

**CYNGOR SIR POWYS COUNTY COUNCIL.**

**AUDIT COMMITTEE**

**11<sup>th</sup> July 2014**

**REPORT AUTHOR: Internal Audit Manager**

**SUBJECT: Annual Internal Audit Report 2013/14**

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**REPORT FOR: Information**

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**1.0 INTRODUCTION**

- 1.1 The Public Sector Internal Audit Standards (PSIAS) established in 2013 are the agreed professional standards for internal audit in local government. PSIAS was the code under which the Internal Audit Service operated during 2013/14. It sets out the requirement for the Head of Internal Audit to report to officers and the Audit Committee to help them inform an opinion on the effectiveness of the governance framework, risk and control in operation within the Council.
- 1.2 This report fulfils the Audit Manager's responsibility under the PSIAS for the financial year ended 31<sup>st</sup> March, 2014 by summarising internal audit activity, highlighting matters for consideration, referring to future audit activity for ongoing assurance and giving an overall opinion on the level of internal control within the Council.

**2.0 ROLES AND RESPONSIBILITIES**

- 2.1 It is a management responsibility to develop, maintain and ensure compliance with internal control systems by conducting their business in accordance with laws, standards and policies, and that public money is safeguarded, accounted for and used economically, efficiently and effectively.
- 2.2 It is the responsibility of Internal Audit to form independent and objective judgements by identifying weaknesses in control and their associated risks. Management are responsible for determining whether to accept and implement the recommendations, or alternatively, to recognise and accept the risks resulting from any failure to take action.

**3.0 BASIS OF ASSURANCE**

- 3.1 Internal Audit work has been conducted with the knowledge of the Public Sector Internal Audit Standards and additionally in accordance with embedded internal quality assurance systems.
- 3.2 The annual opinion is limited to the work carried out by Internal Audit during the year which has been aligned wherever possible to corporate priorities,

service requirements, identified risk and outcomes of previous internal audit work.

3.3 Most internal audits offer an independent and objective opinion on the level of financial and management control within the specified service area. The range and definition of these opinions is outlined below:

- *High Assurance* - Key controls exist that are consistently and effectively applied; Service objectives are being achieved.
- *Qualified Assurance* – *Majority of key controls exist, but some areas of inconsistent application. These should not significantly affect the delivery of service objectives.*
- *Limited Assurance* – *Evidence that some key controls and their application do not exist. Some risk that service delivery may be affected.*
- *Low Assurance* - *Fundamental failure of key controls that represent a significant risk of failing to deliver effective services*

3.4 The outcome of internal audit work on systems, value for money and probity for 2013/14 is summarised below:-

| Control Level       | Number of Reports | % of Population |
|---------------------|-------------------|-----------------|
| High Assurance      | 6                 | 7%              |
| Qualified Assurance | 52                | 57%             |
| Limited Assurance   | 24                | 26%             |
| Low Assurance       | 9                 | 10%             |
| Total               | 90                | 100%            |

Whilst the split of audit opinions that are low or limited has increased from last year (2012/13 - 30%, 2013/14 -36%), which may indicate lesser control, it is the opinion of the Audit Manager that this is possibly due to two contributing factors:

- Embedded knowledge of council business has enabled audit work to be effectively targeted towards those areas that may have a weak control environment.
- The awarding of internal audit opinions is historically given based on the internal control level for each service area. Whilst this is effective in isolation, it does not consider the materiality those control weakness will have toward the delivery of wider council priorities. Individual audit opinions issued in 2014/5 will be based on a two scale matrix that still reflects the level of control weakness, but also considers the overall risk to the Council. In addition, each audit opinion that falls into the adverse category will be moderated by an independent auditor for consistency, equity and transparency.

- 3.5 Internal audit work also supports the Council to receive external funding through the certification of grant funding from the Welsh Government, European Union and the Department of Business, Innovation and Skills. In addition, the work of internal audit supports the Council in achieving the Green Dragon Environmental Management Standard by undertaking specialised environmental waste audits. These audits help the Council to save money by reducing the consumption of energy and consumables whilst decreasing the potential impact on the environment.
- 3.6 The outcome of internal audit work on external funding and environmental audit is summarised below:

| Control Level                | Number of Reports | % of Population |
|------------------------------|-------------------|-----------------|
| Certified/ Compliant         | 18                | 100%            |
| Qualified                    | 0                 | 0%              |
| Not Certified/ Non-Compliant | 0                 | 0%              |
| Total                        | 18                | 100%            |

