. Joint working between local authority homelessness and Supporting People teams is often dependent upon internal authority management arrangements. Supporting People services located in Social Care departments often focus on social care priorities, and homelessness and housing services can be overlooked. Authorities we visited who are making best use of Supporting People monies to prevent homelessness are generally better integrated with housing teams and are good at incorporating homelessness data to inform their supporting people commissioning decisions. Generally, we found that such integrated planning results in better access to support services for homeless people.

Collaboration is seen as critical to preventing homelessness but the required contribution from partners is not always provided

3.13 In recognition of the need to seek holistic solutions to better meet the needs of homeless people, the Welsh Government strengthened collaboration and partnership duties in the Housing (Wales) Act 2014. Section 95 places a duty on local authorities to promote co-operation between housing (homelessness) services and social services. Section 95 also places a duty to co-operate with named bodies, in particular housing associations. Both the local authority Social Services and housing association partners must comply unless the action proposed is incompatible with their duties, or has an adverse effect on their functions. In these circumstances a written reason must be provided as to why a Social Services or housing association is not intending to comply with their duty under the 2014 Act.

- 3.14 Given these new arrangements, the role of partners is integral to a local authority's success in preventing homelessness. This is recognised by homelessness services across Wales with 20 of the 22 authority responses to the Welsh Government's survey noting that the 2014 Act is resulting in stronger cooperation between local authority services, especially with social services, to help address homelessness. Whilst a small number of authorities highlight positive developments with, for example, environmental health officers and estates teams working together, joint working with the wider range of public sector services is mostly under-developed. In particular, ongoing issues around poor discharge coordination with inadequate timescales to effectively manage the needs of clients who are often released from institutions without any pre-planning or engagement with homelessness services. A number of authorities similarly identified challenges to the operation of the Prisoner Pathway²³, including late notification of release and a lack of early planning between the relevant organisations.
- 3.15 Integrating processes is also an effective way of changing systems from allocating and rationing resources to finding the best solution in the medium to long-term. Capturing all potential needs/issues once, and sharing information with all relevant public bodies, improves efficiency and encourages holistic management responses for example by reducing the need to keep asking for personal information from applicants, and to adapt computer software that can track users from the point of entry into the system to successful conclusion.

²³ The Prisoner Pathway is a Welsh Government initiative for people who are facing homelessness when leaving prison to enable them to receive better support to improve their access to a secure home, rather than staying in bed and breakfast accommodation.

Newcastle City Council's Active Inclusion Newcastle partnership to address homelessness

Newcastle City Council's Active Inclusion Newcastle (AIN) partnership is integrating services in response to the growth in demand for homelessness prevention advice and support. They help residents go through the transition needed when facing cuts in benefits payments. This is important because the council estimates Newcastle residents will lose £134 million annually by 2021-22. The top priority is to align budget processes to support the most vulnerable to prevent crisis. This includes integrating partner's staff training programmes and investing in research to develop a richer understanding of the balance of individual, systemic and structural causes of exclusion. In 2016 AIN trained 959 staff how best to talk to residents about digital, financial, employment and housing issues. As a result, no bed and breakfast accommodation was used since 2016, 3,775 cases of homelessness were prevented in 2015-16, and evictions reduced by 76%. In addition, 931 households were provided with emergency food, fuel, clothing or travel support; and membership of the Moneywise Credit Union increased to 8,276.

- 3.16 We found that some fieldwork authorities are improving joint working through, for example, co-locating services with partners. Sharing offices allows partners to identify people's support needs more quickly and make better quality referrals for support to take place. Officers told us that co-location is also allowing statutory and third sector agencies to develop and gain a greater insight into how each other operates, and is resulting in more rounded options to resolve people's homelessness situation.
- 3.17 However, a number of authorities also raise concerns that joint working with partner agencies is not always effective and needs to improve, particularly in respect of housing associations. Only eight of the 22 authorities note an improvement in joint working with housing associations. Whilst eight authorities have seen no discernible change in joint working since the introduction of the 2014 Act, six note that from their experience the 2014 Act is not resulting in more effective cooperation with housing associations.

- 3.18 Those authorities that have established effective working arrangements with housing association partners generally have some common characteristics. There are often a common housing register and a common allocations policy²⁴ in place and joint operational policies covering for example, pre-tenancy engagement, debt advice, tenancy support and training. Better performing partnerships also formalise their relationship in agreements between local authorities and housing associations which set out how they will operate to both prevent homelessness – for example, by avoiding or seeking alternatives to evictions for rent arrears and anti-social behaviour – and maximise the accommodation and support they make available to resolve homelessness.
- 3.19 However, we found that in other authority areas the relationship is not yet as well developed and the housing associations duty to comply in preventing homelessness is not always effective. In particular, choices made by some housing associations are reducing some local authorities' abilities to deliver their homelessness duties. For instance, housing associations may exclude certain individuals from housing registers and/or an allocation to an empty home either because they have been assessed as being unable to afford the rent and rehousing them would set them up to fail, or because they are considered as being unable to manage a tenancy.

24 Common Housing Registers provide a single point of access for all people seeking social housing in a local authority area providing applicants with more choice and a more efficient service by removing the requirement for them to apply multiple times to different organisations. A Common Allocations Policy sets out how landlords prioritise who they house with all landlords following the same priorities for letting a home rather than operating their own individual policies. This both simplifies the process for letting homes but also increases the prospects of those in the greatest housing need (to whom local authorities have statutory duty) securing housing.

- 3.20 Similarly, some authorities highlight issues of concern over rent levels with some Association rents considered too high for homeless clients. In particular, housing developed without social housing grant²⁵ and let on intermediate or market rents²⁶ which are higher than housing benefit thresholds are seen as beyond the reach of homeless people.
- 3.21 Unaffordable rents is a growing risk for a number of authorities we visited who commented that some association rents exceed housing benefit levels and are unaffordable for many homeless clients, even those in work. For example, median gross weekly earnings for full-time adults working in Wales were £492.40 in April 2016. This is 91.4% of the average for the UK (£538.70). Median gross weekly earnings in Wales were the second lowest amongst the 12 UK countries and English regions²⁷.
- 3.22 Of particular concern for local authority homelessness services are the difficulties single people face in accessing association housing, specifically young single people. This is especially worrying as homelessness data shows that single people account for a large number of those threatened with homelessness and proportionally are increasing. In 2015-16 43.9% of all those who were threatened with homelessness were single people. In 2016-17 this increased to 47.6%. With regard to provision of temporary accommodation, the proportion of single provided with assistance has remained consistently high with single people accounting for broadly 60% of all those provided with temporary housing by authorities in each quarter since April 2015.

²⁵ Social Housing Grant is a grant given to housing associations by the Welsh Government to provide new affordable housing for rent or low cost home ownership.

²⁶ Intermediate and market rented properties owned by housing associations. Market rented properties have rent levels the same as private renting. Intermediate rents are typically set at 80% (or less) of market rents.

²⁷ Annual Survey of Hours and Earnings: 2016 provisional results, ONS, October 2016.

- 3.23 Associations we interviewed noted that authorities have often not clearly set out how they intend to work with their partners to deliver the Section 95 duty to cooperate. Protocols or frameworks that clearly set out expectations on associations are not in place and little work has been undertaken to quantify an authorities homeless service expectations. A number of association staff note that local homelessness partnership forums – which can provide an effective opportunity to review current performance and identify opportunities to improve how services are delivered – often do not meet or are ineffective at addressing problems. Because of poor engagement, authority homelessness teams are not clearly setting out their expectations of partners and authority leadership on homelessness is considered limited and ineffective.
- 3.24 The accuracy and flow of information between authorities and associations can often be inadequate. Several association staff members highlighted ongoing difficulties with the quality of referral data under nomination agreements. Too often key information from local authorities is inaccurate or absent which delays or stops a nomination for housing progressing. Given our findings – which echo recent research by Shelter Cymru in 2016²⁸ and Community Housing Cymru²⁹ and the Welsh Local Government Association in 2014³⁰ – there are ongoing challenges for partners delivering Section 95 of the 2014 Act.

28 Accessing and sustaining social tenancies: exploring barriers to homelessness prevention, September 2016, Shelter Cymru.

29 Community Housing Cymru is the representative body representing more than 70 not-for-profit housing associations and community mutuals in Wales.

30 Partnership working and homelessness: research on co-operation between housing associations and local authorities in respect of homelessness, Community Housing Cymru, Welsh Local Government Association and Welsh Government, March 2014.

National Performance Indicators suggest some success in preventing homelessness, but authorities' performance varies too widely and there is an insufficient focus on demonstrating services are available to all

- 3.25 Prior to the introduction of the Housing Act 2014, local authorities in Wales collected data against a range of indicators across their homelessness and advice services collated and published nationally via StatsWales³¹. Data covered a range of inputs – for example, the number of individuals/families applying for homelessness assistance – and outputs such as the decisions made in respect of individual applications to an authority.
- 3.26 In developing the new homelessness legislation the Welsh Government recognised that new data sets and indicators are required to be able to evaluate the implementation of the 2014 Act³². New performance measures were introduced from April 2015 and focus on three key areas: firstly, whether the number of people threatened with homelessness is increasing or falling; secondly, how successful authorities are at preventing homelessness; and finally, whether use of temporary accommodation is increasing.

The number of people threatened with homelessness is rising but performance by authorities in successfully preventing homelessness is beginning to fall

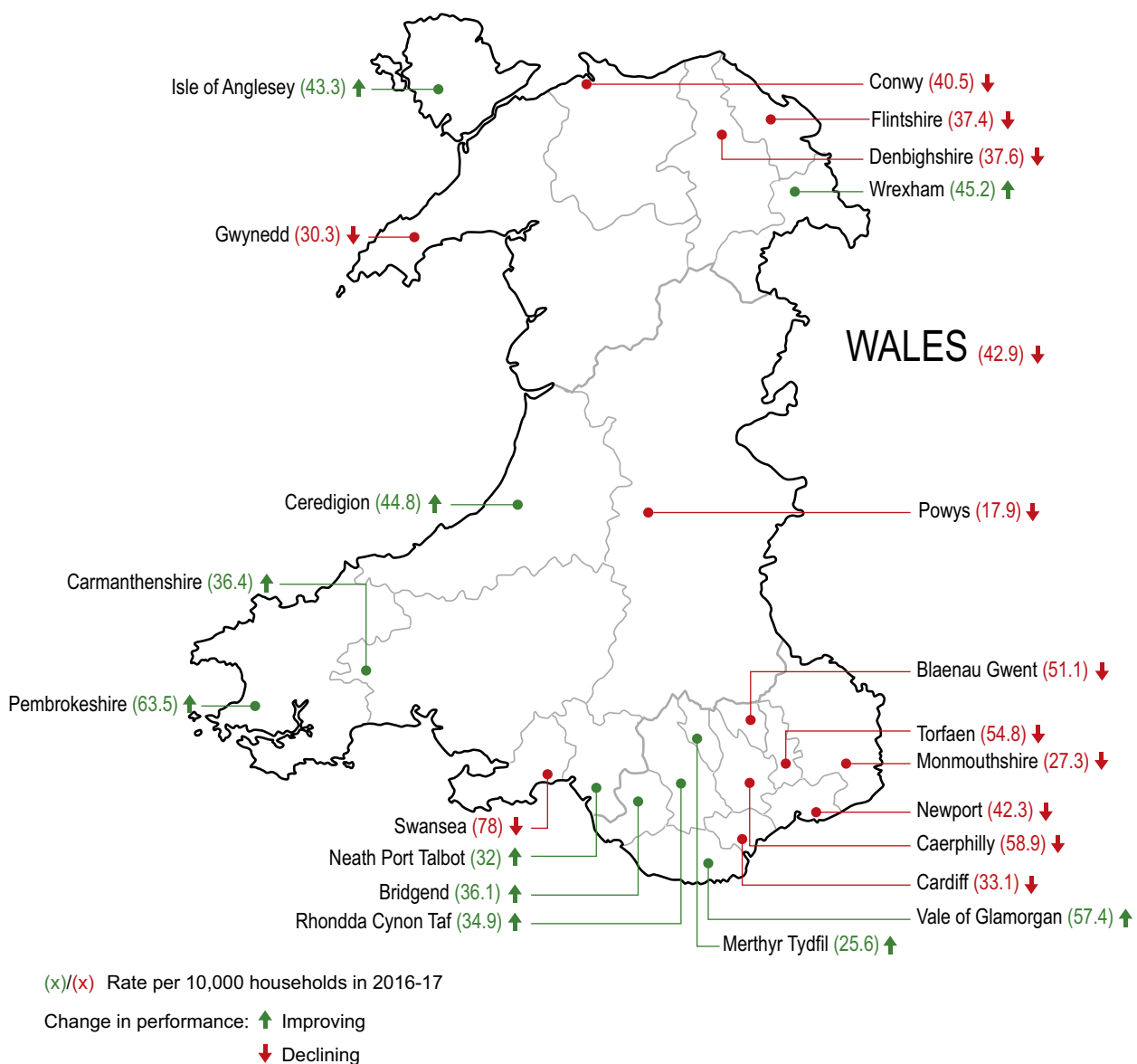
- 3.27 Since the introduction of the 2014 Act the number of households threatened with homelessness who have approached local authorities for assistance has significantly increased, rising by almost a third (29.2%) from 7,218 in 2015-16 to 9,210 in 2016-17. The main threat of homelessness remains loss of rented or tied accommodation, parents no longer willing or able to accommodate, and breakdown in relationship with partners. Only the number of potentially homeless people discharged from an institution or care facility (eg hospital, residential home, army etc.), and those experiencing violence and harassment fell between 2015-16 and 2016-17. [Appendix 7](#) provides a detailed analysis of the reasons people are threatened with homelessness at an all Wales level in 2015-16 and 2016-17.
- 3.28 With regard to preventing homelessness, there is a mixed picture on how effective authorities are – [Exhibit 7](#).

31 StatsWales provides data on a range of services provided by public bodies in Wales.

32 Because of changes to the performance management framework, it is not possible to compare performance in 2015-16 and 2016-17 with data in previous years as the definitions changed and do not allow for a like-for-like comparison.

Exhibit 7 – Percentage of households successfully prevented from homelessness and homelessness rate per 10,000 households in 2015-16 and 2016-17 by local authority and all Wales average

There is a wide range of performance in preventing homelessness with the best authorities preventing over 70% of homeless cases. Conversely, poor performing authorities are delivering successful prevention actions in less than 50% of cases.



Source: HOUS0415: Prevention of Homelessness by Area and Measure (Section 66), Annual data return to StatsWales. This data has not been audited.

Local authority	2015-16 (%)	2016-17 (%)
Gwynedd	84.5	77.5
Pembrokeshire	68.8	73.4
Caerphilly	78.2	73.3
Isle of Anglesey	60.1	72.8
Swansea	75.4	72.6
Ceredigion	69.3	70.8
Bridgend	64.2	66.6
Wrexham	59.4	64.2
Carmarthenshire	53	64.2
Rhondda Cynon Taf	48.7	63
Flintshire	75.9	62.8
Powys	71	61.3
Wales	64.5	62.1
Merthyr Tydfil	44.4	61.1
Monmouthshire	73.8	58.4
Conwy	70	57.9
Vale of Glamorgan	53.9	56.5
Neath Port Talbot	52.2	54.6
Denbighshire	55.1	54
Cardiff	70.6	52
Blaenau Gwent	58.6	51.9
Torfaen	64.1	49.8
Newport	62.5	49.3

- 3.29 The Exhibit shows that whilst the proportion of cases where homelessness has been prevented only marginally fell between 2015-16 and 2016-17, in some authorities there have been significant changes. Overall ten authorities have seen an increase in the percentage of homelessness they prevent and 12 have seen a fall in performance. The most notable improvements are in Merthyr Tydfil and Rhondda Cynon Taf where performance improved by over 15 percentage points. Conversely, four authorities record reductions in prevention work of roughly 15 percentage points, most notably Cardiff which has seen a 20 percentage points decline in prevention work. In respect of the rate of successful preventions per 10,000 households – the probability or ratio of a certain outcome happening for the wider population in an area – performance is similarly wide ranging. In 2016-17, Powys are preventing homelessness for roughly 18 households per 10,000 population compared to Swansea who successfully prevent homelessness for 78 households out of every 10,000 households.
- 3.30 Local housing authorities have a duty to secure temporary accommodation for homeless households. For example, households might be placed in temporary accommodation pending the completion of inquiries or they might spend time waiting in temporary accommodation after a homeless application is accepted until suitable secure housing becomes available. We found that the number of households placed in temporary accommodation continues to rise in Wales, by 7.5% from 1,872 households at the end of June 2015 to 2,013 households at the end of March 2017. [Appendix 8](#) provides a more detailed analysis of the change in temporary accommodation by quarter in 2015-16 and 2016-17.
- 3.31 Taking these three key measures of performance together, the data shows that the number of people who are threatened with homelessness in Wales is increasing, successful prevention work is declining, and use of temporary accommodation is growing. Whilst this information only covers two years of activity, our analysis suggests that authorities face some significant challenges in managing and preventing homelessness. This is echoed by recent research by Shelter Cymru³³ which suggests that the official statistics undercount the level of homelessness by roughly 3,000 households in 2016-17.

33 Reasonable steps: experiences of homelessness services under the Housing (Wales) Act 2014, Shelter Cymru, 2016.

- 3.32 Whilst StatsWales data on homelessness is useful to measure aspects of performance, the current focus of activity does not always give an indication of either the quality of the service provided, or the success of local authority interventions in addressing homelessness. For example, performance indicators are still too limited to provide a robust and meaningful picture of how 'successful' homelessness services are in dealing with the complex needs of clients, and too often judge performance on short-term inputs and outputs not longer-term impact and improvement for individuals.
- 3.33 A small number of authorities also acknowledge they have some practical challenges in effectively measuring and managing their homelessness performance. Three authorities state that they do not have sufficient resources and capacity to review performance, and five that they are either in the process of or planning to upgrade their homelessness IT systems to be able to record and monitor their homelessness performance more accurately.

Local authority performance management arrangements do not focus sufficiently on demonstrating that services are provided equally for all citizens which undermines their ability to fully meet the Public Sector Equality Duty

- 3.34 The Equality Act 2010 brings together and replaces previous anti-discrimination laws with a single Act. It aims to make it more consistent, clearer and easier to follow in order to make society fairer. The Equality Act 2010 aims to remove inconsistencies and make it easier for people to understand and comply with it. An important aspect of the Equality Act 2010 is the creation of the public sector equality duty.
- 3.35 Under the Public Sector Equality Duty (PSED), listed bodies are required to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the act. Listed bodies must also advance equality of opportunity between people who share a relevant protected characteristic and those who do not. They should also seek to foster good relations between people who share a protected characteristic and those who do not. Public authorities are listed in Schedule 19 of the Equality Act and include local authorities.
- 3.36 The broad purpose of the PSED is to integrate consideration of equality and good relations into the day-to-day business of local authorities. Importantly, the PSED requires authorities to consider how a function can affect different groups in different ways. Failure to do this can contribute to greater inequality and poor outcomes simply because services are configured and delivered in ways that people with protected characteristics are unable to use them.

3.37 Key to complying with the PSED is to ensure that there are robust monitoring and evaluation arrangements in place. By monitoring protected characteristics data, local authorities should ensure that access to services is equal to all, and that those most vulnerable can be identified and treated appropriately. The findings of our review suggest that there are some significant weaknesses in current arrangements, and some authorities are not complying with their responsibilities under the PSED.

3.38 **Exhibit 8** below summarises the findings of the Welsh Government’s survey of local authorities on the implementation of the 2014 Act in respect of people with protected characteristics. Current performance falls short of the requirements of the Equality Act 2010 and local authorities are not able to consistently demonstrate how their homelessness services meet their PSED responsibilities.

Exhibit 8 – Coverage of local authority monitoring systems for homelessness people and those threatened with homelessness with protected characteristics.

Protected characteristics, as defined in the Equality Act 2010	Number of Welsh local authorities collecting this information
Age	15
Disability	15
Gender reassignment	12
Marital status (including Civil Partnership)	11
Pregnancy and maternity status	15
Race (includes race, colour and nationality – citizenship, ethnic or national origin)	14
Religion or belief	12
Sexual orientation	13
No equalities data collected	6

Source: Post-implementation evaluation of the homelessness legislation (Part 2 of the Housing Act (Wales) 2014) Interim Report, 8 August 2017, Welsh Government.

Part 4

Local authorities and partners need to focus on tackling the underlying causes of homelessness but are not giving this sufficient focus in their strategic responses



- 4.1 In preceding sections of this report we have set out how local authorities are responding to the challenge of preventing homelessness. The Housing Act (Wales) 2014 fundamentally changed the statutory responsibilities of local authorities by shifting the focus of their work away from investigating and assisting only those who met strict criteria, to preventing homelessness wherever possible.
- 4.2 The rationale and benefits of prevention work is very clear. For homeless people there should be less personal disruption and uncertainty with local authority support and assistance seeking to maintain occupation where possible in the current home. For local authorities, there should be a more effective use of resources to better manage demand through proactive engagement with clients at a far earlier stage, and before they present for assistance in crisis.
- 4.3 Despite the changes made by the 2014 Act, the timing of local authority responses are also still focussed at the point when people are in crisis and losing their home. The underlying causes of homelessness – the reasons why certain groups in society are more at risk than others – remain unchallenged.
- 4.4 In this section of the report we consider how well positioned local authorities are to deliver sustainable solutions that prevent homelessness from occurring. The Wellbeing of Future Generations Act 2015 provides an opportunity for authorities and partners to take a long-term, preventative approach working in collaboration through integrated services that involve and meet citizens' needs. There are some important lessons for public bodies to draw from the approach to homelessness prevention in how they manage demand in other areas of activity.

Local authorities and partners continue to deal with the symptom of homelessness not its cause

- 4.5 Homelessness is often caused by a complex interplay between a person's individual circumstances and adverse 'external' factors outside their direct control. Personal factors such as a lack of qualifications, lack of social support, debts – especially mortgage or rent arrears – poor physical and mental health, and getting involved in crime at an early age. Family background is also recognised as a contributory factor particularly relationship breakdown and disputes, sexual and physical abuse in childhood or adolescence, having parents with drug or alcohol problems, and previous experience of family homelessness³⁴. These problems can also build up over years until the final crisis moment when a person becomes homeless.

³⁴ Tackling Homelessness: A Rapid Evidence Review, Public Policy Institute for Wales, February, 2015.

- 4.6 The impact of demand for public services and dependency on them can be generational and require long-term commitment and focus from public bodies to address. For example, health inequalities, poverty, educational attainment, and dealing with long-term unemployment. Homelessness can be caused by structural issues, social and economic factors often outside the control of the individual or family concerned such as:
- a poverty, which is often linked to unemployment or low wages;
 - b a lack of affordable housing and wider local and national policies for housing on allocations, exclusions and tenancy management;
 - c wider national policy developments, such as the closure of long-stay psychiatric hospitals; management of immigration and asylum; decisions on discharge from prisons and the armed forces; and
 - d UK government welfare policies – particularly the restructuring of the whole system of working age benefits with the introduction of Universal Credit, the benefit cap, single room subsidy and revised sanctions.
- 4.7 Research in Wales and across the UK³⁵ shows that these structural and individual factors are often interrelated and are the underlying cause of homelessness. Individual issues can arise from structural disadvantages such as poverty or lack of education. While personal factors, such as family and social relationships, can also be put under pressure by structural forces such as poverty. These are ultimately the reasons why certain individuals and groups and in society are more at risk of becoming homeless than others. Homelessness is consequently the result of service failure, wider-economic impacts and a complex range of generational problems.

³⁵ The homelessness monitor: Wales 2015, Crisis, August 2015; and Tackling homelessness and exclusion: understanding complex lives, Homeless Link, September 2011.

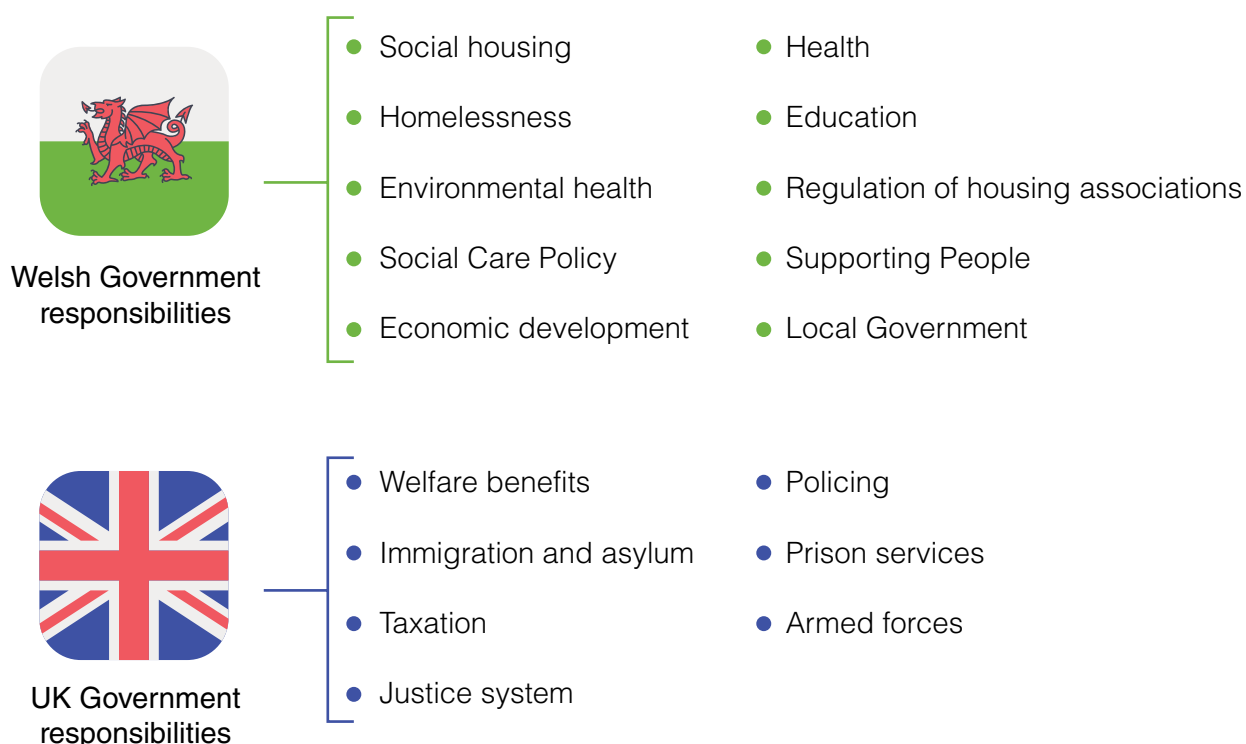
Homelessness is often influenced by decisions that public bodies in Wales cannot affect or prevent

- 4.8 Addressing these structural issues also requires long-term policy solutions such as changes in the housing benefit system, the building of more affordable homes and joined up policy making across housing and other services. Resolving the impact of policy³⁶ choices on homeless people can be complicated as responsibilities for different programmes, funding streams and organisations are split within the UK and not always devolved to Wales. Demand for public services can therefore be created as a result of individual policy choices; by unintended consequences of policy choices; and/or exacerbated where different policy decisions are poorly framed or not aligned and work against each other.
- 4.9 Tackling complex problems like homelessness clearly benefits from alignment of policies to maximise the positive impact of some choices and limit the unintended consequences of others. However, where policies do not complement each other, problems can occur. **Exhibit 9** shows the complexity of policy devolution in Wales. The Welsh Government is responsible for many areas of daily life in Wales. These areas include: education, health, local government, environmental health, economic development and social services. However, the UK Government is still responsible for certain public services in Wales, for example immigration, policing, prisons and the justice system. Most importantly for homelessness it is the Westminster Government which sets the policy for tax and welfare benefits.

36 Generally speaking public policy is what the government chooses to do, or not to do. It is a decision made by the government to either act, or not act in order to resolve a problem. Public policy is a course of action that guides a range of related actions in a given field. They rarely tackle one problem, but rather deal with clusters of entangled and long-term problems.

Exhibit 9 – Policy responsibilities of the UK and Welsh Governments that affect homelessness in Wales.

Areas of policy making that can impact upon a local authorities ability to prevent homelessness



Source: Wales Audit Office analysis.

4.10 One of the significant impacts of the 2014 Act for the local government in Wales is the broadening of responsibilities to single people. Local authorities are now required to provide help to everyone at risk or homelessness, a significant departure from the previous system where many single homeless people were not provided with the same level of support and assistance as they receive now. As our research identifies, single people now account for almost half of those who are threatened with becoming homeless who approach local authorities for assistance and nearly two-thirds of those who occupy temporary accommodation. Single people account for a considerable amount of local authority's homelessness work.

4.11 Whilst the Welsh Government emphasises the importance of local authorities seeking to meet the needs of homeless single people through better use of the private rented sector, and delivery of a broader range of options to resolve homelessness, this is made difficult because of the impact of conflicting policy choices of the UK Government. These are policies made in Westminster which impact public bodies and citizens in Wales, but neither the Welsh Government nor local authorities are able to influence these. In particular, as noted above in paragraphs 3.22 and 3.23, the difficulties of addressing single homelessness, especially young people aged between 25 and 34 years old, who present a particular challenge for authorities and their partners.

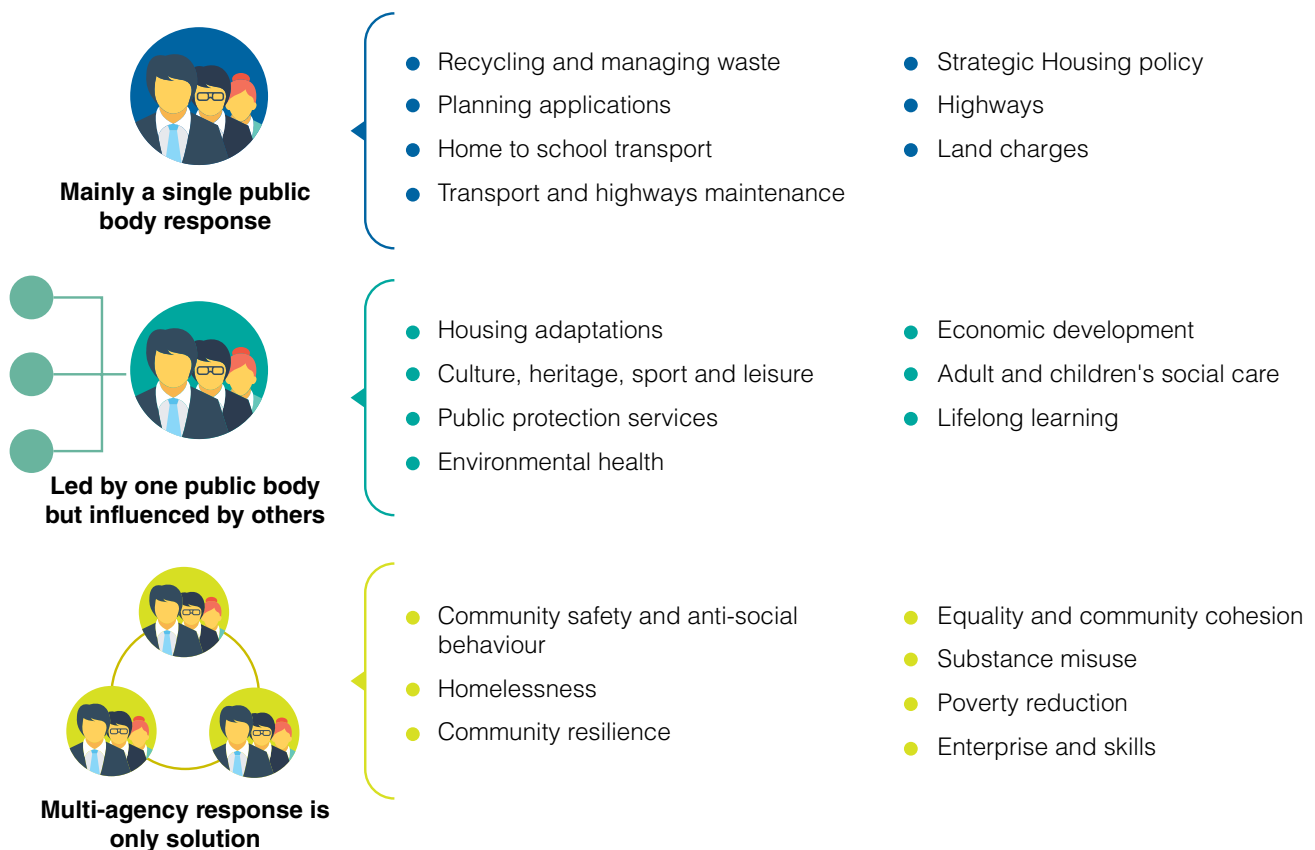
Addressing homelessness demand is often seen as a single body's duty rather than a wider public service responsibility

4.12 To tackle the intricate problems of homelessness requires a response from a range of public and third sector bodies not just local authorities. Local authority housing service cannot resolve the complex inter-related issues of homelessness alone. Homelessness is more than a housing problem with much of what causes homelessness being outside the control and influence of local authorities' homelessness services. However, despite this, it is the local authority which has the statutory duty to prevent and address homelessness.

