

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2018/19

<p><b>AUDIT COMMITTEE</b></p> <p>17<sup>th</sup> December 2018</p>	<p><b>AGENDA ITEM NO. 9</b></p>
<p><b>REPORT OF THE GROUP DIRECTOR, CORPORATE &amp; FRONTLINE SERVICES</b></p>	<p><b>INTERNAL AUDIT PERFORMANCE 2018/19</b></p>

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

**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 2018 and 4<sup>th</sup> December 2018.

**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 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'.

- 4.2 In line with this requirement Appendix 1 sets out the Internal Audit Plan for 2018/19 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 79 individual audit assignments and, as at 4<sup>th</sup> December 2018, 46% 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	26
Draft Reports Issued	10
Fieldwork Complete	4
Audits In Progress	7
Audits Not Yet Started ('Planned')	32
<b>Total:</b>	<b>79</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. A verbal update in respect of the status of the outstanding recommendations shown in Appendix 2 will be provided at the meeting.

## **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 Officer*** – Marc Crumbie

**LOCAL GOVERNMENT ACT 1972**

**AS AMENDED BY**

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

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**AUDIT COMMITTEE**

**17<sup>th</sup> December 2018**

**INTERNAL AUDIT PERFORMANCE 2018/19**

**REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES**

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

**Item: 9**

**Background Papers**

None.

