



At: Aelodau'r Pwyllgor Llywodraethu
Corfforaethol

Dyddiad: Dydd Mawrth, 6
Tachwedd 2012

Rhif Union: 01824712575

ebost: dcc_admin@denbighshire.gov.uk

Annwyl Gyngorydd

Fe'ch gwahoddir i fynychu cyfarfod y **PWYLLGOR LLYWODRAETHU CORFFORAETHOL, DYDD MERCHER, 14 TACHWEDD 2012** am **9.30 am** yn **YSTAFELL BWLLGOR 1A, NEUADD Y SIR, RHUTHUN.**

Yn gywir iawn

G Williams
Pennaeth Gwasanaethau Cyfreithiol a Democraidaidd

AGENDA

RHAN 1 - GWAHODDIR Y WASG A'R CYHOEDD I'R RHAN HON O'R CYFARFOD

1 YMDDIHEURIADAU

2 DATGANIADAU O FUDDIANT

Aelodau i ddatgan unrhyw fuddiannau personol neu niweidiol mewn unrhyw fusnes sydd wedi ei nodi i'w ystyried yn y cyfarfod yma.

3 MATERION BRYS

Hysbysiad o eitemau y dylid, ym marn y Cadeirydd, eu hystyried yn y cyfarfod fel mater o frys yn unol ag Adran 100B(4) Deddf Llywodraeth Leol 1972.

4 COFNODION

I dderbyn cofnodion y Cyfarfod Llywodraethu Corfforaethol a gynhaliwyd ar Fedi 26^{ain}, 2012 (copi'n amgaeedig).

9.35am – 9.40am

5 LLYTHYR ASESIAID O WELLIANT SWYDDFA ARCHWILIO CYMRU

I ystyried adroddiad gan y Rheolwr Gwelliant Corfforaethol (copi'n amgaeedig) i ddarparu gwybodaeth ynglŷn ag un o'r adroddiadau rheoleiddiol allanol allweddol a dderbynnir gan y Cyngor bob blwyddyn.

9.40am – 10.00am

6 ADRODDIAD CYNNYDD ARCHWILIO MEWNOL

I ystyried adroddiad gan y Pennaeth Archwilio Mewnol (copi'n amgaeedig) sy'n darparu diweddariad ar gynnydd diweddaraaf y Gwasanaeth Archwilio Mewnol o ran cyflenwi ei wasanaeth, darparu sicrwydd, adolygiadau a gwblhawyd, perfformiad ac effeithiolrwydd gyda gyrru gwelliant.

10.00am – 10.15am

7 ADRODDIAD BLYNYDDOL "EICH LLAIS"

I ystyried adroddiad gan y Pennaeth Cwsmeriaid a Chymorth Addysg (copi'n amgaeedig) yn darparu'r Pwyllgor â throsolwg o gwynion a chlod a dderbyniwyd gan Gyngor Sir Ddinbych yn ystod 2011/2012 a sut y perfformiodd y Cyngor o ran delio ag adborth.

10.15am – 10.40am

10.40am – 10.55am Toriad

8 DIWEDDARIAD AR REOLAETH Y TRYSORLYS

I ystyried adroddiad gan yr Aelod Arweiniol dros Gyllid ac Asedau (copi'n amgaeedig) yn darparu manylion o weithgareddau Rheoli Trysorlys y Cyngor yn ystod 2012/2013 a darparu cefndir ar fuddsoddiadau a Datganiad blynyddol Strategaeth Rheoli'r Trysorlys.

10.55am – 11.30am

9 BLAENRAGLEN WAITH Y PWYLLGOR LLYWODRAETHU CORFFORAETHOL

I ystyried Blaenraglen Waith y Pwyllgor Llywodraethu Corfforaethol (copi'n amgaeedig).

11.30am – 11.40am

RHAN 2 - EITEMAU CYFRINACHOL

GWAHARDD Y WASG A'R CYHOEDD

Cymeradwyr, yn unol ag Adran 100A(4) Deddf Llywodraeth Leol 1972, bod y Wasg a'r Cyhoedd yn cael eu heithrio o'r cyfarfod yn ystod ystyriaeth o'r eitemau busnes canlynol gan ei bod yn debygol y byddai gwybodaeth eithriedig (fel y'i diffinnir ym Mharagraffau 12 a 18 Rhan 4 o Atodlen 12A y Ddeddf) yn cael ei datgelu.

10 DEDDF RHEOLEIDDIO PWERAU YMCHWILIO 2000 (RIPA)

I ystyried adroddiad gan y Swyddog Monitro/Pennaeth Gwasanaethau Cyfreithiol a Democrataidd (copi'n amgaeedig) i ddarparu'r Pwyllgor Llywodraethu Corfforaethol â dau Adroddiad Ymchwilio allanol gan Swyddfa'r Comisiynwyr Arwylio a hefyd Swyddfa Comisiynwyr Ymyrryd â Chyfathrebu. Hefyd i ddarparu'r Pwyllgor â gwybodaeth am ddefnydd y Cyngor o'i bwerau dan Ddeddf Rheoleiddio Pwerau Ymchwilio 2000 (RIPA).

11.40am – 12.00 canol dydd

AELODAETH

Y Cynghorwyr

Raymond Bartley
Stuart Davies
Martyn Holland

Gwyneth Kensler
Jason McLellan
David Simmons

Aelod Lleyg

Paul Whitham

COPIAU I'R:

Holl Gynghorwyr er gwybodaeth
Y Wasg a'r Llyfrgelloedd
Cynghorau Tref a Chymuned

Mae tudalen hwn yn fwriadol wag

PWYLLGOR LLYWODRAETHU CORFFORAETHOL

Cofnodion cyfarfod o'r Pwyllgor Llywodraethu Corfforaethol a gynhaliwyd yn YSTAFELL GYNHADLEDD 1b, NEUADD Y SIR, RHUTHUN, Dydd Mercher, 26 Medi 2012 am 9.30 am.

YN BRESENNOL

Y Cynghorwyr Stuart Davies, Martyn Holland a/ac Jason McLellan (Cadeirydd) a/ac Paul Whitham.

HEFYD YN BRESENNOL

P. McGrady (Head of Finance and Assets), R. Weigh (Chief Accountant) a/ac Gary Williams (Head of Legal and Democratic Services), Wales Audit Office Representatives (DO, AV and NR), Committee Administrator (CIW).
Y Cynghorydd Bill Tasker a/ac Julian Thompson Hill

1 YMDDIHEURIADAU

Derbyniwyd ymddiheuriadau am absenoldeb oddi wrth y Cynghorwr(wyr) Raymond Bartley, Gwyneth Kensler a/ac David Simmons

2 DATGAN BUDDIANNAU

***PENDERFYNWYD** – na fu i unrhyw Aelod ddatgan unrhyw fuddiannau personol na buddiannau sy'n rhagfarnu unrhyw fusnes i'w ystyried yn y cyfarfod hwn.*

3 MATERION BRYD

Ni chodwyd unrhyw eitemau y dylid, ym marn y Cadeirydd, eu trafod yn y cyfarfod fel materion bryd dan Adran 100B(4) Deddf Llywodraeth Leol, 1972.

4 COFNODION

Cyflwynwyd cofnodion cyfarfod y Pwyllgor Llywodraethu Corfforaethol a gynhaliwyd ar 5ed Medi, 2012.

Materion yn codi:-

6. Adroddiad Cynnydd Archwilio Mewnol – Mewn ymateb i gwestiwn gan y Cynghorydd M L Holland mewn perthynas â chyflwyno'r adroddiad archwilio terfynol i'r Pwyllgor mewn perthynas â Gwasanaethau Cludiant Cartref i'r Ysgol, esboniodd y Pennaeth Cyllid ac Asedau y byddai'r adroddiad, a oedd yn cael ei gwblhau ar hyn o bryd, yn cael ei ddsbarthu i aelodau'r Pwyllgor Llywodraethu Corfforaethol pan fyddai'n barod.

8. Adroddiad Rheoli'r Trysorlys – Mewn ymateb i gwestiwn gan Mr P. Whitham mewn perthynas â darpariaeth hyfforddiant ar reoli'r trysorlys, esboniodd y Pennaeth Cyllid ac Asedau y byddai adroddiad, neu sesiwn hyfforddi, yn cael ei ddarparu yn chwarterol, gyda'r sesiwn neu'r adroddiad nesaf ar y rhaglen ar gyfer Rhagfyr 2012.

PENDERFYNWYD – yn amodol ar yr uchod, derbyn a chymeradwyo'r cofnodion fel cofnod gwir a chywir.

5 DATGANIAD CYFRIFON 2011/2012

Roedd copi o adroddiad gan y Pennaeth Cyllid ac Asedau, yn gofyn i'r Aelodau gymeradwyo Datganiad Cyfrifon y Cyngor 2011/12, wedi ei ddsbarthu yn y cyfarfod.

Esboniodd y Pennaeth Cyllid ac Asedau bod gan y Cyngor ddyletswydd statudol i gynhyrchu datganiad cyfrifon a oedd yn cydymffurfio â safonau cyfrifeg cymeradwy. Cymeradwywyd y Datganiadau Ariannol ar gyfer 2011/12, yn amodol ar archwiliad, gan y Prif Swyddog Cyllid ym Mehefin 2012. Mae Rheoliadau Cyfrifon ac Archwilio yn ei gwneud yn ofynnol bod y Cyngor yn cymeradwyo'n ffurfiol y cyfrifon wedi eu harchwilio, sy'n cynnwys barn yr archwiliwr allanol, erbyn diwedd Medi 2012. Roedd cymeradwyo'r cyfrifon archwiliedig yn ffurfiol, gan aelodau etholedig ar ran y Cyngor, wedi ei ddirprwyo i'r Pwyllgor Llywodraethu Corfforaethol. Cadarnhawyd bod y cyfrifon wedi bod ar gael i'w harchwilio ac yn agored i'r cyhoedd eu harchwilio. Roedd Swyddfa Archwilio Cymru wedi cyflwyno Adroddiad Archwilio'r Datganiadau Ariannol a oedd yn cynnwys trosolwg o'u darganfyddiadau ac asesiad o'r broses.

Roedd y Datganiad Cyfrifon, yn cynnwys 149 o dudalennau, wedi ei gynhyrchu gan gydymffurfio â Chod Ymarfer ar Gyfrifeg Awdurdod Lleol sy'n seiliedig ar y Safonau Adrodd Ariannol Rhyngwladol (IFRS). Mewn ymateb i gwestiwn gan y Cynghorydd M.L. Holland, rhoddodd y Prif Gyfrifydd fanylion yn ymwneud â'r IFRS ac esboniodd bod cydymffurfio â'r IFRS wedi bod yn ofyniad ers 2010/11 gyda chyflwyniad parhaus safonau neu ofynion newydd. Y newid mwyaf nodedig ar gyfer cyfrifon 2011/12 oedd cyflwyno dosbarth newydd o asedau a elwid yn asedau treftadaeth, ac roedd yn Cyngor, yn unol â hynny, wedi newid ei bolisiâu a'i ddatgeliadau cyfrifeg yn y cyfrifon i gydymffurfio gyda'r Cod Ymarfe.

Mabwysiadwyd safonau cyfrifeg IFRS ledled y byd. Fodd bynnag, gan fod rhai meysydd o driniaeth cyfrifeg sector cyhoeddus yn gwyro oddi wrth yr IFRS, fel mewn gofynion deddfwriaethol, cyflwynwyd Safonau Cyfrifeg Cyhoeddus Rhyngwladol i ddelio â'r darpariaethau hynny.

Roedd Swyddfa Archwilio Cymru wedi gweithio'n agos â'r tîm Cyllid i sicrhau cwblhau'r archwiliad yn amserol a llwyddiannus. Roedd y broses archwilio wedi arwain at addasiadau technegol, cywiriadau eraill ac roedd newidiadau a manylion wedi eu cynnwys yn Adroddiad yr Archwiliwr.

Roedd y Datganiad Cyfrifon unwaith eto wedi derbyn barn archwilio ddiamod, a oedd yn llwyddiant arwyddocaol o ystyried maint a chymhlethdod y cyfrifo. Cafwyd ymarfer mawr yn 2010/11 i gynhyrchu'n llwyddiannus gyfrifon a oedd yn cydymffurfio gyda'r safonau rhyngwladol newydd, ac roedd y broses i weithredu IFRS wedi parhau wrth i ofynion ychwanegol gael eu cyflwyno. Byddai trefniadau mewnol yn cael eu hadolygu bob blwyddyn i sicrhau bod y Cyngor yn parhau i gyflwyno datganiadau ariannol o safon uchel.

Amlygodd y Prif Gyfrifydd Dros Dro natur gymhleth y cyfrifon, a chyda chymorth cyflwyniad PowerPOint, rhoddodd drosolwg o'r prosesau a fabwysiadwyd. Roedd hyn yn cynnwys crynodeb manwl mewn perthynas â'r meysydd allweddol canlynol a'r materion yn ymwneud â'r Datganiad Cyfrifon:-

- Trosolwg
- Cyfrifon
- Prif Ddatganiadau Ariannol
- Proses a Fabwysiadwyd
- Cysylltiad â Cyllidebau Refeniw
- Rhifau a Nodiadau Allweddol
- Proses Archwilio
- Cwerstiynau

Rhoddodd y cyflwyniad drosolwg o'r prif newidiadau a oedd yn cynnwys cyflwyniad dosbarth newydd o asedau treftadaeth. Cadarnhawyd bod y Cyngor yn unol â hynny wedi newid ei bolisiâu a'i ddatgeliadau cyfrifeg yn unol â'r Cod Ymarfer.

