

## **RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

### **MUNICIPAL YEAR 2017/18**

#### **COMMITTEE:**

#### **AUDIT COMMITTEE**

17<sup>th</sup> July 2017

<b>Item No. 4</b>
<b>Internal Audit Performance 2017/18</b>

#### **REPORT OF:-**

#### **GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES**

Author: Marc Crumbie (Head of Internal Audit & Procurement Delivery Programme)  
(01443) 680779

#### **1. PURPOSE OF THE REPORT**

- 1.1 This report provides the performance information in respect of the Internal Audit Service between 1<sup>st</sup> April 2017 and 7<sup>th</sup> July 2017.

#### **2. RECOMMENDATIONS**

It is recommended that Members:

- 2.1 Review the information contained within the report and identify whether there are any areas where specific issues are of concern.
- 2.2 Consider what comments and recommendations, if any, they wish to make.

#### **3. BACKGROUND**

- 3.1 The Audit Committee Terms of Reference (Point F) requires it *'To receive reports on the performance of the Internal Audit Service throughout the year particularly in relation to matters of financial probity and corporate governance'*.
- 3.2 In line with this requirement Appendix 1 sets out the 2017/18 Internal Audit Plan and includes the status of each audit, the quarter in which the audit is/was planned to commence and incorporates the detailed performance information for each audit.
- 3.3 The Internal Audit Plan for 2017/18 includes 90 individual audit assignments. As at 7<sup>th</sup> July 2017, 11% of the Audit Plan had been completed to report

stage. The detailed breakdown of the status of each review is provided in Appendix 1 and is summarised as follows:

<b>Status</b>	<b>No. Of Audits</b>
Draft Reports Issued	10
Fieldwork Complete	9
Audits In Progress	7
Audits Not Yet Started ('Planned')	64
<b>Total:</b>	<b>90</b>

Whilst the above summary provides assurance that the Internal Audit Service is making positive progress in respect of commencing fieldwork to complete the planned audits, it does identify one specific area for improvement in relation to the time taken to 'turn around' a number of draft audit reports. This will be an area that the Service will give prioritised attention to during the year.

- 3.4 **Appendix 2** provides a summary of the status of all recommendations made by the Internal Audit Service, grouped under the relevant service of the Council. A verbal update in respect of the status of the outstanding recommendations shown in Appendix 2 will be provided at the meeting.

#### 4. **SUMMARY**

- 4.1 Monitoring the performance of Internal Audit is a key responsibility for Audit Committee. This report provides Audit Committee with detailed information with which the performance of the Service can be reviewed and scrutinised.

\*\*\*\*\*

**LOCAL GOVERNMENT ACT, 1972**  
**as amended by**  
**THE ACCESS TO INFORMATION ACT, 1985**  
**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**  
**LIST OF BACKGROUND PAPERS**  
**AUDIT COMMITTEE**  
**17<sup>th</sup> July 2017**

**Report of the Group Director, Corporate & Frontline Services**

Author: Marc Crumbie (Head of Internal Audit & Procurement Delivery Programme)

**Item**

**File Ref:**

4. Internal Audit Performance 2017/18

IA / MC

Contact Officer: Marc Crumbie  
Head of Internal Audit & Procurement Delivery Programme  
Bronwydd House  
Porth  
CF39 9DL  
Tel. No. (01443) 680779

This page intentionally blank

## Appendix 1 - Monitoring the Internal Audit Plan 2017/18

	Priority	Quarter	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	End of Fieldwork to Issue Draft Report (Days)	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>CHIEF EXECUTIVE</b>											
<b>CABINET OFFICE &amp; PUBLIC RELATIONS</b>											
<b>THEATRES</b>	Medium	QTR 2	Planned				0		0		0
<b>HUMAN RESOURCES</b>											
<b>SICKNESS ABSENCE MANAGEMENT IN SCHOOLS - FOLLOW-UP</b>	High	QTR 3	Planned				0		0		0
<b>LEGAL AND DEMOCRATIC SERVICES</b>											
<b>CORPORATE GOVERNANCE UNIT</b>	Medium	QTR 2	Planned				0		0		0
<b>REGENERATION &amp; PLANNING</b>											
<b>WELSH CHURCH ACT FUNDS</b>	Medium	QTR 2	Planned				0		0		0
<b>COMMUNITY &amp; CHILDREN'S SERVICES</b>											
<b>ADULT SERVICES</b>											
<b>SUPPORT AT HOME</b>	High	QTR 3	Planned				0		0		0
<b>COMMUNITY CARE</b>											
<b>VISION PRODUCTS</b>	Medium	QTR 1	In Progress	26/06/2017			0		0		0
<b>THE PANEL PROCESS</b>	High	QTR 4	Planned				0		0		0
<b>MASH - ADULT SERVICES</b>	High	QTR 4	Planned				0		0		0
<b>DIRECT SERVICES, BUSINESS &amp; HOUSING</b>											

