Flintshire Internal Audit

Progress Report

January 2018

CYNGOR Sir y Fflint Flintshire COUNTY COUNCIL

Contents

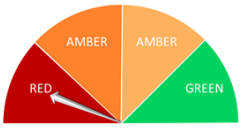
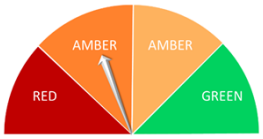
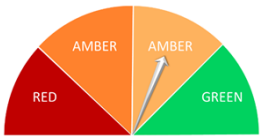
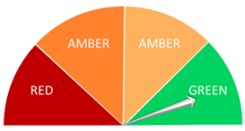
Final Reports Issued Since September 2017 Appendix A

The following reports and advisory work have been finalised since the last Audit Committee. Action plans are in place to address the weaknesses identified. For reviews which received **Red** assurance a summary of the findings and the Action Plan is attached in **Appendix C**.

Project Reference	Project Description	Audit Type	Level of Assurance	Actions		
				High	Med	Low
01-2017/18	Single Access Route to Housing (SARTH)	Risk Based	Red	2	6	5
14-2017/18	Pollution Control	Risk Based	Amber Red	0	5	5
07-2016/17	Youth Justice	Risk Based	Amber Green	0	3	5
21-2016/17	Procurement	Risk Based	Amber Green	0	7	0
16-2016/17	Corporate Safeguarding	Risk Based	Amber Green	0	3	5
AC10-2017/18	ITU Complaints	Advisory & Consultancy	No opinion	-	-	-
AC 07-201718	Solar Farm	Advisory & Consultancy	No opinion	-	-	-
AC 09-2017/18	Estuary Crafts	Investigation	No opinion	-	-	-
AC 13-2017/18	Method Calculations for Budget Forecasts	Advisory & Consultancy	No opinion	-	-	-

Levels of Assurance – Standard Audit Reports Appendix B

The audit opinion is the level of assurance that Internal Audit can give to management and all other stakeholders on the adequacy and effectiveness of controls within the area audited. It is assessed following the completion of the audit and is based on the findings from the audit. Progress on the implementation of agreed actions will be monitored. Findings from **Red** assurance audits will be reported to the Audit Committee.

Level of Assurance	Explanation
Red – Limited 	**Urgent system revision required (one or more of the following)** • Key controls are absent or rarely applied • Evidence of (or the potential for) significant financial / other losses • Key management information does not exist • System / process objectives are not being met, or are being met at a significant and unnecessary cost or use of resources. Conclusion: a lack of adequate or effective controls.
	Follow Up Audit - <30% of actions have been implemented. Unsatisfactory progress has been made on the implementation of high priority actions.
Amber Red – Some 	**Significant improvement in control environment required (one or more of the following)** • Key controls exist but fail to address all risks identified and / or are not applied consistently and effectively • Evidence of (or the potential for) financial / other loss • Key management information exists but is unreliable • System / process objectives are not being met, or are being met at an unnecessary cost or use of resources. Conclusion: key controls are generally inadequate or ineffective.
	Follow Up Audits - 30-50% of actions have been implemented. Any outstanding high priority actions are in the process of being implemented.
Amber Green – Reasonable 	**Key Controls in place but some fine tuning required (one or more of the following)** • Key controls exist but there are weaknesses and / or inconsistencies in application though no evidence of any significant impact • Some refinement or addition of controls would enhance the control environment • Key objectives could be better achieved with some relatively minor adjustments Conclusion: key controls generally operating effectively.
	Follow Up Audit: 51-75% of actions have been implemented. All high priority actions have been implemented.
Green – Substantial 	**Strong controls in place (all or most of the following)** • Key controls exist and are applied consistently and effectively • Objectives achieved in a pragmatic and cost effective manner • Compliance with relevant regulations and procedures • Assets safeguarded • Information reliable Conclusion: key controls have been adequately designed and are operating effectively to deliver the key objectives of the system, process, function or service.
	Follow Up Audit: 75%+ of actions have been implemented. All high priority actions have been implemented.

Categorisation of Actions	Actions are prioritised as High, Medium or Low to reflect our assessment of risk associated with the control weaknesses
Value for Money	The definition of Internal Audit within the Audit Charter includes 'It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper economic, efficient and effective use of resources.' These value for money findings and recommendations are included within audit reports.

Limited Assurance Report – Issued since November 2017 Appendix C

Single Access Route to Housing (SARTH)

Background

An audit of Single Access Route to Housing (SARTH) was undertaken as part of the approved Internal Audit Annual Plan for 2017/18.

The Council plays a role in ensuring Social Housing is an effective housing option for individuals on low incomes, or those who are unable to rent or buy privately. The Common Housing Allocations Policy is in place and has been adopted by the major social landlords operating in Conwy, Denbighshire and Flintshire. Each council in the partnership has agreed to allocate social housing properties in their area according to the Common Housing Allocation Policy. The Council must ensure that the allocation policy is fair and procedures to support the application of the policy are comprehensive. This ensures the consistent treatment of all social housing applicants.

The Common Housing Allocation Policy review has now been completed and the final draft version is currently being reviewed by all SARTH partners. Our review considered the proposed new policy revision, along with a detailed review document and concluded the process followed to be thorough and comprehensive. Changes in legislation since the implementation of the policy in April 2015 as well as negative impacts of changes to policy were also considered as part of the exercise. It is important to note that while changes to eligibility and priority for social housing were considered, no significant changes to the policy were agreed and eligibility for SARTH remains as written in the original policy.

