

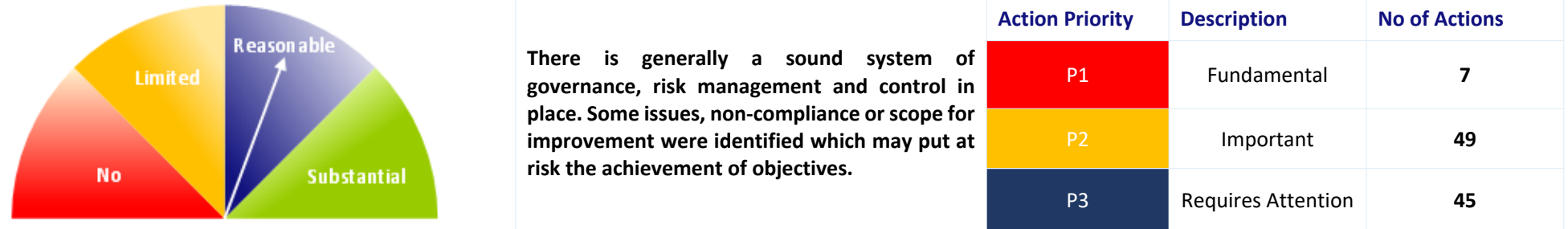
Powys County Council

Quarterly Internal Audit Update Report
As @ 31st December 2022 (End of Q3)

Internal Audit Progress Report as at Quarter 2 2022/23

As part of our update reports, we will provide an ongoing opinion to support our end of year annual opinion. Internal Audit provides an independent and objective opinion on the Authority’s control environment by evaluating its effectiveness.

Rolling Opinion



The Headlines for audits completed to date for 2022/23

	Whist internal audit planning is agile throughout the year, a revised audit risk assessment is being undertaken that considers current strategic and service risk, new corporate objectives, key aspects of a healthy organisation and the impact of fraud. This process will be the starting point for assurance mapping. Audit plan coverage will continue to focus on the key areas of assurance.
	34 audits complete, 13 at draft report stage and 17 in progress. The delivery of internal audit work is on track to deliver an annual opinion.
	83% of the opinion related work found the control environment to be either Substantial or Reasonable assurance. There are no significant corporate risks to be reported, but Limited Assurance reports were issued for Continuing Health Care and Deprivation of Liberty Safeguards.
	Action tracking shows that there is no overdue priority 1 or priority 2 agreed actions. The Council is promptly mitigating its audit risks.
	SWAP is transitioning to a new audit management system with the intention that the Committee and Management Team will be able to see live dashboards on progress and control risk from April onwards. Audit recommendation tracking will be delivered through the new system from April onwards with increased visibility and functionality.

Assurance Opinions as @ Q2

Substantial	1
Reasonable	23
Limited	5
No Assurance	0
Support/ Advisory	5

Progress/ Activity as @ Q2

Complete	34
Draft	13
In progress	17
Total	64

Internal Audit Progress Report as at Quarter 2 2022/23

Internal Audit Work Programme and Coverage

Primarily the work programme includes:

- Operational Audit Reviews
- Cross Cutting Governance Audits
- Annual Review of Key Financial System Controls
- IT Audits
- Grant Assurance Work
- Project management
- Other Special or Unplanned Review

Internal audit coverage has been measured against the corporate risks presented to Committee in September 2022. This includes audits completed in 2020/21, 2021/22 and the current financial year (2022/23) as well as future planned audits. Please note as future audits are flexible there is potential for coverage to increase or decrease.

Risk Ref.	Audit Coverage	Future Coverage	Risk Narrative
EDR0011 (New)	None	Some	Impact of Climate on our ability to deliver services
HTR0018 (New)	None	Some	Impact of nature emergency on our ability to deliver services
ASC0066	Some	Some	Risk of social care provider failure. THEN risk of care services becoming unviable and not sustainable, resulting in requirement to support residents to access different services/care homes etc
ASC0064	None	None	WCCIS Unreliability - IF the unreliability of WCCIS is not resolved. THEN Veracity of decision making around adults and children in Powys will be compromised, leading to poor outcomes.
CS0081	Good	Some	BUDGET: If Children's Services are unable to manage within budget. THEN have implications for the whole Council: - Unable to meet statutory duties - Leaving service users at risk - Reputational damage to the Authority - Unable to manage within financial envelope
ED0022	Good	Good	The council will be unable to manage the schools' budget without ongoing adjustments to the distribution formula and improving financial management. If they are unable to manage the budget, there will be a significant compromise to the quality of education for Powys learners. THEN Some schools will have escalating deficits which will have a financial impact on the rest of the Council and the learners in their care.
FIN0001	Some	Some	The Council is unable to deliver a financially sustainable budget over the short and medium term. The continued impact of Covid coupled with the more recent events around rising inflation, energy costs and the situation in Ukraine impacting on supply chains and prices all increase the risk on the Council financial resilience. THEN- The Council is unable to fulfil its legal obligation in setting a balanced budget - The Council will not be financially resilient or sustainable - Council reputation damaged - Inability to fulfil our statutory requirements

Internal Audit Progress Report as at Quarter 3 2022/23

The assessment of none, some, and good is based on the number of audits in these areas and the scope of the audits. This gives the Committee assurance that internal audit is aligned to the corporate risks although we would not expect all audits to align to all corporate risks.