	Priority	Quarter	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	End of Fieldwork to Issue Draft Report (Days)	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>DEFERRED PAYMENTS</b>	High	QTR 2	Planned				0		0		0
<b>CHILDREN'S SERVICES</b>											
<b>MASH - CHILDREN'S SERVICES</b>	High	QTR 1	In Progress	16/06/2017			0		0		0
<b>CHILDREN'S SERVICES - REVISED OPERATING MODEL</b>	High	QTR 1	Draft Report Issued	05/05/2017	14/06/2017	16/06/2017	2		0		0
<b>ADOPTION SUPPORT PAYMENTS</b>	High	QTR 3	Planned				0		0		0
<b>AFTERCARE 16+ PAYMENTS</b>	Medium	QTR 2	Planned				0		0		0
<b>CONTRACT MANAGEMENT</b>	High	QTR 2	Planned				0		0		0
<b>PUBLIC HEALTH AND PROTECTION</b>											
<b>LLWYDCOED CREMATORIUM</b>	Low	QTR 2	Planned				0		0		0
<b>BEREAVEMENT SERVICES SELF ASSESSMENT REPORT</b>	Low	QTR 2	Planned				0		0		0
<b>TACKLING POVERTY</b>	High	QTR 3	Planned				0		0		0
<b>SINGLE POINT OF ACCESS</b>	High	QTR 2	Planned				0		0		0
<b>LEISURE SERVICES REVIEW</b>	Medium	QTR 1	In Progress	22/05/2017			0		0		0
<b>CORPORATE &amp; FRONTLINE SERVICES</b>											
<b>CORPORATE ESTATES &amp; PROCUREMENT</b>											
<b>ORGANISED CRIME</b>	High	QTR 4	Planned				0		0		0

	Priority	Quarter	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	End of Fieldwork to Issue Draft Report (Days)	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>PROCUREMENT REVIEW</b>											
<b>OPERATIONAL PROCUREMENT</b>	High	QTR 3	Planned				0		0		0
<b>FINANCIAL SERVICES</b>											
<b>BUDGETARY CONTROL</b>	High	QTR 2	Planned				0		0		0
<b>GENERAL LEDGER &amp; ACCOUNTING</b>	Low	QTR 3	Planned				0		0		0
<b>TAXATION</b>	High	QTR 3	Planned				0		0		0
<b>CAPITAL ACCOUNTING &amp; ASSET REGISTER</b>	Medium	QTR 3	Planned				0		0		0
<b>TREASURY MANAGEMENT</b>	High	QTR 3	Planned				0		0		0
<b>PAYROLL</b>	Medium	QTR 1	Draft Report Issued	01/04/2017	15/05/2017	22/05/2017	7		0		0
<b>CREDITORS</b>	Medium	QTR 3	Planned				0		0		0
<b>PENSIONS</b>	Medium	QTR 3	Planned				0		0		0
<b>INCOME, DEBTORS &amp; DEBT RECOVERY</b>	Medium	QTR 3	Planned				0		0		0
<b>HOUSING BENEFITS</b>	Medium	QTR 3	Planned				0		0		0
<b>COUNCIL TAX</b>	Medium	QTR 3	Planned				0		0		0
<b>NON-DOMESTIC RATES</b>	Medium	QTR 3	Planned				0		0		0
<b>ADMINISTRATION OF TRUST FUNDS</b>	Low	QTR 3	Planned				0		0		0
<b>HIGHWAYS &amp; STREETCARE</b>											

