

## Appendix A

### Operational Plan 2014/15

Type	Audit	Plan Days	Revised Plan Days	Actual Days used	Proposed quarter / Status
	<b>CORPORATE</b>				
Risk	Risk Management	10	10	1	COMPLETED
Risk	Performance Indicators	5	10	13	FINAL
Risk	Implementation of Operating Model	10	0		
Risk	North West Residual Waste Partnership	10	10		COMPLETED
Risk	Use of Consultants	10	5	26	DRAFT
Risk	Corporate Governance	10	10	1	COMPLETED
Risk	Partnerships	10	5	6	DRAFT
Addition	Value for Money – Business Plans		20	21	FINAL
		65	70	68	
	<b>GOVERNANCE</b>				
Risk	Data Protection	10	10	11	FINAL
Risk	Document Sealing	5	5	2	DRAFT
System	Members Allowances	5	5	5	FINAL
System	Freedom of Information/EIR	5	5		15/16
Advisory	Electoral Register	10	0		15/16
Risk	IT Helpdesk	10	10	8	DRAFT
Risk	Backup & Service Continuity	10	10	18	FINAL
Risk	Use of Personal Email Addresses	10	10	1	WIP
Risk	Mobile Phones & Devices/Usage	15	15	25	FINAL
Follow Up	EDRMS	10	0		16/17
Risk	Procurement – New Arrangement	5	5		DELETED
Risk	Contract Procedural Rules	15	15		15/16
System	P2P System	10	10	13	DRAFT
Advisory	Select List, E Sourcing project	5	5		15/16

Type	Audit	Plan Days	Revised Plan Days	Actual Days used	Proposed quarter / Status
Risk	Etarmis	20	20	29	FINAL
Risk	Records Management	15	15	22	FINAL
2013/14	Server Licensing		9	16	DRAFT
2013/14	Moodle		8	11	FINAL
		160	157	161	
	<b>PEOPLE AND RESOURCES</b>				
Systems	Main Accounting	30	30	45	FINAL
Follow Up	Capital Programme	10	10		15/16
Follow Up	Corporate Grants	10	10	15	FINAL
Follow Up	Fees and Charges	10	10		15/16
System	Pensions Administration & Contributions	15	15	15	FINAL
System	Pensions Investment Management & Accounting	15	15	12	FINAL
Risk	Implementation of Single Status	20	20	39	FINAL
Risk / System	SS Governance Framework: Additional Payments & ECU	20	20	1	WIP
Risk	SS Governance Framework: Workforce Data	10	15	2	15/16
Risk	Schools HR/Safeguarding	15	15	37	FINAL
System	SS Governance Framework: SS Payments	20	20	1	WIP
Risk	Voluntary Redundancy & Workforce Consultation Database	20	10	19	FINAL / FINAL
Risk	Staff Recruitment & Induction	15	15	17	FINAL
System	Payroll	20	20	19	DRAFT
2013/14	Attendance Management		7	30	WIP
Addition	Budget monitoring - underspends		10		WIP
Addition	Investigation Protocol		5		DELETED
Addition	Equal Pay Calculations		2	2	FINAL
Addition	Equal Pay Payments		3	5	DRAFT
		230	252	259	

Type	Audit	Plan Days	Revised Plan Days	Actual Days used	Proposed quarter / Status
	<b>EDUCATION AND YOUTH</b>				
Risk	Risk Management in Schools	10	5	2	COMPLETED
System	Grants – Various WG Requirement	10	10	10	COMPLETED
System	School Funding Formula	20	20	2	WIP
Risk	Control & Risk Self Assessment	15	15	12	COMPLETE
Risk	Risk Based Thematic Reviews	45	45	61	DRAFT
Risk	School Closures/Opening	10	10	15	FINAL
2013/14	Grants – Post 16		6	7	FINAL
2013/14	School Funds		20	23	FINAL
Follow Up	Youth and Community			5	FINAL
		110	131	137	
	<b>SOCIAL SERVICES</b>				
Risk	Mental Health Team	10	10	11	FINAL
Risk	Community Equipment Service	10	10	12	FINAL
Risk	Commissioning Team	20	15	12	DRAFT
Risk	Movement from Children's Team to Care Leavers Team	15	15		DELETED
System	Llys Jasmine	20	20	8	FINAL
Risk	Financial Assessment & Charging Team (FACT)	15	15	19	WIP
Addition	FACT payments		5	6	FINAL
Risk	Community Living	10	0		
		100	85	68	
	<b>COMMUNITY &amp; ENTERPRISE</b>				
System	Housing Benefits	20	20	23	DRAFT
Risk	Supporting People	20	20	19	FINAL
Risk	Appraisal & Absence Management	20	20	28	FINAL
System	Council Tax & NNDR	20	20	21	FINAL