Mewn ateb i gwestiynau gan Aelodau'r Pwyllgor, ymatebodd y Pennaeth Cyllid ac Asedau fel a ganlyn:-

- Byddai copïau o'r cyfrifon drafft yn y dyfodol yn cael eu cyflwyno i Aelodau'r Pwyllgor Llywodraethu Corfforaethol.
- Gellid darparu copïau caled o'r adroddiadau ar gyfer 2011/12 a blynyddoedd yn y dyfodol i'r Aelodau yn ychwanegol at y fersiynau electronig.
- Rhoddwyd amlinelliad o'r anawsterau a gafwyd wrth ddarparu pris mewn perthynas ag asedau treftadaeth.
- Manylion a ddarparwyd mewn perthynas ag arwyddocad cronfeydd wrth gefn a mewn perthynas â'r cyfrifon terfynol a darpariaethau ar gyfer dyledion drwg.
- Mewn perthynas â rhoi sicrhau mewn cysylltiad â chysondeb cofnodion ar y gofrestr asedau a'r llechresi, gyda chyfeiriad penodol at asedau treftadaeth ac arteffactau penodol a ddelid gan y Cyngor. Esboniwyd bod dibyniaeth nawr ar ddarparu gwybodaeth gywir fanwl gan staff proffesiynol yn y Gwasanaeth Amgueddfa, ynghyd â chymorth proses Archwilio Mewnol.

Dosbarthwyd copi o Adroddiad Archwiliad y Datganiad Ariannol i Aelodau'r Pwyllgor. Cyflwynodd Archwilwyr Allanol y Cyngor, Swyddfa Archwilio Cymru, ganfyddiadau eu gwaith archwilio mewn perthynas â'r Datganiad Cyfrifon 2011/2012 a rhoi crynodeb manwl a oedd yn tanlinellu'r meysydd a'r materion canlynol:-

- Rhoi barn ar a oedd y datganiadau ariannol yn darparu golwg gywir a theg o sefyllfa ariannol y Cyngor ar 31ain Mawrth 2012, a'i incwm a'i wariant ar gyfer y flwyddyn.
- Gwaith archwilio mewn perthynas â'r datganiadau ariannol drafft ar gyfer y flwyddyn a ddaeth i ben 31ain Mawrth 2012 wedi ei gyflawni'n sylweddol.
- Adrodd ar y materion mwy arwyddocaol yn codi o'r archwiliad, yr oedd y tîm archwilio eisoes wedi eu trafod gyda'r Pennaeth Cyllid ac Asedau.
- Mabwysiadu syniad materoldeb i adnabod camddatganiadau perthnasol yn y datganiadau ariannol.
- Manylion lefelau meintiol ar y rhain y bernir camddatganiadau.
- Cyflwyno adroddiad archwilio diamod ar ddatganiadau ariannol Sir Ddinbych ac adrodd ar broblemau cyn eu cymeradwyo.
- Barn Swyddfa Archwilio Cymru yw bod cyfrifon Sir Ddinbych wedi cynrychioli golwg wirioneddol o'r sefyllfa ariannol, balansau a thrafodion.
- Mai'r bwriad yw cyhoeddi adroddiad archwilio diamod ar y datganiadau ariannol ar ôl darparu Llythyr o Gynrychiolaeth yn seiliedig ar yr hyn a nodir yn Atodiad 1 i'r adroddiad.
- Bod yr adroddiad archwilio arfaethedig wedi ei nodi yn Atodiad 2.
- Nad oedd unrhyw gamddatganiadau wedi eu nodi yn y datganiadau ariannol, sy'n aros heb eu cywiro.
- Camddatganiadau a gafodd eu cywiro gan y rheolwyr, a oedd, oherwydd eu perthnasedd yn y broses adrodd ariannol, wedi eu nodi gydag esboniadau yn Atodiad 3.
- Roedd materion a ystyriwyd fel rhai ansoddol a meintiol mewn perthynas â'r cyfrifon wedi eu cynnwys yn yr adroddiad.
- Nid oedd materion arwyddocaol eraill yn codi o'r archwiliad.
- Cyfeiriwyd at gamgymeriad torbwynt yn ymwneud â'r Rhaglen Gyfalaf, a chadarnhawyd y byddai hyn yn anochel oherwydd cau system credydwr ar ddyddiad penodol.

Diolchodd cynrychiolwyr Swyddfa Archwilio Cymru Dîm Cyllid Sir Ddinbych am y gwaith a wnaed yn cynhyrchu Datganiad Cyfrifon y Cyngor ac am eu cymorth a'u cefnogaeth. Cadarnhaodd SAC ansawdd uchel y cyfrifon a oedd unwaith eto wedi derbyn barn archwilio ddiamod.

Mewn ymateb i fater a godwyd gan y Cynghorydd M.L. Holland, cadarnhawyd nad oedd materion o bryder yn ymwneud â phroses gyfrifo, cofnodion na thrafodion y Cyngor.

Talodd y Pennaeth Cyllid ac Asedau deyrnged i waith caled ac ymestynnol y Tîm Cyllid yn cynhyrchu'r set gyfrifon derfynol, a nododd y cynnydd arwyddocaol yn y manylion sydd eu hangen wrth eu llunio, gyda newidiadau parhaus yn yr IFRS.

Yn ystod y drafodaeth a ddilynodd, diolchodd Cadeirydd ac Aelodau'r Pwyllgor i'r Tîm Cyllid am eu gwaith caled ac ansawdd a safon y Datganiad Cyfrifon a gynhyrchwyd.

PENDERFYNWYD:-

- (a) Cymeradwyo'r Datganiad Cyfrifon 2011/2012, Atodiad 1 i'r adroddiad, a'i lofnodi gan Gadeirydd y Pwyllgor Llywodraethu Corfforaethol, a*
- (b) Bod Cadeirydd y Pwyllgor Llywodraethu Corfforaethol a'r Prif Swyddog Cyllid yn llofnodi'r Llythyr Cynrychiolaeth.*

Daeth y cyfarfod i ben am 10.30 a.m.

Mae tudalen hwn yn fwriadol wag

Adroddiad i: Pwyllgor Rheolaeth Gorfforaethol

Dyddiad y Cyfarfod: 14 Tachwedd 2012

Aelod/ Swyddog Arweiniol: Cyng. Barbara Smith / Alan Smith

Awdur yr Adroddiad: Tony Ward

Teitl: Llythyr Asesu Gwelliannau Cyngor Sir Dinbych

1. Beth yw pwnc yr adroddiad?

Mae'r adroddiad hwn yn cyflwyno Llythyr Asesu Gwelliannau i Gyngor Sir Dinbych a gyhoeddwyd gan Swyddfa Archwilio Cymru (WAO) ar 17 Medi 2012. Mae'r llythyr wedi'i atodi i Atodiad I.

2. Beth yw'r rheswm dros gyflwyno'r adroddiad hwn?

Mae'r adroddiad hwn yn rhoi gwybodaeth am un o'r prif adroddiadau rheoleiddiol allanol a dderbynnir gan y cyngor bob blwyddyn.

3. Beth yw'r Argymhellion?

Bod y pwyllgor yn ystyried yr adroddiad ac yn amlygu unrhyw faterion y mae'n teimlo y dylid eu codi gyda'r Pwyllgor Craffu Perfformiad pan fydd yr adroddiad yn cael ei drafod yno ar 29 Tachwedd 2012.

4. Manylion yr adroddiad

Asesu Gwelliannau yw prif fecanwaith y WAO i adrodd am ei asesiad o berfformiad y cyngor a'i ragolygon am welliannau. Cyhoeddwyd y Llythyr Asesu Gwelliannau diweddaraf ar 17 Medi 2012. Er nad oes unrhyw argymhellion ffurfiol yn y llythyr, mae gan yr Aelodau gyfle i drafod y llythyr er mwyn penderfynu a oes unrhyw agweddau arbennig o berfformiad sydd angen eu craffu ymhellach.

Disgwylir cyhoeddi'r Llythyr Asesu Gwelliannau nesaf gan y WAO cyn diwedd mis Tachwedd 2012. Dylid cyflwyno'r llythyr hwn i'r pwyllgor hwn yn ei gyfarfod ar 27 Chwefror 2013.

5. Sut mae'r adroddiad yn cyfrannu at y Blaenoriaethau Corfforaethol?

Mae'r Llythyr Gwelliannau Blynyddol yn rhoi asesiad o berfformiad y cyngor a hefyd o'i ragolygon am welliannau. Elfen allweddol o'r wybodaeth a ystyrir gan y WAO wrth ddrafftio'r llythyr yw perfformiad y cyngor o safbwynt cyflawni'r blaenoriaethau yn ei Gynllun Corfforaethol. Disgwylir i'r WAO asesu'n ffurfiol Adroddiad Perfformiad Blynyddol y cyngor a'i Gynllun Corfforaethol. Nid oedd un o'r dogfennau ar gael i'w hasesu cyn cyhoeddi'r Llythyr Asesu Gwelliannau hwn, gan i'r fersiynau drafft o'r

ddwy ddogfen gael eu trafod (a'u cymeradwyo) gan y Cyngor ar 9 Hydref 2012. Bydd y WAO felly'n cynnwys gwerthusiad o'r ddwy ddogfen yn ei Lythyr Asesu Gwelliannau diweddaraf sydd i'w gyhoeddi cyn diwedd mis Tachwedd 2012.

6. Beth fydd y gost a sut bydd yn effeithio ar wasanaethau eraill?

Nid oes unrhyw oblygiadau i unrhyw faes gwasanaeth arbennig.

7. Pa ymgynghoriadau a gynhaliwyd ac a gynhaliwyd Sgrinio Asesu Effaith Cydraddoldeb?

Cynhaliodd y WAO nifer o gyfweiliadau gyda swyddogion perthnasol ac Aelodau Etholedig cyn drafftio'r Llythyr Asesu Gwelliannau. Rhannwyd yr adroddiad drafft gyda'r cyngor a gofynnwyd am adborth cyn ei gyhoeddi.

Ni fu'n rhaid cynnal Asesiad Effaith Cydraddoldeb o'r adroddiad hwn gan nad oes angen penderfyniad fydd yn effeithio ar staff na defnyddwyr gwasanaethau. Fodd bynnag, cynhaliwyd asesiad effaith cydraddoldeb ar Gynllun Corfforaethol y cyngor 2012-17. Bydd hwn yn cael ei ystyried yn Llythyr Asesu Gwelliannau diweddaraf y WAO sydd i'w gyhoeddi cyn diwedd mis Tachwedd 2012.

8. Datganiad y Prif Swyddog Cyllid

Nid oes unrhyw oblygiadau ariannol arwyddocaol amlwg yn codi o'r adroddiad.

9. Pa risgiau sydd ac a oes unrhyw beth y gallwn ni ei wneud i leihau'r rhain?

Nid yw'r adroddiad hwn yn achosi unrhyw risgiau newydd i'r cyngor.

10. Pŵer i wneud y Penderfyniad

Mae'r adroddiad hwn er gwybodaeth, yn hytrach na phenderfyniad.



24 Cathedral Road / Heol y Gadeirlan
Cardiff / Caerdydd
CF11 9LJ
Tel / Ffôn: 029 20 320500
Fax / Ffacs: 029 20 320600
Email / Epost: wales@wao.gov.uk
www.wao.gov.uk

Dr Mohammed Mehmet
Prif Weithredwr
Cyngor Sir Ddinbych
Neuadd y Sir
Ffordd Wynnstey
Rhuthun
Sir Ddinbych
LL15 1YN

Dyddiad 17 Medi 2012
Ein cyfeirnod 494A2012
Eich cyfeirnod
Rhif Ffôn
E-bost
Tudalennau 1 o 7

Annwyl Mohammed

Aseiad Gwella

Mae'n ofynnol i mi, o dan Fesur Llywodraeth Leol (Cymru) 2009 (y Mesur), gyflwyno adroddiad ar fy ngwaith archwilio ac asesu ynghylch a yw Cyngor Sir Ddinbych wedi cyflawni ei ddyletswyddau ac wedi bodloni gofynion y Mesur.

Mae'r llythyr hwn yn crynhoi:

- fy marn ynghylch a yw'r Cyngor wedi cyflawni ei ddyletswyddau statudol mewn perthynas â chynllunio gwelliant;
- fy marn ar gydymffurfiaeth y Cyngor â'r gofynion i wneud trefniadau i sicrhau gwelliant parhaus, yn seiliedig ar waith a wnaed hyd yma gan Swyddfa Archwilio Cymru a rheoleiddwyr perthnasol, gan gynnwys:
 - cynnydd y Cyngor mewn perthynas â meysydd i'w gwella ac argymhellion a nodwyd yn fy asesiadau blaenorol;
 - unrhyw faterion perthnasol a all fod wedi dod i'r amlwg ers fy adroddiad diwethaf, gan gynnwys sylwadau ar sut mae'r Cyngor yn mynd i'r afael â heriau ariannol;
 - crynodeb byr o unrhyw adroddiadau gan reoleiddwyr perthnasol a gyhoeddwyd ers fy adroddiad diwethaf.
- fy nghynigion pellach ar gyfer gwella a/neu argymhellion;
- diweddariadau i gynllun gwaith ac amserlen Swyddfa Archwilio Cymru ar gyfer cyflawni fy ngwaith ar yr Aseiad Gwella.

Byddaf yn diweddarau fy safbwyntiau yn ystod y flwyddyn ac yn anfon llythyr arall erbyn diwedd mis Tachwedd 2012.

Nid wyf yn gallu nodi a yw'r Cyngor wedi cyflawni ei ddyletswyddau i gynllunio gwelliant o dan y Mesur gan nad yw'r Cyngor wedi cyhoeddi ei Gynllun Gwella ar gyfer eleni

Yn dilyn etholiadau llywodraeth leol ym mis Mai 2012, penododd y Cyngor Gabinet newydd. Mae cyfansoddiad y Cabinet wedi newid ond mae'n wleidyddol gytbwys o hyd, yn unol â chyfansoddiad y Cyngor. Cyngorwyr Llafur sydd bellach yn ffurfio'r wrthblaid.

