



CYNGOR BWRDEISTREF SIROL
RHONDDA CYNON TAF
COUNTY BOROUGH COUNCIL

GWŶS I GYFARFOD O'R CYNGOR

C.Hanagan
Cyfarwyddwr Materion Cyfathrebu a Phennaeth Dros Dro'r Gwasanaethau
Llywodraethol
Cyngor Bwrdeistref Sirol Rhondda Cynon Taf
Y Pafiliynau
Parc Hen Lofa'r Cambrian
Cwm Clydach, CF40 2XX

Dolen gyswllt: Hannah Williams - Uned Busnes y Cyngor - Gwasanaethau
Llywodraethol (01443 424062)

DYMA WŶS I CHI i gyfarfod o **Pwyllgor ARCHWILIO** yn cael ei gynnal yn **Siambr y Cyngor, Y Pafiliynau, Parc Hen Lofa'r Cambrian, Cwm Clydach, Tonypanyd CF40 2XX** ar **Dydd LLUN, 4YDD CHWEFROR, 2019** am **5.00 PM.**

Caiff Aelodau nad ydyn nhw'n aelodau o'r pwyllgor ac aelodau o'r cyhoedd gyfrannu yn y cyfarfod ar faterion y cyfarfod er bydd y cais yn ôl doethineb y Cadeirydd. Gofynnwn i chi roi gwybod i Wasanaethau Democrataidd erbyn 31 Ionawr, 2019 trwy ddefnyddio'r manylion cyswllt uchod, gan gynnwys rhoi gwybod a fyddwch chi'n siarad Cymraeg neu Saesneg.

AGENDA

1. DATGAN BUDDIANT

Derbyn datganiadau o fuddiannau personol gan Aelodau, yn unol â gofynion y Cod Ymddygiad.

Nodwch:

1. Mae gofyn i Aelodau ddatgan rhif a phwnc yr agendwm mae eu buddiant yn ymwneud ag ef a mynegi natur y buddiant personol hwnnw; a
2. Lle bo Aelodau'n ymneilltuo o'r cyfarfod o ganlyniad i ddatgelu buddiant sy'n rhagfarnu, mae rhaid iddyn nhw roi gwybod i'r Cadeirydd pan fyddan nhw'n gadael.

2. COFNODION

Derbyn cofnodion o gyfarfod blaenorol y Pwyllgor Archwilio a gafodd ei gynnal ar 17 Rhagfyr 2018.

3. DIWEDDARIAD - YSGOL UWCHRADD Y DDRAENEN WEN AC YSGOL GYFUN Y PANT

Derbyn diweddariad ar lafar gan y Cyfarwyddwr Addysg a Gwasanaethau Cynhwysiant mewn perthynas ag Ysgol Uwchradd y Ddraenen Wen a derbyn diweddariad mewn perthynas ag Ysgol Gyfun y Pant.

4. ARCHWILIAD Y RHWYDWAITH GWASANAETHAU CYHOEDDUS (PSN)

Rhoi trosolwg i'r Pwyllgor Craffu o'r broses achredu PSN, ynghyd â deilliannau'r archwiliad diweddaraf.

9 - 20

5. TROSOLWG O DREFNIADAU RHEOLI RISG SYDD AR WAITH MEWN PERTHYNAS Â 'PHROSIECTAU'

Derbyn cyflwyniad ynglŷn â'r trefniadau rheoli risg sydd ar waith mewn perthynas â phrosiectau.

6. DEILLIANNAU'R AROLWG STAFF

Derbyn deilliannau'r arolwg staff, yn benodol mewn perthynas ag ymwybyddiaeth o Drefniadau Chwythu'r Chwiban a Threfniadau Gwrth-dwyll y Cyngor.

21 - 26

7. CYFLAWNIAD ARCHWILIO MEWNOL

27 - 44

8. ASEINIADAU ARCHWILIO TERFYNOL

45 - 50

9. BUSNES BRYD

Trafod unrhyw faterion sydd, yn ôl doethineb y Cadeirydd, yn faterion brys yng ngoleuni amgylchiadau arbennig.

Cyfarwyddwr Materion Cyfathrebu a Phennaeth Dros Dro'r Gwasanaethau

Llywodraethol

Cylchreliad:-

Y Cynghorwyr Bwrdeistref Sirol:

Y Cyngorydd G Caple, Y Cyngorydd A Cox, Y Cyngorydd J Cullwick,
Y Cyngorydd M Fidler-Jones, Y Cyngorydd M Adams, Y Cyngorydd H Boggis,
Y Cyngorydd R Smith, Y Cyngorydd R Yeo, Y Cyngorydd M Powell,
Y Cyngorydd G Davies, Y Cyngorydd M Norris, Y Cyngorydd E Webster,
Y Cyngorydd J Elliott, Y Cyngorydd Owen-Jones and Y Cyngorydd S Rees

Aelod Lleyg – Mr R. Hull



RHONDDA CYNON TAF COUNCIL AUDIT COMMITTEE

Minutes of the Audit Committee meeting held on Monday, 17 December 2018 at 5.00 pm at the Council Chamber, The Pavilions, Cambrian Park, Clydach Vale, Tonypanyd, CF40 2XX.

