



**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**MUNICIPAL YEAR 2019/20**

<b>AUDIT COMMITTEE</b> <b>5<sup>th</sup> November 2019</b>	<b>AGENDA ITEM NO. 5</b>
<b>REPORT OF THE DIRECTOR OF FINANCE &amp; DIGITAL SERVICES</b>	<b>INTERNAL AUDIT PERFORMANCE 2019/20</b>

Author: Mark Thomas (Head of Regional Internal Audit Service)

**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 2019 and 18<sup>th</sup> October 2019.

**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. REASONS FOR RECOMMENDATIONS**

- 3.1 To help ensure that Audit Committee monitors the performance of the Council's Internal Audit Service, in accordance with its Terms of Reference.

**4. BACKGROUND**

- 4.1 The Audit Committee Terms of Reference (Point J) 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'*.
- 4.2 In line with this requirement Appendix 1 sets out the Internal Audit Plan for 2019/20 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.

- 4.3 The Internal Audit Plan currently includes 69 individual audit assignments and, as at 18<sup>th</sup> October 2019, 40% of the 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>
Final Reports Issued	13
Draft Reports Issued	14
Fieldwork Complete	0
Audits In Progress	7
Audits Not Yet Started ('Planned')	35
<b>Total:</b>	<b>69</b>

- 4.4 **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.

## **5. EQUALITY AND DIVERSITY IMPLICATIONS**

- 5.1 There are no equality and diversity implications as a result of the recommendations set out in the report.

## **6. CONSULTATION**

- 6.1 There are no consultation implications as a result of the recommendations set out in the report.

## **7. FINANCIAL IMPLICATION(S)**

- 7.1 There are no financial implications as a result of the recommendations set out in the report.

## **8. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED**

- 8.1 The provision of regular information in respect of the Council's Internal Audit Service supports the Council in demonstrating compliance with the Accounts and Audit (Wales) (Amendment) Regulations 2018.
- 8.2 Regulation 7 (Internal Audit) of Part 3 of the 2018 Regulations directs that: *"A relevant body must maintain an adequate and effective system*

*of internal audit of its accounting records and of its system of internal control.”*

**9. LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT**

**THE COUNCIL'S CORPORATE PLAN PRIORITIES**

- 9.1 The work of Internal Audit aims to support the delivery of the priorities contained within the Council's Corporate Plan – *The Way Ahead*, in particular 'Living Within Our Means' through ensuring that appropriate internal controls are in place to effectively manage resources.

**WELL-BEING OF FUTURE GENERATIONS ACT**

- 9.2 The Sustainable Development Principles, in particular Prevention, can be applied to the systematic reviews undertaken in order to provide assurance that risks to the achievement of objectives are being managed.

**10. CONCLUSION**

- 10.1 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.

**Other Information:-**

***Relevant Scrutiny Committee***

**Not applicable.**

**Contact Officers –Mark Thomas**

**LOCAL GOVERNMENT ACT 1972**

**AS AMENDED BY**

**THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**AUDIT COMMITTEE**

**5<sup>th</sup> November 2019**

**INTERNAL AUDIT PERFORMANCE 2019/20**

**REPORT OF THE DIRECTOR OF FINANCE & DIGITAL SERVICES**

Author:

Mark Thomas (Head of Regional Internal Audit Service)

Item: 5

**Background Papers**

None.

Officer to contact: Mark Thomas

## Appendix 1 - Monitoring the Internal Audit Plan 2019/20

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>CHIEF EXECUTIVE</b>											
<b>HUMAN RESOURCES</b>											
SICKNESS ABSENCE – SCHOOLS	High	QTR 4	Planned				0		0		0
PURCHASE CARDS – NON SCHOOLS SPEND	Medium	QTR 4	Planned				0		0		0
<b>FINANCE &amp; DIGITAL SERVICES</b>											
ADMINISTRATION OF TRUST FUNDS	Low	QTR 3	In Progress	07/10/2019			0		0		0
DEBTORS	High	QTR 3	Planned				0		0		0
PENSIONS	High	QTR 4	Planned				0		0		0
GENERAL LEDGER	Low	QTR 3	Planned				0		0		0
DIGITALISATION	High	QTR 3	Planned				0		0		0
BUSINESS SUPPORT UNIT	High	QTR 3	Planned				0		0		0
VALUE FOR MONEY	High	QTR 3	Planned				0		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>TREASURY MANAGEMENT</b>	Medium	QTR 3	Planned				0		0		0
<b>CORPORATE ESTATES</b>											
<b>21<sup>ST</sup> CENTURY SCHOOLS – CAPITAL PROJECT C/F</b>	High	QTR 4	Planned				0		0		0
<b>LEGAL SERVICES</b>											
<b>LEGAL SERVICES</b>	Medium	QTR 4	Planned				0		0		0
<b>COMMUNITY &amp; CHILDREN'S SERVICES</b>											
<b>ADULT SERVICES</b>											
<b>DIRECT PAYMENTS C/F</b>	High	QTR 1	Draft Report	01/05/2019	15/08/2019	05/09/2019	21		0		0
<b>BROKER SERVICE C/F</b>	High	QTR 1	Draft Report	24/06/2019	09/08/2019	15/08/2019	6		0		0
<b>WCCIS</b>	High	QTR 4	Planned				0		0		0
<b>THE REVIEW TEAM C/F</b>	Medium	QTR 4	Planned				0		0		0
<b>FAIRER CHARGING</b>	High	QTR 2	In Progress	09/08/2019			0		0		0
<b>CHILDREN'S SERVICES</b>											