- 3.7 Whilst all of the principal risks and systems of the Council may not have been included in the 2013/14 work programme, Internal Audit have undertaken sufficient work to give a reasonable judgement that that a robust control framework exists.
- 3.8 A complete list of audit assignments undertaken throughout the year is attached in appendix A. Overall, the majority of areas reviewed demonstrate effective governance and control, but conversely there were a small number of reports issued that identified specific areas where the level of control was inadequate (low assurance). These areas were considered by Internal Audit Working Group who track agreed actions to ensure they have been implemented.
- 3.9.1 The fundamental systems of the council are audited in a two year rolling cycle. Internal audit completed all core systems work with the exception of Pensions and Central Procurement. Pensions was deferred due to the impact of fundamental changes in pension legislation and has been carried forward to the 2014/15 audit plan. Central Procurement has been deferred until after an alignment with strategic partners has been embedded. These audits were replaced by a review into the Council's debt management system.
- 3.9.2 Key financial systems such as payroll, housing benefit, student finance had appropriate controls in place. However, there were concerns expressed about the Council's debt management process, purchase ordering and budgetary reporting systems. These concerns have been accepted and addressed in management actions plans.
- 3.9.3 Whilst assurance functions appear to be operating effectively, the Council needs to improve the strategic and operational effectiveness of risk management and business continuity. This has now commenced and good progress is being made. In addition, the council will re-instate a post covering risk and resilience as part of the 2013/14 budget savings.

### 3.10 Follow –up

3.10.1 A working group of the audit committee track the implementation of agreed actions on adverse opinion reports (Low and Limited Assurance) by calling in the responsible officers to receive assurances that corrective measures have been delivered. During the course of the 2013/14 financial year, the working group tracked the outcome of 19 internal audit reports. Where there had been an inadequate response or some slippage, the responsible Officers were required to re-visit action plans and were called back to future meetings until the working group were satisfied that the items could be signed off.

3.10.2 On occasions throughout the year, the working group accelerated matters to the Audit Committee so that Service Heads and Cabinet Portfolio Members were made accountable.

3.10.3 Those areas that the group consider still to be open are housing repairs and maintenance, business continuity –schools, county farms, civil parking enforcement and the Welsh Church Act Grants. These will be tracked at forthcoming meetings.

### 3.11 Anti- Fraud & Investigations

3.11.1 No organisation can guarantee that it will be free from fraud or financial irregularity, the extent of which can be a measure of the effectiveness of internal controls. Internal audit has carried out a number of investigations (18) referred throughout the year either by whistle-blowers, management or as a direct response to internal audit work.

3.11.2 Cases that Internal Audit have investigated or supported have included allegations into the following fraud types:

- Contractor performance and theft by Third Party
- Theft of unofficial funds
- Theft of cash
- Misuse of council assets
- Failure to declare and pay income due to the Council
- Failure to pay income due to the Council
- Theft of stock and consumables
- Conflicts of Interest
- Breach of Authority Policy
- Loss from voluntary activities

3.11.3 Investigation reports have been promptly provided to Service Managers presenting the evidence collected. Where appropriate this has included interviewing suspects, providing witness statements and liaison with the Police to pursue criminal convictions and to recover potential losses.

3.11.4 The Internal Audit Team continued to coordinate the Council's response to the National Fraud Initiative (NFI) which identifies potential fraud by matching data from other public and private bodies. The role involved ensuring that

information was legally collected in accordance with fair processing principles, undertaking detailed investigations and supporting other nominated investigatory functions.

