

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2018/19

AUDIT COMMITTEE 4th February 2019	AGENDA ITEM NO. 7
REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES	INTERNAL AUDIT PERFORMANCE 2018/19

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 1st April 2018 and 24th January 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 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 24th January 2019, 58% 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:

Status	No. Of Audits
Final Reports Issued	27
Draft Reports Issued	19
Fieldwork Complete	2
Audits In Progress	7
Audits Not Yet Started ('Planned')	24
Total:	79

- 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

4th February 2019

INTERNAL AUDIT PERFORMANCE 2018/19

REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES

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

Item: 7

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	Date Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
CHIEF EXECUTIVE											
HUMAN RESOURCES											
RECRUITMENT - PRE EMPLOYMENT CHECKS	High	QTR 3	In Progress	01/11/2018			0		0		0
SICKNESS ABSENCE MANAGEMENT - SCHOOLS	High	QTR 4	Planned				0		0		0
LEGAL AND DEMOCRATIC SERVICES											
CASE MANAGEMENT	Medium	QTR 3	In Progress	02/01/2019			0		0		0
REGENERATION & PLANNING											
HOUSING GRANTS	High	QTR 2	Final Report Issued	31/08/2018	26/09/2018	05/10/2018	9	07/11/2018	33	08/11/2018	1
COMMUNITY INFRASTRUCTURE LEVY	High	QTR 2	Draft Report Issued	01/10/2018	10/01/2019	16/01/2019	6		0		0
HOMELESSNESS GRANT	High	QTR 1	Final Report Issued	04/06/2018	31/07/2018	31/07/2018	0	06/08/2018	6	06/08/2018	0
COMMUNITY & CHILDREN'S SERVICES											

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Date Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
CHILDREN'S SERVICES											
PAYMENTS TO FOSTER CARERS	Medium	QTR 2	Draft Report Issued	15/06/2018	21/12/2018	24/01/2019	34		0		0
CONTACT SERVICE	Medium	QTR 2	Fieldwork Complete	26/11/2018	22/01/2019		0		0		0
ADOPTION SUPPORT PAYMENTS	High	QTR 1	Draft Report Issued	04/12/2017	22/06/2018	29/06/2018	7		0		0
YOUTH OFFENDING SERVICE	Medium	QTR 3	Planned				0		0		0
CONTRACT MANAGEMENT - PLACEMENTS	High	QTR 4	Planned				0		0		0
ADULT SERVICES											
DIRECT PAYMENTS	High	QTR 3	Planned				0		0		0
THE REVIEW TEAM	Medium	QTR 4	Planned				0		0		0
THE PANEL PROCESS	High	QTR 2	Draft Report Issued	29/08/2018	20/12/2018	24/01/2019	35		0		0
SUPPORTED LIVING	High	QTR 3	In Progress	15/10/2018			0		0		0
PUBLIC HEALTH, PROTECTION & COMMUNITY SERVICES											

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Date Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
REGISTRATION SERVICES	Low	QTR 3	Draft Report Issued	25/09/2018	05/10/2018	28/11/2018	54	09/01/2019	42		0
LLWYDCOED CREMATORIUM	Low	QTR 2	Final Report Issued	09/08/2018	14/08/2018	06/09/2018	23	19/10/2018	43	07/11/2018	19
GLYNTAFF CREMATORIUM	Low	QTR 2	Final Report Issued	12/09/2018	26/09/2018	04/10/2018	8	19/10/2018	15	07/11/2018	19
ENGAGEMENT, INTERVENTION & PREVENTION	High	QTR 3	Planned				0		0		0
BROKER SERVICE	High	QTR 3	Planned				0		0		0
CORPORATE & FRONTLINE SERVICES											
IT											
DISASTER RECOVERY - FOLLOW UP	High	QTR 3	Draft Report Issued	09/11/2018	21/01/2019	23/01/2019	2		0		0
CORPORATE ESTATES & PROCUREMENT											
LEGIONELLA MANAGEMENT	High	QTR 1	Draft Report Issued	09/05/2018	27/09/2018	15/10/2018	18		0		0
21ST CENTURY SCHOOLS -	High	QTR	Planned				0		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Date Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
CAPITAL PROJECT		4									
ENERGY MANAGEMENT	High	QTR 2	Final Report Issued	20/08/2018	16/10/2018	26/10/2018	10	02/11/2018	7	09/11/2018	7
FINANCIAL SERVICES											
GENERAL LEDGER	High	QTR 3	Final Report Issued	01/11/2018	30/11/2018	17/12/2018	17	20/12/2018	3	21/12/2018	1
TAXATION	High	QTR 3	In Progress	02/01/2019			0		0		0
ADMINISTRATION OF TRUST FUNDS	Low	QTR 3	Final Report Issued	01/10/2018	08/10/2018	09/10/2018	1	09/10/2018	0	09/10/2018	0
TREASURY MANAGEMENT	High	QTR 3	Fieldwork Complete	05/11/2018	09/11/2018		0		0		0
CREDITORS	High	QTR 1	Final Report Issued	16/02/2018	30/03/2018	16/05/2018	47	22/06/2018	37	29/06/2018	7
PENSIONS	High	QTR 1	Draft Report Issued	14/05/2018	28/08/2018	06/09/2018	9		0		0
INCOME, DEBTORS & DEBT RECOVERY	High	QTR 1	Draft Report Issued	15/03/2018	31/05/2018	29/06/2018	29		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Date Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
HIGHWAYS & STREETCARE											
WASTE SERVICES	High	QTR 4	Planned				0		0		0
HIGHWAYS - CAPITAL PROGRAMME	High	QTR 4	Planned				0		0		0
EDUCATION & LIFELONG LEARNING											
MIDDLE SCHOOLS											
YSGOL LLANHARI FOLLOW UP	High	QTR 4	Planned				0		0		0
SECONDARY SCHOOLS											
MOUNTAIN ASH COMPREHENSIVE SCHOOL	High	QTR 1	Final Report Issued	02/07/2018	06/07/2018	26/09/2018	82	23/10/2018	27	06/11/2018	14
TREORCHY COMPREHENSIVE SCHOOL	High	QTR 1	Final Report Issued	11/06/2018	02/07/2018	31/07/2018	29	10/09/2018	41	12/09/2018	2
Y PANT FOLLOW UP	High	QTR 1	Final Report Issued	05/03/2018	26/03/2018	11/05/2018	46	12/10/2018	154	16/10/2018	4
ABERDARE COMMUNITY SCHOOL	High	QTR 3	Draft Report Issued	03/12/2018	16/01/2019	22/01/2019	6		0		0
YSGOL GYFUN GARTH OLWG FOLLOW UP	High	QTR 1	Final Report	27/03/2018	11/04/2018	23/04/2018	12	30/04/2018	7	15/05/2018	15

