

Flintshire Internal Audit

Progress Report



November
2017

Contents

Final Reports Issued Since September 2017.....	Appendix A
Levels of Audit Assurance – Standard Audit Reports.....	Appendix B
Action Tracking – Portfolio Statistics.....	Appendix C
Actions Beyond Due Date.....	Appendix D
Actions with Revised Due Date Six Months Beyond Original Due Date.....	Appendix E
Investigation Update.....	Appendix F
Internal Audit Performance Indicators.....	Appendix G
Internal Audit Operational Plan 16/17 (Carry forward)	Appendix H
Internal Audit Operational Plan 17/18.....	Appendix I

Final Reports Issued Since September 2017

Appendix A

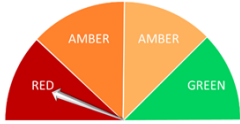
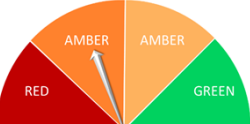
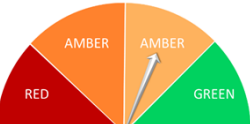
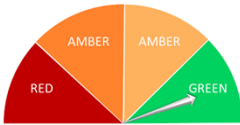
The following reports and advisory work have been finalised since the last Audit Committee. Action plans are in place to address the weaknesses identified. For reviews which received **Red** assurance a summary of the findings and the Action Plan is attached in **Appendix C**.

Project Reference	Project Description	Audit Type	Level of Assurance	Actions		
				High	Med	Low
43F-2016/17	School Funds Follow Up	Follow Up	AR	1	4	0
05-2016/17	Environmental Enforcement	Risk Based	AG	0	2	1
50-2016/17	Risk Management	Risk Based	AG	0	3	1
02-2017/18	Bereavement Services	Risk Based	AG	0	2	3
07-2017/18	Substance Misuse	Risk Based	AG	0	1	3
09-2017/18	Mold Campus	Advisory	Advisory	-	-	-
03-2017/18	School Closures (John Summer High School)	Advisory	Advisory	-	-	-
AC 12-2017/18	Greenfield Valley – Fishing Ban	Advisory	Advisory	-	-	-
AC 04-2017/18	ADM – Aura	Advisory	Advisory	-	-	-
INV 0011719	Whistleblowing – Hawarden High School	Investigation	Advisory	-	-	-

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
<p>Red – Limited</p> 	<p>Urgent system revision required (one or more of the following)</p> <ul style="list-style-type: none"> • 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. <p>Conclusion: a lack of adequate or effective controls.</p> <p>Follow Up Audit - <30% of actions have been implemented. Unsatisfactory progress has been made on the implementation of high priority actions.</p>
<p>Amber Red – Some</p> 	<p>Significant improvement in control environment required (one or more of the following)</p> <ul style="list-style-type: none"> • 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. <p>Conclusion: key controls are generally inadequate or ineffective.</p> <p>Follow Up Audits - 30-50% of actions have been implemented. Any outstanding high priority actions are in the process of being implemented.</p>
<p>Amber Green – Reasonable</p> 	<p>Key Controls in place but some fine tuning required (one or more of the following)</p> <ul style="list-style-type: none"> • 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 <p>Conclusion: key controls generally operating effectively.</p> <p>Follow Up Audit: 51-75% of actions have been implemented. All high priority actions have been implemented.</p>
<p>Green – Substantial</p> 	<p>Strong controls in place (all or most of the following)</p> <ul style="list-style-type: none"> • 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 <p>Conclusion: key controls have been adequately designed and are operating effectively to deliver the key objectives of the system, process, function or service.</p> <p>Follow Up Audit: 75%+ of actions have been implemented. All high priority actions have been implemented.</p>
<p>Categorisation of Actions</p>	<p>Actions are prioritised as High, Medium or Low to reflect our assessment of risk associated with the control weaknesses</p>
<p>Value for Money</p>	<p>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.</p>

Action Tracking – Portfolio Performance Statistics

Appendix C

Portfolio	November 2017 Stats				Live Actions - As at November 2017			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+)
Corporate	27	25	82%	14	2	0	2	0	0
Community & Enterprise	61	57		10	4	0	4	2	0
Education & Youth	46	37		17	9	0	2	0	0
Governance	68	60		19	8	0	8	5	3
Organisational Change 1	20	14		4	6	0	5	2	0
Organisational Change 2	35	33		7	2	0	2	0	1
People & Resources	114	100		32	14	0	9	1	0
Planning & Environment	29	9		6	20	1	20	4	6
Social Services	75	70		12	5	0	4	0	0
Streetscene & Transportation	75	62		10	13	1	8	3	0
External	22	15		7	7	0	1	0	0
Individual Schools	72	46		22	26	0	15	0	0
Total	644	528			160	116	2	80	17

