

MONITORING REPORT Q4 2021/22 - SUMMARY OF SCOPE OF AUDITS FINALISED

Head of Service	Audit Title	Assurance Level	Audit Scope	Key Findings / Risks
Computer Audits	Internet Controls - Social Services	High	<i>The audit included the review and testing of controls established by management over the following areas: Procurement of Internet Service Providers, Awareness Raising & Administration, Use of Internet, IT Equipment</i>	None
Highways & Transportation	Concessionary Bus Fares 2021/22	High	<i>The audit usually examines payments made to First Cymru (by far the largest operator) and some other smaller bus operators. However, due to Covid-19 workplace restrictions, only the payments made to First Cymru were examined in this audit. The objectives of the audit were to confirm that the internal controls and financial management procedures relating to the payments for Concessionary Bus Fares were adequately controlled and were operating effectively.</i>	None
Chief Transformation Officer Audits	HR Policies	High	<i>There are numerous Policies in place, therefore, a sample of five were selected for review as part of this audit. The policies selected were: Working Time Policy, Standby & Call Out Policy, Jury Service Policy, Career Break Policy, Special Leave Policy</i>	None
Fundamental Systems	Housing & Council Tax Benefit 2021/22	High	<i>The audit examined the following processes: Verification of new claims, Assessment of claims, Changes in claimant circumstances, Extended Payments, Discretionary Housing Payments, Payment controls, Periodic reviews, Overpayments, Performance, GDPR</i>	None
Cross Cutting Reviews	Wellbeing of Future Generations Act	High	<i>The audit reviewed the following requirements of the Act: Agreeing and setting Wellbeing Objectives, Publishing a Wellbeing Statement, Consideration of the impact of decisions taken by the Council, Ensuring all future development is "sustainable", Annual reporting of progress against Wellbeing Objectives, The creation of a Public Service Board.</i>	None
Financail Services & Service Centre	Capital Leasing	High	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Payments for Existing Leases, Procurement of New Leases, Arrangements when Leases Expire, GDPR</i>	None
Cross Cutting Reviews	Corporate Performance Management	High	<i>The audit reviewed the procedures in place and included a review of the following areas: Statutory Requirements, Performance Indicators, Internal/External Reporting, Audit Wales' Reports, System Access & Security</i>	None
Fundamental Systems	Housing Rents 2021/22	High	<i>The audit included the review and testing of controls established by management over the following areas: Annual rent review, Office manuals, System access levels, Register of personal interests, Rent deducted from earnings, Housing Benefits interface, Suspense Account administration, Cash reconciliation, Write-offs, Reconciliation of Housing stock, Key book amendments, Court costs administration, Negative Rent Account balances, Lifeline telephone recharges</i>	None

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Waste Management & Parks	Waste Enforcement*	High	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Recording of Fixed Penalty Notices (FPNs), Amount of fines, Collection of fines, Procedure for identifying and dealing with non-payment of fines, Controlled Stationery, Cases referred to Legal, Withdrawal / cancellation of fines, GDPR / Retention</i>	None
Computer Audits	File Controls	High	<i>systems: Oracle servers and MS SQL servers. The audit assess whether the procedures and controls associated with the database management systems are suitable to ensure that the data held can be relied on, is accurate and is secure.</i>	None
Financial Services & Service Centre	Grants Receivable	High	<i>The objectives of the audit were to confirm that: Grant applications are notified and approved (using form NGA1), Award of Grant is notified to Finance (using form NGA2), A central Register of all Grants and Returns is maintained, Claims are timely and a sufficient audit trail is maintained, Adequate monitoring is carried out</i>	None
Cultural Services	Swansea Museum	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Expenditure – Oracle and Purchase Cards, Income Collection, Artist & Entertainers Fees, Room Rental & Photography, Grants, Inventory, Stock Records, Accessions Register, Insurance, Petty Cash, Employee Records, Vehicle Records, Security and Health & Safety, GDPR</i>	<i>Discussion with the Museum Manager revealed that there has never been a major independent valuation of the whole collection for insurance purposes. The Manager confirmed that he was working through the collection to update valuations and they are prioritising high value / most as risk items. Some additional low risk recommendations.</i>
Cross Cutting Reviews	Information Governance (GDPR)	Substantial	<i>Officers, IGU– Management of Data Breaches, IGU - General Data Protection Regulation (GDPR) Compliance Monitoring, IGU – Data Protection Impact Assessments (DPIAs), Data Protection – Staff Training & Awareness, Information Management / Data Sharing – Staff Training & Awareness, Publication Scheme, Records Management (Records Management Team), Records Management (Wider Authority), Privacy Statements / Recognition of Individual's Rights</i>	<i>Mandatory Data Protection & Security training course administered by the Corporate Learning & Development team showed that by Nov2021 course completion rate was only 56.6% across the Council. Additional low risks and good practice recs also noted.</i>
Education Planning & Resources	Primary Schools DBS (Thematic)	Substantial	<i>A review to ensure that Disclosure & Baring Service (DBS) checks have been undertaken for all staff in the 22 Primary Schools which were originally scheduled to be audited in the 2021/22 financial year as part of the schools rolling programme.</i>	<i>Of the 1361 DBS's checked in the sample two were noted as being expired, and one was noted as being in the process of being renewed.</i>
Child & Family Services	Business Support Team - Child & Family	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Expenditure – Oracle, Inventory, Petty Cash, Employee Records, GDPR</i>	<i>There were no inventory records being maintained at two sites. Some additional low risk recommendations.</i>

