

2016/17 Completed Audits**Reported at the 30th June 2016 Audit Committee Meeting**

Report Title	System Overview	Department & Directorate	Work Finalised	Audit Days	Key Messages	Audit Opinion
Harbour Operations	<p>The objectives of the audit were to establish if the operating procedures for the Porthcawl Marina are robust and effective and whether there is a robust provision for ensuring the future upkeep of the Marina.</p> <p>The scope of the audit included;</p> <p>Examination of the Business Plan, and current business targets and how / if they are being achieved;</p> <p>Examination of any Grant Conditions applicable to the operation of the Marina.</p> <p>Identification / analysis of risk to the enterprise and how it is being managed.</p> <p>Examination of any relevant legislation as regards the Marina.</p> <p>Day to day management and recording practices of income generated, allocation of berths, etc.</p> <p>Governance arrangements.</p> <p>Interdepartmental arrangements.</p>	Wellbeing	March 16	21	<p>There are robust governance and reporting arrangements in place.</p> <p>The harbour is manned by trained staff with access to documented procedures for all areas of administration and operation.</p> <p>All moorings have been allocated providing maximum income.</p> <p>The following key issues were identified during the Audit which need to be addressed:</p> <p>Identified risks have not yet been quantified in order to assess whether they should be included on the Corporate Risk Register.</p> <p>The independent management checks currently performed at the harbour office do not include reconciliation between the income received by the harbour staff and the income recorded on the general ledger.</p>	Reasonable

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DBS	<p>The Council is committed to safeguarding the welfare of those accessing our services through the effective use of the Disclosure and Barring Service (DBS) and has a statutory duty of care towards vulnerable members of society. The requirement for a Disclosure and Barring Service (DBS) check relates to the nature of the duties being undertaken irrespective of the status of the contract. This audit focuses on positions that require a DBS check and the surrounding controls and procedures.</p> <p>The objective of the audit was to provide assurance that the controls implemented following the introduction of E Bulk remain in place.</p>	Resources - HR	April 16	28	<p>During the Audit a number of strengths and areas of good practice were identified as follows: Dummy dates no longer in use following 2014/15 significant recommendation (though a small number of residual ones remain on the system). No issues were identified with the Data Conversion process. Adequate process in place for New Starters to be registered on E-Bulk system.</p> <p>The following key issues were identified during the Audit which need to be addressed: Trent not being updated following DBS clearances. Escalations are not being chased up in a timely manner</p>	Reasonable
ARC	<p>Assisted Recovery in the Community (ARC) provides evidence based clinical interventions in line with NICE Guidelines for common mental health problems such as anxiety, depression and specific phobias in a primary care setting. This primary intervention is a prevention service</p>	Wellbeing Adult Social Care.	March 16	16	<p>During the Audit a number of strengths and areas of good practice were identified as follows: A section 33 Partnership Agreement has been set up with a pooled budget for the management of the service. Referral rates are documented</p>	Reasonable

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	<p>in order to delay or eliminate acceleration into secondary mental health care.</p> <p>The provision for ARC was set up in 2010, whereby collaboration between Bridgend County Borough Council and Abertawe Bro Morgannwg University Health Board was introduced. The Service incorporates certain Care Services to be provided through the Council's Health Related Care Functions and the Health Board's NHS Health Care Functions. In order to place reliance upon good governance and systems operated within this partnership; controls in operation were evaluated.</p> <p>The Scope of the Audit was to: Ensure existence of policies and procedures for Management of the Service. Review of the referral process. Development of plans and ongoing monitoring. Confirm effective day to day management of the Service including</p>				<p>with annual comparisons performed in order to verify service requirements. Correct financial contributions and reimbursements to the pooled budget could be traced.</p> <p>The following key issues were identified during the Audit which need to be addressed: The PMG meetings that should be held in accordance with the Section 33 agreement had not been held very regularly and were attended by all members. Evidence of budget monitoring reports could not always be provided. Some Governance arrangements as detailed in Schedule 5, Point 1 of the Section 33 Agreement could not be evidenced.</p>	

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	Budget Monitoring.					
Agency Staff in schools	<p>In 2008 the need for a tendering exercise for the recruitment of agency staff was identified. This process was initially led by Newport Council in collaboration with BCBC. The tendering process was further progressed by Cardiff Council on behalf of the Welsh Purchasing Consortium. The successful tenderer for education (school staff) was New Directions. The Welsh Purchasing Consortium notified BCBC that the 2015 tendering process resulted in no change to the supplier; New Directions retained the contract which was formally adopted by BCBC in August 2015.</p> <p>Discussions with members of the Procurement team confirmed that all schools had been notified of the 2015 tendering process by the Head of Strategy, Partnerships and Commissioning. This was followed by a clarification note from the BCBC Procurement Unit which provided an explanation as to why the tendering process had been</p>	Children Strategy, Partnerships and Commissioning	March 16	21	<p>During the Audit a number of strengths and areas of good practice were identified as follows:</p> <p>There is an approved provider contract in place for the provision of agency staff for schools.</p> <p>The Procurement Unit has been in contact with schools to promote the use of the approved provider.</p> <p>The following key issues were identified during the Audit which need to be addressed:</p> <p>Low use of the approved provider, New Directions and limited appetite to use them.</p> <p>No monitoring of spend / usage at a central level.</p> <p>The projected savings figure resulting from use of the approved contractor was provided by the approved contractor. There is a lack of supporting information to verify this projection.</p>	Limited

