

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2013/14

COMMITTEE:

AUDIT COMMITTEE

31st March 2014

Item No. 5
Draft Annual Audit Plan 2014/15

REPORT OF:-

GROUP DIRECTOR, CORPORATE SERVICES

Author: Marc Crumbie (Operational Audit Manager)

(01443) 680779

1. PURPOSE OF THE REPORT

This report provides Members with the draft Annual Audit Plan for 2014/15.

2. RECOMMENDATIONS

It is recommended that Members:

2.1 Note the contents of this Report.

2.2 Consider what comments and recommendations, if any, they wish to make.

2.3 Approve the draft Annual Audit Plan for 2014/15 in accordance with Performance Standard 2010 of the Public Sector Internal Audit Standards.

3. BACKGROUND

3.1 The United Kingdom Public Sector Internal Audit Standards (Performance Standard '2010 Planning') provides the framework within which an organisation should compile an audit plan.

3.2 In the absence of a formal strategic risk register, the Operational Audit Manager identifies high risk and priority areas in conjunction with input from Senior Management to draft the Annual Audit Plan.

3.3 To ensure that the Internal Audit Service has sufficient resources available to undertake the number of audit reviews identified within the draft Annual Audit Plan, the Operational Audit Manager undertook an Audit Needs Assessment with the Group Director Corporate Services (the Council's Section 151 Officer) as required by section '2030 Resource Management' of the Public Sector Internal Audit Standards. A summary illustrating how the total number of

auditor days available has been calculated is provided at Appendix B. Appendices C and D show how and where these days are allocated.

- 3.4 The draft plan contains 15 reviews that are proposed to be carried forward from the 2013/14 audit plan and also contains follow-up reviews previously requested by Audit Committee.
- 3.5 The External Audit Manager has been consulted.
- 3.6 The draft Annual Audit Plan is attached at **Appendix A**.
- 3.7 Following Members' consideration, the finalised audit plan will be presented to the next meeting.

4. SUMMARY

- 4.1 The Council has drafted an Annual Audit Plan for 2014/15 in accordance with the Public Sector Internal Audit Standards.
- 4.2 In line with the Terms of Reference for Audit Committee, the committee has responsibility for reviewing the content of the draft plan and where deemed appropriate, recommend amendments or approve its content for the forthcoming financial year.

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
31st March 2014

Report of the Group Director for Corporate Services

Author: Marc Crumbie (Operational Audit Manager).

Item	File Ref:
5. Draft Annual Audit Plan 2014/15	IA / MC
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APPENDIX A

Draft Audit Plan 2014/15

	RISK RATING	DAYS	TYPE OF WORK
WHOLE AUTHORITY ARRANGEMENTS			
PERFORMANCE INDICATORS	HIGH	20	ASSURANCE
CHIEF EXECUTIVE			
PUBLIC RELATIONS & STRATEGY			
CYNON VALLEY MUSEUM - FOLLOW-UP	HIGH	10	ASSURANCE
RHONDDA HERITAGE PARK - FOLLOW-UP	HIGH	10	ASSURANCE
HUMAN RESOURCES			
SICKNESS ABSENCE POLICIES AND PROCEDURES	HIGH	20	ASSURANCE
REGENERATION & PLANNING			
PLANNING SERVICES	HIGH	20	ASSURANCE
PONTYPRIDD LIDO	HIGH	2	CONSULTANCY
COMMUNITY & CHILDREN'S SERVICES			
ADULT LOCALITY SERVICES & SHORT TERM INTERVENTION			
COMMISSIONING OF THIRD SECTOR	MEDIUM	20	ASSURANCE
SENSORY SERVICES	MEDIUM	15	ASSURANCE
INDEPENDENT RESIDENTIAL ESTABLISHMENTS	MEDIUM	15	ASSURANCE
CHILDREN'S SERVICES			
SPECIAL GUARDIANSHIP ORDERS	HIGH	15	ASSURANCE
INDEPENDENT REVIEWING OFFICERS	HIGH	20	ASSURANCE
CHILDREN'S DAY CARE SERVICES	MEDIUM	15	ASSURANCE
EMERGENCY DUTY TEAM	HIGH	20	ASSURANCE
OUT OF COUNTY PLACEMENTS	HIGH	20	ASSURANCE
DIRECT SERVICES, BUSINESS & HOUSING			
DIRECT PAYMENTS	HIGH	20	ASSURANCE
TRANSITION PLANNING	HIGH	10	ASSURANCE
COMMUNITIES FIRST	HIGH	20	ASSURANCE
MENTAL HEALTH SERVICES	MEDIUM	15	ASSURANCE

