

Flintshire Internal Audit

Progress Report



July 2024

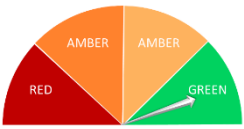
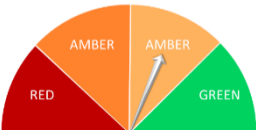
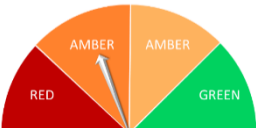
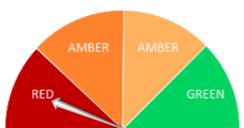
Contents

Levels of Audit Assurance – Standard Audit Reports.....	Appendix A
Final Reports Issued Since Last Committee.....	Appendix B
Audit Assurance Summary.....	Appendix C
Amber Red Reports Issued	Appendix D
Red Reports Issued	Appendix E
Action Tracking – Portfolio Statistics.....	Appendix F
High Actions Overdue.....	Appendix G
Actions with a Revised Due Date Six Months Beyond Original Due Date....	Appendix H
Investigation Update.....	Appendix I
Internal Audit Performance Indicators.....	Appendix J
Internal Audit Operational Plan 2023/24.....	Appendix K
Internal Audit Operational Plan 2024/25.....	Appendix L

Levels of Assurance – Standard Audit Reports

Appendix A

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

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

Final Reports Issued

Appendix B

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

Project Reference	Portfolio	Project Description	Audit Type	Level of Assurance	New Actions		
					High	Med	Low
2023/24 Audit Assurance							
18.3-2023/24	E&Y	School Risk Based Thematic Reviews Ysgol Maes Hyfred (Special High)	Risk Based	Amber Green	0	3	2
18.4-2023/24	E&Y	School Risk Based Thematic Reviews Ysgol Pen Coch (Special Primary)	Risk Based	Amber Green	2	3	2
18.1-2023/24	E&Y	School Risk Based Thematic Reviews Ysgol Treffynnon Holywell (High)	Risk Based	Amber Green	0	3	3
17-2023/24	S&T	Recycling Targets	Risk Based	Red	2	2	0
2024/25 Audit Assurance							
18.2-2023/24	E&Y	School Risk Based Thematic Reviews Connahs Quay High School	Risk Based	Amber Green	0	4	2
34-2023/24	PE&E	Income – Fees & Charges	Risk Based	Amber Green	0	2	1
31-2023/24	H&C	Housing Subsidy- Local Authority Error and Delay Overpayment	Risk Based	Amber Green	0	2	0
24-2023/24	S&T	Health and Safety Risk Management	Risk Based	Amber Red	0	5	0
43-2023/24	PE&E	Climate Change, Environmental Sustainability and ESG	Risk Based	Amber Red	2	5	0
N/A	Ext	All Wales Chief Auditors End of Year Accounts 2023/24	New	Advisory	-	-	-
AC 04 2023/24	PE&E	Planning – Prioritisation & Activities (including Enforcement)	Advisory	Advisory	-	-	-

Audit Assurance Summary for 2024/25

Appendix C

Portfolio	Number of Reports & Assurance						Priority & Number of Agreed Actions			
	Red	Amber Red	Amber Green	Green	Advisory / Grant - No Opinion Given	In Total	High	Medium	Low	In Total
Corporate										
Education & Youth			1			1	0	4	2	6
Governance										
Housing & Community			1			1	0	2	0	2
People & Resources										
Planning, Environment & Economy		1	1		1	3	2	7	1	10
Social Services										
Streetscene & Transportation		1				1	0	5	0	5
Cross Cutting Portfolio's										
External					1	1				
Total		2	3		2	7	2	18	3	23

Footnote:

Red Assurance:

Amber Red Assurance: H&C - Health and Safety Risk Management; PEE&E - Climate Change, Environmental Sustainability and ESG

Streetscene & Transportation – Health and Safety Risk Management –24–2023/24

Background		
<p>Streetscene and Transportation delivers a number of frontline services which broadly include highway maintenance, waste and recycling collection / disposal, cleansing, street lighting, winter maintenance and grounds maintenance.</p> <p>There are H&S risks associated with the provision of these services which need to be identified and mitigated. Where risks materialise as an accident/ incident or near miss, the cause needs to be established and corrective action implemented to prevent reoccurrence.</p> <p>Whilst the service is responsible for risk management, there is also a corporate system in place which prescribes the way in which accidents are recorded; provides sign off of investigations; and reporting on accident/incident statistics and claim information. Findings have been raised for action by Streetscene in this report. Observations around the corporate system / control framework have been shared informally with the corporate health and safety service team.</p> <p>The audit considered the adequacy and effectiveness of the controls in place within Streetscene to evidence portfolio compliance with the established Health and Safety Policy and reporting process, the diligence of the investigations into all incidents, near misses and accidents, the timeliness and adequacy of the corrective actions taken to prevent re-occurrence as well as the adequacy of the Health and Safety action plan in addressing all know issues. Focus was placed on</p> <ul style="list-style-type: none"> • Management information available to oversee Accidents, Incidents, and Near Misses for the last twelve months; • Adequacy of the established processes to report Accidents, Incidents and Near Misses; • Adequacy and timeliness of investigation completed, and corrective actions identified by management including the revision of risk assessment; • Training provided to Management and Operatives on Health and Safety Procedures and expectations; and • Health and Safety Action plan. 		
Areas Managed Well		
<ul style="list-style-type: none"> • The service uses the Corporate Health and Safety Standard for Accident/Incident Reporting process. • Governance routines have been established across the portfolio to review and discuss Health and Safety matters. • The service uses Corporate Health and Safety Action plans. 		
Findings and Implications	Agreed Action	When
<p>1 (A) Risk Management</p> <p>Streetscene is responsible for the identification and mitigation of H&S risks as part of its operations across the different service areas. In particular, corrective actions should be taken in areas where the risk has materialised. Investigation outcomes including required corrective actions should be clearly documented and evidenced.</p> <p>A review of the portfolio risk register identified:</p> <ul style="list-style-type: none"> • An operational risk ST-OP07 has been captured in the Streetscene and 	<ul style="list-style-type: none"> • Accident and near miss data to be shared with area coordinators and managers to ensure it can be implemented across the service. • Enhanced or additional, Health and Safety qualifications to be attained by managers to allow them to assess H&S risks. Risk training to be provided to supervisors. • Revision of health and safety risks, assessment 	<p>31 Aug 2024</p> <p>30 Nov 2024</p>

Findings and Implications	Agreed Action	When
<p>Transportation Risk Register (30.05.23) which relates to Health and Safety risk. The last risk score submitted showed the risk within the desired state (5 Amber) arising from a rating of a rare likelihood and a catastrophic impact.</p> <ul style="list-style-type: none"> The likelihood of this risk materialising has been rated 'rare' which according to the definition means there is less than 5% chance in the risk occurring or it occurring only in exceptional circumstances. It is unclear how this has been assessed and whether it has been based on the actual data from incidents reported via the Accident Reporting Database. Mitigating actions identified in the risk register shows the maintenance of ISO accreditations, ongoing monitoring and review of all risk assessments and method statements, staff medical monitoring and assessment for high-risk areas, training programmes and performance monitoring as well as ensuring controls are in place to monitor established processes in line with risk assessments. These actions are high level, and we are unable to assess whether these controls are operating as expected. Key risk indicators have not been defined to monitor progress such as the number of accidents, number of days lost due to accidents/incidents/near misses, RIDDOR cases, etc. <p>There is a risk that Health and Safety risks are not sufficiently monitored, assessed, and mitigated to prevent harm to staff and/or members of the public.</p>	<p>controls are adequate, and evidence is available to demonstrate these are working as expected. Service manager to define expectations of one to be shared with management.</p> <p>URN 3621</p>	
<p>2 (A) Policy & Procedure</p> <p>The Streetscene and Transportation Accident Reporting Procedure (Jan 2019) is applicable across all service areas. It should set the service expectations for investigation of accidents / incidents / near misses, identification of corrective action taken and reporting across the portfolio.</p> <p>We reviewed this document and identified the following:</p> <ul style="list-style-type: none"> The procedure provided is out of date and does not reflect the changes made to the corporate reporting process via the hotline number. Timescales for the completion of the reporting activities have not been defined. Investigation process to be followed by supervisor and service manager is not sufficiently detailed including risk factors to consider and review (i.e., CCTV footage, procedural documents, previous incidents for individual, etc.) Corrective actions/outcomes to be taken as a result of the investigation are not captured within the procedure. i.e., further training to individual/ all workforce/ additional controls to be implements such as changes to established processes, different equipment, and PPE, etc. <p>This poses a risk that supervisors and managers will operate inconsistently and with varying levels of knowledge and diligence impacting on the accuracy and effectiveness</p>	<ul style="list-style-type: none"> Weekly meetings already conducted between the Corporate Health and Safety advisor and Service delivery Operational Managers. Coaching to be provided to management and supervisors on how to investigate and the appropriate actions and outcomes to be taken as a result of it. Accident reporting procedure to be updated to reflect current practice. Mobile number introduced for incident reporting. This will assist with the timeliness of the reporting as well as being able to provide evidence i.e. pictures. Corporate Health and Safety advisor will continue to review and sign off all investigations on the database. Following the investigations, lessons learned will be documented and shared with the rest of the service to prevent reoccurrence. <p>URN 3591</p>	<p>31 May 2024</p> <p>31 Jul 2024</p> <p>31 May 2024</p> <p>31 Jul 2024</p>