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Computer Audits	E-Commerce Controls	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Business Need, Legislation, Management and Monitoring, Third Parties, Security, GDPR and Data Retention</i>	<i>It was stated by the authority's Web Development Manager that there is no Corporate strategy in place for the use of E-commerce within the Council. The Web Manager believes that it should be part of the wider income strategy for the council. Additional low risk recommendations.</i>
Cross Cutting Reviews	Assurance Framework	Substantial	<i>An audit was undertaken to determine whether the Council has an effective Assurance Framework in place. An Assurance Framework links the Corporate Objectives to the Corporate Risks recorded in the Risk Register. It then identifies both internal and external sources of assurance, assesses those sources of assurance, and records the results in the Risk Register. This is the first audit of the Council's Assurance Framework that has taken place.</i>	<i>We were advised by the Deputy Chief Executive that an Assurance Framework has not been compiled for Swansea Council. However, evidence of robust governance arrangements are provided by the completion and publication of an Annual Governance Statement, an Assurance Map, and the completion of Senior Management Assurance Statements by the Directors.</i>
Contract Audits	Social Services - Social Care Contracts*	Substantial	<i>The audit reviewed the procedures in place and included detailed testing on the following areas: Selecting a sample of large payments made in 2020/21 to suppliers or social care providers and checking if the CPRs had been adhered to. A secondary check to confirm that monitoring of the contract provisions was being carried out.</i>	<i>Of a sample of 30 payments to social care providers, one payment was noted to a provider with no contract or waiver in place. At the time of audit, it was noted that the Inquiry Panel had been advised on 20 October 2021 that there were 11 eligible arrangements with social care providers which were not currently compliant with the Council's CPRs.</i>

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Child & Family Services	Independent Agency Placements	Substantial	<p>The scope of the audit included: Authorisation and approval of placements, Quality assurance/Monitoring of the providers, Recharges to Education Department and Swansea Bay University Health Board (SBUHB), Overpayments, GDPR and Data Retention</p>	<p>Sample testing of payments to independent providers, two cases were noted where the Placement Contract had not been signed by the provider and two were noted where there was a significant delay in the provider signing the Placement Contract. Testing revealed that continuation orders created on the Oracle system had not been closed down after placement had ended. This is recommended to prevent payments being made using that order in the future.</p>
Financial Services & Service Centre	Compliance with Cipfa FM Code	Substantial	<p>The review was undertaken to establish whether those charged with governance within the Council have undertaken a detailed review of their financial management arrangements. This determines whether the standards, as defined by the Financial Management Code (FM Code) introduced by the Chartered Institute of Public Finance & Accountancy (CIPFA) are being met. The FM Code is designed to support good practice in financial management and assist local authorities in demonstrating their financial sustainability. The FM Code is based on a series of principles supported by specific standards and the requirement to be fully compliant with the FM Code came into effect from the 1 April 2021.</p>	<p>The self-assessment review of compliance had been completed but it was not possible to directly link the evidence provided to each element of the standards to substantiate compliance. It would be beneficial and strengthen the assessment if the self-assessment document was more structured and recorded direct links to evidence of compliance.</p>
Housing & Public Health	Housing Division Pests & Animal Control*	Substantial	<p>The audit reviewed the procedures in place and included detailed testing on the following areas: Fees and Charges, Job Requests, Income, Credit Income Controls, Income - Free and Reduced Charges, Income – Contracts, Straying Dogs, Other Straying Animals, Expenditure, Purchase Card, Inventory, Personnel Records, Vehicles, GDPR and Data Retention</p>	<p>It was identified that some cash and credit income transactions hadn't been treated correctly for VAT (6 low value transactions). Testing found that the required paperwork was not available for five of ten stray dog incidents selected. Payments to two suppliers were noted where there was no contract in place. Some additional low risk recommendations.</p>