Mae'r Cyngor wrthi'n datblygu Cynllun Corfforaethol newydd ac yn pennu a all gyflawni ei saith blaenoriaeth ddrafft arfaethedig erbyn 2017. Mae Cyngorwyr yn arwain y trafodaethau hyn, sydd bellach yn destun ymgynghoriad cyhoeddus arall, ac mae'r Cyngor yn rhagweld y cytunir ar y Cynllun Corfforaethol yn ystod hydref 2012. Mae'r Cyngor yn cynnal cryn dipyn o waith ymgynghori ac ymgysylltu â thrigolion a'i staff yn cynnwys:

- Arolwg Trigolion: ymatebodd 2,256 o aelwydydd i arolwg;
- Arolwg Cyhoeddus: ymatebodd 1,228 o bobl i arolwg ar wefan y Cyngor ac mewn canolfannau hamdden, llyfrgelloedd, ac ardaloedd derbyn y Cyngor;
- gweithdai gyda phobl ifanc.

Byddaf yn darparu llythyr arall erbyn diwedd Tachwedd 2012 a fydd yn asesu a yw'r Cyngor wedi cyflawni ei ddyletswyddau i gynllunio gwelliannau o dan y Mesur ac yn adolygu'r nodau (yn cynnwys dangosyddion perfformiad a thargedau ond heb fod yn gyfyngedig iddynt o gwbl) y mae'r Cyngor wedi'u pennu ar ei gyfer ei hun er mwyn monitro i ba raddau y mae'n cyflawni ei amcanion gwella.

Yn seiliedig ar waith a wnaed hyd yma gan Swyddfa Archwilio Cymru a rheoleiddwyr perthnasol ac yn gyfyngedig iddo:

Credaf fod y Cyngor yn debygol o gydymffurfio â'r gofyniad i wneud trefniadau i sicrhau gwelliant parhaus yn ystod y flwyddyn ariannol hon

Deuthum i'r casgliad hwn am y rhesymau canlynol:

- Mae'r Cyngor yn gwneud cynnydd rhesymol o ran y ddau faes ar gyfer gwella a nodwyd yn fy Adroddiad Gwella Blynyddol diwethaf.
- Mae trefniadau presennol y Cyngor ar gyfer datblygu, defnyddio a chefnogi technoleg yn debygol o gefnogi gwelliant parhaus unwaith y bydd y Cyngor yn atgyfnerthu ymhellach ei drefniadau llywodraethu TGCh ac yn llwyddo i gwblhau Cam Un o'i strategaeth TGCh.

- Daeth arolygiad gan AGGCC i'r casgliad bod y Cyngor yn darparu asesiad ymatebol ac amserol i'r rhan fwyaf o'r oedolion sydd ag anghenion gofal cymdeithasol a'i fod yn ymateb i'r heriau wrth weithredu strategaeth y Cyngor a'i datblygu ymhellach
- Mae Estyn o'r farn bod y Cyngor yn darparu gwasanaethau addysg o safon i blant a phobl ifanc a bod y rhagolygon ar gyfer gwella yn dda.

Mae'r Cyngor yn gwneud cynnydd rhesymol o ran y ddau faes ar gyfer gwella a nodwyd yn fy Adroddiad Gwella Blynyddol diwethaf

Cynigiais ddau beth i'w gwella yn fy Adroddiad Gwella Blynyddol, a gyhoeddwyd ym mis Ionawr 2012, a nodais hefyd rai meysydd lle y byddem yn gwneud rhagor o waith. Rhoddir crynodeb o'r cynnydd ar y materion hyn isod ac yn Atodiad 1:

- Cynigiais y dylai'r Cyngor ddefnyddio ei adolygiad blynyddol o drefniadau llywodraethu i ddarparu hunanasesiad mwy cadarn o'u heffeithiolrwydd. Cynhaliodd y Cyngor adolygiad llywodraethu corfforaethol fel rhan o'r broses o ddiweddarau ei *Ddatganiad Llywodraethu Blynyddol* a chytuno arno. Nododd yr adolygiad fod gan y Cyngor drefniadau digonol ar waith i gyflawni'r chwe egwyddor yn y fframwaith ond nododd yr adolygiad o effeithiolrwydd y trefniadau dair risg llywodraethu fawr:
 - Llywodraethu partneriaethau:
 - Llywodraethu gwybodaeth:
 - Perfformiad a datblygiad aelodau etholedig

Mae'r Cyngor yn drafftio ei Ddatganiad Llywodraethu Blynyddol newydd. Byddwn yn gwneud rhagor o waith ym mhob cyngor yng Nghymru ar lunio Datganiadau Llywodraethu Blynyddol a byddaf yn llunio adroddiad cenedlaethol maes o law. Byddaf yn rhoi adborth pellach i'r Cyngor yn ddiweddarach eleni.

- Cynigiau erbyn mis Medi 2012, y dylai'r Cyngor bennu'n fanylach sut y bydd yn cefnogi cynllun cyflenwi *Y Rhyl yn Symud Ymlaen*. Mae cyfrifoldeb rheoli o fewn y Cyngor ar gyfer *Y Rhyl yn Symud Ymlaen* yn mynd drwy gyfnod pontio fel rhan o'r broses o ad-drefnu dyletswyddau ymhlith penaethiaid gwasanaethau'r Cyngor ac ar lefel uwch bydd y Cyfarwyddwr Corfforaethol Uchelgais Economaidd a Chymunedol, a benodwyd yn ddiweddar, yn gyfrifol am ddatblygu economaidd. Byddaf yn darparu asesiad pellach o gynnydd o ran cynllun cyflenwi *Y Rhyl yn Symud Ymlaen* yn ddiweddarach yn y flwyddyn, yn cynnwys gwerthusiad o'r canlynol:

- sut mae'r cynllun yn gweddu i raglen adfywio'r sir;
- i ba raddau y mae'r cynllun yn cadarnhau'r staff a'r adnoddau ariannol a fydd ar gael i gyflawni amcanion;
- y trefniadau ar gyfer gwerthuso cynnydd o bryd i'w gilydd.

Mae trefniadau presennol y Cyngor ar gyfer datblygu, defnyddio a chefnogi technoleg yn debygol o gefnogi gwelliant parhaus unwaith y bydd y Cyngor yn atgyfnerthu ymhellach ei drefniadau llywodraethu TGCh ac yn llwyddo i gwblhau Cam Un o'i strategaeth TGCh

Deuthum i'r casgliad hwn oherwydd y canlynol:

- Mae'r Cyngor wedi canolbwyntio ar ddatblygu sianeli mynediad cwsmeriaid sy'n dechrau perfformio yn dda, ond nid yw eto yn manteisio i'r eithaf ar botensial technoleg i weddnewid gwasanaethau a sicrhau arbedion effeithlonrwydd.
- Nid yw'r trefniadau llywodraethu TGCh yn alinio'n llwyr â blaenoriaethau gwella a gweddnewid y Cyngor nac yn cefnogi'r broses o'u cyflawni ac mae gwendidau o ran y trefniadau pennu adnoddau technoleg.

Daeth arolygiad gan AGGCC i'r casgliad bod y Cyngor yn darparu asesiad ymatebol ac amserol i'r rhan fwyaf o'r oedolion sydd ag anghenion gofal cymdeithasol a'i fod yn ymateb i'r heriau wrth weithredu strategaeth y Cyngor a'i datblygu ymhellach

Cynhaliodd AGGCC arolygiad o'r trefniadau ar gyfer asesu a rheoli gofal oedolion a gaiff eu cyfeirio at Wasanaethau Cymdeithasol y Cyngor. Cyhoeddwyd yr adroddiad ym mis Mehefin 2012.

Mae'r prif gasgliadau fel a ganlyn:

- Mae'r model gwasanaeth a fabwysiadwyd gan y Cyngor yn ei alluogi i ddarparu asesiad ymatebol ac amserol i'r rhan fwyaf o oedolion sydd ag anghenion gofal cymdeithasol.
- Mae'r Cyngor yn gallu darparu tystiolaeth sylweddol o foddhad defnyddwyr gwasanaethau. Caiff arferion newydd eu cyflwyno i geisio sicrhau bod adborth defnyddwyr gwasanaethau yn cael ei ymgorffori mewn ymyriadau gwasanaethau cymdeithasol a'i ddefnyddio'n fwy effeithiol i lywio prosesau rheoli perfformiad a gwerthuso a datblygu gwasanaethau.
- Strategaeth y Cyngor yw cefnogi'r gwaith o ddatblygu amrywiaeth o wasanaethau a chyfleusterau cymunedol prif ffrwd i ddiwallu anghenion mewn ffordd sy'n annog annibyniaeth. Er bod gwasanaethau amrywiol yn cael eu datblygu, mae heriau o hyd mewn perthynas â meysydd arbenigol penodol, fel cynyddu taliadau uniongyrchol.

Mae Estyn o'r farn bod y Cyngor yn darparu gwasanaethau addysg o safon i blant a phobl ifanc a bod y rhagolygon ar gyfer gwella ymhellach yn dda

Cynhaliodd Arolygiaeth Ei Mawrhydi dros Addysg a Hyfforddiant yng Nghymru (Estyn) arolygiad o wasanaethau addysg y Cyngor i blant a phobl ifanc. Cyhoeddwyd yr adroddiad ym mis Chwefror 2012.

Mae'r prif gasgliadau fel a ganlyn:

- mae perfformiad cyffredinol disgyblion yn dda ac wedi gwella ym mhob cyfnod allweddol, yn arbennig cyfnod allweddol 4;
- mae perfformiad wedi gwella yn erbyn meincnodau disgwylidig Llywodraeth Cymru yn seiliedig ar yr hawl i gael prydau ysgol am ddim;
- mae nifer y bobl a gaiff eu gwahardd wedi lleihau a nifer gyffredinol y dyddiau a gollir oherwydd gwaharddiad yw'r isaf yng Nghymru;
- mae gan y Cyngor drefniadau da iawn i gefnogi a herio ysgolion ac mae'n adnabod ei ysgolion yn dda iawn;
- mae cefnogaeth i wella ysgolion, anghenion dysgu ychwanegol a chynhwysiant cymdeithasol oll yn dda;
- mae nifer yr ysgolion yn Sir Ddinbych y mae angen gwaith dilynol arnynt ar ôl arolygiad ymhlith yr isaf yng Nghymru;
- mae'r Cyngor wedi gwneud cynnydd da o ran cyflwyno ei raglen Moderneiddio Addysg;
- mae'r diwylliant o arweinyddiaeth gref iawn gan aelodau etholedig ac uwch swyddogion wedi ysgogi newid a gwelliant sylweddol ar gyflymder da;
- mae'r rhagolygon ar gyfer gwella yn dda

Cynigion pellach ar gyfer gwella/argymhellion

Nid wyf yn gwneud unrhyw argymhellion na chynigion newydd ar gyfer gwella yn y llythyr hwn. Byddwn yn parhau i fonitro'r cynnydd a wneir gan y Cyngor o ran gweithredu'r cynigion a nodwyd yn fy adroddiadau a'm llythyrau blaenorol a chyflwyno adroddiadau arno.

Diweddariadau i'r cynllun gwaith a'r amserlen

Bydd Tîm yr Asesiad Gwella yn sicrhau bod y Cyngor yn cael y wybodaeth ddiweddaraf am y trefniadau manwl ar gyfer cyflawni fy ngwaith asesu. Mae'r cynllun gwaith a'r amserlen a gaiff eu diweddarau'n rheolaidd yn rhoi rhagor o fanylion am y gwaith sy'n cael ei gyflawni yn ystod asesiad eleni ac yn benodol sut y byddwn yn ychwanegu gwerth drwy ganolbwyntio ar feysydd neu wasanaethau a nodwyd ar y cyd.

Mae'r cynllun gwaith a'r amserlen yn ystyried fy ymgynghoriad â'r awdurdodau gwella ar fy nghynigion ar gyfer gwaith archwilio perfformiad 2012-13. Yn benodol, byddaf yn gofyn i Dîm yr Asesiad Gwella ystyried yn ystod y flwyddyn faint y gallwn ddibynnu ar y prosesau hunanasesu (gan gynnwys eich adolygiad o lywodraethu wrth gynhyrchu'r Datganiad Llywodraethu Blynyddol a'ch Adroddiad Perfformiad Blynyddol). Byddaf yn gwneud sylwadau ar y gwaith hwn yn fy Adroddiad Gwella Blynyddol.

Rwy'n ddiolchgar i'r Cyngor am y ffordd y mae wedi helpu i hwyluso ein gwaith. Rwyf yn parhau i fod yn ymrwymedig i ddarparu lefelau priodol o sicrwydd cyhoeddus gan eich helpu ar yr un pryd i liniaru'r risgiau anochel i wasanaethau ac atebolrwydd sy'n deillio o leihad mewn adnoddau a newidiadau o ganlyniad i hynny.