We have been advised that since the last review, there has been a significant increase in demand from the service and this coupled with resource challenges has resulted in the control deficiencies identified in the review. These primarily relate to insufficient controls relating to management and appropriate allocation of properties within the housing register such as the timescale to add an individual onto the housing register, management of allocation overrides and periodic reviews. The service should also investigate system developments to assist with the automation of certain processes and remove the risks associated with manual processing. This will also assist with the delivery of the services within the defined service level agreements (SLA's).

Additionally, it has been agreed that to assist with the resource challenges facing the department, a pilot will take place in which the Housing Solutions Contact Centre and the Housing Repairs contact centre will be amalgamated to create one team. Training will be provided to the new team on all housing options and eligibility for SARTH which will reduce the levels of duplication where the Housing Register Coordinator has to make contact with applicants again to request further information. Further work is underway to enable integration of the triage information direct into the housing system to assist with the release of the housing register coordinator to facilitate application reviews rather than data entry. This will create efficiencies in the ways of working and streamline the current process.

It is important to note that some of the issues identified in the review were identified in previous reviews and had not been fully rectified. However since the fieldwork has been completed, the service has been very receptive to mitigating the risks identified through the review. The high risk action relating to the application category date has been promptly agreed and implemented. Evidence of this has been provided to internal audit for review and it has been deemed adequate.

Overall Conclusion:

Whilst the review confirmed that the process followed for the common Housing Allocations Policy review was thorough and comprehensive, taking into consideration any negative impacts of changes to policy and banding guidance was available and evidenced to substantiate applicants banding had been correctly allocated, there were inadequate or ineffective controls in place within the service which has resulted in a 'red' / limited assurance opinion being given. The impact of this assurance opinion requires urgent service revision to address the issues.

Following the audit, good progress has been made to address the audit findings by the Chief Officer (Community & Enterprise) and key officers and 7 out of the 13 actions have now been implemented. This includes both high priority actions identified. Work undertaken to date includes:

- An exception report is now run weekly to assist with the identification of inconsistencies between the application date and the category allocation date.
- A monthly override report is produced for all applicants who have been bypassed for a property. Checks are undertaken to ensure the reason for the override is adequate and the override code utilised is correct and evidenced.
- The procedure for appeals has now been included in the policy and details the timescales for dealing with and resolving appeals. Additionally to this the Housing Register is recording all appeals and outcomes to ensure that appeals are dealt with in timescales given and also to enable improvements to the process through monitoring of lessons learnt.
- All offers are supported by a written letter and scanned on to application system.
- Quality Assurance sampling methodology has been agreed and implemented – 50% of allocations per New Customer Housing team. Any concerns found are raised immediately with the relevant officer and on-going review at monthly staff 1:1's to monitor. Quality assurance to be included in Housing Services performance suite as a KPI.
- New Customer Team members' system profile has been changed to prevent them from making any changes to an application which could impact an individual's position on the housing allocation list.
- All relevant staff have now been issued with the Anti-Fraud and Corruption Policy along with the Fraud Response Plan.

The Chief Officer, Community & Enterprise, will provide a full verbal update to Audit Committee and it has been agree that as part of the Strategic Audit Plan for 2018/19 a follow up review will be undertaken of SARTH.

Single Access Route to Housing (SARTH) : Action Plan

No.	Findings and Implications	Agreed Action	Who	When	Current Status
1 (R)	Errors have been identified relating to the application date and category allocation date within the Capita system. This poses a risk that the applicant's position within the short-list is not accurate.	An exception report to be run weekly to assist with the identification of inconsistencies between the application date and the category allocation date. Review the possibility of electronic transferring application data from CRM to Housing V0.12. In the event this will not be possible, a quality assurance process will be introduced to ensure adherence to documented policy and processes. URN 01980	Connects Manager	Implemented in August 2017	Implemented
2 (R)	There is not enough evidence to support the allocation overrides on the capita system. Although each allocation agent is required to apply an override code, the sample reviewed identified incorrect override codes were being utilised and insufficient documentation was available to support the override. This poses a risk that in the event of an inquiry from the ombudsman, the Council is unable to support its reasons why an applicant has been overridden for a property. Additionally, there is no formal review of housing allocation overrides by management to identify overall volumes, process improvements or training requirements.	An override report to be run monthly on all applicants who have been bypassed for a property and a sample check to be conducted to ensure the reason for the override is adequate and the override code utilised is correct and evidenced. Any issues identified through review to be fed-back and application errors rectified. URN 01975	Housing Manager	30/12/2017	Implemented
3 (A)	The appeal procedure does not detail the time frames set out for dealing and resolving appeals. Additionally, there is no	A revision of the appeal procedure is scheduled to be conducted in line with the Housing Allocations policy review and will include a	Connects Manager	30/12/2017	Implemented

