

COMPLETED AUDITS

| Report | System Overview | Work Finalised | Audit Days | Key Messages | Audit Opinion | Action Plan Dates |
|-------------------|--|----------------|------------|--|-----------------------|-------------------|
| School Governance | Review of the provision of information and training provided to School Governors to enable them to fulfil their responsibilities. | January 2014 | 4 | <p>Response to questionnaires provided to a sample of 30 Chairs of Governors indicates that there is a training requirement for Governors involved in the recruitment and selection of school staff in relation to the Safer Recruitment Policy to ensure compliance to the Disclosure and Barring Service requirements.</p> <p>It was disappointing that the response rate to the questionnaires was 57% (17 no.)</p> | Reasonable Assurance | January 2014 |
| Cash Control | <p>The key functions of the Cash Control section include;</p> <p>Monitoring income and E-returns from all collection points throughout the authority.</p> <p>Investigating and resolving banking discrepancies.</p> <p>Processing telephone payments and postal remittances.</p> | February 2014 | 12 | <p>Overall the review identified a number of strengths and areas of good practice which included:</p> <ul style="list-style-type: none"> • Successful transition to the new Capita Access Income Management System; • Prompt follow up of discrepancies between amounts costed and amounts banked; • Thorough investigations of | Substantial Assurance | May 2014 |

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| | | | | <p>items in suspense;</p> <ul style="list-style-type: none"> • Prompt action on unpaid cheques returned by the Bank. <p>One area which merits attention is in relation to business continuity; whilst at present should the system become unavailable, members of the public can be advised to make payments to the post office; there is no formal contingency measures in place to address the risk of any lengthy issues with the system being unavailable.</p> | | |
| Sundry Debtors | <p>The sundry debtor system is a devolved function which is monitored centrally by the central Sundry Debtor team in the Resources Directorate. The responsibilities of the central sundry debtors team includes actioning adjustments, write offs and the income recovery process.</p> <p>For the period January 2013 to July</p> | January 2014 | 21 | <p>A number of strengths and areas of good practice were identified, but the following issues were identified:</p> <ul style="list-style-type: none"> • Significant value invoices that are in dispute are not always monitored. • The Highways department is often slow in responding to requests for supporting documentation from the Sundry Debtor section as | Reasonable Assurance | April 2014 |

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| | 2013, a total of 17,798 invoices were raised with a total value of £16,403,388. | | | <p>files are archived each year and become difficult to access. This can lead to delays in pursuing debts.</p> <ul style="list-style-type: none"> Invoices do not always contain sufficient information and are not always raised in a timely manner. | | |
| Foundation Phase Grant | <p>The Foundation Phase Grant is awarded to Local Authorities to provide young children with more opportunities to gain first-hand experience through play and active involvement rather than by completing book exercises. The objective is to increase the delivery of educational support within Nursery and Primary School settings.</p> <p>BCBC was granted £4,351,618 for the financial year 2012/13.</p> | July 2013 | 4 | <p>The audit identified a number of strengths and areas of good practice including;</p> <ul style="list-style-type: none"> Full documentation of the approval of the expenditure and delivery plan. Reconciliation of expenditure and compliance with the terms and conditions of the grant. Timely submission of claims to the Welsh Government. <p>No weaknesses were identified and therefore no recommendations have been made.</p> | Substantial Assurance | Not Applicable |
| Parking Enforcement | Parking enforcement across Bridgend and the Vale of | January 2014 | 13 | A number of strengths and areas of good practice were identified, such | Reasonable Assurance | 31/03/2014 |

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| | <p>Glamorgan is operated on a shared service basis between the authorities with Bridgend County Borough Council acting as lead authority for the purpose of managing the service. The service aims to operate on a cost neutral basis and is not target driven.</p> <p>The collection of any income as a result of the issue of penalty charge notices is managed by the Welsh Penalty Processing Partnership which is part of Denbighshire County Council.</p> | | | <p>as the service is operating in accordance with current legislation including the penalty charge rates; the provision of service is being actively monitored to ensure that it is moving towards operating on a cost neutral basis and controls over income collection were operating effectively. The following issues were however identified:-</p> <ul style="list-style-type: none"> • The service agreement between the two authorities has not been agreed or signed as at the date of the audit. • The service is operating without an Operational Parking Enforcement Policy. | | |
| Central Health & Safety Unit | The Central Health & Safety Unit provides support on health, safety and welfare matters arising from the Authority's activities. This includes assisting with risk assessments and accident investigation as well as providing general advice and guidance. | January 2014 | 16 | Only minor issues were identified and four merits attention recommendations were made to enhance the control environment. Management have responded positively to these recommendations; two of which have already been implemented. | Substantial Assurance | January 2014 |