Officer to contact: Marc Crumbie

## Appendix 1 - Monitoring the Internal Audit Plan 2018/19

	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>											
RECRUITMENT - PRE EMPLOYMENT CHECKS	High	QTR 3	In Progress	01/11/2018			0		0		0
SICKNESS ABSENCE MANAGEMENT - SCHOOLS	High	QTR 3	Planned				0		0		0
<b>LEGAL AND DEMOCRATIC SERVICES</b>											
CASE MANAGEMENT	Medium	QTR 3	Planned				0		0		0
<b>REGENERATION &amp; PLANNING</b>											
HOUSING GRANTS	High	QTR 2	Final Report	31/08/2018	26/09/2018	05/10/2018	9	07/11/2018	33	08/11/2018	1
COMMUNITY INFRASTRUCTURE LEVY	High	QTR 2	In Progress	01/10/2018			0		0		0
HOMELESSNESS GRANT	High	QTR 1	Final Report	04/06/2018	31/07/2018	31/07/2018	0	06/08/2018	6	06/08/2018	0
<b>COMMUNITY &amp; CHILDREN'S SERVICES</b>											
<b>CHILDREN'S SERVICES</b>											
PAYMENTS TO FOSTER CARERS	Medium	QTR 2	Fieldwork Complete	15/06/2018	21/08/2018		0		0		0
CONTACT SERVICE	Medium	QTR 2	In Progress	26/11/2018			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>ADOPTION SUPPORT PAYMENTS</b>	High	QTR 1	Draft Report	04/12/2017	22/06/2018	29/06/2018	7		0		0
<b>YOUTH OFFENDING SERVICE</b>	Medium	QTR 3	Planned				0		0		0
<b>CONTRACT MANAGEMENT - PLACEMENTS</b>	High	QTR 4	Planned				0		0		0
<b>ADULT SERVICES</b>											
<b>DIRECT PAYMENTS</b>	High	QTR 3	Planned				0		0		0
<b>THE REVIEW TEAM</b>	Medium	QTR 4	Planned				0		0		0
<b>THE PANEL PROCESS</b>	High	QTR 2	Fieldwork Complete	26/04/2018	4/12/2018		0		0		0
<b>SUPPORTED LIVING</b>	High	QTR 3	In Progress	15/10/2018			0		0		0
<b>PUBLIC HEALTH, PROTECTION &amp; COMMUNITY SERVICES</b>											
<b>REGISTRATION SERVICES</b>	Low	QTR 3	Draft Report	25/09/2018	05/10/2018	28/11/2018	54		0		0
<b>LLWYDGOED CREMATORIUM</b>	Low	QTR 2	Final Report	09/08/2018	14/08/2018	06/09/2018	23	19/10/2018	43	07/11/2018	19
<b>GLYNTAFF CREMATORIUM</b>	Low	QTR 2	Final Report	12/09/2018	26/09/2018	04/10/2018	8	19/10/2018	15	07/11/2018	19
<b>ENGAGEMENT, INTERVENTION &amp; PREVENTION</b>	High	QTR 3	Planned				0		0		0
<b>BROKER SERVICE</b>	High	QTR 3	Planned				0		0		0
<b>CORPORATE &amp; FRONTLINE 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
<b>IT</b>											
<b>DISASTER RECOVERY - FOLLOW UP</b>	High	QTR 2	In Progress	09/11/2018			0		0		0
<b>CORPORATE ESTATES &amp; PROCUREMENT</b>											
<b>LEGIONELLA MANAGEMENT</b>	High	QTR 1	Draft Report	09/05/2018	27/09/2018	15/10/2018	18		0		0
<b>21<sup>ST</sup> CENTURY SCHOOLS - CAPITAL PROJECT</b>	High	QTR 3	Planned				0		0		0
<b>ENERGY MANAGEMENT</b>	High	QTR 2	Final Report	20/08/2018	16/10/2018	26/10/2018	10	02/11/2018	7	09/11/2018	7
<b>FINANCIAL SERVICES</b>											
<b>GENERAL LEDGER</b>	High	QTR 3	Fieldwork Complete	01/11/2018	30/11/2018		0		0		0
<b>TAXATION</b>	High	QTR 3	Planned				0		0		0
<b>ADMINISTRATION OF TRUST FUNDS</b>	Low	QTR 3	Final Report	01/10/2018	08/10/2018	09/10/2018	1	09/10/2018	0	09/10/2018	0
<b>TREASURY MANAGEMENT</b>	High	QTR 3	Fieldwork Complete	05/11/2018	09/11/2018		0		0		0
<b>CREDITORS</b>	High	QTR 1	Final Report	16/02/2018	30/03/2018	16/05/2018	47	22/06/2018	37	29/06/2018	7
<b>PENSIONS</b>	High	QTR 1	Draft Report	14/05/2018	28/08/2018	06/09/2018	9		0		0
<b>INCOME, DEBTORS &amp; DEBT RECOVERY</b>	High	QTR 1	Draft Report	15/03/2018	31/05/2018	29/06/2018	29		0		0
<b>HIGHWAYS &amp; STREETCARE</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
<b>WASTE SERVICES</b>	High	QTR 4	Planned				0		0		0
<b>HIGHWAYS - CAPITAL PROGRAMME</b>	High	QTR 4	Planned				0		0		0
<b>EDUCATION &amp; LIFELONG LEARNING</b>											
<b>MIDDLE SCHOOLS</b>											
<b>YSGOL LANHARI FOLLOW UP</b>	High	QTR 4	Planned				0		0		0
<b>SECONDARY SCHOOLS</b>											
<b>MOUNTAIN ASH COMPREHENSIVE SCHOOL</b>	High	QTR 1	Final Report	02/07/2018	06/07/2018	26/09/2018	82	23/10/2018	27	06/11/2018	14
<b>TREORCHY COMPREHENSIVE SCHOOL</b>	High	QTR 1	Final Report	11/06/2018	02/07/2018	31/07/2018	29	10/09/2018	41	12/09/2018	2
<b>Y PANT FOLLOW UP</b>	High	QTR 1	Final Report	05/03/2018	26/03/2018	11/05/2018	46	12/10/2018	154	16/10/2018	4