No.	Findings and Implications	Agreed Action	Who	When	Current Status
	reporting on the volume, reasons and outcomes of appeals to identify process improvements or training opportunities.	process to be followed by applicant to appeal, service level agreements to deal with the appeal, and reporting to be introduced to identify volumes of appeals, outcomes and trends. URN 01993			
4 (A)	Band 1 applications are not always being pre-checked as required by the SARTH procedures. Completion of the verification form and landlord references are a key control to demonstrating the highest priority banding has been correctly assigned.	Pre-tenancy assessment and landlord references to be completed for all Band 1 applications as required by SARTH and evidence retained within the Capita system for audit purposes. A procedure to be defined to advise what action should be taken in the event of non-receipt of landlord references. URN 01992	Housing Manager	29/06/2018	Live Action
5 (A)	Allocation offer letters are not always available to support the offer of properties to applicants. This poses a risk that individuals may contest their application being cancelled due to two unreasonable refusals.	Allocation offer letters will be retained within the housing system Capita for audit trail purposes. URN 01997	Housing Manager	29/06/2018	Implemented
6 (A)	Periodic reviews of applicants' details and personal circumstances are not being conducted in line with agreed timescales. This poses a risk that applicant information and circumstances are not up to date to reflect their priority on the housing allocation list and to comply with the Data Protection act 1998. The Connects Manager has advised they are currently behind on their periodic reviews as they have had some resource challenges and seen an increase in the demand for the service. As such, she has prioritised activities to be completed by the team based on impact to	Management information will also be developed to understand the value added with current process such as return rates, percentage of applicants who had changes in circumstances, etc. As there are various points of interaction with applicants throughout the allocation lifecycle, it would be beneficial to develop additional codes which would reflect which customer we have spoken with and updated details. This would allow for the focus of the periodic reviews to be for those customers with whom we have not had any contact with. Additionally the service will explore whether an	Connects Manager	30/03/2018	Live Action

No.	Findings and Implications	Agreed Action	Who	When	Current Status
	applicant and risk to service.	automatic suspension and cancellation of the application due to non-contact with the applicant is feasible. This would remove the administration of the process being completed by the Housing Register Coordinator. URN 02002			
7 (A)	Management oversight of the housing allocations process is not adequate. A quality assurance process has been recently introduced but the methodology for the review has not been defined and agreed.	A risk based quality assurance process will be devised and documented to include: • sampling methodology • number of reviews to be completed per new housing allocations officer • timescales for review and feedback • reporting on issues identified/trend analysis URN 01976	Housing Manager	29/12/2017	Implemented
8 (A)	Both the Housing Solutions Team, who assign a band to the housing applicant, as well as the new customer team members have the facility to make changes to an application which could impact an individual's position on the housing allocation list. This poses a risk that data may be intentionally manipulated to expedite certain individuals within the housing allocation list. This issue was raised in the last review.	Management to consider best approach to ensure separation of duties. Potential use of RSL portal for new housing allocation team. URN 02003	Business Systems Support Officer	30/12/2017	Implemented
9 (G)	Staff are unaware of the Anti-Fraud and Corruption Policy as well as the Fraud Response plan. This poses a risk that in the event of fraud, they are unaware of what action should be taken.	Anti-Fraud and Corruption Policy as well as the Fraud Response Plan to be covered with staff during team meetings. Minutes of meeting and attendance records to be retained as evidence. URN 01957	Connects Manager	29/12/2017	Implemented
10 (G)	Timescales for the cancellation of applications due to non-receipt of evidence	Controls relating to SLA adherence require enhancement. Investigate system developments	Connects Manager	29/06/2018	Live Action

No.	Findings and Implications	Agreed Action	Who	When	Current Status
	are not always adhered to. Testing identified a number of occasions where the 28 day SLA's had not been adhered to.	through the utilisation of new system codes to assist with the automation of cancellations due to non-receipt of evidence. KPIs to be set to measure adherence to process. URN 01995			
11 (G)	There is currently no definition of the terms 'Unreasonable Refusal' or 'Withdrawn' to assist Housing officers with the consistent application of the process. This poses a risk that there is a lack of consistency on how individuals on the housing list are treated.	Guidance to be drafted to assist Housing Officers in the application of 'Unreasonable Refusal' and 'Withdrawn' when allocating a property. URN 01996	Connects Manager	29/06/2018	Live Action
12 (G)	A procedure is currently not in place to assist the Housing Officers with the allocation of Direct Lets properties.	A procedure to be drafted to provide guidance on the allocation of Direct Lets properties. Evidence to be retained in Housing V.12 for audit purposes. URN 02005	Housing Manager	29/06/2018	Live Action
13 (G)	A user can have an unlimited number of attempts to log into the RSL portal without the account being locked. There is also a requirement for password changes every 30 days. Both these issues are not in line with the National Cyber Security Centre Password Guidance.	The following changes will be implemented in order to adopt the government recommended password policy: 1. Implement complex passwords for all open housing users; 2. Implement complex passwords for the RSL portal; 3. Change open Housing password renewal from 30 days to never; and 4. Amend RSL portal password attempt policy from 'unlimited'. URN 01959	IT Business Partner	30/11/2018	Live Action

Action Tracking – Portfolio Performance Statistics

Appendix D

Portfolio	January 2018 Stats				Live Actions - As at January 2018			Actions beyond Original due date	
	Number of Actions Raised Since January 2016	Actions Implemented since 04.01.2016 *(including Actions No Longer Valid)*	% of Actions Cleared To Date	Number of Audits Since January 2016	Live Actions	Actions Beyond Due Date *(excludes Actions with a revised due date)*	Actions with a Revised Due Date	Actions between 6 & 12 months	Actions Greater than 12 Months (13+)
						See Appendix E		***See Appendix F***	
Corporate	33	28	**84%**	15	5	0	**3**	**0**	**0**
Community & Enterprise	76	66		11	10	0	**3**	**1**	**0**
Education & Youth	54	38		18	16	0	**3**	**0**	**0**
Governance	78	60		20	15	0	**8**	**2**	**6**
Organisational Change 1	20	19		4	1	0	**0**	**0**	**0**
Organisational Change 2	35	33		7	2	0	**2**	**1**	**1**
People & Resources	114	107		32	8	0	**5**	**1**	**0**
Planning & Environment	28	16		6	12	0	**12**	**3**	**6**
Social Services	85	71		14	14	0	**4**	**1**	**0**
Streetscene & Transportation	75	67		10	9	0	**6**	**1**	**0**
External	22	17		7	4	0	**1**	**0**	**0**
Individual Schools	72	59		22	13	0	**11**	**0**	**0**
Total	**692**	**581**		**166**	**110**	**0**	**58**	**10**	**13**