4.13 When developing the 2014 Act the Welsh Government recognised that tackling homelessness is wider than a local authority housing service and a multi-agency response is required to be truly effective. Hence the decision to create specific duties under Section 95 for local authority social services and housing associations to co-operate with homelessness services. However, as noted above, the duty to cooperate is not working consistently across all of Wales and the key partners that can contribute to tackling and preventing homelessness from occurring are not always effectively supporting this outcome.

4.14 **Exhibit 10** sets out the complicated picture of policy and delivery with an increasing number of services and functions being influenced by and dependent upon others. Whilst it is positive that the current statutory framework seeks to encourage some agencies to manage demand and support the housing outcomes of homeless people, it does not go far enough. It falls short of being a fully preventative multi-agency approach that goes beyond housing interventions, and it needs to be much broader than the duty to cooperate placed on local authority social services and housing associations. Local authorities and others contribute to tackling homelessness in a variety of other indirect ways. For example, by encouraging local economic development; as a major employer in the area; through the development of new infrastructure, homes and transport; and, most importantly, as the key agency in Public Service Boards³⁷ and other areas of multiagency partnership work focused on homelessness.

Exhibit 10 – The interlinkage between public bodies in the delivery of services to citizens.

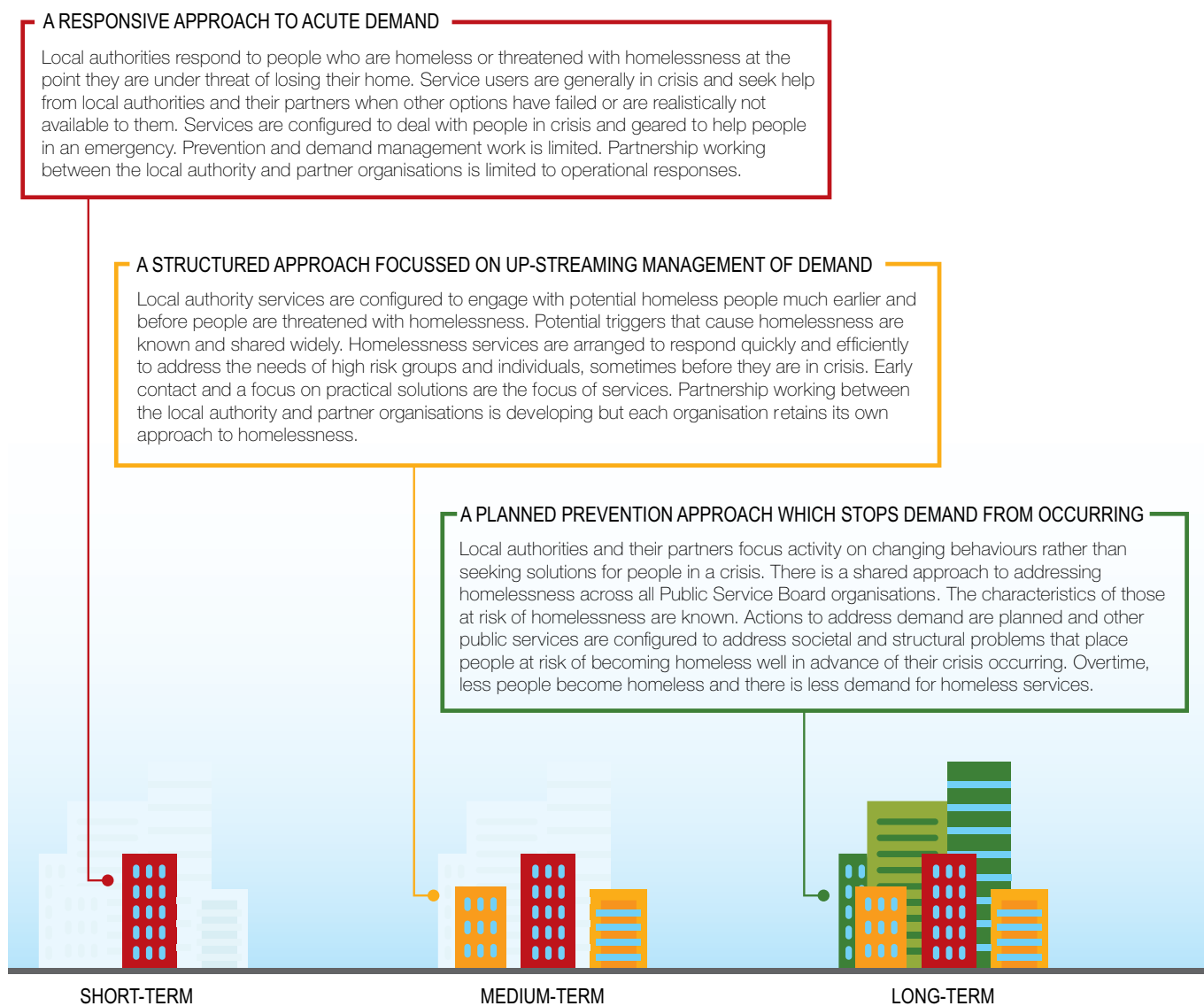


Source: Wales Audit Office analysis.

³⁷ The purpose of Public Services Boards is to improve the economic, social, environmental and cultural well-being in its area by strengthening joint working across all public services in Wales.

- 4.15 Whilst becoming homeless is a visible 'symptom' of a homeless person's moment of crisis, the provision of housing or support to maintain housing is still a 'crisis' response. Much of the current work of local authorities in preventing homelessness is still reactive with services focussed on dealing with people when they are in crisis rather than stopping them getting into crisis in the first instance. For local authorities and their partners to tackle the fundamental and underlying causes of homeless requires them to take a long-term strategic approach.
- 4.16 From our review we have identified three levels of sustainable prevention work that influence the levels of demand for a service – [Exhibit 11](#). We classify most authorities as operating at level one or two, focussing resources on short to medium-term responses but dealing with people who are generally in crisis. Responses are mostly driven by a single service perspective and collaboration operates at the margins of activity rather than centrally driving decisions. Consequently, prevention responses do not make the most of all resources within the local authority and with partners to build solutions that are aligned to manage demand and reduce long-term dependency on services. Overall, we have concluded that no authority has yet progressed to level three taking a truly long-term preventative approach focussing services on the enduring societal issues that create homelessness.

Exhibit 11 – The sustainability of approaches to managing demand for homeless services.



Source: Wales Audit Office.

- 4.17 To achieve a truly sustainable and long-term approach that prevents homelessness from occurring requires political buy-in. Authorities need a clear vision and strategy that transcends public bodies which understands what people need; what their demands are; and consider the most effective way of reducing demand and any over-dependency on public bodies. It is vital that local politicians lead a new conversation with citizens that is more collaborative. Citizens and users need to be ready and prepared for any changes and public bodies need to recognise that no single body can deal with demand, they need to collaborate and it will require joint processes and systems.
- 4.18 Sections 50 to 52 of the Housing (Wales) Act 2014 requires authorities to periodically undertake homelessness reviews and produce homelessness strategies by April 2018. The 2014 Act requires authorities to assess the current and likely future levels of homelessness in a local authority area; the range of current provision to prevent homelessness; current provision of suitable housing and support; and the resources available within the authority and from partners to tackle homelessness. The findings of the review should be used to formulate a homelessness strategy which sets out the actions and plans to prevent and address homelessness within the authority area.
- 4.19 A recognised weakness of previous local authority homelessness strategies is the lack of attention on future demand. Needs assessments and strategic planning too often concentrated on current service pressures and the actions required to address these short-term acute issues. Little focus was given to medium to long-term issues. Few authorities focus on understanding the causes of demand, how to manage demand or how to equip citizens to become more self-resilient. This is important. By increasing self-resilience, and changing where actions are focussed, citizens will be better able to manage their issues without recourse to authority services. We did identify some early policy development that recognises the need to shift from reacting to demand, to preventing demand from arising.

- 4.20 We have highlighted above the short termism of authorities and their partners in preventing homelessness. Few good examples exist of local authorities taking a strategic and holistic approach to planning prevention and demand management activity to address homelessness over the longer-term. Often this is because the financial case for addressing homelessness demand is largely built on predictive modelling rather than real evidence; fully developed examples are rare. In addition, and as noted in paragraph 1.17 many prevention and demand management strategies are initiative-led rather than a collective and strategic plan of action. In addition, longer-term forecasting of demands and community needs is generally a weaker area despite being encouraged by the Welsh Government to feature in Wellbeing Assessments.
- 4.21 However, many authorities are still not focussing on addressing these weaknesses. For example, 13 authorities responding to the Welsh Government survey on implementation of the 2014 Act stated they have experienced an increase in demand for their homelessness services. Our review of well-being assessments found that whilst authorities are aware that demand on homelessness services is going to increase, many Public Service Boards have not set out how services might be designed or re-aligned to either cope with the increase in overall demand, or how public bodies will collectively tackle the underlying causes of demand. Only three well-being assessments specifically mentioned self-reliance and independence amongst residents as a priority to help reduce demand on services, but even in these limited examples there was no detail on how this will be achieved. To enable a long-term preventative focus on addressing homelessness authorities need to focus on the broader issues that create demand to truly prevent people becoming homeless.
- 4.22 Given authorities have until April 2018 to complete their homelessness reviews and produce their strategies, we found that at the time of our fieldwork few had made significant progress. Denbighshire County Council completed its review of homelessness services in 2016 publishing the findings online following detailed engagement with stakeholders, including service users. The authority plan to use the findings of their review to develop their homelessness strategy. To support development of its strategy the authority created a multi-agency homelessness forum to guide its work on tackling homelessness. This forum has responsibility for developing and implementing the strategy and to address the key causes of homelessness.

Denbighshire County Council – homelessness strategy development

Through its homelessness review, the authority consulted partners and stakeholders to identify and agree the key objectives to tackle and prevent the main causes of homelessness. The review was used to develop the authority's homeless strategy. The strategy focuses on prevention, securing more accommodation and access to support services and aims to:

- ensure that suitable accommodation is and will be available for people who are, or may become homeless;
- collaborate with NHS, Criminal Justice and Community Safety agencies to meet the needs of people and households who are at risk of homelessness;
- ensure that satisfactory support is available for people who are, or may become homeless; and
- plan homelessness services regionally where appropriate, taking account of the emerging changes to Local Government boundaries.

The authority recognises that the key approach to community support is the change in emphasis from dependence to enabling people to live independently, with control and choice over their own needs and solutions. Its homelessness strategy and associated action plan reflects this principle and specifies how the authority's Senior Leadership Team and relevant Members will be kept informed and engaged throughout its implementation.

4.23 At the time of our on-site work most fieldwork local authorities had not started their homelessness reviews. A small number highlighted that they did not have sufficient capacity to focus on reviewing and developing a strategic response to homelessness. This lack of capacity comes at a time when homelessness is increasing.

There are lessons to be learnt from how local authorities have responded to preventing homelessness in the design and delivery of other services to better manage demand

4.24 There are some important lessons for public bodies to draw from the approach to homelessness prevention in how they manage demand in other areas of activity. Many of these align with statutory responsibilities of the Well-being of Future Generations Act 2015 which provides an opportunity for authorities and partners to take a long-term, preventative approach working in collaboration through integrated services that involve and meet citizens' needs.

4.25 We found from our review of homelessness services that it is important for authorities to take a strategic focus on managing demand. Public bodies need to avoid narrowly defining potential demand and should not just concentrate on the services they provide but on how public bodies collectively work together to stop demand arising in the first instance. With this in mind, Public Service Boards offer an opportunity to focus on shared priorities by collaborating and then integrating services to combine efforts. Positively, authorities are starting to focus on the strategic management of demand as highlighted in the following good practice ([Appendix 8](#) includes further examples of how public bodies are seeking to increase citizens' resilience to better manage demand).

[Good practice examples in how some local authorities are seeking to address demand](#)

The City and County of Swansea Council

places wellbeing and demand management within its Prevention Strategy for 2017-20. The strategy forms part of its corporate transformation programme and highlights the authority's priority "supporting people to become resilient and achieve outcomes that they want to see in their own lives, which will in turn reduce demand on services." The strategy refers to data up to 2030 and considers what has worked in Swansea and elsewhere in the UK, and different types of demand that need to be modeled and addressed. This provides a good starting point for the authority to manage its own behaviour and that of its customers.

Denbighshire County Council

held a 'county conversation' looking at what services people want and what 'social capital' exists in local communities to both support the authority to sustain services, but also influence changes in behaviour amongst service users. Demand management is also a reoccurring theme in local authority transformation models. Blaenau Gwent County Borough Council's Customer Transformation Strategy for 2016-21 places demand management principles and customer insight at the heart of its transformation of customer service and access principles.

- 4.26 In considering the long-term strategic design and delivery of services authorities need to avoid misaligning or designing services that create blockages and ‘failure demand’ in delivery of homelessness services. Part 2 above highlights some of the demand problems in delivery of homelessness services created by poor design. Local authorities need to therefore carefully consider how they design and deliver services to:
- a align policy and manage demand, public services need to work together and agree priorities based on broad ranging, up to date and good quality data and use this information to direct where they should spend their monies focusing on longer-term investments;
 - b ensure staff have the right skills to deliver preventative services by equipping staff to focus on problem solving, negotiating, mediating and influencing people;
 - c organise services to efficiently and consistently engage with service users as quickly as possible;
 - d make certain good quality, accessible and accurate advice and information is made widely available on what people are entitled to and what they will not receive – our survey findings highlight that service users assume authorities provide more assistance and help than they can and often do;
 - e make best use of digital services and ensure online services are accessible and encourage usage through good connectivity and a good user experience;
 - f avoid gate keeping and ensure services are down streamed to engage as early as possible with potential service users to reduce demand;
 - g ensure the contribution of all organisations and all funding streams are aligned and focused on the common issues that communities and their public services are facing;
 - h ensure a broad range of options to address demand rather than single service solutions; and
 - i take an holistic view to service delivery and ensuring public bodies rather than single agencies take responsibility for addressing demand.

4.27 Ultimately, preventing ongoing demand for services represents good value for money. To work effectively requires a minimum level of agreement and understanding on how best to deliver services. However, this needs public bodies to embrace new ways of working and longer-term thinking³⁸. Exhibit 12 illustrates the key factors we have identified from our review that should be considered by authorities in taking a strategic approach to managing demand within a defined service. The full range of information is set out in Appendix 10. This list is not exhaustive but does provide some clear principles to help shape management of demand.

Exhibit 12 – Key considerations for local authorities in managing demand.



Source: Wales Audit Office.

38 Guidance from April 2013 developed by Public Health Wales in partnership with the Welsh Government entitled Improving the Health and Well-being of Homeless and Specific Vulnerable Groups Standards, recognizes that leadership is critical in driving improved health outcomes for homeless and vulnerable groups.

Appendices



Appendix 1: Study methodology

Review of literature

We have reviewed a wide range of documents and media, including:

- Welsh Government policy and guidance documents;
- local authority documents including application forms, advice leaflets, committee papers, plans and strategies; and
- research and evidence on homelessness services produced by a range of representative bodies including the Welsh Local Government Association, Shelter Cymru and Homeless Link.

Data analysis

We have analysed the data collected from local authorities by the Welsh Government published on StatsWales covering local authority performance in respect of homelessness and local authority revenue expenditure on homelessness and housing advice services. The data drawn from individual returns from each authority in respect of homelessness performance has not been audited for accuracy. Revenue outturn data was audited and the information we present in this report on expenditure by local authorities on homelessness and housing advice services is different to the information published by StatsWales.

Local authority fieldwork

We visited five local authorities in Wales in 2016-17. The local authorities selected represented a mix of authorities which are geographically spread across Wales and of different population sizes. These were:

- Bridgend County Borough Council
- Carmarthenshire County Council
- Denbighshire County Borough Council
- Merthyr Tydfil County Borough Council
- City of Swansea Council

During the visits, we interviewed a range of local authority staff, housing association staff, third sector organisations, members of public service boards and elected members.

National fieldwork

We undertook a range of Interviews with key stakeholders and opinion formers including the Welsh Government; opinion formers and policy thinkers Shelter Cymru, the Wallach, Cymorth Cymru, the Equalities and Human Rights Commission, Welsh Local Government Association and University of Wales. We also held a focus group with the local authority homelessness network.

Surveys

We commissioned a qualitative telephone survey of citizens to ascertain how they view local authorities, engage with, and use public services. This focussed on how well organisations prevent demand, and equip citizens to make the right choices to address or prevent their needs arising. The survey was completed between November 2016 and January 2017. 555 people living in all 22 local authorities in Wales completed the telephone survey and the survey was reported to the Wales Audit Office in March 2017. The exhibit below shows the purpose of the survey.

Scope of the citizens' survey

To gather people's views about:

- the quality of services provided by local authorities;
- people's overall satisfaction with local authority services;
- the methods people use to contact their local authority;
- how people find out information about their local authority;
- the reasons why people had contacted their local authority in the previous 12 months;
- the effectiveness of local authority responses to people's requests for service and information;
- people's perceptions of changes to local authority services; and
- people's views on how local authorities should design and plan services in the future.

We had planned to conduct a specific survey of local authority managers on prevention and demand handling within homelessness services. Given the Welsh Government was also undertaking a survey of local authorities on implementation of the Housing (Wales) Act 2014 we did not progress with our survey to avoid duplication of activity. The Welsh Government provided us with their detailed findings and we have used this information in our review.

Appendix 2: The different duties for how authorities manage homelessness in the countries of the United Kingdom

The countries of the United Kingdom have different statutory frameworks that set out authorities' duties to address homelessness. The focus on prevention in Wales is very different to other parts of the United Kingdom.

The legislation that underpins how homelessness is addressed in Great Britain and Northern Ireland

England

The [Housing Act 1996](#) requires local authorities to assess what assistance they should provide to a homeless or potentially homeless person who presents to a local authority for assistance. The local authority assesses:

- whether the applicant is homeless;
- if so, whether the applicant made themselves homeless intentionally;
- if they were unintentionally homeless, if they have a local connection with the local authority to which they made the application; and
- whether the household is in a priority need category.

Only unintentionally homeless, priority need households are owed a main duty by their local authority to secure settled accommodation.

In 2018 this legislation will be replaced by the requirements of the [Homelessness Reduction Act 2017](#) which introduces a range of new duties on local authorities replicating many of the duties in the Housing (Wales) Act 2014 reforming the homelessness duties placed on local authorities to ensure that at-risk households receive better help quicker and homelessness is prevented where possible.

Northern Ireland

Under the [Housing \(NI\) Order 1988](#), the Northern Ireland Housing Executive (NIHE) has the statutory responsibility for addressing homelessness.

These duties require the NIHE to assess those that present as homeless to determine whether they meet the four tests of – eligibility; homelessness; priority need; and intentionality.

Any household that meets these four tests is accepted as a 'Full Duty Applicant' and will be owed a full housing duty.

Scotland

Part II of the [Housing \(Scotland\) Act 1987](#) (as amended by the 2001 and 2003 Acts) sets out the powers and duties of local authorities in dealing with applications from people who are homeless or threatened with homelessness.

Homeless/potentially homeless persons are required present to a local authority for assistance and the council assesses:

- whether the applicant is homeless;
- if they have a local connection with another authority in Scotland, England or Wales; and
- whether the applicant made themselves homeless intentionally.

Priority Need groups were abolished under the [Homeless \(Abolition of Priority Need Test\) \(Scotland\) Order 2012](#) in November 2012. From 31 December 2012 all unintentionally homeless households are entitled to settled accommodation.

Wales

The [Housing \(Wales\) Act 2014](#) requires local authority to help everyone at risk of homelessness rather than just those in priority need groups and local authorities must:

- help anyone threatened with homelessness within next 56 days;
- provide help to homeless persons to help them secure a home; and
- focus on preventing homelessness in the first instance.

There are duties placed on Housing Associations and Social Services to co-operate with local authority housing services in carrying out their homelessness duties.

There is also a new power rather than a duty to apply the intentionality test and new powers for local authorities to discharge their homelessness duties through finding accommodation in the private rented sector.

Source: Wales Audit Office analysis of Homelessness Duties in each of the countries of the United Kingdom.

Appendix 3: Expenditure on homelessness and housing advice services by local authority 2009-10 to 2015-16 in absolute (cash) and real terms

The amount spent by local authorities on homelessness and housing advice services in the last seven years

Local Authority	2009-10 (£'000)	2010-11 (£'000)	2011-12 (£'000)	2012-13 (£'000)
Blaenau Gwent	419.504	519.68	434.584	377.883
Bridgend	1,384.127	1,270.981	1,006.296	996.609
Caerphilly	809.2	684	710	897.951
Cardiff	8,053	7,121	5,616	3,999
Carmarthenshire	2,670.556	1,473.219	1,715.154	2,079.044
Ceredigion	806	887	737.647	729.202
Conwy	2,295.85	2,101.72	1,928.592	1,723.948
Denbighshire	866	828	747	822
Flintshire	1,017	939	981	1,175.317
Gwynedd	1,189	1,823.603	1,797.574	1,884.677
Isle of Anglesey	932	1,588	1,125	1,106
Merthyr Tydfil	361.008	344.515	264.3793	366.9204
Monmouthshire	1,454	1,265.802	842.121	634.417
Neath Port Talbot	1,051	1,027.057	1,308	1,339.025
Newport	1,928.757	1,833.022	1,963.46	2,230.607
Pembrokeshire	1,154	805	572	578
Powys	675.212	520.276	489.343	469.337
Rhondda Cynon Taf	920.687	882.147	877.302	959.352
Swansea	1,114	6,188	807	823
Torfaen	1,776	2,071	1,365	1,251
Vale of Glamorgan	792	831	979	954
Wrexham	1,237.132	1,430.474	1,721.1	1,676.509
TOTAL	32,906.03	36,434.5	27,987.55	27,073.8

The amount spent by local authorities on homelessness and housing advice services in the last seven years (continue)

2013-14 (£'000)	2014-15 (£'000)	2015-16 (£'000)	% Change (+/-)	Real terms % change
332.542	339.159	487.548	16.2	4.1
1,060.892	1,089.952	1,090.439	-21.2	-29.4
1,510.2	1,472.65	1,040	28.5	15.1
2,474.864	2,131	2,106.182	-73.8	-76.6
2,013.975	1,872.477	2,046.11	-23.4	-31.4
647.5	776.869	900.877	4	0.1
1,455.035	1,378.368	1,512.164	-34.1	-41
787	957	1,221	41	26.3
1,036.598	1,172.131	1,665.956	63.8	46.7
1,632.314	1,593.154	1,607.482	45.6	21.1
1,221	924	809	-13.2	-22.2
409.065	483.101	603.349	67.1	49.7
652.931	623.977	782.084	-46.2	-51.8
1,555	1,138	1,284	22.2	9.4
2,367.556	2,467.426	2,919.787	51.3	35.6
558	507	594	-48.5	-53.9
643.703	471	547	-18.9	-27.4
1,283.147	1,201.254	1,055.039	14.6	2.6
899	876	1,297	16.5	4.3
1,156	992.1519	1,209.206	-31.9	-39
501	725	1,016	28.3	14.9
1,298.544	903.4013	1,267.68	2.5	-8.2
25,495.87	24,095.07	27,061.9	-17.7	-26.3

Appendix 4: SOCITM Better Connected Results for Welsh Local Authorities 2016-17

The SOCITM ratings for each local authority in Wales

Council	Better connected rating	Mobile standard	Accessibility
Flintshire	3	Pass	Pass
Wrexham	3	Pass	Pass
Powys	3	Pass	Pass
Neath Port Talbot	3	Pass	Pass
Cardiff	3	Pass	Pass
Rhondda Cynon Taff	3	Pass	Pass
Torfaen	3	Pass	Pass
Newport	3	Pass	Pass
Denbighshire	3	Pass	Fail
Swansea	3	Pass	Fail
Caerphilly	3	Pass	Fail
Gwynedd	2	Pass	Pass
Pembrokeshire	2	Pass	Pass
Vale of Glamorgan	2	Pass	Pass
Merthyr Tydfil	2	Pass	Pass
Monmouthshire	2	Pass	Fail
Blaenau Gwent	2	Fail	Fail
Conwy	2	Fail	Fail
Isle of Anglesey	1	Fail	Pass
Carmarthenshire	1	Fail	Pass
Bridgend	1	Fail	Pass
Ceredigion	1	Fail	Fail

Source: [SOCITM Better Connected](#).

Appendix 5: Wales Audit Office assessment of information provided on council websites for homelessness, school transport and bulky waste collections 2016-17

We used a five point scale ranging from very poor to very good to rate the information across the following 13 aspects. The figures in this exhibit show the number of local authorities we rated as scoring very good or good across the 13 aspects

Wales Audit Office assessment of number of authorities complying with the standard

Key line of enquiry	Homeless services	School transport	Bulky waste
Signposting – Is content easy to find? Quality of search engine	17	21	21
Clarity – Are instructions easy to understand?	20	19	21
Completeness – Is all the information required by users available?	16	17	16
Timeliness – Is the information up to date?	3	9	5
Accessibility – Is the information available in other languages, large font or alternative formats? Does it meet accessibility and quality standards?	18	18	18
Support – Can users contact/speak to the authority if need be?	17	12	19
Effectiveness – Is the advice and information provided effective?	9	10	12
What is provided – Is it clear what the service can and cannot provide to users?	16	18	16
Problem solving – Does the information provided result in a solution to users' problems?	14	18	19

Wales Audit Office assessment of number of authorities complying with the standard

Key line of enquiry	Homeless services	School transport	Bulky waste
Reducing demand – Does the information provided/allow users to apply for a service without any recourse to the authority?	9	16	16
Appropriate links – Does the information direct users to other providers?	15	2	18
Application process – Does the authority allow people to apply online for the service they are trying to access?	3	16	13
Call handling – Does the authority use a central call handling system?	19	13	17

Source: Wales Audit Office, review of local authority websites.

Appendix 6: The range of options used by local authorities and their partners to prevent an applicant from becoming homeless

Services provided to prevent an applicant from becoming homeless under Section 66 of the Housing (Wales) Act 2014

Homelessness options	Provided by local authorities		Provided by others		No provision	Increase in provision since 2014 Act
	Yes	No	Yes	No		
Outreach	12	10	18	4	0	9
Mediation	9	13	19	3	0	10
Grant or loan	19	3	9	13	0	18
Guarantees of payment	15	7	4	18	6	9
Support managing debt/mortgage arrears	18	4	19	3	0	15
Security measures for applicants at risk of abuse	14	8	18	4	0	8
Advocacy	7	15	20	2	1	7
Other forms of tenancy support	16	6	19	3	0	13
Accommodation	17	5	19	3	1	14
Programmes to increase availability of affordable accommodation	15	7	12	10	2	10
Social housing lettings schemes	14	8	14	8	3	9
Information and advice	22	0	17	5	0	14

Services provided to an applicant under Section 73 of the Housing (Wales) Act 2014 (Interim duty to secure accommodation for homeless applicants in priority need)

Homelessness options	Provided by local authorities		Provided by others		No provision	Increase in provision since 2014 Act
	Yes	No	Yes	No		
Outreach	10	12	19	3	0	8
Mediation	9	13	19	3	1	5
Grant or loan	20	2	6	16	2	9
Guarantees of payment	14	8	4	18	8	7
Support managing debt/mortgage arrears	14	8	15	7	2	11
Security measures for applicants at risk of abuse	11	11	16	6	2	6
Advocacy	6	16	19	3	2	5
Other forms of tenancy support	13	9	17	5	0	7
Accommodation	14	8	18	4	1	11
Programmes to increase availability of affordable accommodation	15	7	10	12	2	7
Social housing lettings schemes	11	11	13	9	3	6
Information and advice	21	1	12	10	1	10

Source: Post-implementation evaluation of the homelessness legislation (Part 2 of the Housing Act (Wales) 2014) Interim Report, 8 August 2017, Welsh Government. These figures are derived from the local authority and 'others' responses.

Appendix 7: Main reason for being threatened with homelessness in all Welsh local authorities in 2015-16 and 2016-17 and the change in performance

The main reasons people are threatened with homelessness in Wales

Reasons threatened with homelessness	2015-16	2016-17	% change
Loss of rented or tied accommodation	2,481	3,345	34.8%
Parent no longer willing or able to accommodate	1,011	1,317	30.3%
Breakdown of relationship with partner	960	1,137	18.4%
Rent arrears	681	924	35.7%
Other relatives or friends no longer willing or able to accommodate	657	870	32.4%
Current property unsuitable	321	348	8.4%
Other (including homeless in emergency, returned from abroad, sleeping rough or in hostel)	213	336	57.5%
Current property unaffordable	213	249	16.9%
In institution or care (eg hospital, residential home, army etc.)	246	234	-4.9%
Mortgage arrears (repossession or other loss of home)	138	192	39.1%
Prison leaver	99	159	60.6%
Violence and harassment	108	93	-13.9%
TOTAL	7,128	9,210	29.2%

Source: HOUS0430, households found to be threatened with homelessness during the year. Main reason for being threatened with homelessness by type of household (Section 66), annual return to StatsWales.

Appendix 8: Households accommodated temporarily in all Welsh local authorities by accommodation type and quarter in 2015-16 and 2016-17

The range of temporary accommodation provided to homeless people by local authorities in the last two years

Temporary accommodation used by local authorities	April – June 2015	July – September 2015	October – December 2015	January – March 2016	April – June 2016	July – September 2016	October – December 2016	January – March 2017	% Change over period
Private sector accommodation	729	738	726	801	786	807	837	786	7.8%
Public sector accommodation	435	417	396	411	393	393	453	432	-0.7%
Hostels and women's refuges	426	459	432	498	534	501	474	549	28.9%
Bed and breakfast	168	156	132	108	135	138	153	189	12.5%
Homeless at home	81	111	90	60	72	81	36	54	-33.3%
Other	33	0	3	0	9	3	0	3	-90.9%
Total accommodated end of quarter	1,872	1,881	1,779	1,875	1,926	1,923	1,953	2,013	7.5%

Source: HOUS0420, households accommodated temporarily by accommodation type and household type, quarterly data returns to StatsWales.

Appendix 9: Examples of strategic approaches to preventing and managing demand

Good practice examples in how organisations are addressing and managing demand

South Northamptonshire Council

South Northamptonshire Council Prevention and Demand Strategy for adult and social care services includes an analysis of why projects fail and a strong focus on self-directed support. An Early Help and Prevention Commissioning Strategy is now in place to provide the platform for re-commissioning services. This is informed by an Early Help Needs Analysis.

Scottish Fire and Rescue Service

The Scottish Fire and Rescue Service recognises that by effectively collaborating with its partners on shared priorities it will reduce the risk to communities and, in turn, reduce the demand on other key public services such as NHS Scotland, Police Scotland and social services. Their local fire and rescue plans set out how demand reduction should, through time, contribute to the ability of partners to reduce their own spend allowing them to focus their resources on other priorities.

The Edinburgh Partnership

In 2014, consultation was undertaken across the Edinburgh Partnership to help identify perceived 'wicked' or intractable issues, which need increased joint effort to support a successful shift to prevention. An important finding is that interventions are often at the individual level, and whilst there may be enough resources to intervene the public service response is often badly co-ordinated, too slow, and interventions are based on intuition and technocratic judgement rather than solid evaluation and factual understanding of what works. The Edinburgh Partnership's Prevention Strategic Plan 2015-18 sets out its response to the consultation findings. Efforts has been prioritised into nine key Prevention Exemplars and represents a more realistic, affordable and achievable plan. Actions include a much stronger approach to whole household and family support. Building community resilience and community capacity takes a high priority and includes mapping organisation's capabilities including who does what and strengthening networks in neighbourhoods.