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Date Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
			Issued								
HAWTHORN HIGH SCHOOL FOLLOW UP	High	QTR 1	Final Report Issued	26/02/2018	20/03/2018	06/06/2018	78	28/11/2018	175	30/11/2018	2
YSGOL GYFUN CWM RHONDDA	High	QTR 1	Draft Report Issued	25/06/2018	29/06/2018	11/09/2018	74	11/01/2019	122		0
TONYPANDY COMMUNITY COLLEGE	High	QTR 4	Planned				0		0		0
PRIMARY SCHOOLS											
CWMBACH COMMUNITY PRIMARY SCHOOL	Medium	QTR 1	Final Report Issued	07/06/2018	21/06/2018	27/06/2018	6	11/07/2018	14	25/07/2018	14
CAEGARW PRIMARY SCHOOL	Medium	QTR 1	Final Report Issued	05/07/2018	01/08/2018	09/08/2018	8	01/10/2018	53	09/10/2018	8
CAPCOCH PRIMARY SCHOOL	Medium	QTR 1	Draft Report Issued	18/07/2018	25/07/2018	30/08/2018	36		0		0
CARADOG PRIMARY SCHOOL	Medium	QTR 1	Final Report Issued	07/06/2018	08/06/2018	29/06/2018	21	09/07/2018	10	06/11/2018	120
CWMDAR PRIMARY SCHOOL	Medium	QTR 1	Final Report Issued	03/07/2018	04/07/2018	09/08/2018	36	14/09/2018	36	19/09/2018	5

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Date Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
CWMLAI PRIMARY SCHOOL	Medium	QTR 3	Draft Report Issued	08/10/2018	10/10/2018	12/11/2018	33		0		0
DARRENLAS PRIMARY SCHOOL	Medium	QTR 1	Final Report Issued	12/07/2018	13/07/2018	31/07/2018	18	13/08/2018	13	16/08/2018	3
GELLI PRIMARY SCHOOL	Medium	QTR 1	Final Report Issued	10/07/2018	11/07/2018	16/08/2018	36	10/09/2018	25	12/09/2018	2
HAWTHORN PRIMARY SCHOOL	Medium	QTR 1	Final Report Issued	12/06/2018	14/06/2018	16/08/2018	63	25/10/2018	70	06/11/2018	12
HIRWAUN PRIMARY SCHOOL	Medium	QTR 1	Final Report Issued	20/06/2018	21/06/2018	30/08/2018	70	05/10/2018	36	11/10/2018	6
LLWYNCRWN PRIMARY SCHOOL	Medium	QTR 3	Draft Report Issued	14/01/2019	16/01/2019	24/01/2019	8		0		0
MISKIN PRIMARY SCHOOL	Medium	QTR 3	Final Report Issued	15/10/2018	18/10/2018	25/10/2018	7	07/11/2018	13	08/11/2018	1
PARC PRIMARY SCHOOL	Medium	QTR 3	Planned				0		0		0
PARCLEWIS PRIMARY SCHOOL	Medium	QTR 3	Final Report Issued	10/10/2018	11/10/2018	26/10/2018	15	07/11/2018	12	08/11/2018	1

