

## Report of the Chief Auditor

Special Audit Committee – 13 December 2016

### AUDIT COMMITTEE – ACTION TRACKER

|                                    |  |
|------------------------------------|--|
| <b>Purpose:</b>                    | This report details the actions recorded by the Audit Committee and response to the actions. |
| <b>Report Author:</b>              | Paul Beynon  |
| <b>Finance Officer:</b>            | Paul Beynon  |
| <b>Legal Officer:</b>              | Sandie Richards  |
| <b>Access to Services Officer:</b> | Sherill Hopkins  |

#### 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 Until now, the Committee has had no transparency over the outcomes of the actions minuted by the Committee.
- 1.3 Therefore, an Action Tracker has been created which records the decisions taken by the Audit Committee and provides an outcome for each action.
- 1.4 The Action Tracker for the 2015/16 and 2016/17 municipal years are attached in Appendix 1 and 2.
- 1.5 The Action Tracker will be regularly updated and any completed actions will be marked 'CLOSED' and coloured in grey.
- 1.6 The Action Tracker will be reported to each Audit Committee meeting for information.

#### 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 associated with this report.

#### **4. Legal Implications**

4.1 There are no legal implications associated with this report

**Background Papers:** None

**Appendix 1** – Action Tracker 2016/17

**Appendix 2** – Action Tracker 2015/16

## Appendix 1

| <b>AUDIT COMMITTEE ACTION TRACKER 2016/17</b>  |   |
|--|---|
| <b>Action</b>  | <b>Outcome</b>  |
| <b>25/10/16 Min 39 – Annual Report of School Audits 2015/16</b>  |   |
| The Head of Commercial Services be invited to the next scheduled meeting to discuss the Service Level Agreement  | The Head of Commercial Services is attending the meeting on 13/12/16  |
| <b>25/10/16 Min 39 – Annual Report of School Audits 2015/16</b>  |   |
| The Chief Education Officer be invited to the next scheduled meeting to discuss the influence the centre can exercise over compliance with procedures by schools   | The Chief Education Officer is unable to attend the meeting on 13/12/16 but has been asked to come to the meeting on 03/01/17.  |
| <b>25/10/16 Min 41 – Chair / Wales Audit Office Liaison Meeting</b>  |   |
| Confirmation be provided regarding Member access to the Section 106 database   |   |
| <b>30/08/16 Min 25 – Internal Audit Monitoring Report Quarter 1 2016/17</b>  |   |
| Self-assessment forms for schools be added to school governing body meeting agendas  | Self-assessment questionnaire to be added to agenda of governing body clerks forum meeting to be held in January 2017. A reminder will also be circulated to all schools - CLOSED                                       |
| <b>30/08/16 Min 26 – Corporate Fraud Team Plan 2016/17</b>   |   |
| An update be provided to the Committee in 6 months   | Update included on agenda for Committee meeting on 28/03/17   |
| <b>21/07/16 Min 18 – Internal Audit Monitoring Report Quarter 4 2015/16</b>  |   |
| In future, any delays in receiving a response from a service to a draft internal audit report be reported to the Committee.  | Any delay in receiving a response to a draft internal audit report will be included in the quarterly Internal Audit Monitoring Report - CLOSED  |
| <b>21/07/16 Min 18 – Internal Audit Monitoring Report Quarter 4 2015/16</b>  |   |
| The Chief Auditor contacts the Head of Human Resources and Organisational Development in order to discuss the procedure regarding de-activating flexi-cards when an employee ends employment with the Authority          | When an employee leaves, the line manager is required to complete an exit interview checklist. One of the items on the checklist is to re-cover the employee's flexi card and return it to HR for cancellation - CLOSED |
| <b>21/07/16 Min 18 – Internal Audit Monitoring Report Quarter 4 2015/16</b>  |   |
| The Chair writes to the Head of Service where an audit has received a moderate level of assurance for a second audit to express the Committee's concern that there has been no improvement in the controls in operation. | Letters sent 05/08/16 and copies reported to Audit Committee on 30/08/16 for information - CLOSED   |