Managing demand in National Park Authorities

National Park Authorities have a track record of planning aspects of their activity over the longer-term. Examples include Pembrokeshire Coast National Park Authority's Management Plan 2015-19, which sets out a vision for the area in 2050, and this long term plan guides the authority's approach to ecosystems within the Park. The UK National Parks and Wellbeing Forum is a network of practitioners, managers, planners and researchers involved with promoting the long-term value of the environment and nature conservation for wellbeing. One of its tasks is to understand how best to encourage sustainable tourism and prevent the more damaging aspects of visiting the parks.

Humberside Police

Humberside Police include Strategic Demand Management as one of its core themes for action in its current policing and crime plan. This builds on work developed from its Early Intervention Strategy. Humberside Police recently reviewed the different ways of classifying the types of demand it faces and alongside partners it prioritized the responses to different types of demand. As a result of close collaboration, strategic demand management has been integrated into the Organisational Development aspects of Humberside Fire and Rescue Service's corporate plans.

Calderdale Council

Calderdale Council's demand management framework has three priorities: sharing and integrating services including getting others to share the load; nudging and influencing a change in behaviour; and managing expectations by creating a more balanced relationship between the council and people in Calderdale. Successes include reducing the number of car journeys and traffic congestion by integrating transport solutions such as linking local bus timetables to train times. Demand for car parking is reducing by improving car share, integrating cycle lanes with highways schemes, and working with the private sector to offer more choice and less reliance on council school transport.

Population Needs Assessments

The Social Services and Wellbeing Act (Wales) 2014 requires local authorities and their health board partners to produce an assessment of the care and support of their resident populations. The assessments will aid local authorities and health boards to better understand their population and how it might change over the coming years to help them provide better public services. The Welsh Government requires a number of specific areas of service provision to be included in the assessment, including homelessness.

The North Wales population needs assessment section on homelessness identifies four areas where gaps in service or support currently exist:

- Lack of single person accommodation
- Limited hostel provision
- Shortage of specialist provision
- Gaps in support services

The assessment also identifies that local authorities face challenges through changes to the welfare benefits, the full extent of which are yet to be made. Local authorities and the health board also need to ensure that there is effective integration of third sector support services with statutory services to meet increasing demand. The assessment identifies a risk to the continued progress in addressing homelessness through the loss of Welsh Government transitional funding.

Appendix 10: Key considerations for local authorities in managing demand















Key aspects of managing demand	Characteristics of good demand management	We are good at this	We need to improve this	We do not do this
We know what we must do	We know what our legal obligations are.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We know what citizens want and how our services should be provided to them.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We know what services are currently provided by us and our relevant partners.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We know where services are provided from including those of relevant partners.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our services are organised to do what we need to do quickly and efficiently	We offer a range of options for citizens to contact us to get the help they need – office, telephone, social media and online.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Changes to services are piloted and evaluated before they are implemented to ensure they are right for our citizens.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Our management processes are designed to avoid system failure, for example we do not seek to cancel applications, we keep waiting times to a minimum and we do not delay responding to citizens.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We have organised services to resolve issues quickly and at the first point of contact.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We have designed services to avoid unintentionally creating demand and reinforcing dependency.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Key aspects of managing demand	Characteristics of good demand management	We are good at this	We need to improve this	We do not do this
Our services are organised to do what we need to do quickly and efficiently	We do not gate keep access to services and ensure our services are accessible to all service users.			
	We have effective triage approaches to ensure that those in greatest need get help as quickly as possible and alternative responses to those with lower needs.			
	We have clear and concise application processes.			
	Citizens apply to us once for a service – our application and assessment processes are not duplicated elsewhere within the authority or by our partners.			
	We have short end-to-end application processes (from requesting to receiving a service) with few approval stages.			
	We respond quickly and effectively to queries and requests when citizens first get in touch.			
	We make the right decision quickly when reviewing and approving service requests.			
	We can shift resources to manage demand early and downstream to improve our prevention work when we need to.			

Key aspects of managing demand	Characteristics of good demand management	We are good at this	We need to improve this	We do not do this
Citizens know what they are entitled to and where to go for help	We provide citizens with good quality and accessible information through a wide range of appropriate channels.			
	We have clearly set out what citizens are entitled to.			
	We tell citizens what we can and cannot do.			
	We set out all the relevant information citizens need at first point of contact.			
	We provide citizens with all the information and support they need to find their own solution to the problems they have.			
	We use plain accessible language in our written materials.			
	We have tested that our written information is well understood by users, including those that may be anxious or uncertain about their future.			
	We are clear about the service users' role in application and assessment processes and we have told them how they can help the process go more smoothly and quickly.			
	Our written material is produced collaboratively with subject experts and includes the involvement of people who use the service(s).			

Key aspects of managing demand	Characteristics of good demand management	We are good at this	We need to improve this	We do not do this
Citizens know what they are entitled to and where to go for help	Appeals and complaints processes are based on fairness and equity for all involved and are well set out and accessible and available to all.			
	We test how we engage with and provide services with citizens and use feedback to improve how we inform, engage and involve service users.			
	Citizens do not need to chase us up to get a response.			
We work well and collaborate with others	We have agreed with partners what our expectations of them are and what they are required to do.			
	Our partners are clear on their role.			
	We have agreed data and information sharing protocols with partners.			
	Data and information sharing protocols are working effectively.			
	We integrate our digital services with partners to improve accessibility and increase usage.			
	We have joint referral, application and assessment procedures and systems with our partners.			
	We co-locate services with partners when and where needed.			

Key aspects of managing demand	Characteristics of good demand management	We are good at this	We need to improve this	We do not do this
We work well and collaborate with others	We know that citizens who need help are getting a service from us and/or our partners.			
	We effectively direct service users to other organisations who are better placed to solve their problems.			
We know services are making the right impact	We collect and analyse the right data to enable us to identify where we need to invest our resources.			
	We collect and analyse the right data to design services that best meet people's needs.			
	Our data accuracy is good.			
	Our data covers the work of both the authority and our partners.			
	We collect and use information in real time.			
	We are able to demonstrate equal access to services for all citizens.			
	We benchmark our performance with other organisations to judge our performance and impact.			
	We know what we need to change to improve our service.			

Key aspects of managing demand	Characteristics of good demand management	We are good at this	We need to improve this	We do not do this
We know what we need to change and have agreed joint priorities to achieve improvement	We have involved and agreed our priorities with our partners.			
	We have involved service users in agreeing what and where we need to improve.			
	Our planned solutions take a long-term view.			
	We identify sustainable solutions.			
	We are focussing on improving how we prevent demand.			

Wales Audit Office

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

We welcome telephone calls in
Welsh and English.

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru

24 Heol y Gadeirlan

Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

Rydym yn croesawu galwadau
ffôn yn Gymraeg a Saesneg.

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru

Mae'r dudalen hon yn wag yn fwriadol

22 February 2018

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Housing Adaptations



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU



Tudalen 241

I have prepared and published this report in accordance with the
Public Audit (Wales) Act 2004.

The Wales Audit Office study team was managed by Nick Selwyn and comprised Steve Frank,
Gareth Jones, Euros Lake, Duncan Mackenzie, Sara Leahy and Sara Woollatt under the
direction of Jane Holownia

Huw Vaughan Thomas
Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

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Summary report

User satisfaction with housing adaptations masks a hugely complicated, reactive and inequitable system that is not delivering for all those who may need it, and public bodies are not taking opportunities to improve value for money

- 1 With an expanding population of older people, public bodies – Welsh Government, local authorities and housing associations – need to ensure they provide housing for older and disabled people to both to allow them to live a healthy and active lifestyle, but to also continue to contribute to society and the economy. Part of achieving this is to ensure both the development of new specialist housing, such as SMART homes¹, and also making better use of the existing housing stock through adaptations.
- 2 Adaptations are intended to change disabling environments in order to restore or enable independent living, privacy, confidence and dignity for individuals and their families. Adaptations are not just about the provision of equipment or modifying a dwelling, but providing an individualised solution to the problems of people experiencing a disabling environment². Adaptations can range from relatively inexpensive items such as ramps and handrails to largescale extensions with specialist equipment. A suitable, well-adapted home can make the difference to someone's ability to live well and independently. Adaptations offer an efficient and effective way of making the best use of resources in the current climate of financial constraints.
- 3 Increasingly, adaptations are recognised as key to delivering better outcomes for health services as opposed to solely being the domain of housing and social care. In meeting the future challenges of a rapidly ageing society and in addressing any potential care gap that could arise, adaptations will increasingly be an important contribution in complementing personal care. To achieve the necessary improvement requires public bodies to work seamlessly and provide joined-up services that respond to need and deliver timely, cost effective solutions.

1 Smart Homes use electronic networking technology to integrate various devices and appliances found in most homes, plus building environment systems more common in offices, so that the entire home can be controlled centrally or remotely in its entirety. This technology offers the prospect of significant improvements in the living standards of older and disabled people who, without automated support, would be reliant on home care.

2 This approach is often referred to as reflecting the social model of disability.

- 4 This review has focussed on assessing whether public bodies with responsibilities for delivering housing adaptations in Wales have an effective strategic approach to housing adaptations that delivers value for money and assures the continued wellbeing of older and disabled people. Our study methods are set out in [Appendix 1](#). These include audit fieldwork at five local authorities and four housing associations; a commissioned survey of citizens who have received adaptations; a detailed analysis of data and expenditure on current services; website and document reviews; and interviews with a range of national organisations. Based on the findings of this review, the Auditor General has concluded that user satisfaction with housing adaptations masks a hugely complicated, reactive and inequitable system that is not delivering for all those who may need it, and public bodies are not taking opportunities to improve value for money.

Summary of our findings

- 5 Roughly 70 organisations deliver adaptations in Wales, every year collectively spending approximately £60 million and assisting over 32,000 people. The funding arrangements for adaptations is complex and has helped to create an inefficient delivery system. One of the consequences of this complexity is that people with similar needs often receive very different standards of service simply because of where they live and which public body provides the adaptation.
- 6 The majority of public bodies with responsibility for adaptations – local authorities, housing associations and Care and Repair agencies (‘delivery organisations’) – have seen demand for adaptations increase in recent years and expect this trend to continue. Census data³ highlights that a higher proportion of the Welsh population consider themselves to be in poor health than is the case in England. Welsh Government projections⁴ anticipate that the number of people in Wales who will experience mobility problems and difficulties undertaking daily domestic tasks will increase significantly in the next 20 years.

3 Office for National Statistics, **General Health in England and Wales: 2011 and comparison with 2001**, January 2013

4 Taken from Daffodil, a web-based system developed by the Institute of Public Care for the Welsh Government which pulls together in one place the information needed to plan care, support and housing services over the next 20 years for children, adults and older people.

- 7 The speed and efficiency of the provision of adaptations can make the difference between disabled or older people staying in the comfort and security of their own homes or moving into specialist or residential care. However, assessment processes are neither streamlined nor efficient and often contribute to delays. The lack of co-ordination between delivery organisations, interruptions due to problems arising from the unavailability of staff or funding, and poor standards of communication characterise the experience of a small number of service users.
- 8 Most public bodies recognise how adaptations can reduce the risk of falls and other accidents in the home and prevent hospital admissions and speed up discharge. However, health professionals often find the different local-authority and housing-association systems for administering, approving and delivering adaptations difficult to navigate. Complex delivery arrangements reduce the opportunities for health bodies to make better use of adaptations.
- 9 Given the wide number of routes available to access adaptations, delivery organisations need to ensure they have robust systems to deal effectively and quickly with applications. However, many authorities and housing associations do not have application processes that consistently and effectively meet the needs of people. Accessible information in a range of appropriate formats, such as large fonts for visually impaired users or audio versions for people with hearing difficulties, is often unavailable.
- 10 Delivery organisations must balance carrying out building works quickly to meet the needs and wishes of the disabled or older person, and ensuring value for money in terms of cost and quality. Most local authorities, housing associations and Care and Repair agencies have established appropriate processes to oversee and manage performance of those carrying out building work, most usually through regular meetings and dialogue in respect of individual grants. However, few delivery organisations are working strategically with contractors to streamline and improve performance, and current arrangements for contracting builders have some shortcomings. In addition, delivery organisations do not always have effective arrangements to monitor, review and evaluate the performance of builders and contractors in delivering individual grants.

- 11 Whilst public bodies are clear on the role of their housing-adaptation services in changing the home environment to enable or restore independent living, there are opportunities to better address needs and avoid and reduce demand and costs in health and social care services. Few delivery organisations have comprehensive and integrated Housing Renewal Policies that link decisions on investment with better use of existing adapted housing. Policies are often property focussed rather client focussed, and rarely make the strategic link to other organisations and the wider needs of disabled and older people.
- 12 Delivery organisations do not always take a ‘whole resources’⁵ view of their adaptations work and consider the availability and use of all monies from all delivery organisations within an area. Only seven local authorities pool funds with Care and Repair and no pooling of funding takes place between local authorities and housing associations. A small number of local authorities have developed integrated approaches to housing adaptations drawing together grants, building surveyors and Occupational Therapists into single teams. However, too many organisations work in isolation focussing on their individual responsibilities, rather than working collaboratively to better address people’s housing and health needs.
- 13 Nevertheless, approximately three-quarters of people we surveyed who recently received housing adaptations have a positive experience with their housing adaptations. Just over 90% are satisfied with the time taken to deliver their adaptations, and the majority felt the work to their home allowed them to undertake everyday tasks, improving both their confidence and independence. Generally, owner-occupiers are more satisfied than those who rent from housing associations, but most disabled and older people we surveyed had little influence or choice in the adaptations made to their home.

⁵ By whole resources, we mean all the resources available for all public bodies providing adaptations in a defined local-authority area.

- 14 Accountability and transparency in delivery of adaptations have long been poor⁶. Despite the different sources of funding for housing adaptations, only performance in respect of local-authority Disabled Facilities Grants is publicly reported. However, by only reporting performance on Disabled Facilities Grants, the Welsh Government is currently only publishing data that covers 55% of all expenditure on adaptations and 14% of those disabled and older people who receive adaptations. The Welsh Government collates some performance data from housing associations and Care and Repair agencies but does not make this information available to the public. Weaknesses in current oversight arrangements mean that effective scrutiny to understand the efficiency and impact of the ‘whole’ adaptation system is not possible. This makes it difficult to judge how well organisations are performing and the positive impact of adaptations on disabled and older people’s lives.
- 15 The Welsh Government is seeking to address some of these gaps by introducing new systems to monitor and report performance in delivering housing adaptations (the ‘Enable’ review). Whilst this addresses some of the long-standing weaknesses in current arrangements, gaps remain. Monitoring continues to focus too much on the mechanics of delivering adaptations and not enough on impact, wellbeing and the wider benefits of each public body’s investment. Despite highlighting equality as a key policy objective, we found that few delivery organisations collect and evaluate a sufficient range of data to demonstrate and ensure fair access to services.

6 For example, Welsh Government, **Review of Housing Adaptations including Disabled Facilities Grants – Wales: A Report by Chris Jones For the Housing Directorate**, March 2005; and Welsh Government Social Research (on the Shelter Cymru website), **A Review of Independent Living Adaptations**, January 2015.

Recommendations

16 Our work has identified a series of recommendations for improvement and these are set out below.

Recommendations for improvement

Recommendations

- R1 There are many sources of funding and policies for adaptations, which results in disabled and older people receiving very different standards of service (paragraphs 1.5 to 1.9). To address these discrepancies **we recommend that the Welsh Government set standards for all adaptations to ensure disabled and older people receive the same standard of service irrespective of where they live, who their landlord is and whether they own their own home.**
- R2 Most public bodies are clear on how their work on adaptations can positively impact on disabled and older people, and have set suitable aims that provide focus for action. For adaptations, having the right strategic goals also establishes a clear basis for decision-making on who should be prioritised for services and how and where to use resources. However, we found that current policy arrangements have a number of deficiencies and public bodies are not maximising the benefit of their investment (paragraphs 3.8 to 3.15). **We recommend that local authorities work with partner agencies (health bodies, housing associations and Care and Repair) to strengthen their strategic focus for the provision of adaptations by:**
- **setting appropriate strategic objectives for adaptations that focus on wellbeing and independence;**
 - **improving the quality of information on the demand for adaptations by using a wide range of data to assess need including drawing on and using information from partners who work in the local-authority area; and**
 - **linking the system for managing and delivering adaptations with adapted housing policies and registers to make best use of already adapted homes.**

Recommendations

- R3 Ensuring that all those who might need an adaptation have all the information they need in order to apply for and receive an adaptation is important. Good-quality and accessible information is therefore essential for delivery organisations to demonstrate fair access and transparency. However, we identified weaknesses in the quality and coverage of public information relating to housing adaptations ([paragraphs 2.6 to 2.15](#)). **We recommend that delivery organisations provide information on housing adaptations in both Welsh and English, and accessible formats including braille, large fonts, audio versions and other languages. Information should be promoted widely via a range of media including social media, websites and published information, and also through key partners. Preferably, information should be produced jointly and policies aligned between delivery bodies to improve coverage and usage.**
- R4 Given the wide number of routes into services, delivery organisations need to ensure they have robust systems to deal effectively and quickly with applications. However, we found that the processes used by delivery organisations vary widely and often create difficulties for disabled and older people seeking assistance ([paragraphs 2.16 to 2.19](#)). **We recommend that delivery organisations streamline applications by creating single comprehensive application forms covering all organisations within a local-authority area that are available via partners and online.**
- R5 Delivery of adaptations can be delayed by a variety of factors ([paragraphs 2.20 to 2.33](#)). To improve timeliness in delivery **we recommend that:**
- **the Welsh Government reviews whether local authorities should continue to use the means test for Disabled Facilities Grants (DFGs);**
 - **local authorities provide or use home improvement agency services to support disabled and older people to progress their DFG applications efficiently;**
 - **delivery organisations work with planning authorities to fast track and streamline adaptations that require approvals;**
 - **delivery organisations use Trusted Assessors to undertake less complex adaptation assessments; and**
 - **the Welsh Government streamlines its approval processes for Physical Adaptation Grants (PAGs).**

Recommendations

R6 Most local authorities, housing associations and Care and Repair agencies have established processes to appoint, oversee and manage builder and/or contractor performance. However, we found wide variations in how delivery organisations arrange, contract and deliver building works ([paragraphs 2.37 to 2.44](#)). **We recommend that delivery organisations:**

- **introduce formal systems for accrediting contractors to undertake adaptations. These should include:**
 - standards of customer care such as keeping to appointments, keeping the site tidy, controlling noise etc;
 - vetting of financial standing, tax and VAT status;
 - promoting good health and safety practices;
 - requiring the use of warranty schemes;
 - ensuring that adequate insurance is held; and
 - requiring references.
- **use framework agreements and partnered contracts to deliver adaptations.**
- **address weaknesses in the contracting of adaptations, updating Schedule of Rates used to tender work and undertaking competitive tendering to support value for money in contracting.**
- **develop effective systems to manage and evaluate contractor performance by:**
 - setting an appropriate range of information to judge performance and delivery of works covering timeliness of work; quality of work; applicant/tenant feedback; cost of work (including variations); health and safety record; and customer feedback;
 - regularly reporting and evaluating performance to identify opportunities to improve services; and
 - providing formal feedback to contractors on their performance covering key issues such as client satisfaction, level and acceptability of variations, right first-time work, post-inspection assessment and completion within budget and on time.

Recommendations

- R7 Maximising impact and value for money in provision of adaptations requires effective joint working between housing organisations and health and social care services to ensure the needs of often very vulnerable people can be met, and their quality of life improved. However, our findings highlight that delivery organisations continue to have a limited strategic focus on adaptations, concentrating on organisational specific responses rather than how best collectively to meet the needs of disabled or older people (paragraphs 3.16 to 3.21). **We recommend that local authorities work with partner agencies (health bodies, housing associations and Care and Repair) to develop and improve joint working to maximise both take-up and the benefits of adaptations in supporting independence by pooling of resources, co-locating staff and creating integrated delivery teams.**
- R8 Most public bodies recognise the value of adaptations in reducing the risk of falls, preventing hospital admissions and speeding up discharge from hospital. However, the importance of adaptations is not always reflected in local partnership arrangements and outside of Occupational Therapists, health professionals noted that the different local-authority and housing-association systems for administering, approving and delivering adaptations are difficult to navigate (paragraphs 3.22 to 3.24). **To enhance take-up and usage of adaptations with health bodies we recommend that delivery organisations jointly agree and publish joint service standards for delivery of adaptations within each local-authority area. The service standards should clearly set out how each agency approaches delivery of adaptations and how they will provide services to ensure people know what they are entitled to receive. Service Standards should:**
- be written in plain accessible language;
 - be precise about what people can and cannot expect to receive;
 - be produced collaboratively to cover all adaptations services within an area;
 - set out the eligibility for the different funding streams, application and assessment processes, timescales and review processes; and
 - offer the viable options and alternatives for adaptations including linking with adapted housing registers to maximise use of already adapted homes.

Recommendations

- R9 Having the right performance indicators and regularly reporting performance against these are important for public bodies to manage operational performance, identify areas of improvement and evaluating the positive impact of services. We found that the current range of performance indicator data is extremely limited and not sufficient to enable a full evaluation of performance (paragraphs 4.5 to 4.20). **To effectively manage performance and be able to judge the impact of adaptations, we recommend that the Welsh Government and delivery organisations:**
- **set appropriate measures to judge both the effectiveness and efficiency of the different systems for delivering adaptations and the impact on wellbeing and independence of those who receive adaptations;**
 - **ensure delivery organisations report against their responsibilities in respect of the Equalities Act 2010;**
 - **ensure performance information captures the work of all delivery organisations – local authorities, housing associations and Care and Repair agencies; and**
 - **annually publish performance for all delivery organisations to enable a whole systems view of delivery and impact to support improvement to be taken.**

Part 1

The current system for delivering adaptations reinforces inequalities for some disabled and older people, and addressing need is complicated by the different sources of funding



1.1 People who need a housing adaptation can access the funding for such adaptations based on their housing tenure. The key organisations who deliver housing adaptations in Wales are as follows:

- 22 local authorities;
- 22 traditional housing associations;
- 11 Large Scale Voluntary Stock Transfer (LSVT) housing associations; and
- 13 Care and Repair agencies.

(Appendix 2 sets out the definitions for housing associations, LSVT associations and Care and Repair agencies and their coverage in Wales).

1.2 As well as different delivery organisations with responsibilities for providing adaptations, the funding programmes used vary widely. In this section of the report, we consider the complexity of current funding arrangements, the levels of expenditure and the numbers of people assisted, highlighting some significant inequities in how adaptations are paid for and made available.































National and local policy choices have resulted in an overly complicated system which reinforces, rather than addresses, inequality in provision of adaptations

1.3 In total, there are five different funding streams used by delivery organisations, as well as monies invested by individual people who require an adaptation. The different funding streams are as follows (Appendix 3 summarises the major policy elements of each of these funding streams):

- Disabled Facilities Grants (DFGs) for owner occupiers, private rented tenants/landlords and some social housing tenants
- Physical Adaptation Grants (PAGs) for tenants of traditional and community based housing associations
- Rapid Response Adaptation Programme for owner occupiers and private rented tenants/landlords
- Adaptations for local-authority and LSVT housing-association tenants funded from their maintenance programmes
- Adaptations for some housing-association tenants funded by their landlord from their maintenance programme to supplement PAGs

- 1.4 In **Exhibit 1** below, we set out who is eligible for receipt of funding under each of the different funding schemes and the current coverage across Wales.

Exhibit 1: current provision of adaptations by funding, tenure and landlord in Wales in 2015-16 and 2016-17

Tenure	Disabled Facilities Grants 	Housing Revenue Account funding of adaptations to local-authority housing ⁷ 	Physical Adaptation Grants 	Rapid Response Adaptation Programme 	Landlord use of own resources 
Owner occupier	 (provided by all 22 authorities)			 (provided in all 22 authorities)	
Tenant of a local authority	 (provided in 2 of 11 local-authority areas)	 (provided by all 11 local authorities)			
Tenant of an LSVT housing association	 Provided in 6 of 11 local-authority areas				 (provided by all 11 LSVT associations)
Tenant of traditional housing association			 (provided by all 22 housing associations)		 (provided in 10 of 22 housing associations)
Tenant of a private rented landlord	 Provided in 20 of 22 local-authority areas			 (provided in all 22 authorities)	 Not collected

Source: Wales Audit Office survey of local authorities, housing associations and Care and Repair agencies.

⁷ Local authorities are required to record all income and expenditure in relation to a local authority's own direct provision of housing within the Housing Revenue Account.

- 1.5 The complexities of the current funding regime with different grants, funding sources and recipients are partly a reflection of the choices taken and judgements made on how public bodies will address and meet the needs of disabled or older people. These are policy decisions set out in legislation, in terms of who is eligible to receive funding for DFGs, the Welsh Government policy in respect of PAGs and the Rapid Response Adaptations Programme, and also the delivery organisations responsible for delivering adaptations where elements of local discretion exist. Previous reviews of housing adaptations⁸ highlight that the infrequency of Welsh Government guidance to local authorities, since the Regulatory Reform Order 2002, has led to a stark variation in local determination and service provision. The result is a wide variation in systems, policies and approaches across Wales that is resulting in disabled and older people receiving very different services depending upon where they live, who delivers the adaptation, and whether they own or rent their home.
- 1.6 We found that 18 of the 22 authorities have revised their DFG policies and delivery systems to reflect the flexibilities provided by the 2002 Regulatory Reform Order. For instance, through our fieldwork we identified that local authorities have used the 2002 Regulatory Reform Order to fast-track processes for adaptations valued at less than £5,000 with no means test. Powys County Council for instance operates low-value and less-complex adaptation schemes in partnership with Care and Repair agencies to speed up and streamline delivery of minor works. In addition, six of the 11 local authorities who have transferred their social-housing stock to a housing association, and two of the 11 local authorities who retain their social housing stock, permit applications for DFG funding from these social-housing landlords. In these cases, the LSVT and local-authority landlord are required to comply with the local authority's Housing Renewal Policy standards. Twenty of the 22 local authorities also fund DFG adaptations to private-rented properties.
- 1.7 In addition, a number of local authorities deal with adaptation works very differently for local-authority tenants and for homeowners. For example, we found different systems in place for engaging with builders, specifying works, overseeing the performance of contractors and the speed of delivery for works to local-authority housing tenants and owner-occupiers receiving DFGs, despite officers working within the same teams (see **Part 3** below for further details). Because organisations lack measurable service standards for adaptations, disabled and older people with similar needs often receive a very different quality of service.

8 For example, Welsh Government, **Review of Housing Adaptations including Disabled Facilities Grants – Wales: A Report by Chris Jones For the Housing Directorate**, March 2005; and Welsh Government Social Research (on the Shelter Cymru website), **A Review of Independent Living Adaptations**, January 2015.

- 1.8 Occupational Therapists who responded to our survey noted particular weaknesses in respect of adaptations delivered by stock-transfer housing associations. They noted inconsistencies and gaps in the range, detail, and quality of information and advice, particularly regarding entitlement and changes to eligibility criteria. In particular, a small number of stock-transfer associations encourage disabled or older people who need housing adaptations to move to an adapted property (which may not always be immediately available), or remain in their existing home and wait until a suitable adapted property becomes available.
- 1.9 The current configuration of delivery and eligibility for housing adaptations means that people's access to adaptations depends upon their tenancy status and the local-authority area they live in, rather than on need. A further confusion is that whilst the legislation determines the work of local authorities in respect of delivering DFGs and Welsh Government guidance to housing associations about the delivery of PAGs, the adaptations to a local authority's own housing stock can take place outside of the legislation and PAG guidance does not apply to the 11 LSVT housing associations. Each of the local-authority and LSVT landlords determine the adaptations work undertaken to their rented housing and how they will deliver adaptations for their tenants, although they can also apply for DFGs as well. The main consequence of these policy decisions is that people with similar needs receive a different response.

Adaptations are delivered by a large number of organisations who annually assist around 32,000 people, but spending on adaptations in real terms is static and delivery is complicated by the different sources of funding

- 1.10 Funding for housing adaptations comes from a number of different sources, including the Welsh Government, landlords' own resources and local-authority capital programmes. **Exhibit 2** overleaf shows that whilst the amount of funding invested in adaptations has marginally increased, rising from £58.7 million in 2013-14 to £60.3 million in 2015-16, in real terms, expenditure remains static. In addition, some health bodies are funding adaption work. Cardiff and Vale University Health Board provided £1,255,196 in 2016-17 towards the cost of adaptations work undertaken by local authorities in their area. In addition, Abertawe Bro Morgannwg University and Cwm Taf health boards provided monies to Care and Repair; £249,679 in the former case and £36,571 in the latter case.⁹ Outside of this funding, no other health body provides resources to support adaptation work in their community.

⁹ Information collated as part of the Wales Audit Office review of discharge planning.

1.11 All delivery organisations providing funds for adaptations have increased how many people receive adaptations in the last three years, with the number of people assisted rising by 11.7%, from 28,594 in 2013-14 to 31,941 in 2015-16. The bulk of people assisted receive minor adaptations provided by Care and Repair rather than larger refurbishments to their home. The Rapid Response Adaptations programme delivered by Care and Repair accounts for roughly 50% of all works undertaken in any single year. Our research shows that there are a large number of delivery organisations with responsibilities for funding housing adaptations with 68 different bodies providing adaptations using five different sources of funding. There are significant variations in the different sources of funding. Local-authority funding of DFGs has remained static; traditional housing-association funding and local-authority spending on their own housing stock has increased; LSVT associations and Care and Repair funding has decreased.

Exhibit 2: cash and real-terms expenditure on adaptations, the basis for delivery organisations' funding and number of households assisted by delivery organisations between 2013-14 and 2015-16

The exhibit shows that funding of adaptations is complex with a large number of organisations with responsibilities for delivering work who operate largely independent of each other. The amount spent in real terms has remained static and delivery bodies are assisting more people.

Source of funding		2013-14	2014-15	2015-16	Percentage change over three years
Disabled Facilities Grants taken from the local-authority Capital budget	Amount spent in cash terms	£32,700,271	£32,726,068	£33,502,054	2.4%
	Amount spent in real terms	£33,408,191	£32,950,461	£33,502,054	0.3%
	Numbers assisted	4,393	4,306	4,454	1.4%
Local-authority Housing Revenue Account funding for adaptations to local-authority housing	Amount spent in cash terms	£9,728,758	£9,357,702	£10,224,936	5.1%
	Amount spent in real terms	£10,137,819	£9,609,963	£10,224,936	0.8%
	Numbers assisted	3,847	3,702	4,138	7.5%
Traditional housing associations Physical Adaptation Grants provided by the Welsh Government	Amount spent in cash terms	£6,259,088	£7,176,503	£7,900,051	26.2%
	Amount spent in real terms	£6,394,589	£7,225,710	£7,900,051	23.5%
	Numbers assisted	1,422	1,407	1,686	18.5%

Source of funding		2013-14	2014-15	2015-16	Percentage change over three years
Traditional housing associations' own resources used to fund adaptation works	Amount spent in cash terms	£129,726	£179,735	£224,482	73%
	Amount spent in real terms	£130,616	£180,968	£224,482	71.8%
	Numbers assisted	541	608	586	8.4%
Large Scale Voluntary Transfer housing associations – own resources used to fund adaptations	Amount spent in cash terms	£7,809,577	£6,890,873	£6,460,578	-17.2%
	Amount spent in real terms	£7,978,644	£6,938,121	£6,460,578	-19%
	Numbers assisted	4,386	4,396	4,656	6.1%
Rapid Response Adaptation Programme provided by the Welsh Government	Amount spent in cash terms	£2,074,312	£2,023,800	£2,036,727	-1.8%
	Amount spent in real terms	£2,119,218	£2,037,676	£2,036,727	-3.9%
	Numbers assisted	14,005	17,739	16,421	17.2%
Total	Amount spent in cash terms	£58,701,732	£58,354,681	£60,348,828	2.8%
	Amount spent in real terms	£60,169,077	£58,942,899	£60,348,828	0.3%
	Numbers assisted	28,594	32,158	31,941	11.7%

Source: Wales Audit Office analysis of Council Revenue Outturn data; data submitted by housing associations to the Welsh Government; Care and Repair spend data from the Welsh Government; and individual organisation returns as part of a Wales Audit Office survey. Housing-association data includes returns from 10 of the 11 Large Scale Voluntary Transfer housing associations. Only 10 of the 22 traditional housing associations who receive Physical Adaptation Grants provided data on how much of their own money is invested in adaptation works.