Internal Audit Actions Beyond Due Dates

Appendix D

Portfolio	Audit and Action	RAG	Original and Revised Due Dates	Age of Original Action	Resp. Officer	Current Position	How Risk is Being Managed	New Risks Arising from Overdue Actions
Planning & Environment	<p>Planning Enforcement 2016-17 - Benchmarking in managing referrals is not undertaken</p> <p>The Development Services Manager will attend the next DC managers meeting and Officers will attend the next Enforcement forum and raise issues of benchmarking.</p> <p>URN 1896</p>	Low (Green)	31/08/2017 31/10/2017	2	Mandy Lewis	DC Managers meeting planned for October 2017. In light of proposed changes to enforcement indicators I will ask that the agenda included enforcement bench marking and/or good practice.	In light of proposed changes to enforcement the agenda to include enforcement bench marking and/or good practice.	None
Streetscene & Transportation	<p>HNA 16/17: User access to PMS Software</p> <p>Issues around user access to the web based PMS software need to be resolved with Corporate IT to ensure Highways staff can maintain carriageway inventory data on an ongoing basis.</p> <p>URN 1726</p>	Medium (Amber)	24/05/2017 30/10/2017	6	Barry Wilkinson	FCC IT are continuing conversations with the software provider (WDM) to make arrangements to improve the user access. Access should be resolved within 4 weeks, with WDM providing a long-term solution in the coming months by developing a Web Access Portal.	In Progress. FCC IT are working with the system provider to resolve access issues experienced by users when trying to Log-in, however we expect these issues to be resolved imminently and access to the systems to be gained within the coming days.	None

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	1587	Tell Us Once - 2016/17 : Not all service areas of the Council are included in the Tell Us Once System	Medium (Amber)	31/03/2017	10/11/2017	<p>The list of TUO users has been audited to ensure the right people have access to the system and to identify new users. The Council has been working with DWP to overcome issues with the IT technology (firewalls) which is currently preventing new users being added and Flintshire were not the only LA to experience problems accessing the system.</p> <p>This issue was resolved last week. Customer Services is now making contact with those employees who require access and will enrol them as a priority. We will also invite DWP to provide training to new users. We aim to complete all actions, including training by 31 October.</p>	The list of TUO users has been audited to ensure the right people have access to the system and to identify new users. Until the IT problem with the DWP is resolved only the current services are using the system.
Community & Enterprise	1616	Housing Allocations 15/16 :	Medium (Amber)	31/03/2017	29/12/2017	A review of the regional policy will be presented to cabinet in the Autumn. A full rewrite of	Working practices have been amended and restrictions placed on the OT system to limit risks

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
		Procedures				the procedures will follow that.	and case file reviews are carried out.
Governance	174	CPRs : Declaration of Interests	Medium (Amber)	31/03/2016	31/12/2017	Progress with developing an electronic register has been slowed by capacity within IT development services. Although Chief Officers are already under an obligation to maintain a register for declarations of interest the Deputy Monitoring Officer is preparing a consistent process and paperwork to be rolled out until the electronic system is ready.	Any declarations are to be reported to line management until IT solution is finalised.
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	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.

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						the next 3 months.	
Governance	284	Main Accounting - AP & P2P 15/16: Not enough expenditure codes are under category managers.	Low (Green)	29/02/2016	31/12/2017	The Corporate Procurement function has just been through an organisational re-structure, which has provided clarity which of the Category Business Partners has been allocated various category of spend areas. There is now an action plan in place to implement the need for all Purchase Orders to be routed through Purchase to Pay system category workflow approval process so that more expenditure codes and category spend classifications will be managed and controlled.	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.
Governance	1406	Data Protection - 15/16: Subject access requests are not identified correctly by Staff who may receive them. If they are not properly identified then they may not be processed correctly or in accordance with	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
		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	31/10/2017	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
Governance	1523	PCIDSS: Staff do not have the most recent or up to date information	Low (Green)	31/12/2016	31/10/2017	PCIDSS Accredited External Assessors have been appointed to conduct an initial review of systems and	A PCIDSS review was undertaken by a specialist QSA provider, ECSC, on 4th October 2017. The review has identified areas of