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	<p>undertaken and to inform that the appointed provider was the only one that had successfully completed the tendering process and satisfied all of the required criteria.</p> <p>Schools were also informed that the procurement process had complied with OJEU regulations in view of the overall value of the contract which is in the region of £1.6M per year.</p>					
Commissioning	<p>The objectives of the audit were to identify and evaluate the processes and procedures for commissioning services for domiciliary care and Residential care to ensure fairness, transparency, value for money and achieve Authority objectives.</p> <p>The scope of the audit included a strategic review of the commissioning practices against the Welsh Government Commissioning Guidance including:</p> <ul style="list-style-type: none"> • Current contract arrangements 	Wellbeing Adult Social Care	March 16	36	<p>Strengths and areas of good practice were identified as follows:</p> <p>New service agreements for Domiciliary Care and Residential/nursing Care are scheduled for April 2016. BCBC has robust quality monitoring and follow up processes in place for Domiciliary and Residential care providers. (See later comment relating to monitoring of the nursing care element by ABMU).</p> <p>The following key issues were</p>	Reasonable

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	<ul style="list-style-type: none"> • Review and monitoring of current contracts including quality of services, QA systems, etc. • Future Tendering arrangements • Compliance with the 13 standards set out in WG Guidance. • Fee setting methodology and processes applied in relation to care home settings. 				<p>identified during the Audit which need to be addressed: An issue was raised regarding the quality of the documentation provided to BCBC following the monitoring of the nursing care element of the Nursing care contracts by qualified members of ABMU. There is a lack of evidence of compliance with the 13 Commissioning Standards as per the 2010 Welsh Government publication; Commissioning Framework Guidance.</p>	
Debtors	<p>For the period July 2014 to June 2015 a total of 35,308 invoices were raised through the Sundry Debtors system, with a total value of £31,204,773.70. For this same period 1383 credit notes were raised, worth a total of £2,171,119.63. The Invoice, Credit Note, Aged Debt and Write Off reports and service areas were selected for</p>	Resources Taxation	April 16	18	<p>Strengths and areas of good practice were identified as follows: There was an adequate segregation of duties in the write off procedure. The Income Team is knowledgeable and experienced with each officer being responsible for a certain directorate ensuring</p>	Substantial

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	testing on the basis of the number and value of credit notes raised, the number of write offs raised and the value of aged debts.				that queries are dealt with and resolved efficiently. The following issues were identified during the Audit which need to be addressed: In one instance a write off had been performed on COA prior to the correct authorisation being obtained The Auditor found that the diaries weren't always fully utilised on COA, and reviews for PBI's were not being undertaken on a regular basis.	
Cash Control	An audit review of the Cash Control System was undertaken as part of the 2015/16 annual Internal Audit plan. The review primarily focussed around a control risk self-assessment, the response of which was scrutinised and limited testing carried out in selected areas, namely suspense accounts and unders / overs in banking.	Resources Finance	May 16	3	Based on an assessment of the strengths and weaknesses of the areas examined, it has been concluded that the effectiveness of the internal control environment is considered to be sound and therefore substantial assurance can be placed upon the management of risks. This overall opinion is supported by the identification	Substantial

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					of a well-controlled system where only one minor recommendation has been made where it is considered that the action required is Desirable.	
Street Scene Capital Programme	<p>The 2015/16 Capital Programme has £40.2 million to deliver capital schemes. £5.4 million is allocated to 21 Street Scene Schemes in the Communities Directorate. Projects identified in the Capital Programme are expected to follow the Council's Programme and Project Management methodology.</p> <p>The objective of the audit was to provide assurance that the Street Scene projects identified in the Council's Capital Programme 2015/16 are adhering to the Council's project management principles with effective governance; finance; risk management; controls in place.</p>	Communities, Highway Services	April 2016	14	<p>Strengths and areas of good practice were identified as follows:</p> <p>The Coychurch Crematorium project is anticipated to complete two weeks ahead of schedule and within its agreed budget.</p> <p>The following issues were identified during the Audit which need to be addressed:</p> <p>The three transportation projects are at risk of overrunning which could breach the terms and conditions of the Welsh Government agreement and result in the Council funding the remaining projects;</p> <p>There are no Project Initiation Documents in place to define the governance, tolerance</p>	Reasonable