Actions with a Revised Due Date Six Months Beyond Original Due Date

Appendix E

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
Community & Enterprise	1616	Housing Allocations 15/16 : Procedures	Medium (Amber)	31/03/2017	30/06/2018	Policy review was completed and agreed by SARTH Regional Steering Group in September 2017. Final draft of policy document is now with partners to agree prior to publication. The SARTH Regional Operational Group have now commenced work on revision of the procedures and this work is aimed to be completed in June 2018.	Working practices have been amended and restrictions placed on the OT system to limit risks and case file reviews are carried out.
Governance	174	CPRs : Declaration of Interests	Medium (Amber)	31/03/2016	31/03/2018	Progress with developing an electronic register has been slowed by capacity within IT development services. Chief Officers are already under an obligation to maintain a register for declarations of interest. The Deputy Monitoring Officer has prepared a process and guidance so that the process can be reinforced and made consistent. Training will be provide via DMTs over the next 3 months	Any declarations are to be reported to line management until IT solution is finalised.

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
Governance	271	Main Accounting - AP & P2P: There is a high amount of retrospective ordering on the P2P system which is contrary to FPR.	High (Red)	30/09/2016	31/01/2018	Implementation of the deferred No PO No Pay Policy is part of a wider strategic programme of improvement which now includes the additional projects such the Accelerated Payment Facility business case development. The business case development is in progress and the actions to improve upfront Purchase Order compliance has been discussed with an action plan developed. It's anticipated that the action plan will be implemented over the next 3 months.	A number of CPR training workshops to officers have been held over the last 6 months to highlight the need for creating upfront Purchase Orders. The Corporate Procurement Team is still engaging with individual service areas on an ongoing basis to increase upfront Purchase Order compliance and further meetings / workshops have been arranged with service areas to support them to comply with the need for upfront P2P purchase orders.
Governance	284	Main Accounting - AP & P2P 15/16: Not enough expenditure codes are under category managers.	Low (Green)	29/02/2016	28/02/2018	All P2P Purchase Orders over £25,000 for all categories of spend will be routed to a named individual category manager for review and approval prior to budget holder approval. The Category Managers will review the PO's to ensure the following: • Signed contracts are in place • OJEU and CPR compliance • Adherence to corporate purchasing agreements	The Category Business Partners have been engaging with their respective service area officers to promote the need for Contract Procedure Rules compliance. Additionally a new Commissioning form has been developed, which requires Corporate Procurement Service sign off and feedback before any market competition can be undertaken by the service area for all projects above £25k.

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						The service areas will need to take into consideration the additional P2P approval process that will be put in place and ensure they allow sufficient time and planning for PO's to be approved and sent out to suppliers. A discussion has been held also with Financial Systems team who will be tasked to configure the classification codes changes within the PROACTIS Purchase to Pay System. The spreadsheet file of all configuration changes will be handed to Financial Systems Team before end of January 2018 and a revised date of end of February 2018 for then changes to be incorporated by Financial Systems Team onto the system.	
Governance	1406	Data Protection - 15/16: Subject access requests are not identified correctly by Staff who may receive them. If they are not properly	Medium (Amber)	31/03/2017	30/03/2018	This forms part of the wider Information System which is being developed. We have started with FOI as there are higher risks in this area.	The revised ICO Subject Access Code of Practice has been reviewed and re-iterated to members of the Data Protection Team.

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
		identified then they may not be processed correctly or in accordance with the guidelines.					
Governance	1414	Data Protection - 15/16: SAR are not processed in accordance with the guidelines.	Medium (Amber)	31/03/2017	30/03/2018	The Information System forms part of a wider project. The project has started with FOI as there are higher risk issues in this area.	This was also discussed at the GDPR Project Board, whilst we are waiting on the new system we have a spreadsheet to record the requests and we have issued further communication to staff on how to recognise as SAR and what to do with it.
Governance	1516	PCIDSS: The Council may fail to meet the PCI DSS if the self-assessment questionnaire is not completed.	High (Red)	31/12/2016	31/08/2018	PCIDSS Accredited External Assessors have been appointed to conduct an initial review of systems and architecture leading to the identification of processes which are likely to already meet the requirements of PCIDSS and those processes where there is scope to improve. The external assessment is due to take place on-site from 2/10/17 to 04/10/17. Following the review the SAQ will be completed and based on the findings of the external risk	A PCIDSS review was undertaken by a specialist QSA provider, ECSC, on 4th October 2017. The review has identified areas of compliance and areas of risk. Overall, the Council is deemed to be 50% compliance with PCIDSS The findings of the report are now being considered by the Project Group and Chief Officer to identify what measures are required to increase compliance but this will undoubtedly require substantial investments in IT to achieve 100% compliance

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						assessment.	
Governance	1523	PCIDSS: Staff do not have the most recent or up to date information available to them.	Low (Green)	31/12/2016	31/03/2018	Work is ongoing to update and re-issue guidance and procedures for the workforce responsible for taking payments. This guidance will be issued by 31st March 2018. The findings of the external PCIDSS audit are currently still being considered and two payment channels are already fully PCIDSS compliant (web payments and ATP payments - automated telephone payments). Relevant SAQ'S are being drafted for these payment channels. New technologies and investments are being assessed to establish whether full compliance can be realistically achieved within budget provision through the development of a mid call solution. Alternatively, through service planning and a strategic move away from telephone payments and channel shift towards to web payments or ATP payments, we need to determine whether	In the meantime guidance will be updated and re-circulated to the workforce responsible for taking payments.