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
		available to them.				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 4/10/17. Following the review revised guidelines (containing any amendments identified by QSA Assessors) will be issued to all appropriate staff. In view of the external assessment, PCIDSS compliance, including the most up to date guidance for staff, will not be achieved until 31/10/17.	<p>compliance and areas of risk. Overall, the Council is deemed to be 50% compliance with PCIDSS</p> <p>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</p> <p>In the meantime guidance will be updated and re-circulated to the workforce responsible for taking payments.</p>
Governance	1572	PCIDSS: Non-compliance with PCI DSS or DP Act.	High (Red)	31/12/2016	31/10/2017	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	<p>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</p> <p>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</p>

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						review the SAQ will be completed and based on the findings of the external risk assessment.	but this will undoubtedly require substantial investments in IT to achieve 100% compliance
Organisational Change 1	1591	Leisure Services - Direct Debit Set Up	Medium (Amber)	31/03/2017	31/12/2017	As per follow up note dated 31 August 2017. The following reason had previously been submitted on 29 March 2017: 'The significant resource required to conduct service-wide training in the short-term is unavailable. Key colleagues that would lead on this training are currently assisting Holywell Leisure Centre in relation to system set up for the CAT; other key personnel that can effect this training are subject to service review, re-structure and/or VR.'	The vacant 'system administrator' post is still to be recruited to; it is currently being advertised as 'Systems Development Officer' (SS Grade G) with a closing date of next Monday, 13 November. The main focus of the new Finance & Commercial Manager, since he commenced employment on 12 June, has been achieving financial close with FCC and profiling the two proposed capital investment schemes which are central to Aura's five-year business model and the long term economic viability of the ADM. These two priority pieces of work are also deemed priorities for FCC (as Aura's partner).
Organisational Change 1	1593	Leisure Services - Access to the Leisure Management	Low (Green)	31/03/2017	31/12/2017	In readiness for the transfer of Leisure & Libraries Services to Aura from FCC on 1 September 2017, a review of LMS users has been recently completed to ensure the list is up to date	As above

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						<p>and accurate.</p> <p>The Leisure Head Office re-structure is still ongoing and will continue throughout September and October 2017.</p> <p>The system administrator has recently resigned her post with Aura/FCC so, at present, there is no resource to carry out regular user reviews. This currently vacant post will be recruited to as part of the re-structure hence the revised Due Date being submitted.</p>	
Organisational Change 2	333	CCTV – Draft CCTV Policy	Medium (Amber)	30/07/2016	29/09/2017	<p>The document has been revised and has been supported by Chief Officers. Trade Union colleagues have suggested that there needs to be clarification around CCTV system used in FCC vehicles.</p>	<p>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 features in such vehicles.</p>
People & Resources	1500	Insurance - 2015/16 : Pre Action Disclosures	Low (Green)	31/12/2016	31/12/2017	<p>Much progress has been made in this area and following the appointment of the new broker from 1st October we will be liaising with them to further</p>	<p>Work to digitise Insurance info is ongoing but is lengthy and time consuming given the workload within the Section. In the meantime where necessary existing manual arrangements</p>

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						improve processes.	are continuing.
Planning & Environment	285	Section 106 - 15/16 : Update of LPGN 22	Medium (Amber)	31/07/2016	31/12/17	<p>LPGN 22 (overarching planning guidance) has not been updated, and it is recognised that this will need to be updated to ensure consistency with the updated LPGN's which sit beneath it (in particular LPGN 23, Education).</p> <p>There may also be scope to update LPGN 22 to include a S106 administration fee, but this is something which will need to be considered in discussion with Legal.</p> <p>A due date of 31.12.17 has been included recognising the timeframes for the adopting of new and amended planning guidance.</p> <p>Following on from the comments below, 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.</p>	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 &	311	Section 106 :	Medium	31/03/2017	31/12/2017	First stage of work completed	New officer assigned to the

