



City and County of Swansea

Notice of Meeting

You are invited to attend a Special Meeting of the

Audit Committee

At: Committee Room 5, Guildhall, Swansea
On: Tuesday, 10 March 2020
Time: 2.00 pm
Chair: Paula O'Connor

Membership:

Councillors: C Anderson, P M Black, D W Helliwell, T J Hennegan, P R Hood-Williams, O G James, P K Jones, J W Jones, E T Kirchner, M B Lewis, S Pritchard, L V Walton and T M White

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Next Meeting: Tuesday, 14 April 2020 at 2.00 pm

Huw Evans

**Huw Evans
Head of Democratic Services
Wednesday, 4 March 2020**

Contact: Democratic Services: - 636923

Agenda Item 3



Report of the Chief Auditor

Special Audit Committee – 10 March 2020

Internal Audit Annual Plan 2019/20 Monitoring Report for the Period 1 October 2019 to 31 December 2019

Purpose:	This report shows the audits finalised and any other work undertaken by the Internal Audit Section during the period 1 October 2019 to 31 December 2019.
Consultation:	Legal, Finance, Access to Services.
Report Author:	Simon Cockings
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
Access to Services Officer:	Rhian Millar

1. Introduction

- 1.1 The Internal Audit Annual Plan 2019/20 was approved by the Audit Committee on 9th April 2019. This is the third quarterly monitoring report to be presented to Committee. Further reports will be presented throughout the year to allow Committee to review and comment upon the progress of the Internal Audit Section in achieving the Annual Plan.
- 1.2 This report shows the audits which were finalised in the period 1st October 2019 to 31th December 2019.

2. Audits Finalised 1 October 2019 to 31 December 2019

- 2.1 A total of 39 audits were finalised during the quarter. The audits finalised are listed in Appendix 1 which also shows the level of assurance given at the end of the audit and the number of recommendations made and agreed. Appendix 2 provides a summary of the scope of the reviews finalised during the period.

2.2 An analysis of the assurance levels of the audits finalised is shown in the following table.

Assurance Level	High	Substantial	Moderate	Limited
Number	10	24	5	0

2.3 A total of 482 audit recommendations were made and management agreed to implement 480 recommendations, i.e. 99% of the recommendations made were accepted against a target of 95%. Details of those recommendations that were not accepted can be found in Appendix 3.

2.4 All recommendations made are classified as high risk, medium risk, low risk or good practice. An analysis of the recommendations agreed during the quarter is shown in the following table

High Risk	Medium Risk	Low Risk	Good Practice	Total
3	79	248	150	480

2.5 The implementation status for those audits that have been subject to a standard follow-up in the quarter is reported separately in the Recommendation Follow-up Report. This includes all follow-ups completed, except for the fundamental audits as the outcome of these follow-up reviews is reported to committee via the Fundamental Audit Recommendation Tracker Report.

2.6 The Internal Audit Section also certified the following grants in the quarter as required by the terms and conditions of the grant issued by the Welsh Government.

Grant	Amount
Pupil Deprivation Grant (PDG) 2018/19	£7,469,677

2.7 The Audit Plan is a 'living' document which is likely to change during the course of the year due to e.g. emerging risks or new priorities. However it is important that the Audit Committee can monitor progress against the Plan approved at the start of the year. To achieve this, Appendix 4 shows each audit included in the Plan approved by Committee in April 2019 and identifies the position of each audit as at 31 December 2019.

2.8 An analysis of the details in Appendix 3 shows that by the end of December 2019, 59% of the planned reviews had been completed to at least draft report stage, with an additional 33% of the planned audits in progress. As a result approximately 92% of the Audit Plan was either completed or in progress.

2.9 Committee should be made aware that sickness absence in quarter three was significantly higher than in the previous two quarters. The cumulative total of sickness absence to the end of quarter two was 9.5 days. However this total had reached 41.5 days by the end of quarter three. This primarily related to extended periods of absence of two staff members. Note that both members of staff had returned to work at the time of compiling this report and it is not envisaged that the absence will have a significant detrimental impact to the delivery of the audit plan.

2.10 Five moderate reports were issued in the quarter. The following tables provide brief details of the significant issues which led to the moderate ratings.

2.11

Audit	Gwrosydd Primary School 2019/20												
Objectives	The objectives of the audit were to ensure that material business risks have been identified and that the controls in place are adequate for the purpose of minimising business risk and are operating in practice. The audit included the review and testing of the controls established by management over the following areas: Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory and Computer Security.												
Assurance Level	Moderate												
Summary of Key Points													
<u>Unofficial Fund</u>													
1. Whilst it was noted that a monthly reconciliation of the School Fund was being completed, there was no evidence of an independent review of the reconciliation being undertaken. (MR)													
<u>Expenditure</u>													
2. The non-order facility was being used repeatedly for items where an official order should have been raised in advance on the SIMS system. (MR - Repeated from previous audit)													
3. Some payments from the delegated budget selected as part of our testing were deemed not to be for the direct benefit of the pupils. (MR)													
4. Testing revealed that a senior member of staff had made a significant number of purchases on behalf of the school, which had been reimbursed from the delegated account. The total amount of reimbursements made over the past few years is detailed in the following table:													
<table border="1"> <thead> <tr> <th>Financial Year</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>2019/20 to 9.10.19</td> <td>£6,547.17</td> </tr> <tr> <td>2018/19</td> <td>£11,335.94</td> </tr> <tr> <td>2017/18</td> <td>£9,109.85</td> </tr> <tr> <td>2016/17</td> <td>£20,851.10</td> </tr> <tr> <td>2015/16</td> <td>£14,062.47</td> </tr> </tbody> </table>		Financial Year	Amount	2019/20 to 9.10.19	£6,547.17	2018/19	£11,335.94	2017/18	£9,109.85	2016/17	£20,851.10	2015/16	£14,062.47
Financial Year	Amount												
2019/20 to 9.10.19	£6,547.17												
2018/19	£11,335.94												
2017/18	£9,109.85												
2016/17	£20,851.10												
2015/16	£14,062.47												

Reimbursements for purchases made by staff should only take place in exceptional circumstances, as purchases should be made via the ordering process on SIMS. (HR)

5. It was also noted that a number of the purchases outlined above had been delivered to the member of staff's home address rather than directly to the school. (MR)

2.12

Audit	Ysgol Pen-y-Bryn 2019/20
Objectives	The objectives of the audit were to ensure that material business risks have been identified and that the controls in place are adequate for the purpose of minimising business risk and are operating in practice. The audit included the review and testing of the controls established by management over the following areas: Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory and Computer Security.
Assurance Level	Moderate

Summary of Key Points

Unofficial Fund

1. Enquiries revealed that there were two School Fund accounts. The main account had been audited and the Audit Certificate had been presented to the Governing Body. However, the Flexible Saver Account had not been audited. (MR – Repeated from previous audit)
2. The passbook for the Flexible Saver Account could not be located at the time of the audit. A replacement had been ordered. (MR)
3. It was noted that a quarterly reconciliation of the School Fund is carried out by the Business Manager, who is a signatory on the account and is also responsible for the day to day administration of the fund. There was no evidence of any independent review of the reconciliation of the Fund. (MR)

Expenditure

4. The non-order facility was being used repeatedly for items where an official order should have been raised in advance on the SIMS system. (MR - Repeated from previous audit)
5. Some payments from the delegated budget selected as part of our testing were deemed not to be for the direct benefit of the pupils. This included two payment for Senior Leadership Conferences at the Village Hotel (£800.90) which included an overnight stay for four people, meals and beverages, and to the Marriott Hotel Swansea (£815.00). (MR)
6. A sample of transactions on the Lloyds Bank Multi Pay card was reviewed. It was noted that only the cardholder reviews the expenditure and no authorising pro forma is completed. At least two people should be involved in the processing of the statements and the associated cashbook journals. (MR)

2.13

Audit	Fleet Maintenance 2019/20
Objectives	The objectives of the audit were to ensure that material business risks have been identified and that the controls in place are adequate for the purpose of minimising business risk and are operating in practice. The audit included the review and testing of controls established by management over the following areas: Purchase card (P-Card), Routine safety inspections/ services/ Stores of oil, tools & tyres, Operator's Licence, Direct purchases of parts, Expenditure, Overtime/Flexi records, Third Party recharges/income , Inventory, Petty Cash.
Assurance Level	Moderate

Summary of Key PointsStores – Oil, Tools & Tyres

1. A review of the procedures for the Stores confirmed that (as highlighted in the previous audit) vehicle technicians can obtain parts from the Stores and there is no review by a supervisor to ensure that the parts have been fitted to a vehicle. A recommendation has been made in previous audits that a monitoring process is to be established but this has been rejected by the Fleet Manager due to a lack of staff resources. As the risk remains, this recommendation is repeated. (MR)

Expenditure

2. A sample of suppliers with a cumulative spend over £10k, was checked to ensure compliance with the Council's Contract Procedure Rules. It was found that nine suppliers had not been subject to a Contract Award Report or CPR20 Waiver (HR). These were:

Supplier	Amount
Fleetwheel PPS	£204,500
RND Motor Services	£103,900
Neath Coachbuilders	£54,600
Fleetwheel (Swansea Ltd)	£48,700
Dennis Eagle Ltd	£24,000
Enterprise Flex-E-Rent	£23,000
Swansea Bay Commercials Ltd	£12,000
Gulliver's Truck Hire	£12,000
AJF Electro Mech Services	£11,000

Audit	Building Services Plant (Heol y Gors) 2019/20
Objectives	The objectives of the audit were to ensure that material business risks have been identified and that the controls in place are adequate for the purpose of minimising business risk and are operating in practice. The scope of the review covered the following: Plant Records, Movements of Plant, Orders & Payment of Invoices, Recharges, Security and Red Diesel.
Assurance Level	Moderate

Summary of Key Points

Plant Records

1. A sample of ten items was selected from the Plant Register that were recorded as being 'off-hire'. Only four of the ten items could be located. Six items could not be located. (MR)
2. It was noted that there was no system in place to ensure that the stock records were being accurately maintained. (MR)
3. One of the items that could not be located was a 2kw Heater. A review of the records for this item showed that it had never been recorded as being 'on-hire' since it was purchased. We were advised that heaters are often taken from the Stores out of office hours in emergency situations and the employee taking the item should record the removal in a book kept at the front desk. There was no entry in the book for the item in question. (MR)

Movement of Plant

4. A sample of ten items recorded as being booked out by supervisors was selected for testing. The location of seven items was confirmed. However, three items could not be located and the following was noted (MR):

Item	Comments
5725 Dehumidifier	During the course of the audit this item had been updated to "off-hire" in the Plant Register but an off-hire receipt could not be located and it could not be found in the Stores.
7116 Bosch 36v drill	Advised by Supervisor (MC) that this item had been reported as stolen but no record of such a report could be found.
7615 Makita disc cutter	Could not be located by Supervisor (DA).

5. All items of plant should be serviced regularly in accordance with designated service intervals. However, it was noted that every item we selected for testing was beyond its scheduled service date. It was noted that Officers have attempted to address this issue by sending fortnightly reminders to supervisors informing them of the overdue services. However, at the time of the audit there were 518 items on hire which had overdue service dates. (HR)

Orders & Payment of Invoices

6. It was noted that the corporate contract for the provision of hire of small tools and plant had expired in May 2019. Managers are aware that the contract has expired and we were advised that a tender process is due to be undertaken. (MR)

2.15

Audit	Employment of Agency Staff
Objectives	The objectives of the audit were to ensure that material business risks have been identified and that the controls in place are adequate for the purpose of minimising business risk and are operating in practice. The scope of the review covered the following areas: Completion of business cases, budgetary provision, Head of Service approval, DBS Checks/Social Services Registration, purchase orders, agency workers conditions after 12 weeks.
Assurance Level	Moderate

Summary of Key Points

Completion of business case, budgetary provision and Head of Service approval

A report was run on invoices paid between 1st April and 30th November 2018 and 20 payments in respect of agency staff were selected for testing. Our findings are contained in the following table:

Findings	Business Case Completed	Budgetary Provision Confirmed	HoS Request Submitted	HoS Approval Received
Application completed	6	9	10	10
Approval contained in annual budgets to maintain service	3	3	0	0
Information not available/not provided	6	6	8	8
Engagement in 2013 so pre-dates requirement.	1	1	1	1
Post externally funded so not required.	1	1	1	1
Not completed	1	0	0	0
Only limited information available	2	0	0	0
Total	20	20	20	20

1. Evidence of budgetary provision having been confirmed was not available for a number of agency appointments selected (MR).
2. Evidence of Head of Service approval of the appointments was not available for a number of appointments selected (MR).
Note that recommendations made in relation to all these points have been repeated from the previous audit completed in 2015/16.

DBS Checks/ Social Services Registration

Testing was undertaken to verify whether confirmation of DBS checks had been received from the Agency for our sample of twenty. Testing was also undertaken to confirm whether Social Services registration was required, and if the Agency had confirmed the same. The following was noted:

Finding	DBS Check	Social Services Registration
Check not required	13	16
Confirmation received	3	1
No check carried out	1	0
Information not available/Not provided	2	2
No response received from Service	1	1
Total	20	20

3. Confirmation that appropriate pre-employment checks had been completed was not available for a number of the appointments selected (MR).

Agency Worker Extensions

Within our sample of 20 agency staff, 13 had been re-engaged. A test was carried out to check whether further budgetary provision and HoS approval had been obtained. It was also checked that HoS approval had been obtained in advance of the re-engagement. The following was found:

Finding	Further Budgetary Provision	HoS Re-approval	HoS Re-approval in advance
Approval obtained	1	3	2
Information not available / Not provided	11	7	9
No response to audit query	1	1	1
Not known	0	2	1
Total	13	13	13

4. Evidence of further budgetary provision having been confirmed was not available for a number of the extensions (MR)
5. A number of instances were noted where no approval had been submitted to HoS for contract extensions (MR).

In our sample of 20 agency employees, 17 had been engaged for more than 12 weeks and their line managers were contacted and asked whether the workers had been informed of their rights. The following was found:

Informed of employment rights after 12 weeks	
Employee informed of their rights	12
Could not confirm if had been informed of their rights	5
Total	17

6. Five instances were noted where agency employees had not been informed of their rights (MR).

3. Follow Ups Completed 1 October 2019 to 31 December 2019

- 3.1 The follow up procedures operated by the Internal Audit Section include visits to any non-fundamental audits which received a moderate or limited level of assurance to confirm and test that action has been taken by management to address the concerns raised during the original audit.
- 3.2 The follow up visit is usually within 6 months of the final report being issued and includes testing to ensure that any high or medium risk recommendations have been implemented. Where agreed recommendations have not been implemented, this will be reported to the appropriate Head of Service (or Chair of the Governing Body in the case of schools) and the Chief Finance Officer (Section 151 Officer).
- 3.3 One moderate audit report was followed up in quarter three. The second follow up of the Young Peoples Services audit was completed in November 2019. The first follow up of the service was undertaken in quarter two which revealed that a number of recommendations had not been implemented. Committee were made aware of the reasons for the lack of implementation when the Youth Support Services Manager provided a verbal update to the committee at the September meeting.
- 3.4 The second follow up of the service has now been completed which concluded that significant progress had been made in implementing the outstanding recommendations.
- 3.5 Follow up work was also undertaken in relation to the Swansea Bay City Deal (SBCD). The Committee has previously been advised that the Internal Audit Team were involved in an internal review of the governance arrangements in place for the SBCD, as commissioned by the Joint Committee with the review being led by Pembrokeshire County Council. The Welsh Government also commissioned an external review of the SBCD by consultancy firm ACTICA.
- 3.6 Whilst at the time of undertaking the work it was confirmed that no official follow up of the internal review had been completed by Pembrokeshire Council, regular update reports are presented to the SBCD Programme Board and Joint Committee outlining the progress that has been made in implementing the recommendations from both the internal and external reviews. Further details may be found at <https://www.swanseabaycitydeal.wales/governance-and-meetings/>.
- 3.7 It has also been recently confirmed that following a request from the Joint Committee in May, Pembrokeshire County Council have agreed to undertake a follow up of the internal review in quarter four 2019/20.

4 Equality and Engagement Implications

- 4.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

4.2 There are no equality and engagement implications associated with this report.

5. Financial Implications

5.1 There are no financial implications associated with this report.

6. Legal Implications

6.1 There are no legal implications associated with this report.

Background Papers: Internal Audit Plan 2019/20

Appendices: Appendix 1 Audits Finalised Q3 2019/20
 Appendix 2 Summary of Scope of Audits Finalised Q3 2019/20
 Appendix 3 Recommendations not Accepted Q3 2019/20
 Appendix 4 Internal Audit Plan 2019/20 - Progress to 31/12/19

MONITORING REPORT Q3 2019/20 - AUDITS FINALISED

Head of Service	Audit Title	Date Finalised	Assurance Level	Recommendations		
				Made	Agreed	Not Agreed
Financial Services & Service Centre	Fairer Charging (Non Residential Care)	23/10/19	High	2	2	0
Education Planning & Resources	Pontarddulais Primary School	23/10/19	High	8	8	0
Chief Transformation Officer Audits	Welsh Translation Unit	28/10/19	High	7	7	0
Financial Services & Service Centre	Teachers Pensions 2019/20	29/10/19	High	0	0	0
Chief Transformation Officer Audits	Digital Strategy	30/10/19	High	2	2	0
Housing & Public Health	Tenancy Support Unit	11/11/19	High	3	3	0
Communications & Marketing	Communications & PR Team	21/11/19	High	6	6	0
Highways & Transportation	Road Safety	02/12/19	High	5	5	0
Housing & Public Health	Gorseinon District Housing Office	05/12/19	High	10	10	0
Education Planning & Resources	Pentrechwyth Primary School	18/12/19	High	10	10	0
Communications & Marketing	Tourism & Marketing	02/10/19	Substantial	7	7	0
Education Planning & Resources	St Davids RCT Primary School	03/10/19	Substantial	16	16	0
Education Planning & Resources	Swansea Pupil Referral Units	03/10/19	Substantial	15	15	0
Housing & Public Health	Home Improvement Team	04/10/19	Substantial	5	5	0
Education Planning & Resources	Cadle Primary School	15/10/19	Substantial	8	8	0
Education Planning & Resources	Pen y Fro Primary School	16/10/19	Substantial	10	10	0
Education Planning & Resources	St Joseph's Cathedral Primary	21/10/19	Substantial	12	12	0
Education Planning & Resources	Clwyd Primary School	22/10/19	Substantial	7	7	0
Education Planning & Resources	Pennard Primary School	28/10/19	Substantial	14	14	0
Education Planning & Resources	Glyncollen Primary School	28/10/19	Substantial	6	6	0
Child & Family Services	Discretionary Payments	07/11/19	Substantial	23	23	0
Chief Transformation Officer Audits	Risk Management (Place)	07/11/19	Substantial	4	4	0
Highways & Transportation	Clydach Stores Depot	08/11/19	Substantial	7	7	0
Education Planning & Resources	Olchfa Comprehensive School	13/11/19	Substantial	18	18	0
Education Planning & Resources	Waun Wen Primary School	15/11/19	Substantial	4	4	0
Cross Cutting Audits	Ethics & Values	18/11/19	Substantial	106	106	0
Education Planning & Resources	Pengelli Primary School	20/11/19	Substantial	12	12	0
Education Planning & Resources	Morrison Comprehensive School	25/11/19	Substantial	19	19	0
Highways & Transportation	Advance Payments Code	10/12/19	Substantial	2	2	0
Education Planning & Resources	Grange Primary School	11/12/19	Substantial	4	4	0
Child & Family Services	Taxi Authorisations	13/12/19	Substantial	7	7	0
Education Planning & Resources	Ysgol Gyfun Gwyr	18/12/19	Substantial	12	12	0
Education Planning & Resources	Hafod Primary School	19/12/19	Substantial	10	10	0

MONITORING REPORT Q3 2019/20 - AUDITS FINALISED

Education Planning & Resources	Bishop Vaughan Catholic Comprehensive School	19/12/19	Substantial	14	14	0
Education Planning & Resources	Gwrosydd Primary School	08/11/19	Moderate	23	23	0
Education Planning & Resources	Pen y Bryn Special School	11/11/19	Moderate	26	25	1
Building Services	Heol y Gors Depot - Plant	20/11/19	Moderate	14	14	0
Highways & Transportation	Fleet Maintenance	22/11/19	Moderate	15	14	1
Chief Transformation Officer Audits	Employment of Agency Staff	17/12/19	Moderate	9	9	0
				Total	482	480
						2

MONITORING REPORT Q3 2019/20 - SUMMARY OF SCOPE OF AUDITS FINALISED

Head of Service	Audit Title	Assurance Level	Audit Scope	Key Findings / Risks
Financial Services & Service Centre	Non Residential Care (Fairer Charging)	High	Invoice Verification, Service User Financial Assessment, Service User Charges, Collection of Income, Respite Provided by Ategi.	None
Education Planning & Resources	Pontarddulais Primary School	High	Governance, Management of delegated resources, Budget Monitoring, Lettings & Clubs, Banking Procedures, Unofficial Funds, School Meals, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventor, Computer Security.	None
Chief Transformation Officer Audits	Welsh Translation Unit	High	Procurement of Goods & Services, Income, Employee Expenses, including Travel and Additional Hours, Inventory	None
Financial Services & Service Centre	Teachers Pensions 2019/20	High	Deduction Parameters, New Starters, Pension Opt Outs, Additional Voluntary Contributions, Enhanced Pensions, Continuing Pensions, Computer Security, Widow/ers Pensions, Continued Entitlement.	None
Chief Transformation Officer Audits	Digital Strategy	High	ICT Strategy, Security & Policy Development, People, Communities & Businesses, Organisation & Delivery, Platforms & Interfaces, Infrastructure & Technology, Monitoring Progress	None
Housing & Public Health	Tenancy Support Unit	High	Procurement of Goods and Services (Oracle), Purchase Cards (P-Cards), Employees Records, Employee Expenses – Travel and Subsistence, Cheques/Grants, Foodbank Vouchers, Inventory, Referrals to Tenancy Support Unit.	None
Communications & Marketing	Communications & PR Team	High	Expenditure, Income, Inventory records, Employee expenses.	None
Highways & Transportation	Road Safety	High	Procurement of Goods and Services (Oracle), Purchase Cards, Income, Grants, Inventory and Stock, Personnel Records, Travel Expenses.	None
Housing & Public Health	Gorseinon District Housing Office	High	Lettings, End of Tenancies, Void Properties, Redecoration Allowances, Transfers, Mutual Exchanges, Employee records - Flexitime/Annual Leave, Security Arrangements/Inventory, P-Card administration, Expenditure, Estate Management.	None
Education Planning & Resources	Pentrechwyth Primary School	High	Governance, Management of delegated resources, Budget Monitoring, Lettings & Clubs, Banking Procedures, Unofficial Funds, School Meals, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.	None
Communications & Marketing	Tourism & Marketing	Substantial	Expenditure, Purchase Card usage, Income, Inventory records, Personnel records.	Non compliance with CPR's noted.
Education Planning & Resources	St Davids RCT Primary School	Substantial	Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.	Multi-pay card proforma not being completed as evidence of review, plus a number of low risk and good practice recommendations.