Type	Audit	Plan Days	Revised Plan Days	Actual Days used	Proposed quarter / Status
Risk	Rent Arrears	15	15	15	FINAL
Risk	Communities First	15	15	21	FINAL
2013/14	Corporate Complaints		5	7	FINAL
2013/14	Private Sector Housing		11	26	FINAL
		110	126	160	
	<b>PLANNING &amp; ENVIRONMENT</b>				
System	Building Control	20	0		16/17
System	Pest Control	15	15	21	FINAL
Risk	21 <sup>st</sup> Century Schools	5	5		15/16
Addition	S 106 Agreements		5		15/16
Addition	Planning Appeals Follow Up			7	FINAL
		40	25	28	
	<b>STREETSCENE AND TRANSPORTATION</b>				
Risk	Waste Management – Recyclable Materials	20	20	2	WIP
Advisory	Migration of Stores into Alltami	5	5	3	FINAL
2013/14	Waste Management		5	15	FINAL
		25	30	20	
	<b>ORGANISATIONAL CHANGE</b>				
Risk	Facilities Services	30	15	14	FINAL
Risk	Repairs & Maintenance Procurement	15	5	6	FINAL
Risk	Asset Management – Tech Forge	20	20	21	FINAL
		65	40	41	
	<b>INVESTIGATIONS, PROVISIONS AND DEVELOPMENT</b>				
Provision for Investigations & Pro-active Fraud		200	200	180	
Provision for ad hoc requests from Directorates		90	50		
Follow up Reviews		50	30		

Type	Audit	Plan Days	Revised Plan Days	Actual Days used	Proposed quarter / Status
IDEA		20	20		
Audit Development – New Software		55	55	63	
Consultancy		50	30	19	
Regional Collaboration		10	5	9	
		475	390	305	
	Grand Total	1380	1301	1213	

## Definitions

### 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.

### Systems 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.

### Advisory

Participation in various projects and developments in order to ensure that controls are in place.

### TBC (To be confirmed)

Lower priority audits that may be deferred or deleted during the year if necessary, depending on resources.

### 2013/14

Audits carried forward from the previous year's plan.

### Additions

Audits added to the plan at the request of management, time used from the provision for requests.

**CHANGES TO THE AUDIT PLAN – SINCE THE LAST MEETING**

**Audits deleted /deferred from the plan**

**Governance**

Select List, E Sourcing project. Project not completed. Audit now on project board.

**People and Resources**

Fees and Charges. Work now undertaken to identify savings for 2015/16. Fee setting policy planned for 2015/16.

Investigation Protocol. Review going ahead, it is planned to use an independent organisation.

**CHANGES TO THE AUDIT PLAN – PREVIOUSLY REPORTED**

**Audits added to the audit plan**

**Corporate**

Value for Money – Business Plans

The value for money review will be focused on the current production of business plans

**People and Resources**

Budget monitoring

Review of budget monitoring, including the treatment of underspends.

Investigation Protocol

Review of the management of investigations and disciplinary procedures-

Equal Pay Calculations

Review of the formula for calculating the settlement figures

Equal Pay Payments.

Review of the accuracy of Equal Pay payments.

**Education and Youth**

Youth and Community Follow Up

Follow up of previous limited assurance audit

**Community and Enterprise**

Commuted Sums

Review of policy, procedures and controls around the use of commuted sums.

**Planning and Environment**

Planning Appeals Follow Up

Follow up of previous limited assurance audit

## **Audits deleted from the plan**

### **Corporate**

Implementation of the Operating Model

The new structure is in operation. Risks will continue to be monitored but no formal review is necessary.

### **Governance**

Electoral Register

Not required this year, in strategic plan for 2015/16

EDRMS (Electronic Document and Records Management System)

Delays in introduction, moved to 2016/17.

Freedom of Information / EIR

TBC audit, to be completed in 2015/16

Procurement – new arrangement

TBC audit, no longer required

Contract Procedure Rules

TBC audit, to be completed in 2015/16

### **People and Resources**

Capital Programme Follow up – deferred to 2015/16.

Now the responsibility of Chief Officer (Organisational Change). Strategy to be developed by the end of the financial year.