Findings and Implications	Agreed Action	When
<p>of the investigations, reporting and actions taken to prevent reoccurrence.</p> <p>3 (A) Management Information & Reporting</p> <p>Health and Safety Risks have been considered as part of Risk Assessment and Safe System of Work documents across the service. Working practices have been set up to mitigate the risks highlighted. These were not part of the scope of this audit.</p> <p>Reporting is produced locally by the Streetscene Compliance team monthly and is reviewed and discussed at SMT. Corporate H&S produce broadly the same report on a quarterly basis. These reports should provide first hand assurance that H&S risks across the portfolio are being identified, mitigated and reoccurrence is being prevented.</p> <p>A review of the Streetscene reports has identified the following opportunities for improvement:</p> <ul style="list-style-type: none"> • Reporting is primarily focussed on figures extracted from the accident reporting corporate database. • There is no management information which shows the volume of investigations which have been completed, in progress or that are still outstanding. • Timeliness of investigations is not reported. • Reporting does not highlight corrective actions taken/required as a result of the investigations to prevent re-occurrence. • Action owners and delivery dates is not reported. • Progress of actions recorded in the service H&S action plans are not included in the compliance report to SMT. • There is no information relating to repeated H&S breaches / repeat offenders. • Monthly training figures are not reported consistently. Whilst outstanding training and no shows are reported, these are not linked to accidents either by root cause or by employee. • There is no reporting on number of days lost / increased costs as a result of accidents/near misses. <p>Currently management information is limited particularly in terms of any detailed analysis. This is important to help demonstrate whether H&S risks which have materialised as an accident or near miss have been investigated in a timely manner and whether effective corrective actions have been implemented. Analysis over time helps the portfolio identify effectiveness of actions taken as well as the need for training to continually improve risk mitigations.</p>	<ul style="list-style-type: none"> • Establish reporting requirements through the completion of a reporting process review. Work with IT to understand what information can be extracted from the Corporate H&S database to facilitate reporting. • Process to be introduced to communicate Health and Safety findings with wider workforce. • Introduce management advice document for Health and Safety breaches as a result of investigations. <p>URN 3606</p>	<p>31 Oct 2024</p>
<p>4 (A) Investigation Outcomes and Completeness</p>	<ul style="list-style-type: none"> • Coaching to be provided to management and 	<p>31 Jul 2024</p>

Findings and Implications	Agreed Action	When
<p>Information relating to Accidents/Incidents/ and Near Misses are captured in the Council's Accident Reporting Database. Management information was provided for review to assist with the assessment of the investigations, outcomes and completeness through understanding the root cause of the accident/incident and identifying appropriate actions to prevent re-occurrence.</p> <p>Testing identified inconsistencies in the approach and outcomes of the investigation recorded by managers and supervisors; this may be due to a lack of a detailed procedure (Finding 2). Detailed investigation information was requested as part of the sample test (MH 5/1/23, RC 9/1/23). At the time of drafting the detailed investigation information had not been provided for review by Streetscene. Both cases have been signed off and marked closed in the corporate database.</p> <p>In terms of the investigation results captured by Streetscene in the corporate database we note the following:</p> <ul style="list-style-type: none"> • these are not sufficiently detailed to demonstrate clear identification of the root cause of the accident/near miss. • it is unclear what actions are required to prevent reoccurrence. • it is unclear the required timescales for implementation or whether the action has been implemented. <p>There is a risk investigation into reported accidents and near misses are not thorough to understand root cause and implement remediating actions to prevent re-occurrence.</p>	<p>supervisors on how to investigate and the appropriate actions and outcomes to be taken as a result of it.</p> <ul style="list-style-type: none"> • Accident reporting procedure to be updated to reflect current practice. Mobile number introduced for incident reporting. This will assist with the timeliness of the reporting as well as being able to provide evidence i.e. pictures. • Following the investigations, lessons learned will be documented and shared with the rest of the service to prevent reoccurrence. <p>URN 3609</p>	<p>31 May 2024</p> <p>31 Jul 2024</p>
<p>5 (A) Health and Safety Action Plan</p> <p>A Health and Safety Action Plan is kept by each service manager. A standard corporate template is utilised to record and assess Health and Safety risks. The individual action plans are reviewed quarterly with the Health and Safety advisor and the Chief Officer- Streetscene and Transportation. Legislative updates are reviewed and discussed within SMT.</p> <p>These action plans operate as the risk management tool for the portfolio health and should capture health and safety risks, mitigating controls, and actions identified as required by management.</p> <p>A review of the 4 Health and Safety Action plans has identified the following:</p> <ul style="list-style-type: none"> • 86 risks were captured across the portfolio, over 135 actions identified with actions due by quarters. • There is a lack of traceability between the risks on the Health and Safety Action plans and risks identified as a result of the review of legislative updates. • There is a lack of traceability between the risks on the Health and Safety Action 	<ul style="list-style-type: none"> • Management to speak to corporate health and safety to determine what changes can be made to corporate template to assist with risk management activities. • Best practices to be shared amongst all Streetscene service managers to ensure consistency in approach. <p>URN 3607</p>	<p>31 Aug 2024</p>

Findings and Implications	Agreed Action	When
<p>plans and risks identified as a result of the investigations completed by the service.</p> <ul style="list-style-type: none"> • There is a lack of traceability between the risks on the Health and Safety Action plans and risks identified via the INPHASE service risk registers. • Actions are RAG rated by timescales for delivery (1 month / 3 month/ 6month) however as specific dates are not recorded it is unclear what actions have been implemented and which remain outstanding. For example, Service Delivery risk 3 relates to 'Exposure to uncontrolled hazards attributable to insufficient information in works orders or requests for highways teams.' Actions to mitigate this risk were due to be completed in 3 months; however, the status of the action in section 3 is showing amber for the last two quarters. This should mean the status of the action is red as the action should be overdue given that it has been in the same amber state for the last 2 quarters. • Actions defined as required are not sufficiently detailed to assess whether timescales for completion are adequate and whether they sufficiently mitigate the risks identified. In some cases, the actions are high level and the controls have not been identified; For example, in the case of lone working in the service delivery action plan, the action identified is a 'Full review of working practices to identify lone workers and critically assess the duties to establish the need for additional support or the introduction of technology'. • We noted the same risks across the 4 service action plans however there is no consistency of referencing, or the actions being implemented, i.e. Lone working risking duplication of work and inefficient use of resources. • Progress of actions recorded in the service action plans are not included in the compliance report to SMT. <p>There is a risk the action plans do not help evidence that H&S risks across the service are being identified and mitigated.</p>		

Chief Executives / Planning, Environment & Economy – Climate Change, Environmental Sustainability and ESG– 43 –2023/24

Background

In Dec 2019 Cabinet Members approved a motion to develop a Climate Change Strategy (CCS), setting key aims and actions for creating a net zero carbon organisation by 2030, supporting declarations made by Welsh Government for the Public Sector. The CCS was approved by County Council in February 2022 and focuses on the changes and impacts that can be made directly by the Council to reduce its own emissions and those of the wider community.

The Council Plan 2021-2023 is driven by six key themes which support our Environmental, Social and Governance ambitions (ESG). These are Poverty; Affordable and Accessible Housing; Green Society and Environment; Economy; Personal and Community Well-Being, and Education & Skills). The Council also supports the delivery of social value through procurement activity and contract management.

The CCS is delivered as a programme of activities coordinated and managed centrally with the input and involvement of Council service areas and external partners. Five Themed Climate Change action plans (CCAP) have been established to capture and monitor progress of actions identified to achieve agreed objectives. Governance and reporting structures have been developed to ensure appropriate progress is made in the delivery of the CCS.