	Priority	Quarter	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	End of Fieldwork to Issue Draft Report (Days)	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
HIGHWAYS	High	QTR 2	Planned				0		0		0
WASTE SERVICES	High	QTR 2	Planned				0		0		0
FLEET MANAGEMENT AND MAINTENANCE	High	QTR 2	Planned				0		0		0
IT											
DISASTER RECOVERY (CARRIED FORWARD FROM 2016/17)	High	QTR 1	In Progress	20/02/2017			0		0		0
EDUCATION & LIFELONG LEARNING											
ACCESS & ENGAGEMENT & INCLUSION											
EDUCATION OTHER THAN AT SCHOOL	High	QTR 3	Planned				0		0		0
ALTERNATIVE PROVISION REFERRALS	High	QTR 3	Planned				0		0		0
PRIMARY SCHOOLS											
ABERDARE TOWN CHURCH IN WALES PRIMARY	Medium	QTR 1	Fieldwork Complete	26/04/2017	26/05/2017		0		0		0
BODRINGALLT PRIMARY SCHOOL	Medium	QTR 3	Planned				0		0		0
BRYNNAU PRIMARY	Medium	QTR 1	Draft Report Issued	19/06/2017	20/06/2017	30/06/2017	10		0		0
GLENBOI PRIMARY	Medium	QTR 2	Planned				0		0		0
GWAUNMEISGYN PRIMARY	Medium	QTR 1	Fieldwork Complete	10/05/2017	26/05/2017		0		0		0



	Priority	Quarter	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	End of Fieldwork to Issue Draft Report (Days)	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>GWAUNCELYN PRIMARY SCHOOL</b>	Medium	QTR 3	Planned				0		0		0
<b>HENDREFORGAN PRIMARY</b>	Medium	QTR 1	Fieldwork Complete	15/05/2017	26/05/2017		0		0		0
<b>LLANHARI PRIMARY</b>	Medium	QTR 1	Fieldwork Complete	01/07/2017	03/07/2017		0		0		0
<b>LLWYNCELYN INFANTS</b>	Medium	QTR 1	Fieldwork Complete	17/05/2017	26/05/2017		0		0		0
<b>LLANILLTUD FAERDREF PRIMARY SCHOOL</b>	Medium	QTR 3	Planned				0		0		0
<b>LLWYNPIA PRIMARY SCHOOL</b>	Medium	QTR 3	Planned				0		0		0
<b>OAKLANDS PRIMARY</b>	Medium	QTR 3	Planned				0		0		0
<b>PENPYCH COMMUNITY PRIMARY</b>	Medium	QTR 1	Draft Report Issued	24/05/2017	25/05/2017	29/06/2017	35		0		0
<b>PENRHYS PRIMARY</b>	Medium	QTR 2	Planned				0		0		0
<b>SS GABRIEL &amp; RAPHAEL PRIMARY</b>	Medium	QTR 1	Draft Report Issued	02/05/2017	04/05/2017	23/05/2017	19		0		0
<b>TONYPANDY PRIMARY</b>	Medium	QTR 2	Planned				0		0		0
<b>TRALLWNG INFANTS</b>	Medium	QTR 1	Fieldwork Complete	20/06/2017	21/06/2017		0		0		0
<b>TREF Y RHYG PRIMARY</b>	Medium	QTR 1	Draft Report Issued	06/06/2017	07/06/2017	22/06/2017	15		0		0
<b>TREORCHY PRIMARY</b>	Medium	QTR 1	Draft Report	10/05/2017	11/05/2017	02/06/2017	22		0		0

	Priority	Quarter	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	End of Fieldwork to Issue Draft Report (Days)	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
			Issued								
TREROBART PRIMARY	Medium	QTR 2	In Progress	04/07/2017			0		0		0
TYLORSTOWN PRIMARY SCHOOL	Medium	QTR 4	Planned				0		0		0
YNYSBOETH PRIMARY	Medium	QTR 3	Planned				0		0		0
YGG LLWYNCELYN	Medium	QTR 4	Planned				0		0		0
PRIMARY SCHOOL SELF ASSESSMENT	Medium	QTR 4	Planned				0		0		0
<b>MIDDLE SCHOOLS</b>											
YSGOL LLANHARI	High	QTR 3	Planned				0		0		0
<b>SECONDARY SCHOOLS</b>											
YSGOL GYFUN GARTH OLWG	High	QTR 1	Fieldwork Complete	12/06/2017	16/06/2017		0		0		0
Y PANT COMPREHENSIVE SCHOOL	High	QTR 1	Fieldwork Complete	05/06/2017	05/07/2017		0		0		0
HAWTHORN HIGH SCHOOL	High	QTR 1	Fieldwork Complete	15/05/2017	19/05/2017		0		0		0
CARDINAL NEWMAN RC COMPREHENSIVE	High	QTR 4	Planned				0		0		0
YG RHYDYWAUN	Medium	QTR 3	Planned				0		0		0
ST JOHN BAPTIST CIW HIGH SCHOOL	Medium	QTR 4	Planned				0		0		0
BRYNCELYNNOG COMPREHENSIVE SCHOOL	Medium	QTR 3	Planned				0		0		0