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| VAT | Approximately 70% of the Authority's income is generated from grants and non-vatable income. In addition, certain functions have been outsourced e.g., Leisure, Waste etc. As a result, the Authority could be considered low-risk in terms of underpayment of VAT to HMRC. The reviews undertaken by HMRC over the last few years resulted in no anomalies being identified. | February 2014 | 12 | <p>The only issues identified were as follows; The completion of a VAT manual was in progress at the time of the audit.</p> <p>The VAT section of the Financial Scheme for Schools information for schools requires review and update.</p> | Substantial Assurance | 10/02/2014 |
| Treasury Management | The approved activities of the Treasury Management function are stated in the Treasury Management Strategy 2013/14 and include; Cash flow forecasting, investing surplus funds, borrowing to finance cash deficits, management of debt and interest rate exposure management. | February 2014 | 10 | The response to the CRSA and follow up in selected areas demonstrated strengths and areas of good practice in all of the areas examined. The procedures and processes surrounding Treasury Management are supported by experienced staff who; adhere to the policies and procedures and there is clear evidence of a "cautious" approach to treasury management. No areas of concern | Substantial Assurance | Not Applicable |

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| | | | | were identified during the current audit. | | |
| Main Accounting | The key areas of responsibility of the Finance Department include all aspects of financial planning, monitoring and reporting for revenue and capital expenditure. Also production of the final accounts and submission of the Whole of Government Accounts. | February 2014 | 11 | The objective and scope of the review was achieved by the completion of a CRSA by the Finance Manager, to provide a means of identifying any areas of weakness which may benefit from further audit review; revisiting the area of budget monitoring following the introduction of the "Collaborative Planning module" which replaced the former XL Reporter system as the main tool for budget monitoring and reviewing the controls in place relating to budget re-modelling. No areas of concern were identified during the current audit. | Substantial Assurance | Not Applicable |
| Housing Benefits | Recent changes to the Housing Benefit scheme have been implemented following the Welfare Reform Act 2012, such as; <ul style="list-style-type: none"> The removal of the spare room subsidy, | November 2013 | 10 | The main strengths identified were that; the DHP scheme is well promoted in order to maximise take-up and the time taken to assess DHPs has improved throughout the financial year. | Reasonable Assurance | January 2014 |

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| | <ul style="list-style-type: none"> • The introduction of a benefit cap, and • The deduction in Local Housing Allowance. <p>These changes have impacted on the finances of many people claiming state benefits. Consequently the scope and profile of Discretionary Housing Payments has increased with a substantial increase in the amount of money the Government now contributes to Local Authorities.</p> | | | <p>The key issues identified were:-</p> <ul style="list-style-type: none"> • The notifications issued to DHP recipients should be amended to provide further clarification in certain areas; and • The process of “one-off” DHP awards should be properly documented and recorded, with relevant application forms received and notifications issued. | | |
| Volunteer Drivers 2 nd Follow Up | <p>The volunteer drivers system is in place primarily to provide transport to Children’s Services for journeys including contact visits. This service is also utilised to a lesser extent for other areas including: Day Care Management for Older People, Shared Lives, Community Support LDD and the Adult Community Health Team.</p> <p>The staff of the Volunteer Drivers section are responsible for receiving Transport requests from Social Workers, coordination of journeys,</p> | December 2013 | 5 | <p>The results of this review have already been reported to Audit Committee and were supported by the presence at Committee of the Manager. Improvements have been made and continue to be made. Internal Audit will undertake a follow-up review during 2014/15.</p> | Reasonable Assurance | |

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| | receipt and verification of mileage and expenses claims, annual driver review meetings, monitoring Disclosure and Barring Service disclosure certificates, vehicle insurance, MOTs and drivers licenses. | | | | | |
| Libraries Systems Control | <p>The Library & Information Service is not primarily a revenue raising service; however it does collect income from a variety of sources on behalf of a number of departments.</p> <p>Following completion of the Control Risk Self-Assessment questionnaires (CRSA) by each of the Principal members of Library staff across the Authority, four Libraries were selected for further examination; Aberkenfig, Bettws, Maesteg and Porthcawl.</p> | January 2014 | 16 | Overall it is clear that there has been significant improvement relating to the policies and procedures associated with access to public-use computers throughout the Libraries. However, the review did identify that there was a lack of Senior Management oversight of the income generated within the Library Service and the viability of the Petty Cash accounts currently utilised in four libraries should be considered. | Reasonable Assurance | February 2014 |
| Creditor Payments | The creditor payments process is a de-centralised function which is centrally administered by the Central Payments Team in the | March 2014 | 12 | In view of the assurance obtained following the last investigation of NFI data and the impact of the AP Forensics relating to Creditor | Substantial Assurance | April 2014 |

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| | Resources Directorate. The day to day administration includes monitoring of supplier creation, identification of potential duplicate payments, projects related to improvements in the payment system. | | | Payments, Management should consider whether future investigation of NFI Creditor Payment data is a good use of resources. Guidance should be obtained from an appropriate level. | | |
| Leisure Contract Compliance | On 1 st April 2012, BCBC commenced a 10 plus, 5 year contract with Greenwich Leisure Limited (GLL) and Halo who operate the contract for the provision of leisure services within the borough. This partnership is known as the Healthy Living Partnership Project. | March 2014 | 9 | The procedures and practices in place for the monitoring and control of the contract from both a financial and performance perspective were found to be comprehensive. However, there should be regular review and update of the risk register. | Substantial Assurance | March 2014 |