Yn gywir



HUW VAUGHAN THOMAS

ARCHWILYDD CYFFREDINOL CYMRU

CC: Carl Sargeant, Gweinidog Llywodraeth Leol a Chymunedau

Huw Lloyd Jones – Rheolwr

Gwilym Bury - Arweinydd Archwilio Perfformiad

Atodiad 1

Cynigion ar gyfer gwella a wnaed yn Adroddiad Gwella Blynyddol 2012	Cynnydd
<p>C1 Fel awdurdodau eraill yng Nghymru, dylai'r Cyngor ddefnyddio ei adolygiad blynyddol o drefniadau llywodraethu i ddarparu hunanasesiad mwy cadarn o'u heffeithiolrwydd.</p>	<p>Cynigiais y dylai'r Cyngor ddefnyddio ei adolygiad blynyddol o drefniadau llywodraethu i ddarparu hunanasesiad mwy cadarn o'u heffeithiolrwydd. Cynhaliodd y Cyngor adolygiad llywodraethu corfforaethol fel rhan o'r broses o ddiweddarau ei <i>Ddatganiad Llywodraethu Blynyddol</i> a chytuno arno. Nododd yr adolygiad fod gan y Cyngor drefniadau digonol ar waith i gyflawni'r chwe egwyddor yn y fframwaith ond nododd yr adolygiad o effeithiolrwydd y trefniadau dair risg lywodraethu fawr:</p> <ul style="list-style-type: none"> • Llywodraethu partneriaethau • Llywodraethu gwybodaeth • Perfformiad a datblygiad aelodau etholedig <p>Mae'r Cyngor yn drafftio ei Ddatganiad Llywodraethu Blynyddol newydd. Byddwn yn gwneud rhagor o waith ym mhob cyngor yng Nghymru ar lunio Datganiadau Llywodraethu Blynyddol a byddaf yn llunio adroddiad cenedlaethol maes o law. Byddaf yn rhoi adborth pellach i'r Cyngor yn ddiweddarach eleni.</p>
<p>C2 Erbyn mis Medi 2012 dylai'r Cyngor bennu sut y bydd yn cefnogi cynllun cyflenwi <i>Y Rhyl yn Symud Ymlaen</i> gan gynnwys:</p> <ul style="list-style-type: none"> • dangos sut mae'n gweddu i raglen adfywio'r sir; • cadarnhau'r staff a'r adnoddau ariannol a fydd ar gael i gyflawni amcanion; • trefniadau ar gyfer gwerthuso cynnydd o bryd i'w gilydd. 	<p>Cynigiau erbyn mis Medi 2012, y dylai'r Cyngor bennu'n fanylach sut y bydd yn cefnogi cynllun cyflenwi <i>Y Rhyl yn Symud Ymlaen</i>. Mae cyfrifoldeb rheoli o fewn y Cyngor ar gyfer <i>Y Rhyl yn Symud Ymlaen</i> yn mynd drwy gyfnod pontio fel rhan o'r broses o ad-drefnu dyletswyddau ymhlith penaethiaid gwasanaethau'r Cyngor ac ar lefel uwch bydd y Cyfarwyddwr Corfforaethol Uchelgais Economaidd a Chymunedol, a benodwyd yn ddiweddar, yn gyfrifol am ddatblygu economaidd. Byddaf yn darparu asesiad pellach o gynnydd o ran cynllun cyflenwi <i>Y Rhyl yn Symud Ymlaen</i> yn ddiweddarach yn y flwyddyn.</p>

Mae tudalen hwn yn fwriadol wag

Adroddiad ar gyfer:	Pwyllgor Llywodraethu Corfforaethol
Dyddiad y Cyfarfod:	Tachwedd 14, 2012
Awdur yr Adroddiad:	Pennaeth Gwasanaethau Archwilio Mewnol
Teitl:	Adroddiad ar Gynnydd Archwilio Mewnol

1. Beth mae'r adroddiad yn ymwneud ag o?

Mae'r adroddiad hwn yn diweddarar'r Pwyllgor ar y cynnydd diweddaraf gan y gwasanaeth Archwilio Mewnol o ran cyflenwi ei wasanaeth, darparu sicrwydd, adolygiadau a gwblhawyd, perfformiad ac effeithiolrwydd yn gyrru gwelliant. Mae hefyd yn cynnig Cynllun Gweithredol Archwilio Mewnol diwygiedig ar gyfer 2012/13.

2. Beth yw'r rheswm am wneud yr adroddiad yma?

I ddiweddarau Aelodau ar:

- gyflenwad ein Cynllun Gweithredol ar gyfer 2012/13
- Cynllun Gweithredol diwygiedig ar gyfer 2012/13
- adroddiadau Archwilio Mewnol diweddar a gafwyd
- ymateb rheolaeth i faterion a godwyd gennym
- perfformiad Archwilio Mewnol

3. Beth yw'r Argymhellion?

- Y Pwyllgor i ystyried cynnydd a pherfformiad Archwilio Mewnol hyd yma yn 2012/13 a rhoi sylwadau
- Y Pwyllgor i ystyried a chymeradwyo ein Cynllun Corfforaethol diwygiedig 2012/13
- Y Pwyllgor i ystyried adroddiadau Archwilio Mewnol a gafwyd yn ddiweddar a rhoi sylwadau
- Y Pwyllgor i ystyried yr ymateb i'n gwaith dilyniannol

4. Cynnydd Archwilio Mewnol

Cyflenwi Cynllun Gweithredol Archwilio Mewnol 2012/13

- 4.1 Wrth i risgiau corfforaethol a risgiau gwasanaeth newid o fewn y Cyngor bydd Archwilio Mewnol yn ystyried ei strategaeth a'i gynllun gweithredol i sicrhau ei fod yn dal yn berthnasol a'i fod yn dal i ddelio â meysydd blaenoriaeth. Yn dilyn cyfres o gyfarfodydd â phenaethiaid gwasanaeth, mae Atodiad 1 yn cynnwys adolygiad arfaethedig o'n Cynllun Gweithredol Archwilio Mewnol 2012/13, ynghyd â'r adroddiad arferol ar gynnydd.
- 4.2 Mae'r tabl yn cynnwys y dyddiau a gynlluniwyd yn wreiddiol, diwygiadau i'r dyddiau a gynlluniwyd ac esboniadau ar unrhyw newidiadau. Mae hefyd yn rhoi dadansoddiad o'n gwaith yn ystod 2012/13, gyda sgorau sicrwydd a nifer o faterion a godwyd ar gyfer yr adolygiadau a gwblhawyd.

Crynodeb o Adroddiadau Archwilio Mewnol Diweddar

4.3 Mae ein hadroddiadau'n defnyddio lliwiau ar gyfer dosbarthiadau sicrwydd fel a ganlyn:

Gwyrdd	Sicrwydd Uchel	Risgiau a rheoliadau wedi eu rheoli'n dda
Melyn	Sicrwydd Canolig	Risgiau wedi eu nodi ond yn rheoladwy ar lefel gwasanaeth
Ambr	Sicrwydd Isel	Risgiau a nodwyd sy'n gofyn am gyfarfod â'r Cyfarwyddwr/Aelod Arweiniol
Coch	Dim Sicrwydd	Risgiau sylweddol wedi eu nodi sy'n gofyn am gynhadledd achos aelod / swyddog

4.4 Ers fy adroddiad ym Medi 2012, rydyn ni wedi rhoi'r adroddiadau canlynol:

Adroddiad Archwilio	Barn Archwilio	Materion a Godwyd			Sylwadau
		Risg Critigol	Risg Mawr (Ambr)	Risg Cymedrol (Melyn)	
Cyllid Myfyrwyr Addysg Uwch	Gwyrdd	0	0	1	Adroddiad Trosolwg Cryno
Gwasanaeth Refeniw a Budd-daliadau	Gwyrdd	0	0	4	
Cludiant o'r Cartref i'r Ysgol	Melyn	1	2	10	Adroddiad ar y cyd â Chyngor Bwrdeistref Sirol Conwy
Gwasanaeth Cyfieithu	Melyn	0	1	1	
Cynllunio Dilyniant Busnes	Ambr	0	1	0	Adroddiad Trosolwg Cryno
Adnoddau Dynol Strategol	Ambr	0	1	10	

Ymateb Rheolaeth i faterion a godwyd gan Archwilio Mewnol

4.5 Mae'r rhan fwyaf o'n hadroddiadau Archwilio Mewnol yn nodi risgiau ac yn rheoli gwendidau. Rydyn ni'n graddio'r rhain yn risg critigol, mawr neu gymedrol. Bydd Rheolaeth yn cytuno camau i ddelio â'r risgiau hyn, yn cynnwys cyfrifoldebau a graddfeydd amser.

4.6 Byddwn yn adrodd pob achos lle bydd rheolaeth yn methu ag ymateb i'n gwaith dilyniannol neu lle byddan nhw'n mynd dros y dyddiad gweithredu a gytunwyd o fwy na thri mis. Bydd y Pwyllgor yma'n penderfynu a oes angen iddo gymryd camau pellach, er enghraifft, drwy alw'r bobl berthnasol i'w gyfarfod i esbonio'r diffyg cynnydd.

4.7 Ar hyn o bryd does yna ddim camau sydd wedi mynd dros y terfyn amser o dri mis a dim ymateb sy'n dal ar ôl i'w adrodd i'r Pwyllgor yma.

Perfformiad Archwilio Mewnol – Mesurau Allweddol

Mesur - Adolygu 100% o feysydd Sicrwydd S151 a gytunwyd yn y Cynllun Archwilio Gweithredol erbyn Mawrth 31, 2013

4.8 Hyd yma, rydyn ni wedi cwblhau 40% o'r prosiectau a gynlluniwyd, gydag eraill wedi eu rhaglennu'n ddiweddarach yn y flwyddyn ariannol.

Mesur - Adolygu 100% o feysydd Sicrwydd Llywodraethu Corfforaethol a gytunwyd yn y Cynllun Archwilio Gweithredol erbyn Mawrth 31, 2013

4.9 Mae gwaith yn gyfredol ar y Fframwaith Llywodraethu Corfforaethol drwy gydol y flwyddyn. Rydyn ni wedi cychwyn prosiect o Reolih Perfformiad ac fe wnawn adolygu rheolaeth risg yn ail hanner y flwyddyn.

Mesur - Adolygu 100% o feysydd Sicrwydd Risg Corfforaethol Uchel a gytunwyd yn y Cynllun Archwilio Gweithredol erbyn Mawrth 31, 2013

4.10 Mae yna 6 risg uchel ar hyn o bryd yn y Gofrestr Risg Gorfforaethol. Rydyn ni wedi cwblhau gwaith mewn dau faes, mae gwaith yn mynd yn ei flaen mewn un maes a'r lleill wedi eu rhaglennu'n ddiweddarach yn y flwyddyn ariannol.

Mae tudalen hwn yn fwriadol wag

Appendix 1

Internal Audit Work 2012/13 – progress as at 21 October 2012 and Revised Strategy to 31 March 2013

Internal Audit Operational Plan	Original Planned Days	Revised Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Reason for Plan Revision
Financial Assurance									
Financial Systems – Rhyl based	60	40	37	Complete	Green	0	0	4	Project scope reduced
Financial Systems – Ruthin based	40	30	0	Jan/Feb13					
Financial Systems Assurance Testing (IDEA) 2011-12		20	20	Complete	Green	0	0	0	Project took longer than planned
Programme & Project Management	15	15	3	In progress					
Procurement	15	15	0	Mar 13					
Sub-totals	130	120	60						
Grant & Other Certification Assurance									
Sustainability/Climate Change	12	20	18	In progress					Project took longer than planned
Welsh Government (WG) Education Grant Certification	25	20							Projects took less time than planned
- Breakfast initiative Grant			4	Complete	Green	0	0	0	
- Thinking & Assessment for Learning Grant			10	In progress					
WG 6 th Form Funding – Ysgol Dinas Bran, Llangollen	10	12	12	Complete	Green	0	0	2	Project took longer than planned
WG Student Finance Certification	15	6	6	Complete	Green	0	0	1	Project scope reduced due to WAO work
WG Adult Education Certification	8	9	9	Complete	Green	0	0	0	Project took longer than planned
Sub-totals	70	67	59						

Internal Audit Operational Plan	Original Planned Days	Revised Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Reason for Plan Revision
Corporate Governance Assurance									
Risk Management	20	20	0	Jan 13					
Corporate Governance Framework	30	30	4	In progress					
Performance Management	10	10	9	In progress					
Sub-totals	60	60	13						
High Corporate Risk Assurance									
The risk of a serious safeguarding error where the Council has responsibility	10	15	14	In progress					Project took longer than planned
The risk that we are unable to develop the staff and management capability to deliver the change agenda	5	5	0	Dec 12					
The risk that the time and effort invested in collaboration is disproportionate to the benefits realised	15	15	0	Dec 12					
The risk that the economic environment worsens beyond current expectations, leading to additional demand on services and reduced income	5	5	0	Nov 12					
The risk that strategic ICT infrastructure does not enable improvement and support change	10	10	0	Dec 12					
The risk that our asset portfolio becomes an unmanageable liability and an obstacle to strategic planning	5	4	4	Complete	Green	0	0	0	Project took less time than planned
Sub-totals	50	54	18						

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Internal Audit Operational Plan	Original Planned Days	Revised Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Reason for Plan Revision
Adult Services									
Intake & Reablement	10	0	0	Deleted					Assurance from CSSIW
Learning Disabilities & POVA	15	0	0	Deleted					Assurance from peer review
Direct Care Costs & Placements	15	15	1	Preparation					
Efficiency of Charging Processes	0	20	0	To be programmed					Issue identified from review of low value invoices raised by the service
Sub-totals	40	35	1						
Business Planning & Performance									
Equalities	15	15	0	To be programmed					
Information Governance	10	0	0	Deleted					Postponed until 2013/14 once new project in progress
Sub-totals	25	15	0						
Children's Services									
Children's Services Information Management	35	0	0	Deleted					Work carried out within service on information management
Out of County Placements	0	10	0	To be programmed					Review of high value payments requested by HoS
Fostering Service	0	15	0	To be programmed					Service review requested by HoS
Youth Offending Team	0	12	0	To be programmed					Service review requested by HoS
Lone Working Practices	0	5	5	Complete					2011/12 employee survey completion
Sub-totals	35	42	5						

Internal Audit Operational Plan	Original Planned Days	Revised Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Reason for Plan Revision
Customers & Education Support									
Cashiers Services	5	5	1	In progress					
Modernising Education	10	10	0	To be programmed					
Sub-totals	15	15	1						
Education Services									
School Improvement	60	30							Reduced days due to Estyn assurance
- School Balances			5	Complete					
- Travel costs			0	Nov 12					
Rhyl High School	15	15	10	In progress					
Sub-totals	75	45	15						
Environment									
Trade Refuse	25	26	25	Draft report					Project took longer than planned
Sign Shop	20	20	0	To be programmed					
Countryside Services	25	25	0	Jan 13					
Public Realm	40	45	42	Draft report					Project took longer than planned
Corporate Health & Safety	15	10	9	Draft report					Project took less time than planned
Sub-totals	125	126	76						
Finance & Assets									
Travel & Subsistence	20	25	25	Complete					Project took longer than planned
Property Management	20	20	0	Mar 13					
Sub-totals	40	45	25						