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					controls and risk management processes; Risk Registers are being managed by the Engineering team and not the Project Manager which may result in insufficient accountability, monitoring and reporting of individual risks.	
Tranman & Triscan Systems	<p>Civica's Tranman is a fleet management tool used to provide fleet and asset management. BCBC utilise the Tranman system for tasks such as:</p> <ul style="list-style-type: none"> • Monitoring stock levels • Ordering parts • Ordering fuel • Maintaining information on the authority's vehicles/plant • Controlling internal/external hiring of vehicles/plant • Monitoring progress on vehicle <p>Triscan is a fuel management system used by BCBC to manage the fuel arriving and leaving each site along with access to withdraw fuel.</p>	Communities, Highway Services	May 2016	33	<p>Identified strengths include: The Triscan System provides a vast range of reporting mechanisms for the management of fuel, along with full and comprehensive audit logging across a whole range of functions carried out. Role-based information security within both Tranman and Triscan was strong when tested, meaning that users were not able to access information outside of their role.</p> <p>The following key issues were identified during the Audit: Password integrity constraints across both the Tranman and Triscan systems do not comply with the ICT password policy</p>	Reasonable

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					<p>recommendations. Testing showed that the fuel limits within Triscan do not in all cases stop fuel being withdrawn beyond a set limit.</p>	
Concessionary Travel	<p>The objective of the audit was to provide assurance that there are suitable controls in place for the administration of Concessionary Travel Pass scheme. The scope of the audit included: To review policies and procedures governing the scheme. Processes for dealing with applications, renewals / replacements and cancellations. Reimbursement / payments to suppliers. Compliance with any Grant Terms and Conditions. Inclusion of Concessionary Travel into the Tell us Once process.</p>	Communities Traffic and Transport	May 16	16	<p>Strengths and areas of good practice were identified as follows: Processing of applications is a swift and straight forward process. Invoices to suppliers are paid in a timely manner and correct costs are reclaimed from WG.</p> <p>The following key issue was identified during the Audit which need to be addressed: The information supplied from the National Fraud Initiative regarding data matches between the DWP deceased list and concessionary pass holders have not been investigated promptly, resulting in continued use of cards for periods of time after the card holder had been</p>	Reasonable

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					reported as deceased.	
Health & Safety	<p>The Corporate Health & Safety Unit moved from being under Human Resources (HR) to being part of Built Environment in Resources in 2014. When this move took place responsibility for Manual Handling training provision moved to the Wellbeing Directorate and Health Surveillance, through IMASS the Authority's Occupational Health provider remained the responsibility of HR. Since moving to Built Environment the CHSU have been undertaking a gap analysis to identify Health & Safety needs and risks across the Authority.</p> <p>The scope of the audit was: Health & Safety Policy, Procedures and Guidance notes, including how new or amended changes to legislation and best practice guidelines are</p>	Resources Built Environment	March 16	12	<p>Strengths and areas of good practice were identified as follows:</p> <p>There is a Corporate Health & Safety Steering Group in place which meets regularly. A Council wide gap analysis has been completed to identify key risks.</p> <p>All incidents sampled by the Auditor that required reporting to the Health and Safety Executive (HSE) had been.</p> <p>The following key issues were identified during the Audit which need to be addressed:</p> <p>The accident reporting process has no electronic option, relying on paper forms and the postal system leading to lengthy time delays.</p> <p>Key policies on Bridgenders have past their review date.</p>	Reasonable

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	<p>implemented. Identify the process for Incident & Accident reporting and investigation and ensure they are within the guidelines and any relevant legislation. Risk Assessments – review the criteria and frequency of inspections, how they are monitored, controlled and followed up.</p>					
Assessment Framework	<p>Social Services currently provide independent domiciliary care packages to approximately 600 clients through external care packages. These clients are referred to BCBC for an assessment of their needs, with a suitable care package agreed if required. These costs are then invoiced to the Council by the external providers and paid through COA Financials. The Scope of the Audit was: To inform future audit work, undertake background research to gain an understanding of the new assessment framework for</p>	Social Service & Wellbeing – Adult Social Care	March 16	12	<p>Strengths and areas of good practice were identified as follows: Finance are piloting a new batch payment process to speed up the payment process and make it more efficient. The Wellbeing part of the payment process has recently become more efficient with the introduction of batch headers, eliminating the need for the Group Manager to sign individual invoices. The following issues were identified during the Audit</p>	Reasonable

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	<p>older people and relevant objectives.</p> <p>Document the complete process from invoices being received from providers to the checking of the charge being made, recording and payment of the invoices.</p> <p>Identify how any service changes are communicated and that the agreed revised charges are correctly paid.</p> <p>Undertake testing on non-residential service invoices to identify whether the actual payments made agree to the assessment/care plan in place and the agreed price.</p> <p>Identify any reconciliation or budget monitoring undertaken.</p> <p>Ensure that the systems in place are efficient, effective and timely.</p>				<p>which need to be addressed: The invoices currently travel between Finance in one building and Wellbeing in another building and back again prior to being paid leading to delays.</p> <p>There is no system in place to ensure companies are only claiming the correct number of hours delivered within the care package.</p>	