- 1.12 Some of the funding streams are governed by legislation and/or Welsh Government policies whilst money invested by some delivery organisations – LSVT housing associations and local-authority social-housing landlord services – are left to these landlords to determine how to spend. In 2015-16, LSVT associations and local-authority housing landlords invested circa £16 million from their own resources, accounting for 27% of all funding on adaptations in Wales that year. These resources are not subject to Welsh Government oversight, approval or the policy compliance requirements of PAGs, or the statutory framework governing DFGs.
- 1.13 The result of this convoluted system of funding is that disabled and older people are receiving different services because of where they live and who their landlord/local authority is rather than what their needs are. We recognise that local choice is important, and delivery organisations' policies should reflect the wider needs of the community they operate in and the people who receive their services. However, the wide variation in funding means that it is not unusual for people with similar needs to receive very different standards of service simply because of the policy choice of the agency they have to deal with.

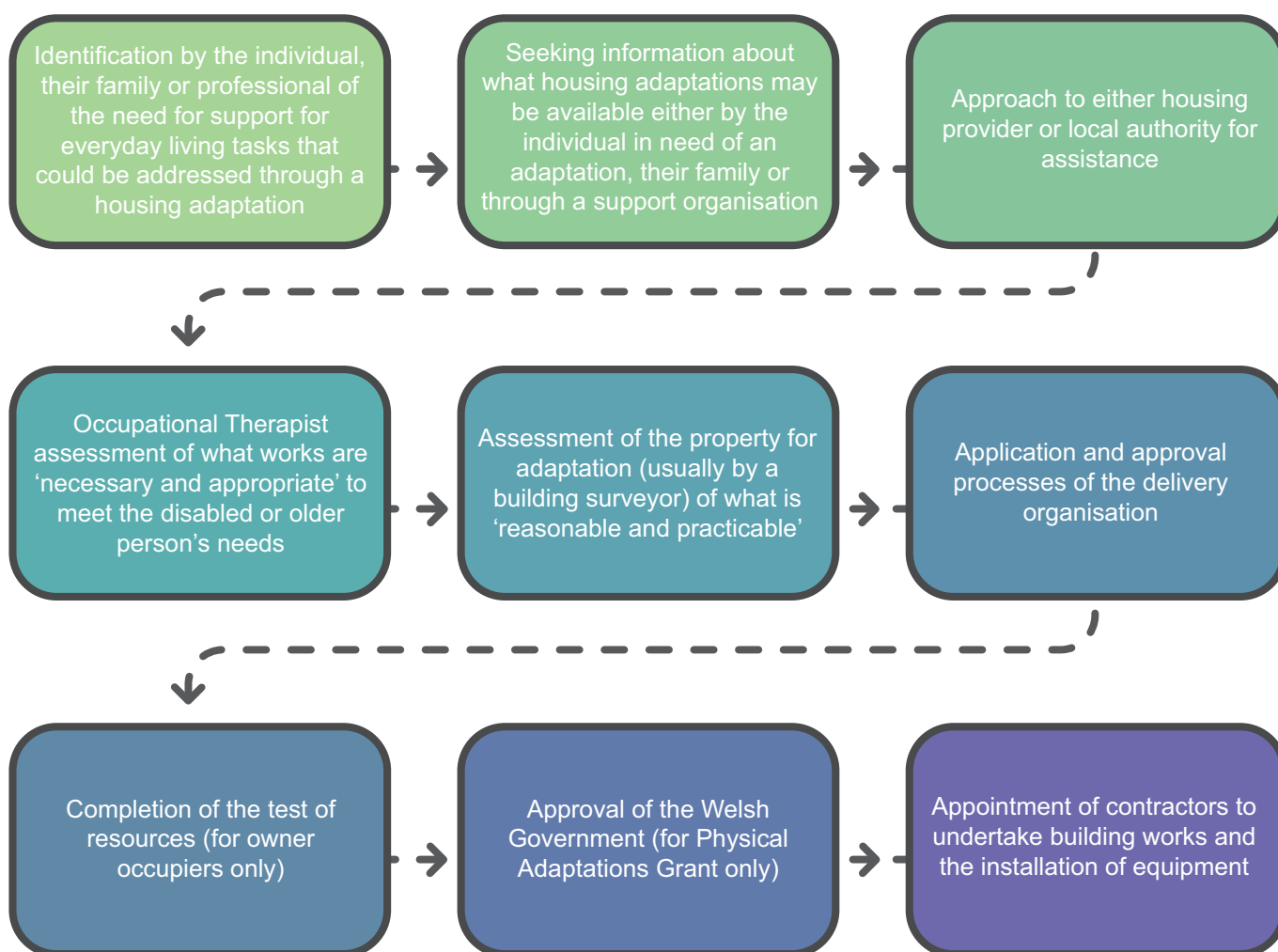
Part 2

Provision of adaptations to people with similar needs is inequitable because of inconsistencies in how delivery organisations provide services



2.1 Delivering adaptations brings together a wide partnership of public bodies including local-authority housing and social services departments; health bodies; Care and Repair; the Welsh Government; and housing associations. Policies and procedures for dealing with requests for adaptations should be sufficiently flexible to encourage usage and take-up. When people apply for a housing adaptation, there are a number of steps to the application process. **Exhibit 3** sets the main stages for adaptations we have identified from our review.

Exhibit 3: the key stages of the adaptations process



Source: Wales Audit Office interviews and review of delivery organisations' documentation and policies.

2.2 Delivery arrangements can, however, vary widely depending upon where the disabled or older person lives in Wales; and whether they own their home or rent from a private landlord, housing association or local authority. As well as many different sources of funding, the intricate system of assessments and approvals can also add time to the delivery of an adaptation. Given the complexities of the adaptation system, it is important that public bodies seek to streamline delivery wherever possible to:

- avoid a disabled or older person's condition deteriorating;
- decrease the risk of accidents or falls;
- reduce stress on carers;
- diminish the risk of re-admission from an unsatisfactory discharge; and/or
- minimise a delayed discharge.

2.3 In this section of the report, we consider how delivery organisations provide the main stages of adaptations – promotion, information, application, assessment, approval and building works – drawing out the complexities of current arrangements. We highlight how policy choices, intended to create a more equal Wales, have resulted in a system that can reinforce inequalities experienced by disabled and older people.

Adaptations are not always effectively promoted to all people who would benefit

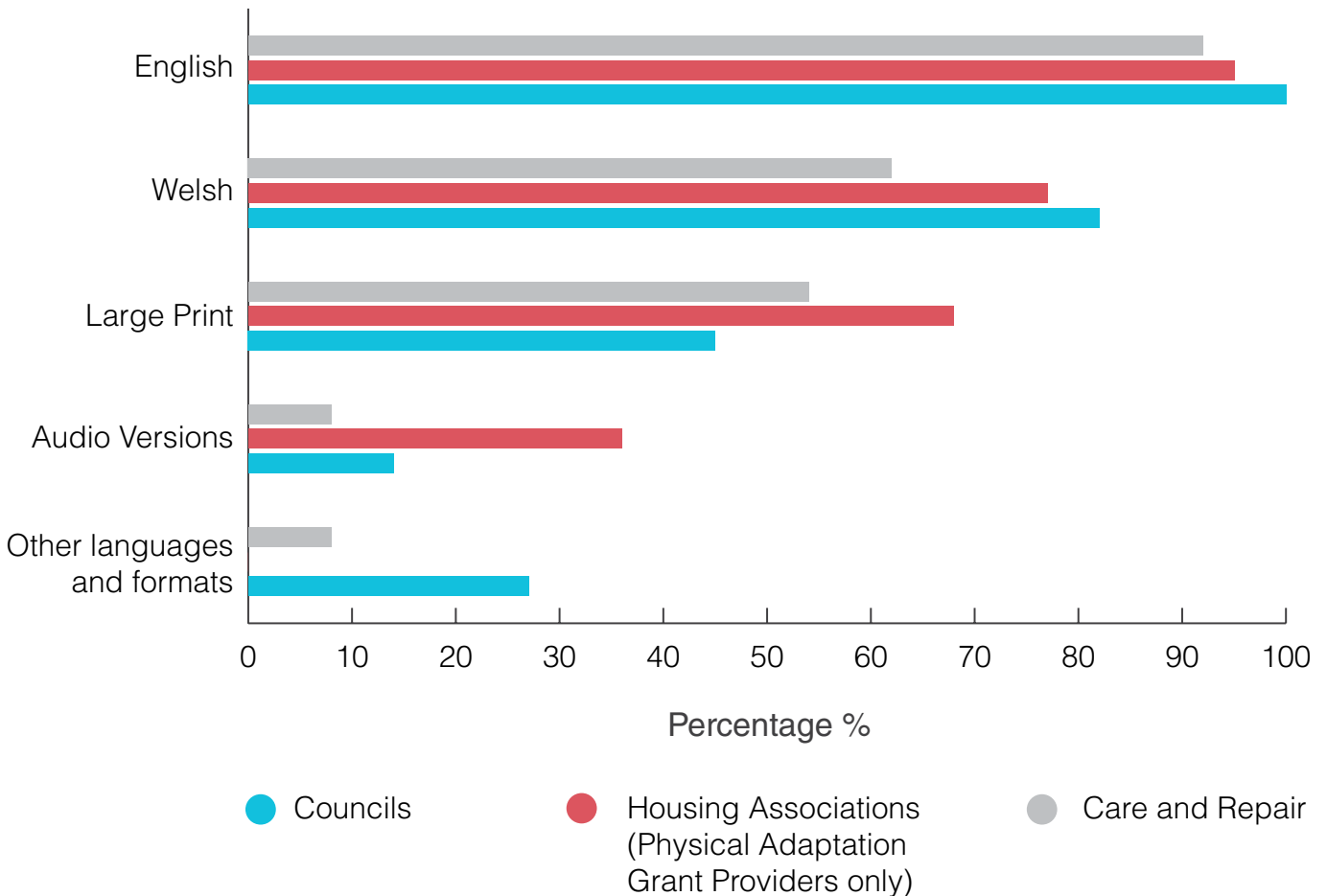
2.4 For a service that provides support to some of the most vulnerable people in society, effective promotion is crucial in order to ensure that all those who could benefit from the service are aware of its existence, the opportunities it provides, how they can use it and ultimately, maintain their independence. Information on how to access the service needs to be readily available and be in the right places. It also needs to be easily understandable. The views of people who received housing adaptations during 2015-16 highlight the need for delivery organisations to consider the needs of people who may benefit from the service to ensure promotional information and application processes are designed to meet those needs.

Information provided by delivery organisations is not always easily accessible or understandable and comes in a variety of formats

- 2.5 Disabled and older people often find it difficult to access adaptations, largely due to the complexity of the system as a whole and the various access routes into services. Whilst some examples of preventative and planned approaches exist, these are rare. Very few authorities and housing associations have capitalised on the opportunity to reduce pressures on officers' time by publishing effective, accessible online information, and are therefore not making the most efficient use of their resources.
- 2.6 Local authorities, health bodies, housing associations, Care and Repair and other relevant partners should provide complimentary information on adaptations to inform service users, their advocates, the wider public, other professions and agencies of the services that are available. Information should be in plain English and Welsh, in formats accessible to those with sensory impairments and in additional languages appropriate to all communities within the locality. In response to the potential vulnerability and/or access needs of applicants' delivery organisations should ensure that information is as 'user friendly' as possible. By 'user friendly' we mean that delivery organisations provide:
- key information about adaptations and how to access those in a range of formats including online, hard copy and accessible (large font, audio and range of relevant languages) versions;
 - information to other organisations that may come into contact with people in need of housing adaptations;
 - information to professionals who work with people who may need housing adaptations;
 - assistance with application processes;
 - assessments of need and building suitability at the same time, where possible, to reduce delays to the process; and
 - key timings for the different stages to guide applicants on the likely period the adaptation will take.
- 2.7 From our review, we have identified that public information falls short in a number of areas, and there are opportunities for delivery organisations to improve how they inform disabled or older people of the services that are available and how to access them.

- 2.8 The majority of those surveyed who have recently received an adaptation stated that they had mostly found out about adaptations from professionals. Most usually, these are Occupational Therapists (22%) and social workers (15%). Less than 5% of people find out about adaptations from delivery organisations – local authorities and housing associations or from published information. It is concerning that, with an aging population and the demand for housing adaptations predicted to rise by over 50% between 2015 and 2035, many organisations are still depending on professionals to promote the service directly.
- 2.9 The findings of our survey also highlight weaknesses in the quality and coverage of public information relating to housing adaptations – [Exhibit 4](#) below. We found that whilst delivery organisations' provide information on housing adaptations in both Welsh and English, a significant number of delivery organisations do not provide information in other key accessible formats. For example, in large fonts for visually impaired users, audio versions for people with hearing difficulties and other languages. The findings set out in [Exhibit 4](#) indicate that information about housing adaptations published by delivery organisations is not always tailored to ensure services are accessible to potential service users.

Exhibit 4: the range and format of information on housing adaptations



Source: Wales Audit Office survey of local authorities, housing associations and Care and Repair bodies.

2.10 Survey findings are echoed in our fieldwork with delivery organisations. Some delivery organisations did not provide a comprehensive range of information on all aspects of their adaptation services in an appropriate and suitable range of formats and media – audio, Braille and large-print formats. We also found that some published information was out of date and did not reflect how delivery organisations provide services. Given the weaknesses in the quality and accessibility of current information on housing adaptations, the Welsh Government through its ‘Enable’ review, is working with delivery organisations to address deficiencies in performance and information management.

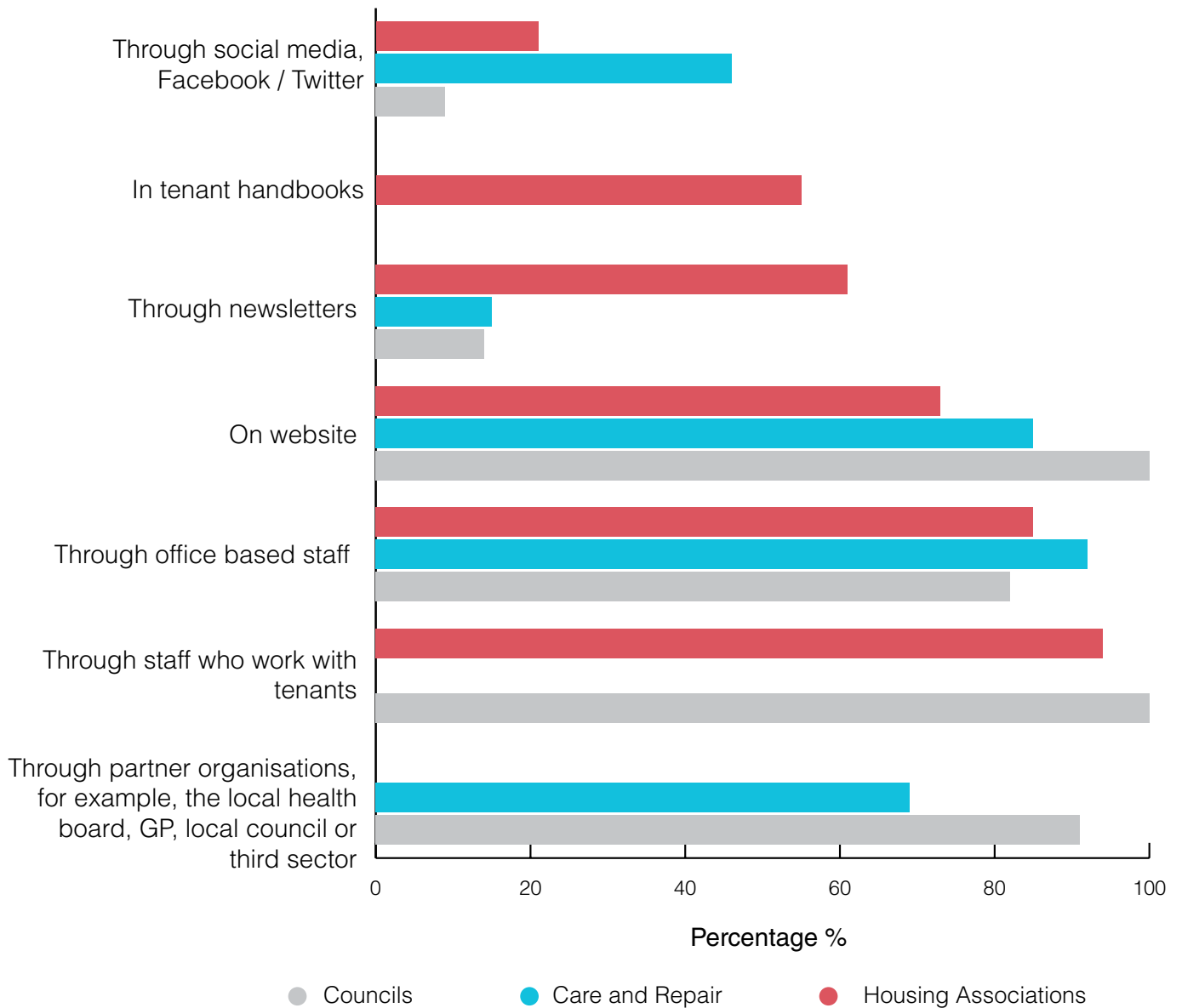
2.11 Whilst health bodies are well aware of benefits of adaptations on avoidable admissions and in supporting discharge, respondents to our surveys noted poor communication, limited knowledge and understanding with GPs, hospital staff and commissioners as major blocks to making better use of adaptations. In particular, the quality and range of information and the sharing of data between the local authority, housing associations, Care and Repair and health bodies to maximise usage, speed up decision-making and strategic planning of services are especially poor. Occupational Therapists who responded to our survey noted wide variations in the quality and coverage of delivery organisations' promotional material. For example, whilst the vast majority of Occupational Therapists (92%) felt that both local authorities and Care and Repair bodies had clearly set out to service users what they can expect to receive, only 65% felt that the housing associations they work with had good-quality and appropriate service-standard information. Ensuring health bodies are maximising the benefits of adaptations remains an ongoing challenge for health professionals.

The lack of effective promotion means that there is a risk that not all people who would benefit from an adaptation are aware of their availability

2.12 Access to adaptations come from a wide variety of agencies – for instance, referrals from social workers, housing officers, third-sector partners, supporting people, staff or building maintenance operatives. Consequently, those who directly deal with individuals who could benefit from a housing adaptation need to be aware of how to refer individuals into services. Whilst we found some examples where collaborative and integrated approaches are leading to better delivery of adaptations (for instance, supporting effective discharge from hospitals), these approaches are the exception rather than the norm. We found little evidence of delivery organisations focussing on proactive or preventative work to better meet the needs of disabled and older people, before their individual circumstances deteriorate and require a crisis intervention.

2.13 Our survey of councils, housing associations and Care and Repair agencies allows us to analyse how different organisations tell people about housing adaptations and the options available to them. **Exhibit 5** shows that the majority of local authorities, housing associations and Care and Repair agencies rely on office-based staff to disseminate information about housing adaptations, whilst information publicised via social media, newsletters and in tenant handbooks is generally less well developed. No housing association provides information to partners such as health, social workers or third-sector bodies. This is particularly concerning given that most people who receive an adaptation generally access services via third-party referrals. Given these gaps in information provision, there are opportunities for delivery organisations to improve how they promote access to adaptations.

Exhibit 5: the different ways organisations that deliver housing adaptations tell people about options available to them



Source: Wales Audit Office survey of local authorities, housing associations and Care and Repair bodies

2.14 Controlling and limiting the promotion of adaptations allows some organisations to effectively manage demand and maintain control over expenditure. Whilst we recognise services have finite budgets and are unlikely to be able to meet the demand from all potential applicants who may need an adaptation, reducing access to services for disabled and older people is clearly not acceptable and falls short of the delivery organisations' responsibilities to their communities.

There is a considerable variation in the application, assessment and approval processes that can create delays in disabled and older people receiving an adaptation

Application processes are not always streamlined or effective

2.15 Many organisations and services are potentially involved in delivering adaptations. The initial contact or referral from a disabled or older person may come via social services, local-authority housing management or maintenance staff, Supporting People officers, private-sector housing or environmental-health staff as well as those who administer DFGs. Given the wide number of routes into services, delivery organisations need to ensure they have robust systems to deal effectively and quickly with applications. The application system should also be sufficiently wide and far ranging to encourage access and take-up, and delivery organisations should offer a variety of media to encourage service users to apply.

2.16 Each delivery organisation has designed their own application process for people that request a housing adaptation. The systems and processes used by delivery organisations vary from body to body, despite following national policy requirements, and often create difficulties for disabled and older people seeking assistance. From our surveys and fieldwork, we found that local authorities and housing associations offer a range of application processes, but not all have processes that consistently and effectively meet the needs of people who require housing adaptations.

- 2.17 Only six local authorities offer online application processes for DFGs. Sixteen local authorities work with Care and Repair to complete applications, but only eight work with other third-sector organisations. Sixteen local authorities allow applications by telephone and 19 local authorities provide outreach services where officers go to people's homes to complete applications. A small number of local authorities also proactively seek to overcome the complexity of the application process by appointing 'case officers' who work closely with disabled and older people to guide them through the process at each stage. Disabled and older people value the support offered by case officers, but often applicants are required to pay for this service.
- 2.18 In comparison, just three of the 33 housing associations we surveyed offer online application processes for housing adaptations, although 13 state they work with third-sector organisations to complete applications, and 12 specifically with Care and Repair. Less than half of the 33 housing associations allow applications by telephone or employ officers to visit disabled or older people in their home to assist in completing adaptation applications. Overall, 79% of people who received a DFG rated the application process as excellent or good, compared to 66% of those who received a PAG.

Occupational Therapists are critical to the delivery of good-quality adaptations, but assessments and working practices are inefficient and not always timely

- 2.19 Adaptations are available to anyone who is assessed as needing one. Local authorities and landlords rely on the professional judgement of Occupational Therapists to identify the works that are 'necessary and appropriate' to meet a person's needs. Occupational Therapists may assess people for housing-adaptation needs in hospital or other care settings. Some delivery organisations require several assessments prior to discharging people to return home or to community-based services. Repeating assessments can create duplication within the system and potential confusion for people who may need a housing adaptation. Our Occupational Therapist survey highlights some of the significant shortcomings in the processes used by delivery organisations to assess, manage and deliver adaptations across Wales.

2.20 These are set out in detail in [Exhibit 6](#) and highlight some significant gaps in current working practices. In particular:

- limited use of mobile technology and reliance on more labour-intensive and excessively bureaucratic processes;
- narrow use of joint applications and reliance on single agency approaches, particularly in housing associations, which increases duplication and adds to the time taken to apply, assess and approve adaptations;
- applicants needing to make multiple applications to different organisations for broadly the same service completing the same information with little integration of data or assessment processes;
- site visits not being kept to a minimum and approval systems not being streamlined to speed up delivery; and
- adaptations not integrated with adapted-housing registers.

2.21 Occupational Therapists also noted delays specifically caused by some housing associations querying the need for adaptation and often delaying or refusing permission. Occupational Therapists also noted a growing concern that the length of time taken by the different delivery organisations to process applications is rising, often as a result of financial pressures and reductions in staff numbers. Overall, whilst local-authority assessment processes often have weaknesses in key areas, Occupational Therapists' experience is that authorities have established more effective systems and processes to deliver adaptations than those used by housing associations.

Exhibit 6: percentage of Occupational Therapists agreeing that delivery organisations take the following steps to improve economy, efficiency and effectiveness when delivering housing adaptations

The percentage refers to the proportion of Occupational Therapists who agree that the named delivery organisations comply with the efficiency criteria and shows significant shortcomings in application and assessment processes.

Criteria	Percentage complying with the application and assessment standard by delivery organisations as assessed by Occupational Therapists		
	Local Authorities (%)	Housing Associations (%)	Care and Repair (%)
Adapted housing registers are integrated with adaptation systems	43	40	35
Applicants only enquire/apply once to access adaptations	50	39	41
Local initiatives support speedier delivery of housing adaptations	55	33	64
Mobile and on-line technology is used during adaptation process	56	54	50
Jointly agreed application form	59	38	53
Systems for approving an adaptation are streamlined	65	30	63
All applications are processed at a single intake point	67	47	64
Processes are designed to decide on applications quickly	69	43	81
Decision points in assessment process kept to a minimum	71	50	75
Assessment process is client focussed and allows quick progress	73	39	76

Percentage complying with the application and assessment standard by delivery organisations as assessed by Occupational Therapists

Criteria			
Roles of all staff involved in assessments are clearly defined	73	57	68
Site visits kept to a minimum and delivered jointly	74	65	70
Approval points in assessment process kept to a minimum	77	48	75
Enquiries screened at a single intake point	84	56	82
Jointly agreed enquiry process	86	74	89

Source: Wales Audit Office survey of local authorities, housing associations and Care and Repair agencies.

2.22 Challenges can be exacerbated where Occupational Therapists work in local health-board areas that cover a number of local authorities, because there is often a considerable variation in delivery organisations' application and assessment processes and approval systems. Similarly, for health professionals who work across local-authority boundaries and engage with a wide range of delivery organisations, there is a challenge in managing multiple and often very different systems when planning discharge from hospital or considering options to address the needs of patients.

2.23 For example, whilst half of the 12 NHS organisations we surveyed (a mix of Health Boards and individual hospitals) felt they knew what delivery bodies expected of them and how referral processes operate, only two felt they fully understood what adaptation services were available for them to use and how long it took to assess and approve adaptations. Similarly, just four organisations acknowledged that they knew the full range of services that are available and the eligibility criteria for provision of services. We conclude that overall, the complexity of systems adds to the time taken to assess people and deliver timely solutions. Occupational Therapists and health professionals we spoke to believe that their work would benefit from standardising assessment approaches and forms across delivery organisations.

2.24 Delivery organisations most frequently refer to the demand on Occupational Therapists as the main reason for delays in adaptations being processed and delivered in a timely manner. From our surveys, we found that 95% of local authorities and 86% of housing associations experience delays in occupational therapy assessments for DFGs and PAGs. To address these delays, we found that some delivery organisations are increasing the use of Trusted Assessors¹⁰ to reduce demand on Occupational Therapists. Because a significant proportion of referrals for adaptations are for minor items, the use of Trusted Assessors can speed up assessments and decisions and allow Occupational Therapists to prioritise assessing and specifying adaptations that are more complex. Despite the work of Trusted Assessors leading to quicker decisions, their work is not always viewed positively. Occupational Therapists raised concerns over the impact and quality of referrals, and noted that some Trusted Assessors feared making decisions because of potential liability for poor choices if problems arise. Some assessments have also had to be reviewed and signed off by Occupational Therapists before they are approved, which can delay timely decision-making.

Equipment demonstration

In early 2015, Cardiff Council opened an Independent Living Centre (ILC). An Occupational Therapist is based in the centre and is able to provide information and assessments to people visiting the ILC. The ILC contains a range of housing adaptations so people can see how those work and can assist their day-to-day lives. Some occupational therapy teams have widened their resource base by purchasing a number of kit ramps and 'pod' shower rooms for people who require adaptations urgently and for a short period of time.

2.25 Some local authorities use single points of access for social services including housing adaptations. Once people who may need a housing adaptation contact the single point of access, their request is passed onto administration staff and co-ordinated centrally resulting in a well-timed assessment of the applicants' personal needs and the suitability of the property.

¹⁰ The Royal College of Occupational Therapists, in response to the pressure on occupational therapists, recognises that a wider range of professionals can assess low-level adaptations. Its written guidance *Minor Adaptations Without Delay* (2006) outlines what adaptations Trusted Assessors can assess. A large number of local authorities and housing associations now use this guidance to speed up assessments for low-level adaptations and therefore release Occupational Therapist capacity to deal with adaptations that are more complex.

Use of technology

Occupational therapists are using technology to become more efficient. Some Occupational therapists email their recommendations directly to housing associations and local authorities, which reduces reliance on and use of paper-based forms and processes. Some Occupational Therapists use their mobile phone cameras to take photos in properties that are being considered for adaptation to accurately capture information, which can be provided electronically to building surveyors and grants officers and help speed up decisions about adaptations. Occupational therapists are also using technology to engage with potential recipients of adaptations by showing pictures of the range of options that are available and the likely impact they can have on the recipient.

Processes for approving adaptations regularly cause delays

- 2.26 As well as the complexity of Occupational Therapists' assessment processes, delays to delivery of DFGs and PAGs can be caused by a range of other factors. A number of these are inter-related and often sequential resulting from the timing of approvals and decisions, whilst others rest with choices and decisions of the applicant. From our survey of local authorities and housing associations who deliver DFGs and PAGs, we identified a number of core issues that currently interrupt delivery of adaptations.
- 2.27 Just under half of local authorities noted that completing the test of resources¹¹ could take considerable time. Delays are frequently a result of the amount of detail DFG applicants are required to provide, such as proof of title and comprehensive financial information. Delivery organisations acknowledged that the means test is also inequitable in relation to other funding options and felt that it is debatable whether the means test represents value for money given the length of time to complete compared to the level of grant provided. Positively, some local authorities speed up the test of resources by linking applications to other authority ICT systems to establish the applicant's financial standing – for example, council tax benefit.

¹¹ Whilst DFGs are mandatory, they are subject to a means test and an upper grant limit. The test of resources for grant applicants is set out in the Housing Renewal Grants Regulations 1996 (SI 1996/2890, as amended). The test largely mirrors the system of calculating entitlement to Housing Benefit. Grant applicants may receive a full grant or may be required to make a contribution towards the cost of the works.

- 2.28 Welsh Government approval processes often delay housing associations delivering PAGs, particularly for larger works, which require approval prior to the commencement of work. The approval process involves Welsh Government officials reviewing the Occupational Therapists' assessment of the need for an adaptation and the suitability of the building, all of which can add many weeks if not months to the process. Eighty-two per cent of landlords stated that they experienced delays because of the Welsh Government requiring associations to provide three quotes and 64% delays as a result of the Welsh Government's approval processes. However, delays can also be caused by incomplete or poor information being submitted to Welsh Government for approval. Nonetheless, given that the bulk of PAGs above £5,000 are approved with little challenge or change, housing associations consider these processes to be unnecessarily burdensome, particularly as the system is entirely paper based and has not been digitised or automated.
- 2.29 To expedite the timeliness of completion of PAGs, the Welsh Government has established a fast-track system for relatively minor and standard works for stair-lifts (£3,500), bathrooms (£6,500) and other access aids (£3,500). It is possible for an application to cover all three which would give a total of £13,500. Under this fast track approach, the Welsh Government retrospectively approves PAG expenditure after the housing association has organised and completed the adaptation. The Welsh Government is also reviewing its guidance on PAGs in partnership with a group of housing-association representatives, and is looking at options to improve timeliness, including formal guidance about the provision of extensions and increasing the upper limits for fast-track applications.
- 2.30 Both local authorities and housing associations also commented on delays resulting from the time needed to gain relevant permissions from utility companies (water in particular) and planning authorities where planning permission is required. These can often result in lengthy delays but are issues over which delivery organisations have little or no control, especially where an applicant is responsible for managing delivery of a DFG. Whilst the onus is normally on an applicant to satisfy planning requirements (for example, in the completion of forms and submission of relevant documentation), delivery organisations should provide as much practical help as required to avoid delays in processing and approving applications. It is important to ensure that planning approval procedures do not add unnecessary delays during the process and that delivery organisations liaise with the relevant local or National Park planning authority to determine the scope of matters which would typically require planning permission, or the scope of exceptional circumstances (for example, when a property lies within a conservation area).

- 2.31 As a final point, decisions taken by applicants or tenants can also result in significant delays. From our surveys, we found that 95% of local authorities stated that applicants often request delays to the adaptation work and 86% of them stated that applicants change their mind and often do not wish to proceed. Whilst housing associations noted that tenants often choose to delay or not proceed with an adaptation, only 40% of landlords experienced these issues. Given the complexity of the system for assessing, approving and delivering adaptations, it is unsurprising that applicants often elect not to proceed, particularly homeowners where DFG processes are especially onerous.
- 2.32 In response to the length of time taken to assess, approve and deliver adaptations, some delivery organisations have sought to streamline their processes to improve efficiency and maximise value for money. These include a number of local authorities, such as Ceredigion County Council and Newport City Council, undertaking an initial assessment of the financial contribution that applicants may need to make for a DFG. Whilst this initial assessment is not binding, it does provide applicants with an understanding of the potential cost they may have to cover. Local authorities using this approach note that identifying the potential cost for applicants as early as possible in the assessment and approval process allows the authority to identify more quickly those who do not intend to progress with their application due to financial cost.
- 2.33 Some local authorities – Powys County Council, Conwy County Borough Council, Caerphilly County Borough Council and the County and City of Swansea Council – also use ‘case officers’ who work with the different agencies and departments involved in adaptations to ensure that applications are ‘pulled’ through the system and decisions expedited. The use of case officers provides applicants with a single point of contact and ensures that there is oversight of disabled or older persons’ application and assessment. Case officers are well placed to address system blockages and speed up decision-making and approvals, especially where there is limited oversight of the whole adaptation system.