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
Environment		Strategic decision around the adoption of open space provision	(Amber)			<p>by Play and Leisure in providing necessary advice to Planning and work is now taking place on revising Planning Guidance. This provides logic for the slippage in dates in that the first stage as originally envisaged is now complete and the revised date allows for second stage completion of the work.</p> <p>Further work is required to evaluate and provide further evidence to update the Planning Guidance on Open Space Provision. This is also due to the previously assigned officer for this review being on long term absence from work, and a new officer has had to pick up the work.</p>	work. Review of work done to date and evidence provided or outstanding underway.
Planning & Environment	313	Section 106 - 15/16 : Play equipment specification	Medium (Amber)	31/07/2016	31/12/2017	<p>A working group is now in place to complete the drafting of this guidance note and will finish the work by 31st March 2017.</p> <p>Amendment made to provide an accurate update in line with the Planning Strategy group meeting that will sign off the draft guidance.</p>	<p>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.</p> <p>Initially this will be progressed through discussion between Andy Farrow, Andy Roberts, Ian Bancroft and Alan Roberts.</p>

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
							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	31/12/2017	<p>The Section 106 Working Group has now met twice to address the recommendations of the audit report with a third meeting scheduled for September 2017.</p> <p>The existing, adopted Local Planning Guidance Note continues to be used in the determination of any relevant applications in the interim.</p> <p>A draft of revised Supplementary Planning Guidance Note will be represented to the next meeting of the Working Group in September with a view to an agreed version of it being reported to Planning Strategy Group on 23rd November and Cabinet (for consultation) on 19th December.</p>	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.
Planning & Environment	315	Section 106 - 15/16 : Open Space requirements,	Low (Green)	31/07/2016	31/12/2017	Update following S106 Working Group Mtg 20.9.17: This will be looked at as part of the update to LPGN 13, Open Space	This was a green finding so the risk is considered to be low, and 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
		trigger points / staging of payments				<p>Requirements. A meeting to be arranged to discuss the data that it held around trigger points, contributions per unit, etc. to inform the changes to the LPGN.</p> <p>A draft SPGN has been put together around Recreational Public Open Spaces (as attached) to be used as a starting point for discussions, but it is acknowledged that there is also need for a wider discussion around the adoption of open spaces - where do we want to be in 10 / 15 years' time? Can we continue to adopt these open spaces? Are we adopting open spaces only to hand them back to the Community as Community Asset Transfers, etc.</p>	
Planning & Environment	320	Section 106 : Monitoring reports	Low (Green)	30/06/2016	31/12/2017	A review of alternative purpose built software is underway which would negate the requirement to fill in separate databases.	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	31/12/2017	The Section 106 Working Group has now met twice to address the recommendations of the	LPGN 13 remains in place, whilst it is acknowledged that some update is required, and work is

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						<p>audit report with a third meeting scheduled for September 2017.</p> <p>The existing, adopted Local Planning Guidance Note continues to be used in the determination of any relevant applications in the interim.</p> <p>A draft of revised Supplementary Planning Guidance Note will be represented to the next meeting of the Working Group in September with a view to an agreed version of it being reported to Planning Strategy Group on 23rd November and Cabinet (for consultation) on 19th December.</p>	ongoing to address this, the existence of the current Planning Guidance ensures that risks are managed in the meantime.
Planning & Environment	1575	Greenfield Valley: Update of Financial Records	Medium (Amber)	31/03/2017	30/11/2017	Revised due date to allow the service the opportunity to fully close down the audit recommendation in line with the agreed action.	<p>The permanent Admin post has now been filled with effect from 1.9.17. the new employee has taken over the duties performed by the Temp Admin post but will need a period of time to get up to speed and to ensure the full implementation of the actions identified in the audit report.</p> <p>The immediate risks are still being managed based on the controls put in place by the</p>

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
							temporary contractor which have been picked up by the new permanent post pending full implementation of new processes and procedures.
Planning & Environment	1576	Greenfield Valley: Electronic Banking	Medium (Amber)	31/03/2017	30/11/2017	The revised due date has been included by SG to allow the service time to fully implement the agreed action.	The Interim financial policy is still in place and will remain in place until a final policy is agreed by the new Trustees. The interim policy refers to controls around credit card payments so addresses the risks identified during the audit.
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 update above.	The Interim Policy referred to below is still in place. The intention is that the interim policy will be revised once the 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.
Streetscene & Transportation	1725	HNA 16/17: Discrepancies in carriageway	Medium (Amber)	24/05/2017	31/12/2017	CIPFA have made a decision not to implement the HNA Code of Practice, as such this	As this is now a best practice recommendation (following the CIPFA decision not to implement

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
		lengths				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.	the HNA Code of Practice) there is no 'risk' to be managed. The action will however be implemented to ensure best practice within the service. Based on CIPFAs decision, the priority for the action has been downgraded from medium to low.
Streetscene & Transportation	1726	HNA 16/17: User access to PMS Software	Medium (Amber)	24/05/2017	30/10/2017	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. FCC IT have provided a VDI link to the system, however this is not yet operational. A call has	FCC IT are continuing conversations with the software provider (WDM) to make arrangements to improve the user access. Access should be resolved within 4 weeks, with WDM providing a long-term solution in the coming months by developing a Web Access Portal.