MONITORING REPORT Q3 2019/20 - SUMMARY OF SCOPE OF AUDITS FINALISED

Education Planning & Resources	Swansea Pupil Referral Units	Substantial	<i>Expenditure – including Purchase Cards (P-Cards), Income, Budget Monitoring, Inventory, Petty Cash, Travel & Subsistence, Personnel Records, Vehicles, School Meals Income, Health & Safety</i>	<i>Some issues in relation to the treatment of VAT for P-Card purchases. One DBS noted as expired. Other low risk and good practice recommendations.</i>
Housing & Public Health	Home Improvement Team	Substantial	<i>Disturbance Allowances, Gas Testing, Staff Travel Expenses/Overtime.</i>	<i>Some delays noted in the gas inspection process and some additional low risk and good practice recommendations.</i>
Education Planning & Resources	Cadle Primary School	Substantial	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>Lack of official orders being placed on SIMS FMS in advance. Some additional low risk and good practice recommendations.</i>
Education Planning & Resources	Pen y Fro Primary School	Substantial	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>Lack of official orders being placed on SIMS FMS in advance. Some additional low risk and good practice recommendations.</i>
Education Planning & Resources	St Joseph's Cathedral Primary	Substantial	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>Number of low risk and good practice recommendations, some repeated.</i>
Education Planning & Resources	Clwyd Primary School	Substantial	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>Some issues in relation to the use of the unoffical fund monies and additional low risk or good practice recommendations.</i>
Education Planning & Resources	Pennard Primary School	Substantial	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>Lack of fund constitution for the school fund and lack of regular reconciliaitons. Inventories not kept up to date and annual certificates not completed.</i>

MONITORING REPORT Q3 2019/20 - SUMMARY OF SCOPE OF AUDITS FINALISED

Education Planning & Resources	Glyncollen Primary School	Substantial	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>Lack of fund constitution for the school fund, and a number of additional low risk and good practice recommendations.</i>
Child & Family Services	Discretionary Payments	Substantial	<i>Documented Procedures, Budget Monitoring, Authorisation of Payments, Ongoing Payments</i>	<i>Some issues in relation to the administration of P-Cards, and a significant number of low risk and good practice recommendations.</i>
Chief Transformation Officer Audits	Risk Management (Place)	Substantial	<i>Monitoring of Risks within the Place Directorate, and also by the Corporate Management Team (CMT). The Risk Management audit is undertaken annually, with each directorate being reviewed on a rotational basis.</i>	<i>Some risks on the risk register showed no evidence of being updated/reviewed on a monthly basis. Some additional low risk and good practice recommendations.</i>
Highways & Transportation	Clydach Stores Depot	Substantial	<i>Procedures for Stock Taking, Variances in Stock, Expenditure, Authorisation of Stores Issues, Security of the Stores.</i>	<i>No evidence of CPR's being adhered to for one contract selected for review. Lack of control over stock records of direct materials.</i>
Education Planning & Resources	Olchfa Comprehensive School	Substantial	<i>Governance, Health and Safety, Management of Delegated Resources, Collection of Income and Bankings, Budget Preparation and Monitoring, Purchasing of Goods and Services, Bank Reconciliation, School Inventory, Verification of Employees / Self Employment, School Fund, Mini Bus, Computer Security and Data Protection, Petty Cash, Verification of Authorisation of Free School Meals.</i>	<i>Number of low risk and good practice recommendations, some repeated.</i>
Education Planning & Resources	Waun Wen Primary School	Substantial	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>Lack of official orders being placed on SIMS FMS in advance. Some additional low risk and good practice recommendations.</i>

MONITORING REPORT Q3 2019/20 - SUMMARY OF SCOPE OF AUDITS FINALISED

Cross Cutting Audits	Ethics & Values	Substantial	<i>General Awareness of Corporate Priorities, General Awareness of Codes of Conduct (Officers & Councillors), General Awareness of Whistleblowing Procedures, General Awareness of Equalities Requirements, General Awareness of Complaints Processes, Management Recognition of Outstanding Service, Promotion of High Ethical Standards, Review of Ethical Standards in Practice, Management Responsiveness to Staff Survey Results, Management Responsiveness to Staff Suggestions, Appropriate Handling of Information Requests, General Awareness of Data Handling & Protection Requirements (GDPR), General Awareness of Contract Procedure Rules, Training on Conflicts of Interest, Ethics & Values, Commitment to Continuous Professional Development, Declarations of Interest (Officers & Councillors), Gifts and Hospitality Recording (Officers & Councillors), Politically Sensitive Posts, Training in Customer Service, Internal Dispute Resolution (Councillors), Call-In of Cabinet Decisions.</i>	<i>Audit entailed issuing of questionnaires to all HoS. Low scores were noted in relation to staff awareness of Officers Code of Conduct, Equalities Act 2010, the Equality Policy Statement and Strategic Equality Plan 2016-2020, GDPR and GDPR Training, and Contract Procedure Rules.</i>
Education Planning & Resources	Pengelli Primary School	Substantial	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>Lack of official orders being placed on SIMS FMS in advance. Some additional low risk and good practice recommendations.</i>
Education Planning & Resources	Morrison Comprehensive School	Substantial	<i>Governance, Health and Safety, Management of Delegated Resources, Collection of Income and Bankings, Budget Preparation and Monitoring, Purchasing of Goods and Services, Bank Reconciliation, School Inventory, Verification of Employees / Self Employment, School Fund, Mini Bus, Computer Security and Data Protection, Petty Cash, Verification of Authorisation of Free School Meals.</i>	<i>Some instances of non-compliance with CPR's and use of non-order facility on SIMS FMS.</i>
Highways & Transportation	Advance Payments Code	Substantial	<i>The system for the identification of APC's, The notification to developer's (Section 220), Payment of deposits and guarantees, Refunds.</i>	<i>One development was noted that had not been subject to Advance Payment Code requirements.</i>
Education Planning & Resources	Grange Primary School	Substantial	<i>Governance, Health and Safety, Management of Delegated Resources, Collection of Income and Bankings, Budget Preparation and Monitoring, Purchasing of Goods and Services, Bank Reconciliation, School Inventory, Verification of Employees / Self Employment, School Fund, Mini Bus, Computer Security and Data Protection, Petty Cash, Verification of Authorisation of Free School Meals.</i>	<i>Lack of official orders being placed on SIMS FMS in advance. Some additional low risk and good practice recommendations.</i>

MONITORING REPORT Q3 2019/20 - SUMMARY OF SCOPE OF AUDITS FINALISED

Child & Family Services	Taxi Authorisations	Substantial	<i>Taxi Case notes, Taxi Checklists, Quotations/Payments, Authorisations, Coding of Payments, Budget Monitoring.</i>	<i>Lack of accurate costings for taxi routes recorded on the Paris system. Also lack of evidence of case notes recorded on Paris being authorised for journeys.</i>
Education Planning & Resources	Ysgol Gyfun Gwyr	Substantial	<i>Governance, Management of Delegated Resources, Bank Reconciliations, Collection & Banking of Income, Unofficial Funds, Expenditure, Verification of Employees / Self Employed, Health & Safety, Inventory, Mini Bus Records, Computer Security & Data Protection, Verification & Authorisation of School Meals.</i>	<i>School Fund had no documented constitution, no independent review of the monthly reconciliaiton of the fund, lack of official orders being raised via SIMS FMS and two instances of non-compliance with CPR's.</i>
Education Planning & Resources	Hafod Primary School	Substantial	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>Lack of official orders being placed on SIMS FMS in advance. No evidence of independent review of school fund reconciliations. Some additional low risk and good practice recommendations.</i>
Education Planning & Resources	Bishop Vaughan Catholic Comprehensive School	Substantial	<i>Governance, Health and Safety, Management of Delegated Resources, Collection of Income and Bankings, Budget Preparation and Monitoring, Purchasing of Goods and Services, Bank Reconciliation, School Inventory, Verification of Employees / Self Employment, School Fund, Mini Bus, Computer Security and Data Protection, Petty Cash, Verification of Authorisation of Free School Meals.</i>	<i>Lack of official orders being placed on SIMS FMS in advance. No evidence of independent review of school bank reconciliations. Some additional low risk and good practice recommendations.</i>
Education Planning & Resources	Gwryrosydd Primary School	Moderate	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>See detail in the body of the Q3 Monitoring Report.</i>
Education Planning & Resources	Pen y Bryn Special School	Moderate	<i>Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees, Health & Safety, Inventory, Computer Security.</i>	<i>See detail in the body of the Q3 Monitoring Report.</i>

MONITORING REPORT Q3 2019/20 - SUMMARY OF SCOPE OF AUDITS FINALISED

Building Services	Heol y Gors Depot - Plant	Moderate	<i>Plant Records, Movements of Plant, Orders & Payment of Invoices, Recharges, Security, Red diesel.</i>	<i>See detail in the body of the Q3 Monitoring Report.</i>
Highways & Transportation	Fleet Maintenance	Moderate	<i>Purchase card (P-Card), Routine safety inspections/services/Stores of oil, tools & tyres, Operator's Licence, Direct purchases of parts, Expenditure, Overtime/Flexi records, Third Party recharges/income, Inventory, Petty Cash.</i>	<i>See detail in the body of the Q3 Monitoring Report.</i>
Chief Transformation Officer Audits	Employment of Agency Staff	Moderate	<i>Completion of Business Cases, Budgetary Provision, Head of Service Approval, DBS checks/Social Services Registrations, Purchase Orders are raised and receipted promptly, Agency Workers engaged over 12 weeks</i>	<i>See detail in the body of the Q3 Monitoring Report.</i>

MONITORING REPORT Q3 2019/20 - RECOMMENDATIONS NOT ACCEPTED

Audit Title	Date Final Issued	Assurance Rating	Recommendations Not Accepted			
			Report Ref	Risk Rating	Recommendation	Reason / Comments
Pen y Bryn Special School	11/11/19	Moderate	2.3.5	LR	The Business Manager should be removed from the bank mandate to ensure division of duties.	The Business Manager will remain a signatory and cheques will be authorised and counter signed by other members of SLT.
Fleet Maintenance	22/11/19	Moderate	2.2.6	MR	A system of independent review or spot checks should be introduced to confirm parts/oil requisitioned from the Stores have been fitted to the relevant vehicle. (Previous audit recommendation that was rejected after 2017/18 audit by Fleet Manager due to lack of staff resource).	Not agreed as previously. Risk is recognised but reduction in resources mean that we cannot implement recommended system (as advised in previous audit).

Audit Title	Risk Rating	Status as at 31/12/19	Corporate Priority	Days
Level 1 – Cross Cutting Reviews – Council Governance & Control				
Corporate Governance	Med/High	In Progress	Cross Cutting	20
Delegated Decision Making	New	In Progress	Cross Cutting	10
Workforce Planning	New	Deferred	Cross Cutting	10
Ethics & Values	New	In Progress	Cross Cutting	15
Safeguarding	Med/Low	In Progress	Cross Cutting	10
Information Governance	New	In Progress	Cross Cutting	20
Corporate Performance Management	New	Planned	Cross Cutting	15
Added Value Work	n/a	Planned	Cross Cutting	10
Level 2 – Fundamental Systems - Section 151 Officer Assurance				
Financial Services & Service Centre				
Employee Services	Med/High	In Progress	Section 151 Assurance	30
Pensions Administration	Med/High	In Progress	Section 151 Assurance	20
Teachers Pensions	Med	Final Issued	Section 151 Assurance	15
Accounts Receivable	Med	Planned	Section 151 Assurance	35
NNDR	Med	In Progress	Section 151 Assurance	22
Pension Fund Investments	Med/High	In Progress	Section 151 Assurance	7
Housing Rents	Med	In Progress	Section 151 Assurance	20
Housing & Council Tax Benefits	Med/High	In Progress	Section 151 Assurance	40
Fixed Assets	Med	Planned	Section 151 Assurance	25
Level 3 – Service Level Audits – Other Assurance				
Education Planning & Resources				
Bishopston Primary	Med	Final Issued	Education	3
Cadle Primary	High	Final Issued	Education	3
Clwyd Community Primary	Med	Final Issued	Education	3
Crwys Primary	Med	Final Issued	Education	3
Cwmglas Primary	Med	In Progress	Education	3
Glyncollen Primary	Med	Final Issued	Education	3
Grange Primary	Med	Final Issued	Education	3
Gwyyrosydd Primary	Med	Final Issued	Education	3
Hafod Primary	Med	Final Issued	Education	3
Morryston Primary	Med	Final Issued	Education	3

Pen y Fro Primary	Med	Final Issued	Education	3
Pengelli Primary	Med	Final Issued	Education	3
Pennard Primary	Med	Final Issued	Education	3
Pentrechwyth Primary	Med/Low	Final Issued	Education	3
Penyrheol Primary	Med	Final Issued	Education	3
Pondarddulais Primary	Med	Final Issued	Education	3
Seaview Community Primary	Med	Draft Issued	Education	3
St Thomas Primary	Med/Low	Draft Issued	Education	3
Waun Wen Primary	Med	Final Issued	Education	3
Wauarlwydd Primary	Med	Final Issued	Education	3
YGG Felindre	Med	Final Issued	Education	3
YGG Pontybrenin	Med	Final Issued	Education	3
St David's RC Primary	Med	Final Issued	Education	3
St Joseph's Cathedral Primary	Med	Final Issued	Education	3
St Joseph's Catholic Primary	Med	Final Issued	Education	3
Bishop Vaughan Comprehensive	Med	Final Issued	Education	10
Morrison Comprehensive	Med	Final Issued	Education	10
Olchfa Comprehensive	Med	Final Issued	Education	10
Ysgol Gyfun Gwyr	Med	Final Issued	Education	10
Penybryn Special School	Med/High	Final Issued	Education	4
Achievement & Partnership Service				
Curriculum Support Unit inc. Welsh Service	New	Final Issued	Education	5
School Support Unit	Low	Final Issued	Education	5
Vulnerable Learner Service				
Swansea Pupil Referral Units	Med	Final Issued	Education, Safeguarding & Poverty	15
Education Grants & Other				
Additional Support for Disadvantaged Learners (G)	n/a	Final Issued	Education, Safeguarding & Poverty	5
Regional Consortia School Improvement (G)	n/a	Final Issued	Education, Safeguarding & Poverty	15
Pupil Deprivation (G)	n/a	Final Issued	Education, Safeguarding & Poverty	10
Schools Annual Report	n/a	Final Issued	Education, Safeguarding & Poverty	3
Child & Family Services				
Discretionary Payments	Med/High	Final Issued	Safeguarding	10
Emergency Duties Team	Low	Final Issued	Safeguarding	10

Use of Taxis Authorisation	Med/Low	Final Issued	Safeguarding	10
Adult Services				
Supporting People (G)	n/a	Final Issued	Safeguarding	10
Suresprung Supported Employees Claim Process (G)	n/a	In Progress	Safeguarding	5
Flexible Support Service	Med	Final Issued	Safeguarding	10
Fforestfach Day Service	Low	Final Issued	Safeguarding	10
Social Services Directorate Services				
Client Property & Finance	High	In Progress	Safeguarding	15
Business Support Team - Adult Services	New	Final Issued	Safeguarding	10
Application Controls - Paris System	Med	In Progress	Safeguarding	5
Poverty & Prevention				
Adult Prosperity & Wellbeing Service	Low	Final Issued	Poverty	5
Young Peoples Service	Med	Final Issued	Poverty	15
Info-Nation	Med	Final Issued	Poverty	10
Community Safety	Med/Low	Final Issued	Poverty	10
Lifelong Learning Service	Med	Final Issued	Poverty	10
Building Services				
Heol y Gors - Plant & Transport	Med	Final Issued	Economy & Infrastructure, Safeguarding	7
Property Services				
Estates Management & Quadrant Rents	Med	Final Issued	Economy & Infrastructure	10
Waste Management & Parks				
Waste Management	Med	Final Issued	Economy & Infrastructure	10
Street Cleaning	Med	Final Issued	Economy & Infrastructure	10
Highways & Transportation				
Service Support	Low	Not Required	Economy & Infrastructure	15
Transport Support	Med	Final Issued	Economy & Infrastructure	10
Concessionary Bus Fares	Med	In Progress	Economy & Infrastructure	5
Recovery of Abandoned Vehicles	Med/Low	Final Issued	Economy & Infrastructure	5
Swansea City Bus Station	Med	Final Issued	Economy & Infrastructure	8
Advance Payments Code	Med	Final Issued	Economy & Infrastructure	8
CTU Fleet Maintenance	Med/High	Final Issued	Economy & Infrastructure	15
CTU Fuel	Med	Final Issued	Economy & Infrastructure	10
CTU Stores	Med	In Progress	Economy & Infrastructure	8
Transport Depot	Med	Final Issued	Economy & Infrastructure	15