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Date Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
PRIMARY SCHOOL SELF ASSESSMENT REPORT 17/18	Medium	QTR 1	Final Report Issued	10/04/2018	11/04/2018	18/07/2018	98	18/07/2018	0	18/07/2018	0
YGG LLWYNCELYN	Medium	QTR 3	Draft Report Issued	09/01/2019	16/01/2019	24/01/2019	8		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
SCHOOLS & COMMUNITY											
POST 16 PLANNING AND FUNDING 2017/18	High	QTR 1	Final Report Issued	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	04/12/2018			0		0		0
POST 16 GRANT	High	QTR 4	Draft Report Issued	09/01/2019	11/01/2019	14/01/2019	3		0		0
EARLY YEARS PROVISION	High	QTR 3	Planned				0		0		0
EDUCATION IMPROVEMENT GRANT	High	QTR 2	Final Report Issued	03/09/2018	24/09/2018	28/09/2018	4	28/09/2018	0	28/09/2018	0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Date Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
ACCESS & ENGAGEMENT & INCLUSION											
IN YEAR TRANSFER PROTOCOLS	High	QTR 2	Final Report Issued	29/05/2018	08/10/2018	25/10/2018	17	21/11/2018	27	30/11/2018	9
THEMATIC REVIEWS - COMPREHENSIVE SCHOOLS											
SCHOOL PRIVATE FUNDS	High	QTR 3	In Progress	12/12/2018			0		0		0
PURCHASE CARDS	High	QTR 3	In Progress	12/12/2018			0		0		0
SAFEGUARDING ARRANGEMENTS	High	QTR 3	Planned				0		0		0
GOVERNANCE ARRANGEMENTS	High	QTR 3	Planned				0		0		0
WHOLE AUTHORITY ARRANGEMENTS											
WHOLE AUTHORITY ARRANGEMENTS											
PERFORMANCE INDICATORS	High	QTR 2	Draft Report Issued	01/08/2018	10/10/2018	15/10/2018	5		0		0
OPERATIONAL RISK MANAGEMENT	High	QTR 4	Planned				0		0		0
ORGANISED CRIME REVIEW	High	QTR 1	Draft Report Issued	13/12/2017	11/06/2018	29/06/2018	18		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Date Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
DIGITALISATION	High	QTR 4	Planned				0		0		0
COMMERCIALISATION	High	QTR 4	Planned				0		0		0
INDEPENDENCE	High	QTR 4	Planned				0		0		0
EARLY INTERVENTION & PREVENTION	High	QTR 4	Planned				0		0		0
EFFICIENT & EFFECTIVE ORGANISATION	High	QTR 4	Planned				0		0		0
ANTI-FRAUD, BRIBERY & CORRUPTION	High	QTR 3	Draft Report Issued	02/01/2019	23/01/2019	24/01/2019	1		0		0

Appendix 2 - The Status of Recommendations

CHIEF EXECUTIVE

Number of HIGH Recs	STATUS		
12	Implemented	Overdue / Outstanding	Target Date in the Future
	12	0	0
Number of MEDIUM Recs	STATUS		
72	Implemented	Overdue / Outstanding	Target Date in the Future
	72	0	0
Number of LOW Recs	STATUS		
55	Implemented	Overdue / Outstanding	Target Date in the Future
	53	0	2

COMMUNITY & CHILDREN'S SERVICES

Number of HIGH Recs	STATUS		
20	Implemented	Overdue / Outstanding	Target Date in the Future
	20	0	0
Number of MEDIUM Recs	STATUS		
142	Implemented	Overdue / Outstanding	Target Date in the Future
	140	0	2
Number of LOW Recs	STATUS		
89	Implemented	Overdue / Outstanding	Target Date in the Future
	89	0	0

CORPORATE & FRONTLINE SERVICES

Number of HIGH Recs	STATUS		
32	Implemented	Overdue / Outstanding	Target Date in the Future
	31	0	1
Number of MEDIUM Recs	STATUS		
93	Implemented	Overdue / Outstanding	Target Date in the Future
	89	0	4
Number of LOW Recs	STATUS		
42	Implemented	Overdue / Outstanding	Target Date in the Future
	42	0	0

EDUCATION & LIFELONG LEARNING

Number of HIGH Recs	STATUS		
303	Implemented	Overdue / Outstanding	Target Date in the Future
	286	0	17
Number of MEDIUM Recs	STATUS		
791	Implemented	Overdue / Outstanding	Target Date in the Future
	770	2	19
Number of LOW Recs	STATUS		
606	Implemented	Overdue / Outstanding	Target Date in the Future
	603	0	3

WHOLE AUTHORITY ARRANGEMENTS

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