SS Governance Framework: Workforce Data

New software 'Human Concepts', to be completed in 2015/16

### **Social Services**

Community Living

Include as part of Client Finances and Receiverships during 2015/16

Movement from Children's Team to Care Leavers Team

TBC audit, no longer required

### **Planning and Environment**

Building Control

Not a priority this year, moved to 2016/17 plan.

21<sup>st</sup> Century Schools

TBC audit, to be completed in 2015/16, project management.

S106 Agreements.

Addition to the plan at the request of management. To be completed in 2015/16

## Appendix C

### Operational Plan 2015/16

Audit	Audit Classification	IA Risk Rating	Plan Days	Actual Days	Proposed quarter / Status
<b>Corporate</b>					
Delivery of the Business Plans	Advisory VFM /	R	40		2
Risk Management	Risk Based	A	10		3
Clwyd Theatre Cymru	Follow Up	A	10		4
North West Regional Waste Partnership	Risk Based	A	10		3
Corporate Governance	Risk Based	G	5		4
<b>Total Planned Days – Corporate</b>			<b>75</b>		
<b>Community and Enterprise</b>					
NEW Homes	Risk Based	R	10		2
Homelessness	Risk Based	R	15		2
Housing Benefit	System Based	R	15		4
Council Tax and NNDR	System Based	R	20		3
Corporate Debt Management	Risk Based	R	15		2
<b>Total Planned Days – Community &amp; Enterprise</b>			<b>75</b>		
<b>Education and Youth</b>					
Control and Risk Self-Assessment	Risk Based	R	15		2
Risk based thematic reviews across all schools including central controls	Risk Based	R	45		3
21 <sup>st</sup> Century Schools	Risk Based	R	15		2
Grants – Various WG requirement	System Based	R	15		2
Free school meals - Funding arrangements	System Based	R	15		1
School closures	Risk Based	G	5		1
<b>Total Planned Days – Education &amp; Youth</b>			<b>110</b>		



Audit	Audit Classification	IA Risk Rating	Plan Days	Actual Days	Proposed quarter / Status
<b>Governance</b>					
Chair of the Council's Charity / Trust Fund	Risk Based	R	10		2
Network Security	Risk Based	R	* See note		4
FOI Requests	Risk Based	R	15		3
Data Protection	Advisory	R	10		2
Migration to Microsoft	Risk Based	R	15		2
Disposal of ICT Equipment	Risk Based	A	10		2
PCIDSS	Risk Based	A	20		4
Cloud computing	Risk Based	A	* See note		2
Anti-virus procedures	Risk Based	A	15		2
E Sourcing (Proactis)	System Based	A	15		4
Select List Including Financial Vetting of Suppliers	System Based	A	20		2
Contract Procedural Rules	Risk Based	A	20		1
Electoral Register	Advisory	A	5		3
<b>Total Planned Days - Governance</b>			<b>155</b>		
<b>Organisational Change 1</b>					
Alternative Delivery Models	VFM	R	20		1
Leisure Services	System Based	G	20		3
Japanese Youth Exchange	Regulatory	G	5		1
<b>Total Planned Days – Organisational Change 1</b>			<b>45</b>		

Audit	Audit Classification	IA Risk Rating	Plan Days	Actual Days	Proposed quarter / Status
<b>Organisational Change 2</b>					
Electronic stock taking (catering bus plan)	Advisory	A	5		4
21 <sup>st</sup> Century Schools	Systems Based	A	15		2
CCTV	Risk Based	A	15		4
<b>Total Planned Days – Organisational Change 2</b>			<b>35</b>		
<b>People and Resources</b>					
Payroll	System Based	R	20		3
E-Teach (Supply Staff) – Payroll and Recruitment	VFM	R	20		2
Use of Relief, Agency and Self Employed Workers	Risk Based	R	20		3
Agile Working	Advisory	A	20		2
Human Concepts Software	Advisory	G	5		2
Main Accounting – Accounts Receivable (AR)	System Based	R	10		4
Main Accounting – Accounts Payable (AP) / P2P	System Based	R	20		3
Main Accounting – General Ledger (GL)	System Based	R	10		4
Treasury Management	System Based	R	15		3
Capital Programme	Follow Up	R	5		3
Insurance	Risk Based	R	10		4
Medium Term Financial Strategy	Risk Based	A	10		1
Collaborative Planning	Risk Based	G	5		2
Pensions Administration and Contributions	System Based	G	15		3
Pension Fund Governance	System Based	G	10		4
<b>Total Planned Days – People &amp; Resources</b>			<b>195</b>		