Live Kilometre Support (G)	n/a	Final Issued	Economy & Infrastructure	5
Housing & Public Health				
Penlan District Housing Office	Med	Final Issued	Poverty, Safeguarding	15
Gorseinon District Housing Office	Med	Final Issued	Poverty, Safeguarding	10
Furniture Store & Tenancy Scheme	Low	Final Issued	Poverty, Safeguarding	12
Tenancy Support Unit & SPG	Low	Final Issued	Poverty, Safeguarding	10
Housing Partnerships	Med	Final Issued	Poverty, Safeguarding	10
Food & Safety Division	Low	Final Issued	Poverty, Safeguarding	10
Pollution Control Division	Med/Low	Final Issued	Poverty, Safeguarding	10
Cultural Services				
Community Parks Development & Community Buildings	Low	In Progress	Economy & Infrastructure	15
Foreshores & Lettings: Sports Permits	Low	In Progress	Economy & Infrastructure	10
Active Swansea	Med	Not Required	Economy & Infrastructure	5
Spot Checks	Med	Deferred	Economy & Infrastructure	5
Grand Theatre	Med/High	Final Issued	Economy & Infrastructure	15
Grand Theatre & Glyn Vivian Catering	New	Draft Issued	Economy & Infrastructure	5
Literature Officer	Low	Deferred	Economy & Infrastructure	5
Libraries Administration	Med/Low	Final Issued	Economy & Infrastructure	10
Special Events	Med	Final Issued	Economy & Infrastructure	15
Passport to Leisure	Low	Deferred	Economy & Infrastructure	10
Tourism Marketing	Med/Low	Final Issued	Economy & Infrastructure	10
Planning & City Regeneration				
Sustainable Development	Low	Not Required	Economy & Infrastructure, Resources & Biodiversity	8
Economic Development Administration	Med/Low	Final Issued	Economy & Infrastructure, Resources & Biodiversity	10
External Funding Team	Med/High	In Progress	Economy & Infrastructure, Resources & Biodiversity	5
Planning Services Administration & Fees	Med	Final Issued	Economy & Infrastructure, Resources & Biodiversity	15
Section 106 Agreements	Med/High	In Progress	Economy & Infrastructure, Resources & Biodiversity	10
Communications & Marketing				
Communications & Public Relations	Med	Final Issued	Transformation & Council Development	10
Design Print	Med	Final Issued	Transformation & Council Development	15
Financial Services & Service Centre				
Cashiers Office	Med/High	In Progress	Section 151 Assurance	10

Write-Off Requests	n/a	In Progress	Section 151 Assurance	5
Cashiers Write-off's	n/a	Final Issued	Section 151 Assurance	5
Insurance	Med	Final Issued	Section 151 Assurance	10
Taxation VAT	Med	Final Issued	Section 151 Assurance	10
Pension Fund Other Transactions	Med	Draft Issued	Section 151 Assurance	10
Trusts & Charities	Med	Final Issued	Section 151 Assurance	10
Budget Strategy & Management	New	In Progress	Section 151 Assurance	10
Direct Payments - Adult and Child & Family	Med	Deferred	Section 151 Assurance	15
Welcome Break	Low	Final Issued	Section 151 Assurance	5
Debt Recovery	High	Planned	Section 151 Assurance	20
Employee Vetting (DBS)	High	Final Issued	Section 151 Assurance	10
Purchase Cards	Med	Final Issued	Section 151 Assurance	15
Digital & Transformation				
Information Management	Med	In Progress	Transformation & Council Development	10
Legal, Democratic Services & Business Intelligence				
Coroners Service	Med	Final Issued	Monitoring Officer Assurance	12
Debt Recovery Process	High	In Progress	Monitoring Officer Assurance	10
Review of Legal Files	New	Final Issued	Monitoring Officer Assurance	10
Commercial Services				
Cultural Services Contracts Review	New	In Progress	Section 151 Assurance	10
Chief Transformation Officer Audits				
Corporate Complaints	Med	Draft Issued	Transformation & Council Development	8
Welsh Translation Unit	Med	Final Issued	Transformation & Council Development	10
CRM System Application Controls	New	In Progress	Transformation & Council Development	10
Risk Management	Med/High	Final Issued	Section 151 Assurance	10
Contract Audits				
Legal Pre-Contract Acceptance of Tenders	Med	In Progress	Monitoring Officer Assurance	20
Procurement Contract Register	Med	In Progress	Transformation & Council Development	10
Final Accounts	n/a	In Progress	Section 151 Assurance	3
Appraisal of Contractors for Tenders	n/a	In Progress	Section 151 Assurance	5
Computer Audits				
PC Controls	Med/High	Not Required	Transformation & Council Development	5

Network Controls - Corporate & Education	Med	Not Required	Transformation & Council Development	10
Internet Controls - Education Network	Med/Low	In Progress	Transformation & Council Development	10
Libraries Public Access Network	Med/Low	Not Required	Transformation & Council Development	5
E-Commerce Controls - Web Development	New	Deferred	Transformation & Council Development	10
Physical & Environmental Controls and VSE	Med/High	In Progress	Transformation & Council Development	10
Computer Operations	Med/High	Not Required	Transformation & Council Development	5
Change Control	Med	In Progress	Transformation & Council Development	5
Change Control - Oracle	Med/High	In Progress	Transformation & Council Development	5
Use of Idea - Data Extraction	n/a	In Progress	Section 151 Assurance	5
Use of Idea - Data Matching NFI 2018	n/a	In Progress	Section 151 Assurance	5
Projects & Special Investigations				
Unpresented Cheques	n/a	In Progress	Section 151 Assurance	5
NFI 2018/19	n/a	In Progress	Section 151 Assurance	20
Galileo Management System	n/a	In Progress	Section 151 Assurance	10
Annual Plan & Annual Report	n/a	In Progress	Section 151 Assurance	5
Annual Consultation Exercise	n/a	In Progress	Section 151 Assurance	10
Health & Safety Group	n/a	In Progress	Section 151 Assurance	3
Recommendation Tracker Exercise	n/a	Final Issued	Section 151 Assurance	5
Follow-ups	n/a	In Progress	Section 151 Assurance	20
Purchase Cards - Transaction Sample Reviews	n/a	In Progress	Section 151 Assurance	10
Petty Cash Investigations	n/a	In Progress	Section 151 Assurance	3
Miscellaneous Audits				
sQuid System Review	New	Draft Issued	Section 151 Assurance	10
Brexit	New	Final Issued	Section 151 Assurance	5
City Deal Review Outcomes - Follow-up	New	In Progress	Section 151 Assurance	5
Sustainable Swansea	New	In Progress	Transformation & Council Development	5

Corporate Priorities

Safeguarding – Safeguarding People from Harm

Education – Improving Education and Skills

Economy & Infrastructure – Transforming our Economy and Infrastructure

Poverty – Tackling Poverty

Resources & Biodiversity – Maintaining and Enhancing Swansea’s Natural Resources and Biodiversity.

Transformation & Council Development – Transformation and Future Council Development.

Agenda Item 4



Report of the Director of Education

Special Audit Committee – 10 March 2020

Gwrosydd Primary School Audit Report 2019/20

Purpose:	To provide an update on the Gwrosydd Primary School audit report for the above period
Report Author:	Jonathan Atter (Headteacher)
Finance Officer:	Ben Smith
Legal Officer:	Deb Smith
Access to Services Officer:	Rhian Millar
For Information	

Internal Audit on Gwrosydd Primary School – Update March 2020

1. Introduction

- 1.1 As a result of an internal audit on Gwrosydd Primary School carried out in 2019, an assurance level of moderate was given.
- 1.2 An action plan was developed to address the issues identified and appropriate implementation steps put in place.

This report highlights all the High Risk (HR) and Medium Risk (MR) items only. All items including actions taken to date can be found within Appendix A, which sets out the report in full and associated actions, Low Risk (LR) items and points of good practice (GP)

The follow up Audit in January 2020 acknowledged that 18 of 21 recommendations are being fully implemented. 3 Low Risk recommendations have not been fully implemented and will be reviewed at the next Audit review. These have now been implemented from the school's point of view.

- 1.3 This action plan identified the following HR and MR actions.

Unofficial Fund

- 2.3.4 Whilst it was noted that a monthly reconciliation of the School Fund was being completed, there was no evidence of an independent review of the reconciliation being undertaken. (MR)

Progress to Date/Agreed and updated actions –

It was agreed that the Primary Support Officer (PSO) Chair of Governors (CoG) or Vice Chair of Governors (VCG) would review and sign reconciliation monthly from November onwards. The follow up Audit in January 2020 acknowledged that this is being fully implemented

Expenditure

- 2.3.4 The non-order facility was being used repeatedly for items where an official order should have been raised in advance on the SIMS system. (MR - Repeated from previous audit)

Progress to date/Agree and updated actions-

It was agreed that official orders are to be raised in advance of purchases, including those that are to be funded by the unofficial school fund. The follow up Audit in January 2020 acknowledged that this is being fully implemented

- 2.6.1 Some payments from the delegated budget selected as part of our testing were deemed not to be for the direct benefit of the pupils. (MR)

Progress to date/Agree and updated actions-

This expenditure was investigated by the Head, CoG, VCG and PSO. It was agreed that the school would adopt the Constitution for Unofficial funds as advocated by the Audit Section which clearly outlines what expenditure school funds should be used for. Any additional costs to the school that are incurred by staff that are not for the benefit of the children are to be passed back to the staff who incurred them. The follow up Audit in January 2020 acknowledged that this recommendation is being fully implemented.

- 2.6.2 Testing revealed that a senior member of staff had made a significant number of purchases on behalf of the school, which had been reimbursed from the delegated account. Reimbursements for purchases made by staff should only take place in exceptional circumstances, as purchases should be made via the ordering process on SIMS. (HR)

Progress to date/Agree and updated actions-

All purchases made over the previous 5 years were reviewed in detail by the Head, CoG, VCG and PSO. It was acknowledged that the expenditure was made in the interests of the children and the school, and that there was a system of sign off in place to ensure the items were in school, however, the actions were not in line with Audit guidance recommendations and any such ordering would cease as of November 2019. Any purchases made

would need to be exceptional and prior written agreement from CoG, VCG obtained in advance of exceptional purchase. The follow up Audit in January 2020 acknowledged that this is being fully implemented

- 2.6.4 It was also noted that a number of the purchases outlined above had been delivered to the member of staff's home address rather than directly to the school. (MR)

Progress to date/Agree and updated actions

In line with the previous action, all deliveries are to be made to school. The follow up Audit in January 2020 acknowledged that this is being fully implemented

2. Equality and Engagement Implications

- 2.1 There are no equality and engagement implications associated with this report.

3. Financial Implications

- 3.1 There are no financial implications other than those set out in the body of the report.

4. Legal Implications

- 4.1 There are no legal implications other than those set out in the body of the report.

Background Papers: None.

Appendices:

Appendix A - Gwyrosydd Primary School – Management Action Plan – Follow Up 2019/20.

CITY AND COUNTY OF SWANSEA
AUDIT REPORT ACTION PLAN – UPDATE
EDUCATION: GWYROSYDD PRIMARY SCHOOL 2019/20

REPORT REF	RECOMMENDATION	CLASS HR; MR; LR; GP	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE	PROGRESS UPDATE JAN 20
Banking Procedures						
2.2.1	All safe keys should be removed from the premises overnight, to comply with insurance requirements.	LR	All safe keys to be taken off site each night by JE/AF.	JA/AF	04/11/19	2 Sets of Keys are taken off site by two separate members of staff
2.2.2	The current system should be simplified to reduce the frequency of income being transferred between accounts.	GP	Income funds to be paid directly into the account from where invoices are paid to avoid banking duplication.	AF / JA	November 2019	Ordering and payment system has been reviewed and orders are now placed directly to the corresponding accounts
Unofficial Funds						
2.3.1	The Unofficial Fund should be audited within a reasonable period after year end in line with Accounting Instruction No 11.	LR	Audit of school fund to be completed by end of Autumn term.	JA	Autumn 2019	The Unofficial fund has been audited by two independent people before the end of the academic year in accordance with Accounting Instruction No 11
2.3.2	The Constitution set out in Accounting Instruction No. 11 should be used.	LR	Return Accounting Instruction No.11 to governors for ratification.	JA	November 2019	Accounting instruction No 11 Constitution has presented to and agreed by the Governing Body

REPORT REF	RECOMMENDATION	CLASS HR; MR; LR; GP	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE	PROGRESS UPDATE JAN 20
2.3.3	Where income has been banked into the Unofficial Fund, invoices with no VAT should be paid directly from the Unofficial Fund.	LR	Happy to comply with this.	JA / AF	<i>November 2019 onwards</i>	This has been implemented
2.3.4	The monthly reconciliation of School Fund should be printed and reviewed by an independent person, and evidence of the review should be recorded.	MR	PSO or VCG to sign reconciliation.	AF / JA	<i>November reconciliation 2019 onwards</i>	The monthly reconciliation of School Fund IS now printed and reviewed by CoG, VCG or PSO
School Meal Income						
2.4.1	All parents and staff should be encouraged to set up sQuid accounts to reduce the amount of cash collected.	LR	School to move to online payments only by Jan 2020. Visit other schools for advice Nov 2019. Staff to only use squid Nov 2019. Letter actively encouraging parents to use squid Nov 2019. All new parents to have squid accounts only Nov 2019 onwards. Letter reinforcing need for Squid only account Dec 2019. Squid only lunch accounts by spring 2020. Expand use of squid 2020 onwards.	JA / JA	<i>November 2019 onwards</i>	Admin staff visited another school who had implemented sQuid account to all and sought best practice and experience – Nov 19 Parents were informed of new procedures and all Dinner payments are now made via sQuid. – Nov 19 By Christmas all parents were paying for meals via sQuid. New parents are advised that payment can only

REPORT REF	RECOMMENDATION	CLASS HR; MR; LR; GP	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE	PROGRESS UPDATE JAN 20
						be made through sQuid
2.4.2	Where the school still accepts cash payments Fund Deposits Reports should be produced weekly and reconciled to income collected prior to banking. Weekly Reports should be filed with banking details.	LR	Fund report to be printed on Friday afternoon and reconciled to be banked the following week until cashless squid is achieved.	JA / JA	11 November 2019 onwards	Implemented.
2.4.1 & 2.4.3	All school meals income collected in cash should be allocated correctly on sQuid in a timely manner.	LR	Agreed.	JA / JA	October 2019	Implemented.
2.4.4	Members of staff should be asked to pay their school meals arrears immediately.	LR	Staff told there can be no arrears - SQuid account payments only.	JA	October 2019	Not Implemented. Thirteen members of staff are in arrears as at the date of the follow up visit.
2.4.4	The School Dinner Money Policy should be adhered to and any long-term arrears settled.	LR	Review policy and procedure and make changes to improve. Visit other schools. Parents to be advised of arrears sooner outstanding debt to be chased and reduced sooner. Revise system to create time for the above.	JA / JA / AF	November 2019 2019 onwards	Partly Implemented. Arrears have reduced, however the £12 cap had been exceeded. Enquiries with sQuid revealed that the cap is being bypassed by redeeming the costs for the meals manually instead of

REPORT REF	RECOMMENDATION	CLASS HR; MR; LR; GP	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE	PROGRESS UPDATE JAN 20
						using the pre-order system. This should stop immediately.
Expenditure						
2.6.1 a) 2.6.3 a) & 2.6.5	An official order should be raised in advance for all expenditure to ensure that the expenditure is duly authorised and committed promptly to the cost centre. Non-order payments should be restricted to utilities / teaching supply invoices only. (Previous Audit Recommendation)	MR	Orders to be raised in advance of purchases, including school fund, B&Q Orders, Fuel, purchases by HT.	JA / AF	<i>Mid November 2019 onwards</i>	As of November 2019 all Orders have been raised in advance of purchases
2.6.1 b) & 2.6.3 b)	The delegated budget should be used for the benefit of the pupils, as stated in the Scheme for the Financing of Schools.	MR	No flowers for staff to be paid by school funds. Parking fines etc (costs that could be avoided) to be the responsibility of the driver.	JA	<i>Mid November 2019 onwards</i>	As of Nov 19 the Scheme for the Financing of Schools regulations are followed at all times
2.6.2	Reimbursement for purchases made by staff should only take place in exceptional circumstances. All purchases should be made via the ordering process on SIMS FMS.	HR	All purchases to be made via the ordering process on SIMS FMS. Any exceptional purchase to be pre-approved by chair or vice chair of governing body and reason recorded.	JA / AF	<i>Mid November 2019 onwards</i>	As of Nov 19 All purchases have been made via the ordering process on SIMS FMS.
2.6.3	When items are purchased from a member of staff prior approval should be obtained from the	GP	See above	JA / AF	<i>Mid November 2019 onwards</i>	Agreed and implemented

REPORT REF	RECOMMENDATION	CLASS HR; MR; LR; GP	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE	PROGRESS UPDATE JAN 20
	Chair of Governors to ensure transparency.					
2.6.4	All deliveries should be made directly to the school.	MR	All deliveries to school.	JA	<i>Mid November onwards</i>	As of Nov. 19 All deliveries are made directly to the school.
2.6.6 a), b) & c)	Quotations should be obtained, or Single Supplier Waiver forms completed and Governing Body approval sought for all expenditure over £5,000 including cumulative spend, with an individual supplier within the financial year. <i>(Previous Audit Recommendation)</i>	LR	Request to be complied with.	JA / AF	<i>Mid November 2019 onwards</i>	Governors have agreed any cumulative spends over £5000. The agreed process will be followed if any external suppliers are to be used in future.
2.6.7	It should be ensured that proper insurance arrangements are in place and have been checked for any persons / companies used by the school to provide services / consultancy advice which have not been arranged via the Corporate Contract. E.g. <ul style="list-style-type: none"> • 3rd party insurance for all. • Professional indemnity for Consultants. • Employers Liability for all where the Contractor employs anyone regardless 	LR	Documentation to be collected in line with recommendation.	JA / AF	<i>Mid November 2019 onwards</i>	To date no persons or companies have been. Engaged but the agreed documentation will be collected from anyone engaged in line with recommendation.

REPORT REF	RECOMMENDATION	CLASS HR; MR; LR; GP	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE	PROGRESS UPDATE JAN 20
	<p>of number or if they are full time.</p> <ul style="list-style-type: none"> Contractors 'All risk' for Building related services. <p>Copies of insurance certificates and other relevant documentation should be retained as confirmation.</p> <p>(Previous Audit Recommendation)</p>					
2.6.10 a)	The Governing Body should approve a pre-defined authorisation limit for the Multi-pay card.	LR	£5,000 limit to be defined in next governing body meeting	JA	<i>November 2019 GB meeting</i>	This has been presented and agreed
2.6.10 b)	The Multi pay card pro forma should be authorised by a signatory other than the cardholder.	LR	Pro forma to be signed by Chair/Vice Chair/ Deputy Headteacher	AF / JA	<i>November 2019 onwards</i>	This was an error, procedures have been implemented to ensure this doesn't happen again
2.6.10 c)	The Multi pay Card should only be used in exceptional circumstances and should not be used as a means of bypassing the standard ordering system via SIMS FMS.	LR	Comply with recommendation	JA	<i>Mid November 2019 onwards</i>	Recommendation being Implemented.
Inventory						
2.8.1 a) & b)	Appropriate inventories should be maintained in accordance with	LR	Re-check inventory descriptions and serial numbers. Number not	JA	<i>Mid November 2019 onwards</i>	Inventories have been reviewed and

REPORT REF	RECOMMENDATION	CLASS HR; MR; LR; GP	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE	PROGRESS UPDATE JAN 20
	<p>Accounting Instruction No. 9. It should be ensured that:</p> <ul style="list-style-type: none"> • Full descriptions are recorded including make, model & serial number where item has not been centrally recorded with an asset reference number. • Entries are made upon receipt of items. <p><i>(Previous Audit Recommendation)</i></p>		<p>found to be recorded as such.</p> <p>All staff held items recorded to staff</p>			updated to ensure full compliance.
Computer Security						
9.9.1	<p>All users of SIMS FMS should change their passwords annually.</p> <p><i>(Previous Audit Recommendation)</i></p>	GP	Generic users to be removed from system	JA / AF	November 2019	Local Authority IT team contacted and unused accounts have been closed.

Agenda Item 5



Report of the Director of Education

Special Audit Committee – 10 March 2020

Ysgol Pen y Bryn Audit Report Update 2019/20

Purpose:	To provide an update on the audit report for Ysgol Pen-y-Bryn for the above period
Report Author:	Sian Hodge (Business Manager) & Gethin Sutton (Headteacher)
Finance Officer:	Ben Smith
Legal Officer:	Debbie Smith
Access to Services Officer:	Rhian Millar
For Information	

Internal Audit on Ysgol Pen-y-Bryn – Update March 2020

1. Introduction

- 1.1 An internal audit of Ysgol Pen-y-Bryn was undertaken in late September 2019. The final audit report was issued in November 2019 and an assurance level of moderate was given.
- 1.2 An action plan was developed to address the issues identified and appropriate implementation steps put in place.
- 1.3 This report highlights the five Medium Risk items only, there being no High Risk actions to address. All items can be found within the management action plan (Appendix A), which details all recommendations, Medium Risk (MR), Low Risk (LR) and recommended Good Practice (GP) as well as the associated actions taken to remove them.
- 1.4 A follow up visit in January noted that good progress had been made although 7 of the 25 recommendations had not been fully implemented (2 x MR, 4 x LR and 1 x GP)

1.5 All recommendations have now been fully implemented apart from one MR recommendation which has been partially implemented with the risk being fully addressed

1.6 This action plan addresses the following Medium Risk (MR) items:

- **Unofficial Funds**

(2.3.1) A replacement passbook should be obtained for the Flexible Saver Account which should be held securely.