Audit Committee Members in attendance:

Chair – R. Hull

County Borough Councillors:

Councillor G Caple	Councillor A Cox
Councillor J Cullwick	Councillor M Adams
Councillor H Boggis	Councillor R Yeo
Councillor M Norris	Councillor E Webster
Councillor D Owen-Jones	Councillor S Rees

Officers in attendance

Mr C Jones, Director, Legal & Democratic Services
Mr P Griffiths, Service Director, Performance & Improvement
Mr M Crumby, Head of Internal Audit & Procurement Delivery Programme
Mrs S. Davies - Head of Finance: Education & Financial Reporting
Mr C Evans, Programme & Support Manager

32 Apologies for Absence

Apologies for absence were received from County Borough Councillors M. Powell, G. Davies, M. Fidler Jones, R. Smith and the Wales Audit Office.

33 Declaration of Interest

In accordance with the Council's Code of Conduct, County Borough Councillor H. Boggis declared the following prejudicial interest in relation to Agenda Item 10 – Finalised Audit Assignments. 'I am Chair of Llwydcoed Crematorium and therefore, I will leave the meeting whilst the Audit Assignment outlined on page 116 of the report is considered'.

34 Minutes

It was **RESOLVED** to approve the minutes of the 5th November, 2018 as an accurate reflection of the meeting.

35 Matters Arising

Minute No. 27 – Council's Treasury Management Function – At the previous meeting, Members requested further information in respect of the news article which stated the amount of public finances in Wales that had been lost to fraud. The Head of Internal Audit & Procurement Delivery Programme was unable to provide any further information as the article did not specify the period of time

that the loss of finances related to. However, the officer confirmed that any loss of finances under the National Fraud Initiative would be published within the Council's Anti-Fraud, Bribery & Corruption Annual Report, which is scheduled to be reported in March, 2019.

36 Appointment of Vice-Chair

Following a change in membership, the Director, Legal & Democratic Services sought nominations for the appointment of the Vice-Chair of the Council's Audit Committee for the Municipal year 2018/2019.

Following a vote, it was **RESOLVED** that County Borough Councillor E. Webster be elected as Vice-Chair of the Audit Committee for the Municipal Year 2018/19.

Note: At this point in the proceedings, County Borough Councillor J. Cullwick left the meeting.

37 Wales Audit Office : Annual Audit Letter 2017/18 and Management Letter 2017/18

In the absence of the Wales Audit Office, the Head of Finance: Education & Financial Reporting provided Members with the Annual Audit Letter to Rhondda Cynon Taf Council for 2017/18, whereby Members were pleased to note the positive progress.

The Head of Finance: Education & Financial Reporting went on to provide Members with details of the Wales Audit Office Management Letter for 2017/18 relating to the Statement of Accounts which had been approved by Council on 19th September, 2018. Members were pleased with the detailed report before them and noted the Wales Audit Office recommendations from the 2017/18 audit work together with the actions the Council will take to address the recommendations.

The Audit Committee **RESOLVED** to note the update.

38 Wales Audit Office : Annual Improvement Report 2017/18

Note: At this point in the proceedings, County Borough Councillors D. Owen-Jones and S. Rees arrived at the meeting.

The Service Director, Performance & Improvement presented the report of the Group Director, Corporate & Frontline Services in respect of the Wales Audit Office Annual Improvement Report for 2017/18. Referring to Section 3 of the report, the Service Director advised the Committee of the Terms of Reference and their responsibility to consider the robustness of the Council's internal control arrangements. Members were reminded that should they feel that any performance related matters require further review, it is within the remit of the Committee to refer such matters to the designated Scrutiny Committee.

Members were pleased with the content of the report and Action Plan detailed at Appendix 1, and it was **RESOLVED** to acknowledge the steps taken by the Council to monitor the implementation of 'proposals for improvement' made within the Wales Audit Office 'Annual Improvement Report 2017/18'

39 **2017/18 Annual Governance Statement Recommendations - An Update**

The Service Director, Performance & Improvement presented the report of the Group Director, Corporate & Frontline Services in respect of the recommendations made within the Council's 2017/18 Annual Governance Statement. Members were reminded that the Annual Governance Statement relating to the 2017/18 financial year was approved by the Audit Committee at its meeting held on 30th April, 2018 and that a summary of action taken to implement the recommendations was provided at Appendix A of the report.