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						residual risks would warrant the major investments to achieve full compliance.	
Governance	1572	PCIDSS: Non-compliance with PCI DSS or DP Act.	High (Red)	31/12/2016	31/03/2018	PCIDSS Accredited External Assessors have been appointed to conduct an initial review of systems and architecture leading to the identification of processes which are likely to already meet the requirements of PCIDSS and those processes where there is scope to improve. The external assessment is due to take place on-site from 2/10/17 to 04/10/17. Following the review the SAQ will be completed and based on the findings of the external risk assessment.	A PCIDSS review was undertaken by a specialist QSA provider, ECSC, on 4th October 2017. The review has identified areas of compliance and areas of risk. Overall, the Council is deemed to be 50% compliance with PCIDSS The findings of the report are now being considered by the Project Group and Chief Officer to identify what measures are required to increase compliance but this will undoubtedly require substantial investments in IT to achieve 100% compliance
Organisational Change 2	333	CCTV – Draft CCTV Policy	Medium (Amber)	30/07/2016	28/02/2018	Work regarding policy still in progress and being revised to reflect wider system uses throughout the Council. Trade Union colleagues have suggested that there needs to be clarification around CCTV system used in FCC vehicles.	A separate document which does not deal exclusively with public realm CCTV systems is being developed to clarify the position with vehicle based system which are in the main deployed on our waste collection vehicles. In reality these systems are used as enhanced health and safety

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
							features in such vehicles.
Organisational Change 2	1606	Community Asset Transfers 2016/17: The CAT process does not document risk pertaining to fraud.	Low (Green)	30/06/2017	31/01/2018	Reviewing with Finance how this may best be incorporated within the CAT document to reflect the action.	As part of the CAT process we do undertake a review of the groups business plans and these are independently assessed by FLVC as part of the review process. As these are community organisations who in the main are already occupying these facilities the risk is considered low. In addition the asset isn't transferred as a freehold interest but remains with the Council the asset being leased back to the community organisation on a 27 year lease. In addition to this an annual review of community benefit derived from the use of the asset by the group is also undertaken and through these discussions further assessment of their financial position is considered.
People & Resources	1925	Compulsory and Voluntary Redundancies 2016/17: The Workforce Consultation and Voluntary Redundancy Databases are not	Medium (Amber)	31/07/2016	31/03/2018	• Instruction issued to all database users to ensure that fields are populated. HRBPs instructed by way of email on 19/05/2017 to comply with the following, pending an alternative DB being agreed/implemented:	HRBA team ensure all relevant fields are completed fully. Discussions ongoing with IT colleagues about finding an alternative solution prior to switch off of Lotus Notes.

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
		fit for purpose.				• For compulsory redundancies, Chief Officer approval should always be obtained and evidenced on the Workforce Consultation Database or equivalent. • For all future compulsory redundancies the relevant database should be appropriately completed to demonstrate that all appropriate actions have taken place to explore all other options prior to gaining consent to release via compulsory redundancy. • A copy of ICM notes should be placed on the individuals file (EDM). 5. For all future voluntary redundancies the relevant database should be appropriately completed with detailed rationales being given prior to forwarding to the VR panel for consideration (including date of VR panel and sign off from chair of panel). • Break-even spreadsheets to be completed in all cases	

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						(finance to ensure that figures are accurate, include up to date on-costs and that costs associated with any additional posts required to facilitate release are incorporated).	
Planning & Environment	285	Section 106 - 15/16 : Update of LPGN 22	Medium (Amber)	31/07/2016	30/06/2018	LPG 22, as overarching guidance, can only be updated once all individual LPGs have been updated, and there is still work to be done to update LPG13 (see below). As each individual LPG is up to date (except LPG 13) each can be applied to the consideration of planning applications and any developer obligations that arise. The risk in not updating LPG 22 is therefore very low and can be managed in due course once individual LPGs are updated. This must therefore be a 'green' in terms of risk status.	The, risk of non-implementation of this audit recommendation is mitigated by the existence of the LPGN's which sit below LPGN 22, each of which operate in their own right.
Planning & Environment	311	Section 106 : Strategic decision around the adoption of open	Medium (Amber)	31/03/2017	31/03/2018	Previous officer with experience of LPG 13 will return to work 15/01/2018after long term sickness, and will work on the	New officer assigned to the work. Review of work done to date and evidence provided or outstanding underway.

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
		space provision				update of LPG 13 as a priority.	
Planning & Environment	313	Section 106 - 15/16 : Play equipment specification	Medium (Amber)	31/07/2016	31/03/2018	Specification is still awaited from Leisure and will be included as part of updating LPG 13 (see below). Revised due date set was unrealistic and unachievable given circumstances reported below for LPG 13 update.	Update following S106 Working Group Mtg 20.9.17: This will be picked up as part of the update of LPGN 13, and the wider review of the adoption of open spaces. Initially this will be progressed through discussion between Andy Farrow, Andy Roberts, Ian Bancroft and Alan Roberts. Due to the timescales involved in the adoption of an updated LPGN the due date has been revised to 31.12.17.
Planning & Environment	314	Section 106 : Use of Management Companies for maintenance of public open spaces	Low (Green)	31/07/2016	31/03/2018	Will be considered as part of updating LPG 13 (see below). Revised due date set was unrealistic and unachievable given circumstances reported below for LPG 13 update. Given the extent to which we can't prevent developers proposing a management company this is a low risk.	We can't refuse developers who want to use management companies for the maintenance of public open spaces. The updated LPGN will include options to make these management companies more 'secure' for residents and more 'palatable' for members considering the planning applications, but will not seek to prevent the use of Management Companies. In advance of the implementation of the new planning guidance the risk will continue to be managed through existing process.