Progress to Date/Agreed and updated actions – *With immediate effect, a new passbook was obtained from the bank.*

(2.3.1) The Flexible Saver Account should be subject to an annual audit and the Audit Certificate should be presented to the Governing Body.

Progress to Date/Agreed and updated actions – *The Flexible Saver Account has now been closed and funds transferred to our school fund. At the follow up visit in January 2020 the auditor confirmed that there had been no activity (excepting accrual of interest) on the account since 2012.*

(2.3.5) The monthly reconciliation of School Fund should be printed and reviewed by an independent person and evidence of the review should be recorded.

Progress to Date/Agreed and updated actions - *School fund statements are now reconciled on a monthly basis witnessed and signed off on the bank statement and reconciliation template by the Headteacher.*

- **Expenditure**

(2.6.1a & 2.6.2) An official order should be raised in advance for all expenditure to ensure that the expenditure is duly authorised and committed promptly to the cost centre. Non-order payments should be restricted to utilities/teaching supply invoices only.

Progress to date/Agreed and updated actions - *We endeavour to do this for all expenditure other than utilities and supply*

(2.6.1 b) The delegated budget should not be spent on anything that does not directly relate to the provision of statutory education of its pupils as per Para 1.3 of the Scheme for the Financing of Schools.

Progress to date/Agreed and updated actions - *The delegated budget is not spent on anything that is not directly related to the*

provision of statutory education of our pupils as per Para 1.3 of the Scheme for the Financing of Schools. The recommendation relates to the senior leadership team's annual school improvement planning conference which entails a high intensity two days offsite working sessions to draw up our improvement priorities for the forthcoming year. We have agreed with the Director that this will now cease.

(2.6.7) There should be at least two individuals involved in the processing of Multi pay card statements and associated cashbook journals. Pro-forma should be authorised by a signatory other than the cardholder.

Progress to date/Agreed and updated actions - *Implemented with immediate effect. Multi pay card statements and associated cashbook journals are processed by two people and the pro-forma is authorised and signed off by the Headteacher.*

2. Equality and Engagement Implications

2.1 There are no equality and engagement implications associated with this report.

3. Financial Implications

3.1 There are no financial implications other than those set out in the body of the report.

4. Legal Implications

4.1 There are no legal implications other than those set out in the body of the report.

Background Papers: None.

Appendices:

Appendix A Ysgol Pen-y-Bryn – Management Action Plan (Includes audit follow up findings, actions to date at 24.02.2020 and completion colour coding).

**CITY AND COUNTY OF SWANSEA
MANAGEMENT ACTION PLAN
EDUCATION: YSGOL PEN Y BRYN 2019/20**

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	Monitoring Visit feedback Jan 2020
Management of Delegated Resources					
2.1.2	The extent of delegation of powers to the Headteacher should comply with the amount set out in the Accounting Instructions for Schools.	LR	Limit to be amended to £5000 in Governor AGM Amended by governors December 2019	SH	Evidence of minutes given to auditor - completed
Unofficial Funds					
2.3.1	A replacement passbook should be obtained for the Flexible Saver Account which should be held securely.	MR	Replacement passbook received from bank in October 2019	SH	Account has been closed. Auditor given new passbook and copy of letter closing account – was happy no activity on account since 2012
2.3.1	The Flexible Saver Account should be subject to an annual audit and the Audit Certificate should be presented to the Governing Body. <i>(Previous audit recommendation.)</i>	MR	We intend to close this account and transfer the funds into the main school fund account. Account closed January 2020	SH	Auditor was happy that this was not required as she could see the account was closing and there had been no activity on account since 2012
2.3.2	The Unofficial School Fund Constitution set out in Accounting Instruction No 11 should be used.	GP	Please provide a copy of accounting instruction No 11 for governors to review Constitution accepted and actioned by Governing body February 2020.	CR	Agenda item for February governing meeting

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	Monitoring Visit feedback Jan 2020
2.3.4 a)	The unofficial funds should be used for the benefit of the pupils.	LR	Unofficial funds are used for the benefit of pupils.		
2.3.4 b)	All purchases should be supported by a receipt or invoice. These should be retained with the School Fund documentation.	LR	This is current procedure however, one instance had been found this when was not the case.	SH	All purchases are supported by receipts.
2.3.4 c)	Income from the After School Club should be paid into budget to offset the overtime and additional costs incurred for running the club.	LR	Income will be banked into delegated budget this point forward Implemented October 2019	SH	Income been paid into delegated account since audit recommendation
2.3.5	The monthly reconciliation of School Fund should be printed and reviewed by an independent person, and evidence of the review should be recorded.	MR	Reconciliation template to be established and signed off by Headteacher Monthly reconciliation in place since January 2020.	SH	Reconciliation has not yet taken place but will be done monthly.
2.3.5	The Business Manager should be removed from the bank mandate to ensure division of duties.	LR	The Business Manager will remain a signatory and cheques will be authorised and counter signed by other members of SLT		
Bank Reconciliations					
2.5.1	Bank reconciliation should be carried out monthly.	LR	This is usual practice however work load issues meant statements had been left. AGREED Implemented October 2020.	SH	Bank reconciliation evidence was viewed by auditor who was happy with

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	Monitoring Visit feedback Jan 2020
					frequency of reconciliation.
2.5.2	The outstanding item on the bank reconciliation report should be dealt with.	GP	Cheque cancelled and invoice re-issued and paid Implemented October 2019	SH	Auditor witnessed this had been done
2.5.3	The HSBC cheques should be destroyed and details of the cheques entered on the Cheque Stock record.	LR	Cheques had been destroyed some time ago. This should not be a recommendation. Implemented October 2019	n/a	Have been destroyed on system- auditor checked and confirmed.
Expenditure					
2.6.1 a) 2.6.2 Page 41	An official order should be raised in advance for all expenditure to ensure that the expenditure is duly authorised and committed promptly to the cost centre. Non-order payments should be restricted to utilities / teaching supply invoices only. (Previous Audit Recommendation.)	MR	Recommendation agreed		Discussion had with auditor – majority of time this occurs however there are issues. Auditor suggests putting on order for an estimated amount then changing it.
2.6.1 b)	The delegated budget should not be spent on anything that does not directly relate to the provision of statutory education of its pupils as per Para. 1.3 of the Scheme for the Financing of Schools.	MR	Delegated budget is not spent on anything that does not directly relate to provision of education		

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	Monitoring Visit feedback Jan 2020
2.6.3	The Cheque Stock Record should be signed by an authorised signatory. <i>(Previous Recommendation.)</i> Audit	LR	Cheque stock record to be signed on a half termly basis Implemented October 2019	KH	Cheque stock records are being signed.
2.6.4 a) & b)	Quotations should be obtained, or Single Supplier Waiver forms completed and Governing Body approval sought for all expenditure over £5,000 including cumulative spend, with an individual supplier within the financial year.	LR	Cumulative spend needs to be monitored more closely by business manager to identify potential cumulative spend over £5000 pa Implemented October 2019 and discussed with Governors finance committee but to date not required.	SH	Auditor questioned this on return but no spend over £5000 had occurred since audit.
2.6.5	It should be ensured that proper insurance arrangements are in place and have been checked for any persons / companies used by the school to provide services / consultancy advice which have not been arranged via the Corporate Contract. E.g. <ul style="list-style-type: none"> • 3rd party insurance for all. • Professional indemnity for Consultants • Employers Liability for all where the Contractor employs anyone 	LR	Recommendation agreed Implemented October 2019	SH/GS	Ongoing

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	Monitoring Visit feedback Jan 2020
	<p>regardless of number or if they are full time.</p> <ul style="list-style-type: none"> Contractors 'All risk' for Building related services. <p>Copies of insurance certificates and other relevant documentation should be retained as confirmation.</p>				
2.6.6	<p>HMRC form IR35 should be completed.</p> <p>(https://www.gov.uk/guidance/check-employment-status-for-tax)</p>	LR	<p>IR35 form to be completed for A Henderson and any new individuals contracted by school</p> <p>Implemented October 2019</p>	SH	Auditor given evidence that IR35 form had been completed for A Henderson.
2.6.7 a)	The Governing Body should approve a pre-defined authorisation limit for the Multi-pay card.	LR	<p>Item to be discussed in next Governors Finance Panel meeting</p> <p>Approved by Governing body February 2020.</p>	SH	Agenda item for February GB Meeting
2.6.7 b)	The Multi-pay card should be held securely in the safe.	LR	<p>Multi pay card to be held in safe</p> <p>Implemented October 2019</p>	SH	Multi pay card is held in school safe – auditor happy with verbal confirmation.
2.6.7 c)	There should be at least two individuals involved in the processing of Multi-pay card statements and associated cashbook journals. Pro-forma should be authorised by a signatory other than the cardholder.	MR	<p>Pro forma completed and counter signed by HT each month</p> <p>Implemented October 2019</p>	SH/GS	Pro forma has been counter signed by HT since audit

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	Monitoring Visit feedback Jan 2020
2.6.7 d) & e)	Receipts should be available for all purchases and VAT should only be reclaimed where a valid VAT receipt is held.	LR	Recommendation agreed Implemented October 2019	SH	Auditor checked receipts since November and noted proper VAT receipts in place.
Inventory					
2.8.1 Page 44	Appropriate inventories should be maintained in accordance with Accounting Instruction No. 9. It should be ensured that: <ul style="list-style-type: none"> • Full descriptions are recorded including make, model & serial number where item has not been centrally recorded with an asset reference number. • Entries are made upon receipt of items. 	LR	ICT co-ordinator to be trained in inventory management to take over role Fully Implemented February 2020.	SH/PJ	Training of ICT co-ordinator completed and he has started to streamline system.
2.8.3	A Disposal Form should be completed and authorised by the Headteacher for all items disposed of during the year.	LR	Staff emailed to ensure inform ICT co-ordinator or business manager of any disposals and they will ensure disposal form is completed Implemented October 2019 (not yet required).	PJ	No items disposed since audit – training of ICT co-ordinator showed where forms were
Mini Buses					
2.9.1	A regular review of the vehicle logs should take place.	LR	Logs will be checked periodically by business manager going forward Implemented October 2019	SH	Vehicle logs being reviewed.

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	Monitoring Visit feedback Jan 2020
Computer Security					
2.10.1	Passwords for the FMS system should be changed annually. <i>(Previous Recommendation)</i> Audit	GP	Passwords changed annually. Can't check system however User2 assures me they had changed their password Implemented October 2019	SH	Password changed since audit

Colour Coding Key

Fully Implemented

Partially Implemented

Agenda Item 6



Report of the Head of Highways and Transportation

Special Audit Committee – 10 March 2020

Fleet Maintenance Audit Report 2019/20

Purpose:	To provide an update on the Fleet Maintenance audit report for the above period
Report Author:	Mark Barrow (Fleet Manager)
Finance Officer:	Paul Cridland
Legal Officer:	Debbie Smith
Access to Services Officer:	Rhian Millar
For Information	

Internal Audit on Fleet Maintenance – Update March 2020

1. Introduction

- 1.1 As a result of an internal audit on the Fleet Maintenance function carried out in 2019, an assurance level of Moderate was given.
- 1.2 This report addresses the 1 x High Risk (HR) and 1 x Medium Risk (MR) within the Final Internal Audit Report (Appendix A). All other reported risks were either Low Risk (LR) or Good Practice (GP)
- 1.3 An action plan was developed in response to the High Risk (Appendix B).
- 1.4 The action plan sought to address the following High Risk (HR) :
 - (2.4.4) The Councils CPRs must be complied with. All eligible single or aggregated expenditure should be subject to competitive tender or quotations. Where this is not possible, a CPR20 Waiver should be obtained (HR).

(Previous audit recommendation made – and accepted – in the 2008/09, 2012/13 and 2017/18 Audits)

Progress to Date : It is acknowledged that previous Audit reports recommendations regarding this risk had been recognised and accepted by the Fleet Manager. The Fleet section was however unable to address the issues during this period due to the ; constant competing operational fleet priorities, a lack of a 'purchasing' section within the unit, reduced practical support from Procurement since 2016, and the reliance on the Fleet Manager to specify all Fleet procurement requirements.

Some progress was made in areas of CPR compliance prior to the 2019/20 audit, in particular the adoption of the National Procurement Service for Wales' Framework for Vehicle Parts in 2018. Discussions with Procurement colleagues had also begun in April 2019 to address the remaining CPR issues centering on subcontracted repair expenditures. For the purposes of context, the Fleet section as a whole has a current budgeted expenditure exceeding £10,350,000 per annum, of which 94.4% complies with CPRs in 2019/20.

Following the 2019/20 Audit, numerous actions have now been completed including

- the approval of 5 waivers for various categories of sub contracted vehicle repair works. These interim arrangements will be subsequently replaced by formalised tenders, future cyclical waiver applications or removal of their requirement to be subject to CPRs.
- two planned collaborative procurement exercises with Neath Port Talbot Council during 2020, to aggregate spends under Dynamic Purchasing System frameworks for sub contracted body panel repairs and subcontracted vehicle repairs.
- Investment in Fleet Maintenance for vehicle diagnostic equipment and light vehicle MOT testing by July 2020, removing future CPR compliance issues for these types of expenditures by completing them in house.
- Refining current high level single general ledger cost code for the sub contracted vehicle repairs, with the support of Finance colleagues, to clearly reflect unique repair types and subsequently clarify future expenditure levels to ensure respective CPR compliance.

The Action Plan is expected to be completed by March 2021, subject to available resource, delivering sustained compliance across these areas of expenditure.

1.5 The following Medium Risk (MR) has not been addressed :

- (2.2.6) System of independent review or spot checks should be introduced to confirm parts/oil requisitioned from the stores have been fitted to the relevant vehicle (MR)

(Previous audit recommendation that was rejected after 2017/18 audit by Fleet Manager due to lack of staff resource)

Progress to Date : This risk was originally identified in the 2008/09 Audit, and was initially accepted by the Fleet Manager. A pilot trial was undertaken as a result, which highlighted issues with the timing of checks and the availability of parts/oil used to conduct these checks. The two Vehicle Inspector posts were deleted in the section between 2010 and 2014, roles that would have been expected to fulfil this recommendation alongside other duties. The recommendation was subsequently rejected in the 2017/18 and 2019/20 Audits due to this reduction in available resource. It was advised that the risk could not therefore be addressed with an expectation that it would no longer form part of the Fleet maintenance audit after October 2018. However, it was subsequently included in the 2019/20 Audit, with an acknowledgement that the risk had not been accepted previously and why.

No progress has been made on this issue as the Fleet Manager considers that the only solution available within the current resource levels would require the diverting of fleet maintenance staff from vehicle repairs to check each other's work. This would result in delays in vehicle availability, additional costs to users, potentially be counterproductive within the team and disrupt service delivery.

2. Equality and Engagement Implications

2.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to :

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

AN EIA screening (Appendix C) has been undertaken which confirms there are no equality and engagement implications associated with this report as it addresses internal process non-compliance and has no impact on the relevant protected groups.

3. Financial Implications

3.1 There are no financial implications other than those set out in the body of the report.

4. Legal Implications

4.1 There are no legal implications other than those set out in the body of the report.

Background Papers: None.

Appendices:

Appendix A - Final Internal Audit Report – Fleet Maintenance 2019/20

Appendix B - Fleet Maintenance Action Plan

Appendix C - Equality Impact Assessment Screening Form



Final Internal Audit Report
Highways and Transportation
Fleet Maintenance 2019/20

1. Introduction

- 1.1 An internal audit has recently been completed of the Fleet Maintenance function carried out by the Central Transport Unit (CTU) within the Highways and Transportation Service.
- 1.2 The audit included the review and testing of controls established by management over the following areas:
- Purchase card (P-Card)
 - Routine safety inspections/services/Stores of oil, tools & tyres
 - Operator's Licence
 - Direct purchases of parts
 - Expenditure
 - Overtime/Flexi records
 - Third Party recharges/income
 - Inventory
 - Petty Cash
- 1.3 The objectives of the audit were to ensure that material business risks have been identified and that the controls in place are adequate for the purpose of minimising business risk and are operating in practice.
- 1.4 Fleet Maintenance was last audited during 2017/18 where there were nine recommendations and the opinion rating awarded was 'Moderate'.
- 1.5 The work carried out and findings arising from this audit are stated in the report below. Recommendations made to address the findings encountered are included in the attached Management Action Plan.

2. Work Done / Findings

2.1 Purchase Card Usage (P-Card)

- 2.1.1 There are were four P-Cards held by staff in the section. We were advised that that PIN numbers are kept secure but it was stated by the Fleet Manager that on occasions his P-Card is shared with other staff as their monthly limit has been exceeded and there is a need to purchase road fund licences for vehicles.

2.1.2 A sample of twelve purchases was checked to ensure compliance with the Council's P-Card Policy and the following was found:

- a) Ten proved satisfactory.
- b) In one case, VAT had been re-claimed even though it was an exempt item (Statutory fee paid to South Wales Police for a vehicle recovery).
- c) In one case VAT had been re-claimed but a VAT receipt had not been obtained.

2.2 Routine safety inspections/services/Stores of oil, tools & tyres

2.2.1 Individual services in the Council are responsible for ensuring that drivers are briefed on their responsibilities for driving Council vehicles and completing daily safety checks. Daily Safety Check sheets are sent to CTU on a weekly basis and retained for 18 months as per DVSA guidance.

2.2.2 A check was carried out to confirm that the number of HGV vehicles in the fleet was within the maximum allowed by the Council's Operator's licence. This test proved satisfactory.

2.2.3 A check was carried out to confirm that drivers were completing Daily Safety Check sheets and that monitoring was taking place as required. This test proved satisfactory.

2.2.4 A test was carried out on a sample of ten vehicles to confirm that all inspections and maintenance is formally recorded and that records are held for at least fifteen months. This test proved satisfactory.

2.2.5 A sample of ten vehicles was selected to check that they had a valid HGV test or MOT as required. This test proved satisfactory.

2.2.6 A brief review of the procedures for the Stores confirmed that (as highlighted in the previous audit) vehicle technicians can obtain parts from the Stores and there is no review by a supervisor to ensure that the parts have been fitted to a vehicle. A recommendation has been made in previous audits that a monitoring process is to be established but this has been rejected by the Fleet Manager due to a lack of staff resources. As the risk remains, this recommendation is made again in this audit.

2.2.7 A review of the Tool Stock Room was undertaken. This room holds specialist tools to be used by all technicians. It was found that the stock was not subject to any form control or signing in/out process.

2.2.8 It was also found that there is also only partial control of the oil used by technicians. The 3,000 litre drums of regular motor oil in the workshop are accessible to all technicians without the need for approval/supervision. Issues were previously recorded using a Permex monitoring system but this is no longer functioning. We were advised that an estimate of the oil used by each technician is estimated when oil filters are requisitioned from the Stores.

2.2.9 A review was carried out of the controls in place regarding the fitting of tyres by the external contractor and it was found that:

- a) The stock of tyres held by the contractor is mixed, with a stock of part-worn tyres belonging to CTU.
- b) Records are not retained for the stock of part-worn tyres belonging to CTU.

2.3 Direct purchases of parts

2.3.1 A report was obtained from the Council's Accounts Payable system listing direct purchases of parts that had been made over the last year. A sample of ten purchases was checked to ensure that there was evidence that each part had been fitted onto a job card for a fleet vehicle. This test proved satisfactory.

2.4 Expenditure

2.4.1 A sample of twenty invoices was selected and tested to confirm the expenditure complied with the Council's Accounting instructions, Contract Procedure Rules and current Spending Restrictions.

2.4.2 It was found that ten of the purchase orders had been created after the invoice had been received. This is contrary to the guidance in Accounting Instruction No4. Some of the payments were for goods received from Fleetwheel where, to aid service efficiency, an electronic requisition is placed for parts and a purchase order is placed on a weekly basis following the receipt of an aggregated invoice.

2.4.3 It was also noted that for fifteen of the purchases tested, the same officer had requested, authorised and receipted the purchase order in Oracle. While the system allows this, it is contrary to audit best practice and a potential weakness in the system. We wish to highlight this to management within the Service because if a division of duty is not introduced, it may result in the Service having to bear the cost of any possible loss.