The Service Director went on to provide the Committee with an update on key areas:

- Local Code of Governance – The Service Director referred Members to Appendix B of the report and advised that work was being prioritised to create an accessible and standalone Governance section on the Council's website. The Service Director added that the Local Code of Governance would be completed in quarter 4 and made available on the Governance section of the Council's website.
- Complaints and Comments - The Service Director advised that a single team for dealing with comments, compliments and complaints received by the Council would be in place from January 2019.
- The Council's Financial Procedure Rules – The Service Director assured Members that the fundamental principles contained within the document remained sound and a review of the document would be undertaken in quarter 4, for example, to include appropriate references to the Public Services Board.

Following a query from one Member, the Service Director advised that non-social services complaints and compliments received by the Council would be presented in a similar reporting form as the current Annual Social Services Complaints and Compliments Report. The Service Director added that the relevant Scrutiny Committee would also have the opportunity to review the report during the year.

The Audit Committee **RESOLVED** that the progress made to implement the recommendations was satisfactory.

40 **Risk Management Strategy Update**

The Head of Internal Audit & Procurement Delivery Programme provided the Audit Committee with an overview of the Council's Risk Management Strategy. The officer referred Members to Appendix 1 where the Strategy was outlined and explained that proposed amendments did not change the fundamental principle of the Strategy that was originally approved by Cabinet in March, 2014.

Members **RESOLVED** to endorse the updated Strategy and agree for the revised document to be made available on the Council's website.

41 **An Overview of Internal Control, incorporating a case study of Agile Working**

With the aide of a PowerPoint presentation, the Programme & Support Manager provided the Audit Committee with an overview of Internal Control, together with a case study of agile working.

The Head of Internal Audit & Procurement Delivery Programme added that the purpose of the presentation was to broaden Members' knowledge and understanding in order to assist them when discharging their responsibilities as Audit Committee Members.

Following a number of questions from Members in respect of agile working, the officer gave an overview of the rollout of agile working and what plans were in place moving forward.

Referring to the support provided to staff, the officer advised that the use of regular questionnaires indicated positive feedback together with improvement in productivity alongside increased flexibility for staff when undertaking their work.

Following discussion, the Audit Committee **RESOLVED** to acknowledge the information provided.

42 Internal Audit Performance

The Head of Internal Audit & Procurement Delivery Programme presented the Internal Audit Performance for 2018/19 providing performance information in respect of the Internal Audit Service between 1st April, 2018 and 4th December, 2018.

It was reported that the Internal Audit Plan currently includes 79 individual audit assignments and, as at 4th December, 2018, 46% of the Plan had been completed to report stage.

The officer explained that Appendix 2 of the report provides a summary of the status of all recommendations made by the Internal Audit Service, grouped under the relevant service of the Council. The Committee was informed that there were no overdue/outstanding recommendations to report.

Following consideration of the report, it was **RESOLVED** to approve the information provided.

43 Finalised Audit Assignments

The Head of Internal Audit & Procurement Delivery Programme introduced the report of the Group Director, Corporate & Frontline Services in respect of the audit assignments completed between 27th October, 2018 and 4th December, 2018:

- Housing Grants
- Glyntaff Crematorium
- Llwydcoed Crematorium
- Energy Management
- Caradog Primary School
- Hawthorn Primary School
- In Year Transfer Protocols
- Miskin Primary School
- Mountain Ash Comprehensive School
- Parclewis Primary School
- Ysgol Llanhari

- Hawthorn High School – Follow Up

Note: Having earlier declared an interest in the above-mentioned report in respect of Llwydcoed Crematorium (Minute No. 33), County Borough Councillor H. Boggis left the meeting, whilst the report was discussed.

In respect of the Mountain Ash Comprehensive School report, Members raised questions in respect of the administration of the Purchase Card. Following discussion, Members felt it would necessary to revisit the School to undertake a follow-up specifically in relation to the Purchase Card.

Referring to the Ysgol Llanhari report, following discussion, Members felt it would be necessary for a follow-up review to be conducted in 6 months to determine whether the necessary progress was being made to implement the recommendations outlined within the report.

Discussions ensued around the follow-up review of Hawthorn High School with all Members expressing serious concern in respect of the unsatisfactory progress evidenced within the report. Due to the details outlined within the report, Members agreed that it would be beneficial to seek the opinion of the Director, Human Resources in conjunction with the Director, Education & Inclusion Services in respect of the Committee's ability to request that the Headteacher attends a future Audit Committee.

Following consideration of the outcomes of the assignments, it was

RESOLVED:-

1. To receive and acknowledge the information contained within the report;
2. That a follow-up take place at Mountain Ash Comprehensive School, specifically in respect of the administration of the purchase card;
3. That a follow-up audit be undertaken in six months time to review the progress of Ysgol Llanhari; and
4. That the Audit Committee refer the Hawthorn High School report to both the Director, Human Resources and Director, Education & Inclusion Services as a matter of urgency, in order to ascertain whether the Committee has the ability to request the Headteacher to attend a future Audit Committee as set-out with the Terms of Reference.

