RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2018/19

AUDIT COMMITTEE **17th September 2018**	**AGENDA ITEM NO. 6**
REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES	**INTERNAL AUDIT PERFORMANCE 2018/19**

Author: Marc Crumbie (Head of Internal Audit & Procurement Development Programmes)

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 4th September 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 4th September 2018, 25% 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	7
Draft Reports Issued	13
Fieldwork Complete	5
Audits In Progress	7
Audits Not Yet Started ('Planned')	47
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

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

6. CONSULTATION

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

7. FINANCIAL IMPLICATION(S)

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

17th September 2018

INTERNAL AUDIT PERFORMANCE 2018/19

REPORT OF THE GROUP DIRECTOR, CORPORATE & FRONTLINE SERVICES
Author: Marc Crumbie (Head of Internal Audit & Procurement Development Programmes)

Item: 6

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
CHIEF EXECUTIVE											
HUMAN RESOURCES											
RECRUITMENT - PRE EMPLOYMENT CHECKS	High	QTR 3	Planned				0		0		0
SICKNESS ABSENCE MANAGEMENT - SCHOOLS	High	QTR 3	Planned				0		0		0
LEGAL AND DEMOCRATIC SERVICES											
CASE MANAGEMENT	Medium	QTR 3	Planned				0		0		0
REGENERATION & PLANNING											
HOUSING GRANTS	High	QTR 2	In Progress	31/08/2018			0		0		0
COMMUNITY INFRASTRUCTURE LEVY	High	QTR 2	Planned				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
COMMUNITY & CHILDREN'S SERVICES											
CHILDREN'S SERVICES											

	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
PAYMENTS TO FOSTER CARERS	High	QTR 2	Fieldwork Complete	15/06/2018	21/08/2018		**0**		**0**		**0**
CONTACT SERVICE	Medium	QTR 2	Planned				**0**		**0**		**0**
ADOPTION SUPPORT PAYMENTS	High	QTR 1	Draft Report	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	In Progress	26/04/2018			**0**		**0**		**0**
SUPPORTED LIVING	High	QTR 3	Planned				**0**		**0**		**0**
PUBLIC HEALTH, PROTECTION & COMMUNITY SERVICES											
REGISTRATION SERVICES	Low	QTR 3	Planned				**0**		**0**		**0**
LLWYDCOED CREMATORIUM	Low	QTR 2	Fieldwork Complete	09/08/2018	14/08/2018		**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
GLYNTAF CREMATORIUM	Low	QTR 4	Planned				**0**		**0**		**0**
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 2	Planned				**0**		**0**		**0**
CORPORATE ESTATES & PROCUREMENT											
LEGIONELLA MANAGEMENT	High	QTR 1	In Progress	09/05/2018			**0**		**0**		**0**
21ST CENTURY SCHOOLS - CAPITAL PROJECT	High	QTR 3	Planned				**0**		**0**		**0**
ENERGY MANAGEMENT	High	QTR 2	In Progress	20/08/2018			**0**		**0**		**0**
FINANCIAL SERVICES											
GENERAL LEDGER	High	QTR 3	Planned				**0**		**0**		**0**
TAXATION	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
ADMINISTRATION OF TRUST FUNDS	Low	QTR 3	Planned				**0**		**0**		**0**
TREASURY MANAGEMENT	High	QTR 3	Planned				**0**		**0**		**0**
CREDITORS – IR35	High	QTR 1	Final Report	16/02/2018	30/03/2018	16/05/2018	**47**	22/06/2018	**37**	29/06/2018	**7**
PENSIONS	High	QTR 1	Fieldwork Complete	14/05/2018	28/08/2018		**0**		**0**		**0**
INCOME, DEBTORS & DEBT RECOVERY	High	QTR 1	Draft Report	15/03/2018	31/05/2018	29/06/2018	**29**		**0**		**0**
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	Fieldwork Complete	02/07/2018	06/07/2018		**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
TREORCHY COMPREHENSIVE SCHOOL	High	QTR 1	Draft Report	11/06/2018	02/07/2018	31/07/2018	29		0		0
Y PANT FOLLOW UP	High	QTR 1	Draft Report	05/03/2018	26/03/2018	11/05/2018	46		0		0
ABERDARE COMMUNITY SCHOOL	High	QTR 3	Planned				0		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
HAWTHORN HIGH SCHOOL FOLLOW UP	High	QTR 1	Draft Report	26/02/2018	20/03/2018	06/06/2018	78		0		0
YSGOL GYFUN CWM RHONDDA	High	QTR 1	Fieldwork Complete	25/06/2018	29/06/2018		0		0		0
TONYPANDY COMMUNITY COLLEGE	High	QTR 4	Planned				0		0		0
PRIMARY SCHOOLS											
CWMBACH COMMUNITY PRIMARY SCHOOL	Medium	QTR 1	Final Report	07/06/2018	21/06/2018	27/06/2018	6	11/07/2018	14	25/07/2018	14
CAEGARW PRIMARY SCHOOL	Medium	QTR 1	Draft Report	05/07/2018	01/08/2018	09/08/2018	8		0		0
CAPCOCH PRIMARY SCHOOL	Medium	QTR 1	Draft Report	18/06/2018	25/06/2018	30/08/2018	66		0		0
CARADOG PRIMARY SCHOOL	Medium	QTR 1	Draft Report	07/06/2018	08/06/2018	29/06/2018	21		0		0
CWMDAR PRIMARY SCHOOL	Medium	QTR 1	Draft Report	03/07/2018	04/07/2018	09/08/2018	36		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
CWMLAI PRIMARY SCHOOL	Medium	QTR 3	Planned				0		0		0
DARRENLAS PRIMARY SCHOOL	Medium	QTR 1	Final Report	12/07/2018	13/07/2018	31/07/2018	18	13/08/2018	13	16/08/2018	3
GELLI PRIMARY SCHOOL	Medium	QTR 1	Draft Report	10/07/2018	11/07/2018	16/08/2018	36		0		0
HAWTHORN PRIMARY SCHOOL	Medium	QTR 1	Draft Report	12/06/2018	14/06/2018	16/08/2018	63		0		0
HIRWAUN PRIMARY SCHOOL	Medium	QTR 1	Draft Report	20/06/2018	21/06/2018	30/08/2018	70		0		0
LLWYNCRWN PRIMARY SCHOOL	Medium	QTR 3	Planned				0		0		0
MISKIN PRIMARY SCHOOL	Medium	QTR 3	Planned				0		0		0
PARC PRIMARY SCHOOL	Medium	QTR 3	Planned				0		0		0
PARCLEWIS PRIMARY SCHOOL	Medium	QTR 3	Planned				0		0		0
PRIMARY SCHOOL SELF ASSESSMENT REPORT 17/18	Medium	QTR 1	Final Report	10/04/2018	11/04/2018	18/07/2018	98	18/07/2018	0	18/07/2018	0
YGG LLWYNCELYN	Medium	QTR 3	Planned				0		0		0
GLYNHAFOD JUNIOR	Medium	QTR 3	Planned				0		0		0
PRIMARY SCHOOL SELF ASSESSMENT REPORT 18/19	Medium	QTR 4	Planned				0		0		0