Carbon reporting requirements and data collection methodologies have been developed by Welsh Government and implemented by the Council to measure progress against our net zero target. Carbon reporting also drives funding bids for 'green finance' for those projects which support net zero, environmental sustainability and resilient growth ambitions. In addition, treasury management investment policy is driven by ESG and sustainable investment considerations.

CCS delivery update and carbon emission reduction is reported yearly to Cabinet. The latest carbon emissions update report 2022/23 presented in November 2023 included the following reduction figures as shown in the table below.

Theme	Baseline tCO ₂ e	Actual Reduction tCO ₂ e	Targeted Reduction	
	2018/19	2022/23	2024/25	2029/30
Buildings	10,747	7,827.6 (27.8%)	35%	60%
Mobility & Transport	6,716	5,517 (17.9%)	50%	80%
Procurement	28,970	18984 (34.5%)	30%	60%

Current performance suggests there is a large amount of work to achieve the 2024/25 and 2029/30 targets, primarily for the Mobility and Transport as well as the Buildings themes. Recent changes in the data gathering methodology for Procurement figures will also require the revision of the baseline figure for the Procurement theme to assist with establishing new targets.

Detailed carbon reductions vs. yearly agreed targets can be observed in the table below. Source of the data is the FCC Carbon Tracker V1. This is the most up to date information provided at the time of the review.

Progress to 2030 (tCO ₂ e)						
	Buildings (tCO ₂ e)		Transport (tCO ₂ e)		Supply Chain (tCO ₂ e)	
	Actual	Target	Actual	Target	Actual	Target
Baseline (2018/19)	10747	10747	6716	6716	28970	28970
2019/20	10262	10102	6373	6179	29227	27521
2020/21	9971	9457	5479	5642	25366	26073
2021/22	8543	8812	5504	5104	32446	24624
2022/23	7828	8168	5517	4567	18984	23176
2023/24	0	7523	0	4030	0	21727
2024/25	0	6986	0	3358	0	20279
2025/26	0	6448	0	2888	0	18541
2026/27	0	5911	0	2418	0	16803
2027/28	0	5373	0	1948	0	15064
2028/29	0	4836	0	1478	0	13326
2029/30	0	4299	0	1343	0	11588

Effective programme and project management is key in enabling the Council to prioritise activities and funding requirements to achieve its strategic objectives by 2030. Actions required need to be clear and precise, and reporting sufficiently detailed to identify where these actions have not been achieved, and the impact of this on the CCS. A review of the CCS is due to take place in 2024/25.

The review focused on the adequacy and effectiveness of the controls in place to oversee programme delivery in line with the objectives set out in the CCS.

Carbon emission data collection and baseline figures were not validated as part of the audit testing. Management advised the Council were part of the Welsh Government pilot in 2018/19 who helped develop the methodology for carbon reduction figures. Data generated at the time for each area is kept and this information has been checked by the Programme Manager- Climate Change and Carbon Reduction against the figures in the carbon reduction tracker utilised to oversee performance. A peer review process is in place. This external quality assurance process has raised a couple data quality issues. The Programme Manager- Climate Change and Carbon Reduction has advised this was due to the loss of staff knowledge and records. Management is reviewing this process to strengthen recording of data for future years in line with the new legislation.

Areas Managed Well

- The CCS has been devised to set out the key aims for the Council in its achievement of Net Carbon Zero by 2030. This has been approved by Cabinet.
- Carbon emission reduction targets have been established for year on year for Buildings, Transport and Supply Chain themes to assist with measuring progress.
- Baseline figures have been established to base the reductions upon. An internal quality control process has been introduced to oversee the accuracy of the annual submission to WG. Denbighshire County Council also conducts a peer review of the data and calculations prior to submission in line with best practice.
- Theme working groups have been formed to work on individual CCP themes and activities.
- Yearly programme updates have been submitted to Cabinet to advise on programme progress.
- Reporting to the public around climate change initiatives is open and transparent.

Priority	Findings and Implications	Management Responses & Agreed Action	When
1 (R)	Strategic Programme Management An overall Climate Change Strategic Programme is not in place. Instead, the Climate Change Strategy (CCS) is to be delivered via completion of five Climate Change Action Plans (CCAP) around Buildings, Mobility &	<ul style="list-style-type: none"> • CCAP update to carbon reductions and interdependencies 	30 Sep 2024

Priority	Findings and Implications	Management Responses & Agreed Action	When
	<p>Transport, Procurement, Land Use and Behaviour. This project focussed approach can impact on effective programme scrutiny and oversight.</p> <p>Testing identified the following:</p> <ul style="list-style-type: none"> As identified in the CCS, there is a known gap of approximately 40% between all actions across the five CCAPs and the Council reaching net-zero emissions by 2030. We are unable to evidence where or the proportion by which this gap manifests in each CCAP. We are unable to evidence any interdependencies of the five CCAPs to secure the strategic target. 17 other council strategies have been identified in the CCS with climate change ambitions. However, we are unable to evidence where these actions which relate to other strategies, but which may impact on this strategic programme, are reflected within the five CCAPs. Testing also identified there is a lack of strategic controls in relation to Budget Management and Funding; Risk Management; and Governance and Reporting which support strong programme management. Specific detailed findings are captured in findings 2, 4, 6 and 7 below. <p><u>Risk Identified</u></p> <ul style="list-style-type: none"> Ineffective programme management controls may lead to delays in delivery, objectives not being met and/or delivering objectives at an increased cost. Budget Management and Funding; Risk Management; and Governance and reporting frameworks in place around climate change and other ESG priorities are not sufficiently robust. 	<p>between the various plans.</p> <ul style="list-style-type: none"> Climate Change Strategy currently under review (12 months). Data review to ensure carbon reduction ambitions are realistic and agreed targets are achievable. <p>URN 3627</p>	<p>31 Mar 2025</p> <p>31 Mar 2025</p>
2 (R)	<p>Strategic Funding / Project Costs / Budget Monitoring</p> <p>A climate change strategic budget has not been defined or agreed to identify the level of expenditure required to meet strategic objectives. This is important to ensure all actions have been costed, are financially viable and represent a good return on investment.</p> <p>Testing identified:</p> <ul style="list-style-type: none"> The Audit Wales report July 2023 raised a similar finding. High level costings have been established for a small number of activities in two of the five CCPs (Buildings Theme £66m & Transport Theme £1m) to address the findings from the Audit Wales report. Management have not been able to provide the assumptions underpinning these figures and we therefore cannot provide assurance these estimates are accurate nor that the level of carbon reduction to be achieved as a result of this spend is an effective use of resource. These high-level costs were taken to the Environment and Economy Overview and Scrutiny Committee on 5th March 2024. Minutes show 'that the outcome of the Audit Wales report and support action being taken to address its recommendation be noted'. Management advised some of the costings were included as a budget pressure in the latest MTFS (Capital and Streetscene & Transportation). We reviewed this specifically: <ul style="list-style-type: none"> The method statement provided was dated May 2023 with a pressure of £1.9728m submitted. The figure included in the response to Audit Wales of £1m for the costs of the ULEVs is the lower end of the scale listed in the method statement (£1-£2.857m). An assumption was documented stating the fleet contract would fund the replacement of existing 	<ul style="list-style-type: none"> Pembrokeshire County Council calculator was used as the high-level costing tool for buildings. Transport costing was provided by management. Management satisfied costings are accurate as far as they could be, and these will be updated as and when. Nil further action to be taken. <p>URN3625</p>	N/A