Delivery organisations take a wide variety of approaches to the engagement and management of building works and these are not always efficient or effective

- 2.34 A central issue in getting building work completed is to ensure that the processes used to secure contractors and deliver works are fit for purpose. This is a careful balance requiring delivery organisations to ensure they deliver works quickly to meet the needs and wishes of the disabled or older person, whilst ensuring that probity in contractor appointments and value for money in terms of the cost and quality of building works. Local authorities and housing associations consequently need to ensure they have established effective and efficient methods to deliver services.
- 2.35 Managing contractors and the expediency of procurement processes are important aspects of ensuring the quality of housing adaptations. Done badly, they can have a dramatic effect on the timeliness, cost and delivery of adaptations. The findings of our survey highlight that half of the housing associations delivering PAGs, and a third of local authorities, experienced difficulties in securing contractors and roughly 20% of both in appointing suitably qualified builders to undertake building works.
- 2.36 Most local authorities, housing associations and Care and Repair agencies have established appropriate processes to oversee and manage builder performance, most usually through regular meetings and dialogue in respect of individual grants. However, few delivery organisations are working strategically with contractors to streamline and improve performance. Only two delivery organisations engage with contractors and builders as members of strategic cross-sector groups, which is a 'lost learning opportunity'. Similarly, only two organisations have pooled resources with contractors – for example, joint posts to oversee and co-ordinate and streamline delivery – and only one has co-located staff with contractors and builders.

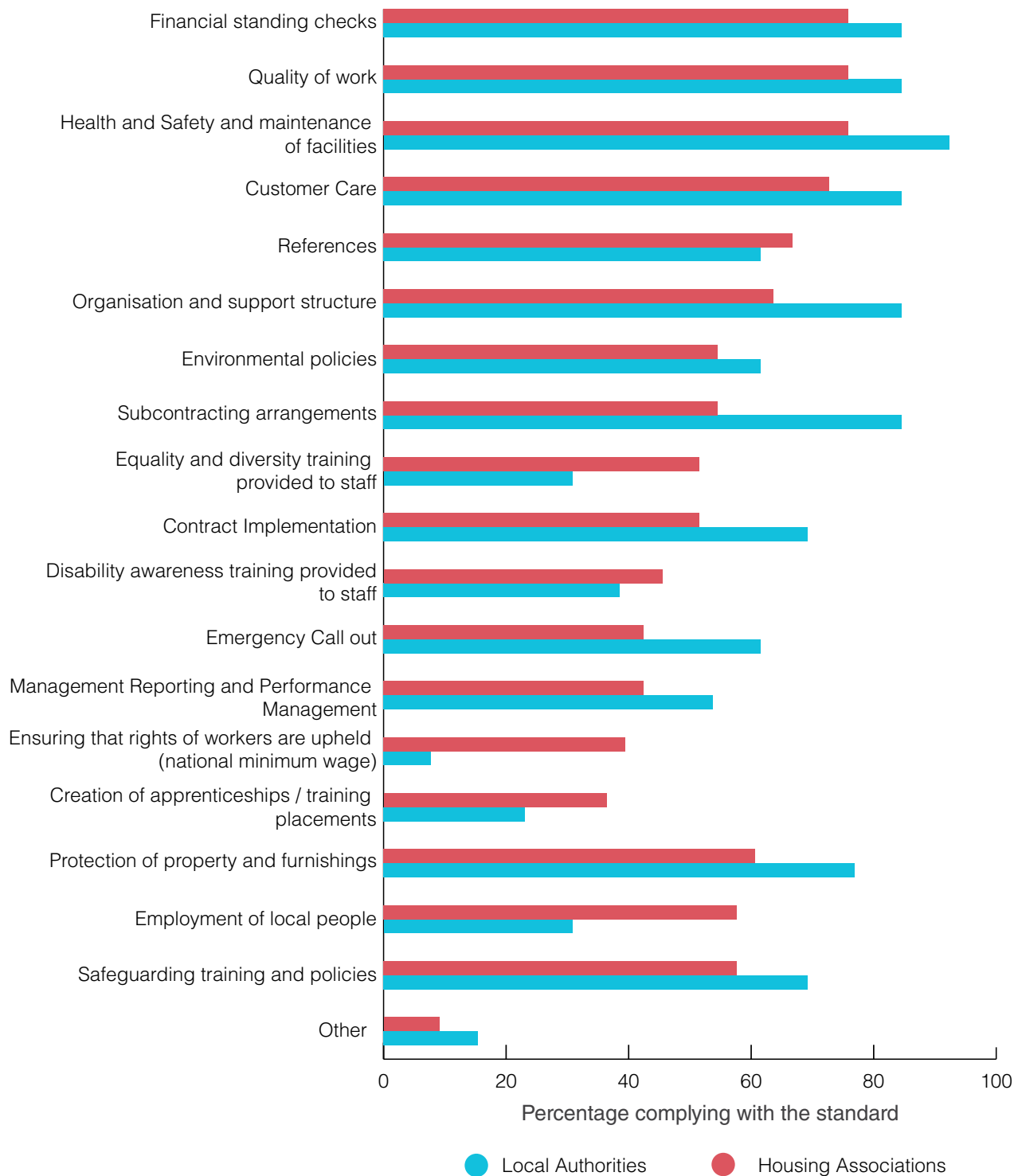
- 2.37 Half of local authorities use approved contractor lists to procure building works and only work with builders they have approved to undertake adaptation work. This is proportionally much lower than housing associations where 27 of the 33 operate approved contractor lists for adaptations. Other local authorities and housing associations tend to use one-off tendered contracts, usually inviting tender prices against a specification using the same criteria for those on approved contractor lists. In addition, a small number of authorities also operate framework agreements.¹²
- 2.38 Where local authorities plan to establish or review their approved list of builders, they should open the process to all potential contractors who meet their published criteria for inclusion. Selection for approved lists should be comprehensive in coverage and include general and specialist contractors to provide local authorities with adequate assurance that the builders they approve to deliver adaptation works are suitably qualified to undertake this work, covering financial standing, liabilities and indemnification and past performance to judge quality and timeliness of works.
- 2.39 However, we found that the processes for accreditation are often not comprehensive and do not provide assurance that authorities are operating effectively. Often accreditation is not based on a formal assessment. For example, only four local authorities run annual processes for contractors to apply to become members of approved lists, whilst the remainder operate ad hoc systems where contractors can tender or apply for inclusion at any time. Some local authorities use online services such as Construction Line¹³ to vet key data such as liabilities and indemnification. However, this is often not undertaken annually or bi-annually and information is often out of date. Consequently, delivery organisations often have limited assurance of a contractor's current financial standing and suitability to undertake adaptations work.

¹² A framework agreement will generally allow a purchaser more flexibility around the goods or services contracted for under the framework, both in terms of volume and also the detail of the relevant goods and services. A multi-supplier framework allows the contracting organisation to select from a number of suppliers for its requirements, helping to ensure that each purchase represents best value.

¹³ Construction Line: the national pre-qualification database for assessing contractors undertaking work in the building and construction industry.

2.40 Even without use of online services such as Construction Line, delivery organisations can lack published standards for approved contractors, such as regular production and vetting of appropriate insurance and evidence of financial standing. Compliance with these standards enables delivery organisations to assure themselves of the appropriateness of the contractors who undertake adaptations work. These limitations are reflected in our survey of local authorities and housing associations set out in [Exhibit 7](#) which shows that the range of criteria used by delivery organisations to select contractors is not comprehensive. For example, less than half of local authorities and housing associations require contractors to have provided their staff with disability awareness training.

Exhibit 7: the criteria used by local authorities and housing associations to assess whether a company should be included on the approved contractor list or to approve a builder who tenders for work



Source: Wales Audit Office Survey of local authorities and housing associations. The chart assesses the 22 local authorities' and 33 housing associations' criteria for working with contractors and builders.

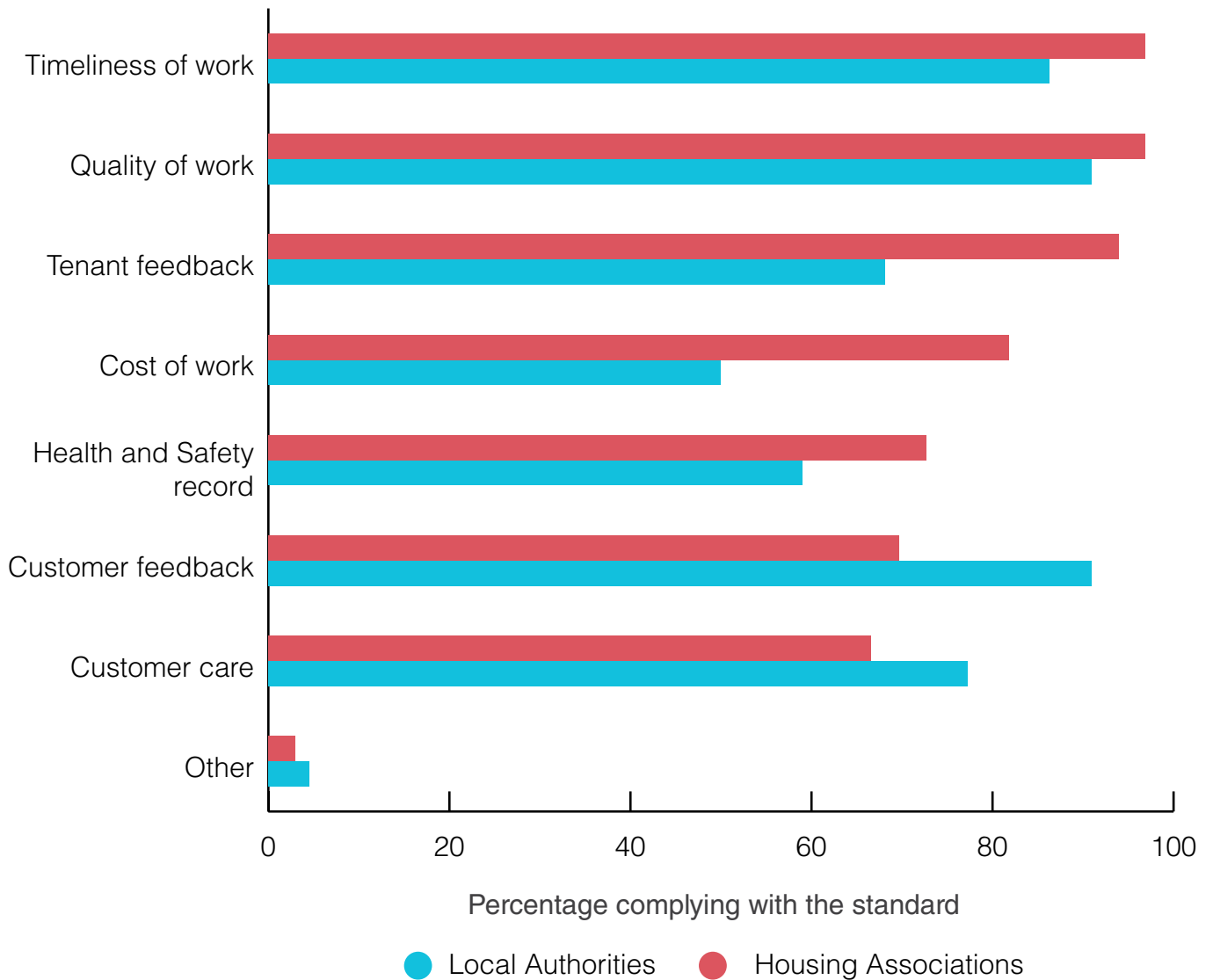
- 2.41 From our survey we found that a small number of local authorities and housing associations are using framework agreements as an alternative to tendering. These approaches allow contractors to achieve savings through economies of scale and some guarantee of the quantity of work they might receive. The longer-term relationship also allows the contractor to invest appropriate resources and develop higher standards of workmanship, and can deliver benefits such as reduced transaction costs; continuous improvement with long-term relationships that are clearly set out and underwritten by contract; better value and greater community wealth; and customer-focused solutions. For example, two local authorities have established four-year framework agreements whilst other local authorities and housing associations use Sell2Wales.¹⁴
- 2.42 Some local authorities have trouble with the availability of contractors, which causes delays in the timeliness of delivery of adaptations. In particular, mainly rural authorities with limited or no access to major building contractors noted an over reliance on smaller local building firms which often have limited capacity to deal with new agency procurement arrangements. We found that despite these difficulties in securing builders, authorities were not proactively seeking to widen out their pool of contractors to improve choice, speed up delivery and drive greater efficiency. Market testing of contractor rates is often carried out annually via authority quantity surveyors and benchmarked against standard construction pricing schedules such as Spons.¹⁵ However, we found that Grant officers are unclear if this delivers the best value for money, and the lack of supply of contractors can push up rates.
- 2.43 In a small number of areas, the local authority does not directly manage contractors but guides applicants to an approved list of contractors and requires grant applicants to select and manage builders themselves. Where a grant applicant elects or is required to manage a builder directly, it is important that the local authority consider whether they wish to provide applicants with information on local contractors and builders to help them decide on who to appoint. We found that in some authorities the list of contractors provided to grant applicants is not always based on a robust analysis of performance, standing, quality and skills. These are important weaknesses that need to be strengthened to safeguard applicants, and authorities should provide guidance on how to vet builders to help applicants select the right contractor.

¹⁴ Sell2Wales is a website procurement portal set up by the Welsh Government to help businesses win contracts with the public sector across Wales and help the public sector advertise and manage tender opportunities.

¹⁵ Spons provides accurate, detailed and professionally relevant construction price information for the UK. Its unique Tender Index, updated through the year, provides an ongoing reality check and adjustment for changing market conditions.

- 2.44 Home-improvement agencies (HIAs) offer practical help with building works to vulnerable homeowners. The service offered varies but normally covers help in diagnosing building problems, identifying solutions, selecting a builder, and ensuring work is effectively delivered. Some HIAs are independent non-profit organisations whilst others operate in-house within a local authority with the cost often covered by fees drawn from the DFG. We found that 17 of the 22 local authorities offer HIA support and 15 authorities charge the grant applicant for these services. Given home improvement agency provision is not available across all of Wales, we have concerns that disabled and older people do not apply for DFGs because they are unable or unwilling to directly engage and manage contractors and builders without the support of their local authority.
- 2.45 Monitoring and evaluating performance on delivery of individual adaptations is a key part of ensuring builders provide good-quality and cost-effective services. Delivery organisations need to have appropriate systems in place to collect sufficient intelligence to judge a contractor's performance, actions and behaviours. This should be undertaken independently of the contractor and used to judge whether the builder is retained to deliver adaptations work in the future.
- 2.46 We found that 19 local authorities and 21 housing associations review the performance of contractors on every adaptation on an ongoing basis; one authority and five associations review performance quarterly; and six associations annually. However, two authorities and five housing associations do not evaluate contractor performance at all. Overall, we consider that delivery organisations responsible for delivering adaptations do not always have effective arrangements to monitor, review and evaluate the performance of builders and contractors.
- 2.47 **Exhibit 8**, below, summarises the findings of our survey of local authorities and housing associations analysing the criteria they use to review contractor performance. Most delivery organisations focus on customer feedback, the quality of the building works and speed of delivery. However, only 11 local authorities consider the cost of the works and 13 the contractor's health and safety record and overall performance. In addition, two local authorities and five housing associations stated that they do not review a contractor's performance at all. This highlights that not all agencies are managing and reviewing contractor performance against a suitable range of information.

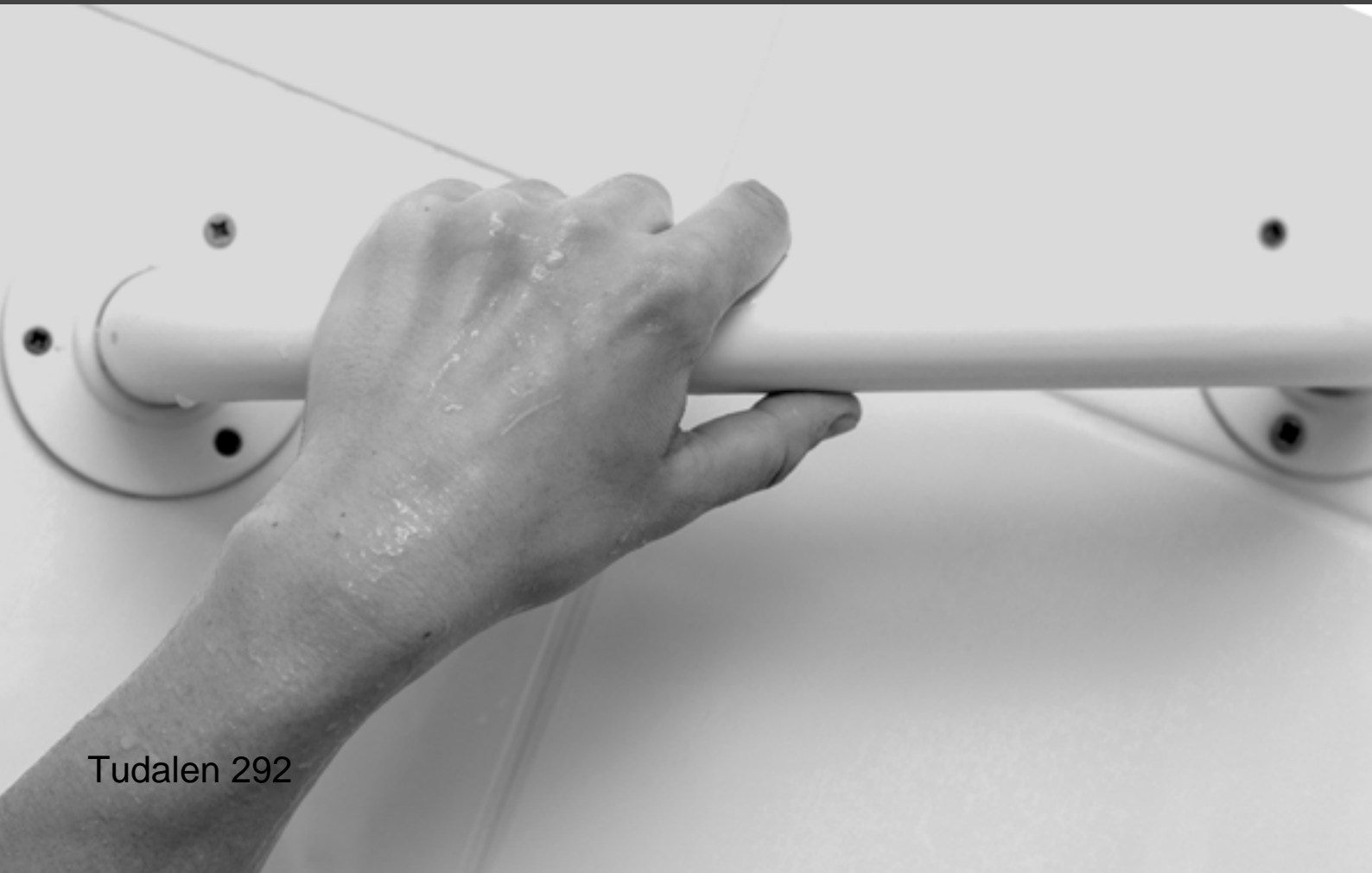
Exhibit 8: the criteria used by local authorities and housing associations to assess the performance of contractors and builders who deliver adaptations



Source: Wales Audit Office Survey of local authorities and housing associations.

Part 3

Public bodies are generally clear on the benefits of adaptations, but partnership working is ineffective to address need



- 3.1 For at least 30 years, successive UK and Welsh government policies have recognised the importance of supporting frail older people and disabled people to live independently in their own homes rather than in hospitals or residential establishments. For most older and disabled people, addressing their housing needs does not mean specialised new provision but adaptations to their existing homes.
- 3.2 In this part of our report, we examine census data and population projections to gauge the overall level of demand for adaptations in Wales. We also review public bodies' policies for adaptations and the effectiveness of partnership arrangements between local authorities, housing associations, Care and Repair and health bodies to judge how well services are meeting current needs and working together to address predicted increases in demand. Finally, we review current joint working arrangements to judge whether adaptations are benefitting all those who need assistance.

Census data and population projections suggest demand for adaptations will continue to increase

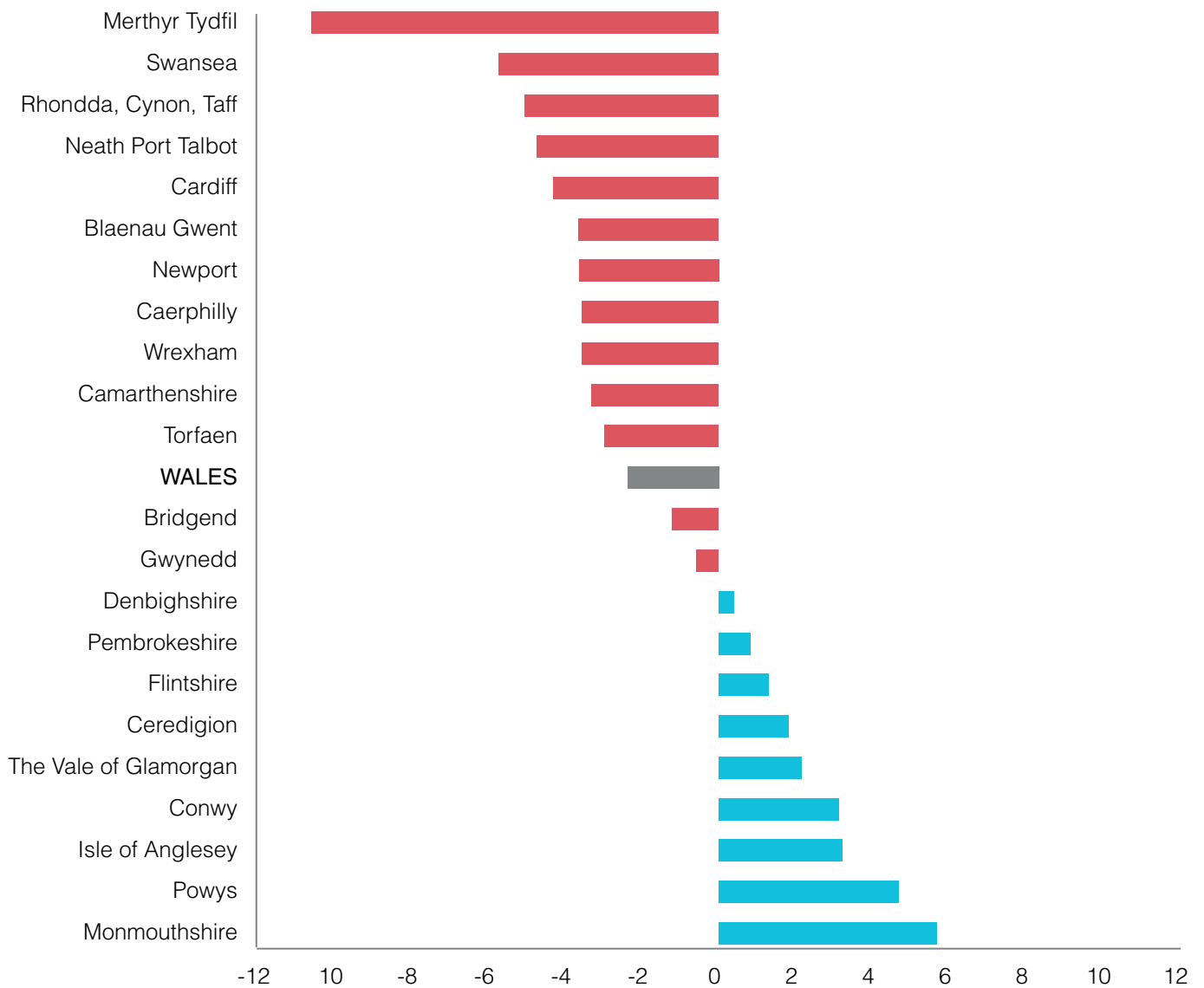
- 3.3 The rights of disabled and older people to receive help for adaptations determines that this is a needs-led service. Local authorities have a statutory duty to review the condition of the housing stock and the need for housing in their area, and have extensive powers to intervene where housing conditions are unacceptable and there is unmet housing need. Local housing authorities also have an obligation under legislation¹⁶ to make an estimate of the likely need for these services and to develop plans for delivering them at a level that will meet the needs identified.
- 3.4 Census data¹⁷ highlights that a higher proportion of the Welsh population (7.8%) consider themselves to be in poor health compared to those in England (4.2%). Comparatively, people in Wales have poorer health than all regions in England with the exception of the North East of England. In Wales, activity limitations are also notably higher: almost 12% reported they are 'limited a lot' and almost 11% are 'limited a little'. In Wales, the prevalence of activity limitations is higher than any English region. Wales also has proportionately more people aged 55 and above than England, and activity limitations are more common among those above retirement age.

¹⁶ Relevant legislation includes: the Local Government and Housing Act 1989; the Housing Grants, Construction and Regeneration Act 1996; Regulatory Reform (Housing Assistance) (England and Wales Order) 2002 and accompanying guidance NAFW Circular 20/02; and the Disabled Facilities Grants (Maximum Amount and Additional Purposes) (Wales) Order 2008 (Welsh Government 2008a).

¹⁷ General Health in England and Wales: 2011 and comparison with 2001.

3.5 The proportion of the population in Wales who consider themselves to be in good health is also falling. **Exhibit 9** highlights that between the Censuses in 2001 and 2011, in 13 local authorities the number of people who considered that they suffered from poor health increased, most significantly in Merthyr Tydfil where the rate of deterioration in health was over 10%.

Exhibit 9: the percentage change in the number of people who consider themselves to be suffering from poor health in Wales by local authority between 2001 and 2011



Source: Census, 2001 and 2011.

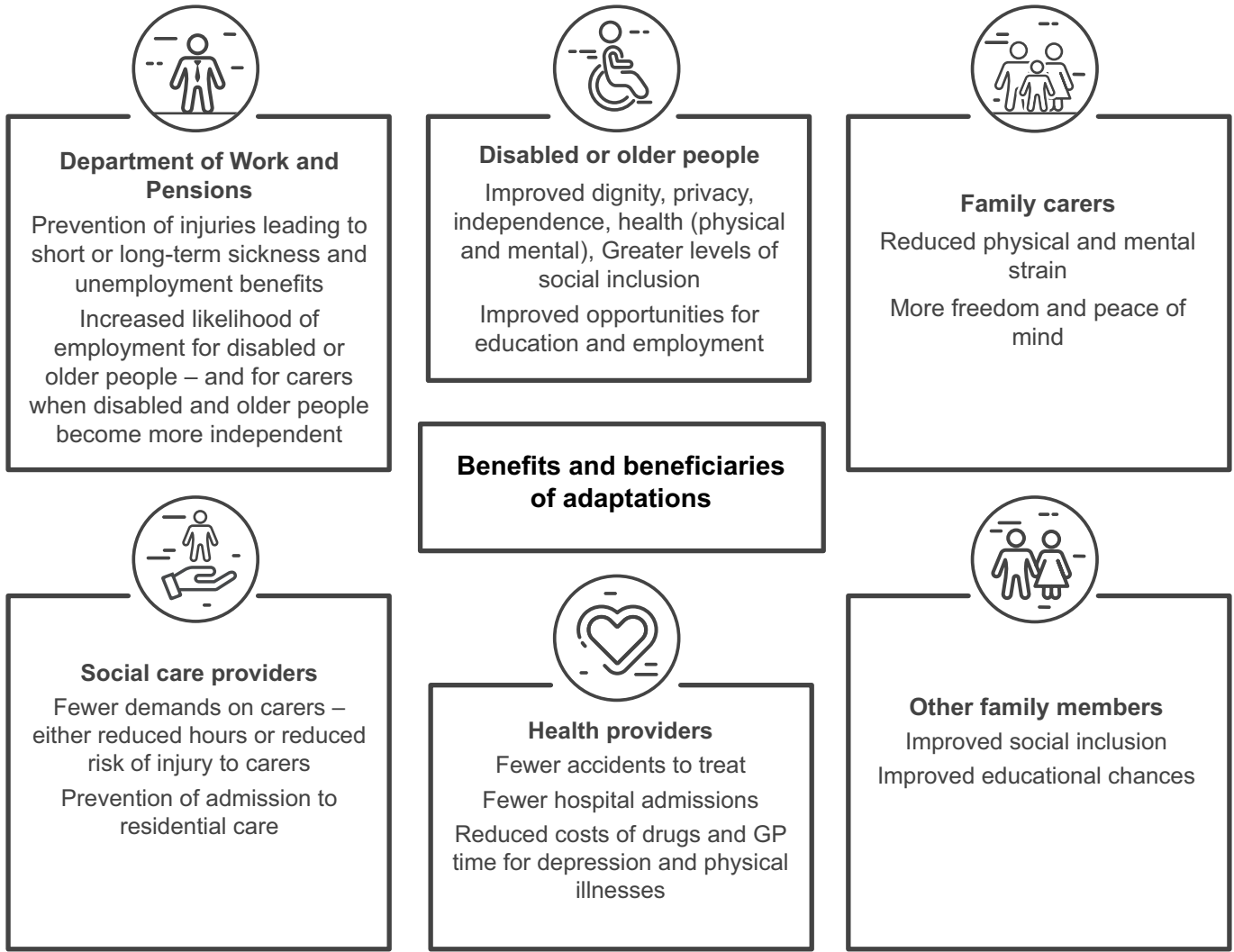
- 3.6 Over the next 20 years we expect to see an increase in the number of people in Wales who experience mobility problems and difficulties undertaking daily domestic tasks. In summary, Welsh Government projections at an all-Wales level show that the number of people who will struggle with domestic tasks aged over 65 will increase by roughly 34% rising to 381,500 and those with mobility difficulties will rise by 58% to 178,000 in 2035. [Appendix 4 and 5](#) provide the detailed projection data from the Welsh Government's Daffodil¹⁸ system at an all-Wales level and by local-authority area.
- 3.7 The predicted increase in demand for adaptations identified in Daffodil projections are echoed by the majority of delivery organisations responding to our surveys who note that demand for housing adaptations is growing and they expect this to continue to increase in the future. Eleven of the 22 local authorities have seen demand rise in the last three years, and 16 of them anticipate demand will grow in the next three years. Similarly, 25 of the 33 housing associations have seen a rise in demand and 27 anticipate further increases in the next three years. All Care and Repair bodies have seen demand surge and expect it to continue to grow.

Public bodies are mostly clear on the importance of adaptations in supporting independence, but organisations continue to plan in silos with limited focus on collaboration or integration

- 3.8 Public bodies in Wales recognise the importance of housing adaptations in changing the home environment to enable or restore independent living, privacy, self-confidence and self-respect for individuals and their families. Adaptations also deliver many benefits for local and national organisations. [Exhibit 10](#) below summarises some of these beneficiaries and benefits.

¹⁸ Daffodil is a web-based system developed by the Institute of Public Care for the Welsh Government and pulls together in one place the information needed to plan what future care, support and housing services over the next 20 years for children, adults and older people.