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
Planning & Environment	315	Section 106 - 15/16 : Open Space requirements, trigger points / staging of payments	Low (Green)	31/07/2016	31/03/2018	Will be considered as part of updating LPG 13 (see below). Revised due date set was unrealistic and unachievable given circumstances reported below for LPG 13 update.	This was a green finding so the risk is considered to be low, and will continue to be managed through existing process.
Planning & Environment	320	Section 106 : Monitoring reports	Low (Green)	30/06/2016	30/06/2018	Now part of wider review of Development Management back office system and potential procurement of IDOX system to replace current Civica system. Capital bid submitted December 2017 and if successful procurement in Spring 2018.	The in house monitoring system (S106 spreadsheet) is still maintained pending further consideration by the cross portfolio working group around process and flow of information.
Planning & Environment	1435	Section 106: Update of LPGN 13	Medium (Amber)	30/06/2016	08/05/2018	Due to unforeseen circumstances the working group have not been able to meet since September to progress the longer term strategic approach which had been informally mapped out in the September 20th 2017 meeting.	LPGN 13 remains in place, whilst it is acknowledged that some update is required, and work is ongoing to address this, the existence of the current Planning Guidance ensures that risks are managed in the meantime.
Planning & Environment	1580	Greenfield Valley: Credit Card Payments	Low (Green)	31/03/2017	31/03/2018	The revised due date has been included to allow the service time to put a final policy document in place following	The Interim Policy referred to below is still in place. The intention is that the interim policy will be revised once the

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						the update above.	new Trustees have been appointed and the Board is complete (appointments of 4 x new Trustees expected by the end of Nov 17). It is anticipated that the Trustees will need a period of time before they commence review of all policies and procedures, as such the due date has been changed to 31.3.18.
Planning & Environment	1887	Planning Enforcement 2016-17 - Evidence produced for Wales Government is not retained.	Low (Green)	31/07/2017	04/05/2018	In July the Planning Officer society have announced, working with Welsh Government that they are revising the enforcement performance indicators. Council's had until 6/9/17 to comment and we now await further instruction regarding the revised indicators. The draft indicators try to pursue where positive action has been taken rather than when things are resolved to try and reflect the protracted period time which may result from a prosecution. The trained super-users at Flintshire are currently preparing reports to extract the necessary data in readiness for new demands. However, these	In the interim officers are focused on the correct input of data, closing cases down in a timely manner and using the newly created status drop-down to provide a status position on the cases which would help performance reporting and case management.

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						reports are often damaged when Flare upgrade the software and have to be rebuilt. Planning software systems absorb such indicators requirements as part of the process as does Flare in England but as we are the only Welsh authority using Flare they will not prioritise supporting us.	
Social Services	1608	Flying Start Childcare Placements 2015/16: Childcare settings are not procured in accordance with the Council's Contractual Procedure Rule	Medium (Amber)	30/06/2017	30/03/2018	A joint procurement exercise will be undertaken with Denbighshire FS. This process has begun. However, the advice from procurement is that it cannot be undertaken until late Dec - early March.	With this in mind we will continue to work with current providers (as has been the case for past 10 years) and undertake the Procurement exercise ready for April 2018, in line with FS Grant. The Grant indicative figure should be known about Feb 2018.
Streetscene & Transportation	1739	HNA 16/17: Network reclassifications	Medium (Amber)	24/05/2017	31/03/2018	CIPFA have made a decision not to implement the HNA Code of Practice, as such this Action is not required to ensure the accuracy of the HNA valuation, however a decision has been made that this recommendation will be implemented as a point of good practice.	The due date has been revised as we are no longer working to a financial deadline, and there is no longer scope to divert resources to ensure compliance with the Code of Practice.

Investigation Update Appendix F

Ref	Date Referred	Investigation Details
1.	**New Referrals**	
1.1	20/12/2017	Monies were reported as missing from a café run by the Learning Disabilities Service, the matter was reported to the Police who decided not to investigate. An internal investigation is ongoing.

2.	**Reported to Previous Committees and still being Investigated**	
2.1	05/01/2017	A whistleblow was received concerning Flintshire's use of a framework agreement. The referral concerns the terms of the agreement. The investigation is ongoing.
2.2	11/05/2017	An anonymous whistleblow was received concerning procurement practices in one of the Portfolios. The investigation work is ongoing.
2.3	18/05/2016	A referral was received concerning the use of monies on a grant funded scheme. The internal investigation has been concluded and a report has been issued. This is now the subject of an ongoing Police investigation.
2.4	30/10/2017	A referral has been received concerning potential misuse of a grant scheme by a former member of staff. The issue is under investigation within the department.