This meeting closed at 6.25 pm

**R Hull
Chairman.**

Tudalen wag

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2018/19

<p>AUDIT COMMITTEE</p> <p>4th February 2019</p>	<p>AGENDA ITEM NO. 4</p>
<p>REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES</p>	<p>Public Services Network (PSN)</p>

Author: Louise Evans, Data Protection & Improvement Officer

1. PURPOSE OF THE REPORT

The purpose of this report is to:

- 1.1 Provide Audit Committee with an overview of the PSN accreditation process along with the outcome from the most recent inspection.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Acknowledge the PSN accreditation process.
- 2.2 Acknowledge that the Council successfully achieved its annual PSN re-accreditation in October 2018.
- 2.3 Receive assurance from the accreditation in respect of the integrity of the Councils ICT infrastructure and systems.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To assist Audit Committee in discharging its responsibilities in respect of overseeing the Council's overall control environment, and receiving assurance from external inspections undertaken.

4. AUDIT COMMITTEE'S TERMS OF REFERENCE

- 4.1 The Audit Committee's Terms of Reference states its overall purpose, as follows:

The purpose of the Audit Committee is to monitor the adequacy of the risk management framework and the associated control environment; provide independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the Authority's exposure to risk and weakens the control environment; and to oversee the financial reporting process.

- 4.2 Section E of the Committee's Terms of Reference goes on to identify the following responsibility in respect of the Council's Risk Management arrangements:

Review, scrutinise and issue reports and recommendations on the appropriateness of the Authority's risk management, internal control and corporate governance arrangements, and providing the opportunity for direct discussion with the auditor(s) on these

5. BACKGROUND

- 5.1 The Public Service Network (PSN) is a national framework set out by the Government, and managed by the Cabinet Office PSN & Cyber Compliance Team.
- 5.2 The purpose of the PSN is to unify the network infrastructure across the public sector into an interconnected "network or networks" that enables public sector organisations to securely access, collaborate and share services.
- 5.3 Connection to the PSN network is only permitted subject to the Cabinet Office rigorous annual accreditation process that provides assurance that organisation security and controls meets defined mandatory standards.
- 5.4 Within Wales we are connected to the PSN via the Public Sector Broadband Aggregations (PSBA). PSBA is a managed network overseen by Welsh Government, which connects public sector organisations in Wales. PSBA enables local health boards, local authorities, Welsh Government, higher and further education, blue light emergency services and other public sector organisations in Wales to securely.
- 5.5 Further secure connections facilitate integration with a wider range of public services, authorities and agencies in the UK including but not limited to:
- UK Local authorities,
 - Central government departments,
 - DVLA;
- 5.6 Specific services access, send and receive data electronically with other PSN connected agencies as part of business process. For example:
- Housing Benefits – to access/use the LA Delivery System (LADS) to securely share information with the DWP.

- Trading Standards – to access/use the Joint Asset Recovery Database (JARD) to record evidence.
- Fraud / Debt Recovery– to access/use the LocTA tracing system in relation to individuals and businesses.

6. ANNUAL PSN ACCREDITATION PROCESS

- 6.1. Any organisation that has a business need to communicate directly with individual government departments through the PSN network, needs to achieve appropriate accreditation from the Cabinet Office.
- 6.2. PSN accreditation and compliance is an ongoing annual process that demonstrates to the Cabinet Office and all connected organisations that an organisation appropriate security arrangements, policies and controls in place.
- 6.3. The Cabinet Office sets out a series of technical, policy and procedural standards that each organisation must meet in order to achieve accreditation. These standards are regularly reviewed and updated by the Cabinet Office in conjunction with the UK governments National Technical Authority for Information Assurance (CESG) that advises organisations on how to protect information and information systems.
- 6.4. The following highlights the main requirements of the accreditation process:

Information Assurance (IA) Requirements

- 6.5. The PSN Code of Connection (CoCo) sets out the Information Assurance (IA) requirements that the Council must meet and the commitments it must make to connect and stay connected to the PSN.
- 6.6. The IA requirements are listed in full in Appendix I of this report and cover areas such as operational security, patch management, physical security, authentication and access controls etc.

Network Schematic

- 6.7. The council is required to provide an up-to-date documentation of its network infrastructure. This enables the Cabinet Office to understand the infrastructure that the council wants to connect to the PSN and what risks it might present to other users and the network.