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Internal Audit Operational Plan	Original Planned Days	Revised Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Reason for Plan Revision
Highways & Infrastructure									
Passenger Transport	15	0	0	Deleted					Project replaced with Home to School Transport review
Business Continuity Planning	2	2	2	Complete	Amber	0	1	0	
Traffic & Transportation	20	0	0	Deleted					Agreed with Head of Service to replace with review of Winter Maintenance
Street Lighting	15	0	0	Deleted					APSE Assurance
Winter Maintenance	0	20	0	Dec 12					Requested by Head of Service
Flood Risk Management	0	10	0	To be programmed					Additional risk identified
Major Projects	0	2	2	Complete					Completion of 2011/12 project
Home to School Transport	0	21	21	Complete	Yellow	1	2	10	Collaboration project with CCBC Internal Audit
Sub-totals	52	55	25						
Housing & Community Development									
Housing Services	20	20	0	Feb 13					
Strategic Regeneration	25	25	2	Preparation					
Housing Maintenance	0	21	20	Draft report					2011/12 project completion
Sub-totals	45	66	22						
Legal & Democratic Services									
Democratic Services	5	3	0	To be programmed					Scope reduced to look at Whistleblowing 7 Anti-Fraud policies
Translation Service	0	11	11	Complete	Yellow	0	1	1	Project arising from Service Challenge
Sub-totals	5	14	11						

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Internal Audit Operational Plan	Original Planned Days	Revised Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Reason for Plan Revision
Communication, Marketing & Leisure									
Archives Service	20	0	0	Deleted					Await outcome of Information Management review
Leisure Services	1	1	0	To be programmed					
Community Buildings - Rhyl Town Hall	0	6	6	Complete	Yellow	0	0	10	2011/12 project completion
Pavilion Theatre, Rhyl	0	47	45	Draft report					2011/12 project completion
Leisure Centres	0	1	0	To be programmed					Review risk relating to Corwen Leisure Centre
Integrated Children's Centres	0	15	0	To be programmed					HoS request for review of operations and controls
Sub-totals	21	70	51						
Planning & Public Protection									
Community Enforcement	30	0	0	Deleted					Await service reorganisation
Food & Health & Safety Enforcement	10	0	0	Deleted					Await service reorganisation
Trading Standards	10	0	0	Deleted					Await service reorganisation
Contingency for input to Public Protection service reorganisation	0	10	0	As requested					Head of Service request to replace above work
Sub-totals	50	10	0						
Strategic Human Resources									
Strategic HR	0	19	19	Complete	Amber	0	1	10	2011/12 project completion
Sub-totals	0	19	19						

Internal Audit Operational Plan	Original Planned Days	Revised Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Reason for Plan Revision
ICT & Business Transformation									
IT Service Desk, Incident & Problem Management	20	20	0	Feb 13					
IT Service Continuity Management	2	1	1	Complete					Project took less time than planned
IT Operations Management	20	22	21	In progress					Project took longer than planned
IT Configuration	15	0	0	Deleted					Head of Service request for postponement due to level of regulatory inspection in 2012/13
IT Project Management	15	20	16	In progress					Project took longer than planned
Sub-totals	72	63	38						
Corporate Areas of Work									
Data Protection & FOI	20	35	32	Draft report					Project took longer than planned
Relief, Casual & Agency Staff	0	15	5	In progress					Issue arising from HR process review & part of efficiencies compact
Consultant payments	0	10	2	In progress					Part of efficiencies compact
Sub-totals	20	60	39						
External Contract Work									
Countryside Council for Wales	165	165	138	In progress					
North Wales Police Authority	200	210	90	In progress					Additional work requested
School Fund Audits	30	35	33	In progress					Additional work requested
Sub-totals	395	410	260						

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Internal Audit Operational Plan	Original Planned Days	Revised Planned Days	Days to Date	Current Status	Audit Assurance	No. of Critical Issues	No. of Major Issues	No. of Moderate Issues	Reason for Plan Revision
Other Areas of Work & Contingencies									
Consultancy & Corporate Work	185	140	73	In progress					Less time spent than planned
Follow up reviews	50	50	24	In progress					
IA collaboration	50	20	11	In progress					Less time spent than planned
Frauds & Investigations	80	50	1						Less time spent than planned
-National Fraud Initiative			9	Complete					
-Purchasing Cards			2	Complete					
-Ysgol Clawdd Offa			8	Complete					
Corporate Priorities & Efficiencies Work	10	25	14	In progress					Contingency days following agreement of new Corporate Plan
Sub-totals	375	285	142						
IA Support									
Management & Admin	350	380	218						New members of team resulting in increased management time and training requirements
Training	70	90	65						
Sub-totals	420	470	283						
Grand Totals	2120	2146	1163						

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Conwy Internal Audit Services
Denbighshire Internal Audit Services

Home to School Transport

October 2012



Mike Halstead 01492 576210
mike.halstead@conwy.gov.uk

Ivan Butler 01824 706809
ivan.butler@denbighshire.gov.uk

Mike Halstead, Head of Audit & Procurement, Conwy County Borough Council
Ivan Butler Head of Internal Audit Services, Denbighshire County Council

Purpose & Scope of Review

Conwy County Borough Council's (CCBC) S151 Officer requested a joint internal audit review of Home to School Transport due to his concerns over financial management of the collaboratively delivered service.

CCBC's internal audit service led the review that included:

- financial management
- collaboration
- operational management & performance
- regulatory compliance

As the Home to School Transport is still going through the integration process, we found it difficult to provide a report on the integrated service in some areas. Where there are risks or issues clearly relating to only one of the local authorities, we have identified this. We have also provided separate Assurance Ratings below.

Assurance Rating

(Based on areas reviewed)

	High Assurance	Risks and controls well managed
DCC	Medium Assurance	Risks identified but are containable at service level
	Low Assurance	Risks identified that require meeting with Corporate Director/Lead Member
CCBC	No Assurance	Significant risks identified that require member / officer case conference

Audit Opinion

The home to school transport service has been through a turbulent period because of collaboration and still has a significant way to go to deliver an effective and efficient service. Our review has raised several operational issues that need to be addressed, including critical and major risk areas to improve the governance of the collaboration arrangements and service performance.

Although Denbighshire County Council's (DCC) service was previously seen as an area of good practice, it is clear that the collaborative working arrangements between Conwy County Borough Council (CCBC) and DCC have suffered through poor project planning, a lack of information, and resource issues at the commencement. By not using a project management methodology, the collaboration lacked clear direction and decision making prior to implementation. From the outset, there have been resource issues and lack of accurate information due to the ONE system not being up to date and the loss of CCBC's contract files.

Although the Joint Collaboration Board (JCB) and the Collaboration Officer Group (COG) provide the opportunity for robust governance arrangements to monitor the collaboration, they have not held the service accountable by reviewing progress reports and have not therefore provided effective challenge and monitoring.

This review was commissioned to identify the reasons for the budget overspend in CCBC, and it is clear that financial management in both DCC and CCBC has not been effective. We are unable to provide an informed opinion on DCC's processes due to the absence of the relevant Finance Officer during our review. CCBC's home to school transport financial management relies on the ONE system but, as this system has not been regularly updated, poor management information has significantly contributed to the projected overspends for 2011/12 and 2012/13 not being identified and reported promptly.

The service has implemented some good management processes, in particular relating to procurement and it generally complies with regulatory and corporate requirements. However, overall, operational management needs to improve and we have raised several risks in this area, in particular, staff resources issues. The service needs to improve its management of contracts, make sure that safeguarding, performance management and health and safety procedures are robust, and ensure that operators have the required insurance cover and comply with VAT regulations.

As the service is still integrating, we have provided separate Assurance Ratings for DCC and CCBC. The 'No Assurance' rating for CCBC is due to the poor management information supply impacting upon financial management, resulting in weakened budgetary control.

Action Plan

Audit Review of: Home to School Transport
Date: October 2012
Action Plan Owner: Joint Head of Highways & Infrastructure

Corporate Risk/Issue Severity Key	
	Critical – significant CET and Cabinet intervention
	Major – intervention by SLT and/or CET with Cabinet involvement
	Moderate – containable at service level. Senior management and SLT may need to be kept informed

Risk/Issue No.	Risk/Issue	Action	Who	When
1.	Budgetary control in the Home to School Transport service in CCBC will not improve unless: 1. there is liaison between the Section Manager: Passenger Transport and the Systems Analyst to arrange specific training on the ONE system for all relevant employees; 2. all outstanding training issues are addressed; 3. the ONE system is updated promptly so that data is accurate and comprehensive; and 4. operator invoices are closely checked to contract prices on the ONE system. 5. reporting of budgetary performance is undertaken on a monthly basis.	1. Training complete 2. No outstanding training issues 3. ONE is updated for all new requests and during the school review process. This does not account for historic inaccuracies. 4. This will require additional resources 5. Budgetary meetings programmed and commenced	1. Section Manager 2. Section manager 3. Joint Head of Service (JHOS) 4. JHOS 5. Principal Accountant/ Section Manager	1. Completed 2. Completed 3. April 2013 (end of RFQ process) 4. Dependent upon business case (below) 5. On-going

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Risk/Issue No.	Risk/Issue	Action	Who	When
2.	Due to a restructure within Finance and some members of staff being on maternity leave, DCC was not able to provide adequate staffing resources and cover in its Accountancy service to ensure that the school/college transport budget was monitored effectively. If this situation reoccurred in the future, it may result in inadequate budget monitoring and a lack of up to date accurate information to facilitate management intervention where needed.	<p>The situation that happened at the time of the review was exceptional. Contingency plans existed but, due to the number of vacancies within Finance and people on maternity leave, we could not put these plans in place. Prior to the officer going on maternity leave, forecasting was up-to-date and the budget was significantly underspent; therefore, we deemed the risk around a budget deficit occurring during the period as minimal.</p> <p>Cover was provided from February 2012 until the officer returned from maternity leave in September 2012.</p> <p>The new Finance structure is in place to provide this resilience. In future, work will be more standardised and there will be opportunity to train more employees in specialist areas such as home to school transport.</p>	DCC Chief Accountant	March 2013
3.	The service has not agreed a clear, unambiguous and measurable method of apportioning costs of managing the service between CCBC and DCC in a SLA. Lack of a recharging method may result in the levying of disputed charges and undermine confidence in the collaboration principle, in both this joint service and any future collaborative opportunities.	<p>Corporate methodology awaited for collaboration projects.</p> <p>In the interim, officers will continue to assess percentages of time spent on each authority's transport periodically</p>	<p>JHOS and S151 officers</p> <p>Section Manager</p>	<p>Before March 2013</p> <p>Before March 2013</p>

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Risk/Issue No.	Risk/Issue	Action	Who	When
4.	CCBC did not increase its home to school transport budget for 2012/13 in light of the 2011/12 outturn. If the service does not take immediate steps to identify where it can reduce expenditure and avoid or minimise future increases, it is inevitable that 2012/13 budget will be overspent.	RFQ & subsequent tender programme in place from June 2012. T & F Group established	JHOS	On-going to April 2013
5.	Although governance arrangements are in place in the form of the JCB and the COG, these bodies have not held the home to school transport service accountable due to a lack of progress reporting. The JCB and COG have not therefore provided effective challenge and monitoring of the service.	Reporting to JCB and COG for guidance	JHOS	October 2012
6.	Not using a project management methodology for the home to school transport collaboration means that future projects will not benefit from lessons learned and may fail to deliver desired outcomes and drive improvement.	Lessons learned to inform any future integration or collaboration	JHOS	On-going
7.	Documented procedures are not in place for all areas of the service, e.g. inspections and the network officer's role, which could lead to a lack of clarity, compliance and consistency in service delivery. When procedures are in place, the service will need to ensure that it has a robust process to ensure staff awareness.	The existing draft Network Officer's procedure is forming the basis for a regional procedure in terms of tendering and contract management via Value Wales, to be agreed. Monitoring & payments procedures complete. All other procedures extant. Most reviewed	Section Manager	Nov 2012 (subject to Value Wales) Completed
8.	Transport operators are not always returning signed contracts, so agreements are not formalised in the event of dispute and the service may not be able to enforce its terms and conditions effectively. There is no indicator on the ONE system to show cases where operators have failed to return signed tender documents and no robust process to chase up the operators to ensure that they return signed contracts.	In progress	Section manager	Autumn half-term

Risk/Issue No.	Risk/Issue	Action	Who	When
9.	<p>Transport operators are able to terminate contracts early and subsequently re-tender for the same contract at a higher price. If this practice continues and becomes common, it will have a significant financial impact on the service.</p> <p>The service may need to seek legal advice to determine the possibility of excluding operators from tendering for contracts that they have surrendered when the subsequent re-tendering exercise is undertaken.</p>	Legal advice now sought	Section Manager	Completed
10.	The Conditions of Contract stipulate that operators should " <i>risk assess all transport operations and routes before the start of a contract</i> ". These risk assessments are not in place in all cases, increasing the likelihood of risks not being identified, legal challenge and Health & Safety Executive intervention in the event of an incident or accident.	Suppliers requested to sign any outstanding paperwork (noting that there remains written confirmation in place and claims are signed stating they are bound by terms)	Section Manager	November 2012
11.	Regular bus pass inspections are not being undertaken to ensure that only eligible pupils travel on school buses. Operators need to ensure that their drivers only allow eligible pupils to travel, as there is a potential financial cost to the service of having to provide additional transport if buses are full of ineligible pupils.	Disagree with audit recommendations. Requires discussion at TOWG	TOWG	October 2012
12.	The majority of DCC Passenger Assistants' ID badges expired in 2010, so they do not hold current ID badges. There is no record of badge holders to ensure that expired badges are renewed on time and only authorised people are acting as Passenger Assistants.	All ID badges are up to date	Section Manager	Completed