Other areas are considered in the planning process such as:

- Service Risks
- Corporate objectives
- Fraud Risk Assessment
- Technology Assessment
- Performance information
- Wider Sector Risks
- Previous IA Work

Risk Ref.	Audit Coverage	Future Coverage	Risk Narrative
ICT0010	Good	Some	Non-compliance with data protection legislation UK General Data Protection Regulations (GDPR) and Data Protection Act. THEN - Potential fine of up to £17,000,000 or 4% of annual turnover - The Council is subject to regulatory data protection audits - Reputational damage - Regulatory enforcement action - Detriment to the data subjects - Civil action and associated consequences
ICT0029	Some	Good	Cyber Security Threat. Risk of financial loss, disruption or damage to the reputation of Powys County Council from a failure of its information technology systems and or/loss of Data due to a cyber. THEN Loss of Information systems until they can be successfully restored. Loss of data, inability to access data or public disclosure of Personal Data. Cyber risk could materialize in a variety of ways, such as: <ul style="list-style-type: none"> • Deliberate and unauthorized breaches of security to gain access to information systems. • Unintentional or accidental breaches of security. • Operational IT risks due to factors such as poor system integrity
PCC0003	Some	Some	The council receives a negative regulatory / inspection report. THEN - Meeting regulatory and legislative duties - Ability to provide a good quality of service to service users - Managing demand on the service - Recruitment and retention of staff - Staff morale - Reputational damage
PCC0005	Some	None	The impact to Powys residents, services and Council staff as a result of a COVID-19 (Coronavirus) epidemic. THEN Increased staff absenteeism; Increase demand for services from residents Increased workload for council staff as a result of staff absence and increased service demand Closure of Council premises resulting in reduced services to residents and office accommodation.
PRO0008	None	None	Russian Invasion of Ukraine and Other Market Pressures leading to Increased risks of price variations and labour & material shortage caused by rising inflation. THEN Effect on capital and revenue budget but mainly effecting supplies of materials relating to any contract or project. Unable to deliver statutory and non-statutory services which could result in a backlog of work, reputational damaged, quality of buildings and knock-on consequences. Examples of a key consequence: delayed or cancelled housing development reduces capacity to address homelessness and other housing needs, Delays or affordability of delivery of schools transformation etc
WO0021	Good	Some	The Council is unable to recruit, retain and commission the workforce it requires, in the short term due to increased staff absences and a challenging UK labour market, and in the longer term due to an expected long-term decrease in the local working age population. THEN Council is unable to secure the services needed by the local population, including care and assessment provision, education, waste, highways, housing culture and support services.

Internal Audit Progress Report as at Quarter 3 2022/23



Internal Audit Progress and Outcomes

At the conclusion of an audit assignment each review is awarded a “Control Assurance Definition”;

- Substantial
- Reasonable
- Limited
- No

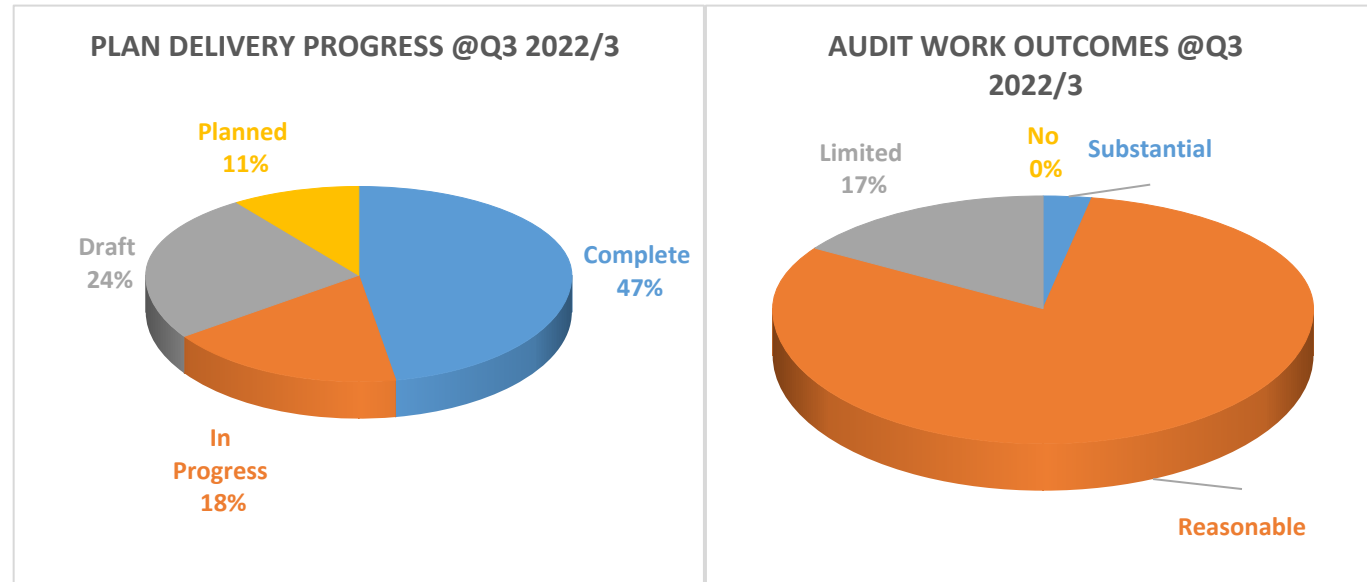
The schedule provided in Annex B contains a list of those audits completed, in draft, and in progress.

We also undertake Advisory / Non-Opinion work on a consultancy basis where we have been asked to look at a specific area of potential concern

It is important that Members are aware of the status of all audits and that this information helps them place reliance on the work of Internal Audit and its ability to deliver an annual opinion. Each completed assignment includes its respective “assurance opinion” rating together with the number and relative ranking of agreed actions that have been raised with management. The assurance opinion ratings have been determined in accordance with the “Audit Framework Definitions” as detailed in Annex A of this document.

Thirty-four audits have been completed and thirteen audits are at draft report stage at the end of Quarter 3. A further seventeen audits are in progress and will conclude in Quarter 4. These are shown in more detail in Annex B.