Information Technology Health Check (ITHC)

- 6.8. Public sector bodies that want to connect to the PSN must provide assurance that their networks meet the latest supporting guidelines by undertaking an IT Health Check. (ITHC)

- 6.9. The ITHC must be undertaken by a government approved external provider that employs penetration testing personnel qualified to assess IT systems for HMG and other public sector bodies.
- 6.10. The ITHC is essentially an 'audit' required to inform PSN compliance. As part of the ITHC government certified personnel attempt to "hack" the Council's network and exploit any weakness that may potentially exist. There are two elements:
- i. **External** - Provides assurance that the organisation's external systems e.g. websites, are protected from unauthorised access or change, and they do not provide an unauthorised entry point into systems.
 - ii. **Internal** - Internal systems are tested to provide further assurance that no significant weaknesses with regard to the infrastructure or individual systems that could allow intentionally or unintentionally impact on the security of another.
- 6.11. Following the audit an 'ITHC PSN CoCo (Internal/External) Security Report' is presented to the council. The report highlights any potential risks or vulnerabilities identified as part of the ITHC and makes key recommendations to mitigate such risks.
- 6.12. Following receipt of the report the Council is required to create a Remediation Action Plan (RAP) to address and mitigate any risks identified and progress any recommendations. Day-to-day progress against the RAP is monitored by the Data Protection & Improvement Officer as outlined in 5.13 (governance and monitoring) below.

7. GOVERNANCE & MONITORING

- 7.1 The PSN Annual Re-Accreditation programme of work is managed by the Councils Data Protection Officer and overseen by the Head of ICT. Regular updates on progress is reported to the Information Management Board (IMB) chaired by the Director of Corporate and Frontline Services, designated as the Councils Senior Information Risk Owner (SIRO). The IMB meets bimonthly with any risks, escalations or exceptions provided to the Senior Leadership Team where appropriate.
- 7.2 Operationally the ICT Service has fortnightly Information Security Group meetings chaired by the Data Protection Officer. The group is made up of representative specialist technology, information and security officers. Whilst the forum drives our PSN requirement, ensuring ongoing integrity is not only an annual requirement in isolation. Work continues throughout the year to proactively review, identify and implement measures to ensure that our systems, networks and infrastructure are safe, secure and up-to-date with the latest possible security technologies.

7.3 The Council is a member of the Warning, Advice and Reporting Point (WARP) and Society of Information Technology Management (SOCITM) Cymru that all 22 Local Authorities in Wales participate, collaborating to share good practice and information on cyber threats, incidents and solutions.

8. PSN RE-ACCREDITATION OCTOBER 2018

8.1 In relation to the Councils 2018 PSN re-accreditation process, the ITHC was commissioned and undertaken by an accredited third party in advance of the October submission date.

8.2 The findings of the ITHC PSN CoCo Internal/External Security Report identified recommendations, the themes of which are as follows:

- Passwords - further strengthen passwords for certain areas.
- Patch Management – apply the latest patches to identified devices.

- Software Updates - deploy the latest software versions to identified devices.
- Device configuration - update configuration settings to secure any potential vulnerabilities.

8.3 On the 26th September 2018 the Councils submission inclusive of the Remedial Action Plan was submitted to the Cabinet Office PSN & Cyber Compliance Team for validation and review.

8.4 On the 22nd October 2018 Council received confirmation that the application had **passed assessment** that the Council meets the requirements of connecting to the PSN. A copy of the Compliance Certificate is included in Appendix II.

9. EQUALITY AND DIVERSITY IMPLICATIONS

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

10. CONSULTATION

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

11. FINANCIAL IMPLICATION(S)

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

12. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

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

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

THE COUNCIL'S CORPORATE PLAN PRIORITIES

- 13.1. The Council's continued PSN accreditation supports its ability to work directly with, for example, the DWP when delivering services to its citizens.

WELL-BEING OF FUTURE GENERATIONS ACT

- 13.2. The Well-being of Future Generations (Wales) Act 2015 identifies a core set of activities that are common to the corporate governance of public bodies where change needs to happen. Collaboration is one of the identified core activities. The Council's ability to work collaboratively with the DWP, via the PSN helps to ensure more timely and accurate payments for housing benefits.

14. CONCLUSION

- 14.1 The Council is required to go through the PSN Accreditation process each year, and this exercise involves a rigorous technical audit of its I.T infrastructure. Following the most recent inspection, the Council's accreditation continued.
- 14.2 As noted in paragraph 14.1, the PSN audit involves a rigorous technical audit of the I.T infrastructure. From this audit, and in accordance with its Terms of Reference, Audit Committee can receive assurance in respect of the Council's I.T internal control environment.

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

PUBLIC SERVICES NETWORK (PSN)

REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES

Author: Louise Evans (Data Protection & Improvement Officer)

Item: 4

Background Papers

None.

Other Information:

Relevant Scrutiny Committee - None.