Risk/Issue No.	Risk/Issue	Action	Who	When
13.	Our testing found one instance of a Passenger Assistant's CRB dated 2006 in CCBC. Although controls are generally good in this area, this instance highlights the need to improve procedures to ensure that safeguarding controls are watertight and that this employee's CRB is updated as soon as possible.	This related to a single renewal. In the continued absence of guidance corporately on renewals, all CCBC CRBs are up to date in line with DCC's policies	Section Manager	Completed
14.	In CCBC, the service is not measuring its performance as required in the SLA with Education and, in DCC, there is no SLA to allow measurement. By failing to monitor the various service standards, quality of provision and performance indicators, etc., the service will be unable to measure how well it is performing against predetermined targets.	CCBC SLA requires redrafting to reflect capacity issues and parameters No requirement for DCC SLA but in discussion over customer service standards	TOWG Section Manager	October 2012 March 2013
15.	Some operators are not insured at the required levels for both Public (£5m) and Employers (£10m) Liability, and the service does not always chase operators promptly to provide evidence of their insurance renewal. In the event of an incident or accident, the local authority would become liable for any insurance claim, with potentially significant financial and reputational implications.	All insurance is up to date at time of passing payments. Suppliers being checked to ensure correct limits (note some CCBC contracts are expired)	Section Manager	Complete November 2012
16.	In DCC, the service has processed invoices where the operator provided proforma invoices rather than legitimate VAT invoices. This means that the operator receives VAT income to which they are not entitled and the local authority reclaims VAT to which is it not entitled. Regulations state that VAT must only be paid to operators submitting VAT invoices bearing a unique VAT registration number.	Suppliers using old forms have new ones sent with space for VAT number (as appropriate)	Section Manager	Complete

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Risk/Issue No.	Risk/Issue	Action	Who	When
17.	The home to school transport service collaboration has been under-resourced, resulting in established procedures being set aside. There is, therefore, a need for the service to review its business plan to include the identification of any resource shortages and report any issues to the Joint Collaboration Board.	Review of business plan (to include risk 1.4 above)	JHOS	November 2012
18.	Contracts relating to Conwy service users have expired and not been re-tendered as planned. The service does not have a phased programme for re-tendering of contracts to avoid a situation where all contracts expire simultaneously.	Agreed RFQ programme in place from June 2012 with a view to full tender around Eastertide 2013	Section Manager	On-going

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Background & Context

In February 2012, CCBC's S151 Officer expressed his concerns over an apparent budget overspend in excess of £290k within the service in CCBC and requested a joint internal audit review to establish the reasons. As both CCBC and DCC were already considering full internal audit reviews of home to school transport, they agreed to carry out a full operational review of the service together, with CCBC leading the review.

In 2008/9, the Wales Audit Office (WAO) and CCBC's Internal Audit Service carried out a joint review of CCBC's home to school transport service and rated it as 'unsatisfactory'. A subsequent follow up found some improvement and changed the rating to 'adequate', as several improvements were still outstanding. As this service had not been audited in DCC, there are no previous audit opinions available; however, regionally and nationally, DCC's service had received recognition as demonstrating good practice.

Highways & Infrastructure initially managed the school transport service in CCBC before it transferred to Community Development, and then returned to Highways & Infrastructure. It returned without managerial support, so CCBC appointed an interim, part-time manager. In June 2010, DCC seconded an officer to CCBC, who produced an action plan that identified the need to update all contract information on the ONE System. The target date for completion of this critical task was 31 July 2010, but other day-to-day demands of her role meant that she could not meet this target, so the ONE system was not fully updated. The service manager confirmed that no action was taken to assess the status of data then held in the system.

To address these problems, and following a report to both organisations' Cabinets in December 2010, CCBC and DCC established a collaborative working service in relation to home to school transport in February 2011. CCBC's Education service and the Highways & Infrastructure service drew up a service level agreement (SLA), setting out roles and responsibilities.

From the start, there were resource issues, with the only two remaining CCBC employees transferring to DCC and management being unable to appoint further employees promptly due to the need to comply with the job evaluation process. In January 2011, an agency worker was employed to contact all Conwy operators to confirm contract details due to the disappearance of contract files during the formation of the joint service and the fact that the ONE system had not been updated and maintained. That agency worker left in July 2011, and it is unclear how much of the task had been completed. This left the Transport Section unable to undertake a tendering exercise prior to September's pupil intake and, therefore, unable to achieve identified savings.

Note: The ONE system is a database used by CCBC that provides information relating to the home to school transport service in respect of routes, operators, contracts, journeys linking pupils to routes, drivers and passenger assistants, contract payments and can link to the Geographical Information System to determine free transport eligibility.

Review Outcomes & Risks Arising

Financial Management

Opinion	Financial management in both DCC and CCBC gives cause for concern. We are unable to provide an informed opinion on DCC's processes due to the absence of the relevant Finance Officer. The failure by the service to improve and maintain the ONE system data has resulted in incomplete and inaccurate information, preventing prompt identification and reporting of the budgetary deficiency in the CCBC home to school transport service.
Key Areas Managed Well	The Transport Officers Working Group meets regularly and includes budget discussions within its agenda; however, there was a failure in the regular reporting of financial information. It has discussed the current overspend at its last few meetings but is awaiting the outcome of our review before taking any action.
Risk/Issue 1 Critical	CCBC's home to school transport budgetary control relies on the ONE system being up to date. DCC also intends to use the system to manage its home to school budget as the collaborative service develops. However, there is a lack of understanding of and confidence in the system, which has contributed to it not being regularly updated, despite the difficulties this causes, as a demand led service, being made known to the service manager. This has contributed to the projected overspend for 2011/12 and its increase to £549k in 2012/13 not being identified and reported promptly.
Risk/Issue 2 Moderate	DCC's Accountancy Section did not monitor its home to school transport budget between November 2011 and March 2012 due to staffing shortages within the Section. The Chief Accountant explored various options in order to provide this cover. If the situation was to reoccur in the future, a lack of succession planning and cover within the service could lead to budget deficiencies not being identified and reported promptly.
Risk/Issue 3 Major	There is no agreement in place to determine how DCC should recharge CCBC for work undertaken on its behalf. With no mechanism for identifying/quantifying costs, DCC is unable to justify charges. Similarly, CCBC cannot justify expenditure.
Risk/Issue 4 Critical	CCBC did not increase its current year's budget for home to school transport in light of the 2011/12 outturn. Unless the service implements immediate steps to reduce expenditure, it is inevitable that 2012/13 budget will be overspent.

Collaboration

Opinion

The failure to adopt a project management methodology contributed to a lack of clear direction and decision making prior to implementing the home to school transport collaboration. Although robust governance arrangements are in place for monitoring the collaboration, the service is not being adequately held to account in terms of progress towards operational effectiveness.

Key Areas Managed Well

A Joint Collaboration Board (JCB) comprising elected members and senior managers from both local authorities oversees collaboration between DCC & CCBC. In addition, there is also a Collaboration Officers Group (COG), which considers issues relating to all aspects of collaborative working. These groups are evidence of good governance arrangements.

Risk/Issue 5 Critical

Although governance arrangements are in place in the form of the JCB and the COG, these bodies have not held the home to school transport service accountable due to a lack of progress reporting. The JCB and COG have not monitored progress in this collaboration effectively.

Risk/Issue 6 Moderate

Not using a project management methodology for the home to school transport collaboration means that there has been no post-project review to learn lessons for future projects of this kind. Employees were not clear of their responsibilities and there was a lack of planning in establishing what resources, procedures and systems were needed and what contracts were in place.

Operational Management & Performance

<p>Opinion</p>	<p>Some good processes are in place and the service is developing operational procedures; however, there are several areas where the service needs to improve. In particular, we have raised several risks relating to management of contracts, and the service needs to make sure that its safeguarding, performance management and health and safety procedures are robust.</p>
<p>Key Areas Managed Well</p>	<p>The service has developed new operational procedures for most areas of the collaborative arrangements, although it needs to ensure that all relevant employees are aware of them.</p> <p>Following the September intake, Network Officers review the capacity of each vehicle to see if it is cost effective to run, depending on the size of the vehicle and pupil numbers.</p> <p>Robust procedures are in place for licensing of drivers.</p> <p>Overall, controls to ensure that Criminal Record Bureau (CRB) checks are in place and kept up to date are good.</p> <p>The service has adopted the Welsh Government's Travel Behaviour Code, which came into force in January 2010.</p> <p>The service has an Operational Plan 2012/13, although this needs developing to determine the future position of the service and the resources required to deliver this.</p>
<p>Risk/Issue 7 Moderate</p>	<p>Documented procedures are not in place for all areas of the service, e.g. inspections, which could lead to a lack of clarity, compliance and consistency in service delivery.</p>
<p>Risk/Issue 8 Moderate</p>	<p>Transport operators are not always returning signed contracts, so agreements are not formalised in the event of dispute and the service may not be able to enforce its terms and conditions effectively.</p>
<p>Risk/Issue 9 Moderate</p>	<p>Transport operators are able to terminate contracts early and subsequently re-tender for the same contract at a higher price. If this practice continues and becomes common, it will have a significant financial impact on the service. Although some improvement is evident in the commissioning of individual service delivery by use of the Request for Quote system, that system also provides operators the opportunity to inflate prices disproportionately.</p>
<p>Risk/Issue 10 Moderate</p>	<p>The Conditions of Contract stipulate that operators should "<i>risk assess all transport operations and routes before the start of a contract</i>". These risk assessments are not up to date in all cases, increasing the likelihood of risks not being identified, legal challenge and Health & Safety Executive intervention in the event of an incident or accident.</p>

Risk/Issue 11 Moderate	<p>A recent inspection of bus passes highlighted that a significant number of ineligible pupils were using the service. We understand that drivers may be unwilling to challenge pupils but this increases the risk of the system being abused at a potential financial cost to the service of having to provide additional transport if buses are full of ineligible pupils.</p>
Risk/Issue 12 Moderate	<p>The majority of DCC Passenger Assistants' ID badges expired in 2010. Although they have been asked to apply for a new badge, there is no record of badge holders, so no control to ensure that expired badges are renewed on time and only authorised people are acting as Passenger Assistants.</p>
Risk/Issue 13 Moderate	<p>Our testing found one instance of a Passenger Assistant's CRB dated 2006 in CCBC. Although controls are generally good in this area, this instance highlights the need to improve procedures to ensure that safeguarding controls are watertight.</p>
Risk/Issue 14 Moderate	<p>The service is not measuring performance and is not, therefore, able to recognise where it needs to improve. This is a requirement of the SLA in place with CCBC, but, there is no SLA in place at DCC. This is particularly important as the service has two client departments in two authorities and needs to demonstrate consistency of performance between them.</p>

Regulatory Compliance

Opinion	The service is generally complying with regulatory and corporate requirements, but needs to ensure that operators have the required insurance cover and comply with VAT regulations.
Key Areas Managed Well	<p>Appropriate tendering procedures are in place and the service applies financial penalties when operators breach contract conditions.</p> <p>The service is successfully using the Request for Quotes system, which brings greater transparency to the procedures for awarding contracts at short notice. However, we are aware of some concerns amongst Taxi Operators regarding this process.</p> <p>The service is applying eligibility criteria for free travel that complies with The Learner Travel (Wales) Measure 2008.</p> <p>Several employees within the Transport Section can carry out inspections to ensure contract compliance. The service maintains a record of these inspections.</p> <p>Our testing found that both CCBC and DCC are meeting taxi licensing requirements.</p>
Risk/Issue 15 Moderate	<p>Our testing found instances where operators did not have either the Employers or Public Liability insurance or the Employers Liability insurance was less than the required minimum £10m. In addition, we also found three cases where the service did not chase up operators promptly to provide evidence of their insurance renewal. This increases the risk of operators working without insurance, with a potential legal and financial impact on the service in the case of an accident or incident.</p>
Risk/Issue 16 Moderate	<p>In DCC, two operators are claiming VAT but submitting proforma invoices rather than legitimate VAT invoices. The service is therefore incorrectly processing payments, which will lead to the Council submitting an incorrect VAT return.</p>
Risk/Issue 17 Major	<p>The Section Manager, Public Transport stated that due to the additional work involved in delivering the CCBC home to school transport service with an under resourced workforce, the service has suffered as a result, with a number of embedded procedures having to be set aside in order to deal with the new service provision.</p>
Risk/Issue 18 Major	<p>A planned re-tendering of CCBC expired contracts during 2011/12 was not undertaken and the projected savings of £60k were not realised. In addition, expired contracts have been extended with an uplift of between 2% - 5% being paid to operators.</p>

Overspend on CCBC Budget

Opinion

Home to school transport is a demand led service, which relies upon accurate, complete and up-to-date information to enable effective budgetary monitoring and control. It is apparent that the joint service has experienced resource issues that have resulted in a failure to improve and maintain the ONE system effectively. This has resulted in the late identification of a budget deficiency, leaving little or no time to instigate remedial measures during 2011/12 or plan appropriately for 2012/13.

**See Risk/
Issue 1
Critical**

During the period June to December 2011, the number of home to school transport service delivery arrangements has increased, and some existing arrangements had variances applied to them, resulting in an increase in the value of daily committed budget as follows:

SEN	£1496
Taxi/Minibus	£1636

	£3132 x 126 days (Sep-Mar) =£408,940

The figures above include £19k in payments for inflationary pressure on expired contracts that had been extended. Due to the ONE system not being maintained, this information was not available / identified until January 2012.

Report Recipients

- Joint Head of Highways & Infrastructure – Stuart Davies
- Head of Operations – Mike Hitchings
- Section Manager: Passenger Transport – Peter Daniels
- Corporate Director: Economic & Community Ambition – Rebecca Maxwell
- Corporate Director: Customers – Hywyn Williams
- Lead Member for Public Realm – Cllr David Smith
- Lead Member for Finance & Assets – Julian Thompson Hill
- Chair of Performance Scrutiny Committee – Cllr Colin Hughes
- Performance Scrutiny Member – Cllr Peter Owen
- Corporate Governance Committee members
- Democratic Services Manager – Steve Price
- Scrutiny Support Officer – Rhian Evans

Key Dates

Review commenced	March 2012
Review completed	April 2012
Proposed date for 1 st follow up review	November 2012
Report to Corporate Governance Committee	14 November 2012

Adroddiad i:	Pwyllgor Rheolaeth Gorfforaethol
Dyddiad y Cyfarfod:	14 Tachwedd 2012
Aelod/ Swyddog	Jackie Walley, Pennaeth Cefnogaeth Cwsmeriaid ac Addysg
Arweiniol:	
Awdur yr Adroddiad:	Swyddog Cwynion Corfforaethol
Teitl:	Adroddiad Blynyddol Eich Llais 2011–12

1 **Beth yw pwnc yr adroddiad?**

Mae'r adroddiad yn rhoi trosolwg o gwynion a chanmoliaethau a dderbyniwyd gan Gyngor Sir Dinbych o fewn polisi adborth y cyngor 'Eich Llais' yn ystod y cyfnod 1 Ebrill 2011 i 31 Mawrth 2012.