Audit	Audit Classification	IA Risk Rating	Plan Days	Actual Days	Proposed quarter / Status
<b>Planning and Environment</b>					
Section 106 Agreements	Risk Based	R	15		2
Pest Control	Risk Based	A	5		3
Pollution Control	Risk Based	G	15		4
<b>Total Planned Days – Planning &amp; Environment</b>			<b>35</b>		
<b>Social Services</b>					
Client Finances / Receivership, including Community Living	Risk Based	R	20		2
Residential Care Homes	Advisory	R	20		1
Direct Payments	System Based	R	20		1
PARIS – Finance Module	Advisory	A	5		4
<b>Total Planned Days – Social Services</b>			<b>65</b>		
<b>Streetscene and Transportation</b>					
Concessionary Travel	Risk Based	R	20		4
School Transport – Contract Management	Risk Based	R	10		2
Waste Contract Management	Follow up	R	15		3
Waste Management	Follow Up	R	15		3
Integrated Transport	Advisory	R	5		2
Fleet Management	Advisory	A	5		1
<b>Total Planned Days – Streetscene &amp; Transportation</b>			<b>70</b>		

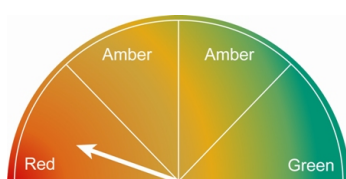
<b>Investigations, Provisions and Developments</b>		
Provision for investigations and pro-active fraud		200
Provision for ad-hoc requests from management		80
Follow up reviews		30
Audit development		20
IDEA		20
Advisory work		40
<b>Total</b>		<b>390</b>
<b>Overall Plan Total</b>		<b>1250</b>

\* Note: It may be necessary to bring in external resource to complete this technical ICT audit



## Levels of Assurance – standard reports.

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 or audits with **High** level recommendations will be reported to the Audit Committee.



### **Urgent system revision required (one or more of the following)**

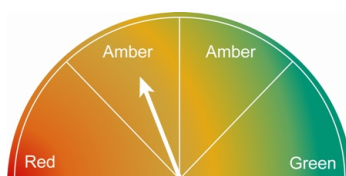
- Key controls are absent or rarely applied
- Evidence of (or the potential for) significant financial / other losses
- Key management information does not exist
- System / process objectives are not being met, or are being met at a significant and unnecessary cost or use of resources.

Impact: a lack of adequate or effective controls leading to a high probability of loss, fraud, impropriety, waste, damage to reputation and / or failure to deliver organisational objectives.

### **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.

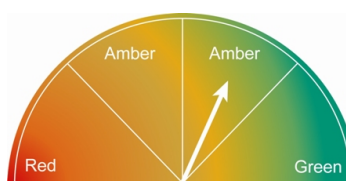
Impact: key controls are generally inadequate or ineffective and there is an increased probability of loss, fraud, impropriety, waste, damage to reputation and / or failure to deliver organisational objectives.



### **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

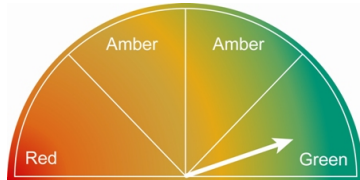
Impact: key controls generally operating effectively but there remains a potential risk of



loss, fraud, impropriety or damage to reputation and / or failure to deliver organisational objectives.

**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



Impact: key controls have been adequately designed and are operating effectively to deliver the key objectives of the system, process, function or service.

**Levels of Assurance – follow up reports.**

Substantial. 75%+ of recommendations have been implemented. All high recommendations have been implemented.

Reasonable. 51-75% of recommendations have been implemented. All high recommendations have been implemented.

Some. 30-50% of recommendations have been implemented. Any outstanding high recommendations are in the process of being implemented.

Limited. <30% of recommendations have been implemented. Unsatisfactory progress has been made on the implementation of high recommendations.

**Categorisation of Recommendations**

High, Medium, Low

Recommendations are prioritised 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. In the findings listed below they have been highlighted in bold italics.

## **Summary of Findings and Action Plan of Reviews with Red Assurance level**

### **Safeguarding – HR0300U1**

We have made 5 high level recommendations and 1 medium level recommendation, based on the following:

- The current arrangements for safeguarding and recruitment need to be enhanced;
- Definitive and comprehensive guidance needs to be issued to all schools on safer recruitment and DBS checks;
- Key staff in all schools require training on safer recruitment and DBS checks;
- Schools need to be reminded that ALL employees working with children and who undertake a regulated activity should be subject to DBS checks;
- Schools need to be mindful of Data Protection in relation to DBS checks; and
- The need to review DBS checks for supply teachers.