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Fundamental Systems	Accounts Payable 2021/22	Substantial	<p>The audit reviewed and tested the key controls in the following areas: System Access, Creation and Amendments of Supplier Records, Non-Oracle Order Approval Emails, Duplicate and Erroneous Payments, Payment Performance, Reconciliation of Accounts Payable to the Ledger, BACS Transmissions, Checking & Countersigning of Payments over £50k, Validation of Payments over £10k, Unallocated Supplier Credits on the System, Physical Access / Security, Direct Debits, Suppliers with the Address "Cheque to Cashiers", Payment of Invoices via Purchase Card, Interface Files, Supplier Incentive Scheme, Data Protection</p>	<p>One duplicate payment was noted which had been processed via the Pensions Accounts Payable function on Oracle. It was noted that the in-house duplicate payment check are not performed for Pension Accounts Payable payments. One low value invoice selected for testing had been paid to the wrong supplier (the AP Team had already identified the error and action had been taken to correct).</p>
Fundamental Systems	Business Rates (NNDR) 2021/22	Substantial	<p>The audit included the review and testing of controls established by management over the following areas: Governance and Data Security, Valuation, Exemptions and Reliefs, Billing and Collection, Refunds and Transfers, Recovery of Arrears, Write-offs</p>	<p>A sample of accounts in receipt of Charitable Discretionary Relief was examined to confirm an application had been made and properly approved. Discretionary Only relief is awarded for a 12 month period and it was found that the last applications on file were for 2020-21. It was confirmed that no review of cases has been undertaken for the financial year 2021-22 due to work pressures caused by the Covid-19 pandemic. Due to staff turnover and covid 19 work, arrears reports were not being reviewed on a monthly basis. A sample of accounts where a "special arrangement" had been made with the ratepayer was selected in four of the five cases examined, the payment arrangement was found to be in default and had not been followed up</p>

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Computer Audits	Disaster Recovery & Business Continuity	Substantial	The audit reviewed the procedures in place and included detailed testing on the following areas: Ownership and Management, Risk Assessment and Prevention, The Corporate Plan, IT User Plans, Resourcing, Training, Testing	From discussions during the audit it was highlighted that the timescales to replace servers had increased from an estimated twelve weeks to possibly as long as twelve months due to the recent COVID Pandemic which was not documented in the Risk Register. No formal recovery agreements were in place with third party suppliers. We were informed that reliance is being placed on initial contracts with individual suppliers. It was confirmed that no formal testing is undertaken in relation to the Disaster Recovery Plan. We were informed that the Transformation & ICT Security Officer is currently speaking with the Warp Team and has also linked up with the NCSC to see how they can suggest testing the
Communications & Marketing	Risk Management (Social Services)	Substantial	The scope of the audit consisted of the following: Oversight by Corporate Management Team, Reviews by Governance & Audit Committee, Monitoring at P&FM Meetings, Identification and Evaluation of Risks, Regularity of updates, Deactivated Risks, Quality of Control Measures (Social Services)	A test was carried out to check whether a sample of the 18 Control Measures for 5 Social Services Directorate/Service Risks were SMART. It was found that all of the Control Measures examined were Relevant and Achievable, however some were not fully Specific, or provided a Measure or Time-Bound on how they mitigated the Risk to
Additional Review / Added Value	Pen y Bryn Special School **	Substantial	management over the following areas: Governance, Management of Delegated Resources, Budget Monitoring, Banking Procedures, Unofficial Funds, School Meals Income, Bank Reconciliations, Expenditure, Employees / Self-employment, Health & Safety, Inventory, Mini Bus, Computer Security & Data Protection	make payments on SIMS where no initial order had been placed. Records to substantiate overtime payemnts lacked adequate detail for verification. Some additional low risk

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Education Planning & Resources	sQuid School Meal Income Thematic Review	Substantial	A thematic review of sQuid School Meals Income. Themed school reviews focus on a particular risk area across a sample of schools, with results being consolidated into a report for the Council.	Long outstanding arrears were noted. The oldest pupil arrears at the time of the audit was 1,534 days (£40.00) for a current pupil. This was queried with the school who confirmed that the debts were regularly followed up and the arrears were cleared during the audit. The oldest arrears for an inactive pupil was 1,560 days (£9.35). Some additional low risk and good practice recommendations.
Additional Review / Added Value	Corporate Risk Register Review **	Substantial	A review of the management of Corporate Risks in the Council's Risk Register. The scope of the review consisted of the following: Oversight by Corporate Management Team, Reviews by Governance & Audit Committee, Regularity of Updates, Deactivated Risks, Quality of Control Measures	As part of the audit a test was carried out on all of the Control Measures for all of the Corporate Risks to confirm that they were appropriate, complete and were "SMART". All were found to be satisfactory other than one control measure in each of the Corporate Risks numbered 153, 269 and 306.
Cross Cutting Reviews	FOI/SAR/EIR Review	Moderate	The audit reviewed the procedures in place and included detailed testing on the following areas: Completion of Records, Decisions made on whether or not to Release Data, Adherence to Legislative Timescales, Quality of Responses, Reporting and Monitoring of Timescale Performance, Requests for Reviews, Appeals to the ICO.	Please see detailed summary in the main report.
Fundamental Systems	Accounts Receivable 2021/22	Moderate	The scope of our work included the testing of a range of controls relating to the following: Financial regulations and procedure notes, User access, Creation of invoices, Collection of income, Recovery of arrears, Interface reconciliations, Invoice cancellations, Performance monitoring, Write-offs, Refunds, Disaster Recovery and Business Continuity, System back-ups, Security of Data/GDPR/Retention	Please see detailed summary in the main report.