Contact Officer – Louise Evans

Appendix I

PSN Code of connection Security Requirements:

1. Operational security

We require you to have policies, processes and procedures in place ensuring the secure operation of your infrastructure.

a. Vulnerability management (patch management)

- Even well-managed systems develop vulnerabilities over time. A sensible security policy will not only assess vulnerabilities arising from new systems, hardware etc. but will monitor your existing infrastructure for the emergence of exploitable vulnerabilities. Most vulnerabilities can be fixed by patching (a targeted, specific upgrade to a certain device, application or system). This should be done at regular intervals, dependent on the severity of the vulnerability.
- Where your infrastructure suffers from a vulnerability that you know is being exploited elsewhere (in someone else's infrastructure, for example) you should apply a patch immediately.
- Not every vulnerability has a patch available, so you need to take some other steps to reduce the potential impact of an exploit against that particular vulnerability.

b. Secure configuration

- The default, out-of-the-box configuration of many of the systems, software and services you use are likely to leave your infrastructure vulnerable. It is important that you have control over the configuration of these elements of your infrastructure and use that control to configure them to provide an appropriate level of security.
- Malicious software (such as viruses or spyware) is one of the most common threats faced by networked infrastructure, so it is important that you have measures in place to protect your infrastructure against these threats. As an absolute minimum you should have good, well-configured antivirus software for all devices, systems and services.
- In order to ensure that secure configuration is achieved across your infrastructure, you need to be able to direct the security patch management for all managed devices.

c. Physical security

- Technical security measures may be futile if the physical environment in which your data is held and processed, and in which your staff work, is not appropriately secured as well. Ensuring that only the right people have access to, or sight of, areas where sensitive assets are stored, held or processed needs a combination of physical measures (such as security guards, access controlled doors, identity cards) and policies and procedures which govern their use, monitor compliance and enable enforcement action.

d. Protective monitoring and intrusion detection

- Any infrastructure should expect to suffer attacks, either targeted or opportunistic. If the infrastructure has connections to the internet this is all but guaranteed. A good protective monitoring policy will help you identify security incidents quickly and provide you with information that will help you initiate your incident response policy as early as possible. It will also help you prevent identical or similar incidents in the future.
- Along with technical controls, you will have businesses processes and policies that promote and ensure the security of your infrastructure. Abuses of these processes pose a significant risk to the security of your organisation, and the security of the PSN.
- We have not provided details of specific information your protective monitoring policy should detect and retain. You should design your policy based on the specific details of your infrastructure and the threats you expect to face.

e. Security incident response

- A crucial aspect of your overall security state is how you respond to incidents when they occur. Your incident response policy should:
 - allow you to mitigate harm quickly and effectively
 - include [reporting it to the PSN team](#) and other relevant entities of the situation where appropriate
 - allow you to prevent similar incidents occurring in the future
- Your policy should require you to inform the [National Cyber Security Centre \(NCSC\)](#) of any cyber security incident that it has expressed an interest in, and also keep us informed if the incident impacts the PSN. NCSC reduces the cyber security risk to the UK by improving its cyber security and cyber resilience. It works together with public sector organisations, businesses and individuals to provide authoritative and coherent cyber security advice and cyber incident management. It publishes practical and proportionate security [guidance](#) to help protect both new and existing IT systems.

2. Authentication and access control

Sensible authentication and access control ensures your devices and services are safe against unauthorised access but that your users enjoy access to the devices and services that they need. When End User Devices (EUDs) access corporate services, you can provide an appropriate level of security by requiring:

- user-to-device authentication
- device-to-service authentication
- user-to-service authentication

NCSC's password guidance recommends not relying on password length or complexity to ensure security. Instead, you should look to apply simple technical controls such as locking users out after a specified number of failed authentication attempts or applying two-factor authentication.

3. Boundary protection and interfaces

The boundaries between your network/services and the internet or any other network are the most likely point for an attempted intrusion, so we require you to impose appropriate security controls at these points. A firewall with appropriately configured rule sets

We recognise that you may present services outside of these protected boundaries. In these cases we have imposed additional requirements on how these services communicate with your core infrastructure. We also recognise that BYOD is an increasingly popular strategy for organisations to let their staff work more flexibly, so we have imposed certain restrictions on how unmanaged devices are used in the context of PSN that allow BYOD policies to be used while ensuring they do not present excess risk to the PSN.

4. Protecting data at rest and in transit

You need to make sure that data is protected by default, whether at rest within your infrastructure, in transit within your infrastructure or in transit between your infrastructure and another environment. There are a lot of different solutions that would accomplish these goals. It is up to you to decide exactly how you achieve data at rest and data in transit protection.

5. User and administrator separation of data

Separation between users prevents one compromised or malicious user posing a risk to others' data or experience of a service. In general, user access should be based on the principle of least privilege, so that each user should have the minimum

level of access necessary to allow them to carry out their function. This principle is true for cloud services and non-cloud services alike.

6. Users

Implementing security controls on your staff helps protect you against the risk of malicious actors inside your infrastructure. The Baseline Personnel Security Standard (BPSS) provides a strong baseline against which to hold those members of your staff who have privileged access to, for example, corporate services or network configuration.