No.	Findings and Implications	Agreed Action	Who	When
1	<p>Following discussions with FCC employees and visits to seven schools (four primary and three secondary) there is an overall opinion that the current arrangements for safeguarding and recruitment (including DBS checking) for school staff could be enhanced. This is based on the following:</p> <ul style="list-style-type: none"> <li>▪ At the beginning of the review considerable time was incurred identifying who, within the Council, was a lead contact for DBS checking. Following visits to the schools it was apparent that school staff were also unsure as to who to contact for guidance and support centrally as many of the individuals named by school staff either no longer worked in a relevant section or for the Council.</li> <li>▪ Shortly after the start of this audit a communication was sent out via email to all schools in early October 2014 on DBS checks and the use of supply workers. However at most of the schools visited, the key officers responsible for safer recruitment / DBS checking had not seen the email correspondence.</li> <li>▪ Following the change from CRB to DBS in 2013, the DBS policy within the Council has been updated but not shared with schools. As a consequence schools have not been made aware of any changes to legislation. Whilst some guidance was issued via email, this method of communication is restricted. Moodle was not updated to reflect the changes from CRB to DBS.</li> </ul> <p>Whilst the national requirements in relation to safer recruitment are communicated directly to schools and remedial action has been taken in relation to local expectations, there is no central electronic reference point to requirements on Moodle.</p>	<p>Twilight sessions are to be organised with all Headteachers and key staff involved in the recruitment process. These twilight sessions will aim to address the issues raised during the audit review and act as a training session.</p> <p>During these sessions, the DBS policy and Recruitment Policy will be re launched.</p> <p>All documentation covered during the twilight sessions will also be made available on Moodle.</p> <p>The DBS policy will be launched to schools as a priority.</p>	<p>HR Service Centre Manager</p> <p>HR Policy &amp; Reward Advisor</p>	<p>31/05/15</p> <p>31/05/15</p>
2	<p>The safer recruitment process, including DBS checking, was discussed with schools to determine whether there was an appropriate level of understanding, policies and procedures in place and adherence to procedures. The review identified that whilst all schools had a signed contract in place for staff and had a suite of</p>	<p>A straightforward checklist will be produced and presented at the Twilight sessions held with Headteachers and relevant key individuals.</p> <p>A copy of the check list will be made</p>	<p>HR Service Centre Manager</p>	<p>31/05/15</p>

<p>policies on safeguarding key information was missing which was mirrored in their recruitment process. All stated that they would welcome clear guidance on a 'model' policy and procedures. Overall schools did not always:</p> <ul style="list-style-type: none"> <li>▪ State within job adverts that a position is subject to a DBS check;</li> <li>▪ Obtain two references for the successful applicant;</li> <li>▪ Know the process to follow where an applicant had worked /lived outside of the UK i.e. would a DBS check be required from the same country;</li> <li>▪ Request proof of qualifications;</li> <li>▪ Keep completed application forms for successful applicants;</li> <li>▪ Retain a copy of the letter of appointment, which would demonstrate an offer was only made subject to successful DBS check;</li> <li>▪ Request proof of identity;</li> <li>▪ Retain completed equal opportunity forms;</li> <li>▪ Understand the process to follow if a positive DBS was received;</li> <li>▪ Adhere to the DBS requirements as some schools kept copies of the DBS certificates and completed application forms on file without the applicant's consent;</li> <li>▪ Know about or use the DBS Update Service and</li> <li>▪ In accordance with the DBS guidance, obtain a DBS check where an individual had a 'break in service of more than three months' or where a contractor is appointed to work at the school.</li> </ul> <p>It was also found that there was a lack of understanding over which documentation should be kept on an individual's file within the schools.</p> <p>The inconsistency and gaps in the recruitment process within schools may increase the risk of harm to children. Overall it was evident that</p>	<p>available on Moodle.</p> <p>An advisory letter detailing urgent safeguarding issues has been sent out to all schools covering the points raised in the Audit Report following sharing of the draft report with senior officers in HR and education.</p>	<p>Chief Officer – Education and Youth</p>	<p>23/03/15</p>
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	staff within the schools wished to comply but did not necessarily possess the skills or knowledge of Safeguarding and DBS checking in order to do so.			
3	Key staff with the responsibility for recruitment and DBS checks in schools have not received any formal training. This presents a major weakness when assessing the suitability of applications and applicants interviewed.	<p>In addition to the twilight sessions, consideration will be given to developing a Safer Recruitment and DBS Training module via Learning Pool, the Council's e-learning platform. This training module will be made available to all Headteachers and both members of staff and Governors involved in the recruitment process at each school.</p> <p>Will consider internal system development &amp; external supply options.</p> <p>For all new governors training on safeguarding and recruitment will be provided.</p>	<p>Employment Services Manager</p> <p>Business Change Manager</p>	<p>31/05/15</p> <p>31/05/15</p>
4	<p>A review of the DBS process within schools identified that not all individuals working within the school, who undertake a regulated activity are subject to a DBS check.</p> <p>Six individuals were found to be working at schools with an out of date DBS check, these included:</p> <ul style="list-style-type: none"> <li>▪ Two permanent school staff which included a head and deputy head teacher; and.</li> <li>▪ Four supply staff.</li> </ul> <p>On examination of the Single Central Registers, required to be maintained by Schools, to record DBS checks undertaken some were found to be incomplete relating to some supply staff. However after checking with the Supply Register these individuals had an up to date DBS check.</p> <p>In October 2014, an email was sent to schools by People &amp;</p>	<p>The twilight sessions and checklist will address the issues raised during the audit.</p> <p>Audit and HR will inform the Education &amp; Youth leadership team of any individuals without a current DBS.</p> <p>The Education and Youth leadership team will use statutory powers of intervention in relation to any school not following national and local policy in relation to safer recruitment.</p>	<p>HR Service Centre Manager</p> <p>HR Service Centre Manager</p> <p>Chief Officer – Education and Youth</p>	<p>31/05/15</p> <p>30/04/15</p> <p>30/04/15</p>