- 3.11.5 The NFI (12-13) exercise identified cases of fraud and overpayment amounting to £31,577.28.
- 3.11.6 The Council has anti-fraud and corruption policies / mechanisms in place that include whistleblowing, money laundering and bribery. Whilst sufficient, the Internal Audit Manager will review the risk of fraud and the anti-fraud and corruption measures in 2014/15.
- 3.11.7 Overall, the level of reactive and proactive anti-fraud and corruption work undertaken by Internal Audit is appropriate and outcomes have been positive. However, it should be noted that whilst the Council are making financial savings through the layering of managers and supervisors, the greater span of managerial control may increase the risk of cases of fraud and corruption as more opportunities become available. It should be noted that a pilot project was carried out in 2013/14. The results are being reviewed by the Strategic Director - Resources who may recommend a corporate response.
- 3.12.1 A significant challenge to the council remains the financial context within which the Council operates. Delivering a continuous programme of substantial savings continues to impact on all areas of the business. Saving plans are established and the Council appears well placed to respond to the immediate spending cuts. However, the scale and pace of change required for both front line and support services remains a fundamental risk for the future. This area will focus in future audit plans and will in particular focus on evidence of delivery in the financial plans.
- 3.12.2 In a council of Powys' size and complexity, with its significant priorities, transformational plans and saving requirements, there is an inherent risk of breakdown in the systems of control particularly where roles, responsibilities and systems are changing. Internal Audit will support Management in the transition to new ways of working that manage risk and ensure effective and proportionate control. System audits and system development will be the focus of internal audit work together with added value reviews that have been requested by the client.
- 3.13 Internal Audit have supported the work of the Corporate Information Operational Governance group (CIOG) and the Information Governance Manager by contributing to officer meetings and reviewing information security arrangements during the course of systems and operation reviews. All information control weaknesses were addressed as part of agreed action plans.
- 3.14 The Internal Audit Section were sufficiently resourced to deliver an annual opinion on internal control for 2013/14. However, the Council is responding to challenging funding settlements that have resulted in budget reductions across all service areas. Internal Audit's contribution to those savings has resulted in the loss of a vacant post. Proposals are being drafted to review the structure to promote effective delivery of internal audit work that considers the required specialist skills to meet the future demands of the Council.

3.15 There have been no restrictions imposed on the scope of internal audit work during the year or in the provision of this control opinion. As a result, Internal Audit has maintained the required independent and objective status.

3.16 In 2013/14 a decision was taken to carry out an external review of the internal audit function under the new framework. The review (which is the first in Wales) will shortly commence.

#### 4.0 ASSURANCE STATEMENT

4.1 No system of control can provide absolute assurance against material misstatement or loss, nor can Internal Audit give that assurance; this statement is intended to provide reasonable assurance.

4.2 Based on the work undertaken by Internal Audit during the 2013/14 financial year, it is the opinion of the Internal Audit Manager that the control environment provides "Satisfactory Assurance (bordering on limited) " i.e. the control environment is generally effective, but there are areas of the Council where improvement in control is required.

4.3 Internal Audit are will promote improvement in these specific areas and will ensure that they are included as part of the internal audit work programme.

#### 5.0 Corporate Improvement Plan

N/A

#### 6.0 Other Consultations Undertaken

N/A

#### 7.0 Comments of Local Members

N/A

| Recommendation:   | Reason for Recommendation:  |
|---|---|
| The report and appendix on the annual internal control opinion be commented on and noted. | To comply with the Public Sector Internal Standards and to contribute to effective governance arrangements. |

|                        |       |                |       |
|------------------------|-------|----------------|-------|
| Relevant Policy (ies): |       |                |       |
| Within Policy:         | Y / N | Within Budget: | Y / N |

|                           |     |
|---------------------------|-----|
| Relevant Local Member(s): | N/A |
|---------------------------|-----|

|  |  |  |  |
|--|--|--|--|
| Person(s) To Implement Decision:         |  |  |  |
| Date By When Decision To Be Implemented: |  |  |  |

|                       |              |      |                           |
|-----------------------|--------------|------|---------------------------|
| Contact Officer Name: | Tel:         | Fax: | Email:                    |
| Ian Halstead          | 01597 826821 |      | ian.halstead@powys.gov.uk |

### Summary of Internal Audit Work Activity

The following tables are a summary of Internal Audit Work for 2013/14 that has been segregated by audit opinion.

#### 1.0 High Assurance and Qualified Assurance

*High Assurance - Key controls exist that are consistently and effectively applied; Service objectives are being achieved.*

*Qualified Assurance – Majority of key controls exist, but some areas of inconsistent application. These should not significantly affect the delivery of service objectives.*