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
CONTRACT MANAGEMENT – PLACEMENTS C/F	High	QTR 3	Planned				0		0		0
ADOPTION SUPPORT & FOSTER CARER PAYMENTS – FOLLOW UP	High	QTR 3	Planned				0		0		0
<b>PUBLIC HEALTH &amp; COMMUNITY SERVICES</b>											
LLWYDCOED CREMATORIUM	Low	QTR 3	In Progress	18/10/2019			0		0		0
ENGAGEMENT, INTERVENTION & PREVENTION C/F	High	QTR 4	Planned				0		0		0
YOUTH OFFENDING SERVICE C/F	Medium	QTR 1	Final Report	08/05/2019	14/06/2019	01/07/2019	17	18/07/2019	17	25/07/2019	7
REGISTRATION SERVICES	Low	QTR 2	In Progress	24/09/2019			0		0		0
LEISURE SERVICES - CASH COLLECTION & BANKING	Medium	QTR 2	Draft Report	01/07/2019	02/09/2019	27/09/2018	25		0		0
<b>EDUCATION &amp; INCLUSION SERVICES</b>											
<b>EDUCATION IMPROVEMENT SERVICES</b>											
EARLY YEARS PROVISION C/F	High	QTR 3	Planned				0		0		0
<b>ATTENDANCE &amp; WELLBEING SERVICE</b>											
ATTENDANCE : REFERRALS & INTERVENTION	High	QTR 3	In Progress	30/09/2019			0		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>EXCLUSIONS</b>	High	QTR 3	Planned				0		0		0
<b>S.E.N. SCHOOLS</b>											
<b>YSGOL HEN FELIN</b>	High	QTR 2	Draft Issued	08/07/2019	26/07/2019	06/08/2019	11		0		0
<b>MAESGWYN SPECIAL SCHOOL</b>	High	QTR 3	Planned				0		0		0
<b>PRIMARY SCHOOLS</b>											
<b>PENRHIWCEIBER PRIMARY SCHOOL</b>	Medium	QTR 1	Final Report	20/05/2019	29/05/2019	14/06/2019	16	05/09/2019	83	10/09/2019	5
<b>PENYGAWSI PRIMARY SCHOOL</b>	Medium	QTR 2	Draft Report	25/09/2019	11/10/2019	16/10/2019	5		0		0
<b>PERTHCELYN COMMUNITY PRIMARY</b>	Medium	QTR 3	In Progress	18/10/2019			0		0		0
<b>PONTYGWAITH PRIMARY SCHOOL</b>	Medium	QTR 3	Draft Issued	09/10/2019	14/10/2019	18/10/2019	4		0		0
<b>RHIGOS PRIMARY SCHOOL</b>	Medium	QTR 1	Final Issued	05/06/2019	07/06/2019	11/07/2019	34	17/07/2019	6	18/07/2019	1
<b>TON PENTRE PRIMARY SCHOOL</b>	Medium	QTR 1	Final Issued	17/06/2019	20/06/2019	11/07/2019	21	09/09/2019	60	09/09/2019	0
<b>TONYSGUBORIAU PRIMARY SCHOOL</b>	Medium	QTR 1	Final Issued	20/05/2019	04/06/2019	01/07/2019	27	05/07/2019	4	08/07/2019	3
<b>TREALAW PRIMARY SCHOOL</b>	Medium	QTR 3	Planned				0		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>WILLIAMSTOWN PRIMARY SCHOOL</b>	Medium	QTR 3	Draft Issued	01/10/2019	03/10/2019	18/10/2019	15		0		0
<b>YGG ABERCYNON</b>	Medium	QTR 3	Draft Issued	02/10/2019	11/10/2019	17/10/2019	6		0		0
<b>YGG ABERDAR</b>	Medium	QTR 3	Planned				0		0		0
<b>CRAIG YR HESG PRIMARY SCHOOL</b>	Medium	QTR 3	Planned				0		0		0
<b>LLANHARAN PRIMARY SCHOOL</b>	Medium	QTR 2	Draft Issued	17/09/2019	23/09/2019	30/09/2019	7		0		0
<b>MAERDY COMMUNITY PRIMARY SCHOOL</b>	Medium	QTR 2	Draft Issued	17/09/2019	18/09/2019	30/09/2019	12		0		0
<b>MAES Y COED PRIMARY SCHOOL</b>	Medium	QTR 3	Planned				0		0		0
<b>PENGEULAN PRIMARY SCHOOL</b>	Medium	QTR 3	Planned				0		0		0
<b>PENYRENGLYN COMMUNITY PRIMARY SCHOOL</b>	Medium	QTR 3	Planned				0		0		0
<b>PONTYCLUN PRIMARY SCHOOL</b>	Medium	QTR 3	Draft Issued	24/09/2019	02/10/2019	15/10/2019	13		0		0
<b>YNYSHIR PRIMARY SCHOOL</b>	Medium	QTR 4	Planned				0		0		0
<b>YGG BODRINGALLT</b>	Medium	QTR 4	Planned				0		0		0
<b>YGG TONYREFAIL</b>	Medium	QTR 4	Planned				0		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
<b>PRIMARY SCHOOL SELF ASSESSMENT REPORT 19/20</b>	Medium	QTR 4	Planned				0		0		0
<b>MIDDLE SCHOOLS</b>											
<b>YSGOL LLANHARI FOLLOW UP C/F</b>	High	QTR 1	Draft Issued	10/06/2019	18/06/2019	29/07/2019	41		0		0
<b>TONYREFAIL COMMUNITY SCHOOL</b>	High	QTR 1	Final Issued	17/06/2019	01/07/2019	07/08/2019	37	07/10/2019	61	09/10/2019	2
<b>SECONDARY SCHOOLS</b>											
<b>Y PANT COMPREHENSIVE FOLLOW UP</b>	High	QTR 1	Final Issued	24/06/2019	01/07/2019	17/07/2019	16	10/09/2019	55	17/09/2019	7
<b>HAWTHORN HIGH SCHOOL FOLLOW UP</b>	High	QTR 4	Planned				0		0		0
<b>SCHOOLS &amp; COMMUNITY</b>											
<b>EDUCATION IMPROVEMENT GRANT</b>	High	QTR 2	Final Issued	01/09/2019	30/09/2019	04/10/2019	4	10/10/2019	6	10/10/2019	0
<b>POST 16 GRANT</b>	High	QTR 4	Planned				0		0		0
<b>POST 16 PLANNING AND FUNDING 2019/20</b>	High	QTR 3	Planned				0		0		0
<b>PUPIL DEPRIVATION GRANT</b>	High	QTR 2	Final Issued	01/09/2019	30/09/2019	04/10/2019	4	10/10/2019	6	10/10/2019	0
<b>PROSPERITY, DEVELOPMENT &amp; FRONTLINE SERVICES</b>											