2.4.4 A sample of suppliers with a cumulative spend over £10k, was checked to ensure compliance with the Council's Contract Procedure Rules. It was found that nine suppliers had not been subject to a Contract Award Report or CPR20 Waiver. These were:

Supplier	Amount
Fleetwheel PPS	£204,500
RND Motor Services	£103,900
Neath Coachbuilders	£54,600
Fleetwheel (Swansea Ltd)	£48,700
Dennis Eagle Ltd	£24,000
Enterprise Flex-E-Rent	£23,000
Swansea Bay Commercials Ltd	£12,000
Gulliver's Truck Hire	£12,000
AJF Electro Mech Services	£11,000

2.5 Overtime/Flexi Records

2.5.1 A sample of eight overtime claims from the financial year 2018/19 was selected for testing to ensure that they had been:

- a) Approved by an Authorised Signatory.
- b) The hours worked are reasonable.
- c) Paid at the correct rate.

These tests proved satisfactory.

- 2.5.2 A review of CTU's Direct Time Express flexi system was carried out to ensure that adequate records were kept, checked and approved. This test was also satisfactory.

2.6 Third party recharges/income

- 2.6.1 Internal recharges for Taxi inspections and vehicle maintenance were reviewed and it was confirmed that all work completed to date had been recharged as required.
- 2.6.2 Enquiries were made out to ensure that unpaid invoices were being reviewed periodically and we were informed that unpaid invoices are not routinely checked.
- 2.6.3 It was noted that there were four unpaid invoices issued to Staffline from January 2018. These were for drivers' CPC training costs and were on the 'referred to Legal' status on the Council's Accounts Receivable system.

2.7 Inventory

- 2.7.1 Inventory records were being maintained and a sample of ten items was selected from the Inventory and checked to their physical location and vice versa.

2.7.2 Inventory to Physical Location

Testing was satisfactory except for:

- a) Sealey Booster Pack 1224v, was not located as it had been moved to Social Services Transport Depot.
- b) Sealey transmission jack 1500E, did not have the CTU Item Ref. recorded in the Inventory (CTU79).
- c) Terruggia Horizontal, could not be located. We were advised that this item has been disposed of and replaced by a Kaeser air receiver although this item was not recorded in the Inventory.

Physical Location to Inventory

- 2.7.3 Testing was satisfactory except for:

- a) Esab Welder MIG C280 pro, was not recorded in the Inventory.
- b) Oerlikon Citorod 4000T, was located but did not have a CTU Item Ref.
- c) Makita Grinder, was not recorded in the Inventory.

- 2.7.4 The Inventory record stated that an annual check was carried out in May 2019 but an Inventory Certificate had not been completed.

- 2.7.5 It was evident that official Disposal Forms have not been completed for items that had been disposed of.

2.8 Petty Cash

- 2.8.1 A petty cash imprest of £100.00 was held. A reconciliation of the account was carried out on the 21st August 2019 and it was found to have a surplus of £9.66.

- 2.8.2 A sample of petty cash purchases was checked and it was found that eligible VAT had not been reclaimed for four purchases as VAT receipts had not been obtained. This increases the cost of the items to the service by 20%.
- 2.8.3 It was noted that regular petty cash payments were being made to a local hand car wash businesses for the cleaning of Council vehicles. This does not comply with the Council's standard methods of procuring goods or services, which require either a purchase order or a purchase card to be used. Also, Accounting Instruction No 6 states that petty cash should only be used to make urgent small purchases required by a service.

3. Conclusion

- 3.1 The Internal Audit Section operates a system of Assurance levels which give a formal opinion of the achievement of the service's/systems' control objectives. The Assurance levels vary over four categories: 'High', 'Substantial', 'Moderate' and 'Limited'.
- 3.2 Recommendations arising from this review are detailed in the attached Management Action Plan. Each recommendation has been prioritised according to perceived risk – High, Medium, Low and Good Practice. The overall Assurance level is based on the recommendations made in the report.
- 3.3 The description of each type of recommendation and also the basis for each of the Assurance levels is noted in **Appendix 1**.
- 3.4 Based on the testing undertaken, it was found that whilst a number of procedures proved satisfactory, there were a number which required revision. It was also noted that previous Internal Audit recommendations requiring all procurement to comply with the Council's Contract Procedure Rules had not been implemented and this had been recommended (and accepted) in the 2008/09, 2012/13 and 2017/18 Internal Audit reports.
- 3.5 As a result, an Assurance Level of '**Moderate**' has been given. This indicates that the ineffective controls represent a significant risk to the achievement of system objectives
- 3.6 We will contact you in due course to confirm that you have implemented the agreed recommendations.
- 3.7 This audit was conducted in conformance with the Public Sector Internal Audit Standards.

Background Papers: None

Appendices:

Appendix 1 – Classification of Audit Recommendations

Classification of Audit Recommendations

Recommendation	Description
High Risk	Action by the client that we consider essential to ensure that the service / system is not exposed to major risks .
Medium Risk	Action by the client that we consider necessary to ensure that the service / system is not exposed to significant risks .
Low Risk	Action by the client that we consider advisable to ensure that the service / system is not exposed to minor risks .
Good Practice	Action by the client where we consider no risks exist but would result in better quality, value for money etc.

Audit Assurance Levels

Assurance Level	Basis	Description
High Assurance	Recommendations for ineffective controls affecting the material areas of the service are not High or Medium Risk. Any recommendations are mainly Good Practice with few Low Risk recommendations.	There is a sound system of internal control designed to achieve the system objectives and the controls are being consistently applied.
Substantial Assurance	Recommendations for ineffective controls affecting the material areas of the service are not High Risk. Occasional Medium Risk recommendations allowed provided all others are Low Risk or Good Practice.	There is a sound system of internal control but there is some scope for improvement as the ineffective controls may put the system objectives at risk.
Moderate Assurance	Recommendations for ineffective controls affecting the material areas of the service are at least Medium Risk.	The ineffective controls represent a significant risk to the achievement of system objectives.
Limited Assurance	Recommendations for ineffective controls affecting the material areas of the service are High Risk.	The ineffective controls represent unacceptable risk to the achievement of the system objectives.

**CITY AND COUNTY OF SWANSEA
MANAGEMENT ACTION PLAN
FLEET MAINTENANCE 2019/20**

REPORT REF	RECOMMENDATION	CLASS (HR; MR; LR; GP)	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE	
Purchase Cards (P-Cards)						
2.1.1	P-Cards should not be shared among members of staff. This is a condition of the P-Card User Agreement.	LR	Agreed but individual spend limits for key card holders must be increased to accommodate for demand.	MB/Oracle P Card team/HoS	Dec 2019	
2.1.2 b) & c)	VAT receipts should be obtained for all P-Card purchases and VAT only reclaimed in accordance with the details shown.	LR	Agreed. Staff instruction to be issued.	MB	Dec 2019	
Stores – Oil, Tools & Tyres						
Page 56	2.2.6	A system of independent review or spot checks should be introduced to confirm parts/oil requisitioned from the Stores have been fitted to the relevant vehicle. <i>(Previous audit recommendation that was rejected after 2017/18 audit by Fleet Manager due to lack of staff resource.)</i>	MR	Not agreed as previously. Risk is recognised but reduction in resources mean that we cannot implement recommended system (as advised in previous audit).	N/A	N/A
	2.2.7	All specialist tools held within the Tool Stores should be signed in/out by Stores Supervisors and relevant Technician.	LR	Agreed, but intention is to move booking out procedure to stores staff instead of workshop when CTU relocates to new site.	MB/Stores	July 2020

2.2.8	A process for accurately recording the amount of regular engine oil used by the technicians in the workshop should be devised, and until this occurs the 3000 litre oil tanks should be dipped regularly and the balance revealed reconciled to the Stores balance.	LR	Agreed. Current booking software system issues to be rectified and weekly dip procedure in place with Stores.	Stores	Jan 2020
2.2.9 a)	Part-worn tyres should be held in a separate storage area in CTU and not stored with the ATS tyre stock.	LR	Agreed	MB/Tyre contractor	Feb 2020
2.2.9 b)	A stock record of the part-worn tyres held should be maintained.	LR	Agreed	MB/Fleet admin team	Feb 2020
Expenditure					
2.4.2	Other than for requirements from Fleetwheel, purchase orders should be created in advance of receiving the goods or services from suppliers.	LR	Agreed, and adjusted where final price known.	CTU staff	Jan 2020
2.4.4	The Councils CPR's must be complied with. All eligible single or aggregated expenditure should be subject to competitive tender or quotations. Where this is not possible, a CPR20 Waiver should be obtained. <i>(Previous audit recommendation made - and accepted - in the 2008/09, 2012/13 and 2017/18 Internal Audits)</i>	HR	Agreed. Action plan targeting the various types of expenditure streams to be produced to begin to address and resource issue to be raised with HoS.	MB	Jan 2020
Third Party Recharges/Income					
2.6.2	Invoices unpaid for over 60 days should be reviewed and the debtor contacted to encourage payment.	LR	Agreed subject to AR sending CTU monthly updates of overdue invoices.	MB/Fleet admin team	Jan 2020

2.6.3	Invoices raised for Staffline in respect of CPC training should be raised promptly to avoid any dispute subsequently arising.	LR	Agreed.	MB/Fleet admin team	Dec 2019
Inventory					
2.7.2 / 2.7.3/ 2.7.4/ 2.7.5.	<p>Inventory records should be maintained in accordance with Accounting Instruction No 9 including:</p> <ul style="list-style-type: none"> • All new items should be recorded immediately on receipt. • Full descriptions are recorded including make, model, serial number and CTU Item Ref. • An Inventory Certificate is completed following an annual check. • An official Disposal form is completed in all instances where items are disposed of. <p>(Previous audit recommendation)</p>	LR	Agreed	MB/Fleet admin and workshop teams	Dec 2019
Petty Cash					
2.8.1	The Imprest holder should arrange with Cashiers for the surplus amount of petty cash to be paid back into the account.	GP	Agreed.	AS	Dec 2019
2.8.2	VAT receipts should be obtained for all purchases and VAT reclaimed where appropriate.	LR	Agreed. Staff instruction to be issued.	MB	Dec 2019
2.8.3	Petty cash should not be used to fund routine service requirements. All regular business needs should be procured using either a purchase order or purchase card.	LR	Agreed subject to provider being able to facilitate or alternative provider available at same cost.	MB	Dec 2019

FLEET MAINTENANCE AUDIT 2019/20 ACTION PLAN – KEY RECOMMENDATION 2.4.4

The Councils CPRs must be complied with. All eligible single or aggregated expenditure should be subject to competitive tender or quotations. Where this is not possible, a CPR20 Waiver should be obtained.

(Previous audit recommendation made – and accepted – in the 2008/09, 2012/13 and 2017/18 Audits)

Risk Class – HR

Agreed Actions/Comments – Agreed. Action plan targeting the various types of expenditure streams to be produced to begin to address and resource issue raised with HoS.

Area of Expenditure	Action	Responsible Officer/Resource	Deadline	Issues/Status
Hired Vehicle Damage Repairs (261-26003-200021-20012)	Submit Waiver for approval up to May 2020. Subsequent diary dating for cyclical waiver application	Fleet Manager	Jan 2020	Approved by CMT Jan 2020
Sub Contracted Body Repairs (261-26003-200021-20014)	Submit Waiver for approval up to Jan 2021 to cover interim period until proposed framework established Specify, tender and award collaborative DPS framework for respective categories of vehicle body repairs	Fleet Manager Fleet Manager Procurement Neath PT Council	Jan 2020 Jan 2021	Approved by CMT Feb 2020 Available CCS resource to undertake
Sub Contracted Vehicle Repairs (261-26003-200021-20015)	Submit Waiver for approval up to Jan 2021 to cover interim period until proposed framework established	Fleet Manager Fleet Manager	Jan 2020 March 2020	Approved CMT Feb 2020

	<p>Establish sub categories for types of repairs accumulated in overall code expenditure, to determine appropriate process for CPR compliance</p> <p>Create new differentiated GL code structure for expenditure type to allow improved future monitoring of respective repair types spend and CPR compliance processes.</p> <p>Specify, tender and award collaborative DPS framework for respective categories of vehicle body repairs</p> <p>and/or</p> <p>Submit Waivers where appropriate. Subsequent diary dating for cyclical waiver application</p>	<p>Fleet Manager Finance</p> <p>Fleet Manager Procurement Neath PT Council</p> <p>Fleet Manager</p>	<p>March 2020</p> <p>Jan 2021</p> <p>From March 2020</p>	<p>Pending closure of 19/20 financial year</p> <p>In discussion pending new financial year</p> <p>Available CCS resource to undertake</p> <p>Subject to repair sub categories aggregated spend</p>
<p>Light Vehicle MOTs (261-26003-200021-20016)</p>	<p>Submit Waiver for approval to July 2020.</p> <p>Light commercial vehicle MOT testing to be taken in house post July 2020, removing future CPR compliance issue.</p>	<p>Fleet Manager</p> <p>Fleet Manager</p>	<p>Jan 2020</p> <p>July 2020</p>	<p>Approved by HoS and Procurement Jan 2020</p> <p>Subject to new CTU premises</p>
<p>HGV MOTs (261-26001- 200021-00000)</p>	<p>Submit Waiver for approval up to December 2020.</p> <p>Subsequent diary dating for cyclical waiver application.</p>	<p>Fleet Manager</p>	<p>Jan 2020</p>	<p>Approved by CMT Jan 2020</p>
<p>Vehicle Steam Cleaning</p>		<p>Fleet Manager</p>	<p>Jan 2021</p>	

(261-26003-200021-20018)	Include as category in the Sub Contracted Vehicle Repairs DPS Framework (see above)	Procurement Neath PT Council		Available CCS resource to undertake
Windscreens and Body Glass (261-26003-200021-20019)	Include as category in the Sub Contracted Vehicle Repairs DPS Framework (see above)	Fleet Manager Procurement Neath PT Council	Jan 2021	Available CCS resource to undertake
Vehicle Diagnostics (261-26003-20021-00000)	Included in aggregated spend in Sub Contracted Vehicle Repairs. Diagnostic equipment to be purchased and repair category to be brought in-house, removing future CPR compliance issue	Fleet Manager	March 2020	Ordered Feb 2020, delivery due March 2020

Equality Impact Assessment Screening Form – 2019/20

Please ensure that you refer to the Screening Form Guidance while completing this form. If you would like further guidance please contact the Access to Services team (see guidance for details).

Section 1

Which service area and directorate are you from? Highways & Transportation/Place

Service Area: CTU

Directorate: Place

Q1(a) WHAT ARE YOU SCREENING FOR RELEVANCE?

Service/ Function	Policy/ Procedure	Project	Strategy	Plan	Proposal
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(b) Please name and describe here:

The Fleet Maintenance section are required to attend a Special Audit Committee in relation to an audit report findings for failing to comply with internal Contract Procedure Rules. A Report is required to be represented to the Committee and Equality and Engagement Implications need to be considered as a result.

Q2(a) WHAT DOES Q1a RELATE TO?

Direct front line service delivery	Indirect front line service delivery	Indirect back room service delivery
<input checked="" type="checkbox"/> (H)	<input type="checkbox"/> (M)	<input type="checkbox"/> (L)

(b) DO YOUR CUSTOMERS/CLIENTS ACCESS THIS...?

Because they need to	Because they want to	Because it is automatically provided to everyone in Swansea	On an internal basis i.e. Staff
<input type="checkbox"/> (H)	<input type="checkbox"/> (M)	<input type="checkbox"/> (M)	<input checked="" type="checkbox"/> (L)

Q3 WHAT IS THE POTENTIAL IMPACT ON THE FOLLOWING...

	High Impact (H)	Medium Impact (M)	Low Impact (L)	Don't know (H)
Children/young people (0-18) →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Older people (50+) →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Any other age group →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race (including refugees) →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Asylum seekers →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gypsies & travellers →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Religion or (non-)belief →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sex →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual Orientation →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Welsh Language →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Poverty/social exclusion →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Carers (inc. young carers) →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Community cohesion →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marriage & civil partnership →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy and maternity →	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Q4 WHAT ENGAGEMENT / CONSULTATION / CO-PRODUCTIVE APPROACHES WILL YOU UNDERTAKE?

Please provide details below – either of your planned activities or your reasons for not undertaking engagement

Equality Impact Assessment Screening Form – 2019/20

The internal Audit team has highlighted recommendations based on their findings and the Fleet Maintenance service have discussed with Procurement and Head of Service to remedy via an action plan. Neath Port Talbot Council have also agreed to undertake 2 collaborative procurement exercises for the same areas of expenditure.

Q5(a) HOW VISIBLE IS THIS INITIATIVE TO THE GENERAL PUBLIC?

High visibility <input type="checkbox"/> (H)	Medium visibility <input type="checkbox"/> (M)	Low visibility <input checked="" type="checkbox"/> (L)
---	---	---

(b) WHAT IS THE POTENTIAL RISK TO THE COUNCIL'S REPUTATION? (Consider the following impacts – legal, financial, political, media, public perception etc...)

High risk <input type="checkbox"/> (H)	Medium risk <input checked="" type="checkbox"/> (M)	Low risk <input type="checkbox"/> (L)
---	--	--

Q6 Will this initiative have an impact (however minor) on any other Council service?

Yes No If yes, please provide details below

Q7 HOW DID YOU SCORE? Please tick the relevant box

MOSTLY H and/or M → **HIGH PRIORITY** → EIA to be completed
Please go to Section 2

MOSTLY L → **LOW PRIORITY / NOT RELEVANT** → Do not complete EIA
Please go to Q8 followed by Section 2

Q8 If you determine that this initiative is not relevant for an EIA report, you must provide a full explanation here. Please ensure that you cover all of the relevant protected groups.

This Report addresses internal process non compliance and has no impact on the relevant protected groups.

Section 2

NB: Please email this completed form to the Access to Services Team for agreement before obtaining approval from your Head of Service. Head of Service approval is only required via email – no electronic signatures or paper copies are needed.

Screening completed by:	
Name: Mark Barrow	
Job title: Fleet Manager	
Date: 28/02/2019	
Approval by Head of Service:	
Name:	
Position:	
Date:	Page 63

Please return the completed form to accesstoservices@swansea.gov.uk

Agenda Item 7



Report of the Head of Building Services

Special Audit Committee –10 March 2020

Building Services Plant – Findings Update Internal Audit Report 2019/20

Purpose:	To provide an update on the Building Services Plant audit report for the above period.
Report Author:	Rob Myerscough, Area Support Manager – Transport.
Finance Officer:	Paul Roach
Legal Officer:	Debbie Smith
Access to Services Officer: For Information	Rhian Millar

Internal Audit on Building Services Plant – Update March 2020

1. Introduction

- 1.1 As a result of an internal audit on the Building Services Plant function carried out in 2019, an assurance level of moderate was given.
- 1.2 An action plan was developed to address the issues identified, provide recommendations and appropriate implementation steps put in place.
- 1.3 This report highlights all the High Risk (HR) and Medium Risk (MR) items. All items can be found within the relevant **Appendix A**, which sets out the report in full and associated actions, Low Risk (LR) items and points of good practice (GP)
- 1.4 This action plan identified the following High Risk actions (HR)

Report Ref: 2.2.5

- **Recommendation:** This issue needs to be formally brought to the attention of the Head of Service and a rolling programme put in place to ensure all plant is returned where the service date has expired. (HR)
- **Agreed Action:** Outstanding Plant reports sent out monthly, also will be reported in the H&S meeting.

- **Progress to Date:** Ongoing.
List now down to 101 items – graph provided in **Appendix B**. In future, items requiring service to be returned on a rolling programme. Outstanding Plant reports added as a standard item to all H&S meeting agendas.

1.5 This action plan identified the following Medium Risk actions (MR)

Report Ref: 2.1.2a

- **Recommendation:** The whereabouts of the missing items should be investigated. (MR)
- **Agreed Action:** All items accounted for/traced, software system requires updating.
- **Progress to Date:** Action complete.
Lost Reports provided and seen for deleted items.

Report Ref: 2.1.2b

- **Recommendation:** Regular sample testing of stock records should be carried out to confirm that records maintained are accurate. (MR)
- **Agreed Action:** Sample test, bi-annually.
- **Progress to Date:** Ongoing.
Arrangements and reminders put in place for sample tests to be carried out bi-annually (April and September 2020 then ongoing)

Report Ref: 2.1.3

- **Recommendation:** A more robust system should be developed to ensure that all items leaving the Stores out-of-hours are recorded. (MR)
- **Agreed Action:** There is a suitable system in place, where security, staff member should issue plant via Out of Hours requisition book. Staff to be reminded
- **Progress to Date:** Action complete
Reminder included on March Employee Briefing Note and copy sent to evidence this.