2 **Beth yw'r rheswm dros gyflwyno'r adroddiad hwn?**

Bydd yr adroddiad yn rhoi trosolwg i'r Pwyllgor o'r nifer a'r mathau o adborth a dderbyniwyd yn ystod 2011/12 a sut roedd y cyngor yn perfformio o safbwynt delio ag adborth.

Mae Ombwdsmon Gwasanaethau Cyhoeddus Cymru'n cyhoeddi Adroddiad a Llythyr Blynyddol. Bydd yr adroddiad hwn yn rhoi ymateb y Cyngor i'r Pwyllgor.

Bydd yr adroddiad yn rhoi manylion i'r Pwyllgor am ddatblygiadau'r dyfodol fydd yn cael effaith ar "Eich Llais".

3 **Beth yw'r Argymhellion?**

3.1 Bod y Pwyllgor yn nodi'r awgrymiadau am wella perfformiad y cyngor wrth ddelio â chwynion.

3.2 Aelodau i awgrymu unrhyw wybodaeth ychwanegol y maen nhw'n dymuno ei chynnwys yn yr adroddiad blynyddol nesaf.

4 **Manylion yr adroddiad**

Penawdau

Roedd yr 'adborth' a gofnodwyd yn 2011/12 26% yn llai o gymharu â 2010/11.

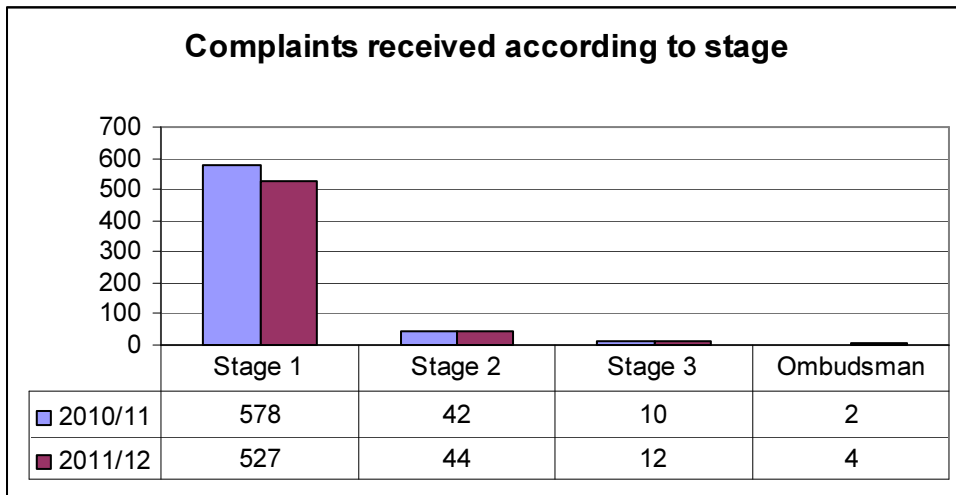
Roedd y cwynion yn 7% yn is a'r canmoliaethau i lawr o 42%.

Ymatebodd y Cyngor i 81% o gwynion o fewn yr amserlenni cyhoeddedig. Roedd hyn yn welliant ar y flwyddyn flaenorol (77%).

O 587 o gwynion, roedd 38% naill ai wedi'u cynnal neu eu cynnal yn rhannol.

Roedd cynnydd bychan yn y nifer o gwynion a ystyriwyd yn ystod camau 2 a 3 y broses.

Cwynion a ystyriwyd o fewn 'Eich Llais'



Deliwyd â'r mwyafrif o gwynion yn ystod cam 1 y broses gwynion.

Roedd y nifer o gwynion a gofnodwyd yn gostwng yn 2011/12 ac eto mae'r nifer oedd yn cael eu hystyried yng nghamau 2 a 3 wedi cynyddu.

Deilliannau cwynion

Deiliant	C1	C2	C3	C4	Cyfanswm	Cyfran
Wedi'u cynnal	37	24	27	42	130	22%
Wedi'u cynnal yn rhannol	20	25	26	24	95	16%
Symudwyd i fyny i'r cam nesaf	2	5	1	1	9	2%
Cyfeiriwyd at weithdrefnau eraill	7	7	1	7	22	4%
Heb eu cynnal	93	110	58	48	309	53%
Wedi'u tynnu'n ôl	10	0	8	4	22	4%
CYFANSWM	169	171	121	126	587	100%

Roedd 38% o'r cwynion naill ai wedi'u cynnal yn llawn neu'n rhannol sy'n golygu bod y Cyngor wedi derbyn ei fod wedi gwneud camgymeriad. Mae'n arwydd bod adrannau'n barod i gydnabod methiannau o fewn eu gwasanaethau.

Ymateb i gwynion o fewn amserlenni cyhoeddedig

2010/11	C1	C2	C3	C4	Cyffredinol
Cyfanswm	162	165	144	161	632
Mewnol	125	119	118	126	487
%	77%	72%	82%	78%	77%

2011/12	C1	C2	C3	C4	Cyffredinol
Cyfanswm	169	171	121	126	587
Mewnol	141	156	91	87	475
%	83%	91%	75%	69%	81%

Targed y cyngor yw ymateb i 95% o gwynion o fewn amserlenni cyhoeddedig. Gellir gweld o'r tabl uchod bod y cyngor ymhell o gyflawni'r targed hwn er waethaf gwelliant yn ystod 2011/12.

Cwynion a wnaed i Ombwdsmon Gwasanaethau Cyhoeddus Cymru (PSOW)

Adrodd fesul categori i'r PSOW	CYFANSWM Corfforaethol	Cyfran gorfforaethol	CYFANSWM PSOW	Cyfran PSOW
Gwasanaethau Cymdeithasol Oedolion	41	6.98%	2	5.26%
Gweinyddu Budd-daliadau (Treth Cyngor/ Tai/Arall)	1	0.17%	2	5.26%
Gwasanaethau Cymdeithasol Plant	39	6.64%	0	0.00%
Cyfleusterau yn y Gymuned, hamdden ac adloniant	0	0.00%	0	0.00%
Addysg	4	0.68%	2	5.26%
Amgylchedd a Iechyd Amgylcheddol	199	33.90%	3	7.89%
Cyllid a Threth Cyngor	24	4.09%	1	2.63%
Tai	79	13.46%	9	23.68%
Cynllunio a rheoli adeiladu	40	6.81%	11	28.95%
Ffyrdd a thrafnidiaeth	68	11.58%	2	5.26%
Amrywiol eraill	92	15.67%	6	15.79%
	587	100.00%	38	100.00%

Cyflwynwyd 38 cwyn i'r PSOW yn ystod 2011/12. Roedd hyn yn gynydd o'r flwyddyn flaenorol (31) ac yn uwch na chyfartaledd Awdurdodau Lleol Cymru (27).

Ystyriodd yr Ombwdsmon bod 17 yn 'gynamserol' ac fe'u cyfeiriwyd yn ôl at y Cyngor i ddelio â nhw o fewn ein gweithdrefn gwynion. Mae hyn yn awgrymu bod angen gwella ymwybyddiaeth o bolisi cwynion y cyngor ei hun.

O'r cwynion a dderbyniwyd gan y PSOW, dim ond 2 gafodd eu hymchwilio. Mae hyn yr un nifer â'r flwyddyn flaenorol a'r 'cyfartaledd' i Awdurdodau Lleol Cymru.

Datblygiadau wrth ddelio â chwynion

Cyhoeddodd Llywodraeth Cymru (LIC) ac Ombwdsmon Gwasanaethau Cyhoeddus Cymru (PSOW) 'Fodel o Bolisi Cwynion' i'r holl gyff cyhoeddus yng Nghymru ym mis Gorffennaf 2011. Roedd hyn yn argymhell mabwysiadu proses gwyno **dau gam**. Ar hyn o bryd, mae gennym broses tri cham. Mae Atodiad A yn rhoi manylion sut mae'r newid yn effeithio ar ein polisi adborth.

Mae prosiect 'Adborth Corfforaethol' ar y gweill i archwilio'r polisi presennol. Mae hefyd yn ymwneud â rhaglen waith ehangach i wella profiad cwsmeriaid drwy sicrhau bod yr holl wasanaethau'n cyflenwi gwasanaeth cyson o'r safon uchaf.

Y bwriad yw bod gennym ddwy safon perfformiad generig yn ymwneud ag adborth ar draws yr awdurdod, sef:

- **ein bod yn delio â chwynion o fewn yr amserlen gyhoeddedig; a**
- **bod gwelliannau i'r gwasanaethau'n cael eu hystyried o ganlyniad i adborth cwsmeriaid**

Blaenoriaethau ar gyfer "Eich Llais"

Mae gwaith wedi dechrau i wella'r broses adborth a'r modd rydyn ni'n delio â chwynion.

Mae'n rhaid cael newid diwylliannol o fewn y sefydliad ynglŷn â sut rydyn ni'n delio ag adborth gan gynnwys yr angen am annog cwynion a gwella'r modd rydyn ni'n delio â nhw. Bydd hyn yn golygu sicrhau ymagwedd cyson at gofnodi, monitro a delio ag adborth ar draws y sefydliad.

Mae angen gwella ymateb i gwynion a'r nod yw ymateb i o leiaf 95% o gwynion o fewn yr amserlenni a nodwyd. Mae angen dadansoddi'r adborth ac ystyried sut byddwn ni'n defnyddio'r wybodaeth hon i ail-lunio ein gwasanaethau efallai.

Y bwriad yw cyflwyno elfen adborth 'cyn-cwyn' i "Eich Llais" er mwyn annog deialog a rhyngweithio gyda'n cwsmeriaid. Yn y pen draw, bydd hyn yn gwella hyder ein cwsmeriaid yn y sefydliad ac yn dangos ein bod yn gwrando ac yn ymateb i adborth. Gall hyn i ryw raddau wella enw da'r cyngor gan fod ein trigolion a'n cwsmeriaid yn ein cydnabod fel awdurdod sy'n perfformio'n dda.

5 Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?

Un o flaenoriaethau corfforaethol Cyngor Sir Dinbych dros y 5 mlynedd nesaf yw **Profiad Cwsmeriaid**: cyflenwi gwasanaethau a gofal cwsmeriaid rhagorol (Tud. 9 'Cyngor Rhagorol, yn Agos at ei Gymuned 2012 – 2016').

6 Beth fydd y gost a sut bydd yn effeithio ar wasanaethau eraill?

Telir cost adolygu a gweithredu'r polisi/ broses newydd gan y cyllidebau presennol.

7 Pa ymgynghoriadau a gynhaliwyd?

Bydd ymgynghoriad ar y polisi newydd yn dechrau ym mis Tachwedd. Lansiyd yng Nghynhadledd y Rheolwyr Canol ym mis Hydref.

8 Datganiad y Prif Swyddog Cyllid

Ddim yn berthnasol

9 Pa risgiau sydd ac a oes unrhyw beth y gallwn ni ei wneud i leihau'r rhain?

Ddim yn berthnasol

10 Pŵer i wneud y Penderfyniad

Ddim yn berthnasol

Atodiad A – Newid arfaethedig I’r broses gwynion o fewn “Eich Llais”

Cam 1 datrysiad/ ymateb (Gwasanaeth) 'Lleol' 10 diwrnod gwaith

Cam 1 { Anffurfiol Wrth < 1
bwynt y diwrnod
gwasanae gwaith
th
Ffurfiol datrysiad/ 10
ymateb diwrnod
(Gwasana gwaith
eth) 'Lleol'

Cam 1 { Anffurfiol Wrth <1
bwynt y diwrnod
gwasanae gwaith
th
Ffurfiol datrysiad/ 10
ymateb diwrnod
(Gwasana gwaith
eth) 'Lleol'

Cam 2 Ymchwiliad manwl gan Uwch Swyddog, fel arfer, Pennaeth Gwasanaeth 25 diwrnod gwaith

Cam 2 Ymchwiliad manwl gan Uwch Swyddog, fel arfer, Pennaeth Gwasanaeth 20 diwrnod gwaith

Cam 2 Ymchwiliad manwl ac ymateb gan Bennaeth Gwasanaeth 20 diwrnod gwaith

Cam 3 Adolyg dull delio â'r cwyn gan y Prif Weithredwr 15 diwrnod gwaith



Diwedd y broses

Diwedd y broses

Diwedd y broses

Ombwdsmon Gwasanaethau Cyhoeddus Cymru

Ombwdsmon Gwasanaethau Cyhoeddus Cymru

Ombwdsmon Gwasanaethau Cyhoeddus Cymru

Mae tudalen hwn yn fwriadol wag

Adroddiad i:	Y Pwyllgor Llywodraethu Corfforaethol
Dyddiad y Cyfarfod:	14 Tachwedd 2012
Aelod Arweiniol / Swyddog:	Y Cyngorydd Julian Thompson-Hill
Awdur yr Adroddiad:	Pennaeth Cyllid ac Asedau
Teitl:	Adroddiad Diweddarau Rheoli'r Trysorlys (Atodiad 1)

1 Ynghylch beth mae'r adroddiad?

- 1.1 Mae manylion yn Adroddiad Diweddarau Rheoli'r Trysorlys (Atodiad 1) o weithgareddau Rheoli Trysorlys y Cyngor a hefyd y cefndir ynghylch buddsoddiadau a Datganiad blynyddol Strategaeth Rheoli'r Trysorlys.
- 1.2 Mae'r term 'rheoli trysorlys' yn cynnwys rheoli benthyciadau, buddsoddiadau a llif arian y cyngor. Mae tua £0.5 biliwn yn mynd drwy gyfrifon banc y cyngor mewn blwyddyn. Mae benthyciadau'r cyngor ar hyn o bryd yn £134 miliwn a'r llogau blynyddol, ar gyfartaledd, yn 5.75%. Ar unrhyw un adeg o'r flwyddyn bydd gan y cyngor £20-£35 miliwn i'w fuddsoddi a fydd yn ennill, ar gyfartaledd, logau o 0.70%, ar hyn o bryd.