Portfolio	Ref:	Audit	Priority	Original Action Due Date	Revised Due Date	Reason for Revised Due Date	How Risk is Being Managed
						been raised and we are awaiting resolution.	
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	13/09/2017	A complaint was received concerning practices followed for the award of transport contracts, this also included an allegation of corruption. The investigation is ongoing.
1.2	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 will shortly be issued to the service to enhance controls in the service.
1.3	30/10/2017	A referral has been received concerning potential misuse of a grant scheme by a former member of staff.

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 complete and a number of control recommendations have been made. The allegation could not be substantiated.
2.3	18/05/2016	A referral was received concerning the use of monies on a grant funded scheme. The investigation has been concluded and a report has been issued. This is now the subject of a Police investigation and further information has been provided.
2.4	17/08/2017	A referral has been received alleging unfair treatment and irregularity in the awarding of a contract. The investigation is ongoing.
2.5	05/07/2017	A referral has been received alleging that a member of staff has used a Council contractor for private work. The implication being it could be a conflict of interest. The investigation is ongoing.

Internal Audit Performance Indicators

Appendix G

Performance Measure	Qtr 1 17/18	Qtr 2 17/18	Qtr 3 17/18 (as at 13.11.17)	Target	RAG Rating	
Audits completed within planned time	71%	60%	88%	80%	G	↑
Average number of days from end of fieldwork to debrief meeting	17	15	11	20	G	↑
Average number of days from debrief meeting to the issue of draft report	5	14	2	5*	G	↑
Days for departments to return draft reports	10	11	7	7*	G	↑
Average number of days from response to issue of final report	1	2	2	2	G	→
Total days from end of fieldwork to issue of final report	39	34	27	34	G	↑
Productive audit days	79%	74%	82%	75%	G	↑
Client questionnaires responses as satisfied	100%	100%	100%	95%	G	→
Return of Client Satisfaction Questionnaires	66%	75%	75%	80%	G	→

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 June 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	15	Draft Final Issued
Risk Management	Risk Based	G	10	10	18	Final
Education and Youth						
Youth Justice	System Based	A	15	15	9	Draft Review
Governance						
Network Security	Risk Based	A	See Note #	-	1	To form part of assurance mapping
Procurement	Risk Based	A	30	30	27	Final
Organisational Change 1						
Alternative Delivery Models	VFM	R	30	30	18	Aura - Final Newydd -Final
Organisational Change 2						
Corporate Asset Strategy	Risk Based	A	15	15	20	Draft Issued
Planning and Environment						
Streetscene and Transportation						
Environmental Enforcement	Risk Based	R	30	30	23	Final
External						
Notes: # External technical support may be required for this audit * Audit has been combined with another and one audit report will be produced						

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	Drat Issued	1	
Strategic Housing and Regeneration Project (SHARP)	H	In Progress	2	
Welsh Housing Quality Standard	H	In Progress	2	
Housing Rent Arrears	M		3	
Transient Travellers	M		4	
Disabled Facilities Grant	C/F 16-17	In Progress	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	
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		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	Deferred 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		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	
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	December start
Appraisals	M		4	
Occupational Health Unit			4	New to Plan
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
Treasury Management	M		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	In Progress	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				
Social Services Financial Processes (Including Provider Payments)	Commissioned Work	Final	1	
Commissioning and Contracts	H	In Progress	1	
Safeguarding - Adults at Risk	H		3	

Audit	Internal Audit Priority Rating	Status of Work	Proposed Quarter	Supporting Narrative
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
Streetlighting Security	Advice & Consultancy	Final	2	New to Plan
Solar Farm	Advice & Consultancy	Draft report	2	New to Plan
ITU Procurement	Advice & Consultancy	Draft report	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	<ul style="list-style-type: none"> 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.