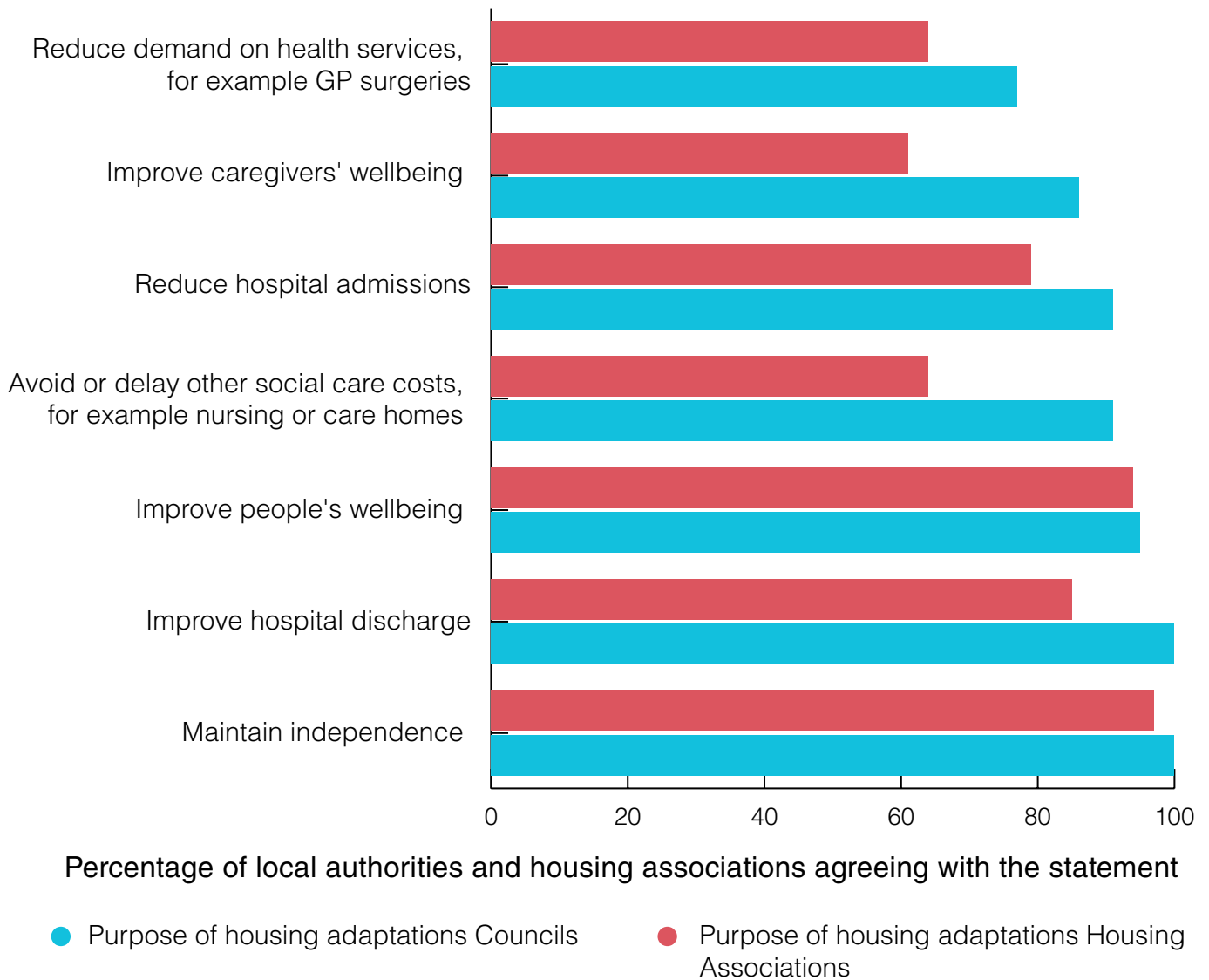
Exhibit 10: examples of the beneficiaries and benefits of adaptations



Source: Wales Audit Office.

3.9 For adaptations, having the right strategic goals establishes a clear basis for decision-making about service prioritisation and how and where to direct resources. Most delivery organisations are clear on how their work on adaptations positively helps disabled and older people. For example, through our surveys we found that all local authorities and the vast majority of housing associations have policies for adaptations, which highlights the importance adaptations make in maintaining independence. Similarly, the majority of bodies are also clear on how adaptations support hospital discharge and contribute to improving wellbeing. However, our survey findings highlight that there are some opportunities to improve coverage and focus in some organisations. In particular, improving policies to better address the needs of carers and avoid or reduce demand and costs in health and social care services – [Exhibit 11](#).

Exhibit 11: local-authority and housing-association views on the purpose and coverage of their policies for deciding on and delivering adaptations



Source: Wales Audit Office, survey of local authorities and housing associations.

- 3.10 For local authorities, the key policy for provision of adaptations is their Housing Renewal Policy, which should set out the basis and rationale for housing and renewal activity. From our review of Housing Renewal Policies, we found that local authorities are generally clear on the importance and benefits of adaptations and have set appropriate aims and objectives to support their housing investment activity. For example, Bridgend County Borough Council has a stated aim to ‘enable older and disabled people, and people suffering from domestic abuse, where appropriate, to remain in their own homes and live independently’ and Caerphilly County Borough Council is focused on ‘enabling vulnerable persons to remain at home in safety and comfort’.
- 3.11 Our review, however, also identified some shortcomings in current policies for adaptations. Housing Renewal policies should go beyond simply basing priorities on past performance and experience of previous years in responding to the demand that presents itself through applications for services. We often found a poorly presented strategic case, and need for adaptations and information on future needs is often underplayed. Whilst local authorities and partners hold activity data on past performance in providing adaptations, they are not sighted as to whether this activity is meeting all of the need for housing adaptations and public bodies in many areas do not pool information to better understand future demand.
- 3.12 There are some good examples of joint working between agencies to consider the overall demand for adaptations – for example, in Cardiff through the Accessible Homes Register and in Swansea and Wrexham. However, these approaches are often the exception. Even where public bodies work together to better understand demand, data is often not used to set out how authorities intend to address the needs of disabled and older people in the medium-to-long term. In terms of needs assessment, the data most frequently identified and used in strategic planning and needs mapping for future services, is historic trend and spend information, but only where it relates to an organisation’s own performance. Agencies rarely collate sufficiently detailed information and data to provide a strategic overview of current performance and activity to inform future need.

Good Practice – Cardiff Accessible Homes Project

The project has developed a Housing Register specifically for people with physical impairment who are seeking to move to alternative accommodation. Initial grant funding from the Welsh Government enabled a partnership of housing, social care, health and voluntary agencies in Cardiff to be established. The partnership identified the housing needs and preferences of clients, and developed a database of existing adapted properties across all housing associations in Cardiff, and a 'matching' process to allocate adapted properties. The outcome for clients is an improvement in the options available to those in unsuitable accommodation. For landlords, there has been an improvement in letting times and existing adapted properties are being used more effectively. By identifying existing, suitably adapted dwellings and matching them with a client in need, the project maximised the use of existing resources. The project provided a database of the needs of people with physical disabilities, which informed provision at a strategic level. The Cardiff Accessible Homes project demonstrates growing focus on value for money through development of integrated systems in the capital covering the work of all the housing associations and the local authority.

- 3.13 A small number of respondents to our surveys referenced other data they relied on to plan services, mainly: census data; social-services referrals; private-sector stock condition survey; local housing-market assessment information; and the Welsh Governments Daffodil system. However, no Council or housing association referenced data held by health bodies – a reflection of both housing and health organisations not feeling engaged in strategic discussions on adaptations. Overall, we concluded that public bodies do not have robust approaches to forecasting future demand.

Partnership arrangements are not sufficiently integrated to maximise the potential benefits of adaptations

- 3.14 The assessment for, and provision of, housing adaptations requires effective joint working between housing organisations, health and social-care services to ensure the needs of often very vulnerable people can be met, and their quality of life improved. Effective partnerships allow delivery organisations to make the best use of their resources to maximise impact and value for money. To be truly effective, organisations should therefore seek to align activity and work in partnership. However, given the wide variation in the approaches of the 68 different agencies delivering adaptations works, and the decisions of the Welsh Government and UK legislation on the funding and guidance that underpins activity, the current system can result in the reinforcement of inequalities for disabled and older people.

- 3.15 We surveyed the delivery organisations responsible for delivering adaptations in Wales – local authorities, housing associations and Care and Repair bodies – on the scale and range of current partnership and joint working arrangements. The detailed findings are set out in [Appendices 6, 7 and 8](#). In summary, we found that few local authorities have formal partnership forums or cross-sector working groups, and partnership arrangements are generally underpinned by informal contact. Joint working between local authorities and Care and Repair is more likely to take place than with housing associations, the third sector, other local-authority services or health bodies.
- 3.16 Delivery organisations do not always take a whole resources view of their adaptations work that considers the availability and use of all monies within an area. Aligning and pooling budgets enables partners to work together to consider their budgets and align their activities to deliver agreed aims and outcomes, while retaining complete accountability and responsibility for their own resources. Collaboration can lead to better outcomes for local people and drive better value for money. Given the constraints on public finances, it is essential that public bodies align budgets where possible to deliver more efficient and effective services that better meet citizens' needs.
- 3.17 For example, we found poor joint working practices between housing allocation staff and Grants officers to improve use of already adapted homes. Policies are often property, rather than client focussed, and rarely make the strategic link to other organisations and the wider needs of disabled and older people. This is despite the Welsh Government's Framework for Action on Independent Living that commits to improving access to adapted and accessible housing for disabled people. The Framework identifies the Housing (Wales) Act 2014 and the use of Accessible Housing Registers as key opportunities to bring about improvements¹⁹. Too often, matching applicants to adapted homes via accessible homes registers does not happen. Instead adaptation policies continue to be focussed on the work of individual organisations, usually centred on processes for deciding on and managing grant applications, approvals and delivery or work to a social-housing landlord's property.

¹⁹ Welsh Government, [Framework for Action on Independent Living, 2014-15 Outcome Measures, 2014](#)

- 3.18 Few local authorities have comprehensive and integrated Housing Renewal Policies that link decisions on grant investment with better use of existing adapted housing. A recent Shelter Cymru report found that housing associations who have comprehensive approaches to adapted housing are more likely to integrate funding and make better use of adapted properties.²⁰ We identified few examples of delivery organisations taking an holistic view of funding linking DFGs with existing adapted homes and local spending on PAGs, the Rapid Response Adaptation Programme and a landlord's own resources.
- 3.19 Effective relationships can only be achieved through appropriate training, time spent in working collaboratively and integrating resources, processes and systems to provide a seamless service to disabled and older people. We found that because funding is not always joined up or aligned, resources are spread too widely, which affects delivery organisations' ability to target funding better to maximise impact. Only seven local authorities pool funds with Care and Repair, and no pooling of funding takes place between local authorities and housing associations. Likewise, co-locating staff to provide a single one-stop-shop service is limited. Only seven local authorities have combined Occupational Therapy and housing-adaptation teams to create single point-of-contact arrangements to improve the accessibility to services. Our survey of Occupational Therapists bears this out with 67% of respondents noting that they do not work in an integrated team across health and social care.

20 Welsh Government Social Research 2013, **Accessible social housing in Wales: a review of systems for assessment, recording and matching**, (Shelter Cymru website)

21 Social prescribing is a means of enabling primary care services to refer patients with social, emotional or practical needs to a range of local, non-clinical services, often provided by the voluntary and community sector. Recognising that people's health is determined primarily by a range of social, economic and environmental factors, social prescribing seeks to address people's needs in a holistic way. It also aims to support individuals to take greater control of their own health.

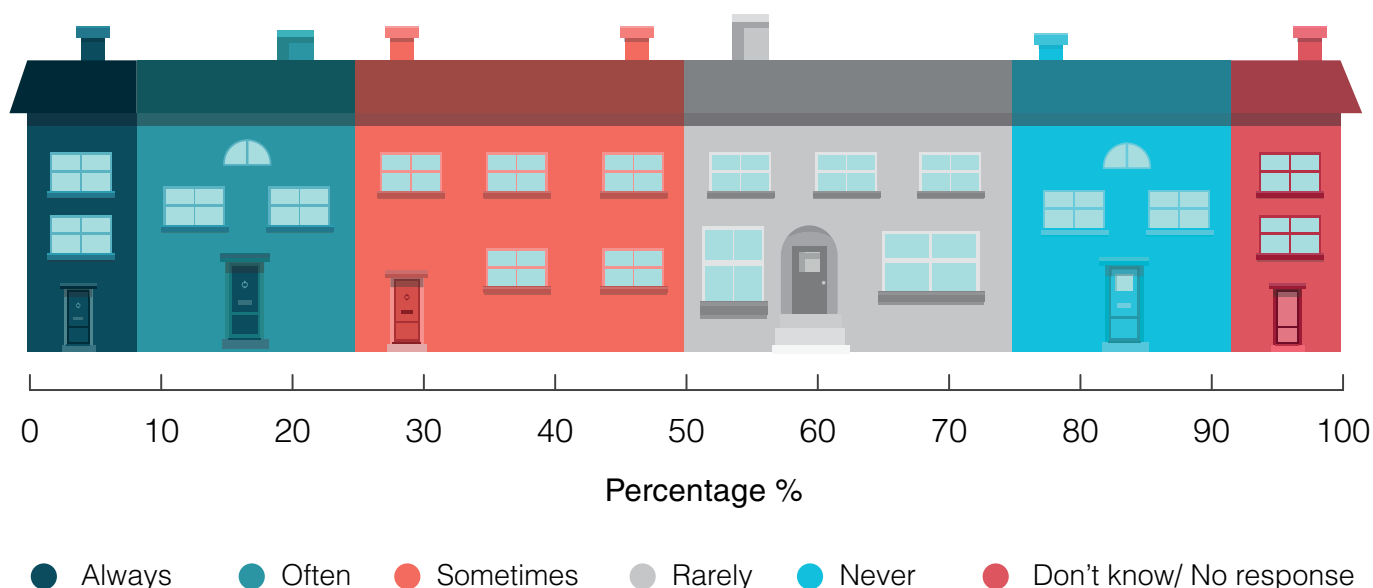
- 3.20 There are some areas where greater collaborative working across professional boundaries is taking place. For instance, GP surgeries working with Occupational Therapists, leading to improved outcomes for people in need of housing adaptations. Similarly, we identified some good examples of closer working with health professionals such as social prescribing²¹ with Care and Repair, and some local authorities are beginning to improve collaborative working through the creation of integrated housing-adaptation teams.
- 3.21 Co-locating services can improve both first point of contact arrangements and accessibility to services, and allows organisations to maximise the availability of and customer access to adaptations. A small number of local authorities, including Swansea and Cardiff, have developed integrated approaches to housing adaptations, drawing together grants, building surveyors and Occupational Therapists into single teams. However co-locating services to improve delivery of housing adaptations rarely happens. Most organisations involved in providing housing adaptations continue to work in isolation focussing on their individual responsibilities, rather than working holistically to address people's housing and health needs.

Adaptations can help people avoid going to hospital and speed up patient discharge, but too often these benefits are not being realised

- 3.22 Whilst the role of adaptations in reducing the risk of falls and other accidents in the home, and in preventing hospital admissions and speeding up discharge is growing, the importance of adaptations is not always reflected in local partnership arrangements between housing, health and social-care bodies. With the exception of Occupational Therapists, health professionals noted that the different local-authority and housing-association systems for administering, approving and delivering adaptations are difficult to navigate. Because most adaptations are reactive (following a crisis) rather than preventative (before the crisis) the engagement and relationship between delivery organisations carrying out adaptations and health bodies are often less well developed.

3.23 Whilst the majority of health bodies felt they understood how adaptations could contribute to hospital discharge and prevent avoidable admissions, many noted concerns with the timeliness of adaptations. In particular, health respondents noted issues of concern in respect of timescales and processes for delivery of adaptations; complexity and inconsistency in the range of services available within an area; availability and accessibility of funding; and need to train and inform health professionals to improve usage and take-up. The findings of our discharge planning survey of health bodies set out in [Exhibit 12](#) show that almost half of health-body respondents felt that they were 'rarely' or 'never' engaged in discussions on how to make better use of, or improve access to, adaptations.

Exhibit 12: health bodies' understanding and awareness of housing-adaptation systems and delivery



Source: Wales Audit Office, Discharge Planning Survey

3.24 Only half of the 22 local authorities felt that their health board was making the best use of housing adaptations. Similarly, over half of the housing associations we surveyed (17 of 33 associations) did not know how integrated or effective joint-working arrangements are between public bodies in delivering adaptations. There are some good examples of effective joint working between health bodies and local authorities to make the best use of adaptations. Caerphilly County Borough Council, through its Joint Hospital Discharge Team, is helping to speed up and improve discharge of patients from hospital. The local authority has published 'Leaving Hospital' online guidance, and its work with Aneurin Bevan University Health Board is improving discharge planning and performance. We found similar approaches in Cardiff and the Vale of Glamorgan with the integrated discharge service, which we highlight as good practice.

Integrated Discharge Service – Cardiff and Vale Health Board

A collaborative and integrated approach on housing adaptations by Cardiff and Vale Health Board, local-authority partners and Care and Repair is leading to a reduction in the number of delayed transfers of care attributed to housing reasons.

The integrated discharge service uses a stock of adapted homes as step-down accommodation as an interim solution to help improve the patient flow from hospitals. The local authority manages this accommodation, but the health board work with the local authority to identify appropriate referrals into these adapted homes. It is offered as an alternative to people who are waiting to be discharged from hospital but whose homes are not yet adapted to meet their needs.

Two local-authority employed housing-support officers are based in the health board and act as a conduit between the health board and councils on a daily basis, providing practical in-house expert knowledge of the housing-adaptation system. They are effectively in-house experts who know the system and weekly meetings are held between these housing-support officers and health-board staff whereby a list of roughly 200 patients are analysed in order to determine their care and housing needs once discharged from hospital.

In addition, the health board, Cardiff City and County Council, the Vale of Glamorgan Council, and Care and Repair operate a shared equipment store, which helps to manage the demand for adaptations by enabling them to quickly deal with minor works required. This is seen as vital to the health board as its focus very much moves to preventing the need for people to be admitted to hospital in the first place.

3.25 Overall, however, our findings reinforce our conclusion that public bodies continue to have a limited strategic focus on adaptations, concentrating on organisational specific responses rather than how best collectively to meet the needs of disabled and older people.

Part 4

Public bodies have a limited understanding of the longer-term wellbeing benefits of housing adaptations and there remains significant scope to reform the system to measure and improve equality and wellbeing

- 4.1 Public bodies need good-quality and wide-ranging performance information to set their strategic plans for the future. A good range of performance data will also enable public bodies to judge how well services are performing and identify where improvement is required. Performance information should cover both financial and non-financial measures and allow public bodies to evaluate how successful they are, typically in terms of making progress towards their long-term goals.
- 4.2 In this final part of the report, we review the current arrangements in place to oversee the 68 delivery organisations' performance in undertaking circa £60 million of annual expenditure on adaptations. We consider the robustness of these arrangements and the planned changes to the performance management framework of the Welsh Government's Enable review. We also consider service-user satisfaction levels and whether the current approaches to evaluate performance are sufficiently focussed on understanding the impact of investment choices on individuals' wellbeing.

Recipients of adaptations that we surveyed are very satisfied with their adaptations

- 4.3 Overall, the people we surveyed who have received housing adaptations provided positive feedback on their experience with roughly three-quarters of respondents rating application processes as excellent or good. In addition, 91% of survey respondents are satisfied with the time taken to deliver their adaptations. Importantly, 89% of recipients of adaptations we surveyed felt the work undertaken allowed them to undertake everyday tasks more easily and 85% that the works had improved both their confidence and independence. Seventy-eight per cent of respondents also noted that the adaptations they received had reduced the incidence of accidents or falls in their home and 61% felt they needed less help and support to live independently. These are all good outcomes highlighting the positive impact adaptations can make to improve the wellbeing of vulnerable people, despite some of the delays and system problems noted above.

- 4.4 Our survey also identified some important variations. Generally, satisfaction with application processes is higher for DFG recipients than people who received a PAG. Whilst delivery organisations are generally good at providing disabled and older people applying for adaptations with the right contact details, the quality of ongoing support and help provided to applicants throughout the life of the adaptation is less effective. People under 55 have a more positive experience of adaptations than other groups of applicants, especially those aged 75 and over. In addition, 65% of disabled and older people we surveyed noted that help or support is not provided by delivery organisations where they were required to contribute financially to the cost of an adaptation, and 76% noted that they were offered little or no choice on the adaptations that were finally delivered.

Weaknesses in oversight of performance reinforce the inequalities of the system caused by the different sources of funding

Performance indicator data is only currently published for Disabled Facilities Grants provided by local authorities, so it is not possible to compare performance across all delivery organisations

- 4.5 Despite the wide range and different sources of funding for housing adaptations, there is only a small range of national publicly reported performance indicators. These cover the work of local authorities in delivering DFGs and cover average time taken, the number of DFGs completed by tenure, and the amount spent in the financial year. The information reported on local authorities' performance specifically covers DFG activity for all 22 authorities, but does not include the adaptation expenditure or activity on council housing for the 11 authorities who retain social housing. Consequently, the performance indicators only present a partial picture of expenditure and performance by local government.
- 4.6 There are no nationally-reported performance indicators for housing associations for their delivery of PAGs, although Welsh Government collects some data on expenditure and the number of PAGs delivered in each financial year. Similarly, whilst Welsh Government receives information on the performance of Care and Repair in respect of the Rapid Response Adaptation programme, this information is not published.

- 4.7 The lack of nationally-reported performance indicators means that it is not possible to fully evaluate and understand the performance or effectiveness of individual agencies, or the efficiency and impact of the 'whole' adaptation system. Neither the individual delivery organisations nor the Welsh Government is sighted of the relative performance of the whole adaptation system. Current performance is only reported for 55% of annual expenditure on adaptations and 14% of disabled and older people who receive adaptations from delivery organisations. This makes it difficult to judge how well organisations are performing and the positive impact of adaptations on people's lives.

The National Performance Indicator for Disabled Facilities Grants shows a reduction in the average length of time taken to complete adaptations, but the methodology is not robust and the Performance Indicator needs updating

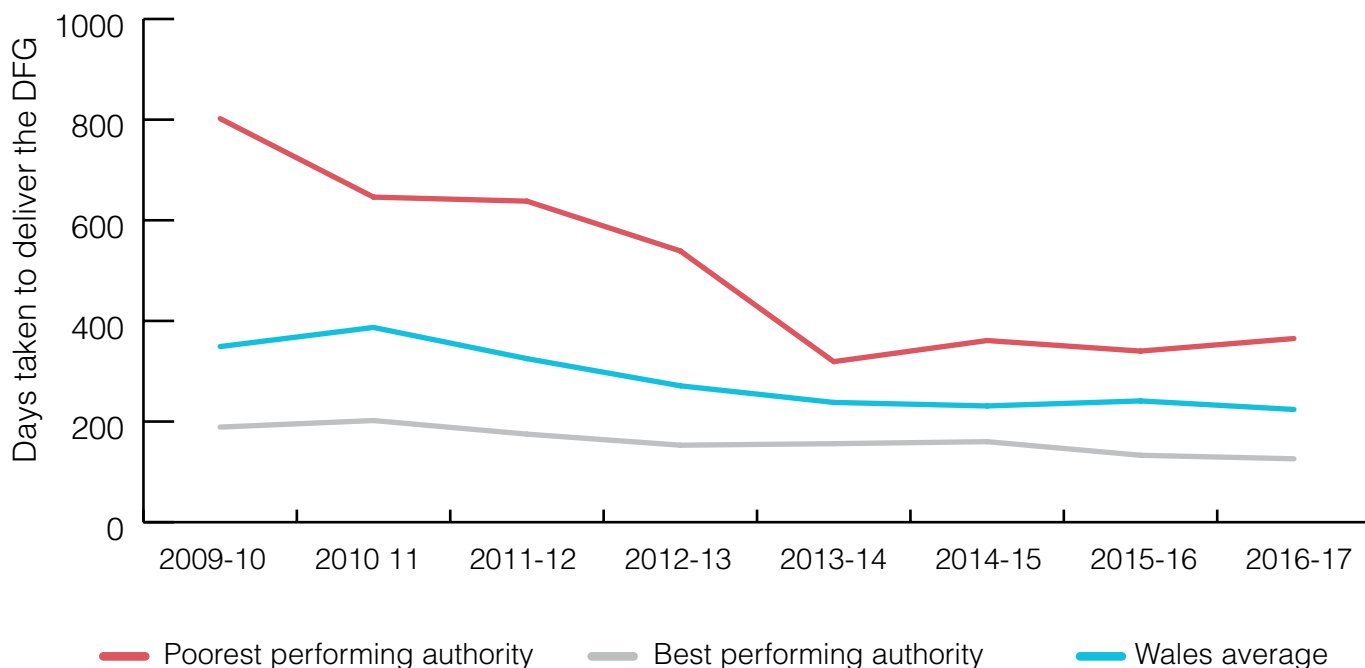
- 4.8 The key national performance indicator for DFGs measures the average number of days that local authorities take to deliver individual grants. However, performance measures assessing averages can mask the scale of local-authority performance and does not measure the impact or benefits of investment. In 2016-17, the average number of days that local authorities across Wales took to deliver DFGs was 224 days, an improvement in performance on the previous year where the average was 241 days.²² Since 2009-10, the average time taken to deliver DFGs has reduced from around 350 days.
- 4.9 In 2016-17, the average number of days taken to deliver a DFG ranged from 126 days in Powys to 356 days in Monmouthshire. This means that a disabled or older person in Monmouthshire waits on average eight months longer than in Powys. Overall, ten authorities reduced the average time taken to deliver DFGs compared to the previous year and 12 took longer on average. However, between 2009-10 and 2016-17 the rate of improvement for the better performing local authorities has plateaued. This suggests that there is an optimum level of performance that delivery organisations can achieve and, consequently, there is limited scope for improving timeliness beyond the current best-performing local authorities – **Exhibit 13** overleaf.

²² Welsh Government (StatsWales website), **HOUS1301: Disabled Facilities Grants**, February 2017

- 4.10 The Welsh Government's review of Independent Living Adaptations²³ in 2015 identified that the performance indicators focus solely on inputs, outputs and timeliness but do not cover important issues such as customer satisfaction and the positive impact of the adaptation on disabled and older people. A number of local authorities are concerned that some delivery organisations manipulate how they record data and are consequently not accurately reporting their performance.
- 4.11 For example, not recording the true time taken to deliver a DFG from initial first contact (the 'start' date) to completion of the adaptations (the actual 'end' date), and there is potential for 'gaming', whereby authorities could 'stop the clock' at different times and different stages to improve performance. Indeed, the Welsh Government in its 2015 review concluded that: 'The way in which Performance Indicator (PI) information is currently collected is not consistent across the 22 local authorities in Wales, despite clear guidance issued by the Welsh Government. It was suggested by some stakeholders that some local authorities are deliberately ignoring guidance in order to make delivery times look better.' The issues surrounding the definition and consistent measurement of performance are being addressed through the Welsh Government's 'Enable' review.

²³ Welsh Government Social Research, [A Review of Independent Living Adaptations](#), January 2015

Exhibit 13: the average number of calendar days taken to deliver a Disabled Facilities Grant by local authorities 2009-10 to 2015-16



Source: NSIW0001: National Strategic Indicators (NSI) data collection, Welsh Government.

The Welsh Government through ‘Enable’ is addressing performance-reporting weaknesses, but the new system has some gaps

4.12 The Welsh Government, through its ‘Enable’ review, has sought to address some of these weaknesses through the introduction of a new system for monitoring and reporting performance in delivering housing adaptations. The new system, introduced in January 2017, requires local authorities and housing associations to record the same core set of information in respect of every DFG and PAG they deliver. **Exhibit 14** below sets out the new performance information established by the Enable review, which local authorities and housing associations are required to submit to the Welsh Government.

Exhibit 14: the performance-reporting standards developed for Disabled Facilities Grants and Physical Adaptation Grants under the Welsh Government Enable scheme

The performance-reporting standards developed for Disabled Facilities Grants and Physical Adaptation Grants under the Welsh Government Enable scheme

All organisations	<p>Age of applicant.</p> <p>Housing tenure.</p> <p>Date of first contact with the delivery organisation.</p> <p>Source of referral.</p> <p>Whether an Occupational Therapist or trained assessor is required.</p> <p>Date that the need for adaptation was identified (by Occupational Therapist or trained assessor).</p> <p>Category of adaptation, (small, medium or large).</p> <p>Completion date of the adaptation.</p> <p>Whether the adaptation enabled hospital discharge.</p> <p>Overall cost of works (including VAT).</p> <p>Source of funding.</p> <p>Predicted outcome for person.</p> <p>Customer overall satisfaction.</p>
Local-authority DFG specific	<p>Whether a person is required to make a financial contribution.</p> <p>If a contribution is required, the amount of contribution.</p>
Housing-association PAG specific	<p>Date that the Physical Adaptation Grant is referred to the Welsh Government for approval.</p> <p>Date of Welsh Government approval of the Physical Adaptation Grant.</p>

Source: Wales Audit Office review of Welsh Government information

4.13 We identified some weaknesses with the new Enable framework. Firstly, whilst Enable is seeking to enhance oversight of local-authority and housing-association performance and expenditure, coverage has not been extended to include investment in adaptations to local-authority housing or LSVT homes. The new approach therefore omits roughly 25% of all investment and approximately 30% of the disabled and older people who receive adaptations annually. Whilst the new performance standards introduced through Enable are a step forward in allowing delivery organisations to be able to judge the effectiveness of their management systems, some of the main causes of delays that we have identified in our review are not included. In particular, data relating to planning permissions or utility-company approvals; delays created by applicant/household choices or decisions; equalities data capturing the ethnicity of the applicant; delays arising from difficulties appointing contractors; and the time taken and outcome of the suitability of a home for adaptation. These gaps will limit the usefulness of the data being collated and will not allow the Welsh Government and delivery organisations to fully evaluate all aspects of the complex adaptation system.

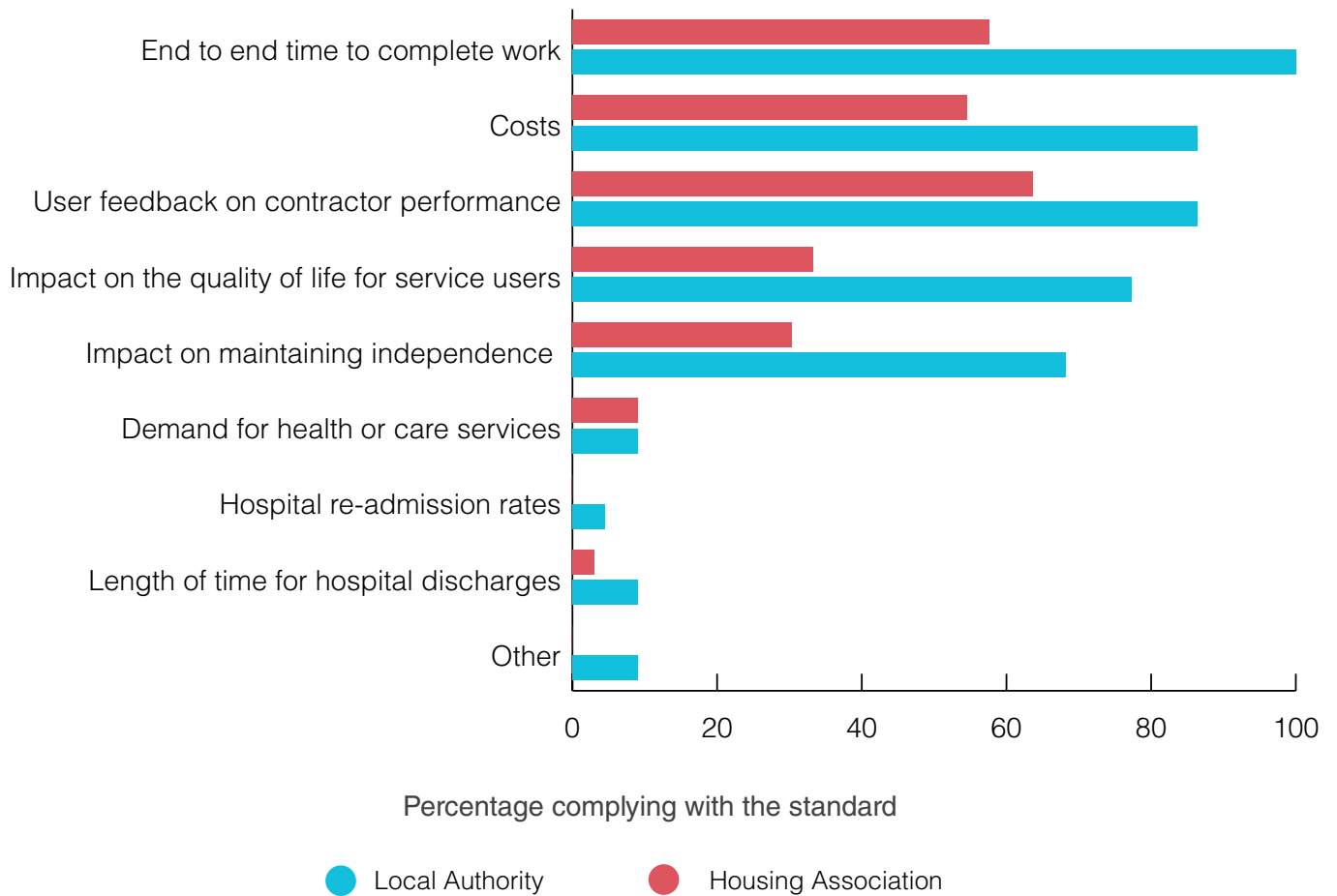
Performance management focuses too much on individual organisation inputs and outputs rather than improving outcomes and the preventative benefits of adaptations

4.14 Historically, the adaptation of buildings is seen as the domain of housing bodies and, to a lesser extent, social-services authorities. Increasingly, adaptations are recognised as the responsibility of health, planning, architectural, education and leisure services amongst others. It is important therefore that a modern adaptation service embraces and uses the skills and experience of a wide range of disciplines in delivering work, but also focuses on understanding not just the efficiency of delivery systems but the wider benefits of adaptations.