## Appendix 2 - The Status of Recommendations

### CHIEF EXECUTIVE

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
12	Implemented	Overdue / Outstanding	Target Date in the Future
	12	0	0
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
82	Implemented	Overdue / Outstanding	Target Date in the Future
	79	0	3
<b>Number of LOW Recs</b>	<b>STATUS</b>		
67	Implemented	Overdue / Outstanding	Target Date in the Future
	65	0	2

### COMMUNITY & CHILDREN'S SERVICES

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
23	Implemented	Overdue / Outstanding	Target Date in the Future
	22	0	1
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
165	Implemented	Overdue / Outstanding	Target Date in the Future
	154	0	11
<b>Number of LOW Recs</b>	<b>STATUS</b>		
98	Implemented	Overdue / Outstanding	Target Date in the Future
	95	0	3

### CORPORATE & FRONTLINE SERVICES

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
33	Implemented	Overdue / Outstanding	Target Date in the Future
	33	0	0
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
100	Implemented	Overdue /	Target Date in the

		Outstanding	Future
	99	0	1
<b>Number of LOW Recs</b>	<b>STATUS</b>		
47	Implemented	Overdue / Outstanding	Target Date in the Future
	47	0	0

#### EDUCATION & INCLUSION SERVICES

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
339	Implemented	Overdue / Outstanding	Target Date in the Future
	332	0	7
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
885	Implemented	Overdue / Outstanding	Target Date in the Future
	872	0	13
<b>Number of LOW Recs</b>	<b>STATUS</b>		
647	Implemented	Overdue / Outstanding	Target Date in the Future
	644	0	3

#### PROSPERITY, DEVELOPMENT & FRONTLINE SERVICES

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

#### WHOLE AUTHORITY ARRANGEMENTS

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
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9	Implemented	Overdue / Outstanding	Target Date in the Future
	9	0	0
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
11	Implemented	Overdue / Outstanding	Target Date in the Future
	10	0	1
<b>Number of LOW Recs</b>	<b>STATUS</b>		
0	Implemented	Overdue / Outstanding	Target Date in the Future
	0	0	0