Report Ref: 2.2.3a

- **Recommendation:** Further investigation should be carried out to locate the missing items. (MR)
- **Agreed Action:** Agree all items updated on system.
- **Progress to Date:** Action complete
Lost Reports provided and seen for deleted items.

Report Ref: 2.3.2

- **Recommendation:** The contract for the procurement of Plant items should be re-tendered as soon as it is practicable to do so. (MR)
- **Agreed Action:** New framework agreement in place as of 1st November 2019 for 2 years with a possible extension of 24 months
- **Progress to Date:** Action complete
CCS/19/316 – on contracts register and new framework in place.

2. Equality and Engagement Implications

2.1 There are no equality and engagement implications associated with this report.

3. Financial Implications

3.1 There are no financial implications other than those set out in the body of the report.

4. Legal Implications

4.1 There are no legal implications other than those set out in the body of the report.

Background Papers: None.

Appendices:

Appendix A: Final Internal Audit Report Building Services Plant 2019/20 - Management Action Plan

Appendix B: Outstanding Plant Graph – September 2019 - Feb 2020

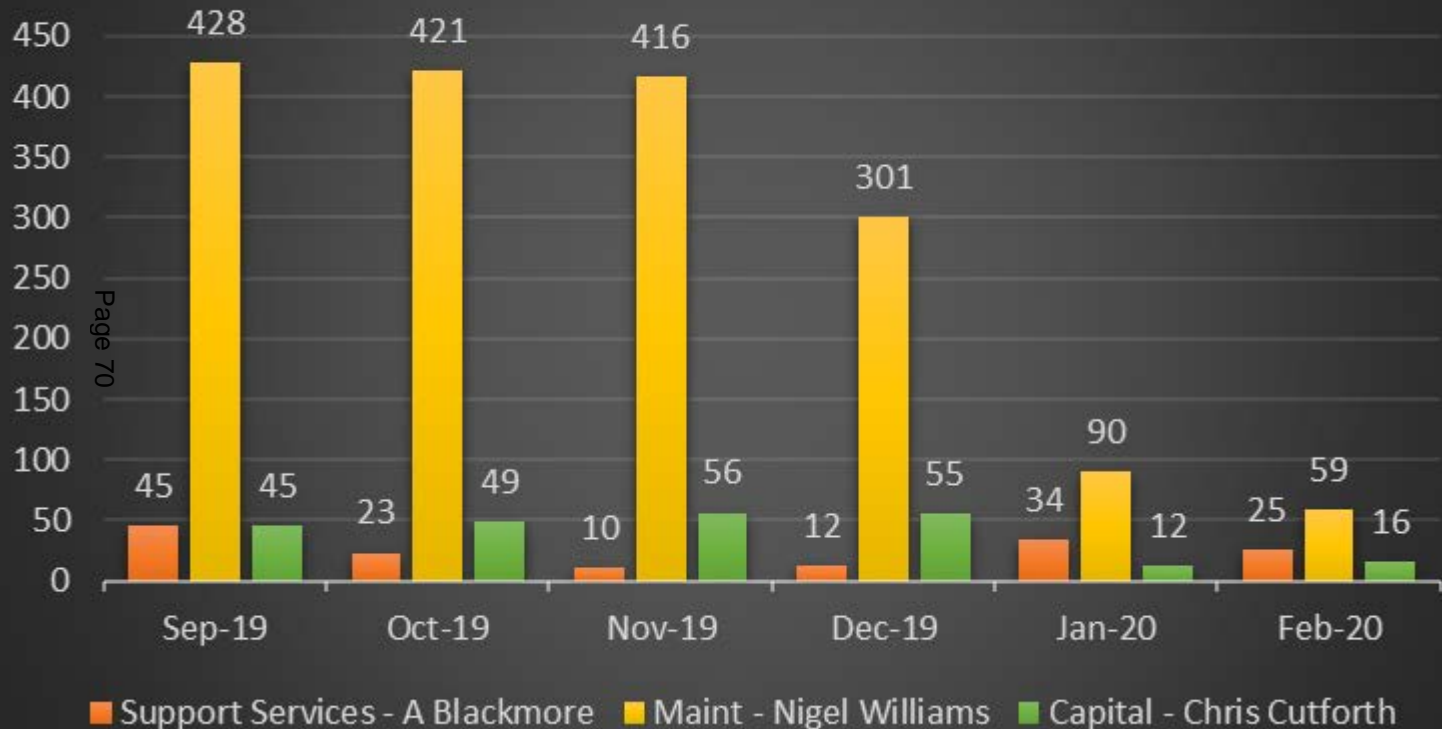
**CITY & COUNTY OF SWANSEA
MANAGEMENT ACTION PLAN
BUILDING SERVICES:
PLANT – HEOL Y GORS DEPOT 2019/20**

REPORT REF	RECOMMENDATION	CLASS	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
Plant Records					
2.1.1	Discussions should be undertaken with the relevant software development team to progress the implementation of the new Plant system.	GP	We are in discussions with ICT Software Development Team to agree an implementation date for new software system.	ICT Software development Team.	Expected February 2020.
2.1.2 a)	The whereabouts of the missing items should be investigated.	MR	All items accounted for / traced, software system requires updating.	RM	Completed.
2.1.2 b)	Regular sample testing of stock records should be carried out to confirm that records maintained are accurate.	MR	Sample test, bi-annually.	RM	April 2020, September 2020, then ongoing.
2.1.3	A more robust system should be developed to ensure that all items leaving the Stores out-of-hours are recorded.	MR	There is a suitable system in place, where security, staff member should issue plant via OOH requisition book. Will remind staff.	Plant Team	In Place.
2.1.4	A formal system for locating items within the Stores should be introduced.	GP	Agree, action plan in place by commodity.	Plant Team	February 2020.

REPORT REF	RECOMMENDATION	CLASS	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
Movement of Plant					
2.2.2	Requisitions should be held securely.	LR	Implemented with new filing system.	Plant Team	In place.
2.2.3 a)	Further investigation should be carried out to locate the missing items.	MR	Agree all items updated on system.	RM	Completed.
2.2.3 b)	Any stolen items should be reported to the Police at the earliest opportunity and the Plant Store informed accordingly.	LR	Agree, will remind supervisors.	Service supervisors, managers.	Completed via email.
2.2.5	This issue needs to be formally brought to the attention of the Head of Service and a rolling programme put in place to ensure all plant is returned where the service date has expired.	HR	Outstanding Plant reports sent out monthly, also will be reported in the H&S meeting.	H&S and service managers.	Ongoing.
2.2.6	Off-Hire receipts should be stored with the relevant Requisition when items are returned.	GP	Implemented as part of the new filing system.	Plant Team	In place.
Orders and Payment of Invoices					
2.3.2	The contract for the procurement of Plant items should be re-tendered as soon as it is practicable to do so.	MR	New framework agreement in place as of 1 st November 2019. (2 years with a possible extension of 24 months)	Procurement.	In place.
Recharges					
2.4.1	The cost of providing the Plant hire service should be re-calculated to accurately reflect the current cost.	GP	Updated for 2019/20, overall update £459 per annum.	AB	In place.

REPORT REF	RECOMMENDATION	CLASS	AGREED ACTION/ COMMENTS	RESPONSIBILITY FOR IMPLEMENTATION	IMPLEMENTATION DATE
Red Diesel					
2.6.2	Requisitions should be signed by both the Supervisor and by the employee who is dispensing the fuel.	GP	Agreed, reminder to staff. System in place with requisition signed by supervisor, signature of staff on register.	Transport Team.	In place.
2.6.4	All issues should be monitored and checked by the officers in the Stores office.	LR	Believed to be human error, with numbers being very similar (3413 = 3418)	Transport Team	In place.

Plant items out of test



Agenda Item 8



Report of the Director of Resources

Special Audit Committee – 10 March 2020

Employment of Agency Staff Audit Report 2019/20

Purpose:	To report on actions arising from the Employment of Agency Staff Audit report.
Report Author:	Adrian Chard, Strategic HR&OD Manager
Finance Officer:	Janet Morgan
Legal Officer:	Tracey Meredith
Access to Services Officer:	Rhian Millar
For Information	

1. Introduction

- 1.1 As a result of an internal audit on the Employment of Agency Staff carried out in 2019/, an assurance level of “Moderate” was given.
- 1.2 Actions have been taken to address the issues identified and appropriate implementation steps put in place.
- 1.3 This report highlights all the Medium Risk (MR) items only, with no High risk actions to note.
- 1.4 This action plan identified the following MR actions (Medium Risk)

2.1.3	b) Confirmation of budget provision should be obtained and retained for all agency staff appointments. <i>(Previous Audit Recommendation)</i>	MR
2.1.3	HoS approval should be obtained and retained for all appointments by line managers. <i>(Previous Audit Recommendation)</i>	MR

2.2.2	Confirmation of appropriate pre-employment checks should be obtained from the Agency and retained by the line manager. <i>(Previous Audit Recommendation)</i>	MR
2.4.2	a) Confirmation of further budgetary provision should be obtained and retained when agency workers contracts are extended <i>(Previous Audit Recommendation)</i>	MR
2.4.2	b) Written requests should be submitted to HoS for re-approval when agency workers contracts are extended. This should be in advance of the contract being extended. <i>(Previous Audit Recommendation)</i>	MR
2.4.4	Agency workers engaged by the Council for more than 12 weeks should be made aware that they are entitled to equal treatment on basic working and employment conditions. <i>(Previous Audit Recommendation)</i>	MR

2. Progress to date/Agree and updated actions-

2.1 An email was issued to members of the Corporate Management Team reminding Managers to ensure compliance with the Agency Worker Policy (Appendix A).

In particular, to *“ensure that, for all agency staff appointments;*

- *A business case is completed.*
- *Budgetary provision is obtained and retained, including when agency workers contracts are extended.*
- *HoS approval is obtained, including in advance of when agency workers contracts are extended.*
- *Where there is a requirement for DBS Checks and/or Social Services Registration; confirmation of appropriate pre-employment checks is obtained from the Agency.*
- *For Purchase Orders; all relevant details are recorded on the Oracle receipt, to include name of worker, dates of employment and hours worked.*
- *Agency workers engaged by the Council for more than 12 weeks are made aware that they are entitled to equal treatment on basic working and employment conditions.”*

2.2 Managers were also reminded that our policy states *“that an Agency Worker will only be used when there is a sound financial and business need to do so. It is accepted in principle that the employment of agency workers should only be used for short term cover”*.

- 2.3 Although not reflected in the report, HR&OD send regular reminders to Managers to review the engagement of agency workers who have been engaged for over 12 months and Managers are required to confirm that it is still appropriate for the Council to engage an agency worker rather than employ someone in the post.

3. Equality and Engagement Implications

- 3.1 There are no equality and engagement implications associated with this report.

4. Financial Implications

- 4.1 There are no financial implications other than those set out in the body of the report.

5. Legal Implications

- 5.1 The Agency Workers Regulations Act 2010 provide important rights for agency workers, concerning their basic working and employment conditions, from day one and after a 12-week qualifying period. These rights are reflected in our Policy.
- 5.2 There are no other legal implications other than those set out in the body of the report.

Background Papers: None.

Appendices:

Appendix A - Agency Workers Policy



Agency Workers Policy

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1. Policy Statement

- 1.1. The Council recognises its responsibilities to provide job opportunities to internal and external applicants on a fair, consistent and equitable basis, ensuring that all appointments to the Council are made on merit. However in certain circumstances the Council may need to engage agency staff in order to comply with statutory responsibilities and to meet the demands of the service.
- 1.2. It is the policy of the Council that an Agency Worker will only be used when there is a sound **financial** and **business need** to do so. It is accepted in principle that the employment of agency workers should only be used for short term cover.
- 1.3. The use of agency workers will strictly be on an agency contract basis and such workers will not be City and County of Swansea employees.



- 1.4. Where there is a requirement to engage Agency Workers for short term cover, this is envisaged will be based on the following reasons:- emergency cover, last minute sickness, business continuity, recruitment and retention difficulties. The business need is not generally envisaged to involve Agency Workers to cover for pre arranged leave or long term sickness.
- 1.5. It is the policy of the City and County of Swansea that engagement of Agency Workers should not ordinarily last more than 12 weeks.

2. Scope of Policy

- 2.1. This policy applies to Council services with the exception of schools.
- 2.2. Schools may be covered by this policy by specific acceptance of the governing body.

3. What is an Agency Worker?

- 3.1. An Agency worker will either have a contract for service or a contract of employment with the Agency who finds them work.
- 3.2. The Organisation who hires the Agency Worker pays a fee to the Agency, and the Agency pays the Agency Worker their wages.
- 3.3. If the Council directly employs someone who has previously worked for the Council through an Agency, a fee is payable to that Agency. This is normally a percentage of first year salary.
- 3.4. Managers should not employ workers procured from an agency as a direct employee of the City and County of Swansea before checking with Human Resources and Legal Services.

4. Agency Worker Regulations 2010

- 4.1. Managers need to be aware of the significance of the Agency Worker Regulations 2010 and the impact it will have on the recruitment of Agency Workers.
- 4.2. These regulations came into force on 1 October 2011 and will mean that for the first time Agency Workers will be entitled to **equal treatment** on basic working and employment conditions as if they had been recruited directly by the hirer after **12 weeks** in a given assignment.
- 4.3. 'Equal treatment' means employers must allow Agency Workers:
 - Access to the same pay as a comparable worker doing broadly similar work. The pay will include holiday pay and overtime allowances.
 - Access to the same holidays, working time, overtime, breaks and rest periods as permanent workers
 - Equal access to collective facilities

- Access to information about internal vacancies to give them the same opportunity as other workers to find permanent employment
 - Access to training
 - Equal access to on-site facilities such as child care, canteen facilities and transport services
- 4.4. Employers who try to avoid allowing workers equal rights for example by placing Agency Workers on a series of 11 week contracts or varying their roles every few weeks, will face having to pay out up to £5,000 to the worker.
- 4.5. To provide a greater deterrent in low-value cases there will be a general minimum award of two weeks' pay, subject only to Employment Tribunal discretion if that level of award does not seem reasonable.

5. When to use an Agency Worker

- 5.1. Within services, line managers are responsible for the engagement of Agency Workers. Line Managers must keep detailed records of the necessity and costs of using Agency Workers.
- 5.2. Agency workers are not covered by the Council's [Recruitment and Selection Policy](#).
- 5.3. Managers should not use Agency Workers to circumvent the Council's Recruitment and Selection Process. Any managers found to be using agency workers as a means of avoiding the Council's [Recruitment and Selection Policy](#) may be subject to disciplinary proceedings.
- 5.4. It will be the sole decision of the Head of Service, following consultation with Human Resources, as to whether or not an Agency Worker can be used within the Council.
- 5.5. Agency staff will only be used if there is sufficient provision in the staffing budget and to avoid service delivery being affected. **On no account will agency staff be used when a Section has a full and available complement of staff, except where this is to manage peaks in a fluctuating workload.**
- 5.6. Line Managers must keep detailed records of the use of Agency Workers.

6. Policies

- 6.1. Managers should make agency workers aware of the Council's policies and should follow the guidance contained within them.
- 6.2. Particular regard should be given to the [Equality Policy Statement](#), [Alcohol and Drug Misuse](#), [Harassment and Bullying Policy](#), [Health and Safety Policy](#) etc which are contained in the Staff Handbook.

7. Obtaining permission to use an agency worker

- 7.1. The use of an Agency Worker must be the most appropriate course of action.
- 7.2. All managers have a responsibility to business manage and find the most appropriate type of worker.
- 7.3. The line manager must consider whether existing staff can cover the duties of the vacant post. Before a manager makes a request to use an agency worker, they should consider whether the work could be appropriately undertaken by;
 - A member of staff who is absent from their substantive post due to sickness but may be able to carry out the duties required
 - A member of staff who is not receiving enough work to fulfill their contracted hours in their substantive post.
 - Better distribution of the workload between current staff
 - A member of staff 'acting up' into the post
 - Offering a secondment opportunity
 - Identifying suitable staff on the Councils redeployment list, or
 - If the task is going to take 12 weeks or more, consider recruiting externally on a fixed term contract basis.
- 7.4. The Line Manager wishing to use an Agency Worker must therefore ensure they have budgetary provision from the applicable Accountancy Service Group within Finance.
- 7.5. Once this permission is given, a [request](#) must be made to the relevant Head of Service, in writing, outlining a sound financial and business need for needing an agency worker. The request must include:
 - The reasons why an Agency Worker is needed and why the work is unable to be completed internally
 - What the implications will be for the Council in performance and monetary terms if an Agency Worker is not used.
 - How long the assignment will last (intended end date)
 - The budgetary cost of using an Agency Worker
- 7.6. This request must be approved by the relevant Head of Service and given to the Line Manager in writing.

8. Exceptional circumstances / Emergency situations

- 8.1. It is only in exceptional circumstances or emergency situations that an agency worker can be obtained at short notice without prior permission from the Head of Service.
- 8.2. This will be in cases where there is a **statutory obligation** that requires a **certain number of staff** to deliver a front line service.

- 8.3. A circumstance is defined as 'short notice' if it arises the day before or on the day.
- 8.4. The permission procedure in [section 7](#) can only be overlooked in situations where the Council would fail to meet these obligations. The relevant Head of Service must be informed at the first opportunity that an agency worker has been placed in the Council.
- 8.5. If the circumstances prompting the engagement of an agency worker extends beyond four consecutive weeks from when the need arises, then the relevant permission procedure as outlined in [section 7](#) needs to be followed.

9. Pre-employment checks

- 9.1. Once permission has been given, the Line Manager is responsible for contacting agencies and for interviewing and assessing agency workers where appropriate.
- 9.2. It is the Line Manager's responsibility to ensure that the required vetting has been undertaken by the agency and no agency worker will commence employment until that they receive written confirmation that the following have all been established:
- a CRB check,
 - employment references and
 - Social Care Registration (where appropriate)
- 9.3. Prior to the engagement the Line Manager must ensure that the Agency is fully briefed on the Council's requirements of the role so that the Line Manager is satisfied that the proposed worker is fully competent, experienced and appropriately qualified.
- 9.4. It is the responsibility of the line manager to check whether a CRB check is required and the appropriate level i.e. standard or enhanced. This is a mandatory field when completing the ["Engagement of an Agency Worker" pro forma](#). Line Managers are also responsible for ensuring that Social Services Agency Workers are checked against the "List of Concern" which is held by the HR Operations Team.

10. Recruitment Process

- 10.1. Approval from the Head of Service must be obtained.
- 10.2. Any corporate spending restrictions in force at the time a purchase order is raised for an agency worker/s must be complied with. This clause shall also apply where staff are adding to an existing purchase order.
- 10.3. The Council's Contract Procedure Rules must be complied with.

- 10.4 Only the agencies awarded on the City and County of Swansea Corporate [Employment Agency Framework](#) are to be used.
- 10.5 The Line Manager will detail to the agency the nature of the placement, whether it is *an Urgent Category A* (response within 3 hours) or *Standard Category B placement* (response within 2 days). The Council may also at its discretion agree delivery lead times with the service provider that are outside of those specified under the urgent and standard categories.
- 10.6 The Line Manager must provide the Agency with an official ISiS Purchase Order, after confirming the details with the agency as per the “Engagement of an Agency Worker” pro forma. [For guidance on how to create a purchase order in iSIOP please refer to training link or call the helpdesk.](#)
- 10.7 The order will require the following details;
- Description
 - Quantity – total hours to be worked for the period employed,
 - Unit of Measure (UOM) - Hourly
 - Supplier Code – post number appointed by the contracts office (automatically entered)
 - Due date – start date of the agency worker
 - Price – the hourly rate (automatically entered)
 - Booking Reference – as per the “Engagement of an Agency Worker” pro forma
 - Name of the Agency Worker
 - Arrangements for travelling expenses
 - Any other costs
- 10.8 The official purchase order must be completed with the contract details and forwarded to the agency within 3 days of the arrangements being made.

11. Payments Procedure

- 11.1. It is usual practice for agency workers to use a timesheet to record hours worked, which is then authorised by the manager. This will be carried out weekly.
- 11.2. Time Sheets must then be used for receipt purposes on ISiS. The line manager must record the relevant number of hours against the purchase order to ensure the smooth payment of the invoice.
- 11.3. If the purchase order is not receipted this will cause a delay in the payment of the invoice and the requester (person who created the purchase order in ISiS) will receive an invoice on hold notification to prompt him/her to receipt the order. Please refer to the [iSIOP training information](#) on how to receipt goods in iSIOP.
- 11.4. The Central Payments Team will process invoices that bear the appropriate official ISiS purchase order number. Payments will be made in the same way as all other invoices provided within 30 days.