<b>ABERDARE COMMUNITY SCHOOL</b>	High	QTR 3	In Progress	03/12/2018			0		0		0
<b>YSGOL GYFUN GARTH OLWG FOLLOW UP</b>	High	QTR 1	Final Report	27/03/2018	11/04/2018	23/04/2018	12	30/04/2018	7	15/05/2018	15
<b>HAWTHORN HIGH SCHOOL FOLLOW UP</b>	High	QTR 1	Final Report	26/02/2018	20/03/2018	06/06/2018	78	28/11/2018	175	30/11/2018	2
<b>YSGOL GYFUN CWM RHONDDA</b>	High	QTR 1	Draft Report	25/06/2018	29/06/2018	11/09/2018	74		0		0
<b>TONYPANDY COMMUNITY COLLEGE</b>	High	QTR 4	Planned				0		0		0
<b>PRIMARY SCHOOLS</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
<b>CWMBACH COMMUNITY PRIMARY SCHOOL</b>	Medium	QTR 1	Final Report	07/06/2018	21/06/2018	27/06/2018	6	11/07/2018	14	25/07/2018	14
<b>CAEGARW PRIMARY SCHOOL</b>	Medium	QTR 1	Final Report	05/07/2018	01/08/2018	09/08/2018	8	01/10/2018	53	09/10/2018	8
<b>CAPCOCH PRIMARY SCHOOL</b>	Medium	QTR 1	Draft Report	18/07/2018	25/7/2018	30/08/2018	66		0		0
<b>CARADOG PRIMARY SCHOOL</b>	Medium	QTR 1	Final Report	07/06/2018	08/06/2018	29/06/2018	21	09/07/2018	10	06/11/2018	120
<b>CWMDAR PRIMARY SCHOOL</b>	Medium	QTR 1	Final Report	03/07/2018	04/07/2018	09/08/2018	36	14/09/2018	36	19/09/2018	5
<b>CWMLAI PRIMARY SCHOOL</b>	Medium	QTR 3	Draft Report	08/10/2018	10/10/2018	12/11/2018	33		0		0
<b>DARRENLAS PRIMARY SCHOOL</b>	Medium	QTR 1	Final Report	12/07/2018	13/07/2018	31/07/2018	18	13/08/2018	13	16/08/2018	3
<b>GELLI PRIMARY SCHOOL</b>	Medium	QTR 1	Final Report	10/07/2018	11/07/2018	16/08/2018	36	10/09/2018	25	12/09/2018	2
<b>HAWTHORN PRIMARY SCHOOL</b>	Medium	QTR 1	Final Report	12/06/2018	14/06/2018	16/08/2018	63	25/10/2018	70	06/11/2018	12
<b>HIRWAUN PRIMARY SCHOOL</b>	Medium	QTR 1	Final Report	20/06/2018	21/06/2018	30/08/2018	70	05/10/2018	36	11/10/2018	6
<b>LLWYNCRWN PRIMARY SCHOOL</b>	Medium	QTR 3	Planned				0		0		0
<b>MISKIN PRIMARY SCHOOL</b>	Medium	QTR 3	Final Report	15/10/2018	18/10/2018	25/10/2018	7	07/11/2018	13	08/11/2018	1
<b>PARC PRIMARY SCHOOL</b>	Medium	QTR 3	Planned				0		0		0
<b>PARCLEWIS PRIMARY SCHOOL</b>	Medium	QTR 3	Final Report	10/10/2018	11/10/2018	26/10/2018	15	07/11/2018	12	08/11/2018	1
<b>PRIMARY SCHOOL SELF ASSESSMENT REPORT 17/18</b>	Medium	QTR 1	Final Report	10/04/2018	11/04/2018	18/07/2018	98	18/07/2018	0	18/07/2018	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
YGG LLWYNCELYN	Medium	QTR 3	Planned				0		0		0
CWMAMAN PRIMARY	Medium	QTR 3	Planned				0		0		0
PRIMARY SCHOOL SELF ASSESSMENT REPORT 18/19	Medium	QTR 4	Planned				0		0		0
<b>SCHOOLS &amp; COMMUNITY</b>											
POST 16 PLANNING AND FUNDING 2017/18	High	QTR 1	Final Report	06/11/2017	04/05/2018	21/05/2018	17	17/08/2018	88	21/08/2018	4
POST 16 PLANNING AND FUNDING 2018/19	High	QTR 3	In Progress				0		0		0
POST 16 GRANT	High	QTR 4	Planned				0		0		0
EARLY YEARS PROVISION	High	QTR 3	Planned				0		0		0
EDUCATION IMPROVEMENT GRANT	High	QTR 2	Final Report	03/09/2018	24/09/2018	28/09/2018	4	28/09/2018	0	28/09/2018	0
<b>ACCESS &amp; ENGAGEMENT &amp; INCLUSION</b>											
IN YEAR TRANSFER PROTOCOLS	High	QTR 2	Final Report	29/05/2018	08/10/2018	25/10/2018	17	21/11/2018	27	30/11/2018	9
<b>THEMATIC REVIEWS - COMPREHENSIVE SCHOOLS</b>											
SCHOOL PRIVATE FUNDS	High	QTR 3	Planned				0		0		0
PURCHASE CARDS	High	QTR 3	Planned				0		0		0
SAFEGUARDING ARRANGEMENTS	High	QTR 3	Planned				0		0		0
GOVERNANCE	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>ARRANGEMENTS</b>											
<b>WHOLE AUTHORITY ARRANGEMENTS</b>											
<b>PERFORMANCE INDICATORS</b>	High	QTR 2	Draft Report	01/08/2018	10/10/2018	15/10/2018	5		0		0
<b>OPERATIONAL RISK MANAGEMENT</b>	High	QTR 4	Planned				0		0		0
<b>ORGANISED CRIME REVIEW</b>	High	QTR 1	Draft Report	13/12/2017	11/06/2018	29/06/2018	18		0		0
<b>DIGITALISATION</b>	High	QTR 3	Planned				0		0		0
<b>COMMERCIALISATION</b>	High	QTR 3	Planned				0		0		0
<b>INDEPENDENCE</b>	High	QTR 3	Planned				0		0		0
<b>EARLY INTERVENTION &amp; PREVENTION</b>	High	QTR 4	Planned				0		0		0
<b>EFFICIENT &amp; EFFECTIVE ORGANISATION</b>	High	QTR 4	Planned				0		0		0
<b>ANTI-FRAUD, BRIBERY &amp; CORRUPTION</b>	High	QTR 3	Planned				0		0		0