Priority	Findings and Implications	Management Responses & Agreed Action	When
	<p>vehicles with ULEVs over the 7-year contract period rather than being funded through external capital grant funding. It is now known that the extension to the fleet contract is no longer a viable solution. It is unclear how the transition of the fleet vehicles to ULEVs will be funded. We are unable to evidence this is sufficiently reflected in the CCAP.</p> <p><u>Risks Identified</u></p> <ul style="list-style-type: none"> • There is a risk programme costs are not fully understood leading to actions included in the CCAP not being delivered due to insufficient funds, ultimately impacting on the achievement of the CCS. • Failure to adequately identify costs at the outset means resources may be wasted in pursuing activities which deliver little reduction in carbon emissions or doing so at increased cost. 		
3 (A)	<p>Green Finance/ Sustainable Investment</p> <p>We tested to evidence that Green Finance / Sustainable investment is adequately considered in Finance and Treasury Management borrowing and investment decision making and support the Council's environmental objectives.</p> <p>Testing identified:</p> <ul style="list-style-type: none"> • The Strategic Finance manager advised the Council invests based on their approved counterpart list which is provided by the Council's Treasury Advisors Arlingclose. At the time of testing, a review of the UK Counterparty List for Professional Clients December 2023 provided does not make any reference to green finance/sustainable investment. • Salix Finance provide interest-free Government funding to the public sector to improve energy efficiency, reduce carbon emissions and lower energy bills. Five loans have been secured (total £4.998m) to deliver on a number of green projects. The monitoring of the conditions of these loans is completed by the energy team. Whilst management have advised Salix loans are for CCBu3 and CCBu4, this information is not documented on the CCAP. • A number of other funding sources may be utilised to fund other strategic activities across the Council to deliver the CCS. However, as these have not been documented on the CCAP, we are unable to assess which these relate to or whether any risk to CCS is materialising should the loan conditions not be met. • We are unable to evidence how the Council considers green finance/ sustainable investments as part of their Treasury Management borrowing and investment decision making. The Treasury Management Strategy 2023/24 advises 'the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level.' It stipulates the Council will prioritise banks that are signatories to the UN principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code'. <p><u>Risk Identified</u></p> <ul style="list-style-type: none"> • Green finance / sustainable investment may not be adequately considered in Finance and Treasury Management borrowing and investment decision making. 	<ul style="list-style-type: none"> • Investment update has been provided by Arlingclose in April 2024 - ESG Initiative Signatories. • Treasury Management Strategy 2025/26 to include reference to Green Finance and be presented for approval to Governance and Audit Committee in January 2025. <p>URN3640</p>	31 Jan 2025

Priority	Findings and Implications	Management Responses & Agreed Action	When
4 (A)	<p>Governance - Member Oversight and Challenge</p> <p>CCS report and Carbon Emissions update reports are presented to Cabinet and Planning, Environment and Economy overview and Scrutiny Committee, and Climate Change Committee annually as part of the established programme governance.</p> <p>We reviewed these and testing identified the following:</p> <ul style="list-style-type: none"> • Climate Change Committee terms of reference require the Committee to oversee the delivery of the CCAP, however we are unable to evidence via the meeting reports or minutes how this role is being discharged. • Since the inception of the Committee in November 2022, there has only been one update on the CCAP progress (March 2023). We are unable to evidence committee challenge of the progress of each CCAP. • Carbon Emissions update report and the accompanying appendices do not sufficiently highlight progress made against CCS original objectives, budget and delivery timescales to understand whether the Councils' strategic objectives will be achieved. • Although carbon reductions at theme level are being reported to cabinet, it is unclear which planned activities have led to the reduction and whether this is in line with assumptions. This is especially important where targets have yet to be met. • The most recent reduction figures 22/23 (illustrated in the table Page 2) show significant progress is required to meet the agreed carbon reduction targets with only six years remaining to the 2029/30. • We completed a year-on-year analysis (Appendix B). <ul style="list-style-type: none"> ○ Mobility and Transport requires a 17% average year on year reduction to achieve agreed target. To date it has demonstrated an average of 5% reduction year on year since the baseline was established in 2018/19. ○ Buildings requires a 9% year on year reduction; to date, it has demonstrated an average of 8% reduction year on year since the baseline was established. ○ Targets for supply chain require adjustment to the baseline due to the change in methodology for this area. ○ It is difficult to see in the associated CCAPs how the above will be achieved, particularly at an accelerated pace given the approaching due date of 2030. • It is unclear how the performance and risk information within the committee reports support effective scrutiny and challenge of programme/project delivery and risk mitigation. Further information relating to this can be found in the risk management finding 6. <p><u>Risks Identified</u></p> <ul style="list-style-type: none"> • Governance and reporting frameworks in place around climate change and other ESG priorities are not sufficiently robust. • There is a risk lack of clarity as to role of the Climate Change Committee in relation to CCAP oversight and delivery. This may result in poor programme governance. 	<ul style="list-style-type: none"> • Audit report to be presented at June Climate Change Committee and discussion to be had in relation to changes required to address the risks identified in the finding. • Following the June Climate Change Committee discussion, a full review of the TOR for Climate Change Committee to be complete. <p>URN 3628</p>	<p>30 Jun 2024 (complete: presented to CCC 25/06/24)</p> <p>30 Sep 2024 Agreed at CCC that TOR to be reviewed at Sept 2024 committee</p>

Priority	Findings and Implications	Management Responses & Agreed Action	When
5 (A)	<p>Effectiveness of 5 x Themed Climate Change Action Plans (CCAP) Effective project management requires clarity of output to be achieved; what has / has not been achieved and what corrective action will be taken to bring the project back on track. Here the CCS is delivered via the five CCAPs.</p> <p>Testing identified the following:</p> <ul style="list-style-type: none"> • SMART actions which support strategic goals and key deliverables to enable effective tracking and reporting against objectives at operational / scrutiny and strategic levels are not consistently in place. • Clear and measurable start and end dates, with key milestones are not consistently in place. • 14% of actions did not have an update at the 22/23 action progress report dated November 2023. • CCAP do not consistently show which actions have been completed, are in progress, or are yet to start. Next steps are not sufficiently detailed to assess their adequacy in helping bridge the gap between current performance and achieve Net Zero Carbon by 2030. • Interdependencies between CCAP have not been identified/highlighted to assist with understanding impact of delays or non-achievement of activities on wider programme objectives • A number of actions within the CCAP are not in the project delivery teams gift to deliver. The most recent updates also suggest that some of the actions may no longer be viable and the impact of this on the overall programme target has not been quantified/escalated as part of dynamic project management. <p>To evaluate whether CCAP are sufficient to help the Council deliver on targets, we further analysed the Mobility and Transport CCAP as it is currently the furthest behind agreed targets.</p> <p>We would note the following:</p> <ul style="list-style-type: none"> • Four of the 13 actions (31%) within the plan do not have any carbon reduction assumptions associated with them. • Eight of the 13 actions (61.5%) do not have end delivery dates. • Risk RAG ratings assigned to actions range from a 1 green (negligible impact, rare likelihood) to a 4 yellow (major impact, rare likelihood). • We cannot quantify the RAG ratings assigned to these actions and this impacts on the accuracy of the risk tone provided to Committee. • When added together the actions do not meet the 5373 tCO₂e target reduction required. Currently there is a shortage of 2163tCO₂e and this would further increase to 2952tCO₂e if the technology for HGVs is not available in 2027 to assist with the delivery of CCM6. • Although CCM1 has a carbon reduction figure of 2268tCO₂e associated with the action in the CCAP, management have advised no reduction will be observed from the completion of this action. Instead, this represents the 80% theme target reduction as the review of the fleet policy lays the foundation for vehicle use. • CCM1, was due to be completed by April 2023. The most recent update (22/1/24) shows 'No progress as yet. This is awaiting the options review of operational sites. No timescales as yet for the studies.' The RAG 	<ul style="list-style-type: none"> • Discussion/agreement at COT regarding the need of officers to attend Climate Change meetings and updating respective CCAP. • Quarterly CCAP updates to COT to provide senior management oversight of programme progress and deliverables. • Utilisation of InPhase Project Management module to assist with timely update of action plan delivery progress and tracking of delivery risks. <p>URN 3624</p>	<p>31 Jul 2024 On COT agenda for 30/07/24</p> <p>31 Jul 2024 On COT agenda for 30/07/24</p> <p>31 May 2025</p>