CORPORATE SERVICES			
CORPORATE ESTATES			
LEGIONELLA MANAGEMENT	MEDIUM	10	ASSURANCE
DISPOSAL OF LAND & PROPERTY	HIGH	20	ASSURANCE
CONSTRUCTION PROJECTS - COMPLIANCE	HIGH	20	ASSURANCE
ASSET MANAGEMENT (C/F)	HIGH	15	ASSURANCE
CUSTOMER CARE & IT			
FIRST RESPONSE SERVICE	HIGH	20	ASSURANCE
CORPORATE FEEDBACK SCHEME	HIGH	2	CONSULTANCY
INFORMATION GOVERNANCE	HIGH	2	CONSULTANCY
MANAGEMENT AND CONTROL OF I.T ASSETS	HIGH	20	ASSURANCE
FINANCIAL SERVICES			
BUDGETARY CONTROL	HIGH	20	ASSURANCE
GENERAL LEDGER & ACCOUNTING	LOW	20	ASSURANCE
TAXATION	HIGH	20	ASSURANCE
CAPITAL ACCOUNTING & ASSET REGISTER	HIGH	20	ASSURANCE
ADMINISTRATION OF TRUST FUNDS	LOW	5	ASSURANCE
TREASURY MANAGEMENT	MEDIUM	10	ASSURANCE
INSURANCE	MEDIUM	15	ASSURANCE
PAYROLL	HIGH	20	ASSURANCE
CREDITORS	HIGH	20	ASSURANCE
PENSIONS	MEDIUM	20	ASSURANCE
INCOME, DEBTORS & DEBT RECOVERY	HIGH	20	ASSURANCE
HOUSING BENEFITS	HIGH	20	ASSURANCE
COUNCIL TAX	HIGH	10	ASSURANCE
NDR	HIGH	10	ASSURANCE
STUDENT AWARDS	LOW	5	ASSURANCE
LEGAL AND DEMOCRATIC SERVICES			
LEGAL SERVICES - CHILDCARE	HIGH	20	ASSURANCE
PROCUREMENT			
CONTRACT PROCEDURE RULES - COMPLIANCE	HIGH	20	ASSURANCE

EDUCATION & LIFELONG LEARNING			
ACCESS & ENGAGEMENT & INCLUSION			
EDUCATION OTHER THAN AT SCHOOL	HIGH	15	ASSURANCE
PUPIL ABSENTEEISM	HIGH	20	ASSURANCE
SERVICES TO YOUNG PEOPLE	HIGH	20	ASSURANCE
YOUTH CENTRE INVENTORY	HIGH	10	CONSULTANCY
MUSIC SERVICE	MEDIUM	20	ASSURANCE
SCHOOLS & COMMUNITY			
CATERING SERVICES	MEDIUM	15	ASSURANCE
SCHOOLS			
PRIMARY SCHOOL SELF ASSESSMENT	MEDIUM	4	ASSURANCE
CWMBACH COMMUNITY PRIMARY	MEDIUM	2.5	ASSURANCE
BODRINGALLT PRIMARY SCHOOL	MEDIUM	3.5	ASSURANCE
CAEGARW PRIMARY SCHOOL	MEDIUM	3.5	ASSURANCE
CAPCOCH PRIMARY SCHOOL	MEDIUM	2.5	ASSURANCE
CARADOG PRIMARY SCHOOL	MEDIUM	3.5	ASSURANCE
CWMDAR PRIMARY SCHOOL	MEDIUM	3.5	ASSURANCE
CWMLAI PRIMARY SCHOOL	MEDIUM	3.5	ASSURANCE
DARRENLAS PRIMARY SCHOOL	MEDIUM	3.5	ASSURANCE
GELLI PRIMARY	MEDIUM	3.5	ASSURANCE
GWAUNCELYN PRIMARY SCHOOL	MEDIUM	2.5	ASSURANCE
HAWTHORN PRIMARY	MEDIUM	3.5	ASSURANCE
HIRWAUN PRIMARY	MEDIUM	3.5	ASSURANCE
LLANILLTUD FAERDREF PRIMARY SCHOOL	MEDIUM	2.5	ASSURANCE
LLWYNCRWN PRIMARY SCHOOL	MEDIUM	3.5	ASSURANCE
LLWYNYPIA PRIMARY SCHOOL	MEDIUM	2.5	ASSURANCE
MISKIN PRIMARY SCHOOL	MEDIUM	2.5	ASSURANCE
PARC PRIMARY SCHOOL	MEDIUM	2.5	ASSURANCE
PARCLEWIS PRIMARY SCHOOL	MEDIUM	2.5	ASSURANCE
PENRHIWCEIBER PRIMARY SCHOOL	MEDIUM	2.5	ASSURANCE
PENTRE PRIMARY SCHOOL	MEDIUM	2.5	ASSURANCE
PENYGAWSI PRIMARY SCHOOL	MEDIUM	3.5	ASSURANCE
PERTHCelyn COMMUNITY PRIMARY	MEDIUM	2.5	ASSURANCE
PONTYGWAITH PRIMARY	MEDIUM	3.5	ASSURANCE
RHIGOS PRIMARY SCHOOL	MEDIUM	3.5	ASSURANCE
TON JUNIOR SCHOOL	MEDIUM	2.5	ASSURANCE
TONYSGUBORIAU PRIMARY	MEDIUM	2.5	ASSURANCE
TREALOW PRIMARY SCHOOL	MEDIUM	3.5	ASSURANCE
WILLIAMSTOWN PRIMARY SCHOOL	MEDIUM	2.5	ASSURANCE

