



City and County of Swansea

Minutes of the Special **Audit Committee**

Committee Room 5, Guildhall, Swansea

Wednesday, 29 January 2020 at 2.00 pm

Present: P O'Connor (Chair) Presided

Councillor(s)

C Anderson
T J Hennegan
J W Jones
L V Walton

Councillor(s)

P M Black
P R Hood-Williams
E T Kirchner
T M White

Councillor(s)

D W Helliwell
O G James
M B Lewis

Officer(s)

Simon Cockings
Jeremy Davies
Nick Davies
Emma Johnson
Jeremy Parkhouse
Jamie Rewbridge

Chief Auditor
Group Leader Parks and Cleansing
Principal Auditor
Service Centre Helpdesk & DBS/SCW Manager
Democratic Services Officer
Strategic Manager Leisure Partnerships, Health & Well Being
Chief Finance Officer / Section 151 Officer
Deputy Chief Legal Officer
Service Centre Manager

Ben Smith
Debbie Smith
Sian Williams

Also Present

Jason Garcia Wales Audit Office

Apologies for Absence

None.

63 **Disclosures of Personal and Prejudicial Interests.**

In accordance with the Code of Conduct adopted by the City and County of Swansea, the following interests were declared: -

Councillor T J Hennegan – Minute No. 68 - Internal Audit Recommendation Follow-Up Report, Quarter 2 2019/20 – School Governor at Clwyd Primary Community School – personal.

Councillor P R Hood-Williams – Minute No. 64 - Internal Audit Annual Plan 2019/20 - Monitoring Report for the Period 1 July 2019 to 30 September 2019 – School Governor at Crwys and Cila Primary Schools - personal.

Councillor J W Jones - Minute No. 64 - Internal Audit Annual Plan 2019/20 - Monitoring Report for the Period 1 July 2019 to 30 September 2019 – School Governor at Olchfa School - personal.

64 Internal Audit Annual Plan 2019/20 - Monitoring Report for the Period 1 July 2019 to 30 September 2019.

Simon Cockings, Chief Auditor presented a report which provided the audits finalised and any other work undertaken by the Internal Audit Section during the period 1 July to 30 September 2019.

A total of 25 audits were finalised during the quarter. The audits finalised were provided in Appendix 1, which also showed the level of assurance given at the end of the audit and the number of recommendations made and agreed. A total of 203 audit recommendations were made which management agreed to implement 201, i.e. 99% of the recommendations made were accepted against a target of 95%. Appendix 2 provided a summary of the scope of the reviews finalised during the period. Details of the grants certified in the quarter were also provided.

Appendix 3 showed that by the end of September 2019, 35% of the planned reviews had been completed to at least draft report stage, with an additional 42% of the planned audits in progress. As a result, approximately 77% of the Audit Plan was either completed or in progress.

It was added that three moderate reports were issued in the quarter and brief details of the significant issues which led to the moderate ratings were provided. These were for the following service areas and progress updates were provided at the meeting: -

- Foreshores & Lettings 2019/20;
- Cleansing Services 2019/20;
- Disclosure & Barring Service 2019/20

Information regarding the follow-ups completed between 1 July 2019 to 30 September 2019 were provided, including the two moderate Young People's Services and Accounts Receivable audits.

The Committee queried why the Village Lane site had no income for parking for a number of years, with arrears dating back approximately 10 years and why this had not been identified in previous audits.

It was also proposed that 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.

The Chair queried 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.

Resolved that: -

- 1) The contents of the report be noted;
- 2) 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;
- 3) 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;
- 4) 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.

65 Foreshore & Lettings Audit Report 18/19.

Jamie Rewbridge, Strategic Manager Leisure Partnerships Health Wellbeing presented a report that provided an update on the Foreshore and Lettings audit 2018/2019.

It was outlined that as a result of an internal audit of the service area in 2019, a moderate assurance level was given. Following this, an action plan, provided at Appendix A, was developed to address the issues identified and appropriate implementation steps put in place. It was highlighted that since the date of the audit, Boat Parking had transferred from Cultural Services to Highways & Transportation.

The Action Plan highlighted all the medium risk items only (there were no high-risk actions), progress to date / updated actions in the areas below as follows: -

- Foreshore Lettings
- Langland Beach Huts
- Boat Parking
- Caravan Park

The Committee asked questions of the Officer in relation to the report and responses were provided accordingly. Discussions centred around the following: -

- Langland Beach Huts – Previous booking, cash and receipt systems used and the progress to online bookings;
- Langland Beach Huts – How the income received had matched the budget / ledger;
- Boat Parking – Transfer of the service area to Highways & Transportation; open nature of the Knab Rock site; the need to manage the parking effectively; legally collecting arrears owed / removal of boats when no payment is made; the changes implemented at Knab Rock including weekly inspections and photographs / database / following the new procedures at Southend and Village Lane sites; use of the law of lien, giving owners 3 months to respond to notices.
- Caravan Park – Not allowing any sub-letting of any caravans; logging all invoices / monthly monitoring / allowing various payment plans.