The graphic below displays the split of audit opinions and plan delivery for the financial year 22/23.



Internal Audit Progress Report as at Quarter 2 2022/23

These are areas that have been identified as significant control issues that should be brought to the attention of the Audit and Governance Committee.

The Audit tracker indicates that all 4 actions are in progress with delivery dates in March and July 2023.

Summary of Significant Concerns

Continuing Healthcare (CHC) – Final Report

15th June 2022



Audit Objective

To provide assurance that in line with the Authority's legal responsibilities, the service users receive the service they are eligible for, and robust cases are presented to the Continuing Healthcare (CHC) panel.

Assurance Opinion



Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited. The Assurance Opinion is reflective of the arrangements between PCC and Powys Teaching Health Board.

Actions

Priority	Number
Priority 1	0
Priority 2	4
Priority 3	0
Total	4

Risks

- **Legal** – Adult Services funds & delivers care that goes beyond its legal threshold as set out in the SSWBA.
- **Financial** – Residents in Powys contribute to the cost of their care that should be free at the point of care.
- **Clinical governance** – There may not be sufficient/necessary oversight of specific care tasks that should be the responsibility of the NHS to deliver/commission/organise.

Assessment

Medium

Conclusion

1. Effective national policies and frameworks have been adopted, but despite continuing efforts by PCC, supporting local operating protocols have not been formally agreed.
2. Whilst there has been recent improvement, it is still difficult to make an effective judgement on activity and performance of CHC, as there is a lack of visibility and management reporting to enable effective decision making and problem resolution.
3. There are excessive delays and disputes over the determining of responsibility for funding care arrangements. The onus is on the Health Boards to determine the final decision and whilst awaiting a decision, the Local Authority is left to fund the interim arrangements. PCC may potentially be illegally funding care. Excessive delays may impact on the client if they are deemed financially liable for the cost of care.
4. The Council need to effectively manage debt with the Health Boards, so that CHC debts are easily reportable and historic debts are recovered/ written off.

Audit Scope

The aim of the review was to provide assurance over activities and monitoring arrangements including the suitability/effectiveness of:





- The Framework, terms of reference, scheme of operation and associated policies and procedures.
- Training and awareness.
- PCC role in the CHC assessment and decision-making process, including challenge presented by PCC, as regard eligibility for CHC funding.
- Disputes process.
- Internal processes for the monitoring of the Framework, the existence of primary healthcare needs and the budgetary consequences to the Authority.
- Management reporting and oversight.

The scope includes all service users aged 18 and over and have any relevant need.

Limitations

The depth of testing and subsequent assurance of this audit was limited by the nature of operational data presented for review and by CHC being a Health Authority led process. Therefore, we cannot offer any assurance around the potential bottlenecks as we were unable to perform all the testing within the scope. In addition, the Council could not provide specific CHC invoicing/debt information and therefore it could not be considered in detail.

Key Findings

	<p>Policies & Procedures</p> <p>The arrangements for CHC are set out by the Welsh Government in Continuing NHS Healthcare - The National Framework for Implementation in Wales (Framework). This stipulates Local Health Boards (LHBs), have the lead responsibility for CHC in their local area. LHBs must, however, work with Local Authorities, other NHS organisations and independent/voluntary sector partners to ensure effective operation of the Framework. The Framework sets out the process for LHBs working with local authority partners, to assess an individual's health needs and to ensure that the appropriate care is provided to meet those needs. The purpose of the Framework is to provide a consistent foundation for determining CHC eligibility for adults across Wales. The Decision-Making Tool (DST) and Practice Guidance support the Framework.</p> <p>However, despite continuing efforts over the last 4 years by PCC to engage and move forward the process with Powys Teaching Health Board (PTHB), formally agreed Standard Operating Procedures (SOP) have never been in place between PCC and PTHB, and there remain areas within the procedure where agreement has yet to be achieved. With lead responsibility, historically reliance has been placed on PTHB for the interpretation of the Framework, but in recent years PCC have actively challenged any seemingly unacceptable decisions.</p>
	<p>Training</p> <p>In the past, training had been provided by PTHB, but approximately 2 years ago PCC commissioned its own training for PCC staff. It was stated that the new training gave PCC officers more knowledge around the framework and enabled them to provide more effective challenge to PTHB on the assessment and decision-making process on individual cases. An ongoing CHC training programme is in place within PCC, with specialist support provided by the Continuing Health & Complex Care Practitioners.</p>
	<p>CHC Assessment Process</p> <p>PCC works with the relevant Health Board/Clinical Commissioning Group with the aim of ensuring that the individual receives the appropriate care and support with the correct funding. Various issues about the CHC process were raised by the Senior Manager – Mental Health & Disabilities primarily concerning delays, lack of transparency and inconsistencies in the application of the Framework. These issues were reflected in an audit analysis of the available data that found the most common reasons for a delay was the 'awaiting of a DST' and 'disagreement on outcome of DST (level of need)'. The Improvement Officer is responsible for maintaining a spreadsheet to record the progress of individual CHC cases where there are delays and disputes. The Framework requires that a DST should be completed in no longer than 8 weeks from the initial trigger to agreeing a care package. The limited data available does give some indication of the scale of the delays. For the current financial year to 14th January 2022, based only on the timescale between the dates of the DST and the Health Boards QA Panel, of the 60 cases resolved, 10 were awarded in a period of between 3 to 12 months, 24 were completed within 0 to 3 months and there is no data on the remaining 26 cases. It should be noted that awaiting a DST is the most common reason for a delay and is not included in the above timelines.</p>
	<p>Monitoring the Implementation of the Framework</p> <p>Although recorded on case notes, there is no practical means of recording the initiation of the CHC process on WCCIS for monitoring purposes and therefore only delayed and disputed cases are actively monitored. Current processes do not provide operational visibility over all CHC cases, notably routine cases that do not come to the attention of the Improvement Officer/Senior Management. The data maintained by the Improvement Officer on the progress of CHC cases represents a significant step in the monitoring of cases but remains the only source of management information for CHC. No data was available from other Welsh Local Authorities for comparative purposes.</p>

Internal Audit Progress Report as at Quarter 3 2022/23

Continuing Healthcare (CHC) – Final Report

15th June 2022



Dispute Process

Paragraphs 8.7 & 8.8 of the Framework state that Local Health Boards (LHB) and Local Authorities (LA) should have in place locally agreed procedures/protocols for dealing with any formal disputes concerning CHC. These protocols should make clear how the LHB discharges its duty to consult with the LA and how the LA discharges its duty to co-operate with the LHB.