PSN connection compliance certificate

This is to certify that

Rhondda Cynon Taff County Borough Council

has had its compliance reviewed and has demonstrated that its infrastructure is sufficiently secure to connect to the PSN during the following period

22 October 2018

date issued

22 October 2019

expiry date

For and on behalf of the Public Services Network



Mark Smith
PSN Head of Compliance

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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2018/19

<p>AUDIT COMMITTEE</p> <p>4th February 2019</p>	<p>AGENDA ITEM NO. 6</p>
<p>REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES</p>	<p>STAFF SURVEY (WHISTLEBLOWING AND ANTI-FRAUD POLICY REPORTING AWARENESS)</p>

Author: Richard Evans (Director of Human Resources)

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide Audit Committee with the outcomes of the recent staff survey that aimed to assess general awareness of the Council's whistleblowing and anti-fraud arrangements.

2. RECOMMENDATIONS

It is recommended that:

- 2.1 Members acknowledge the positive steps taken to assess staff awareness of the whistleblowing, and anti-fraud arrangements in place.
- 2.2 Officers use the outcomes from the staff survey in order to target resources at areas identified that could improve the arrangements further.
- 2.3 Following consideration of the outcomes from the survey, Members identify any additional areas for improvement.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To help ensure that Audit Committee is able to use the outcomes of the staff survey when delivering its Terms of Reference in respect of promoting a culture of openness and probity across the Council.

4. AUDIT COMMITTEE'S TERMS OF REFERENCE

- 4.1 The Audit Committee Terms of Reference (Point H) requires it to *'Promote and review any measures designed to raise the profile of probity within the Authority.'*
- 4.2 In line with this requirement, this report provides Committee with the outcomes of the recent staff survey, along with the proposed next steps.

5. RESULTS OF THE WHISTLEBLOWING AND ANTI-FRAUD SECTION OF THE 2018 STAFF CONSULTATION

5.1 2018 STAFF SURVEY

This report focuses on the 2018 staff survey results regarding whistleblowing and anti-fraud reporting, as if these policies are to be effective, it is important that staff are aware of them and utilise them effectively. The survey was conducted between November – December 2018 and for Members information also included questions about the Council's quality improvement processes (this element being outside of scope for the specific purposes of this report).

5.2 METHODOLOGY

The survey hyperlink was distributed to staff by email and Human Resources staff visited various locations across the Council with computer tablets to capture responses from staff who did not have access to email. SNAP survey software was used to analyse quantitative data and to produce graphs.

Please note that due to rounding, percentages may not always appear to add up to 100%. The analysis of the qualitative data, which included 'open' responses, for example, answers to questions such as 'any other comments', was undertaken by identifying key themes while reviewing the responses. Responses were read and coded against identified themes, using as many codes as necessary. Once coded they were inputted into a spreadsheet to record and capture all responses against the coded themes. As this process involved personal interpretation it was subjective, but enabled the data to be summarised for consideration.

5.3 PARTICIPATION

The survey excluded schools and overall, 1,141 participants completed the questionnaire, 528 online and 613 on computer tablets. This is an approximate participation rate of 19% based on a number of 5,994 non-school based staff. All questions were optional.

5.4 SURVEY RESULTS

The survey results have been summarised as follows:

	Yes	No	Not Sure	Total
1. Do employees feel empowered to speak up when they spot an urgent problem?	69.70%	16.60%	13.70%	1125
2. If you thought a colleague was doing something that appeared to be dishonest such as stealing money, taking advantage of their position or receiving gifts or hospitality, would you know how to report your concerns?	80.60%	8.10%	11.30%	1125
3. Would you feel confident that you would not be the subject of any repercussions from the Council if you reported a concern? Do you think you would feel protected?	58.60%	41.40%	-	1097
4. Do you know of any policies in place within the Council that would guide you on how to deal with any of the issues outlined in the questions above?	58.40%	41.60%	-	1107

5. Have you read any of these policies?	73.10%	26.90%	-	639
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5.5 ACTIONS REQUIRED FOR IMPROVEMENT

ACTION 1

Remind staff of the importance of feeling empowered to report any suspicions that they may have.

ACTION 2

Re-assure staff that they will not be the subject of any repercussions if they come forwards and blow the whistle on a Colleague.

ACTION 3

Devise a simplified communication for staff that summarises the Council's whistleblowing and anti-fraud arrangements. Also, recommunicate to staff where full copies of the Policies can be found.

6. EQUALITY AND DIVERSITY IMPLICATIONS

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

7. CONSULTATION

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

8. FINANCIAL IMPLICATION(S)

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

9. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 9.1 The provision of information in respect of the Council's whistleblowing and anti-fraud arrangements supports the Council in demonstrating compliance with the Accounts and Audit (Wales) (Amendment) Regulations 2018.
- 9.2 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."

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

THE COUNCIL'S CORPORATE PLAN PRIORITIES

- 10.1 The work in relation to probity 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

- 10.2 The Sustainable Development Principles, in particular Prevention, can be applied to the systematic reviews undertaken in order to provide assurance that risk associated with potential misappropriation are being managed.

11. CONCLUSION

- 11.1 The Council has arrangements in place in respect of whistleblowing and reporting concerns around tackling fraud. The results of the staff survey are positive in respect of general awareness of the arrangements in place, but it has identified a small number of areas where we can look to improve our arrangements further.