3.	**Investigation has been Completed**	
3.1	05/07/2017	A referral was received alleging that a member of staff had used a Council contractor for private work. The implication being it could be a conflict of interest. In accordance with the disciplinary process a full investigation has been undertaken and concluded.
3.2	17/08/2017	A referral was received alleging unfair treatment and irregularity in the awarding of transport contracts. The investigation has been completed and there was no evidence found to support the allegation.
3.3	13/09/2017	A complaint was received concerning practices followed for the award of transport contracts, a full investigation was carried out and allegations made in the complaint were unfounded, feedback has been provided to the complainant.
3.4	14/09/2017	Monies were reported as missing which belonged to both service users and staff. The matter has been reported to the Police and a review has been carried out of control issues relating to the incident. A report has been issued to the service to enhance controls in the service.

Internal Audit Performance Indicators Appendix G

Performance Measure	Qtr 1 17/18	Qtr 2 17/18	Qtr 3 17/18	Qtr 4 17/18 (as at 11/1)	Target	RAG Rating	
Audits completed within planned time	71%	60%	88%	88%	80%	G	⬇
Average number of days from end of fieldwork to debrief meeting	17	15	11	12	20	G	⬇
Average number of days from debrief meeting to the issue of draft report	5	14	2	2	5*	G	➡
Days for departments to return draft reports	10	11	7	5	7*	G	⬆
Average number of days from response to issue of final report	1	2	2	3	2	A	⬇
Total days from end of fieldwork to issue of final report	39	34	27	29	34	G	⬇
Productive audit days	79%	74%	82%	73%	75%	A	⬇
Client questionnaires responses as satisfied	100%	100%	100%	100%	95%	G	➡
Return of Client Satisfaction Questionnaires	66%	75%	75%	50%	80%	R	⬇

Key					
R	Target Not Achieved	A	Within 20% of Target	G	Target Achieved
⬆	Improving Trend	➡	No Change	⬇	Worsening Trend

* Changes to Performance Indicators

Following a review of the Internal Audit PI's at the end of the financial year, two target PI's have been changed to accurately reflect the time taken to complete key aspects of the audit process. There are:

PI : Average number of days from debrief meeting to the issue of draft report.

This target has been increased from 3 working days to 5 working days. This is to take into account the part time working arrangements in place within the Internal Audit Service

PI : Days for departments to return draft reports

This target has been increased from 3 working days to 7 working days. This increase in target is more a reflection of the detailed work undertaken and greater stakeholder involvement and should not be seen negatively.

Internal Audit Operational Plan 2016/17 (Carry forward Audits) Appendix H

This appendix only provides an update on those reviews finalised, those reviews currently in progress and any changes made to the plan since the last Audit Committee meeting in November 2017.

Audit	Audit Type	IA Priority Rating	Original Plan Days	Revised Plan Days	Actual Days	Status
Corporate						
Safeguarding (including schools)	Risk Based	A	20	20	18	Final
Education and Youth						
Youth Justice	System Based	A	15	15	15	Final
Governance						
Procurement	Risk Based	A	30	30	50	Final
Organisational Change 2						
Corporate Asset Strategy	Risk Based	A	15	15	22	Final

Internal Audit Operational Plan 2017/18

Appendix I

Audit	Internal Audit Priority Rating	Status of Work	Proposed Quarter	Supporting Narrative
Corporate				
Income from Fees and Charges / Efficiency Savings	H		4	
Use of Consultants	Advice & Consultancy	Final	3	
Corporate Safeguarding	Advice & Consultancy	Ongoing	Ongoing	New to Plan – IAM a member of the Corporate Safeguarding Board
Corporate Governance	Annual	Ongoing	Ongoing	Member of the Corporate Governance Working Group
Community & Enterprise				
Single Access Route to Housing (SARTH)	H	Final	1	
Strategic Housing and Regeneration Project (SHARP)	H	In Progress	2	
Welsh Housing Quality Standard	H	In Progress	2	
Housing Rent Arrears	M	In Progress	3	
Transient Travellers	M		4	
Disabled Facilities Grant	C/F 16-17	Draft Report Issued	2	Carried forward into 17/18 as the request of the Service
Council Tax & NNDR	Annual	In progress	3	CRSA Issued
Housing Benefit	Annual	In progress	3	CRSA Issued
Education & Youth				
School Closure (John Summers High Schools)	H	Final	1	
IT Procurement in schools	M	In Progress	2	
School Uniform Grants		Final	2	New to plan – to validate the grant application process.
Education Grants: Professional Development Grant (PDG)	Annual	Final	2	
Education Grants: Including Education Improvement Grant (EIG)	Annual	Final	2	
Control and Risk Self-Assessment	Annual	In Progress	3	
Risk based thematic reviews across all schools including central controls	Annual		3/4	

Audit	Internal Audit Priority Rating	Status of Work	Proposed Quarter	Supporting Narrative
Governance				
Joint Central Procurement Arrangement (Joint Review)	H	In Progress	2	This review will include aggregated spend
Procurement - Aggregated Spend (Joint Review)	H	In Progress	2	Combined within the above review
Procurement - Contract Monitoring (Joint Review)	H		4	
Community Benefits	M		4	Defer until 2018/19
Legal Case Management	M		4	
Information Security Policies	Advice & Consultancy	In Progress	Ongoing	New to Plan - request for IA involvement
Digitisation / Digital Strategy	Advice & Consultancy	On going	Ongoing	
Data Protection	Annual & C/F 16-17	In Progress	2	To include work carried forward from 16/17. Additional work will be required in 17/18 due to new General Data Protection Rules (GDPR)
Organisational Change 1				
Post Transfer - Leisure, Libraries & Museum Services	H	In Progress	3/4	2017/18 review will focus on the strategic risks of the business.
ADM - Facility Services, Leisure & Libraries, Work Opportunities	Advice & Consultancy	Final	1	Work on Aura and NEWydd complete.
Clwyd Theatre Cymru (CTC)	M		3	
Libraries	M		4	Defer until next year given the SLA with Aura is 20 days
Future ADM : Bailey Hill, Museums & Archives and any emerging ADMs	Advice & Consultancy		Ongoing	
Organisational Change 2				
Community Asset Transfer - Holywell Swimming Pool	H	In Progress	3	Mid November start
Post ADM Transfer - Facilities Services	H		4	
County Hall Campus	M	In Progress	3	
CCTV	M		3	
Community Asset Transfer - Contract Management - Connah's Quay Swimming Pool	M		4	
Property Maintenance	M		4	Defer until 2018/19
Background checks	Advice & Consultancy	Final	2	New to Plan
Community Asset Transfer - New	Advice & Consultancy		Ongoing	