2 Beth yw'r rheswm dros wneud yr adroddiad hwn?

- 2.1 Cytunodd y Cyngor ar 27 Hydref 2009 y bydd llywodraethu rheoli'r trysorlys yn cael ei archwilio gan y Pwyllgor Llywodraethu Corfforaethol. Rhan o'r swyddogaeth hon yw adolygu gwaith Rheoli'r Trysorlys ddwywaith y flwyddyn. Hwn yw ail ddiweddariad y flwyddyn ond mae hefyd wedi'i ymestyn i gynnwys gwybodaeth ynghylch Datganiad Strategaeth Rheoli'r Trysorlys gan ei fod yn dod o flaen yr adroddiad fis Ionawr a fydd yn cynnwys Datganiad Strategaeth Rheoli'r Trysorlys ar gyfer 2013 / 14.

3 Beth yw'r Argymhellion?

- 3.1 Fod yr Aelodau'n nodi'r adroddiad diweddarau Rheoli'r Trysorlys (Atodiad 1).

4 Manylion yr Adroddiad

- 4.1 Mae adroddiad diweddarau Rheoli'r Trysorlys (Atodiad 1) yn cynnwys manylion y canlynol:
 - Yr amgylchedd economaidd allanol
 - Diweddariad ar unrhyw newidiadau yn yr amodau economaidd byd-eang
 - Buddsoddiadau
 - Diweddariad o gyda phwy rydym ni'n buddsoddi a'r sefyllfa bresennol

- Datganiad Strategaeth Rheoli'r Trysorlys
 - Amlinelliad byr o'r hyn sy'n cael ei gynnwys cyn yr adroddiad fis Ionawr
- Dangosyddion Darbodus
 - Eglurhad o'r dangosyddion gan gynnwys manylion o ba bryd y maen nhw'n cael eu gosod a chyflwyniad byr
- Golchi Arian
 - Diweddariad ar y Polisi Golchi Arian yn cadarnhau na chododd unrhyw achos
- Gweithgaredd yn y Dyfodol
 - Diweddariad ar y cynlluniau ar gyfer y chwe mis nesaf

5 Sut y bydd y penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?

- 5.1 Bydd penderfyniadau da ynghylch buddsoddi a benthyca yn golygu y bydd y cyngor yn gallu cyfeirio adnoddau ychwanegol at wasanaethau eraill .

6 Beth fydd y gost a sut y bydd yn effeithio ar wasanaethau eraill?

- 6.1 Amherthnasol

7 Pa ymgynghori a wnaed?

- 7.1 Mae'r Cyngor wedi ymgynghori â'i ymgynghorwyr y trysorlys, Arlingclose Ltd.

8 Pa risgiau sydd ac a oes unrhyw beth y gallwn ei wneud i'w lleihau?

- 8.1 Mae Rheoli'r Trysorlys yn anorfod yn cynnwys risg, ond mae'r Cyngor yn monitro ac yn rheoli'r risgiau hynny fel yr amlinellir yn y prif adroddiad. Fodd bynnag, mae'n amhosibl cael gwared ar y risgiau yma'n gyfan gwbl. Mae strategaeth a gweithdrefnau rheoli trysorlys y cyngor yn cael eu harchwilio bob blwyddyn; roedd yr archwiliad mewnol diweddaraf yn bositif ac ni chafodd unrhyw broblemau arwyddocaol eu codi.

9 Yr Hawl i Benderfynu

- 9.1 Mae Rheoliadau Awdurdodau Lleol (Cyllid Cyfalaf a Chyfrifo) (Cymru) yn gofyn i awdurdodau lleol dalu sylw i Gôd Ymarfer Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifeg ynghylch Rheoli'r Trysorlys sy'n dweud fod yn rhaid i'r Cyngor baratoi diweddariadau rheolaidd yngylch Rheoli'r Trysorlys.

Mae tudalen hwn yn fwriadol wag

Treasury Management Update Report

1 Changes in the external environment

1.1 Economic Outlook

Financial markets are volatile at the moment. The stresses are most extreme in Europe where the lack of real progress in resolving the sovereign debt problem is affecting even the stronger countries. The debt problems have been well publicised with the situation in Greece being the most difficult but with significant risks also facing the Portuguese, Italian and Spanish economies.

With the current instability in the Eurozone and the potential for contagion if a significant bank were to fail or a country were to default, the Council is being very cautious in relation to our current investment strategy and this is likely to continue for the medium term.

2 Investments

2.1 Following the ongoing economic turmoil in the Eurozone, the Head of Finance & Assets decided earlier in the year to limit the Council's exposure to 7 days for all new investments with the UK banks which it invests with as listed below. The decision was made because of concerns about the exposure of UK banks to European countries.

Barclays Bank
Nationwide BS
Royal Bank of Scotland Plc / NatWest Bank Plc
Lloyds TSB Bank Plc / Bank of Scotland Plc

2.2 In practice, this means that all of the Council's cash is now invested in instant access accounts. The total currently stands at £20m and is earning interest at an average rate of 0.75%.

2.3 The Council is also able to invest with the UK Government's Debt Management Office which is currently paying a rate of 0.25%. We have also opened a safe custody account which enables us to purchase Treasury Bills from the Government and these pay a similar rate of return. These options are used as a last resort if safe limits have been reached with financial institutions.

2.4 In view of the limited number of banks which are available now for new investments, the Council intends to reduce its investment balances and to use temporary borrowing as a means of funding short term cash flow requirements.

3 Treasury Management Strategy Statement

Background

- 3.1** We are required to produce a Treasury Management Strategy Statement each year which must be approved by full Council in February. The Corporate Governance Committee will be required to review the Strategy Statement in January prior to approval by Council.

Investment Strategy

- 3.2** The Statement outlines what the Council's treasury position is and what the investment strategy will be for the forthcoming financial year. The strategy lists the types of investments that can be used by the Council and sets limits for each type. The countries and institutions that we are permitted to use are also listed along with an explanation of the rationale for selecting particular countries and financial institutions. The council's treasury strategy puts the safety of investments ahead of yield though prudent options are always considered if appropriate.

Borrowing Strategy

- 3.3** The Statement also outlines the borrowing strategy for the forthcoming year and lists the various sources of borrowing which we are permitted to use. The strategy will outline how the current policy is likely to continue in the medium term. This means that we will continue to reduce our investment balances and rely on internal borrowing as much as possible instead of external borrowing. This is sustainable while the Council has sufficient balances and reserves to avoid the need for external borrowing but this will be monitored throughout the year with a view to externalising borrowing if required.

4 Prudential Indicators

- 4.1** In addition to treasury limits, the Strategy Statement sets prudential indicators which set boundaries within which our treasury management activity operates. The indicators are calculated to demonstrate that the Council's borrowing is affordable and include measures that show the impact of capital and borrowing decisions over the medium term. The Council has remained within all of its borrowing and investment limits for 2012/13 agreed by Council in February 2012. The Council has not deviated from the Capital related indicators either.
- 4.2** There are twelve indicators of which five are capital related and seven are treasury related.

Capital Indicators

- 4.3** The Capital related indicators provide estimates of the capital expenditure over a three year period and are set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax and in the case of the HRA, housing rent levels.
- 4.4** Estimates of the Capital Financing Requirement (CFR) are also provided over a three year period and this is a measure of the Council's underlying need to borrow. The Capital Plan relies on various sources of finance i.e. grants, contributions and capital receipts. Once these are used up, we need to rely on borrowing and the CFR is the amount we need to borrow. The indicators are set to ensure that our borrowing doesn't exceed the CFR by comparing our CFR and borrowing levels for the current and future years.
- 4.5** As each council's capital requirements and funding strategies are different, prudential indicators are designed to show the impact of these relative to the overall position of the Council. They are not necessarily useful as a measure between councils.

Treasury Management Indicators

- 4.6** We are required to set borrowing limits which set the maximum level of our external borrowing over a three year period. These are set with reference to the Council's estimates of the CFR and the limits are based on the Council's existing capital commitments and future proposals for capital expenditure.
- 4.7** The indicators also set upper limits on our exposure to fixed and variable interest rates to manage the extent to which we are exposed to changes in interest rates. These limits give us the flexibility to undertake new loans on a fixed or variable rate basis which will be influenced by expectations of anticipated interest rate movements.
- 4.8** We also set limits on the amount of debt maturing within various time periods to avoid large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates.
- 4.9** The final indicator sets an upper limit for sums invested over 364 days to limit our exposure to long term investments. In practice, we are not investing beyond 7 days in the current climate so this is not applicable at the moment.

5 Money Laundering

- 5.1** The Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it maintains procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that relevant staff are properly trained.
- 5.2** The Head of Finance and Assets has been appointed as the Money Laundering Reporting Officer. There haven't been any cases of money laundering reported since the start of Denbighshire to date and we consider the risk to the Council to be minimal.

6 Future

6.1 TM Strategy for next six months

As stated above, the Council intends to reduce its investment balances and to use temporary borrowing as a means of funding short term cash flow requirements.

6.2 Reports

The next report will be the Treasury Management Strategy Statement and Prudential Indicators 2013/14 which will be reported to the Corporate Governance Committee in January and to Council in February.

ADDENDUM

1 Updated Investment Advice

- 1.1 The Council's treasury advisers, Arlingclose Ltd, have been monitoring economic and political developments in the UK, Europe and globally and they are now comfortable with extending the duration limits with the banks which we use. As reported in the TM Update Report, the Council's current policy is to limit all investments to 7 days but the latest advice was received after the report had been submitted so this has been added as an addendum. We have considered the advice received from our advisers and we intend to relax our criteria and extend the current self imposed 7 day time limit to reflect the limits shown below.
- 1.2 The latest advice received from our advisers is to increase our duration limits with the following UK banks which are currently used by the Council:
 - Royal Bank of Scotland (RBS), National Westminster, Lloyds TSB and Bank of Scotland for a maximum period of **6 months**;
 - Nationwide BS and Barclays for a maximum period of **12 months**.
- 1.3 We wouldn't gain by using the first option listed above because we are earning 0.8% with RBS/National Westminster and 0.75% with Lloyds TSB/Bank of Scotland in instant access call accounts. We would need to invest for 9 months with RBS to earn 0.8% so there is no gain to be had by taking advantage of the option to extend the duration limit in this case.
- 1.4 We would benefit if we took advantage of the second option listed above because we are only earning 0.5% with Barclays in our instant access call account but we could earn 1.07% if we invested for 12 months.
- 1.5 Extending the duration limits will not therefore yield substantial gains and the instant access call accounts give greater flexibility to reduce our investment cash without the need for borrowing. We will however extend the investment term where it makes financial sense to do so.

Mae tudalen hwn yn fwriadol wag

PWYLLGOR LLYWODRAETHU CORFFORAETHOL: BLAENRAGLEN WAITH

DYDDIAD Y CYFARFOD	ADRODDIAD	AWDUR
27 Chwefror 2013	<p>Eitemau Parhaol</p> <p>Materion a Gyfeiriwyd gan Bwyllgorau Craffu Adroddiadau Rheoleiddiol Allanol Diweddar a Dderbyniwyd Adroddiad ar Gynnydd Archwilio Mewnol</p> <p>Adroddiadau</p> <p>Materion Cyfansoddiadol (a ohiriwyd o 14/11/2012) Strategaeth Archwilio Mewnol 2013/14 Strategaeth Rheoli'r Trysorlys</p>	<p>Cydlynnydd Craffu Rheolwr Gwelliant Corfforaethol Pennaeth Archwilio Mewnol</p> <p>Pennaeth Gwasanaethau Cyfreithiol a Democrataidd Pennaeth Archwilio Mewnol Pennaeth Cyllid ac Asedau</p>
10 Ebrill 2013	<p>Eitemau Parhaol</p> <p>Materion a Gyfeiriwyd gan Bwyllgorau Craffu Adroddiadau Rheoleiddiol Allanol Diweddar a Dderbyniwyd Adroddiad ar Gynnydd Archwilio Mewnol</p> <p>Adroddiadau</p> <p>Adroddiad Blynnyddol Archwilio Mewnol 2012/13 Adolygiad o'r Cyfansoddiad</p>	<p>Cydlynnydd Craffu Rheolwr Gwelliant Corfforaethol Pennaeth Archwilio Mewnol</p> <p>Pennaeth Archwilio Mewnol Pennaeth Gwasanaethau Cyfreithiol a Democrataidd</p>

22 Mai 2013	<p>Eitemau Parhaol</p> <p>Materion a Gyfeiriwyd gan Bwyllgorau Craffu Adroddiadau Rheoleiddiol Allanol Diweddar a Dderbyniwyd Adroddiad ar Gynnydd Archwilio Mewnol</p> <p>Adroddiadau</p> <p>Datganiad Llywodraethu Blynnyddol Drafft 2012/13</p>	<p>Cydlynnydd Craffu Rheolwr Gwelliant Corfforaethol Pennaeth Archwilio Mewnol Services</p> <p>Pennaeth Archwilio Mewnol</p>
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NB Nid yw union ddyddiad cyhoeddi adroddiadau achlysurol gan, er enghraifft, Swyddfa Archwilio Cymru neu Adroddiadau Blynnyddol gan yr Ombwdsmon, yn hysbys ar hyn o bryd. Fe aseir dyddiad cyfarfod iddyn nhw gyn gynted ag y bydd hynny'n ymarferol.

Diweddarwyd 05/11/2012 SLW

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