YGG ABERCYNON	MEDIUM	3.5	ASSURANCE
YGG ABERDAR	MEDIUM	2.5	ASSURANCE
YGG GARTH OLWG	MEDIUM	2.5	ASSURANCE
DCELLS	HIGH	10	ASSURANCE
FERNDALE COMMUNITY SCHOOL	HIGH	20	ASSURANCE
YG RHYDYWAUN	HIGH	20	ASSURANCE
YG LLANHARI	HIGH	20	ASSURANCE
HAWTHORN HIGH	HIGH	20	ASSURANCE
TONYREFAIL COMPREHENSIVE SCHOOL (F/P)	HIGH	10	ASSURANCE
Y PANT COMPREHENSIVE SCHOOL (F/P)	HIGH	10	ASSURANCE
ABERDARE NEW SCHOOL	MEDIUM	20	ASSURANCE
SAFEGUARDING DBS CHECKS	HIGH	10	ASSURANCE
YSGOL HEN FELIN	MEDIUM	10	ASSURANCE
YSGOL TY COCH	MEDIUM	10	ASSURANCE
MAESGWYN SPECIAL SCHOOL	MEDIUM	10	ASSURANCE
PARK LANE SPECIAL SCHOOL	MEDIUM	10	ASSURANCE
SMALL GRANT CLAIMS			
POST 16 GRANT	MEDIUM	5	ASSURANCE
YOUTH SERVICE REVENUE GRANT	LOW	2	ASSURANCE
BREAKFAST CLUB GRANTS	LOW	2	ASSURANCE