	Priority	Quarter	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	End of Fieldwork to Issue Draft Report (Days)	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>S.E.N. SCHOOLS</b>											
YSGOL HEN FELIN	High	QTR 1	Draft Report Issued	27/04/2017	31/05/2017	02/06/2017	2		0		0
PARK LANE SPECIAL SCHOOL	Medium	QTR 1	Draft Report Issued	20/06/2017	23/06/2017	29/06/2017	6		0		0
YSGOL TY COCH	Medium	QTR 1	Draft Report Issued	08/05/2017	06/06/2017	23/06/2017	17		0		0
<b>SCHOOLS &amp; COMMUNITY</b>											
DCELLS	High	QTR 3	Planned				0		0		0
POST 16 GRANT	High	QTR 4	Planned				0		0		0
SAFEGUARDING ARRANGEMENTS	High	QTR 2	In Progress	21/06/2017			0		0		0
LIBRARY SERVICE	Medium	QTR 4	Planned				0		0		0
<b>WHOLE AUTHORITY ARRANGEMENTS</b>											
<b>WHOLE AUTHORITY ARRANGEMENTS</b>											
PERFORMANCE INDICATORS	High	QTR 2	In Progress	05/07/2017			0		0		0
OPERATIONAL RISK MANAGEMENT	High	QTR 4	Planned				0		0		0
ANTI-FRAUD, BRIBERY & CORRUPTION	High	QTR 3	Planned				0		0		0
<b>AMGEN</b>											

	Priority	Quarter	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	End of Fieldwork to Issue Draft Report (Days)	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>AMGEN</b>											
<b>AMGEN - PAYROLL</b>	Medium	QTR 3	Planned				0		0		0
<b>AMGEN - DEBTORS</b>	Medium	QTR 3	Planned				0		0		0
<b>AMGEN - CREDITORS</b>	Medium	QTR 3	Planned				0		0		0
<b>AMGEN - GENERAL LEDGER</b>	Low	QTR 3	Planned				0		0		0
<b>CENTRAL SOUTH CONSORTIUM JOINT EDUCATION SERVICE</b>											
<b>CENTRAL SOUTH CONSORTIUM JOINT EDUCATION SERVICE</b>											
<b>CSC - PAYROLL</b>	Medium	QTR 3	Planned				0		0		0
<b>CSC - DEBTORS</b>	Medium	QTR 3	Planned				0		0		0
<b>CSC - CREDITORS</b>	Medium	QTR 3	Planned				0		0		0
<b>CSC - GENERAL LEDGER</b>	Low	QTR 3	Planned				0		0		0

**Appendix 2 - The Status of Recommendations****STATUS SUMMARY OF AGREED RECOMMENDATIONS****CHIEF EXECUTIVE**

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
11	Implemented	Overdue / Outstanding	Target Date in the Future
	7	0	4
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
54	Implemented	Overdue / Outstanding	Target Date in the Future
	48	2	4
<b>Number of LOW Recs</b>	<b>STATUS</b>		
46	Implemented	Overdue / Outstanding	Target Date in the Future
	45	1	0

**COMMUNITY & CHILDREN'S SERVICES**

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
13	Implemented	Overdue / Outstanding	Target Date in the Future
	6	0	7
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
107	Implemented	Overdue / Outstanding	Target Date in the Future
	84	3	20
<b>Number of LOW Recs</b>	<b>STATUS</b>		
72	Implemented	Overdue / Outstanding	Target Date in the Future
	68	2	2

**CORPORATE & FRONTLINE SERVICES**

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
26	Implemented	Overdue / Outstanding	Target Date in the Future
	22	1	3
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
90	Implemented	Overdue / Outstanding	Target Date in the Future

	71	13	6
<b>Number of LOW Recs</b>	<b>STATUS</b>		
36	Implemented	Overdue / Outstanding	Target Date in the Future
	34	1	1

#### EDUCATION & LIFELONG LEARNING

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
111	Implemented	Overdue / Outstanding	Target Date in the Future
	95	8	8
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
455	Implemented	Overdue / Outstanding	Target Date in the Future
	432	18	5
<b>Number of LOW Recs</b>	<b>STATUS</b>		
433	Implemented	Overdue / Outstanding	Target Date in the Future
	419	6	8

#### WHOLE AUTHORITY ARRANGEMENTS

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
5	Implemented	Overdue / Outstanding	Target Date in the Future
	3	2	0
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
8	Implemented	Overdue / Outstanding	Target Date in the Future
	3	5	0
<b>Number of LOW Recs</b>	<b>STATUS</b>		
0	Implemented	Overdue / Outstanding	Target Date in the Future
	0	0	0