- 4.15 In our review, we found that delivery organisations are mostly focussing their performance management and evaluation on inputs and outputs associated with delivery of adaptations. **Exhibit 15** (overleaf) summarises the current approaches of local authorities and housing associations for monitoring and evaluating performance. There continues to be a limited focus on the wider benefits of adaptations for disabled and older people, or on health and social-care services, because performance focuses too much on end-to-end delivery and cost of grants. Current monitoring focuses too much on the mechanics of delivering adaptations and not enough on impact, wellbeing and the wider benefits of investment. Public bodies find it difficult to evaluate performance because of these weaknesses.
- 4.16 The Equality Act 2010 (the 2010 Act) states that a landlord or manager of a property has a duty to make reasonable adjustments and must do this if a disabled or older person is disadvantaged by something because of their disability.²⁴ The 2010 Act recognises that adaptations are important services that positively advance equality of opportunity and support the wellbeing of disabled and older people. Many local authorities and housing associations have set policy objectives to support people with disabilities to live independently. Despite highlighting equality as a key policy objective, we found that few delivery organisations collect and evaluate a sufficient range of data to demonstrate and ensure fair access to services. Only seven of the 22 local authorities and 11 of the 33 housing associations responding to our surveys stated that they collect equalities information on recipients of housing adaptations. This is a major weakness in current arrangements.

²⁴ The Equality Act 2010 does not require a landlord to make changes which affect the structure or which would substantially and permanently alter the home – for instance, revising the internal layout by removing walls or widening doors. There are some things they must do, however, to adapt the home for a disabled or older person and if it is reasonable to do so.

Exhibit 15: the data collected by local authorities and housing associations to measure and evaluate their performance in delivering adaptations



Source: Wales Audit Office Survey of local authorities and housing associations.

- 4.17 In Part 3 of this report ([Exhibit 10](#) on page 57) we set out some of the benefits and beneficiaries of adaptations. For individual families these include improved dignity, independence, health (physical and mental), greater levels of social inclusion and improved opportunities for education and employment for disabled and older people; reduced physical and mental strain and more freedom and peace of mind for family carers. Health bodies also highlight that delivery of adaptations contribute to improving discharge delays and help prevent hospital admissions or residential care placements through fewer accidents or falls in the home. Despite many local authorities and housing associations acknowledging the importance of adaptations in enabling disabled and older people to live independently and in preventing demand on health and social-care services, we found little evidence of delivery organisations undertaking robust evaluation of these wider and longer-term benefits of adaptations.
- 4.18 Various local authorities, housing associations and Care and Repair agencies undertake post-adaptation satisfaction surveys with disabled and older people. There is also a wide variation in how feedback from service users is used and we identified opportunities to use this feedback to both strengthen understanding and improve delivery. Surveys are usually undertaken at the point the physical building works have been completed, which does not allow for a full consideration of the benefits of the work on disabled and older people. Key outcomes such as independence, wellbeing, reductions in accidents or falls and greater independence are most often not captured.
- 4.19 For example, whilst almost all delivery organisations used survey findings to help judge the quality of building works and contractor performance, less than half of local authorities and housing associations use the data to examine performance through scrutiny committees or governance boards, and just over half to improve joint working. Roughly a half of housing associations and local authorities use service-user feedback in discussion with the Welsh Government to identify opportunities to improve delivery and performance. Finally, six housing associations do not report and evaluate performance at all. Our analysis shows that at present, using data to judge performance and support future decision making in respect of adaptations continues to have many limitations.

Appendices



Appendix 1: Study Methodology

Review of literature

We have reviewed a wide range of documents and media, including:

- Welsh Government policy and guidance documents;
- local-authority plans and strategies for Housing Renewal; and
- other relevant research and guidance from Shelter Cymru, WLGA and research bodies.

National Interviews

We interviewed representative of the Royal College of Occupational Therapy, Tai Pawb, Public Health Wales, the Welsh Local Government Association, the Welsh Government and Community Housing Cymru.

Data and statistical analysis

We have collated and analysed a wide range of performance indicator returns and budget data available online at the Office for National Statistics and StatsWales.

We analysed spending data for all local authorities, housing associations and Care and Repair agencies in Wales.

Local-authority and housing-association fieldwork

We visited six local authorities and four housing associations in Wales in 2016-17. The local authorities selected represented a mix of city, urban, rural and valley authorities, which are geographically spread across Wales. The four housing associations selected included three traditional community-based associations and one LSVT housing association. The fieldwork sites were:

- Caerphilly County Borough Council
- Cardiff Community Housing Association
- Conwy County Borough Council
- Melin Homes
- North Wales Housing Association
- Newport City Council
- Pembrokeshire County Council
- Powys County Council
- V2C Housing Association

During the visits, we interviewed a range of staff. In addition, we reviewed detailed documentation for Gwynedd County Council, Torfaen County Borough Council and Wrexham County Borough Council.

Surveys and data collection

We undertook a range of online surveys and we surveyed and collected data from:

- Occupational Therapists working with the Royal College of Occupational Therapy and received 71 responses;
- 12 NHS organisations, a mix of health boards and a sample of hospitals, covering all Health Board areas in Wales;
- all 22 local authorities covering management and delivery of adaptations, including specific information on the 11 authorities which retain their social-housing stock;
- the 33 major housing associations covering management and delivery of adaptations, including the 22 which are in receipt of Physical Adaptations Grant monies and the 11 LSVT associations; and
- the 13 Care and Repair agencies on delivery of the Rapid Response Adaptation programme and strategic working to deliver adaptations.

We also commissioned a telephone survey and completed 521 surveys of disabled and older people who received either a Disabled Facility Grant (DFG) or Physical Adaptation Grant (PAG) in 2015-16. The sample for the survey covered all areas of Wales and both DFG and PAG funding.

Appendix 2: Definition of housing associations and Care and Repair agencies

Organisation	Remit	Coverage
Housing Associations	To be accepted as a housing association, organisations must satisfy a number of conditions including any surpluses are retained by the organisation to be applied to social-housing purposes. The organisation should operate with high standards of housing, business and financial management. Board membership must be voluntary, and non-executive Directors must not be remunerated. There should also be Independence from other organisations, including a limit of 20% on local-authority ownership or representation on Boards of Management.	Twenty-two housing associations deliver Physical Adaptations Grants to their homes and provide housing for rent in all local-authority areas in Wales.
Large Scale Voluntary Transfer (LSVT)	LSVT housing associations are created as the result of the transfer of ownership of local-authority stock following agreement of a majority of tenants in a ballot. The key features of a LSVT are transferring tenants are offered benefits such as rent guarantees, stock investment programmes and rights as 'assured tenants'. The new landlord must be registered with the Welsh Government, complying with the requirements for community or traditional housing associations. Transfers are funded via a mix of public and private monies.	Eleven LSVT housing associations covering the local-authority areas of: Blaenau Gwent; Bridgend; Ceredigion; Conwy; Gwynedd; Merthyr Tydfil; Monmouthshire; Neath Port Talbot; Newport; Rhondda Cynon Taf; and Torfaen.
Care and Repair	Care and Repair is a national charitable body that seeks to ensure that all older people have homes that are safe, secure and appropriate to their needs. Since 2002-03, the Welsh Government has funded Care and Repair to deliver the national Rapid Response Adaptations Programme.	Thirteen Care and Repair agencies cover the 22 local authorities in Wales.

Appendix 3: The five different public funding routes for adaptations in Wales

The five different public funding routes for adaptations in Wales

Disabled Facilities Grants

Under the Housing Grants, Construction and Regeneration Act 1996, local authorities provide Disabled Facilities Grants (DFGs). These are mandatory grants available to help disabled and older people to remain living independently in their own homes. Owner-occupiers, landlords as well as local-authority, private-rented and housing-association tenants can apply for a DFG.

The 1996 Housing Grants, Construction and Regeneration Act set the basis for the provision of DFGs. The Housing Renewal Grants Regulations 1996 (Wales) set out the criteria used to test financial resources and the maximum level of grant that local authorities can pay for an adaptation, which is currently £36,000. Local authorities have discretionary powers to provide funding for adaptations, repairs and improvements under the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. Local authorities can provide assistance under that Order in the form of a grant, but it is often a loan. Local Authorities have their own policies on the level of and form of the discretionary assistance they offer and the conditions a person must meet to qualify. The Welsh Government published supplementary housing renewal guidance (NAfW 20/02) to accompany the Regulatory Reform Order. The Welsh Government updated that guidance in 2010.

DFGs are means tested and applicants' contribution towards the cost of works depends on their assessed levels of income, savings and outgoings. Local authorities have a duty to conduct those assessments. The Welsh Government, however, excludes families with dependent disabled children or young people under 19 from means testing. Before issuing a DFG a local housing authority must satisfy itself that the works are 'necessary and appropriate' to meet the needs of the disabled or older person, and are 'reasonable and practicable' depending on the age and condition of the property. In reaching a decision, authorities need to consider whether DFG is:

- needed to provide for a care plan to be implemented which will enable the disabled or older occupant to remain living in their existing home as independently as possible; and
- meet, as far as possible, the assessed needs of the disabled or older person taking into account both their medical and physical needs.

Physical Adaptation Grants

The Welsh Government provides Physical Adaptation Grants (PAGs) to housing associations to adapt homes for their tenants where there is an identified need for assistance. Tenants of housing associations cannot apply as an individual for funding. Welsh Government officials approve all PAG funding. Currently, 22 major housing associations receive PAG funding.

The five different public funding routes for adaptations in Wales

Housing Revenue Account funding of adaptations to local-authority housing

The Housing Revenue Account (HRA) is a ring-fenced account within a local authority's General Fund, which means that local authorities have no general discretion to transfer sums into or out of it. The items to be credited and debited to the HRA are prescribed by statute. These include expenditure and income relating to property listed in section 74 of the Local Government and Housing Act 1989 and Schedule 4 to the 1989 Act (as amended) which specifies the debit and credit items to be recorded in the HRA. Permissible debit items include expenditure on repairs, maintenance and management, capital expenditure and rents, rates, taxes and other charges. The cost of adaptations is included as an area of activity for investment. Whilst tenants can apply for financial assistance to modify their homes typically, the local-authority landlord provides and funds adaptations for their own stock.

Large-scale voluntary transfer (LSVT) housing associations

PAGs are not available to the 11 housing associations that were created through transfer of housing stock from a local authority. LSVT housing associations can either apply to local authorities for a DFG or use their own funding to provide adaptations in their properties. Tenants of stock-transfer associations cannot apply as individuals for funding of an adaptation and are therefore dependent on their landlord agreeing to adapt their home. The Welsh Government requires LSVT housing associations to set out their anticipated investment for housing adaptations in the offer document when tenants are balloted on whether to support stock transfer. If the stock transfer is supported and the housing stock and tenants transfer from the local authority to a new housing-association landlord, then the cost of adaptations work has to be funded from the stock-transfer association's maintenance budgets rather than via PAGs. However, some of organisations now find that their anticipated investment is insufficient to meet the rising demand for housing adaptations from their tenants. LSVT housing associations neither require approval from the Welsh Government nor do they need to comply with the Welsh Government's PAG criteria.

Rapid Response Adaptations Programme (RRAP)

The Welsh Government has funded Care and Repair agencies to deliver the Rapid Response Adaptations Programme (RRAP) since 2002-03. The programme is unique to Wales. The RRAP allows Care and Repair agencies to carry out minor adaptations such as handrails, to enable people to return safely to their own homes from hospital and thus improve hospital discharge. The Welsh Government expects these adaptations to be completed within 15 working days; however, adaptations can be carried out immediately in response to a crisis. The RRAP is only available for owner-occupiers and private-rented tenants. Care and Repair has sought to widen coverage to other tenures but the Welsh Government has yet to approve this extension.

Source: Wales Audit Office analysis of grants and funding for adaptations.

Appendix 4: Total projected population aged 65 and over unable to manage at least one domestic task on their own

Local Authority	2015	2020	2025	2030	2035	% change
Blaenau Gwent	5,232	5,632	6,162	6,760	7,390	29.20%
Bridgend	11,108	12,548	14,212	16,063	17,861	37.81%
Caerphilly	12,976	14,565	16,441	18,462	20,452	36.55%
Cardiff	20,619	22,551	25,365	28,933	32,677	36.90%
Carmarthenshire	16,966	18,857	21,163	23,681	25,891	34.47%
Ceredigion	7,006	7,780	8,666	9,516	10,181	31.19%
Conwy	12,853	13,951	15,324	16,884	18,324	29.86%
Denbighshire	8,764	9,738	10,862	12,128	13,293	34.07%
Flintshire	12,134	13,912	15,820	17,880	19,796	38.70%
Gwynedd	11,133	11,928	12,918	13,997	14,942	25.49%
Isle of Anglesey	6,977	7,725	8,591	9,412	10,088	30.84%
Merthyr Tydfil	4,285	4,751	5,336	6,026	6,704	36.08%
Monmouthshire	8,778	10,033	11,370	12,909	14,300	38.62%
Neath Port Talbot	11,332	12,321	13,658	15,182	16,532	31.45%
Newport	10,412	11,187	12,316	13,672	15,154	31.29%
Pembrokeshire	11,990	13,381	14,874	16,461	17,798	32.63%
Powys	13,831	15,775	17,931	20,216	22,222	37.76%
Rhondda Cynon Taf	17,468	19,131	21,163	23,388	25,537	31.60%
Swansea	19,132	20,851	22,954	25,240	27,388	30.14%
Torfaen	7,313	8,094	9,001	10,054	10,994	33.48%

Local Authority	2015	2020	2025	2030	2035	% change
Vale of Glamorgan	10,559	11,977	13,684	15,530	17,193	38.59%
Wrexham	10,317	11,734	13,351	15,124	16,862	38.82%
Wales	251,188	278,422	311,163	347,518	381,580	34.17%

Source: Welsh Government, Daffodil projections

Appendix 5: Projected population aged 65 and over with mobility problems

Local Authority	2015	2020	2025	2030	2035	% change
Blaenau Gwent	2,325	2,510	2,759	3,078	3,400	46.24%
Bridgend	4,946	5,622	6,418	7,345	8,281	67.43%
Caerphilly	5,745	6,489	7,363	8,397	9,456	64.60%
Cardiff	9,374	10,283	11,533	13,188	15,076	60.83%
Carmarthenshire	7,642	8,504	9,562	10,865	12,089	58.19%
Ceredigion	3,152	3,515	3,936	4,402	4,806	52.47%
Conwy	5,863	6,378	7,026	7,828	8,624	47.09%
Denbighshire	3,924	4,374	4,906	5,562	6,202	58.05%
Flintshire	5,395	6,227	7,153	8,221	9,291	72.22%
Gwynedd	5,052	5,438	5,894	6,498	7,039	39.33%
Isle of Anglesey	3,136	3,492	3,914	4,363	4,763	51.88%
Merthyr Tydfil	1,910	2,131	2,405	2,736	3,087	61.62%
Monmouthshire	3,959	4,545	5,179	5,972	6,743	70.32%
Neath Port Talbot	5,095	5,531	6,143	6,905	7,647	50.09%
Newport	4,673	5,058	5,588	6,271	7,021	50.25%
Pembrokeshire	5,378	6,053	6,770	7,610	8,398	56.15%
Powys	6,228	7,127	8,144	9,342	10,466	68.05%
Rhondda Cynon Taf	7,803	8,591	9,534	10,692	11,875	52.19%
Swansea	8,607	9,445	10,427	11,617	12,821	48.96%
Torfaen	3,286	3,653	4,076	4,615	5,131	56.15%
Vale of Glamorgan	4,765	5,409	6,209	7,147	8,048	68.90%

Local Authority	2015	2020	2025	2030	2035	% change
Wrexham	4,626	5,272	6,024	6,942	7,871	70.15%
Wales	112,887	125,645	140,963	159,599	178,134	57.80%

Source: Welsh Government, Daffodil projections

Appendix 6: The views of local-authority managers on the effectiveness of partnership arrangements between their local authority and other organisations delivering housing adaptations

Local Authorities	Member of cross-sector group	Regular meeting	Informal contact	Sharing information	Collocated staff	Pooled resources	No partnership arrangements
Care and Repair	5	18	15	15	1	7	1
Housing Associations and/or LSVT Associations that do not manage housing in your area	5	6	13	8	2	1	4
Housing Associations and/or LSVT Associations that manage housing in your area	0	0	3	2	0	0	18
Local authorities	10	14	9	11	1	0	5
Other third sector organisations	1	2	7	4	0	0	12
Users of housing adaptations	0	2	14	8	0	0	5

Local Authorities	Member of cross-sector group	Regular meeting	Informal contact	Sharing information	Collocated staff	Pooled resources	No partnership arrangements
Your Local Health Board – other than Occupational Therapy Services	1	4	6	5	0	3	12
Your Local Health Board – through Occupational Therapy Services	5	8	11	10	7	7	3

Source: Wales Audit Office survey of local-authority housing managers. We received responses from all 22 local authorities. Survey respondents could choose more than one response so totals in rows can add up to more than 22. The final column in red is actual numbers.

Appendix 7: The views of housing-association managers on the effectiveness of partnership arrangements between their housing association and other organisations delivering housing adaptations

Local Authorities	Member of cross-sector group	Regular meeting	Informal contact	Sharing information	Collocated staff	Pooled resources	No partnership arrangements
Care and Repair	3	6	17	9	0	0	7
Housing Associations and/or LSVT Associations that do not manage housing in your area	7	12	20	19	1	2	1
Housing Associations and/or LSVT Associations that manage housing in your area	0	0	9	4	0	0	12
Local authorities	1	1	8	3	0	0	8
Other third sector organisations	2	4	10	12	0	0	10
Users of housing adaptations	3	4	9	7	0	2	12

Local Authorities	Member of cross-sector group	Regular meeting	Informal contact	Sharing information	Collocated staff	Pooled resources	No partnership arrangements
Your Local Health Board – other than Occupational Therapy Services	0	0	6	2	0	0	14
Your Local Health Board – through Occupational Therapy Services	3	6	17	9	0	0	7

Source: Wales Audit Office survey of housing associations. We received responses from all 33 housing associations which provide adaptations. Survey respondents could choose more than one response so totals can add up to more than 33. The final column in red is actual numbers.

Appendix 8: The views of Care and Repair managers on the effectiveness of partnership arrangements between their organisation and other organisations delivering housing adaptations

Local Authorities	Member of cross-sector group	Regular meeting	Informal contact	Sharing information	Collocated staff	Pooled resources	No partnership arrangements
Care and Repair	5	11	5	10	3	2	0
Housing Associations and/or LSVT Associations that do not manage housing in your area	1	3	8	6	0	0	1
Housing Associations and/or LSVT Associations that manage housing in your area	4	3	5	4	0	0	3
Local authorities	0	1	4	2	0	0	5
Other third sector organisations	4	7	4	5	0	0	2
Users of housing adaptations	1	3	7	6	0	0	0

Local Authorities	Member of cross-sector group	Regular meeting	Informal contact	Sharing information	Collocated staff	Pooled resources	No partnership arrangements
Your Local Health Board – other than Occupational Therapy Services	2	8	8	7	3	0	0
Your Local Health Board – through Occupational Therapy Services	5	11	5	10	3	2	0

Source: Wales Audit Office survey of Care and Repair managers. We received responses from all 13 Care and Repair agencies. Survey respondents could choose more than one response so row totals can add up to more than 13. The final column in red is actual numbers.

Wales Audit Office

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

We welcome telephone calls in
Welsh and English.

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru

24 Heol y Gadeirlan

Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

Rydym yn croesawu galwadau
ffôn yn Gymraeg a Saesneg.

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru

PWYLLGOR ARCHWYLIO**23^{FED} MAWRTH 2018****COFNODION GRWPIAU PERTHNSAOL IR
PWYLLGOR ARCHWYLIO****Yr Argymhellion / Penderfyniadau Allweddol Sydd Eu Hangen:**

I dderbyn y cofnodion

Y Rhesymau:

Fe nodwyd yn Amodau Gorchwyl y Pwyllgor Archwyllo bod angen derbyn cofnodion y Grwp Rheoli Risg ynghyd â materion ym mherthnasol i drefniadau sy'n ymwneud a Threfn Rheoli Corfforaethu a Threfniadau Ariannol.

Ymgynghorwyd â'r pwyllgor craffu perthnasol : AMHERTHNASOL

Angen i'r Bwrdd Gweithredol wneud penderfyniad : AMHERTHNASOL

Angen i'r Cyngor wneud penderfyniad : AMHERTHNASOL

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:-

Cynghorydd David Jenkins

Y Gyfarwyddiaeth:

Gwasanathau Corfforaethol

Enw Pennaeth y Gwasanaeth:

Helen Pugh

Awdur yr Adroddiad:

Helen Pugh

Swyddi:Pennaeth Refeniw a
Chydymffurfio Ariannol

Rhif ffôn: 01267 246223

Cyfeiriad E-bost:

HLPugh@sirgar.gov.uk

EXECUTIVE SUMMARY

AUDIT COMMITTEE

23RD MARCH 2018

MINUTES OF RELEVANT GROUPS TO THE AUDIT COMMITTEE

To provide Members with minutes form supporting Governance Groups for information

The following Minutes are attached:-

- Risk Management Steering Group – 8th February 2018
- Corporate Governance Group – 14th December 2017
- Grants Panel – 14th February 2018

**DETAILED
REPORT
ATTACHED?**

- **Appendix 1** - Risk Management Steering Group – 8th February 2018
- **Appendix 2** - Corporate Governance Group – 14th December 2017
- **Appendix 3** - Grants Panel – 14th February 2018

IMPLICATIONS

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

Signed: Helen Pugh Head of Revenues and Financial Compliance

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

CONSULTATIONS

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

Signed: Helen Pugh Head of Revenues and Financial Compliance

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

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:
THERE ARE NONE**

Mae'r dudalen hon yn wag yn fwriadol

RISK MANAGEMENT STEERING GROUP

Minutes of Meeting held at Conservatory East, Building 8 St David's Park, Carmarthen Thursday, 8th February 2018.

Members Present:			
Helen Pugh (Chair)	Corporate Services	Head of Revenues and Financial Compliance	HLP
Cllr David Jenkins	Executive Board Member (Corporate Services)	Executive Board Risk Champion	DJ
Jonathan Fearn	Environment	Chair of Property & Liability Risks Working Group	JF
Stephen G Pilliner	Environment	Chair of Transport Risks Working Group	SGP
Alan Howells	Environment	Risk Champion	AH
Heidi Font	Chief Executive's	Risk Champion	HF
Richard Davies	Principal Officer	Communities	RD
Julie Standeven	Corporate Services	Principal Risk Officer	EJS
Simon Davies	Education & Children's Services	Modernisation Services Manager	SD

Item No	Subject	Action
1.	Apologies Lyn Walters – Communities Risk Champion Richard Stradling – Communities (Leisure) Risk Champion Mark Stephens, Marsh Ltd	
2.	Minutes of Last Meeting The Minutes of the Risk Management Steering Group Meeting held at Parc Dewi Sant on Tuesday, 10th October 2017, were confirmed as a true record.	
2.1	Matters arising from Risk Management Steering Group Minutes.	
2.1.1	Corporate / Service Risk Registers The following actions were agreed :- <ul style="list-style-type: none"> • Corporate Risk Register be circulated to the Group • Updated Corporate Risk Register to be reviewed at Audit Committee on 23rd March 2018 	EJS HLP
2.1.2	Cyber Risks EJS advised that information received from the Council's Brokers regarding cyber risks insurance to be circulated to the Group	EJS
2.1.3	Risk Management & Contingency Planning Strategy 2018-22 Draft document to be reviewed by Corporate Services Departmental Management Team. Update to be provided at next meeting.	
2.1.4	Fire Management Review HLP advised that that the Council's Insurers and/or Brokers are	

	unable to provide the independent review of Fire Management across the Council. HLP/JF/HF to discuss alternative options to deliver the review e.g. <i>Rescue 365</i> The Corporate bid will be re-submitted at a future date.	HLP/JF/ HF
3.	Minutes of Contingency Planning Working Group Meeting – 7th February 2018 The Minutes were noted.	
3.1	Matters arising from Contingency Planning Working Group Minutes	
3.1.1	IT Systems Disaster Recovery Provision Following completion of the Corporate Business Continuity Plan, CPWG to review the <i>IT Priority Systems List</i> and refer to Corporate Management Team.	
3.1.2	Adverse weather – 4 x 4 Drivers Communities have expressed concern in relation to the availability of experienced 4x4 drivers to ensure that services to vulnerable clients are maintained during adverse weather conditions. Issue to be discussed by Corporate Management Team.	
4.	Minutes of Property & Liability Risks Working Group Meeting – 2ND February 2018 The Minutes were noted.	
4.1	Matters arising from Property & Liability Risks Working Group Minutes	
4.1.1	AIG Property Risk Improvement Reports The Council's Property Insurers have surveyed 6 of the Council's premises and the Risk Improvement Reports will be considered at the next P&LRWG meeting.	
5.	Minutes of Transport Risks Working Group Meeting – 24th January 2018 The minutes were noted.	
5.1	Matters arising from Transport Risks Working Group Minutes	
5.1.1	Alcohol & Drug Testing Policy Review ongoing. Update to be provided at next meeting.	
5.1.2	Motor Vehicle Claims Statistics SP advised that as at 31 st December 2017 the annualised accident rate was 20% and reflects the pro-active work of the Transport Division working with Departments over the years to introduce a range of Risk Management initiatives. This compares favourably with an annualised accident rate of 43.8% circa 2000.	
5.1.3	Schools Traffic Management Risks SGP advised that representatives from Transport, Risk Management, Health & Safety and Education have met and identified need for additional data. Template to be developed for <i>Whole Site Risk Assessment</i> for completion by Schools.	

6	Minutes of CCTV Officer Working Group Meeting – 23rd October 2017 The minutes were noted.	
6.1	Matters arising from CCTV Officer Working Group Minutes	
	Corporate CCTV Register HLP advised key actions identified by the Group are: <ul style="list-style-type: none"> • Identify all individual CCTV systems throughout the Authority • Create and maintain a Corporate CCTV Register 	
7	Independent Grenfell Recovery Taskforce Initial Report The outcomes of the report were noted.	
8	Bids for Financial Assistance	
8.1	E&C – Ysgol Bro Myrddin This bid related to the provision of fencing and sterile reception area at the School. It was agreed that the Departmental Bid for £33,400 (50% of the estimated gross cost of £66,800) be approved.	
8.2	E&C – Coedcae School This bid related to the provision of a door access control system at the School. It was agreed that the Departmental Bid for £2,000 (50% of the estimated gross cost of £4,000) be approved.	
8.3	E&C – Q E High School This bid related to the provision of an open plan toilet area at the School. It was agreed that the Departmental Bid of £15,000 for Phase 1 (50% of the estimated gross cost of £30,000) be approved. Consideration for Phase 2 will be subject to outcome and monitoring of Phase 1.	
8.4	E&C – Ysgol Ffairfach This bid related to the provision of fencing at the School. It was agreed that the Departmental Bid for £5,000 (50% of the estimated gross cost of £10,000) be approved.	
8.5	E&C – Ty Gelli Resource Centre This bid related to the provision of a CCTV system at the Centre. It was agreed that the Departmental Bid for £2,198 (50% of the estimated gross cost of £4,396) be approved.	
8.6	COMM – In-house Domiciliary Care Service This bid related to the provision of mobile smart phones for the in-house domiciliary care staff. It was agreed that the Departmental Bid for £7,500 (50% of the estimated gross cost of £15,000) be approved.	
8.7	ENV – Reaclear System This bid related to the provision of a safe reverse system for the Authority’s refuse vehicles. It was agreed that the Departmental Bid for £31,450 (50% of the estimated gross cost of £62,900) be approved.	
8.8	ENV – Driver Training This bid related to the provision of a targeted programme of driver assessments / training to improve the professionalism of the Authority’s drivers and reduce traffic accidents. It was agreed that the Corporate Bid for £20,000 be approved.	