**Table 1.1 - PLACE DIRECTORATE**

| Service            | Assignment Name                          | Status | Final Date | Opinion   | Fund | Sig | Merit | Fund | Sig | Merit |
|--------------------|--|--------|------------|-----------|------|-----|-------|------|-----|-------|
| HighW, Trans & Rec | Procurement & Disposal of Plant/Vehicles | Final  | 25/02/2014 | Qualified | 1    | 5   | 2     | 1    | 5   | 2     |
| HighW, Trans & Rec | Bridge Maintenance                       | Final  | 31/03/2014 | Qualified | 1    | 4   | 0     | 1    | 4   | 0     |
| Leisure & Rec      | School Catering -Q1 13/14                | Final  | 24/08/2013 | Qualified | 0    | 2   | 4     | 0    | 2   | 4     |
| Leisure & Rec      | Brecon LC -Cash Risk                     | Final  | 07/08/2013 | Qualified | 1    | 4   | 2     | 1    | 4   | 2     |
| Leisure & Rec      | Sports Centres - Builth                  | Final  | 28/08/2013 | High      | 0    | 0   | 3     | 0    | 0   | 3     |
| Leisure & Rec      | Llanidloes Leisure Centre                | Final  | 06/02/2014 | Qualified | 0    | 3   | 3     | 0    | 3   | 3     |
| Leisure & Rec      | East Radnor Leisure Centre               | Final  | 06/01/2014 | Qualified | 0    | 7   | 11    | 0    | 7   | 9     |
| Regen, Prop & Com  | Statutory Testing                        | Final  | 28/06/2013 | Qualified | 0    | 3   | 1     | 0    | 0   | 0     |
| Regen, Prop & Com  | Energy Management                        | Final  | 06/12/2013 | Qualified | 0    | 2   | 4     | 0    | 2   | 4     |
| Schools            | Home / School Transport -Follow up       | Final  | 02/10/2013 | Qualified | 0    | 4   | 0     | 0    | 4   | 0     |
| Schools            | Primary School - Guilsfield              | Final  | 21/05/2013 | Qualified | 0    | 7   | 9     | 0    | 7   | 9     |
| Schools            | Primary School - Llanerfyl               | Final  | 15/05/2013 | Qualified | 1    | 1   | 3     | 1    | 1   | 3     |
| Schools            | Primary School - Franksbridge            | Final  | 08/09/2013 | Qualified | 0    | 3   | 2     | 0    | 3   | 2     |
| Schools            | Primary School - Newtown (Ysgol Hafren)  | Final  | 25/06/2013 | Qualified | 0    | 3   | 8     | 0    | 3   | 8     |



**Table 1.1 – cont'd**

| <b>Service</b> | <b>Assignment Name</b>                            | <b>Status</b> | <b>Final Date</b> | <b>Opinion</b> | <b>Fund</b> | <b>Sig</b> | <b>Merit</b> | <b>Fund</b> | <b>Sig</b> | <b>Merit</b> |
|----------------|---|---------------|-------------------|----------------|-------------|------------|--------------|-------------|------------|--------------|
| Schools        | Primary School - Llanfyllin (Ysgol Pennant)       | Final         | 12/07/2013        | Qualified      | 0           | 3          | 6            | 0           | 3          | 6            |
| Schools        | Primary School - Machynlleth (Ysgol Bro Cynlaith) | Final         | 08/07/2013        | Qualified      | 0           | 1          | 7            | 0           | 1          | 7            |
| Schools        | Primary School - Dolau                            | Final         | 11/11/2013        | Qualified      | 0           | 4          | 3            | 0           | 4          | 3            |
| Schools        | Primary School - Welshpool (Ysgol Maesydre)       | Final         | 06/06/2013        | Qualified      | 0           | 4          | 3            | 0           | 4          | 3            |
| Schools        | High School - Gwernyfed                           | Final         | 21/08/2013        | High           | 0           | 1          | 2            | 0           | 1          | 2            |
| Schools        | Primary School -Gungrog                           | Final         | 07/11/2013        | Qualified      | 0           | 1          | 7            | 0           | 1          | 7            |
| Schools        | Primary School -St Marys (Newtown)                | Final         | 18/12/2013        | Qualified      | 0           | 3          | 2            | 0           | 3          | 2            |
| Schools        | High School - Llanfair Caerion                    | Final         | 07/01/2014        | Qualified      | 0           | 7          | 5            | 0           | 7          | 5            |
| Schools        | High School - Brecon (Follow Up)                  | Final         | 17/01/2014        | Qualified      | 5           | 2          | 0            | 5           | 2          | 0            |
| Schools        | Primary School - Llanfihangel Rhydithon           | Final         | 11/11/2013        | Qualified      | 0           | 4          | 3            | 0           | 4          | 3            |
| Schools        | Primary School - Berriew                          | Final         | 14/01/2014        | Qualified      | 0           | 3          | 1            | 0           | 3          | 1            |
| Schools        | Primary School - Llanfyllin                       | Final         | 25/03/2014        | Qualified      | 0           | 2          | 0            | 0           | 2          | 0            |
| Schools        | Primary School - Hay on Wye                       | Final         | 30/01/2014        | Qualified      | 0           | 2          | 7            | 0           | 2          | 7            |
| Schools        | Primary School - Radnor Valley                    | Final         | 26/02/2014        | Qualified      | 0           | 5          | 6            | 0           | 5          | 6            |
| Schools        | Primary School - Llanfair Caeraerion              | Final         | 11/02/2014        | Qualified      | 0           | 1          | 5            | 0           | 1          | 5            |
| Schools        | Primary School - Castle Caeraerion                | Final         | 19/02/2014        | Qualified      | 0           | 3          | 3            | 0           | 3          | 3            |
| Schools        | Primary School - Llanidloes                       | Final         | 04/05/2014        | Qualified      | 2           | 7          | 3            | 2           | 7          | 3            |
| Schools        | John Beddoes High School                          | Final         | 15/04/2014        | Qualified      | 0           | 2          | 13           | 0           | 2          | 13           |