A local dispute resolution process is informally in place between the Council and PTHB, but there has never been a formally agreed process. A formal process is set out in an appendix to the draft SOP.

The Senior Manager - Mental Health & Disabilities (SMMHD) has an overarching role, within the Council, for CHC. Dealing with and escalating complaints/disputes with PTHB and other Health Boards represents a large element of the SMMHD's role. Data on disputed cases is routinely compiled by the Improvement Officer for information and monitoring purposes. An audit review of the data, noted that it demonstrates the escalation within the dispute process as senior managers through to director level, in both PCC and the relevant Health Board/ Clinical Commissioning Group, become involved in a bid to resolve the dispute. An analysis of the dispute data noted that as of 14th January 2022, there were 17 ongoing disputed cases, an average delay of 18 months with 'disagreement on the outcome of the DST' given as the main reason for a dispute.



Financial Reporting & Management of Debt

Issues with disputes and delays within the Health Board CHC process have financial implications for Health Boards, Local Authorities, and the client. From PCC's perspective, when CHC is not awarded, the Council will be responsible, where appropriate, for the individual's social care and for potentially a significant financial obligation over a period of many years. Notably, PCC remains responsible for the provision of social care during a delayed CHC assessment process, creating further pressure on already stretched resources and financial implications for the Authority. Where the CHC assessment process is delayed or not awarded, there are potentially significant financial implications for those clients required to contribute towards the cost of their social care.

In instances where a CHC package is agreed retrospectively by a HB/CCG, invoices are raised by the Council as a means of obtaining reimbursement for the cost of the social care package provided to the client, whilst the CHC assessment was ongoing.

Assurances were given that standard PCC processes are in place for the raising of invoices and collection of the debt. An Audit request was placed with Finance for data on CHC related invoices raised and outstanding invoices for all Health Boards, Clinical Commissioning Groups and Local Authorities. Limited information was provided but PCC financial reporting was unable to provide the specific information requested. An Internal Audit report on Debt Management, dated December 2019, noted that it appears that PTHB debt is not as actively pursued by the Council as other debts. The report recommended that all debt is pursued in line with the Council's approved guidance. Audit follow up processes found, in December 2021, this recommendation had not been implemented and was still being considered.



Monitoring of funding

PCC do not maintain a budget for CHC but monitors funding via the Council's financial efficiency tracker. It's not evident why the monitoring of CHC funding is recorded in this manner, but it's described on the tracker as: "Funding Body Review - Working alongside partners to support the accessing of correct funding for the care and support of Powys residents." The sum included in the tracker for 2021/22 is £1,070,000. It should be noted that alongside changes in funding arising from a DST, changes arising from other related sources are also recorded within the same tracker and consequently, there is a lack of transparency for internal monitoring purposes as regard the information recorded. Information for the tracker is compiled for Finance purposes by the Improvement Officer within Adult Services. Responsibility for financial monitoring lies with the Head of Service. Information on the tracker is reported monthly to the Head of Service, Director and to the Social Services Board.

Internal Audit Progress Report as at Quarter 3 2022/23

An Audit was undertaken in 2019/20 that concluded the Activity to have "Partial Assurance".

The Service attended the Internal Audit working group to outline their activities.

Deprivation of Liberty Safeguards (DoLS) - Final Report

13th October 2022



Audit Objective

To provide assurance that suitable progress has been made towards the implementation of agreed actions to mitigate against the risk exposure identified in the 2019/20 'partial' audit opinion DoLS report.

Assurance Opinion



Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.

Number of Actions

Priority	Number
Priority 1	1
Priority 2	1
Priority 3	0
Total	2

Risks

DoLS assessments are either not completed or are invalid, resulting in the possibility of individuals who lack capacity being deprived of their liberty without authority.

Assessment

Medium

Background and Scope

In line with the actions agreed in the 2019/20 audit, the aim of this review was to provide assurance that:

- Procedures and a strategy for the completion of DoLS Assessments are in place.
- Timely, effective assessment procedures are in place.
- There are appropriate procedures for the recruitment/commissioning & financial management of assessors.
- There is appropriate scrutiny and authorisation of assessments made.
- There is an appropriate quality assurance process in place.
- Monitoring is in place to ensure appropriate prioritisation of cases and backlogs are managed effectively.

The earliest date for the implementation of the new Liberty Protection Safeguards (LPS) is October 2023. The implementation of LPS is not specifically included in the scope, as there is currently no timetable to compare progress against for its implementation.

Internal Audit Progress Report as at Quarter 3 2022/23

This follow-up review found that 2 important concerns from the original report have not been mitigated.

The Audit Tracker indicates that both actions are in progress and have an end date of October 2023.

Deprivation of Liberty Safeguards (DoLS) - Final Report

13th October 2022



Key Findings



Strategy & Procedures

National and local guidance documents are in place, including a joint operational DoLS policy and procedure with Powys Teaching Health Board which was approved in October 2019. In addition, a DoLS Priority & Allocation Strategy is in place to assist with the prioritisation of the caseload and to ensure a proportionate and individual approach is taken for each case.