	<p>Resources informing schools that due to the exceptionally high numbers of supply workers available through the Eteach database Employment Services could not 100% guarantee that all Supply Workers upon the database hold current valid DBS certificates. Since this email, supply staff continue to be employed by schools without a valid DBS check being in place.</p> <p>Whilst schools continue to employ individuals within a regulated activity without appropriate validations checks, including DBS checks, children may be put at risk.</p>			
5	<p>During the review it was noted that a Data Protection breach occurred relating to a DBS certificate with a positive result.</p> <p>Due to a lack of clarity of procedures and information available to schools on Moodle a decision was taken by the Headteacher to hand deliver the positive DBS check together with timesheets to County Hall but the form never arrived within the Employee Service Centre. Whilst there is no proof the DBS form was delivered, it should be noted that the timesheets were processed for payment.</p> <p>Schools are unclear of the process to follow on receipt of a positive DBS check. This is compounded due to absence of information on Moodle or a known single point of Contact within the Council.</p>	<p>The twilight sessions and checklist will address the issues raised during the audit. New procedures will be introduced to address positive DBS checks and be communicated to schools via the twilight sessions and checklist.</p>	HR Service Centre Manager	31/05/15
6	<p>Due to the number of staff contained within the Supply Register it is not possible to guarantee that all have been subject to a DBS check.</p> <p>Discussions were held with the Employment Services Manager who was of the opinion that Flintshire's Supply Register was previously closed to requests from potential supply teachers/workers asking to be added to the large supply pool already available, with the exception of specific requests from a Headteacher.</p> <p>Unfortunately an increasing number of such requests are being received from schools resulting in unnecessary DBS checks continuing to be undertaken at a cost of £44.00 (plus administrative time) for workers who are not subsequently required.</p>	<p>A business case is to be produced to determine whether the supply register should be continued to be operated and the feasibility of transferring the cost of the DBS check to the employee.</p>	Employment Services Manager	30/06/15

Whilst alternative agencies are available for use, the Council continues to use ETeach which may not provide value for money to the Council.

The enhanced DBS check itself costs the Authority £44.00 per employee. In 2014/15 to date the Council has spent £111,501 on DBS checks with projected spend being £127,595. However, employees can register with the DBS Update Service. Registration lasts for 1 year and costs them £13 per year.

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## Communities First – EN1000U1

We have made 2 high level recommendations and 4 medium level recommendations, based on the following:

- Ineligible expenditure identified by WAO in their grant certification exercise
- Claiming of audit costs
- Non-compliance with FCC Policies and Procedures
- The need to review recruitment procedures
- The need for a clear partnership agreement
- The need to clarify compliance with EU State Aid Rules

Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
2.2	Lessons should be learnt from the Wales Audit Office 2013/14 grant certification work to ensure any similar issues are addressed in the Communities First 2014/15 grant claim.	Medium	Y	Agreed.	31 <sup>st</sup> March 2015	Communities First Cluster Delivery Managers / Finance Support Officer
3.1	Going forward we should seek to maximise the recovery of all Communities First costs, including external audit costs (to a maximum of £5,000 per Cluster) in accordance with Appendix 8 of the Communities First Guidance.	Medium	Y	Agreed. This will now be looked into.	31 <sup>st</sup> March 2015	Communities First Cluster Delivery Managers / Finance Support Officer
4.1	Officers delivering the Communities First programme must comply with the Contract Procedure Rules for all contracts entered	High	Y	Agreed, All non-compliant SLAs have been terminated with effect from 31 March 2015 and	31 <sup>st</sup> March 2015	Communities First Cluster Delivery Managers

Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
	into, including SLA's for the provision of specialist services.			all future procurement will be fully compliant with contract procedure rules.		
4.2	<p>Prior to the renewal of the SLA's with Careers Wales, WEA Coleg Harlech and Groundwork, the advantages and disadvantages of SLA's versus the direct recruitment of staff should be considered.</p> <p>As part of these considerations the employment status of the staff members, and any associated accrued employment rights need to be fully understood.</p>	Medium	Y	<p>All existing SLA's will be brought to an end by 31<sup>st</sup> March 2015.</p> <p>From 1<sup>st</sup> April 2015 the posts currently filled by the WEA SLA's will either go out to tender, or will be filled through the FCC recruitment process.</p>	31 <sup>st</sup> March 2015	Economic Development Manager
4.3	<p>The Partnership Agreement between Communities First and WFCE Ltd needs to be re-drafted to ensure this is an agreement which is appropriate for FCC to enter into.</p> <p>The Partnership Agreement should detail the extent of support to be provided by Officers delivering the Communities First programme to WFCE Ltd, and the services which WFCE Ltd will provide in consideration of this support.</p> <p>The Partnership Agreement should define the timescales covered by the agreement, and should detail the procedures for terminating the agreement.</p> <p>The amended draft Partnership Agreement should be reviewed by Legal before it is signed by any of the parties to ensure all appropriate legal clauses are included.</p>	High	Y	A new version of the Partnership Agreement has now been drafted although there is further work to do before it is ready to be signed.	31 <sup>st</sup> May 2015	Economic Development Manager / Communities First Cluster Delivery Manager West

Ref	Recommendation	Categorisation	Accepted (Y/N)	Management Comment	Implementation Date	Manager Responsible
	The Agreement should be signed by the Chief Officer, Community & Enterprise on behalf of Flintshire County Council.					
4.4	<p>Further work is required by the officers delivering the Communities First programme (possibly in conjunction with Legal Services) to determine whether the support provided to WFCE Ltd is considered to be State Aid.</p> <p>If State Aid Rules are deemed to apply, the officers delivering the Communities First programme need to consider how this will be managed going forward.</p>	Medium	Y	<p>Work has already been undertaken to establish whether the amounts paid to WFCE Ltd fall within the State Aid rules, but it is recognised that there is further work to be done.</p> <p>Advice will be taken from Legal Services, FLVC and Welsh Government as appropriate.</p>	31 <sup>st</sup> May 2015	Economic Development Manager / Communities First Cluster Delivery Manager West



## Appendix D

### Recommendation Implementation

#### Status of Recommendations that reached their Implementation Dates in February, March and April 2015

Title	Reference	Date Issued	Response Received	Recommendations		
				Due	Implemented	Not Implemented
<b>CORPORATE</b>						
			Total	0	0	0
<b>GOVERNANCE</b>						
Procurement	CD0070R1	March 2012	Yes	2	0	2
Procurement	CD0070P1	November 2010	Yes	1	0	1
Mobile Phone & Devices Usage	IT0400U1	February 2015	Yes	6	4	2
			Total	9	4	5
<b>PEOPLE &amp; RESOURCES</b>						
Staff Recruitment & Induction	HR0350U1	January 2015	No	7	2	5
Financial Systems	FD0080R1	June 2012	Yes	1	1	0
Main Accounting	FD0080P1	December 2011	Yes	1	0	1
Enforcement	FL0300L1	February 2009	Yes	2	0	2
			Total	11	3	8
<b>EDUCATION &amp; YOUTH</b>						
E teach	LL0190N1	August 2010	Yes	1	1	0
			Total	1	1	0
<b>SOCIAL SERVICES</b>						
			Total	0	0	0
<b>COMMUNITY AND ENTERPRISE</b>						
Communities First	EN1000U1	March 2015	Yes	4	4	0
			Total	4	4	0
<b>PLANNING &amp; ENVIRONMENT</b>						
Section 106 Agreements	EN0020P1		Yes	1	1	0
Income From Fees & Charges	EN1000U1	February 2014	Yes	1	1	0