**Table 1.2 - RESOURCES DIRECTORATE**

| Service      | Assignment Name            | Status | Final Date | Opinion   | Fund | Sig | Merit | Fund | Sig | Merit |
|--------------|----------------------------|--------|------------|-----------|------|-----|-------|------|-----|-------|
| Business     | Student awards             | Final  | 17/05/2013 | Qualified | 1    | 9   | 6     | 1    | 9   | 6     |
| Business     | Payroll Audit              | Final  | 13/11/2013 | Qualified | 0    | 5   | 3     | 0    | 5   | 3     |
| Business     | Housing Benefit            | Final  | 06/08/2013 | Qualified | 0    | 4   | 1     | 0    | 4   | 1     |
| Professional | Legal 106                  | Final  | 13/12/2013 | Qualified | 0    | 2   | 3     | 0    | 2   | 3     |
| Professional | Health & Safety (Internal) | Final  | 13/03/2014 | Qualified | 1    | 4   | 2     | 1    | 4   | 2     |
| Professional | Medium Term Financial Plan | Draft  | 06/05/2014 | Qualified | 1    | 8   | 0     |      |     |       |
| Professional | Land Charges               | Final  | 20/01/2014 | Qualified | 0    | 6   | 4     | 0    | 5   | 1     |
| Professional | Insurance                  | Draft  | 20/05/2014 | Qualified | 2    | 4   | 3     |      |     |       |

**Table 1.3 -PEOPLE DIRECTORATE**

| Service | Assignment Name                        | Status | Final Date | Opinion   | Fund | Sig | Merit | Fund | Sig | Merit |
|---------|--|--------|------------|-----------|------|-----|-------|------|-----|-------|
| Housing | Housing - Former Tenant Arrears        | Final  | 02/09/2013 | Qualified | 0    | 1   | 1     | 0    | 0   | 3     |
| Housing | Gypsy Site                             | Final  | 12/05/2014 | Qualified | 0    | 5   | 0     | 0    | 5   | 0     |
| Adults  | Adult Social Care Variances            | Final  | 09/05/2013 | Qualified | 1    | 2   | 2     | 1    | 2   | 2     |
| Adults  | Social Care Estab- Summerfield         | Final  | 10/09/2013 | Qualified | 0    | 0   | 1     | 0    | 0   | 1     |
| Adults  | Social Care Estab- Coed Isaf           | Final  | 26/06/2013 | Qualified | 0    | 4   | 2     | 0    | 4   | 2     |
| Adults  | Social Care Estab- Highcrest           | Final  | 10/09/2013 | Qualified | 0    | 0   | 3     | 0    | 0   | 3     |
| Adults  | Social Care Estab- Canolfan            | Final  | 22/05/2013 | High      | 0    | 3   | 0     | 0    | 3   | 0     |
| Adults  | Social Care Estab- Maes-y Ffynnon      | Final  | 22/05/2013 | Qualified | 1    | 2   | 1     | 1    | 2   | 1     |
| Adults  | Social care Estab -The Park Day Centre | Final  | 28/01/2014 | High      | 0    | 0   | 1     | 0    | 0   | 1     |
| Child   | Care Needs Assessment (Children)       | Final  | 18/09/2013 | Qualified | 0    | 3   | 2     | 0    | 3   | 2     |
| Child   | Colwg Camlais/ Bannau                  | Final  | 17/01/2014 | Qualified | 0    | 4   | 7     | 0    | 4   | 7     |