Assessment process & timeliness

Appropriate administrative processes, involving the use of a spreadsheet, are in place for recording the progression of DoLS referrals. A DoLS strategy for the management of ongoing and pending applications has been introduced since the previous audit review.

Data indicates there has been an improvement since 2018/19 in the average number of days taken to process applications. However, in 2021/22 the average processing time of 112 days for a standard referral and 81 days for an urgent referral, remain considerably higher than the statutory timescales of 21 days for a standard and 7 days for an urgent referral. In recent years, backlogs have remained at a similar level of typically over 300 referrals. It should be noted that these findings need to be taken in the context of the Covid 19 pandemic and its impact on the DoLS team's ability to process referrals in a timely manner.



Authorised signatory & quality assurance

Two part-time authorised signatories are currently in post, one of which is employed via an agency. Training has taken place and additional support provided with the aim of upskilling staff to help establish an internal, sustainable signatory resource for both DoLS and LPS.

Due to the Covid 19 pandemic, the DoLS Lead Officer's progression with the development of peer-to-peer supervision to include quality assurance was stopped. Following consultation with the Quality Assurance & Improvement Manager in Adult Services, it was agreed that along with authorising assessments it's also the role of the authorised signatory to carry out the quality assurance process. It was stated that the legal requirements for the internal BIA's training continues to be up to date.



Staffing resources – Best Interest Assessors (BIA)

Reliance is still placed on external agencies for BIA. Data indicates that only 12 of the 446 cases allocated in 2021/22 were given to an internal BIA. A vacancy for an internal BIA was filled in March 2022, but there remains limited capacity to release BIAs from the operational teams. Budgetary information for 2021/22 shows a small underspend on staffing costs (internal & agency staff).



Supervisory Body Recommendations

The DoLS Lead Officer worked with the Mid & West Wales Safeguarding Board Region to produce guidance documents for interim arrangements during the Covid 19 pandemic. The pandemic has impacted on the DoLS Oversight Group, but it was stated that the DoLS Lead and Senior Manager attend regional meetings to discuss issues etc. Powys Teaching Health Board are leading with the ongoing creation of a Memorandum of Understanding.

Follow up work confirms the responsive nature of management in implementing agreed actions to mitigate exposure to areas of risk.

All significant issues arising from follow-up reviews will be reported to the Governance and Audit Committee.



Follow Up Audits

The follow-up audit is to provide assurance to the Director, Senior Management and the Audit and Governance Committee that the key risks have been mitigated to an acceptable level. Evidence is obtained to demonstrate implementation and progress made in relation to all recommendations.

The table below gives the status of follow-up reviews:

Audit Name	Status	Notes
Deprivation of Liberty safeguards (DoLS)	Complete	Issues Still outstanding, Reported to GAC on 9/2/23
NFI 2020	Complete	Revised arrangements for new exercise
Fraud Risk Maturity Assessment	Complete	Significant improvement with likelihood of further improvement as Council adopt fraud risk assessment
Managing Financial Commitments- Children	In Progress	
Llandinam Primary School	In Progress	
Housing Voids	In Progress	

Action Tracking

The Action tracker shows the status of completed and outstanding recommendations. This is mostly done through a self-certification process with each client. Currently there are 5 agreed actions that have gone beyond their target implementation date. A list of the Outstanding Actions is included in appendix C.

Internal Audit Progress Report as at Quarter 2 2022/23

Below is a copy of the action tracking dashboard as at 18/01/2023. Members can access this dashboard and drill into the detailed content of each audit assignment.

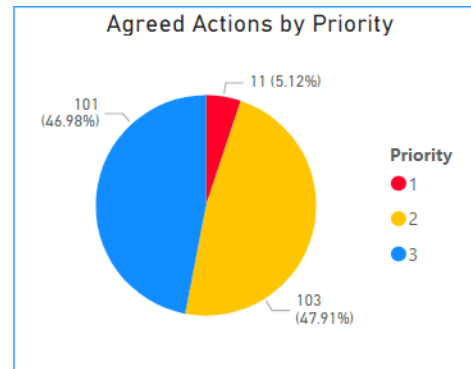
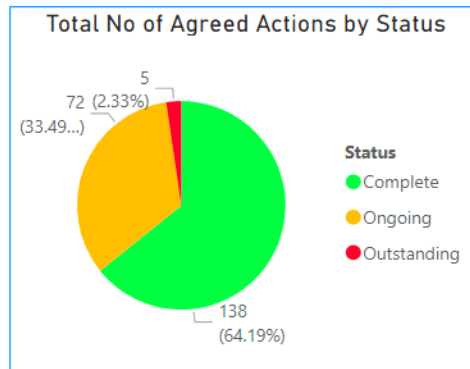
[← to Detailed Summary](#)

Powys County Council Insight Dashboard

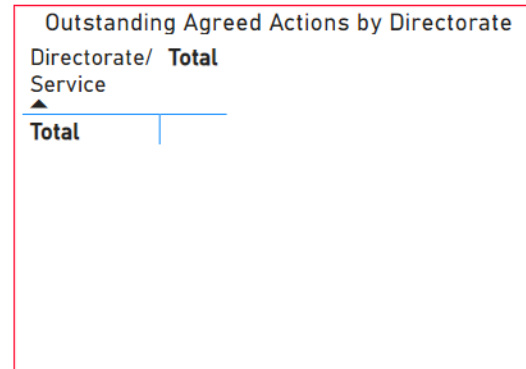
[Drill down to Agreed Actions](#)



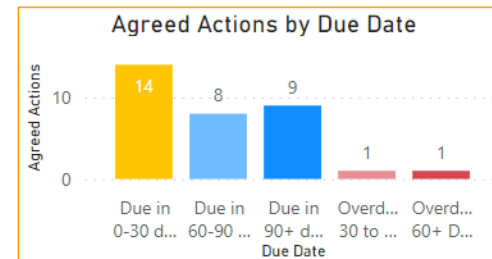
Agreed Actions made by Internal Audit



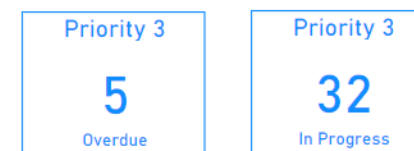
Priority 1&2 requiring immediate attention



Priority 1&2 Agreed Actions on the Horizon (due in 30 days or less)



Priority 3 Agreed Actions that would add value (if implemented)



SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Audit Standards (PSIAS) and the CIPFA Local Government Application Note.