Priority	Findings and Implications	Management Responses & Agreed Action	When
	<p>rating in the new working group progress tracker is a green 1 which has a negligible impact and a rare likelihood.</p> <ul style="list-style-type: none"> The highest carbon reduction action CCM5 (1137 tCO2e) was due to have started this year. Update states 'not much movement and it is awaiting a feasibility report to understand infrastructure. Again, the RAG rating assigned to this action is a green 1 which has a negligible impact and a rare likelihood. The second highest carbon reduction action, CCM6 (789tCO2e) is not due to start until 2027. Actions and updates to assess progress are not sufficiently detailed. For example, CCM4- 'Introduce electric vehicles into the recycling fleet', the update states the vehicles are on site and available for service. It is unclear how many vehicles are required to meet the designated reduction (549 tCO2e) and whether all have been introduced. A number of activities within the plan are outside of the project groups direct control. For example, 'CM13-work with partners to enable greener fleet in the public transport sector (buses, rail, taxis) including Council contracted services such as school transport'. The way in which the CCAP is structured makes it difficult to evidence that resource has been prioritised to deliver activities which will result in the highest carbon reduction, demonstrate value for money. <p><u>Risk Identified</u></p> <ul style="list-style-type: none"> Based on the current level of information within the five CCAPs, continued use may not enable the Council to drive and support the achievement of the strategic programme target of a net zero carbon Council by 2030 on time and on budget, this is particularly important where targets are not achieved / progress is stalled. 		
6 (A)	<p>Risk Management</p> <p>A climate change strategic risk register is not in place to capture, and impact assess all programme delivery risks as well as identify mitigating actions and appropriate escalation from lack of progress at project level. Instead, three strategic risks (RPE11, RPE36, RPE37) and one project risk (RST65) relating to the CCS have been raised in InPhase. Prior to capturing risks on the InPhase system, risks were reviewed as part of Senior Management Team Meetings. We reviewed both.</p> <p>Testing identified the following:</p> <ul style="list-style-type: none"> All strategic risks (RPE11, RPE36, RPE37) were outside of target risk score. Whilst an overall risk update had been provided, all reported nil progress in relation to the mitigating actions identified. It is unclear how the progress of CCAP delivery (complete / in progress / not started) and their associated risks have been reflected in the strategic risks scoring on InPhase. We are unclear as to the point and nature of any escalation as well as the adequacy of the mitigating actions given these risks have been outside of target risk for some time. <p>We sample tested RST65 in terms of reliability of risk score.</p> <ul style="list-style-type: none"> An amber risk rating (possible likelihood and moderate impact) has been assigned to this risk as of 	<ul style="list-style-type: none"> Explore InPhase as a tool to oversee programme/project delivery and associated risks. This will form the basis for performance and risk management reporting to all relevant governance forums. Workshops to be held to identify delivery risks and facilitate mitigation. <p>URN 3690</p>	<p>31 May 2025</p> <p>31 Jul 2024</p> <p>Officer working group workshops have taken place and each themed action plan now contains a separate risk</p>

Priority	Findings and Implications	Management Responses & Agreed Action	When
	<p><u>Risk Identified</u></p> <ul style="list-style-type: none"> In the absence of a coordinated process there is a risk CCS programme management are not aware of the positive or negative delivery progress of other Council strategies with climate ambitions which may impact of on the overall achievement of CCS. 	<p>change. URN3691</p>	

Streetscene and Transportation – Recycling Targets – 17-2023/24

Audit Background					
<p>The Welsh Government (WG) has set statutory recycling targets for local authorities to achieve on an annual basis. Failure to achieve these targets could result in the Council receiving an infraction fine. The fine is based on waste tonnage recycled against total waste tonnage collected. Any shortfall is charged at a rate of £200 per tonne. It is within the remit of WG to levy the fine.</p> <p>The service is responsible for managing waste collection, including the monitoring and reporting of recycling data. The service met the recycling target for 18/19 and 19/20 but has failed to achieve the ongoing targets since then and indications show that the current years target will also not be met. The target is due to increase in 24/25.</p>					
Year	FCC recycling	WG target	Recycling tonnage shortfall	WG Infraction fine	Comment
2018/19	69.16%	64%		-	
2019/20	65.85%	64%		-	
2020/21	63.98%	64%	17	£3,400	Fine not enforced
2021/22	60.08%	64%	3,314	£662,800	Enforcement fine to be determined
2022/23	61.51%	64%	1,784	£356,766	Enforcement fine to be determined
2023/24	Q1 66.59%	64%			66.59% but likely to reduce
2024/25		70%			
<p>The action taken to mitigate the risks against the achievement of target is shown in a range of ways.</p> <ol style="list-style-type: none"> 1. Risk register 2. Operational performance monitoring 3. Medium Term Financial Strategy 4. March 2023 action plan to try and increase the Council's recycling levels. <p>The audit review sought to establish the effectiveness of risk management by the service in achieving the national targets set. Focus was placed on the adequacy of the controls in place / actions proposed to address the gap between current performance and target as well as the robustness of recycling data and operating model.</p>					
Areas Managed Well					
<ul style="list-style-type: none"> • Controls are in place for the collection of recycling across the County. • There is a clear process in place for validating recycling data for Welsh Government to ensure data is robust and reliable. 					

Priority	Findings and Implications	Management Responses & Agreed Action	When
1 (R)	<p><u>ACTION PLAN DOES NOT ALIGN WITH RISK MITIGATION</u></p> <p>The Welsh Government Waste Strategy (Beyond Recycling 2021) set statutory targets for all local authorities to achieve a minimum of 70% of all waste to be recycled by 24/25.</p> <p>The outturn performance for Flintshire Council for 21/22 was 60.08% and 61.51% for 22/23. The expected target at this point was to achieve 64% which the Council failed to meet. The Minister is still yet to determine if a fine (total £1M) will be levied against the Council for a failure to meet these targets.</p> <p>In January 2023, a Waste Strategy review report was presented to Cabinet and a decision was taken to run a pilot scheme for 3 weekly collections in one area of the county. This decision was called in by other Members as concerns were raised over costs of the scheme, data integrity and benefits to changing the process. This resulted in the scheme not being conducted.</p> <p>An initial action plan (March 2023) was produced by the service at the request of the Minister in response to failing to achieve the statutory recycling targets in 2021/22. The plan was shared with Welsh Government for approval, however in June 2023, the Minister informed the Council that they could not support the plan as it was felt that the proposed changes would not provide sufficient assurances that performance would be improved to achieve 70% by 24/25.</p> <p>We reviewed the action plan (16 actions) and would highlight the following:</p> <ul style="list-style-type: none"> • The plan contained a number of actions (12) that could potentially increase recycling collection rates and estimates were included for 6 actions (11-16%) with the monitoring of tonnages contributing an expected 7-12% increase. • However, none of these actions have been implemented as the action plan was not approved. • Work had commenced on 3 actions (additional Recycling, Compliance and Data Officers, WRAP support and an Environmental Improvement Co-ordinator), however it is unknown what impact these will have on recycling rates. • The plan included 4 actions which would have no impact on these recycling rates and focussed more on service improvement, for example, the supply of body cameras, handheld devices and RFID tags for garden waste. These actions have been completed. • 10 actions required additional funding for 2023/24 totalling in the region of £1.3M investment (£933K WG and £395K FCC). This was based on: <ul style="list-style-type: none"> ○ grant funding (£500K), ○ increased income via improved tonnages (£125K), ○ Cost of 10 additional Engagement Officers (£433K), ○ Cost of 5 Enforcement Officers (£200K), 	<p>The work with Local Partnerships and WRAP has concluded on the Waste Strategy review and this has resulted in a new Resource and Waste Strategy being approved by Cabinet and adopted in March 2024.</p> <p>The Strategy includes five key priorities. In priority two, once action is to restrict the amount of residual waste that residents can dispose of in the black bin to encourage greater recycling by all residents either by reducing the frequency of collections or the capacity of the bin. This action is fundamental in achieving the statutory recycling target of 70%.</p> <p>Modelling data to support this action will be included in an operational report outlining what benefit a transition to this style of collection model would bring. This will indicate that a reduction to the capacity of residual waste collected is a key risk mitigation action.</p> <p>This Operational Report will be presented to Cabinet in June 2024 for consideration and approval.</p> <p>URN 03582</p>	30/06/2024