12. What happens when the original contract assignment should be coming to an end?

- 12.1. Both the Head of Service and line manager should be aware of the intended duration of the agency workers employment in the Council.
- 12.2. Two weeks before the intended end date, the line manager must re-evaluate the agency workers position and consider if there is a 'need' for the assignment to continue. If there is a clear service and business need for the arrangement to continue then the line manager will need re-approval from the Head of Service, following the procedure outlined in [section 5](#).
- 12.3. Therefore the Line Manager must ensure they have continuing budgetary permission from the applicable Assessment Service Group within Finance.
- 12.4. Once this permission is given, a request must be made to the relevant Head of Service in writing outlining:
 - The reasons why an Agency Worker is still needed and why the work is unable to be completed internally
 - What the implications will be for the Council in performance and monetary terms if an Agency Worker is not used.
 - How long the continued assignment will last
 - The budgetary cost of using an Agency Worker taking into account that after 12 weeks from the date of the original assignment the agency worker will have acquired the 'equal treatment' rights discussed in [4.3](#).
- 12.5. This request must be re-approved by the relevant Head of Service and given to the line manager in writing.

13. Policy Monitoring

- 13.1. The Council will monitor the application of this policy and has discretion to review it at any time through the appropriate consultation mechanisms.
- 13.2. Responsibility for the implementation, monitoring and development of this policy lies with the Head of Human Resources. Day to day operation of the policy is the responsibility of nominated officers who will ensure that this policy is adhered to.

Version Number	Details of Change	Date
3	Reference to Engagement of an Agency Worker Pro Forma on iSIOP in Section 10.1 removed as this is not available Additional Paragraph 10.2 included.	March 2017

Agenda Item 9



Report of the Chief Auditor

Special Audit Committee – 10 March 2020

Draft Internal Audit Annual Plan 2020/21

Purpose:	This report presents the Draft Internal Audit Annual Plan for 2020/21 to the Audit Committee for consideration prior to the final plan coming to committee in April for approval.
Consultation:	Legal, Finance, Access to Services.
Report Author:	Simon Cockings
Finance Officer:	Simon Cockings
Legal Officer:	Tracey Meredith
Access to Services Officer:	Rhian Millar

1. Introduction

- 1.1 The Public Sector Internal Audit Standards (PSIAS) requires a risk-based Internal Audit Plan to be prepared each year to determine the priorities of Internal Audit and ensure they are consistent with the Council's goals and objectives.
- 1.2 The Audit Plan must provide sufficient coverage across the whole of the Council's activities to allow the Chief Auditor to be able to give an opinion on the control environment including governance, risk management and internal control. The annual Internal Audit opinion which is delivered to the Section 151 Officer and the Audit Committee is a key input into the Council's Annual Governance Statement.
- 1.3 The PSIAS also require the Audit Plan to be linked to a high-level Audit Strategy which shows how the internal audit service will be delivered, how it will be developed in accordance with the Internal Audit Charter and how it links to the Council's objectives and priorities

1.4 The methodology used to prepare the Audit Plan was reported to the Committee at the meeting on 11th February 2020.

1.5 This report presents the Draft Internal Audit Annual Plan 2020/21 to Committee for consideration.

2. Internal Audit Strategy and Annual Plan 2020/21

2.1 A risk-based Internal Audit Annual Plan is produced each year which is used to guide the work of the Internal Audit Section and ensure sufficient coverage of the Council to allow the Chief Auditor to deliver the annual opinion on the internal control environment as well as providing assurance to management, the Section 151 Officer and the Audit Committee.

2.2 The Internal Audit Annual Plan must incorporate or be linked to a strategic or high-level statement of how the work of Internal Audit will be delivered and developed in accordance with the Internal Audit Charter and how it links to the Council's goals and objectives. The Internal Audit Strategy 2020/21 will accompany the final version of the Plan which due to be presented to Committee in April.

2.3 For 2020/21, the Internal Audit Section is made up of 9.1 full time equivalents plus the Chief Auditor which is the same level of resources available in 2019/20. This gives a total number of available days of 2,366.

2.4 A summary of the Internal Audit Plan 2020/21 is shown in Appendix 1 and a list of audits planned for the year is shown in Appendix 2 along with the number of days planned for each audit as well as the perceived risk of each audit arising from the risk assessment process.

2.5 The Internal Audit Plan 2020/21 accommodates any audits which were deferred from the 2019/20 Plan where the risk justifies their inclusion.

2.6 The Plan includes time for all fundamental audits due in the year i.e. those systems that are so significant to the achievement of the Council's objectives that they are audited annually or every 2 years e.g. Employee Services, Accounts Receivable, Pensions Administration.

2.7 The Audit Plan has been reconciled to the available resources of 2,366 days by deferring 95 days of audits due in 2020/21. The basis for deciding which audits to defer has been discussed with the Principal Auditor and Senior Auditors. In the majority of cases, those audits that have been deferred are those that were ordinarily due in the year (not deferred from 2019/20), and had received a high level of assurance when last reviewed and/or were classed as being low or medium risk.

- 2.8 Some low risk areas have been included to ensure adequate audit coverage across the organisation. The detailed discussions between the senior members of Audit Team have dictated which audit are included in the 2020/21 plan based on experience, knowledge of the areas concerned and consideration of any ad hoc issues or concerns that have arisen in the current year.
- 2.9 As detailed in the Audit Plan Methodology report presented to committee previously, an Assurance Mapping Exercise has also been undertaken to inform the Internal Audit Plan. An updated version of the Assurance Map was presented to Committee on 11/02/20.
- 2.10 As in previous years, progress made by the Internal Audit Section in achieving the Audit Plan will be reported to the Audit Committee on a quarterly basis.
- 2.11 It is the view of the Chief Auditor that the proposed Internal Audit Plan 2020/21 will provide sufficient audit coverage for the annual opinion on the control environment to be delivered to Council via the Section 151 Officer and Audit Committee.

3 Equality and Engagement Implications

- 3.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

- 3.2 There are no equality and engagement implications associated with this report.

4. Financial Implications

- 4.1 There are no financial implications associated with this report.

5. Legal Implications

- 5.1 Provision of an adequate and effective internal audit function is a legal requirement under the Accounts and Audit (Wales) Regulations 2005 as amended. For local government in Wales, the PSIAS is mandatory for all principal local authorities. An effective internal audit service also ensures

that the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015 are being met.

Background Papers: None

Appendices: Appendix 1- Draft Internal Audit Annual Plan 2020/21 (Summary)
Appendix 2- Draft Internal Audit Annual Plan 2020/21

Draft Internal Audit Annual Plan 2020/21 – Summary

Categories of Audit Work	Plan 2019/20	Plan 2020/21	
	Days	Days	%
People	322	419	18
Place	371	420	18
Corporate Services	250	215	9
Fundamental Audits	214	168	7
Contract Audit Systems	30	55	2
Computer Audits	75	35	1
Contract Audits	8	0	0
Cross Cutting Audits	110	85	4
Miscellaneous Audits	25	40	2
Projects & Special Investigations	91	78	3
Productive Days	1496	1515	64
Staff Training	76	76	3
Holidays, Sick & Special Leave	495	499	21
Admin, Planning, Control, Clerical Support etc.	219	219	9
Contingencies	64	41	2
Vacancies	0	0	0
Performance Management - Appraisals	16	16	1
Non Productive Days	870	851	36
Total Days	2366	2366	100

Days Covering Corporate Priorities	
Cross Cutting Audits	85
Section 151 & Monitoring Officer Assurance	431
Education	246
Safeguarding	411
Poverty	254
Economy & Infrastructure	302
Resources & Biodiversity	100
Transformation & Council Development	160

(Note: the table records the number of days in the plan covering the areas above. Some audits cover multiple priorities as reflected in Appendix 3 hence the number of days has been counted in each area)

Audit Title	Risk Rating	Status as at 01/04/2020	Corporate Priority	Days
Level 1 – Cross Cutting Reviews – Council Governance & Control				
Partnerships	Med/High	Planned	Cross Cutting	15
Corporate Governance	Med/High	Planned	Cross Cutting	15
Whistleblowing	Med	Planned	Cross Cutting	10
Workforce Planning	New	Planned	Cross Cutting	10
Local Government and Elections (Wales) Bill	New	Planned	Cross Cutting	10
FOI / SAR/ EIR Review	New	Planned	Cross Cutting	15
Added Value Work	n/a	Planned	Cross Cutting	10
Level 2 – Fundamental Systems - Section 151 Officer Assurance				
Financial Services & Service Centre				
Treasury Management	Med	Planned	Section 151 Assurance	18
Accounts Payable	Med	Planned	Section 151 Assurance	35
Cash	Med/High	Planned	Section 151 Assurance	30
Accounts Receivable	High	Planned	Section 151 Assurance	35
Council tax	Med/High	Planned	Section 151 Assurance	30
Main Accounting System	Med	Planned	Section 151 Assurance	20
Level 3 – Service Level Audits – Other Assurance				
Education Planning & Resources				
Capital Planning & Delivery Unit	Med	Planned	Education	10
Casllwchwr Primary	Med	Planned	Education	3
YGG Gellionnen	Med	Planned	Education	3
Birchgrove Primary	Med	Planned	Education	3
Gendros Primary	Med	Planned	Education	3
Llangyfelach Primary	Med	Planned	Education	3
Brynmill Primary	Med	Planned	Education	3
Clase Primary	Med/High	Planned	Education	3
Plasmarl Primary	Med	Planned	Education	3
Parkland Primary	Med	Planned	Education	3
Craigyfelan Primary	Med	Planned	Education	3
Gorseinon Primary	Med/High	Planned	Education	3
Penllergaer Primary	Med	Planned	Education	3
YGG Tan-y-Lan	Med	Planned	Education	3
Glais Primary	Med	Planned	Education	3
Craigcefnparc Primary	Med	Planned	Education	3
Ynystawe Primary	Med	Planned	Education	3
St.Illtyd's RC Primary	Med	Planned	Education	3
Pentre'r Graig Primary	Med	Planned	Education	3

Llanrhidian Primary	Med	Planned	Education	3
Oystermouth Primary	Med	Planned	Education	3
Tre Uchaf Primary	Med/High	Planned	Education	3
Whitestone Primary	Med	Planned	Education	3
Clydach Primary	Med	Planned	Education	3
Blaenymaes Primary	Med	Planned	Education	3
Ysgol Cymraeg y Cwm	Med	Planned	Education	3
Pontybrenin Primary	Med	Planned	Education	3
YGG Tirdeunaw	Med	Planned	Education	3
Cwmrhydyceirw Primary	Med	Planned	Education	3
Ysgol Crug Glas	Med	Planned	Education	4
Pentrehafod Comprehensive	Med	Planned	Education	10
Bishopston Comprehensive	Med	Planned	Education	10
Pontarddulais Comprehensive	Med	Planned	Education	10
Ysgol Gyfun Bryn Tawe	Med	Planned	Education	10
Achievement & Partnership Service				
Challenge Advisors	Med	Planned	Education	10
Swansea Music Unit	Med/High	Planned	Education	10
Vulnerable Learner Service				
Additional Learning Needs Unit	Med	Planned	Education, Safeguarding & Poverty	25
Elective Education Provision	New	Planned	Education, Safeguarding & Poverty	10
Behavioural Support Unit	Med/Low	Planned	Education, Safeguarding & Poverty	20
Education Grants & Other				
Additional Support for Disadvantaged Learners (G)	n/a	Planned	Education, Safeguarding & Poverty	5
Regional Consortia School Improvement (G)	n/a	Planned	Education, Safeguarding & Poverty	15
Pupil Deprivation (G)	n/a	Planned	Education, Safeguarding & Poverty	10
Schools Annual Report	n/a	Planned	Education, Safeguarding & Poverty	3
Child & Family Services				
Independent Agency Payments	High	Planned	Safeguarding	10
Youth Offending Service	Med/High	Planned	Safeguarding	10
Leaving Care Act	Med	Planned	Safeguarding	10
Nant-y-Felin Children's Home	Med	Planned	Safeguarding	10
Adoption Allowances	Med	Planned	Safeguarding	10
Residential & Outdoor Centres	Med	Planned	Safeguarding	10

Adult Services				
Home Care	Med/High	Planned	Safeguarding	10
Integrated Community Equipment Service & Suresprung	High	Planned	Safeguarding	10
Suresprung Transitional Employer Support Grant (G)	n/a	Planned	Safeguarding	5
Victoria Park Kiosk	Med/Low	Planned	Safeguarding	5
CREST	Med	Planned	Safeguarding	10
Day & Residential Establishments – Questionnaires	High	Planned	Safeguarding	25
Commissioning				
Partnerships, Performance & Commissioning	Med/High	Planned	Poverty	15
Supporting People Team	Med	Planned	Poverty	5
Supporting People Team–Regional Coordinator Grant (G)	n/a	Planned	Poverty	3
Supporting People Team–Outcomes Grant (G)	n/a	Planned	Poverty	5
Supporting People Grant (G)	n/a	Planned	Poverty	10
Tackling Poverty				
Children & Communities Grant (G)	New	Planned	Poverty	10
Building Services				
Heol y Gors – Stores, Admin & Finance, Oracle T&L	Med/High	Planned	Economy & Infrastructure, Safeguarding	20
Heol y Gors – Estimating	Med	Planned	Economy & Infrastructure, Safeguarding	15
Day to Day Repairs / Maintenance Section	Med	Planned	Economy & Infrastructure, Safeguarding	20
Property Services				
Facilities Management	Med/Low	Planned	Economy & Infrastructure	5
Waste Management & Parks				
Waste Enforcement	Med	Planned	Economy & Infrastructure, Resource & Biodiversity	10
Central Operations – Playgrounds	Med	Planned	Economy & Infrastructure, Resource & Biodiversity	10
Parks Central Operations – Tree Services Unit	Low	Planned	Economy & Infrastructure, Resource & Biodiversity	5
Knotweed Service	New	Planned	Economy & Infrastructure, Resource & Biodiversity	5
Highways & Transportation				
Home to School Transport	Med	Planned	Economy & Infrastructure	15
Concessionary Bus Fares	Med	Planned	Economy & Infrastructure	5
Swansea Marina	Med	Planned	Economy & Infrastructure	15
Highways Trading Account	Med	Planned	Economy & Infrastructure	7
Live Kilometre Support Grant (G)	n/a	Planned	Economy & Infrastructure	5
Housing & Public Health				
Blaenymaes District Housing Office	Med	Planned	Poverty, Safeguarding	15

Townhill District Housing Office	Med	Planned	Poverty, Safeguarding	15
Voids Team / HPU	Med	Planned	Poverty, Safeguarding	15
Rent & Arrears Team	Med	Planned	Poverty, Safeguarding	18
Sheltered Housing Service	Med/Low	Planned	Poverty, Safeguarding	10
Public Protection – Administration Division	Low	Planned	Poverty, Safeguarding	15
Public Protection - Taxi Licencing Division	Med/Low	Planned	Poverty, Safeguarding	10
Public Protection – Pest & Animal Control	Med/Low	Planned	Poverty, Safeguarding	5
Public Protection – Housing Division	New	Planned	Poverty, Safeguarding	5
Estate Caretakers	New	Planned	Poverty, Safeguarding	10
Cultural Services				
Spot Checks & Land Train	Med	Planned	Economy & Infrastructure	5
Grand Theatre	Med/High	Planned	Economy & Infrastructure	25
Glyn Vivian Art Gallery	Med	Planned	Economy & Infrastructure	15
Swansea Museum	Med/Low	Planned	Economy & Infrastructure	10
Branch Libraries	Med	Planned	Economy & Infrastructure	15
Brangwyn Hall	Med	Planned	Economy & Infrastructure	15
Service Improvement	New	Planned	Economy & Infrastructure	10
Planning & City Regeneration				
Development Projects & Joint Ventures	Med	Planned	Economy & Infrastructure, Resources & Biodiversity	10
Swansea Mobility Hire	Med	Planned	Economy & Infrastructure, Resources & Biodiversity	10
Rights of Way	Med/Low	Planned	Economy & Infrastructure, Resources & Biodiversity	10
Planning & Enforcement	Med/High	Planned	Economy & Infrastructure, Resources & Biodiversity	10
Planning – AONB	Med	Planned	Economy & Infrastructure, Resources & Biodiversity	10
Community Infrastructure Levy	New	Planned	Economy & Infrastructure, Resources & Biodiversity	10
Strategic Planning Team	New	Planned	Economy & Infrastructure, Resources & Biodiversity	10
Communications & Marketing				
Corporate Management Team Support	Med	Planned	Transformation & Council Development	5
Risk Management	Med/High	Planned	Transformation & Council Development	10
Risk Management System	New	Planned	Transformation & Council Development	5
Financial Services & Service Centre				
Cashiers Office	Med/High	Planned	Section 151 Assurance	10
Write-Off Requests	n/a	Planned	Section 151 Assurance	5
Cashiers Write-off's	n/a	Planned	Section 151 Assurance	5
Car Loans	Med	Planned	Section 151 Assurance	5

Trusts & Charities	Med/High	Planned	Section 151 Assurance	5
Direct Payments – Adult & Child and Family	Med	Planned	Section 151 Assurance, Safeguarding	15
Learning Disability Recharges	Med	Planned	Section 151 Assurance, Safeguarding	10
Officers Expenses	New	Planned	Section 151 Assurance	10
Purchase Card Transactions Monthly Review	Med	Planned	Section 151 Assurance	10
PCI Data Security Standard	High	Planned	Section 151 Assurance	5
Passport to Leisure	Low	Planned	Section 151 Assurance	10
Legal, Democratic Services & Business Intelligence				
Councillors Expenses & Allowances	Med/Low	Planned	Monitoring Officer Assurance	10
Councillors Code of Conduct	Med	Planned	Monitoring Officer Assurance	10
Scrutiny	Med	Planned	Monitoring Officer Assurance	15
Commercial Services				
Supplier Contracts Review	High	Planned	Section 151 Assurance	10
Contracts Review – Education	New	Planned	Section 151 Assurance	10
Retrospective Orders on Oracle Review	New	Planned	Section 151 Assurance	10
Chief Transformation Officer Audits				
Contact Centre	Med	Planned	Transformation & Council Development	5
HR Policies	Low	Planned	Transformation & Council Development	10
Corporate Learning & Development Team	New	Planned	Transformation & Council Development	5
Oracle Cloud	New	Planned	Transformation & Council Development	10
Management of Absence	New	Planned	Transformation & Council Development	10
Contract Audits				
Highways & Transportation – Business Case, Tendering & Evaluation	Med/High	Planned	Transformation & Council Development	20
CBS Tendering	Med/High	Planned	Transformation & Council Development	10
Housing – Systems Overview	Med	Planned	Transformation & Council Development	10
Commissioning – Tendering, Letting & Monitoring	High	Planned	Transformation & Council Development	15
Computer Audits				
File Controls	Med/High	Planned	Transformation & Council Development	5
ICT Data Storage	Med/High	Planned	Transformation & Council Development	5
Internet Controls for Clients – Social Services	Med	Planned	Transformation & Council Development	5

Procurement of IT	Med/High	Planned	Transformation & Council Development	10
Procurement of Telephones	Mes	Planned	Transformation & Council Development	5
Use of Idea - Data Matching NFI	n/a	Planned	Section 151 Assurance	5
Projects & Special Investigations				
Unpresented Cheques	n/a	Planned	Section 151 Assurance	5
NFI	n/a	Planned	Section 151 Assurance	20
Galileo Management System	n/a	Planned	Section 151 Assurance	10
Annual Plan & Annual Report	n/a	Planned	Section 151 Assurance	5
Annual Consultation Exercise	n/a	Planned	Section 151 Assurance	10
Health & Safety Group	n/a	Planned	Section 151 Assurance	3
Recommendation Tracker Exercise	n/a	Planned	Section 151 Assurance	5
Follow-ups	n/a	Planned	Section 151 Assurance	20
Miscellaneous Audits				
Swansea Bay Port Health Authority	Med	Planned	Section 151 Assurance	10
Western Bay Social Services Training Team	New	Planned	Section 151 Assurance	5
Brexit	New	Planned	Section 151 Assurance	5
City Deal Review Outcomes - Follow-up	New	Planned	Section 151 Assurance	5
Swansea Central Phase 1 Programme	New	Planned	Transformation & Council Development	5
Sustainable Swansea	New	Planned	Transformation & Council Development	10

Corporate Priorities

Safeguarding – Safeguarding People from Harm (411)

Education – Improving Education and Skills (246)

Economy & Infrastructure – Transforming our Economy and Infrastructure (302)

Poverty – Tackling Poverty (254)

Resources & Biodiversity – Maintaining and Enhancing Swansea’s Natural Resources and Biodiversity (100)

Transformation & Council Development – Transformation and Future Council Development (160)

Cross Cutting Reviews (85)

Section 151 & Monitoring Officer Assurance (431)

Agenda Item 10



Report of the Head of Democratic Services

Special Audit Committee – 10 March 2020

Audit Committee Action Tracker Report

Purpose:	This report details the actions recorded by the Audit Committee and response to the actions.
Report Author:	Jeremy Parkhouse
Finance Officer:	N/A
Legal Officer:	N/A
Access to Services Officer:	N/A
For Information	

1. Introduction

- 1.1 During the course of Audit Committee meetings various actions may be decided which are recorded on the minutes of the meetings.
- 1.2 As agreed in 2016/17 an Action Tracker process was put in place to ensure transparency over the outcomes of actions agreed by Committee.
- 1.3 The Action Tracker records the actions agreed by the Audit Committee and provides an outcome for each action.
- 1.4 The Action Tracker for the 2017/18, 2018/19 and 2019/20 Municipal years are attached in Appendix 1, 2 and 3.
- 1.5 The Action Tracker is regularly updated and any completed actions will be marked 'Complete' and coloured in grey.
- 1.6 The Action Tracker is reported to each Audit Committee meeting for information.