Internal Audit Progress Report as at Quarter 2 2022/23

Contact Information

SWAP is an internal audit partnership covering 27 organisations. Powys County Council is a part-owner of SWAP, and we provide the internal audit service to the Council.

The contacts at SWAP in connection with this report are:

Ian Halstead

Assistant Director

ian.halstead@swapaudit.co.uk

Kevin Price

Principal Auditor

kevin.price@swapaudit.co.uk

For further details see: www.swapaudit.co.uk

At the conclusion of audit assignment work each review is awarded a “Control Assurance Definition”;

- Substantial
- Reasonable
- Limited
- No

In addition, to our opinion-based work we will provide consultancy services. The advice offered by Internal Audit in its consultancy role may include risk analysis and evaluation, developing potential solutions to problems and providing controls assurance.

Recommendations are prioritised from 1 to 3 on how important they are to the service/area audited. These are not necessarily how important they are to the organisation at a corporate level.



Audit Framework Definitions

APPENDIX A

Control Assurance Definitions

Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Risk	Reporting Implications
	In addition to the corporate risk assessment, it is important that management know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. Each recommendation has been given a priority rating at service level with the following definitions:
Priority 1	Findings that are fundamental to the integrity of the service’s business processes and require the immediate attention of management.
Priority 2	Important findings that need to be resolved by management.
Priority 3	Finding that requires attention.

Internal Audit Activity and Work Programme as at 31 st December 2022						APPENDIX B		
Quarter	Service	Assignment	Scope	Status	Opinion	Actions by Priority		
						P1	P2	P3
Q1&2	Highways	Commissioning	Reviewing commissioning activities to ensure that critical road defects are repaired promptly and effectively.	Complete	REASONABLE	1	2	2
Q1&2	Highways	Procurement	Value for Money is achieved when procuring services whilst protecting against the risk of fraud.	Complete	REASONABLE	1	2	4
Q1&2	Highways	Delivery, Monitoring & Reporting	Ensuring the Service have effective oversight over operations from a performance and financial perspective.	Complete	LIMITED	2	0	2
Q1&2	Highways	Vehicles, Assets & Fuel	Ensuring the use of vehicle and plant is effectively monitored and there are no signs to misuse. Ensuring a complete record of all fuel transactions to enable effective monitoring to protect against fuel theft.	Complete	LIMITED	1	2	0
Q1&2	Highways	Materials and Stock	Material and stock are effectively controlled to provide assurance that the items have been used for the delivery of commissioned work.	Complete	REASONABLE	0	1	2
Q1&2	Housing	Supporting People Grant- Certification	Grant Certification required by Welsh Government to give assurance that expenditure items are legitimate.	Complete	CERTIFIED			
Q1&2	Schools	School Forum - Risk and Control in Schools	Supporting schools by providing training on the audit process and the key areas of governance and control.	Complete	ADVISORY			
Q1&2	Finance	Risk Appetite Benchmarking	Using benchmarking and Partner Sources to support the Council on developing a risk appetite	Complete	ADVISORY			
Q1&2	Finance	Covid Grant Certification	Reviewing expenditure for legitimacy as part of covid grant arrangements.	Complete	CERTIFIED			

Quarter	Service	Assignment	Scope	Status	Opinion	Actions by Priority		
						P1	P2	P3
Q1&2	Finance	Contract Exemptions	To ensure that proper planning and value for money is delivered when a contract exemption is employed.	Complete	REASONABLE	0	2	0
Q1&2	Schools	Ysgol Maesydderwen-Secondary	Review Governance, financial administration and Asset Management at school using 360 assessment	Complete	REASONABLE	0	1	3
Q1&2	Adults & Children	Continuing Health Care	Ensure that effective partnership working is in place to allow effective financial arrangements.	Complete	LIMITED	0	4	0
Q1&2	Finance	Fraud -Those Charged with Governance	Contributing to the Council's assessment of fraud risk	Complete	ADVISORY			
Q1&2	Finance	National Fraud Initiative Report Update Q4 2021/22	Providing data and coordinating investigations to ensure potential fraud cases are identified and investigated.	Complete	LIMITED	1	0	0
Q1&2	Public Protection	Estate Agents Grant-Certification	Grant Certification required by UK Governments to obtain the NTSB grant	Complete	CERTIFIED			
Q1&2	Schools	Gwernfyed High School - Secondary	Review Governance, financial administration and Asset Management at school using 360 assessment	Complete	SUBSTANTIAL	0	2	1
Q1&2	Schools	Ysgol Bro Hyddgen - Secondary	Review Governance, financial administration and Asset Management at school using 360 assessment	Complete	REASONABLE	0	1	6
Q1&2	Schools	Bryn Hafren - Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Complete	REASONABLE	0	1	3
Q1&2	Schools	Berriew - Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Complete	REASONABLE	0	5	4
Q1&2	Schools	St Mary's - Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Complete	REASONABLE	0	5	2
Q1&2	Schools	Guilsfield- Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Complete	REASONABLE	0	7	2
Q1&2	Schools	Llanidloes - Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Complete	REASONABLE	0	3	0