Title	Reference	Date Issued	Response Received	Recommendations		
				Due	Implemented	Not Implemented
			Total	2	1	1
<b>STREETSCENE &amp; TRANSPORTATION</b>						
			Total	0	0	0
<b>ORGANISATIONAL CHANGE</b>						
Capital Programme	FD0090P1	January 2012	Yes	11	2	9
			Total	11	2	9
			<b>Total</b>	<b>38</b>	<b>15</b>	<b>23</b>

### Recommendations Not Implemented – Comments from Chief Officers










Report	Original and new dates	Response From	Reason and new date acceptable	How is the Risk being Managed Before the Recommendation is Implemented	Internal Audit acceptance
Procurement – CD0070R1	31.12.12	Gareth Owens	New system being set up in line with roll out of Proactis software	Managed within the services	Yes
	31.12.15				
Procurement – CD0070P1	30.11.10	Gareth Owens	New system being set up in line with roll out of Proactis software	Managed within the services	Yes
	30.9.15				
Mobiles Phones and Device Usage – IT0400U1	31.3.15	Gareth Owens	Exercise undertaken to cleanse the records. Now need to reconcile to supplier data.	Own records now correct	Yes
	8.5.15				




### Recommendations Not Implemented – Comments from Chief Officers

Report	Original and new dates	Response From	Reason and new date acceptable	How is the Risk being Managed Before the Recommendation is Implemented	Internal Audit acceptance
Staff Recruitment and Induction – HR0350U1	31.3.15	Sharon Carney	Further discussions on findings, key staff left. Dates to be arranged.	Recruitment being monitored	Yes
Main Accounting – FD0080P1	31.3.12	Gary Ferguson	Protocol on reserves awaiting approval. Will include quarterly updates to Cabinet and Scrutiny.	Monitored on an ongoing basis.	Yes
	30.9.15				
Capital Accounting – FD0090P1	2012	Neal Cockerton	Capital Strategy planned to be presented to Cabinet in June.	The capital programme is monitored on an ongoing basis	Yes
	June 2015				
Enforcement – FL0300L1	June 2009	Gary Ferguson	Finance Modernisation programme includes review of Accounts Receivable	Improvements have been made where possible and risks are being managed pending the introduction of a new system	Yes
	March 2016				

## Appendix F

### Internal Audit Performance Indicators

Performance Measure	Q3	Q4	Target	RAG Rating
<b>Internal Audit Departmental Targets</b>				
Audits completed within planned time	88%	78%	80%	 ↓
Average number of days from end of fieldwork to end of debrief meeting	3.33	10.08	20	 ↓
Average number of days from debrief meeting to the issue of draft report	1.33	3.77	2	 ↓
Days for departments to return draft reports	5.20	13.85	3	 ↓
Average number of days from response to issue of final report	1.93	1.77	2	 ↑
<b>Total days from end of fieldwork to issue of final report</b>	<b>11.79</b>	<b>29.47</b>	<b>27</b>	 ↓
Client questionnaires responses as satisfied	100%	100%	95%	 →
Productive audit days	78%	82%	75%	 ↑
<b>Other Targets</b>				
Return of client satisfaction questionnaires	71%	14.29%	70%	 ↓

Key  Target not achieved  Within 10% of target  Target Achieved

↑ Improving trend      → No change      ↓ Worsening trend

Investigations

Ref	Date Referred	Investigation Details
<p><b>1. The following investigations have been reported to previous committees and are still being investigated</b></p>		
1.1	05.11.2014	Internal audit have been informed of the alleged theft of money from a Community Network House which has affected three service users. The Police have been informed. No further action is to be taken until the outcome of the police investigation is known.
1.2	12.09.2014	An investigation has been undertaken into suspected fraudulent activity regarding Concessionary Travel by one bus operator. The case has been referred to North Wales Police, who are currently investigating. The contract with this bus operator has been suspended and alternative arrangements have been put in place to ensure a continued service to the public.
<p><b>2. The following investigations have been completed</b></p>		
2.1	05.07.2012	An investigation has been concluded into alleged operational and financial irregularities within Streetscene and all disciplinary procedures have been concluded. A report on the control issues will be presented to the next committee meeting.
2.2	29.07.2014	Following information received concerning financial irregularities at a school, the investigation has been concluded and several financial irregularities were found. Management action has been taken to address the issues.
2.3	17.02.2015	A whistleblow was received concerning alleged inappropriate behaviour at a school. Following investigation the allegation was found to be unproven.