2. Equality and Engagement Implications

2.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

2.2 There are no equality and engagement implications associated with this report.

3. Financial Implications

3.1 There are no financial implications associated with this report.

4. Legal Implications

4.1 There are no legal implications associated with this report

Background Papers: None

Appendix 1 – Audit Committee Action Tracker 2019/20 (Closed actions removed)

Appendix 2 – Audit Committee Action Tracker 2018/19 (Closed actions removed)

Appendix 3 – Audit Committee Action Tracker 2017/18 (Closed actions removed)

Appendix 4 - Responses provided to Questions at Audit Committee on 11 February
2020

AUDIT COMMITTEE ACTION TRACKER 2019/20				
Date of Meeting	Minute Ref	Action	Nominated Officer(s)	Status
11/02/20	79	Trusts & Charities		
		Trusts and Charities be the subject of a full Internal Audit Review.	Simon Cockings	Ongoing
11/02/20	78	Overview of the Overall Status of Risk - Quarter 3 2019/20.		
		1) the Strategic Delivery & Performance Manager considers the exception reporting format for future meetings;	Richard Rowlands	Ongoing
		2) the reasons for the closure of a risk be reported to the next ordinary Audit Committee meeting.	Richard Rowlands	Ongoing
11/02/20	77	Governance Group Update Report		
		The Governance Group will ensure that a six-month update report is provided to the Audit Committee next year.	Adam Hill	Ongoing
11/02/20	75	Internal Audit Annual Plan Methodology Report 2020/21		
		1) the risk owner of Health & Safety (CR88) provide further information outlining why air quality was not included in the risk;	Adam Hill	Completed Response provided by Craig Gimblett circulated to the Committee on 03/03/20.
		2) the Chief Auditor includes a review of Workforce Strategy in the programme of work next year	Simon Cockings	Ongoing
11/02/20	73	Scrutiny Work Programme 2019-20		
		1) The Chair seeks assurance regarding future management of staff and staff resource being an issue throughout the Council;	Chair	Ongoing
		2) Future monitoring of external audit recommendations be discussed further	CMT	Ongoing Email sent to CMT 02/03/20.
11/02/20	72	Minutes - Minute No.56 – Overview of the Overall Status of Risk – Quarter 2 2019/20		
		1) CR 88 – Health and safety / CR101 – How many Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) cases were reported to Health & Safety Executive in 2018 and 2019;	Richard Rowlands	Completed Response provided by Craig Gimblett circulated to the Committee on 03/03/20.
		2) CR101 – Regional working – have partnerships reviewed their governance arrangements and have they produced	Phil Roberts	Completed Response provided by Phil Roberts

		their annual reports;		circulated to the Committee on 03/03/20.
		3) PE85 – Workforce planning and PE98 – what systems failures had occurred.	Richard Rowlands	Completed Response provided by Richard Rowlands circulated to the Committee on 03/03/20.
29/01/20	64	Internal Audit Annual Plan 2019/20 - Monitoring Report for the Period 1 July 2019 to 30 September 2019		
		1) The Chief Auditor provides the Committee with additional information regarding previous audits at the Village Lane site and why arrears dating back approximately 10 years were allowed to accrue;	Simon Cockings	Completed Response circulated to the Committee 02/03/20.
		2) The Chief Auditor provides the Committee with additional information regarding the significant arrears recorded where no write-off process was in place in respect of the audit of libraries and the lack of appropriate evidence to reconcile overtime payments in respect of the audit of the Food and Safety Division;	Simon Cockings	Completed Response circulated to the Committee 02/03/20.
		3) The Chair writes to Human Resources regarding DBS checks to clarify the time limit for staff to be removed from their job in the event of a negative check.	Chair	Ongoing Email sent to A Hill / A Chard on 02/03/20.
	66	Cleansing Service - Findings Update Internal Audit Report 2019/2020 The previous long-term sickness of a senior member of staff and no arrangements being in place to cover the absence be noted and highlighted to the Department.	Jeremy Parkhouse	Completed Forwarded to the Director of Place on 28/02/20.
	68	Internal Audit Recommendation Follow-Up Report - Quarter 2 2019/20 The need for more robust tracking of External Audit recommendations be referred to the Corporate Management Team for discussion.	Jeremy Parkhouse	Ongoing Email sent to CMT 02/03/20.
10/12/19	60	Appointment of Additional Lay Member to Audit Committee 1) the appointment be deferred subject to the proposed legislative changes being finalised.	Adam Hill	Deferred Deferred subject to the proposed legislative changes being finalised.
08/10/19	44			
		Nick Williams, Director of Education obtains a full list of	Nick Williams	Completed

		contracts from Corporate Building and circulates to all Clerks to Governing Bodies.		There is no approved list within the Authority.
16/09/19	30	Young People's Service Moderate Rating Follow Up Update Issues highlighted, particularly DBS checks, to be addressed in the follow up audit in November.	Simon Cockings	Completed Follow up completed in November 2019. The results have been included in the Q3 Monitoring Report.
	32	ISA 260 Report The recommendations made in the report should be transferred to an external tracker report for committee.	Richard Rowlands	Ongoing

Appendix 2

AUDIT COMMITTEE ACTION TRACKER 2018/19				
Date of Meeting	Minute Ref	Action	Nominated Officer	Status
11/12/18	59	Overview of the Overall Status of Risk – Quarter 2 2018/19 The contents of the Risk Register requires enhancement.	Richard Rowlands	Ongoing Roll out of the new risk register application and training / reference resources is nearing completion and work will now shift to embedding and maturing the use and implementation of the new application. Reporting capability is dependent on change request approval and subsequent action by ICT.

Appendix 3

AUDIT COMMITTEE ACTION TRACKER 2017/18				
Date of Meeting	Minute Ref	Action	Nominated Officer	Status
08/03/18	68	Amendments to Contract Procedure Rules Once the amendments to the Contract Procedure Rules have been finalised, a copy should be forwarded to all Schools' Governing Bodies to make them aware of the changes. Schools are also to be requested to ensure the amended CPRs are included as an agenda item on the next Finance Committee and Building/Property Committee Meeting.	Kelly Small	Completed The Contract Procedure Rules were agreed by Council on 27 November 2019. Governing Bodies were informed in March 2020.

Appendix 4

Please find the responses below to questions raised at the Audit Committee meeting on 11 February 2020.

	Minute No.	Action	Nominated Officer(s)
11/02/20	72	Minutes - Minute No.56 – Overview of the Overall Status of Risk – Quarter 2 2019/20	
		4) CR 88 – Health and safety / CR101 – How many Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) cases were reported to Health & Safety Executive in 2018 and 2019;	Richard Rowlands
		5) CR101 – Regional working – have partnerships reviewed their governance arrangements and have they produced their annual reports;	Phil Roberts
		6) PE85 – Workforce planning and PE98 – what systems failures had occurred.	Richard Rowlands

11/02/20	75	Internal Audit Annual Plan Methodology Report 2020/21	
		3) the risk owner of Health & Safety (CR88) provide further information outlining why air quality was not included in the risk;	Adam Hill

1) CR 88 – Health and safety / CR101 – How many Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) cases were reported to Health & Safety Executive in 2018 and 2019;

Response

2019-20 are not complete yet, but here are the last three calendar years for both employee and public.

	2017	2018	2019
Number of accidents to employees, which resulted in more than seven consecutive days absence from work. (Reportable accidents under RIDDOR)	53	84	49
Number of Accidents to non-employees on your premises or at situations under your control e.g. contractors or members of the public which resulted in the person being taken to hospital for treatment to an injury.(Reportable accidents under RIDDOR)	33	28	19

Craig Gimblett, Corporate Health, Safety, Emergency Management & Wellbeing Manager

- 2) CR101 – Regional working – have partnerships reviewed their governance arrangements and have they produced their annual reports;

Response

A report went in July 2019 and we will produce another one this July. It is provided below.

<https://democracy.swansea.gov.uk/documents/s58617/Regional%20Working%20Report.pdf?LLL=-1>

Phil Roberts
Chief Executive

- 3) PE85 – Workforce planning and PE98 – what systems failures had occurred?

Response

This problem occurred whilst ICT moved information in the previous risk register from an old to a new server. Some updates were made on the old server which were not replicated at the time into the "new". However, we were able to pull off all of the updates and we inputted these for services so that the information was complete. This did not affect the New Risk Register.

Richard Rowlands
Strategic Delivery & Performance Manager

- 4) The risk owner of Health & Safety (CR88) provide further information outlining why air quality was not included in the risk;

Response

Risks associated with air quality sit under the Housing and Public Health the Public Protection Service, not Corporate Health and Safety.

Craig Gimblett Corporate Health, Safety, Emergency Management & Wellbeing Manager



Report of the Head of Democratic Services

Special Audit Committee – 10 March 2020

Audit Committee – Workplan 2019/20

Purpose:	This report details the Audit Committee Workplan to May 2020
Report Author:	Jeremy Parkhouse
Finance Officer:	N/A
Legal Officer:	N/A
Access to Services Officer:	N/A
For Information	

1. Introduction

- 1.1 The Audit Committee's Work Plan to May 2020 is attached at Appendix 1 for information.
- 1.2 The Audit Committee Statement of Purpose is attached for information at Appendix 2.
- 1.3 The completed / outstanding actions from the Performance Review 2017/18 Action Plan are included at Appendix 3. The outstanding actions have also been included in the 2018/19 Action Plan.
- 1.4 The Performance Review 2017/18 and 2018/19 Action Plans are included at Appendix 3. The Plan was drafted following feedback from the workshop annual self-assessment session held on 16 September 2019 and facilitated by the Wales Audit Office. Wales Audit Office also presented a report on their findings at the Committee meeting held on 8 October 2019, which covered regularity and length of Audit Committee meetings; outstanding actions from Audit Committee Performance Review 2017-18; and information provided to Audit Committee Members. The responses provided by Members were detailed in the report.

1.5 The dates included for the meetings in 2019/20 were approved by Council on 28/03/19.

2. Equality and Engagement Implications

2.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

2.2 There are no equality and engagement implications associated with this report.

3. Financial Implications

3.1 There are no financial implications associated with this report.

4. Legal Implications

4.1 There are no legal implications associated with this report.

Background Papers: None.

Appendix 1 – Audit Committee Workplan 2019/20

Appendix 2 – Audit Committee Statement of Purpose

Appendix 3 – Performance Review 2017/18 and 2018/19 Action Plans

Audit Committee Plan 2019 – 2020

Terms of Reference	Report Title	Report Summary	Report Author	Date of Meeting
Internal Audit	Internal Audit Annual Plan 2019/20 - Quarter 3 Monitoring Report for the Period 1 October 2019 to 31 December 2019.	This report shows the audits finalised and any other work undertaken by the Internal Audit Section during the period 1 October 2019 to 31 December 2019.	Simon Cockings	10 Mar 2020
Internal Audit	Moderate Report - Gwyrosydd Primary School.	Follow Up report following a previous moderate rating.	Jonathan Atter	10 Mar 2020
Internal Audit	Moderate Report - Ysgol Pen y Bryn.	Follow Up report following a previous moderate rating.	Gethin Sutton	10 Mar 2020
Internal Audit	Moderate Report - Fleet Maintenance.	Follow Up report following a previous moderate rating.	Mark Barrow	10 Mar 2020
Internal Audit	Building Services Plant - Findings Update - Internal Audit Report 2019/20.	Follow Up report following a previous moderate rating.	Rob Myerscough	10 Mar 2020
Internal Audit	Moderate Report - Employment of Agency Staff.	Follow Up report following a previous moderate rating.	Adrian Chard	10 Mar 2020
Internal Audit	Draft Internal Audit Annual Plan 2020/21.	This report presents the Draft Internal Audit Annual Plan for approval.	Simon Cockings	10 Mar 2020

Audit Committee Plan 2019 – 2020

Terms of Reference	Report Title	Report Summary	Report Author	Date of Meeting
Internal Audit	Internal Audit Charter 2020/21.	This report outlines the background to the Public Sector Internal Auditing Standards (PSIAS) which were introduced with effect from 1st April 2013 and presents an Internal Audit Charter for approval by the Committee.	Simon Cockings	14 Apr 2020
Internal Audit	Internal Audit Section - Fraud Function Anti-Fraud Plan for 2020/2021.	This report sets out the planned areas of activity for the Internal Audit Section's Fraud Function for 2020/21 and is designed to provide a strategic view of the areas that will be subject to examination.	Jeff Fish, Jonathon Rogers	14 Apr 2020
Internal Audit	Internal Audit Strategy & Annual Plan 2020/21.	This report presents the Internal Audit Strategy for 2020/21 to the Audit Committee for approval.	Simon Cockings	14 Apr 2020
Risk Management & Performance	Partnership Performance.	Review the mechanisms for assessing and scrutinising the risk associated with partnerships.	Adam Hill	14 Apr 2020
Risk Management & Performance	Performance Management Framework.	Performance Management Framework Report.	Richard Rowlands	14 Apr 2020
Risk Management & Performance	Presentation - Update on Internal Control Environment (Including Risk Management).	Presentation by the Deputy Chief Executive.	Adam Hill	14 Apr 2020

Audit Committee Plan 2019 – 2020

Terms of Reference	Report Title	Report Summary	Report Author	Date of Meeting
Financial Reporting	Revenue and Capital Budget Monitoring 3rd Quarter 2019/20.	To report on financial monitoring of the 2019/20 revenue and capital budgets, including the delivery of budget savings.	Ben Smith	14 Apr 2020
External Audit	Wales Audit Office - Annual Audit Summary 2019	This is the Wales Audit Office summary for City & County of Swansea Council. It shows the work completed since the last Annual Improvement Report, which was issued in October 2018.	Jason Garcia	14 Apr 2020
External Audit	Wales Audit Office - Financial Sustainability Assessment 2019-20	The report assesses the sustainability of the Councils' short to medium-term financial position.	Jason Garcia	14 Apr 2020
Governance & Assurance	Draft Annual Governance Statement.	This report provides the draft Annual Governance Statement 2018/19 and allows the Audit Committee the opportunity to contribute to the annual review of governance.	Richard Rowlands	26 May 2020
Internal Audit	Internal Audit Moderate Rating Follow Up Report - Social Care Contracts Update.	Follow Up report following a previous moderate rating.	Peter Field	26 May 2020
External Audit	Wales Audit Office - 2020 Audit Plan - City and County of Swansea.	External Audit Report.	Jason Garcia	26 May 2020

Audit Committee Plan 2019 – 2020

Terms of Reference	Report Title	Report Summary	Report Author	Date of Meeting
Risk Management & Performance	Wales Audit Office Proposals for Improvement: Six-month Status Update - July 2019 - December 2019.	The report presents an overview of the status of Swansea Council's response to earlier proposals for improvement made by WAO to provide assurance to the Committee on progress.	Richard Rowlands	26 May 2020
Governance & Assurance	Appointment of Additional Lay Member to Audit Committee.	Appointment of second Lay Member.	Simon Cockings	9 Jun 2020
Risk Management & Performance	Wales Audit Office - Local Government Use of Data Report – City & County of Swansea.	Wales Audit Office - Local Government Use of Data Report – City & County of Swansea. *Note – this report has been considered by Service Improvement & Finance Performance Panel and the Panel is awaiting an Action Plan arising from the report.		
Risk Management & Performance	Digital Strategy – Progress and Performance.	Digital is one of the four key strands of Sustainable Swansea and an annual update will be provided to Scrutiny in December on the whole programme, including digital. *Note – this report will be considered by Scrutiny.		

Audit Committee Statement of Purpose

- 1) Our audit committee is a key component of the City and County of Swansea's corporate governance. It provides an independent and high level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.
- 2) The purpose of our audit committee is to provide independent assurance to the members of the adequacy of the risk management framework and the internal control environment. It provides independent review of the City and County of Swansea's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

Governance, Risk and Control

- 3) To review the Council's corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.
- 4) To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances.
- 5) To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- 6) To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the council.
- 7) To monitor the effective development and operation of risk management in the Council.
- 8) To monitor progress in addressing risk related issues reported to the committee.
- 9) To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- 10) To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.
- 11) To monitor the counter fraud strategy, actions and resources.

Internal Audit and External Audit

- 12) To approve the internal audit charter and resources.
- 13) To consider the head of internal audit's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.
- 14) To consider summaries of specific internal audit reports as requested.
- 15) To consider reports dealing with the management and performance of the providers of internal audit services.
- 16) To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.
- 17) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- 18) To consider specific reports as agreed with the external auditor.
- 19) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- 20) To commission work from internal and external audit.

Financial Reporting

- 21) To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
- 22) To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Accountability Arrangements

- 23) To report to full Council on a regular basis on the committee's performance in relation to the terms of reference and the effectiveness of the committee is meeting its purpose.

Note: Audit Committee Statement of Purpose extracted from the Council Constitution (31.01.18).

KEY FINDINGS & ACTON PLAN
AUDIT COMMITTEE PERFORMANCE REVIEW 2017/18 & 2018/19

Key Finding	Proposed Actions	Lead (s)	Target Date	Progress Update
Regularity and Length of Audit Committee meetings	1) To enable the Audit Committee to discharge its duties meetings should take place every month.	Huw Evans	May 2020	Council Diary to be agreed at the Annual Meeting on 28 May 2020. All Councillors who responded to a survey were all in favour of the change to monthly meetings.
	2) If changes are made to the calendar of meetings (monthly) it will also be necessary to amend the Committee's work programme so that there is clarity as to exactly what is on the agenda for each committee meeting.	Chair / Huw Evans/ Jeremy Parkhouse	May 2020	Council Diary to be agreed at the Annual Meeting on 28 May 2020 and work programme organised accordingly. All Councillors who responded to a survey were all in favour of the change to monthly meetings. Chair / Democratic Services to plan the Committee Work Programme.
Outstanding actions from the Audit Committee Performance Review 2017-18	1) Benchmarking – The Corporate Management team will consider how best to use benchmarking information and provide an update to the Audit Committee.	Corporate Management Team	TBC	Ongoing

Key Finding	Proposed Actions	Lead (s)	Target Date	Progress Update
	2) Partnerships – Review the mechanisms for assessing and scrutinising the risk associated with partnerships. Audit Committee should receive an update on what partnerships the Council are involved in.	Adam Hill	April 2020	Adam Hill, Deputy Chief Executive to provide a report to Audit Committee on 14 April 2020.
	3) Noting the Deputy Chief Executive presentation on the Council's governance framework, the Audit Committee would benefit to receive additional presentations on individual elements of the governance framework.	Adam Hill	April 2020	Adam Hill, Deputy Chief Executive to provide a presentation to Committee on 14 April 2020.
	4) The newly established Governance Group to provide updates to Audit Committee.	Adam Hill	February 2020	Completed Richard Rowlands provided an update to Committee on 11 February 2020 and regular updates will be provided.
	5) Efficiency and Value for Money – Corporate Management Team to consider what information is required for the Audit Committee to enable the Committee to discharge its duties.	Corporate Management Team	TBC	Ongoing