Quarter	Service	Assignment	Scope	Status	Opinion	Actions by Priority		
						P1	P2	P3
Q1&2	Schools	Penygloddfa - Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Complete	REASONABLE	0	8	2
Q1&2	Adults & Children	Deprivation of Liberty safeguarding	Ensuring that the Council have improved performance on undertaking best interest assessments and meeting statutory guidelines.	Complete	LIMITED	1	1	0
Q1&2	Support	Archiving Powys IA Records	Supporting the Council with the management of audit Files/ information from Pre-SWAP	Complete	ADVISORY			
Q1&2	Support	Action Tracking Reports Q1 & Q2	Reports tracking the implementation of internal audit agreed actions.	Complete	ADVISORY			
Q1&2	Finance	Suspense Account Income	Examining unallocated income and identifying the root cause and user behaviour for non-compliance	Complete	REASONABLE	0	0	3
Q1&2	Finance	Mid Wales Growth Deal	Audit certification of expenditure and Governance controls for 21/22	Complete	CERTIFIED			
Q1&2	Finance	Purchase cards- Q1	On-going continuous review of purchase card transactions to identify non-compliance with council rules and exceptions that require more detailed investigation. The outcome will improve customer behaviour and more sound financial control.	Complete	REASONABLE	0	1	6
Q1&2	Finance	Fraud Risk Maturity Assessment -Follow up	Following up on the fraud Maturity baseline assessment to give committee assurance that the Council is preventing and detecting fraud.	Complete	REASONABLE	0	2	3
Q1&2	Finance	Purchase cards Q2	Continuous audit programme identifying spending behaviours and controls for Q2- Advisory	Complete	REASONABLE	0	0	0
Q1&2	Finance	National Fraud Initiative Report Update- Follow up	Providing data and coordinating investigations to ensure potential fraud cases are identified and investigated. Rolled into new exercise for 22/23	Complete	FOLLOW-UP			

Quarter	Service	Assignment	Scope	Status	Opinion	Actions by Priority		
						P1	P2	P3
Q3	Housing	Supporting People Grant 21/22	Welsh Government require validation and certification of claim expenditure	Complete	CERTIFIED			
Q3	Housing	Enable Grant 21/22	Welsh Government require validation and certification of claim expenditure	Complete	CERTIFIED			
Q1/2/3	Finance	Risk in Projects and Partnerships	Review the Council visibility, governance and risk management on significant partnerships and projects	2 nd Draft with Client				
Q1/2/3	Finance	Orders for Goods and Services	Analysing data to identify noncompliance and risk that goods are not procured soundly. Further detailed analysis to identify the root cause of any failures.	Draft- with Client				
Q2&3	Corporate	Complaints	Give assurance to the Audit Committee that the administration of Complaints is effective	In Draft with Client				
Q2&3	Corporate	Whistle Blowing	Review the Council's whistleblowing arrangements to give assurance that fraud and corruption measures are in place.	In Draft with Client				
Q2&3	Finance	Risk Management	Ensure that the Council's Risk management process are agile, timely and are forward thinking in terms of risk appetite.	In Draft with Client				
Q2&3	Adults & Children	Managing Financial Commitments	Review the way in which Childrens Service manage budgets commitments to enable effective budget management.	In Draft with Client				
Q3&4	Schools	Llandinam- Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Draft				
Q3&4	Schools	Cradoc - Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Draft				




Quarter	Service	Assignment	Scope	Status	Opinion	Actions by Priority		
						P1	P2	P3
Q3&4	Schools	Churchstoke - Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Draft				
Q3&4	Schools	Presteigne - Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Draft				
Q3&4	Schools	Leighton - Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Draft				
Q3&4	Finance	Business Rates (Liability and Billing)	Ensure liability of Business rates are effectively determined in light of eligibility of Covid Grants for businesses.	Draft				
Q3&4	Digital	Technology Assisted Framework Review	An advisory review to assess specific risks highlighted as well as providing direction and scope for the targeted provision of future technology and digital audit	Draft				
Q3&4	Finance	Debt Administration	Review the systems for the administration of Debt to ensure that they are sound, secure and drive the recovery process.	In Progress				
Q2&3	Housing	Statutory Compliance	Ensure improvement in the achievement of the Council statutory responsibility to ensure properties are compliant and safe. Delays caused by Client inactivity.	In Progress				
Q1,2,3&4	Support	Committee / Management Reporting	Supporting Council Management Teams and Governance and Audit Committee.	In Progress	SUPPORT			
Q3	Finance	Purchase Cards – Continuous Audit Q3	Continuous audit programme identifying spending behaviours and controls for Q3.	In Progress				
Q3&4	Finance	NFI 2022/23 Exercise -Process Checklist	Review the governance, administration, and controls the investigation of NFI Fraud matches	In Progress				
0Q1&2	Democratic	Conflict of Interests-Follow up	Ensure that the Council have improved the awareness, visibility, and reporting of any potential conflicts of interest.	In progress Delayed				