Audit	Internal Audit Priority Rating	Status of Work	Proposed Quarter	Supporting Narrative
People & Resources				
Working Time Regulations	H	Draft Report	1	
IR35 Compliance	H	On hold	3	January start
Appraisals	M		4	Defer until 2018/19
Appraisals – Data integrity	New		4	New to Plan
Occupational Health Unit	New		4	Defer until 2018/19 (qtr 1)
Payroll	Annual		4	
E-Teach (Supply Staff) – Payroll and Recruitment	Advice & Consultancy	Ongoing	Ongoing	
Method Statements Supporting MTFS	Advice & Consultancy	Final	2	New to Plan – to review method statement calculations
Method statements supporting stages 2 & 3 of Budget Pressures	Advice & Consultancy	Final	3	New to Plan – to review method statement supporting stages 2 & 3 of the budget pressures
Treasury Management	M	In Progress	4	
Main Accounting – Accounts Payable (AP) / P2P	Annual	In Progress	3	CRSA Issued
Main Accounting – Accounts Receivable (AR)	Annual	In Progress	3	CRSA Issued
Main Accounting – General Ledger (GL)	Annual	In Progress	3/4	
Collaborative Planning (CP)	Advice & Consultancy	Ongoing	Ongoing	
Masterpiece Migration & ADM Financial Solution Project	Advice & Consultancy	Ongoing	Ongoing	
Finance Modernisation Programme – AR	Advice & Consultancy	Ongoing	Ongoing	
Accounts Governance Group	Advice & Consultancy	Ongoing	Ongoing	
Planning & Environment				
Greenfield Valley Heritage Park	H		4	Following recruitment for new Trustees
Pollution Control	H	Final	2	
Pest Control	M		4	
Section 106 Agreements – Follow Up	M		4	
Planning Enforcement – Follow Up	M		4	
Greenfield Valley Heritage Park – Fishing Ban	Advice & Consultancy	Final	3	New to Plan
Section 106 Agreements	Advice & Consultancy	Ongoing	Ongoing	
Social Services				

Audit	Internal Audit Priority Rating	Status of Work	Proposed Quarter	Supporting Narrative
Social Services Financial Processes (Including Provider Payments)	Commissioned Work	Final	1	
Commissioning and Contracts	H	In Progress	1	
Safeguarding - Adults at Risk	H		4	
Substance Misuse	M	Draft	2	
Deferred Payments on Properties	M		4	
Streetscene & Transportation				
Bereavement Services	H	Final	2	
Integrated Transport Unit (ITU)	H	In Progress	3	
Community Transport	M		3	
Highways - Cost Recovery	M		3	
Regional Transport	M		4	
Security of HRC Sites	Advice & Consultancy	Final	2	New to Plan
Streetlightling Security	Advice & Consultancy	Final	2	New to Plan
Solar Farm	Advice & Consultancy	Final	2	New to Plan
ITU Procurement	Advice & Consultancy	Final	2	New to Plan
Fleet Management	C/F 16-17		4	At the request of the service department this review has been carried forward into 17/18
Accounting for Highways Assets Infrastructure	Advice & Consultancy	Ongoing	Ongoing	
ITU Project Working Group	Advice & Consultancy	Ongoing	Ongoing	
External				
Pensions Administration	Annual	-	4	
North West Residual Waste Partnership	Advice & Consultancy	Ongoing	Ongoing	
Investigations, Provisions and Developments				
Investigations	Investigation	Ongoing	Ongoing	Eight investigations – Appendix F
Proactive Fraud	Training	Final	2	• Whistleblowing Training to Social Services • Review of Counter Fraud Policies
Audit Development : Control Risk Self-Assessment	Development	Final	Ongoing	
Audit Development : Computer Assisted Audit Tools Techniques Software (CAATTs)	Development	In Progress	Ongoing	
Audit Development : Root Cause Analysis	Development	In progress	Ongoing	

Glossary	
Risk Based Audits	Work based on strategic and operational risks identified by the organisation in the Improvement Plan and Service Plans. Risks are linked to the organisation's objectives and represent the possibility that the objectives will not be achieved.
Annual (System Based) Audits	Work in which every aspect and stage of the audited subject is considered, within the agreed scope of the audit. It includes review of both the design and operation of controls.
Advice & Consultancy	Participation in various projects and developments in order to ensure that controls are in place.
VFM (Value For Money)	Audits examining the efficiency, effectiveness and economy of the area under review.
Follow Up	Audits to follow up actions from previous reviews.
New to Plan	Audits added to the plan at the request of management. All new audits to the plan are highlighted in red.
Audits to be Deferred	Medium priority audits deferred in substitute for new higher priority reviews / advice. These audits are highlighted in green within the plan.