	Priority	Planned Qtr	Status	Start Fieldwork	Finish Fieldwork	Draft Report Issued	Days between ending fieldwork & issuing draft report	Management Responses	Timeliness of Management Response	Final Report	Management response to issuing final report
SCHOOLS & COMMUNITY											
POST 16 PLANNING & 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 & FUNDING 2018/19	High	QTR 3	Planned				**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	In Progress	02/07/2018			**0**		**0**		**0**
ACCESS & ENGAGEMENT & INCLUSION											
IN YEAR TRANSFER PROTOCOLS	High	QTR 2	In Progress	29/05/2018			**0**		**0**		**0**
THEMATIC REVIEWS - COMPREHENSIVE SCHOOLS											
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 ARRANGEMENTS	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
WHOLE AUTHORITY ARRANGEMENTS											
PERFORMANCE INDICATORS	High	QTR 2	In Progress	01/08/2018			0		0		0
OPERATIONAL RISK MANAGEMENT	High	QTR 4	Planned				0		0		0
ORGANISED CRIME REVIEW	High	QTR 1	Draft Report	13/12/2017	11/06/2018	29/06/2018	18		0		0
DIGITALISATION	High	QTR 3	Planned				0		0		0
COMMERCIALISATION	High	QTR 3	Planned				0		0		0
INDEPENDENCE	High	QTR 3	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	Planned				0		0		0

Appendix 2 - The Status of Recommendations

CHIEF EXECUTIVE

Number of HIGH Recs	STATUS		
11	Implemented	Overdue / Outstanding	Target Date in the Future
	11	0	0
Number of MEDIUM Recs	**STATUS**		
66	Implemented	Overdue / Outstanding	Target Date in the Future
	66	0	0
Number of LOW Recs	**STATUS**		
48	Implemented	Overdue / Outstanding	Target Date in the Future
	48	0	0

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**		
135	Implemented	Overdue / Outstanding	Target Date in the Future
	135	0	0
Number of LOW Recs	**STATUS**		
87	Implemented	Overdue / Outstanding	Target Date in the Future
	87	0	0

CORPORATE & FRONTLINE SERVICES

Number of HIGH Recs	STATUS		
32	Implemented	Overdue / Outstanding	Target Date in the Future
	26	1	5
Number of MEDIUM Recs	**STATUS**		
90	Implemented	Overdue / Outstanding	Target Date in the Future
	87	1	2
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		
247	Implemented	Overdue / Outstanding	Target Date in the Future
	240	2	5
Number of MEDIUM Recs	**STATUS**		
700	Implemented	Overdue / Outstanding	Target Date in the Future
	681	11	8
Number of LOW Recs	**STATUS**		
565	Implemented	Overdue / Outstanding	Target Date in the Future
	552	7	6

WHOLE AUTHORITY ARRANGEMENTS

Number of HIGH Recs	STATUS		
6	Implemented	Overdue / Outstanding	Target Date in the Future
	4	2	0
Number of MEDIUM Recs	STATUS		
9	Implemented	Overdue / Outstanding	Target Date in the Future
	8	0	1
Number of LOW Recs	STATUS		
0	Implemented	Overdue / Outstanding	Target Date in the Future
	0	0	0