Quarter	Service	Assignment	Scope	Status	Opinion	Actions by Priority		
						P1	P2	P3
Q3&4	Customer/ Digital	School Meals Debt- parent pay	The review debt collection and outstanding debt before the Council transitions to free school meals	In Progress				
Q3&4	Workforce	Safeguarding	Review the Councils DBS checking in payroll following on from a Wales Audit review	In Progress				
Q3&4	Schools	Brecon High School- Secondary	Review Governance, financial administration and Asset Management at school using 360 assessment	In Progress				
Q3&4	Finance	Main Accounting	Ensure the accounting transactions are made in accordance with financial regulations	In Progress				
Q3&4	Housing	Voids – Follow up	To follow up a previous limited report on the administration, control and reporting of void properties. Delays by Client	In Progress				
Q3&4	Workforce	Health & Safety	Review corporate guidance, oversight and governance arrangements with Health and Safety legislation. A further review of OD Service compliance will be undertaken in a future audit cycle.	In Progress				
Q3&4	Finance	NFI 2022	GDPR Compliance, Data uploads, Investigation readiness and roll out of matches.	In Progress				
Q4	Adults and Children	Front Door Review	Assessing the process of third-party reporting in Children Services to ensure efficient practices.	In Progress				
Q3&4	Finance	Pension Administration	Review the administration of Pension transactions to ensure funds are effectively controlled.	In Progress				
Q1,2,3&4	Support	Planning & Engagement	Engaging with Services to develop risk-based plans	In Progress	SUPPORT			
Q4	Finance	Fraud Risk Assessment- Stage 2	A follow up to the original assessment picking up those Services that didn't respond.	In Progress				
Q4	Schools	School Themed Review -Governance	Combining the collective knowledge of the school audits throughout the year to give a corporate insight into the key issues	Planned				

Quarter	Service	Assignment	Scope	Status	Opinion	Actions by Priority		
						P1	P2	P3
Q4	Schools	School Themed Review -Finance	Combining the collective knowledge of the school audits throughout the year to give a corporate insight into the key issues	Planned				
Q4	Digital	Data Quality Maturity	To review the quality of the data produced by different areas of the Council with the aim of reporting Maturity	Planned				
Q4	Finance	Insurance	Assessing coverage, claims handing, claim management and the VFM of Insurance Services	Planned				
Q4	Schools	Ysgol Pont Robert Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Planned				
Q4	Schools	Radnor Valley Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Planned				
Q4	Schools	Ysgol Trefonen Primary	Review Governance, financial administration and Asset Management at school using 360 assessment	Planned				
	Schools	Ysgol Calon Cymru - Secondary	Review Governance, financial administration and Asset Management at school using 360 assessment	Planned				
	Transformation	Integrated Business Planning (IBP)	Review Integrated business plans to ensure aligned with Council priorities and the delivery of its outcomes. The Council have requested a delay on the full audit until 23/24.	Pipeline				
	Workforce	Payroll	Review controls and arrangement with particular regard to starters, leavers, variations to pay and overtime	Pipeline				
	Finance	Treasury and cash Management	The audit will review the effectiveness of the key controls over cash management, including the management and operation of bank accounts and cash flow management	Pipeline				

	Finance	Income Collection Arrangements	To randomly visit a number of income collection offices to ensure effective accounting and records are maintained.	Pipeline				
	Planning	Section 106 Agreements	The objective of the audit is to provide assurance that the Planning Service arrangements for the recording and monitoring of s106 obligations are meeting the needs of the Council and ensure that s106 obligations are enforced and met.	Pipeline				
	Regeneration	Levelling UP Fund Q1 Montgomery Canal	To advise and support the levelling up projects by reviewing project management , governance/scrutiny/decision making, financial management, risk management and other areas	Pipeline				
	Regeneration	Levelling up Fund-Theatr Brycheiniog	To advise and support the levelling up projects by reviewing project management , governance/scrutiny/decision making, financial management, risk management and other areas	Pipeline				
	Schools	Pre-School Activities	To gain assurance that activities on the periphery of the school have effective control and management.	Pipeline				
	HTR & School	School Transport	To review arrangements on the home to school transport provision	Pipeline				
	Highways, Transport and Recycling	Waste Management	To review financial, commercial and operating arrangements for the Council’s Waste Management activities.	Pipeline				
	Highways, Transport and Recycling	Follow -Up Highways x 6	To ensure appropriate action has been taken to address the concerns identified in the suite of audits on highway activities.	Pipeline				
	Corporate	Climate Change and Sustainability	To review whether the Council have short term goals and action combined with long term strategies to reduce and manage the impact of climate change	Pipeline				

APPENDIX C

 to Summary
  to Directorate
 to Overview

5
in Total

Drill Down

Priority - filter
All

Directorate/ Service	Audit Name	Ref	Agreed Action	Priority	Responsible Officer	Implementation Date	Revised End Date	Implementation Days	Status
Transport	Highways Flexi Time	45942	Matt Perry to speak with the Managers and decide a cut-off date. The following means of communication will be used to emphasise cut off points: <ul style="list-style-type: none"> • 1-2-1 meetings. • 6 monthly and annual appraisals 	3	Head of Highways, Transport & Recycling/ Improvement and Program Change Manager	30 September 2022		119	Outstanding
Transport	Highways Flexi Time	45944	As illustrated above the following means of communication will be used to emphasise the importance of cut off dates: <ul style="list-style-type: none"> • 1-2-1 meetings. • 6 Monthly and annual appraisals Quarterly exception reports to be analysed by management on any entries exceeding 30 days.	3	Head of Highways, Transport & Recycling/ Improvement and Program Change Manager	30 September 2022		119	Outstanding
Finance	Supply Chain Investigation	46631	To manage the impact of conflicts of interests the Authority ensure that two people are involved in the ordering process. A second person approves all purchase card transactions. All contracts over £50k are signed off by the Head of Service & Professional Lead.	3	Clive Pinney	31 March 2022		302	Outstanding
Finance	Supply Chain Investigation	46632	Monitoring spends with suppliers where identified. The authority only checks conflicts of interests for Council Members only.	3	Wayne Weslby	31 March 2022		302	Outstanding
Transport	Highways Flexi Time	47685	New documents to be downloaded and sent to all necessary staff to comply with. Use the next HTR newsletter to communicate to all staff on the new procedures	3	Head of Highways Transport and Recycling/ Improvement and Program Change Manager	30 September 2022		119	Outstanding