| <b>Action</b>   | <b>Outcome</b>  |
|---|---|
| <b>28/06/16 Min 8 – Corporate Governance Review Report</b>  |   |
| The recommendations contained within the report be regularly monitored and where appropriate feedback be provided by the Deputy Head of Legal and Democratic Services                                     | The recommendations included in the Corporate Governance report as well as those arising from the WAO's Corporate Assessment and the Peer Review are being monitored on a regular basis by the Corporate Management Team. Work is progressing to implement the recommendations and will continue to be monitored by the Interim Head of Legal and Democratic Services |
| <b>28/06/16 Min 9 - Certification of Grants and Returns 2013/14 and 2014/15</b>   |   |
| All Responsible Officers be advised and reminded of the external auditors findings and the obligation to maintain at all times adequate and complete records to support future grant certification claims | E-mail sent to all Heads of Service by Chief Finance and Deputy Section 151 Officer on 30/06/16. The e-mail; highlighted the relevant issues and the external auditor's grants report was attached - CLOSED   |
| <b>28/06/16 Min 9 - Certification of Grants and Returns 2013/14 and 2014/15</b>   |   |
| A letter be circulated to schools highlighting the need to retain relevant paperwork in relation to grants claimed in order to prove if the funding was used appropriately.                               | The Chair wrote to Chief Education Officer on 05/08/16 asking for the issues to be brought to the attention of schools and an e-mail was sent to all schools on 09/11/16 - CLOSED   |
| <b>28/06/16 Min 11 – YGG Lon Las Draft Response to Cabinet</b>  |   |
| Additional comments be forwarded to the Chair/Chief Auditor   | No further comments were received - CLOSED  |
| <b>28/06/16 Min 11 – YGG Lon Las Draft Response to Cabinet</b>  |   |
| The updated report be forwarded to Cabinet  | Report is on the agenda for the Cabinet meeting on 15/12/16   |
| <b>28/06/16 Min 12 – Final Audit Committee Annual Report 2015/16</b>  |   |
| The Audit Committee Annual Report 2015/16 be approved and be presented to Council in July/August 2016   | Report was presented to Council on 22/09/16 - CLOSED  |
| <b>14/06/16 Min 5 – Audit Committee Training</b>  |   |
| The training presentations regarding risk management and counter fraud be deferred to a future Audit Committee meeting  | On Workplan for special meeting to be held on 13 December 2016  |

## Appendix 2

| <b>AUDIT COMMITTEE ACTION TRACKER 2015/16</b>   |   |
|---|---|
| <b>Action</b>   | <b>Outcome</b>  |
| <b>19/04/16 Min 79 – Internal Audit Charter 2016/17</b>   |   |
| The Chief Auditor investigates the success of Housing Benefit prosecutions since the service was transferred to the DWP                                       | Response provided to Committee on 14/06/16 - CLOSED   |
| <b>22/03/16 Min 72 – New Build for YGG Lon Las – Referral from Cabinet</b>  |   |
| The Chair/Chief Auditor draft a report summarising the key lessons to be learned for consideration by the Audit Committee prior to being submitted to Cabinet | Draft report presented to Committee on 28/06/16 - CLOSED  |
| <b>16/02/16 Min 63 - Risk Management Update</b>   |   |
| The Chair and Head of Finance and Delivery draft a response to the Welsh Government regarding the late announcement of funding                                | Not pursued as the impact of the late announcement had been strongly made to the Welsh Government by the WLGA - CLOSED                |
| <b>16/02/16 Min 63 - Risk Management Update</b>   |   |
| The Head of Legal and Democratic Services be requested to consider Councillor access to the risk register in the forthcoming Governance Review Report         | Corporate Director (Resources) to prepare report on Councillor access to risk register for consideration by Corporate Management Team |
| <b>16/02/16 Min 64 – Recommendations Tracker Report 2014/15</b>   |   |
| An update report on the level of write offs be added to the Workplan  | Update provided to Audit Committee on 25/10/16 - CLOSED   |
| <b>16/02/16 Min 65 – Internal Audit Monitoring Report Quarter 3 2015/16</b>   |   |
| The impact of high sickness levels for Internal Audit compared to previous years be provided to the Committee   | Included in Quarter 4 Monitoring Report to meeting on 21/07/06 - CLOSED   |
| <b>16/02/16 Min 67 – Audit Committee Self-Assessment of Good Practice Questionnaire</b>   |   |
| The completed Questionnaire be used as the basis for the Audit Committee Annual Report 2015/16  | Questionnaire was used for Annual Report 2015/16 presented to Committee on 28/06/16 - CLOSED  |
| <b>16/02/16 Min 70 – YGG Lon Las Lessons Learned – Referral from Cabinet</b>  |   |
| Item be deferred to a Special Meeting of the Audit Committee  | Report presented to Special Meeting held on 22 March 2016 - CLOSED  |
| <b>15/12/15 Min 52 – Briefing Cabinet Advisory Committee</b>  |   |
| The Leader be invited to a future meeting in order to provide an update report  | Update scheduled for Audit Committee meeting on 03/01/17.   |