	<ul style="list-style-type: none"> ○ Cost of 1 Improvement Co-ordinator (£50K). • To date, funding has been identified for 3 additional Engagement Officers and the Improvement Co-ordinator. No other funding has been obtained. <p>Our review considered that these actions are now unrealistic given the current financial challenges the Council is facing.</p> <p>It should be noted that service is working with Local Partnerships and the Waste and Resources Action Programme (WRAP) to develop the Resource and Waste Strategy with clear and evidenced based actions. This is currently out to public consultation (December 23 – January 24) before a report is presented to Cabinet and the Minister in March 2024 for approval. Considerable reliance has been placed on the actions which WRAP may recommend and that these actions will need to be approved by Cabinet. (see #2).</p> <p>The risk is that this review has not been able to identify any interim risk mitigations which have been put in place to increase recycling collection rates. As a result, the risk of non-achievement of target is likely to materialise and a fine may be levied. This fine could be in the region of £1.2M for 2024/25 if current recycling levels remain constant.</p>		
2 (R)	<p><u>APPROVAL & DECISION MAKING DOES NOT ALIGN WITH RISK MITIGATION</u></p> <p>The service is trying to mitigate against non-achievement of a statutory target; however, the Chief Officer cannot make unilateral decisions regarding what actions to take as these are policy decisions which require member approval.</p> <p>Member approval will require clear, accurate and a reliable presentation of information to inform risk management decisions to be taken.</p> <p>The service has provided communication to Cabinet, Council Members, the Welsh Government Minister, Local Partnerships and WRAP including progress on achieving recycling targets.</p> <p>In particular the service has delivered workshops and produced information for the Cabinet ‘Called In’ report in January 2023. A review of this information identified the service has presented a comprehensive range of options, including current tonnage levels and potential financial consequences of the fine. However, none of the options outlined in the Called In report were approved by Cabinet which is reflected in the original action plan, and which has driven service activity thus far.</p> <p>Actions which were approved i.e. education on recycling are actions which will take time to embed. The officers have only recently been recruited and have yet to commence employment in the new roles. There is a risk that the service has insufficient time to see the benefits of these actions reflected in improved tonnages by the end of 23/24.</p> <p>Data is showing that recycling collection tonnages are not improving, and residual waste tonnages are increasing. The service recognises and has highlighted that quarterly figures</p>	<p>Restricting the amount of residual waste collected is a key risk mitigation action. We are unable to deliver this without political approval and will present the Operational report on this basis.</p> <p>In March 2024, the Minister for Climate change wrote to the Leader of the Council requesting assurance that the Council was committed to implementing residual waste restrictions. Without political commitment the infraction fine (2021/22) still remains a possibility.</p> <p>URN 03601</p>	30/06/2024

	<p>can mask the overall view due to variations in collection rates at different times of the year i.e. garden waste during summer months.</p> <p>It is unlikely that the service will achieve the 23/24 recycling target of 64%. A revised strategy and action plan is being developed and is being consulted upon. This will require approval from Cabinet prior to obtaining Welsh Government approval. It is likely that the revised plan will contain difficult and challenging actions, some of which may have previously failed to gain approval.</p> <p>Current reporting has provided useful information for consideration when making decisions, however, there remains a risk that decision makers do not specifically identify those changes / actions which are critical to mitigating the risk and those which may be supportive / provide some improvement.</p> <p>There is a risk that Members decisions on whether to approve or not the actions suggested in the new action plan is not seen as fundamental to mitigating the risk of non-compliance with recycling targets. This has a significant bearing on the service's ability to manage this risk and could result in financial penalties being placed on the Council.</p>		
3 (A)	<p><u>RISK REGISTER DOES NOT ALIGN WITH RISK MITIGATION</u></p> <p>The Corporate Risk Register identifies risks in place in relation to waste recycling.</p> <ul style="list-style-type: none"> • RST07 - Inability to achieve national recycling targets due to increased residual waste tonnages collected. <ul style="list-style-type: none"> ○ Strategic Red Risk, current score of 12, target score of 2. ○ Our review suggests that it is expected that continued non-compliance will remain into 2024/25 as the service will not achieve expected target. • RST12 – Lack of responsiveness to industry or market changes e.g. recycling income leading to financial budget pressures <ul style="list-style-type: none"> ○ Operational Green Risk, current risk score 2, target score 2. ○ Our review agrees that recycling income is monitored on a regular basis and data is well controlled. ○ However, the levels of income collected could impact on this risk score. • RST43 - Inability to influence public behaviours and habits which negatively impacts service delivery and income streams. <ul style="list-style-type: none"> ○ Operational Amber Risk, current risk score 9, target score 4. ○ This risk has yet to be addressed. Actions have been included within the draft action plan but have yet to be fully delivered. <p>Risk RST07 is a strategic risk and in line with the risk management framework escalation depends on the worsening of risk score which currently is scored at 12. COT have oversight of all strategic risks.</p> <p>This risk is that additional mitigations have not been put in place; significant reliance is being place on the delivery of a new action plan and its subsequent approval as being sufficient for the mitigation of this risk.</p>	<p>The key strategic risk is RST07 - Inability to achieve national recycling targets due to increased residual waste tonnages collected.</p> <p>We have referred to this risk within the Resource and Waste Strategy Scrutiny and Cabinet reports. The operational report will identify the actions we intend to take to mitigate this risk which is currently out of tolerance.</p> <p>We will highlight that without taking the key mitigating risk action (restricting residual waste capacity), our ability to bring the risk back into tolerance to avoid the infraction fine will be limited.</p> <p>URN 03588</p>	30/06/2024

<p>4 (A)</p>	<p><u>MEDIUM TERM FINANCIAL STATEMENT DOES NOT ALIGN WITH RISK MITIGATION</u></p> <p>The MTFFS statements produced in advance for 23/24 identified a number of proposed efficiencies which could be achieved by the service. Some of these efficiencies relate to changing the approach to collection of waste and levels of recycling.</p> <p><u>The data below is as was presented within the MTFFS statements.</u></p> <ul style="list-style-type: none"> • Charge for assisted waste and recycling collections (+£20K); • Charge for Disposals on waste streams (+£TBC); • Charges for replacement containers (+£20K-£120K); • Compost Charges at HRC's (+£TBC); • Enforcements for recycling in residual waste bins (+£50K); • Food Waste Bags (+£10K); • Greenfield development as a regional waste facility (+£TBC); • Increase Charges, Reduce Collections Frequency for Garden Waste Collection (+£25K); • Introduce 2 Weekly Collections, bin reduction (+£200K); • Introduce 3 Weekly Collections (+£400K-£500K); • Introduce 4 Weekly Collections (+£600K-£800K); • Recycling Collections offer to businesses (+£TBC); • Reduce Frequency for Garden Waste Collection (+£50K); • Review provision on HWRC's (+£TBC); and • One budget pressure was also identified relating to Garden Waste Income Grant (-£50K annual). <p>From our review of statements:</p> <ul style="list-style-type: none"> • Whilst the MTFFS statements were drafted and submitted by the Chief Officer, the actions have not yet taken place; • Significant amount of efficiencies are dependent on approval which was not received; • The financial context has changed, and this should be reflected in the revised action plan; and • There is nil mention as a pressure of the potential fine which may be levied. <p>The risk is that the MTFFS statements and the revised action plan are not aligned.</p>	<p>For financial year 2024/25, all portfolios were tasked with finding cost reductions.</p> <p>Restricting residual waste collections were included as a potential cost reduction option; however, following feedback from Overview and Scrutiny meetings held in February this proposal was removed from final budget setting, as detailed in a Cabinet Report of 20th February 2024.</p> <p>Following adoption of the Resource and Waste Strategy, and consideration of the operational report in June, the financial savings from restricting the capacity of residual waste collected will be included in the 2024/25 MTFFS (if there are in year savings) if approved.</p> <p>The infraction fine, if imposed, would have to be met from the Corporate Contingency Reserve as a potential fine cannot be classed as a budgeted item in the MTFFS.</p> <p>URN 03589</p>	<p>30/06/2024</p>
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Service Progress Update following Audit

The report was deferred from June due to the elections. The Operational report is now going to EEO&S Committee on the 16th July and Cabinet on the 23rd July. Other than stating that the waste modelling work and the draft report for the committees is prepared, there is no further update on the actions.

The year-end (2023/24) recycling performance have now been received. This is 62.77% (unverified), so for the fourth year on the run the statutory recycling target have not been achieved.

Year	FCC recycling	WG target	Recycling tonnage shortfall	WG Infraction fine	Comment
2023/24	62.77	64%	922	£184,340	Not yet verified by WG/NRW

Action 1 – The waste modelling work has been completed and the outcomes of this work have been prepared into committee reports for presentation through the July political cycle. This was deferred from the original June date due to the general elections.

Action 2 – Political approval will be requested at the July committee cycle to transition to a restricted capacity residual waste model to mitigate the risk of missed recycling targets and infraction charges.

Action 3 - Political approval will be requested at the July committee cycle to transition to a restricted capacity residual waste model to mitigate the risk of missed recycling targets and infraction charges.

Action 4 – The MTFs will be reviewed once approval for the operational report has been determined.