Other Information:-*Relevant Scrutiny Committee*

None.

Contact Officer –

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

**STAFF SURVEY (WHISTLEBLOWING AND ANTI-FRAUD POLICY REPORTING
AWARENESS)**

REPORT OF CHIEF EXECUTIVE

Author: Richard Evans (Director of Human Resources)

Item: 6

Background Papers

None.

Officer to contact: Richard Evans

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2018/19

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

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RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2018/19

AUDIT COMMITTEE 4 th February 2019	AGENDA ITEM NO. 8
REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES	FINALISED AUDIT ASSIGNMENTS

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

1. PURPOSE OF THE REPORT

- 1.1 This report provides Members with a summary of audit assignments completed between 5th December 2018 and 24th January 2019.

2. RECOMMENDATIONS

It is recommended that Members:

- 2.1 Seek clarity and explanation where there are areas of concern.
- 2.2 Identify further action to be taken where deemed necessary.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To help ensure that Audit Committee discharges its responsibilities in respect of reviewing and forming an opinion on the overall control environment in place across the Council.

4. BACKGROUND

- 4.1 The Audit Committee Terms of Reference (Point D) requires it to '*Review, scrutinise and issue reports and recommendations in relation to the Authority's financial affairs, and providing the opportunity for direct discussion with the auditor(s) on these*'.
- 4.2 In line with this requirement **Appendix 1** provides a summary of the audit assignment completed to final report stage between 5th December 2018 and 24th January 2019 (i.e. the 'General Ledger' audit assignment). Members will

note that the summary provides: the Introduction, Scope & Objectives, Auditor's stated opinion. No recommendations were raised as a result of the audit.

4.3 To help ensure Audit Committee effectively discharges the responsibility as set out in its Terms of Reference (and replicated at point 4.1 above), Members may wish to consider the principles noted below in addition to their own lines of enquiry:

- Are the conclusions made by Internal Audit reasonable / backed up by the findings reported?
- Are the recommendations made by Internal Audit likely to support the necessary improvement in internal control?

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 The regular provision of all summarised audit assignments to Audit Committee throughout the year is aimed at assisting Members in evaluating the effectiveness of Internal Audit work across all Council systems and services.
- 10.2 In doing so, it enables Members to form an opinion on the overall control environment of the Council at the end of the financial year.

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

FINALISED AUDIT ASSIGNMENTS

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Item: 8

Background Papers

None.

Officer to contact: Marc Crumbie

Appendix 1 - Summary of the audit assignment completed to final report stage between 5th December 2018 and 24th January 2019

CORPORATE & FRONTLINE SERVICES

AUDIT NAME: GENERAL LEDGER

DATE FINAL REPORT WAS ISSUED: 21/12/2018

INTRODUCTION

The management and control of the Council's General Ledger is undertaken within the Corporate & Frontline Services Group (Finance Division). The purpose of the General Ledger system is to record all financial transactions and provide the required information for the preparation of Management Accounts, Final Accounts and Financial Returns. In order to maintain proper financial control and protect the integrity of the Ledger, it is essential that adequate accounting routines are in operation.

SCOPE & OBJECTIVES

In accordance with the Internal Audit Plan for 2018/19, a review of the General Ledger was undertaken. The primary purpose of the audit review was to provide management with an opinion on the adequacy and effectiveness of the internal control systems operating within the General Ledger. The objective of the review was to:

- Assess the standards set out in the self-assessment checklist and conclude on the adequacy and effectiveness of the controls actually operating.

AUDIT OPINION

Overall the control environment for the General Ledger and Accounting framework is considered to be effective with Civica Financials being used, a system which meets statutory and management accounting and reporting requirements. Civica Financials is able to provide revenue, capital, pension fund, trust funds and joint committee accounts as required by statute. The budget for 2018/19 was agreed by Council 28/2/2018. Civica Financials was updated in accordance with the agreed budgets and it has been correctly rolled up into Civica Financials to ensure that all Groups have their correct allocation of the budget and to enable accurate budget monitoring to take place. The values of balance sheet items had been correctly carried forward from 2017/18 into 2018/19 to ensure the information held in Civica Financials can be relied upon as being correct. Ledger input / output is controlled, secure, timely and appropriate to the needs of all users. In particular, Feeders, Journal Transfers, Virements and changes to the overall structure of the system are promptly and accurately actioned by officers with delegated responsibility. Evidence to support these transactions was always retained. All transactions tested as part of this review have an audit trail which highlights each transactions unique reference number, date / time and the identity of the individual who carried out the transaction.

Civica Financials is able to apply its own validity tests on data received from feeder systems to ensure codings are correct. All invalid codes entered into Civica Financials are promptly investigated and rectified from suspense codes by authorised officers to ensure that the budgetary information in the system is accurate and up to date.

No recommendations made.