## 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
	11	1	0
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
72	Implemented	Overdue / Outstanding	Target Date in the Future
	68	4	0
<b>Number of LOW Recs</b>	<b>STATUS</b>		
55	Implemented	Overdue / Outstanding	Target Date in the Future
	50	3	2

### COMMUNITY & CHILDREN'S SERVICES

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
20	Implemented	Overdue / Outstanding	Target Date in the Future
	20	0	0
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
142	Implemented	Overdue / Outstanding	Target Date in the Future
	136	4	2
<b>Number of LOW Recs</b>	<b>STATUS</b>		
89	Implemented	Overdue / Outstanding	Target Date in the Future
	87	2	0

### CORPORATE & FRONTLINE SERVICES

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
32	Implemented	Overdue / Outstanding	Target Date in the Future
	31	0	1
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
93	Implemented	Overdue / Outstanding	Target Date in the Future

	89	1	3
<b>Number of LOW Recs</b>	<b>STATUS</b>		
42	Implemented	Overdue / Outstanding	Target Date in the Future
	42	0	0

#### EDUCATION & LIFELONG LEARNING

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
302	Implemented	Overdue / Outstanding	Target Date in the Future
	280	3	19
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
784	Implemented	Overdue / Outstanding	Target Date in the Future
	753	6	25
<b>Number of LOW Recs</b>	<b>STATUS</b>		
603	Implemented	Overdue / Outstanding	Target Date in the Future
	591	5	7

#### WHOLE AUTHORITY ARRANGEMENTS

<b>Number of HIGH Recs</b>	<b>STATUS</b>		
6	Implemented	Overdue / Outstanding	Target Date in the Future
	6	0	0
<b>Number of MEDIUM Recs</b>	<b>STATUS</b>		
9	Implemented	Overdue / Outstanding	Target Date in the Future
	9	0	0
<b>Number of LOW Recs</b>	<b>STATUS</b>		
0	Implemented	Overdue / Outstanding	Target Date in the Future
	0	0	0