| <b>Action</b>  | <b>Outcome</b>  |
|--|---|
| <b>15/12/15 Min 53 – Chair Scrutiny Programme Committee</b>  |   |
| The Chair of the Scrutiny Programme Committee be invited to a future meeting in order to provide an update report                        | Included in Workplan for meeting on 14/02/17  |
| <b>15/12/15 Min 56 – Risk Management Update</b>  |   |
| A more detailed report be presented to a future meeting  | The Head of Finance and Delivery provided a more detailed report to the meeting on 16/02/16 - CLOSED            |
| <b>15/12/15 Min 56 – Risk Management Update</b>  |   |
| The Chief Auditor circulates the link to access the risk procedure details on the Council website  | See 16/02/16 Min 63 Risk Management Update below - CLOSED   |
| <b>17/11/15 Min 47 – Housing Benefit Investigation Team Annual Report 2014/15</b>  |   |
| An interim report be provided in 6 months  | Corporate Fraud Team Annual Report was presented to Audit Committee on 30/08/16 - CLOSED                        |
| <b>17/11/15 Min 48 – Internal Audit Monitoring Report Quarter 2 2015/16</b>  |   |
| The Chair writes to the Chief Social Services Officer regarding the 4 moderate audit ratings in Adult Services                           | Letter sent 30/11/15 and Chair met Head of Adult Services on 16/12/15 - CLOSED                                  |
| <b>17/11/15 Min 48 – Internal Audit Monitoring Report Quarter 2 2015/16</b>  |   |
| The Chair writes to the Head of Transportation and Highways regarding the Streetworks audit which received a moderate level of assurance | Letter sent 30/11/15 and Chair met Head of transportation and highways on 22/12/15 - CLOSED                     |
| <b>17/11/15 Min 48 – Internal Audit Monitoring Report Quarter 2 2015/16</b>  |   |
| The Chief Auditor circulates the details of the Section 106 Agreements follow up audit to the Committee                                  | Details circulated 19/11/15 - CLOSED  |
| <b>17/11/15 Min 48 – Internal Audit Monitoring Report Quarter 2 2015/16</b>  |   |
| The Chief Auditor circulates the link to the Section 106 Agreements database to the Committee  | Link circulated 22/12/15 - CLOSED   |
| <b>20/10/15 Min 37 – Chair of Scrutiny Programme Committee</b>   |   |
| The Chair of the Scrutiny Programme Committee be invited to the Audit Committee meeting scheduled for 15 December 2015                   | The Chair of the Scrutiny Programme Committee attended the Audit Committee meeting on 15 December 2015 - CLOSED |
| <b>20/10/15 Min 38 – Corporate Governance Review – Update</b>  |   |
| Rod Alcott be invited to attend the Special Audit Committee on 17 November 2015 in order to present the draft report                     | Report presented to Committee on 28/06/16 - CLOSED  |
| <b>20/10/15 Min 39 – Annual Report of School Audits 2014/15</b>  |   |
| A review be undertaken to ensure that school audit reports are placed upon school governor meeting agendas                               | The review was reported to the Audit Committee on 25/10/16 - CLOSED   |

| <b>Action</b>  | <b>Outcome</b>   |
|--|--|
| <b>20/10/15 Min 40 – Audit Committee Annual Report 2014/15 Follow Up</b>   |  |
| The Chief Auditor circulates the Audit Committee Knowledge and Skills Framework questionnaire to the Committee.    | Framework circulated 19/11/15 - CLOSED   |
| <b>18/08/15 Min 17 - Presentation Corporate Fraud Team</b>   |  |
| The Corporate Fraud Team Manager provides a future update report to the Committee                                  | Corporate Fraud Team Annual report was presented to Audit Committee on 30/08/16 - CLOSED |
| <b>18/08/15 Min 20 - WAO Audit of Financial Statements Progress Report</b>   |  |
| A Special Audit Committee be scheduled between 17 and 24 September 2015 in order to discuss the Final Audit Report | Special meeting held on 21/09/15 - CLOSED  |
| <b>16/06/15 Min 9 - Internal Audit Monitoring Report Quarter 4 2014/15</b>   |  |
| An update report regarding Section 106 Agreements be provided at the next scheduled meeting                        | Head of Economic Regeneration and Planning provided a report on 18/08/15 – CLOSED        |