Resolved that the contents of the report be noted.

66 Cleansing Service - Findings Update Internal Audit Report 2019/2020.

Jeremy Davies, Group Leader Parks and Cleansing presented a report which updated the Committee on the audit of the Cleansing Service in the Waste, Parks and Cleansing Service.

It was outlined that as a result of an internal audit of the service area in April 2019, a moderate assurance level was given. Following this, an action plan was developed to address the issues identified and appropriate implementation steps put in place.

The Action Plan highlighted the high / medium risk items, progress to date / updated actions in the areas below as follows: -

- Corporate Flexitime Policy (High Risk)
- Authorised Signatory List for the Service
- Adhering to Corporate Procedure Rules for spends over £5,000
- Staff adhering to the Corporate Travel & Subsistence Policy when submitting mileage claims
- Officer providing evidence of vehicle insurance cover

The Committee asked questions of the Officer in relation to the report and responses were provided accordingly. Discussions centred around the following: -

- Financial Control – Noting the lack of financial control for a period of time;
- Agency Workers – Employment of agency workers (currently 11) and the programme to reduce these numbers and employ trainees. Using agency workers to cover vacancies;
- Use of black bags to empty litter bins by Council staff;
- Swansea BID – Previous lack of a robust enough agreement with Swansea BID and the agreement of new terms going forward;
- Long Term Sickness – Noting the previous long term sickness of a senior member of staff and no arrangements being in place to cover the absence;
- SLA's – Good communication / relationship with Swansea BID / Community Councils;
- Staff Numbers – Over 300 staff being employed within the Parks and Cleansing services and the ongoing review to strengthen the service area.

Resolved that: -

- 1) the contents of the report be noted;
- 2) 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.

67 Disclosure and Barring Service - Final Internal Audit Report 2019/20.

Sian Williams, Service Centre Manager and Emma Johnson, Service Centre Helpdesk & DBS/SCW Manager provided a verbal update to the Committee on the audit of the Disclosure and Barring Service 2019/20.

It was outlined that as a result of an internal audit of the service area in 2019, a moderate assurance level was given. Following this, an action plan was developed to address the issues identified and appropriate implementation steps were put in place.

It was highlighted that the audit contained 5 key summary points and 12 recommendations. 9 of the recommendations had been completed, 1 was pending the completion of the Oracle project, 2 others were also linked to the completion of the Oracle project. It was added that this was the first time the service area had received a moderate audit which was largely due to the significant cutbacks and the transfer of staff to the Oracle project.

The Committee asked questions of the Officer in relation to the report and responses were provided accordingly. Discussions centred around the following: -

- DBS in Schools – It was noted that a number of school staff DBS' had expired and had not been renewed. It was explained that the renewal was the responsibility of the employee. However, a renewal report was now run 4 months in advance of the DBS end date and was cross referenced with Education lists / copied to the staff members line manager / escalated after 2 months;
- Staff Resources – It was highlighted that following significant budget savings, staff resources within the service area were stretched to the maximum. It was hoped that the situation would improve following the completion of the Oracle project;
- Negative DBS Checks – The length of time employees remained in post following a negative DBS check. It was explained that this was yet to occur but a risk assessment should be completed and the matter passed to Human Resources / Department if this was not done;
- Involvement of Powys County Council – It was explained that Powys County Council had won the tender to host DBS checks and applications were processed on average within 4 days as opposed to weeks previously;
- Follow-up audit - To be undertaken in quarter 4 and would examine any outstanding issues;
- Assurance – That 169 posts identified as requiring a DBS checks had been completed / the areas of the Authority where the individuals worked / whether the member of staff can be suspended if they fail to complete the DBS application;

Resolved that the contents of the report be noted.

68 Internal Audit Recommendation Follow-Up Report - Quarter 2 2019/20.

The Chief Auditor presented a report that provided the Committee with the status of the recommendations made in those audits where the follow-up's has been

undertaken in Quarter 2 2019/20, to allow the Audit Committee to monitor the implementation of recommendations made by Internal Audit.

Appendix 1 provided a summary of the recommendations accepted and implemented. There were no recommendations not accepted and implemented to be reported.

In addition, the report provided further details of standard follow-up procedures, fundamental audits, non-fundamental audits, Chief Auditors Group PI's and External Audit recommendation tracking.

The Chair commented that the External Audit tracking needed to be more robust and did not provide assurance. She added that a number of External Audit recommendations remained outstanding for two or more years and that more control was required.

Jason Garcia, Wales Audit Office (WAO) commented that any recommendations made by WAO would be automatically followed up the following year.

Resolved that: -

- 1) The contents of the report be noted;
- 2) The need for more robust tracking of External Audit recommendations be referred to the Corporate Management Team for discussion.

69 Audit Committee Action Tracker Report.

The Audit Committee Tracker report was provided for information.

70 Audit Committee Work Plan.

The Audit Committee Work Plan was reported for information.

The meeting ended at 3.10 pm

Chair