8.9	<p>CEx – E-Learning Platform</p> <p>This bid related to the procurement and development of a new Learning Management System</p> <p>It was agreed that the Group were unable to approve or reject this bid based on the information provided to date. HF to investigate and report back to the Group.</p>	HF
8.10	<p>ENV – Weather Stations</p> <p>This bid related to the refurbishment of existing weather stations and provision of 3 new stations to improve the accuracy and effectiveness of forecasting and winter service operations.</p> <p>It was agreed that the Departmental Bid for £25,000 (estimated gross cost of £75,000) be approved.</p>	
9.	<p>Any Other Business</p> <p>None</p>	
10.	<p>Next Meeting</p> <p>Date to be advised</p>	

Minutes of the Corporate Governance Group

14th December 2017 @ 2:00pm

Democratic Services Committee Room, County Hall

Present:	
Cllr David Jenkins (DJ)	Executive Board Member (Resources)
Cllr Mair Stephens (MS)	
Alison Wood (AW)	People Services Manager
Anthony Maynard (AM)	
Helen Pugh (HP)	Head of Revenues and Financial Compliance

Apologies:	
Noelwyn Daniel	Head of IT
Helen Morgan (HM)	Development Manager
Linda Rees Jones (LRJ)	Head of Administration and Law
Chris Moore (CM)	Director Corporate Services
Paul Thomas (PT)	Assistant Chief Executive
Wendy Walters (WW)	Assistant Chief Executive

Item No	Discussion / Action	Responsible Officer
1	Apologies As noted above	
2	Chair – Cllr Jenkins was nominated Chair	
3	Annual Governance Statement – Update on Actions / Progress The Actions Update noted below	
4 & 5	Code of Corporate Governance / Terms of Reference The Code of Corporate Governance and the Terms of Reference for the Corporate Governance Group was presented and suggested changes to TOR agreed. Approach to checking the Code to CIPFA standards discussed and agreed	HP
6	Governance Flow Chart Flow chart discussed and the areas that should also be considered: Links to Police – eg CCTV and police – management of particular key locations and cameras – governance & cameras by Police	

	<p>Transport – dash cams – do we have them in our vehicles</p> <p>Safeguarding governance issues – taking on new role in community such as traffic warden – duty to protect</p> <p>Corporate Health & safety – to be included – CCTV to be reported</p> <p>Procurement and Safeguarding to CMT</p> <p>Sickness absence challenge and review group – where should this be reported to – place on next agenda</p> <p>People Strategy – report to this group potentially – linked to governance arrangement – place on agenda for next meeting</p>	HP
7, 8, 9, 10	Agenda Items not discussed as officers unavailable – to be placed on next Agenda	HP
5	<p>Any Other Business</p> <p>~ Historical Risks – European grants – storage of information – ensure compliance</p> <p>~ John Tillman and Gwyneth Ayres to be invited to the meeting</p>	

<i>UPDATE ON OUTSTANDING GOVERNANCE ISSUES IDENTIFIED IN PREVIOUS ANNUAL GOVERNANCE STATEMENTS</i>				
SOURCE	ISSUES	RESPONSIBLE OFFICER	ACTIONS/PROGRESS	STATUS
AGS 2013/14 No. 5b	Review Financial Procedure Rules and ensure Budget Managers are fully aware of their responsibilities	Head of Audit, Risk & Procurement	Financial Procedure Rules to be updated approved by Audit Committee	Ongoing March 2018 Audit Committee
AGS 2014/15 No. 6	Responding to the new EU General Data Protection Regulation (GDPR) (as a replacement to the Data Protection Act 1998)	Assistant Chief Executive (Regeneration and Policy)	No guidance had come through during 15/16 to address the new legislation which was delayed and only became live on May 26 th 2016	Ongoing i Reminders to staff ii e-learning being developed iii procedures in place / robust – what we have in place addresses the needs already iv HR doing an audit of the data that's held in HR v Policy needs to be reminded to staff
AGS 2014/15 No. 8	Monitor progress with implementing improvements in the management of Supporting People Grant	Head Of Housing & Public Protection	Monitoring in place through quarterly reporting to the Audit Committee. Progress has been positive and changes have been implemented. Audit Committee now have	Ongoing Still being reported to Audit Committee

*UPDATE ON OUTSTANDING GOVERNANCE ISSUES IDENTIFIED IN
PREVIOUS ANNUAL GOVERNANCE STATEMENTS*

SOURCE	ISSUES	RESPONSIBLE OFFICER	ACTIONS/PROGRESS	STATUS
			requested 6 monthly reports	
AGS 2015/16 No. 1	Respond to the new Well Being of Future Generations Act and develop effective working relationships to work in collaboration with PSB Partners	Assistant Chief Executive (Regeneration and Policy)	Public Services Board established in May 2016. Work on ensuring the Authority's compliance with the new Act will continue	Ongoing
AGS 2015/16 No. 2	Monitor compliance with Welsh Language Standards.	Assistant Chief Executive (Regeneration and Policy)	New standards introduced across the Authority. Monitoring of compliance will be on-going.	Ongoing
AGS 2015/16 No. 3	To ensure an Action Plan relating to proposals for improvement raised in the Corporate Assessment 2015/16 is completed and monitored	Assistant Chief Executive (Regeneration and Policy)	A 25 point Action Plan was agreed and incorporated in our 2016/17 ARIP and this was monitored throughout the year. This Action Plan featured on the CMT and PEB dashboard. The WAO Annual Improvement Report for 2016/17 includes a follow up to the Corporate Assessment.	Ongoing in parts
AGS 2015/16 No. 7	Assess and monitor the impact of the Partnership City Deal on the Authority	Assistant Chief Executive (Regeneration and Policy)	The Swansea Bay City Deal was signed off by Welsh and UK Governments on the 20 th March 2017. Carmarthenshire County Council will host the Regional Office and accountable body lead role. Joint Committee Agreement is currently being drafted.	Ongoing
AGS 2015/16 No. 9	Develop a new Risk & Business Continuity Strategy	Head of Audit, Risk and Procurement	Currently being drafted	Ongoing Updated draft to Cllr Jenkins

APPENDIX 2

GOVERNANCE ISSUES ACTION PLAN			
NEW GOVERNANCE ISSUES IDENTIFIED IN 2016-17 ANNUAL GOVERNANCE STATEMENT			
ISSUE REF	ACTION	RESPONSIBLE OFFICER	TARGET DATE
AGS 2016/17 No. 1	To ensure all agreed and valid Regulatory Recommendations and Proposals for Improvement are being actioned and monitored by departments. That a dashboard/PIMS function is developed to enable this.	Assistant Chief Executive (Regeneration and Policy)	31 st March 2018
AGS 2016/17 No.2	For 2016/17 - To publish an Annual Report on 2016/17 performance and our progress on year two of our Corporate Strategy.	Assistant Chief Executive (Regeneration and Policy)	31 October 2017 Completed
AGS 2016/17 No.3	For 2017/18 <ul style="list-style-type: none"> To publicise our Well-being Objectives to publish our Action Plans on our Well-being Objectives for 2017/18 and monitor their implementation to address the Corporate Governance expectations of the Well-being of Future Generations Act during the year continue to adopt and strengthen the 5 ways of working 	Assistant Chief Executive (Regeneration and Policy)	March 2018
AGS 2016/17 No.4	Early on during 2017/18 ensure that Well-being Objectives and KIOP priorities shape budget setting	Assistant Chief Executive (Regeneration and Policy)	December 2017
AGS 2016/17 No.5	To ensure improved integration of Service and Financial Planning as agreed with WAO in the Financial Planning Report	Head of Financial Services	December 2017
AGS 2016/17 No.6	Review and monitor employment safeguarding processes in relation to: <ul style="list-style-type: none"> HR Record keeping in relation to safeguarding complaints and investigations relating to staff; Provision of references for posts involved in regulated activity; Pre-employment checks for posts involved in regulated activity. 	Director of Communities	March 2018 Ongoing Key perf measures considered quarterly
AGS 2016/17 No.7	Review Recruitment and Selection Policy to ensure compliance with employment legislation and support recruitment process review	People Services Manager	March 2018 Drafted Needs consultation – start in Jan 2018
AGS 2016/17 No.8	Publish a Pay Policy by April 2018 in accordance with Section 38 of the Localism Act	Assistant Chief Executive (People Management)	March 2018 Work commenced Already compliant with WG requirements

GOVERNANCE ISSUES ACTION PLAN

NEW GOVERNANCE ISSUES IDENTIFIED IN 2016-17 ANNUAL GOVERNANCE STATEMENT

ISSUE REF	ACTION	RESPONSIBLE OFFICER	TARGET DATE
AGS 2016/17 No.9	To monitor and evaluate recommendations made by the People Performance Review Task and Finish Group	Assistant Chief Executive (Regeneration and Policy)	March 2018 WAO – completed People Strategy Group will monitor the actions determined from this group

Mae'r dudalen hon yn wag yn fwriadol

**MINUTES OF THE GRANTS PANEL MEETING HELD ON
14th FEBRUARY 2018 IN RESOURCES CONFERENCE ROOM, COUNTY
HALL.**

PRESENT: Helen Pugh, Head of Revenues & Financial Compliance
Randal Hemingway, Head of Financial Services
Delyth Thomas, Grants Compliance Officer (GCO)
Nia Thomas, Chair of PWG, Education & Children’s Services (Revenue)
Alan Howells, Chair of PWG, Environment
Les James, Chair of PWG, Community Services
Jayne Pritchard, Funding Co-ordinator
Jason Gracia, Audit Manager, Wales Audit Office (WAO)
Kate Havard, Financial Audit Team Leader, Wales Audit Office (WAO)

APOLOGIES: Stuart Walters, Economic Development Manager
Simon Davies, Chair of PWG, Education & Children’s Services (Capital)
Helen Morgan, Economic Development Manager

	SUBJECT	ACTION
1.0	<p><u>Minutes of the last meeting</u></p> <ul style="list-style-type: none"> The minutes were agreed. 	
2.0	<p><u>Matters Arising</u></p> <ul style="list-style-type: none"> A review of Discretionary Housing Payments as a result of a BBC Wales article which reported an underspend on the project is yet to be actioned. The audit on the WEFO Article 55 - Revenue Generating Project Statement for Y Ffwrnes is still on hold. WAO are waiting for confirmation from their Central Office that this will proceed. 	HP/LJ
3.0	<p><u>Wales Audit Office - Update</u></p> <ul style="list-style-type: none"> It was reported that the audit of the 2016/2017 claims and returns went well. The audit has been completed for 12 of the 13 grants. There was one qualification and minor amendments to three returns. However, the audit of Flying Start (Revenue) is still outstanding due to staffing issues. There are a number of audit queries that are outstanding and documentation to support these queries is being co-ordinated by the GCO. WAO to be informed when supporting information is ready for their final review. 	DT

	SUBJECT	ACTION
	<ul style="list-style-type: none"> The audit programme for 2017/2018 is currently being reviewed. There are currently no plans to move to outcomes/output based audits. 	
4.0	<p><u>IA Grant (IA) - Update</u></p> <ul style="list-style-type: none"> The audit of the quarter 3 claims for both the Education Improvement Grant and Pupil Deprivation Grant have been completed. IA have requested information regarding the quarter 4 audit process from Pembrokeshire County Council (ERW) as the lead body. The audit of the Environmental & Sustainable Development Directorate Revenue Grant is still on going. 	
5.0	<p><u>Major Repairs Allowance – Audit Review</u></p> <ul style="list-style-type: none"> Following the audit review of the Major Repairs Allowance Grant for 2015/2016 regular updates on the project are being provided to the Steering Group. It was reported that there are delays in the processing of costs from TASK into the financial ledger. The Authority is still waiting confirmation from WAO regarding the audit of this grant. 	
6.0	<p><u>Project Working Groups – Update</u></p> <ul style="list-style-type: none"> Minutes of PWG meetings were circulated to Grants Panel members for : <ul style="list-style-type: none"> Chief Executives: 20/11/17 	
7.0	<p><u>AOB</u></p> <ul style="list-style-type: none"> The group discussed the need for a Document Retention Policy for European Structural Funds, Rural Development Programme and the Ireland Wales Co-operation Programme funded projects. It has been agreed that the document retention requirements for 	

	SUBJECT	ACTION
	<p>these funders will be included in the Records Retention Policy Document that is currently under review as part of the TIC Digital Transformation project.</p> <ul style="list-style-type: none"> • The document retention requirements for other grants will also need to be considered as part of this review. • Discussions are on-going with HR regarding the retention of employment documentation to support grants funded by the European Funding Programme. • A request has been made that the Economic Development Area Funding Manager attends the TIC review meeting. • A number of projects supported by the European Structural and Community Initiative Programmes 2000 to 2006 (Objective 1) have been identified where documentation can now be destroyed. An email is to be sent to the respective managers informing them of the deadline that these files will be destroyed unless they have a specific reason that they should be retained. 	<p>RP</p> <p>RP</p>
8.0	Date of next meeting – 2:00pm on 16 th May 2018 Resources Conference Room County Hall	

Mae'r dudalen hon yn wag yn fwriadol

PWYLLGOR ARCHWILIO

15^{FED} RHAGFYR 2017

YN BRESENNOL: Y Cyngorydd T.M. Higgins (Cadeirydd)

Y Cynghorwyr: G.H. John, C. Jones, A.G. Morgan, B. Thomas, E.G. Thomas a D.E. Williams.

Hefyd yn bresennol fel sylwedydd:

Councillor D.M. Jenkins – Yr Aelod o'r Bwrdd Gweithredol dros Adnoddau.

Yn bresennol o Swyddfa Archwilio Cymru:

Mr J. Evans;

Ms A. Lewis;

Mr J. Garcia.

Yr oedd y swyddogion canlynol yn gwasanaethu yn y cyfarfod:

C. Moore, Cyfarwyddwr Gwasanaethau Corfforaethol

I. Jones, Pennaeth Hamdden

S. Pilliner, Pennaeth Priffyrdd a Thrafnidiaeth

H. Pugh, Pennaeth Dros Dro Archwilio, Riag a Chaffael

C. Daniels, Uwch-reolwr Chwaraeon a Hamdden

J. Davies, Uwch-reolwr y Gwasanaethau Diwylliannol

N. Edwards, Rheolwr Diogelu a Chomisiynu

M. Mason, Rheolwr Datblygu Amgueddfa

J. Owen, Swyddog Gwasanaethau Democrataidd

Siambr, Neuadd y Sir - 10.00 am - 12.35 pm

1. YMDDIHEURIADAU AM ABSENOLDEB

Derbyniwyd ymddiheuriadau am absenoldeb gan y Cyngorydd H.A.L. Evans a Mrs J. James.

2. DATGANIADAU O FUDDIANNAU PERSONOL.

Ni chafwyd dim datganiadau o fuddiant.

3. CYNLLUN ARCHWILIO MEWNOL 2017/18

Bu'r Pwyllgor yn ystyried adroddiad a oedd yn darparu diweddariad ar weithredu Cynllun Archwilio Mewnol 2017/18. Roedd rhan A(i) o'r adroddiad yn cynnwys adroddiad cynnydd ar Gynllun Archwilio 2017/18 a Rhan A(ii) yn cynnwys argymhellion y matrices sgorio.

Mewn perthynas â Rhan B yr adroddiad, nododd y Pwyllgor nad oedd yna unrhyw faterion sylfaenol i adrodd amdanynt.

Roedd Rhan C yr adroddiad yn nodi argymhellion Blaenoriaeth 1 ynghylch adolygiadau o systemau eraill ac archwiliadau sefydliadau, ac roedd yn cynnwys adolygiadau a gwblhawyd ers mis Ebrill 2017 lle roedd gan y systemau un neu ragor o wendidau rheoli sylfaenol neu'n cynnwys adolygiadau yr oedd Cadeirydd y Pwyllgor Archwilio a'r Rheolwr Archwilio a Risg wedi cytuno y dylid eu rhoi gerbron y Pwyllgor. Roedd yr adran hon yn cynnwys manylion am adolygiad o Ganolfan Hamdden Llanelli a Rheoli Contractau Adrannol.

Rhodddwyd sylw i'r sylwadau/materion canlynol wrth drafod yr adroddiad:-

Mewn ymateb i bryder a godwyd ynghylch pa mor gadarn yw'r gwiriadau arian parod a pha mor aml y'i cynhelir yng Nghanolfan Hamdden Llanelli, eglurodd yr Uwch Reolwr Chwaraeon a Hamdden fod gwiriadau arian parod yn cael eu cynnal sawl gwaith trwy gydol y dydd, gan gynnwys ar ddiwedd y dydd, a bod gwiriadau dirybudd yn cael eu cynnal ar bob gweithredwr yn flynyddol yn unol â'r rheoliadau ariannol (yn ddiweddar uwch-sgiliwyd staff fel nad ydynt yn ddibynnol ar yr Uned Cymorth Busnes, gan gynyddu eu gallu i wirio ar bob adeg o'r dydd).

Tynnwyd sylw o'r adroddiad fod trefniadau staffio cyffredinol Canolfan Hamdden Llanelli yn sylfaenol yn gweithredu'n is na'r safon. Esboniodd y Pennaeth Hamdden fod y canfyddiadau'n rhan o adroddiad ehangach yn 2016/17 a dywedodd fod llawer o welliannau wedi'u rhoi ar waith dros y misoedd diwethaf. Esboniodd yr Uwch Reolwr Chwaraeon a Hamdden ymhellach ynghylch cymhlethdod y trefniadau rheoli staff a bod y Ganolfan ar hyn o bryd yn dibynnu'n drwm ar garfan o staff achlysurol i wneud gwaith megis rhoi gwersi nofio, lle cynhelir tua 100 o wersi bob wythnos. Adroddodd yr Uwch-reolwr Chwaraeon a Hamdden fod y ganolfan hamdden ar hyn o bryd yn gweithredu system risg gymhleth yn hytrach na risg uchel, ac o safbwynt archwilio gellid barnu nad yw hon yn system mor gadarn.

Gofynnwyd am i'r wybodaeth ddiweddaraf am y mater hwn gael ei hadrodd i'r Pwyllgor Archwilio ymhen 6 mis. Dywedwyd ymhellach y byddai wedi bod yn fuddiol pe bai'r adroddiad wedi cynnwys y gwelliannau a wnaed eisoes.

Gofynnwyd sut y mae Canolfannau Hamdden eraill yn rheoli staff achlysurol er mwyn canfod yr arfer gorau. Esboniodd yr Uwch Reolwr Chwaraeon a Hamdden fod Canolfan Hamdden Caerfyrddin yn defnyddio system llawer gwell a oedd ar y pryd yn cael ei mireinio er mwyn i Ganolfan Hamdden Llanelli ei mabwysiadu hefyd.

Gofynnwyd a oedd y system yng Nghanolfan Hamdden Caerfyrddin wedi cael ei harchwilio. Cadarnhaodd yr Uwch Reolwr Chwaraeon a Hamdden fod y Canolfannau Hamdden yn cael eu harchwilio fel rhan o raglen flynyddol a bod Canolfan Hamdden Caerfyrddin newydd gael ei harchwilio a bod yr adroddiad ar fin cael ei gyhoeddi. Ychwanegodd y Pennaeth Hamdden fod y system yng Nghanolfan Hamdden Caerfyrddin yn gweithredu gan ddefnyddio technegau mwy modern ond roeddent yn bwriadu sicrhau arferion gorau yn y maes hwn cyn iddo gael ei fabwysiadu yng Nghanolfan Hamdden Llanelli.

PENDERFYNWYD YN UNFRYDOL:

- 3.1 fod y wybodaeth ddiweddaraf am Gynllun Archwilio Mewnol 2017/18 yn cael ei derbyn at ddibenion monitro;**
- 3.2 bod y Pwyllgor yn cael diweddariad pellach ar Ganolfan Hamdden Llanelli ymhen 6 mis.**

4. BLAENRAGLEN WAITH

Bu'r Pwyllgor yn ystyried y Flaenraglen Waith Flynyddol a oedd yn rhoi manylion am yr eitemau disgwylidig ar agenda cylch cyfarfodydd y Pwyllgor Archwilio 2017/18.

Bu'r Pwyllgor yn ystyried y Flaenraglen Waith Flynyddol a oedd yn rhoi manylion am yr eitemau disgwylidig ar agenda cylch cyfarfodydd y Pwyllgor Archwilio 2017/18.

Yn unol ag adran Hyfforddiant/Sesiynau Anffurfiol y rhaglen, dywedodd y Pennaeth Refeniw a Chydymffurfiaeth Ariannol fod aelodau wedi cwrdd yn anffurfiol â chynrychiolwyr Swyddfa Archwilio Cymru cyn cyfarfod heddiw. Diolchodd yr Aelodau a'r Swyddogion i gynrychiolwyr Swyddfa Archwilio Cymru am ddod.

PENDERFYNWYD YN UNFRYDOL dderbyn y Flaenraglen Waith.

5. DIWEDDARU CYNLLUN GWEITHREDU'R AMGUEDDFEYDD

Yn unol â Chofnod 3 y cyfarfod a gynhaliwyd ar 24 Mawrth 2017, cafodd y Pwyllgor y wybodaeth ddiweddaraf ar Gynllun Gweithredu'r Amgueddfeydd a oedd yn crynhoi'r gwaith y cytunwyd arno a'r cynnydd a wnaed hyd yma gan y Tîm Amgueddfeydd i wella ei brosesau.

Rhodddwyd sylw i'r sylwadau/materion canlynol wrth drafod yr adroddiad:-

Mewn ymateb i ymholiad, cadarnhaodd y Rheolwr Datblygu Amgueddfeydd nad oedd yna unrhyw dystiolaeth fod eitemau gwerthfawr wedi mynd ar goll neu'u rhoi yn y lle anghywir. Ychwanegodd fod darn mawr o waith yn cael ei wneud ar hyn o bryd a oedd yn cynnwys cofnodi a thrawsgyfeirio'r holl arteffactau.

Cadarnhaodd Uwch-reolwr y Gwasanaethau Diwylliannol fod y Cynllun Gweithredu yn gynllun hirdymor a oedd yn dibynnu'n drwm ar gael swm sylweddol o gyllid allanol, ac ar ôl hynny cynigiodd roi diweddariad pellach i'r Pwyllgor ymhen 6 mis.

Holwyd sut oedd y broses o ddigideiddio holl wrthrychau, cofnodion a dogfennaeth yr amgueddfeydd yn mynd yn ei blaen. Esboniodd y Rheolwr Datblygu Amgueddfeydd y byddai digideiddio cofnodion yn broses hirfaith a fyddai'n golygu cymryd ffotograffau o'r holl arteffactau sydd i'w cynnwys yn y rhestr eiddo. Roedd staff yr Amgueddfeydd wedi cael hyfforddiant er mwyn cyflawni'r prosesau o gymryd ffotograffau ac o wirio.

PENDERFYNWYD YN UNFRYDOL:

5.1 dderbyn y Diweddariad ar Gynllun Gweithredu'r Amgueddfeydd;

5.2 bod y Pwyllgor yn cael adroddiad cynnydd pellach ar Gynllun Gweithredu'r Amgueddfeydd ymhen 6 mis.

6. DIWEDDARU GRANT RHAGLEN CEFNOGI POBL

Yn unol â Chofnod 6 o'i gyfarfod ar 6 Ionawr 2017, derbyniodd y Pwyllgor yr adroddiad cynnydd chwemisol ar Gynllun Gweithredu y Gwasanaeth Cefnogi Pobl, a oedd yn crynhoi'r gwaith oedd wedi ei wneud hyd yn hyn i gyflawni gwelliannau yn y prosesau grant a rheoli contractau, fel y nodwyd yn Archwiliad Mewnol 2015/16 o Grant Rhaglen Cefnogi Pobl 2015/16. Nodwyd bod cynnydd da yn cael ei wneud o ran y cynllun gweithredu a oedd yn cael ei fonitro gan y Grŵp Cynllunio Cefnogi Pobl, dan gadeiryddiaeth Cyfarwyddwr y Gwasanaethau Cymunedol.

Rhodddwyd sylw i'r sylwadau/materion canlynol wrth drafod yr adroddiad:-

- Mewn ymateb i ymholiad a godwyd ynglŷn â monitro'r gyllideb, esboniodd y Rheolwr Diogelu a Chomisiynu fod y broses newydd ar gyfer monitro cyllidebau a gyflwynwyd ym mis Hydref 2016 wedi nodi tanwariant o'r grant a dderbyniwyd oddi wrth Lywodraeth Cymru. Digwyddodd y tanwariant o ganlyniad i'r mesurau effeithlonrwydd a oedd yn cael eu cymryd a'r anallu i adleoli yn yr amser a ganiatawyd. Nododd y Pwyllgor fod cyflwyniad wedi'i wneud i Lywodraeth Cymru i gario ymlaen yr arian dros ben, er mwyn iddo gael ei ddyrannu i brosiectau penodol a ystyriwyd yn unol â'r strategaeth gwrth-dlodi ond yn anffodus cafodd ei wrthod. Yng ngoleuni hyn, mae gwaith wedi cael ei wneud gydag arweinwyr strategol o fewn yr Awdurdod i ddyrannu cyllidebau i ddarparwyr gwasanaethau er mwyn gwario'r arian ar brosiectau byrdymor i alluogi gwell canlyniadau.

Ymhellach, rhodddwyd sicrwydd i'r Pwyllgor fod y swyddogion yn mynd ati'n barhaus i fonitro'r gyllideb i sicrhau nad oedd y gwariant yn mynd i ôl-ddyledion.

- Gyda golwg ar yr adroddiad, gofynnwyd am y wybodaeth ddiweddaraf ynglŷn â chaffael. Dywedodd y Rheolwr Diogelu a Chomisiynu fod y prosesau mewnol wedi'u gwella o safbwynt gweinyddu busnes cyllid, gan gynnwys trosglwyddo cyfrifoldeb o un swyddog i'r tîm cymorth busnes. Mae'r adran gaffael ar hyn o bryd yn rheoli ystod o ddarparwyr gofal ac yn sicrhau bod yr holl gontractau yn cael eu llofnodi fel sy'n briodol. Caiff unrhyw eithriadau o ran ymestyn contractau eu rheoli a'u hadrodd yn unol â Rheolau Gweithdrefn y Cyngor. Ychwanegodd Cyfarwyddwr y Gwasanaethau Corfforaethol fod system cronfa ddata gaffael Llywodraeth Cymru sef 'Bravo' yn cael ei defnyddio i gofnodi'r holl brosesau caffael, a oedd yn sicrhau bod yna drywydd o wybodaeth yn cael ei adael ar ôl.

Awgrymwyd bod y Pwyllgor yn cael adroddiad ar brosesau caffael y Cyngor. Dywedodd y Pennaeth Refeniw a Chydymffurfiaeth Ariannol y byddai hi'n paratoi adroddiad ar gyfer cyfarfod nesaf y Pwyllgor.

- Gofynnwyd a oedd yna unrhyw dystiolaeth o welliannau a wnaed gan Lywodraeth Cymru o ran eu gwaith o weinyddu'r Grant Rhaglen Cefnogi Pobl (SPPG). Dywedodd cynrychiolydd Swyddfa Archwilio Cymru fod angen gwneud cryn dipyn o waith o hyd, er gwaethaf y ffaith bod gwelliannau wedi'u gwneud. Ychwanegodd Cyfarwyddwr y Gwasanaethau Corfforaethol fod Llywodraeth Cymru wedi gwrthod gweinyddu'r grant, a hynny er bod y Grant Rhaglen Cefnogi Pobl wedi'i ffurfio o gymysgedd o gronfeydd gan Lywodraeth Cymru a'r awdurdod lleol. I ddechrau, pan gafodd y cronfeydd eu cyfuno, nid oedd yna unrhyw archwilio'n digwydd; fodd bynnag, dros y blynyddoedd cafodd y broses archwilio ei gwella.
- Gofynnwyd sut oedd y Grant Rhaglen Cefnogi Pobl yn cael ei fonitro ac a oedd erioed wedi bod gerbron pwyllgor craffu. Dywedodd y Rheolwr Diogelu a Chomisiynu nad oedd y Grant Rhaglen Cefnogi Pobl wedi bod gerbron pwyllgor craffu hyd yma; fodd bynnag, roedd y Grant ar hyn o bryd yn cael ei fonitro bob chwarter gan y Grŵp Gweithredol Cefnogi Pobl lle roedd y cynllun gwaith a'i brosiectau'n cael eu cyflwyno er mwyn craffu arnynt a chynnig sylwadau yn eu cylch.

Gofynnwyd am adroddiad i'w gyflwyno yng nghyfarfod nesaf y Pwyllgor Archwilio yn cynnwys dadansoddiad manwl o'r modd y dyrannwyd cyllid gyda golwg ar y Grant Rhaglen Cefnogi Pobl.

PENDERFYNWYD YN UNFRYDOL:

- 6.1 bod yr adroddiad yn cael ei dderbyn;**
- 6.2 bod y Pwyllgor yn cael adroddiad ar broses gaffael y Cyngor yn ei gyfarfod ym mis Mawrth;**
- 6.3 bod y Pwyllgor yn cael adroddiad yn cynnwys dadansoddiad manwl o'r modd y dyrannwyd cyllid y Grant Rhaglen Cefnogi Pobl yn ei gyfarfod ym mis Mawrth.**

7. YSTYRIED Y DOGFENNAU CANLYNOL A BARATOWYD GAN SWYDDFA ARCHWILIO CYMRU:-

7.1. CYNGOR SIR GAERFYRDDIN DIWEDDARIAD PWYLLGOR ARCHWILIO RHAGFYR 2017

Bu'r Pwyllgor yn ystyried adroddiad a roddai'r wybodaeth ddiweddaraf am y gwaith o ran archwilio ariannol ac archwilio perfformiad oedd wedi'i wneud/yn mynd i gael ei wneud ynghylch yr Awdurdod gan Swyddfa Archwilio Cymru ers y cyfarfod diwethaf.

PENDERFYNWYD YN UNFRYDOL dderbyn yr adroddiad.

7.2. CYNGOR SIR CAERFYRDDIN - LLYTHYR ARCHWILIAD BLYNYDDOL 2016/17

Cafodd y Pwyllgor Lythyr Archwiliad Blynyddol 2016/17 a baratowyd gan yr Archwilydd Penodedig yn unol â'i gyfrifoldebau statudol o dan Ddeddf Archwilio Cyhoeddus (Cymru) 2004.

Yr oedd y Llythyr Archwiliad Blynyddol yn ymdrin â'r gwaith oedd wedi ei wneud gan Swyddfa Archwilio Cymru ers cyhoeddi'r llythyr diwethaf ac yr oedd yn crynhoi'r prif faterion yr oedd yr Archwilydd Penodedig yn ystyried y dylid eu dwyn i sylw'r Awdurdod.

PENDERFYNWYD derbyn yr adroddiad.

7.3. CYNGOR SIR CAERFYRDDIN - MEMO CYFRIFON TERFYNOL 2016/17

Ystyriodd y Pwyllgor Femo Cyfrifon Terfynol 2016/17 ar gyfer Cyngor Sir Caerfyrddin a ddarparai grynodedb o'r negeseuon allweddol a godai o'r gwaith cyfrifon terfynol a wnaed, ac roedd yn cynnwys nifer o argymhellion ar gyfer gwelliant.

PENDERFYNWYD YN UNFRYDOL dderbyn yr adroddiad.

7.4. CAFFAEL CYHOEDDUS YNG NGHYMRU

Derbyniodd y Pwyllgor adroddiad ar Gaffael Cyhoeddus yng Nghymru sy'n rhoi'r cyd-destun rheoleiddiol a'r cyd-destun polisi ar gyfer caffael cyhoeddus yng Nghymru.

Roedd yr adroddiad yn tynnu sylw at y ffaith fod cyrff cyhoeddus, bob blwyddyn, yn gwario symiau sylweddol o arian ar brynu nwyddau, gwasanaethau a gwaith gan y trydydd sector a'r sector preifat mewn proses a gaiff ei hadnabod fel caffael. Mae caffael effeithiol yn cynnwys:

- cael nifer ddigonol o staff â chymwysterau priodol ac o strwythurau sefydliadol a pholisïau i reoli a llywodraethau gweithgarwch caffael;
- proses wedi'i chynllunio'n dda ar gyfer penderfynu beth sydd ei angen ar y corff cyhoeddus, gan gynnwys penderfynu sut y dylai'r corff cyhoeddus ddarparu gwasanaethau ac edrych ar ffyrdd amgen o gyflwyno gwasanaethau;
- dod o hyd i strategaethau a chaffael ar y cyd - bod â syniad da o sut y gall y corff cyhoeddus ddiwallu ei anghenion orau;
- rheoli contractau a chyflenwyr yn effeithiol; a
- phrosesau a systemau TGCh effeithiol a dibynadwy i gynnal y gwaith caffael.

Nododd y Pwyllgor fod Cyngor Sir Caerfyrddin, o ganlyniad i'r Gwiriad Ffitrwydd Caffael annibynnol a ariannwyd gan Lywodraeth Cymru ar gyfer Llywodraeth Leol yn 2013-14, wedi sgorio'n is na'r cyfartaledd, a ddangoswyd yn Atodiad 3 yr adroddiad, sef Canlyniadau Gwiriadau Ffitrwydd Caffael a ariannwyd gan Lywodraeth Cymru.

Dywedodd y Pennaeth Refeniw a Chydymffurfiaeth Ariannol fod prosesau caffael Sir Gaerfyrddin wedi gwella'n sylweddol ers yr adolygiad yn 2013, ac o ganlyniad i adolygiad Trawsnewid i Wneud Cynnydd (TIC) roedd llawer o newidiadau'n cael eu gwneud gan gynnwys adran fwy strwythuredig. Ychwanegodd ymhellach y byddai canlyniadau gwiriad ffitrwydd a gynhaliwyd eleni yn cael eu croesawu gan fod gan yr adran brosesau caffael mwy cadarn yn awr nag yn 2013/14.

Mewn ymateb i ymholiad ynglŷn â recriwtio, esboniodd y Pennaeth Refeniw a Chydymffurfiaeth Ariannol fod recriwtio staff caffael cymwys yn broblem genedlaethol. Fodd bynnag, roedd y tîm caffael yn Sir Gaerfyrddin yn gweithredu ar y cyd ag adran gaffael Cyngor Sir Penfro, sydd yn galluogi'r ddwy adran i gadw'r profiad a'r wybodaeth sydd ganddynt eisoes ac adeiladu arnynt.

Esboniodd y Pennaeth Refeniw a Chydymffurfiaeth Ariannol ymhellach fod y system 'Atom' yn cael ei defnyddio i gofnodi data, a oedd yn galluogi'r tîm i gasglu a chofnodi ystod o wybodaeth y gellid ei defnyddio i ddarparu tystiolaeth. Er mwyn egluro'r gwahanol systemau a ddefnyddid, cynigiodd y Pennaeth Refeniw a Chydymffurfiaeth Ariannol roi amlinelliad bras i'r aelodau o bob un o'r systemau.

Gofynnwyd sut oedd yr adran gaffael ar y cyd yn cael ei harchwilio. Cadarnhaodd cynrychiolydd Swyddfa Archwilio Cymru y byddai archwiliadau ar y trefniadau ar y cyd yn y dyfodol yn cael eu cynnal ar y gwasanaeth fel endid cyfan / sengl. Fodd bynnag, roedd gwaith parhaus yn cael ei wneud er mwyn cysoni'r gwahanol reolau caffael oedd gan awdurdodau lleol Sir Benfro a Sir Gaerfyrddin. Ychwanegodd Cyfarwyddwr y Gwasanaethau Corfforaethol fod sgysiau'n digwydd ar hyn o bryd gyda Gwasanaeth Tân ac Achub Canolbarth a Gorllewin Cymru, sydd wedi mynegi diddordeb mewn ymuno â'r trefniant ar y cyd.

PENDERFYNWYD YN UNFRYDOL dderbyn yr adroddiad.

8. COFNODION GRWPIAU PERTHNASOL I'R PWYLLGOR ARCHWILIO

PENDERFYNWYD YN UNFRYDOL fod cofnodion cyfarfod y Grŵp Llywio Rheoli Risg a gynhaliwyd ar 10 Hydref 2017 yn cael eu derbyn.

9. LLOFNODI YN GOFNOD CYWIR COFNODION CYFARFOD Y PWYLLGOR A GYNHALIWDYD AR 29AIN MEDI 2017

PENDERFYNWYD YN UNFRYDOL fod cofnodion cyfarfod y Pwyllgor Archwilio a gynhaliwyd ar 29 Medi 2017 yn cael eu llofnodi fel cofnod cywir.

CADEIRYDD

DYDDIAD

Mae'r dudalen hon yn wag yn fwriadol