Action Tracking – Portfolio Performance Statistics

Appendix F

Portfolio	Live Actions	Analysis of Live Actions			Total Actions Overdue	Analysis of Overdue Actions			Overall % of Overdue Actions	Actions with a Revised Due Date	Actions between 6 & 12 Months	Actions 13+ Months
		H	M	L		H	M	L				
Chief Executives	9	3	3	3	5	1	1	3	56%	5	0	1
People (HR)	19	4	9	6	19	4	9	6	100%	10	1	10
Resources (Finance)	8	0	5	3	6	0	3	3	75%	4	0	5
Education & Youth	0	0	0	0	0	0	0	0	0%	0	0	0
Governance	6	0	2	4	4	0	1	3	67%	5	1	4
Housing & Communities	19	3	10	6	18	3	9	6	95%	15	4	14
Planning, Environment & Economy	10	1	8	1	2	0	2	0	20%	1	1	0
Social Services	8	5	3	0	0	0	0	0	0%	3	1	0
Streetscene & Transportation	15	3	10	2	4	0	2	2	27%	7	3	5
External	5	0	2	3	5	0	2	3	100%	1	0	2
Individual Schools	37	2	19	16	18	0	9	9	49%	1	12	1
Total	136	21	71	44	81	8	38	35	60%	52	23	42

High Priority Actions Overdue

Appendix G

Portfolio	Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date and Current Status
CEX	22/23 Strategic Funding (Formally Core Funding for Voluntary & Community Sector): Lack of Oversight of the Strategic Funding Payment Process	3543	<p>There are checks and controls in place, but these are dependent on human action/input. The Strategic Office are responsible for updating the VSD in terms of organisation details and setting up payments but are reliant on the Sponsoring Officers providing information, carrying out and uploading monitoring forms, approving payments, and conducting payment checks. Sponsoring Officers are responsible for checking and approving payments for release (based on their oversight of satisfactory contract performance/monitoring). Authorising Officers provide a second level of control by checking and giving final approval for payment on the VSD.</p> <p>Management oversight of budget and payments is conducted through budget meetings with Finance colleague.</p> <p>The over payment has been investigated and resolved. The overpayment has been accepted as early payment for the following year, meaning no financial loss has resulted.</p> <p>Would agree with Audit findings that there are issues with process, which is reliant on human checks and processing, is disjointed with possible lack of</p>	H	30-Apr-24	-	16-Jul-24	A report is being presented to CROSC on 19 th July. At the time of reporting there have been 3 contracts signed to date with 12 others currently with legal for final review. This report will be a part 2 report, providing an update on the implementation of the core funding review (core funding was the former name of the funding). This report will contain options for future, which will in part address some of the factors raised by the internal audit and fulfil the commitment for a further review of the fund that was agreed by Cabinet in November 2021.

Portfolio	Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date and Current Status
			<p>understanding and accountability of roles and responsibilities, and that as such is not providing the right conditions for adequate checks, controls, and oversight.</p> <p>Action: Conduct another review of service/function but with focus on the process, controls, and strategic oversight. To include:</p> <ul style="list-style-type: none"> A. Process mapping and improvement work B. Review of system (VSD) C. Review of roles and responsibilities D. Review of payment mechanisms and process E. Proposed changes as a result reported, as appropriate. <p>Led by Strategic Office but to include all Sponsoring Officers, Authorising Officers, Finance and IT (for VSD)</p>					
HR	23/24 - DBS - CONTROL ISSUE: Budget Setting and Monitoring	3610	<ul style="list-style-type: none"> •Overspend has been highlighted as an issue for several years due to unachieved efficiency. •Options to charge were considered unpalatable and a barrier to recruitment, however we will produce a paper to COT outlining the need for a realist budget / operating model. 	H	31-Mar-24	-	10/04/2024	Separate report to committee in April 2024
HR	23/24 - DBS - CONTROL ISSUE: Non-compliance for up-to-date DBS checks for all current staff	3611	Trent does have the facility to record and identify when a new position (Job) is set up. Systems refer to the HR form and if the position has a mandatory requirement a field is ticked to reflect this and is inherited future	H	30-Jun-24	-	10/04/2024	Separate report to committee in April 2024

Portfolio	Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date and Current Status
	engaged in a regulated activity.		occupants. (No further action is required). •Review data sets immediately and investigate and address high risk gaps. •Review any associated processes which have led to the gaps. •Contact other LA's for ideas of good practice.					
HR	23/24 - DBS - CONTROL ISSUE: Non-compliance - DBS Renewals	3613	•Review data sets immediately and investigate and address high risk gaps. •Review any associated processes which have led to the gaps, including use of the update service. •Contact other LA's for good practice ideas.	H	30-Jun-24	-	10/04/2024	Separate report to committee in April 2024
HR	23/24 - DBS - CONTROL ISSUE: Risk management & reporting	3614	•Consider including in the risk register. •HR will review value of report to be provided to other Portfolios based on risk. •Reports to be generated consistently and provided to Management. Ensure Portfolios action the reports as necessary.	H	30-Jun-24	-	10/04/2024	Separate report to committee in April 2024
H&C	21/22 Maes Gwern Contractual Arrangements- Overage sum calculation not being monitored as per the development agreement	3140	A process to be introduced to monitor the overage sum in line with the agreed calculation stated in the overarching agreement.	H	29-Oct-21	31-May-24	04-Apr-24	Following the recent correspondence between Howard Parsonage, Audit and Accountancy I can confirm the estimated due date the end of May for actions relating to the abnormal costs calculation and the overage calculation. We anticipate an agreement or dispute from Wates shortly and Howard can then vet the data provided. Whether that prompts an agreement or dispute I cannot tell at this time, but Howard has alluded to attached we dispute the inclusion of sprinkler costs in the abnormal calculation. They key point is being followed and tracked within the terms of the contract with Wates.
H&C	Homelessness & Temporary Accommodation	3255	The response will be delivered in the medium term. All actions are assigned to the Service	H	30-Jun-22	31-Mar-24	23-Jan-24	Further to the update provided to Governance and Audit Committee in November 2023, further progress is outlined below:

Portfolio	Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date and Current Status
	21/22- Management information is not available or unreliable to monitor the achievement of the Homelessness Strategy and policy		<p>manager to be delegated across team.</p> <p>Medium term (June 2022) Introduce management information to: Monitor performance timescales at the various stages in Void Management Process. Information to be timely reviewed to identify and address process impediments/opportunities for improvement. Provide oversight of all offers for permanent accommodations, those that were declined and the reason for decline. Oversee length of stays in interim accommodation which is being developed in In-Phase. Oversee rent collection activities. Monitor SLA agreement KPIs.</p>					<p>Improve and enhance excel spreadsheet to capture all information in relation to temporary accommodation.</p> <ul style="list-style-type: none"> • Spreadsheets updated for data capture and available for Audit Team review end January 2024 • Additional tabs on spreadsheets for collection of data relating to Performance Information for length of stay and available for Audit Team review end January 2024 <p>Move away from Spreadsheets for accommodation casework and adopt Back Office</p> <ul style="list-style-type: none"> • Migration over to the Back Office system for management of all forms of homeless accommodation to be completed end March 2024 • To complete training for all staff working on Back Office functionality for Temporary Accommodation staff once system implemented end of March 2024. • Performance Management dashboard scoped out and once functionality of Back Office complete dashboard data will be live end March 2024. <p>Review reasons for refusal of permanent accommodation and develop process to manage “unreasonable refusals”.</p> <ul style="list-style-type: none"> • Suitability Checklist now in place along with Direct Lets Nomination Form and shared with Audit Team 17/01/2024 for review. • Clear process for Homeless Direct Lets now in place with dedicated officer leading the matching process and shared with Audit Team 17/01/2024 for review. • Nominations report and suitability assessment requiring management sign off in place and process documented and shared with Audit Team 17/01/2024 for review. <p>Develop Policy for Income Management relating to the Temporary Accommodation Portfolio to include:</p> <ul style="list-style-type: none"> ○ Rent Collection ○ Service Charge Collection ○ Arrears management ○ Income Maximisation and Support

Portfolio	Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date and Current Status
								<ul style="list-style-type: none"> ○ Arrears Write Off • Homeless Accommodation Policy complete with sections on Income Management activity to enable one Policy for all aspects of Homeless Accommodation Management and shared with Audit Team 17/01/2024 for review.
H&C	Homelessness & Temporary Accommodation 21/22- Processes are not adequate to deal with increase in demand.	3237	<p>The response will be delivered in 3 stages – immediate, medium and longer term. All actions are assigned to the Service manager to be delegated across team.</p> <p>Short term (March 2022)</p> <ul style="list-style-type: none"> • SLAs to be introduced between all areas which have a direct impact in service delivery. Including Responsive repairs through FCC, Void Property Turnaround, Cleaning Contracts, Fire Safety Regime • A process to be defined to deal with refused offers of permanent accommodation. • A process to be defined to review lease agreements prior to their renewal/expiration date. • A process for take on of new properties into the Temporary Accommodation portfolio. <p>Medium term (June 2022)</p> <ul style="list-style-type: none"> • Rental Charge Policy to be define to oversee rent income, arrears and write off. • Review the performance information needed for management oversight when the Policy is in place. <p>Longer term (March 2023)</p>	H	31-Mar-24	30-Jun-23	15-May-24	Email received from MC with evidence of all information available for this action (word document below). A review of the documents provided has highlighted some risks identified through the review would still pertain. An email was sent to MC advising actions will remain open as some of the risks identified still pertained and offering the possibility for management to close the actions given the resource challenges and the time the action has been open since the original implementation date.