ENVIRONMENTAL SERVICES			
HIGHWAYS, TRANSPORTATION & STRATEGIC PROJECTS			
PARKING SERVICES	MEDIUM	15	ASSURANCE
SKIPS & SCAFFOLDING	MEDIUM	15	ASSURANCE
ROAD SAFETY	MEDIUM	15	ASSURANCE
TRAFFIC MANAGEMENT	MEDIUM	20	ASSURANCE
LEISURE, CULTURE & TOURISM			
CULTURAL SERVICES	MEDIUM	15	ASSURANCE
LEISURE ESTABLISHMENT REVIEW - RHONDDA	MEDIUM	10	ASSURANCE
LEISURE ESTABLISHMENT REVIEW - CYNON	MEDIUM	10	ASSURANCE
LEISURE ESTABLISHMENT REVIEW - TAF	MEDIUM	10	ASSURANCE
PUBLIC HEALTH AND PROTECTION			
BEREAVEMENT SERVICES	LOW	5	ASSURANCE
LLWYDCOED CREMATORIUM	LOW	5	ASSURANCE
COMMUNITY SAFETY	MEDIUM	15	ASSURANCE
LICENSING	MEDIUM	10	ASSURANCE
UTILISATION OF VEHICLES	HIGH	15	ASSURANCE
REGISTRATION SERVICES	MEDIUM	15	ASSURANCE
STREETCARE			
FUEL MANAGEMENT & MONITORING	HIGH	20	ASSURANCE
COMMUNITY RECYCLING CENTRES - TRADE USE	HIGH	15	ASSURANCE
TRADE WASTE	MEDIUM	20	ASSURANCE
WASTE MANAGEMENT	HIGH	20	ASSURANCE
CENTRAL SOUTH CONSORTIUM JOINT EDUCATION SERVICE			
CSC - PAYROLL	HIGH	5	ASSURANCE
CSC - CREDITORS	HIGH	5	ASSURANCE
CSC - DEBTORS	HIGH	5	ASSURANCE
CSC - GENERAL LEDGER	LOW	5	ASSURANCE
AMGEN			
CREDITORS	HIGH	5	ASSURANCE
DEBTORS	HIGH	5	ASSURANCE
PAYROLL	HIGH	5	ASSURANCE
GENERAL LEDGER	LOW	5	ASSURANCE

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Appendix B – Number of Productive Days Available

	Total days Available	Less Weekends	Full Time or Part Time	Actual Days Available	NON-PRODUCTIVE TIME				Productive Time to be Allocated
					Annual Leave Entitlement	Bank Holidays	Total Days Available Less A/L & B/H	Sickness Contingency*	
Auditor 1	365	261	FT	261	30	8	223	6.69	216
Auditor 2	365	261	FT	261	30	8	223	6.69	216
Auditor 3	365	261	FT	261	30	8	223	6.69	216
Auditor 4	365	261	FT	261	30	8	223	6.69	216
Auditor 5	365	261	PT 60%	157	18	8	131	3.93	127
Auditor 6	365	261	FT	261	30	8	223	6.69	216
Auditor 7	365	261	FT	261	30	8	223	6.69	216
Auditor 8	365	261	PT 80%	209	23	8	178	5.34	173
Auditor 9	365	261	FT	261	30	8	223	6.69	216
Auditor 10	365	261	PT 60%	157	18	8	131	3.93	127
Auditor 11	365	261	FT	261	25	8	228	6.84	221
					294	88		67	2160

*Sickness (Average 3%) - based on Total Days Available Less Annual Leave and Bank Holidays

Total of Actual Days Available	2611	days
Total 'Non-Productive'	449	days
Productive Time to be Allocated	2160	days

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Appendix C – Non-‘Audit Review’ Time

QUALITY & PERFORMANCE MONITORING	100
AUDIT ADVICE	10
AUDIT ADMIN	50
WAO LIASON	5
STAFF DEVELOPMENT & TRAINING	20
SECTION MEETINGS	10
IMPLEMENTATION OF MKINSIGHT	30
INTERNAL AUDIT CHARTER & AUDIT MANUAL	5
PUBLIC SECTOR INTERNAL AUDIT STANDARDS	10
STRATEGIC INTERNAL AUDIT MANAGEMENT	215
COMMITTEE PREPARATION & ATTENDANCE	20
OTHER WORKING GROUPS	20
COLLEGE / EXAM	30
SPECIAL INVESTIGATIONS	50
CONTINGENCY FOR UNPLANNED WORK	75
INTERNAL AUDIT DRAFT PLAN - 2015/16	20
MANAGEMENT (PLANNING, CONTROLLING & REPORTING)	150
	820

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Appendix D – Summary of ‘audit’ days allocated to each Group

WHOLE AUTHORITY ARRANGEMENTS	20
CHIEF EXECUTIVE	62
COMMUNITY & CHILDREN'S SERVICES	205
CORPORATE SERVICES	384
EDUCATION & LIFELONG LEARNING	385.5
ENVIRONMENTAL SERVICES	250
CENTRAL SOUTH CONSORTIUM	20
AMGEN	20
TOTAL DAYS 'NON-AUDIT'	820
TOTAL PRODUCTIVE DAYS (PLANNED FOR)	2166.5
TOTAL AVAILABLE DAYS	2161
DIFFERENCE LEFT TO ALLOCATE	-5.5

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