Portfolio	Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date and Current Status
			<ul style="list-style-type: none"> The full end to end temporary accommodation process to be mapped to assign roles and responsibilities, identify process delays and inefficiencies as well as document controls. 					

Appendix H

High Priority Action(s) with a Revised Due Date Six Months Beyond Original Due Date and Not Overdue

Portfolio	Audit	Ref:	Action	Priority	Original Action Due Date	Revised Due Date	Date of Last Update Provided by Service	Reason for Revised Due Date and Current Status
S&T	21/22 Highways Structures - Part 2 Inspection & Preventative Maintenance - KEY PERFORMANCE INDICATORS & MANAGEMENT INFORMATION	3445	<p>1. Schedule meeting with AMX to define standard /bespoke KPI reporting available to cover scheduled inspections / completions, asset condition / repair work.</p> <p>2. Produce reports from AMX as basis for all reporting – HAMP, monthly risk and programme Board. Ensure all in team are able to run these reports / datasets.</p>	H	31-May-23	31-Oct-24	06-Jun-24	<ul style="list-style-type: none"> •The policy will be presented to Cabinet in September 2024 for approval. •It will be fully implemented by 31/October 2024 including performance indicator reporting from AMX. •revise date to 31/10/24 •mgmt. to provide approved policy and example of performance indicator report.
S&T	22/23 Statutory Obligation for School Transport - Identify, analyse, monitor and report against statutory and non-statutory transport spend	3538	<p>It is agreed that costs for statutory / non-statutory transport should be specifically identified, analysed and reported. An exercise will be undertaken with Audit assistance to identify spend across 2022/23 on statutory and non-statutory transport. A process will be put in place to produce this information on a full termly basis. However, Welsh Government is currently reviewing the Learner Travel Measure, which is likely to impact the eligibility criteria for statutory / non-statutory spend, and data to support analysis is held across the ONE system, Finance and the Integrated Transport Unit and the exercise may be resource heavy, hence the December 2023 implementation date.</p>	H	01-Dec-23	31-Jul-24	21-May-24	<p>Internal Audit have successfully combined the three datasets (One system, Transport spreadsheet and Finance) we are in process of quality assurance work for this dataset on which all analysis will be based. reporting to management being drafted. to include Claire Homard.</p>

Investigation Update

Appendix I

Ref	Date Referred	Investigation Details
1. New Referrals		
1.1		Nil new referral received
2. Reported to Previous Committees and still being Investigated		
2.1		No ongoing investigations
3. Investigation Completed		
3.1	N/A	

Internal Audit Performance Indicators

Appendix J

Performance Measure	2023/ 24	Qtr1	Qtr2	Qtr 3	Qtr 4	Target	RAG Rating	
Audits completed within planned time	78%	50%	-	-	-	80%	R	↓
Average number of days from end of fieldwork to debrief meeting *	19	35	-	-	-	20	R	↓
Average number of days from debrief meeting to the issue of draft report	4	1	-	-	-	5	G	↑
Days for departments to return draft reports	9	11	-	-	-	7	R	↓
Average number of days from response to issue of final report	1	1	-	-	-	2	G	↔
Total days from end of fieldwork to issue of final report	28	53	-	-	-	34	R	↓
Productive audit days	78%	74%	-	-	-	75%	A	↓
Client questionnaires responses as satisfied	100%	100%	-	-	-	95%	G	↔
Return of Client Satisfaction Questionnaires to date	57%	25%	-	-	-	80%	R	↓

Key

R	Target Not Achieved	A	With in 20% of Target	G	Target Achieved
↑	Improving Trend	↔	No Change	↓	Worsening Trend

* The average number of days from end of fieldwork to debrief meetings has been impacted by officers availability.

Audit – 2023/24	Priority	Status of Work	Supporting Narrative
Corporate			
Management of Leisure Assets	H	Draft Issued	
Education & Youth			
School Risk Based Thematic Reviews – Ysgol Treffynnon, Holywell	Annual	Complete	
School Risk Based Thematic Reviews – Connah’s Quay High	Annual	Complete	
School Risk Based Thematic Reviews – Ysgol Maes Hyfred	Annual	Complete	
School Risk Based Thematic Reviews – Ysgol Pen Coch	Annual	Complete	
Governance			
Cyber Security & Data Security	H	In Progress	
Housing & Assets			
Tenancy Enforcement / Support	H	In Progress	
Performance & Management Information (Voids)	H	In Progress	
Housing Benefit (including Subsidy Grant)	Biennial	Complete	
Planning, Environment & Economy			
Climate Change & Environmental Sustainability (Cross Cutting) (22/23)		Complete	
Income - Fees & Charges	H	Complete	
Planning – Prioritisation & Activities (including Enforcement)	H	Complete	
Social Services			
Deprivation of Liberty Safeguards (DoLS)	H	In Progress	
Streetscene & Transportation			
Statutory Transport Obligations – Cost Dataset	New	Draft Issued	Requested by the service following the audit of TSO
Recycling Targets	H	Complete	Draft Report Issued to Management
Review of Technical & Performance Team	H	In Progress	
H&S Service Delivery	M	Complete	Draft Report Issued to Management
External			
SLA - Aura - 10 days per annum	Annual	In Progress	
SLA - NEWydd - 10 days per annum	Annual	In Progress	

Audit – 2024/25	Priority	Status of Work	Supporting Narrative
Corporate			
Capital Programme and Strategy / Grant funding of Projects	H	Not started	
Future ADMS	H	Not started	
3 rd Sector Core Funding - Follow Up	Follow Up	Not started	
Capital Receipts			
Education & Youth			
Education Other Than Schools (EOTS)	H	Not started	
Thematic Review – Safeguarding within Schools (DBS Checks)	H	In Progress	
Not in Education, Employment or Training (NEET)	H	Not started	
Control Risk Self-Assessment	Annual	In Progress	
Youth Service Consultation around the Strategic Plan			
Governance			
Protection against Ransomware attack	H	Not started	
Procurement – Preparedness of the new Procurement Act	H	In Progress	
Cyber Security	H	Not started	
Corporate Complaints / Handling - Follow Up	Follow Up	Not started	
Housing and Communities			
Landlord H&S Compliance - Asbestos	H	Not started	
Welsh Housing Quality Standard 2023 - Phase One	H	In Progress	
Supporting People (grant)	Annual	Not started	
Homelessness Temporary Accommodation – Follow Up	Follow Up	Not started	
Housing Support Gateway			
People and Resources			
MTFS – Achievability of Efficiency Savings	H	In Progress	
Budget Management	H	Not started	
Taxation	H	Not started	
Write Offs			
Petty Cash			

Audit – 2024/25	Priority	Status of Work	Supporting Narrative
Matrix - off matrix agency Cost reporting	H	In Progress	
Payroll, including Approach to Holiday Pay	H	In Progress	
DBS Checks - Follow up	Follow Up	Not started	
Planning, Economy and Environment			
Environmental Health	H	Not started	
Building Control – Fees & Charges	H	Not started	
Minerals and Waste – Fees & Charges	H	Not started	
Pest Control – Fees & Charges	H	In Progress	
Social Services			
Commissioning and Contracts	H	In Progress	
In House Childrens Home - Ty Nyth	H	Not started	
Deferred Charges Residential Care Cost Liability – Follow Up	Follow Up	Not started	
Social Work Agency / Agency Costs			
Streetscene and Transportation			
HRC – Fees and Charges	H	Not started	
Procurement & Contract Management/Monitoring	H	Not started	
Governance, Delegation & Risk Management	H	In Progress	
Parc Adfer	Biennial	In Progress	
External			
Clwyd Pension Fund - Pensions Administration and Contributions	Biennial	In Progress	
Aura Leisure and Libraries	Annual	Not started	
NEWydd Catering and Cleaning	Annual	In Progress	
All Wales Chief Auditors Accounts	New	Complete	

Glossary

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