**Table 1.4 - CHANGE & GOVERNANCE DIRECTORATE**

| Service | Assignment Name                  | Status | Final Date | Opinion   | Fund | Sig | Merit | Fund | Sig | Merit |
|---------|----------------------------------|--------|------------|-----------|------|-----|-------|------|-----|-------|
| ICS     | Freedom of Information / RIPA    | Final  | 17/02/2014 | Qualified | 0    | 4   | 2     | 0    | 4   | 2     |
| ICS     | CSP - Newtown                    | Final  | 11/11/2013 | Qualified | 0    | 4   | 4     | 0    | 4   | 4     |
| ICS     | CSP - Welshpool                  | Final  | 19/12/2013 | High      | 0    | 1   | 1     | 0    | 1   | 1     |
| ICS     | Customer Services point - Hay    | Final  | 09/04/2014 | Qualified | 0    | 4   | 1     | 0    | 3   | 1     |
| ICS     | Customer Services point - Builth | Final  | 09/04/2014 | Qualified | 0    | 3   | 4     | 0    | 3   | 4     |
| ICS     | Registrars - Builth              | Final  | 15/05/2014 | Qualified | 0    | 0   | 3     | 0    | 0   | 3     |
| ICS     | Registrars - Machynlleth         | Final  | 15/05/2014 | High      | 0    | 0   | 2     | 0    | 0   | 2     |

**Table 1.5 - GRANT CERTIFICATION AND ENVIRONMENTAL AUDIT**

| Service            | Assignment Name                         | Status | Final Date | Opinion   | Fund | Sig | Merit | Fund | Sig | Merit |
|--------------------|---|--------|------------|-----------|------|-----|-------|------|-----|-------|
| Regen, Prop & Com  | European Grants - B2N                   | Final  | 17/05/2013 | Certified | n/a  | n/a | n/a   | n/a  | n/a | n/a   |
| Regen, Prop & Com  | European Grant -ZEN                     | Final  | 30/08/2013 | Certified | n/a  | n/a | n/a   | n/a  | n/a | n/a   |
| Schools            | Grant breakfast Club                    | Final  | 14/06/2013 | Certified | n/a  | n/a | n/a   | n/a  | n/a | n/a   |
| Schools            | Grant -Appetite for Life                | Final  | 22/10/2013 | Certified | n/a  | n/a | n/a   | n/a  | n/a | n/a   |
| Regen, Prop & Com  | Grant - trading Standards- Op Courage   | Final  | 21/10/2013 | Certified | n/a  | n/a | n/a   | n/a  | n/a | n/a   |
| Regen, Prop & Com  | Grant Zen                               | Final  | 19/04/2014 | Certified | n/a  | n/a | n/a   | n/a  | n/a | n/a   |
| HighW, Trans & Rec | Environmental - EMS                     | Final  | 29/04/2013 | Compliant | 0    | 0   | 0     | 0    | 0   | 0     |
| Leisure & Rec      | Environmental - Maldwyn LC              | Final  | 27/06/2013 | Compliant | 0    | 1   | 0     | 0    | 1   | 0     |
| Leisure & Rec      | Environmental - Llanidloes LC           | Final  | 27/06/2013 | Compliant | 0    | 0   | 0     | 0    | 0   | 0     |
| HighW, Trans & Rec | Environmental - Kirkhamsfield Depot (1) | Final  | 08/07/2013 | Compliant | 0    | 0   | 0     | 0    | 0   | 0     |
| Leisure & Rec      | Environmental - The Flash LC            | Final  | 27/09/2013 | Compliant | 0    | 1   | 0     | 0    | 1   | 0     |
| Leisure & Rec      | Environmental - Radnorshire Museum      | Final  | 06/09/2013 | Compliant | 0    | 0   | 0     | 0    | 0   | 0     |
| HighW, Trans & Rec | Environmental - Boughrood Depot         | Final  | 17/09/2013 | Compliant | 0    | 0   | 0     | 0    | 0   | 0     |

**Table 1.5 - GRANT CERTIFICATION AND ENVIRONMENTAL AUDIT Cont'd**

| Service            | Assignment Name                         | Status | Final Date | Opinion   | Fund | Sig | Merit | Fund | Sig | Merit |
|--------------------|---|--------|------------|-----------|------|-----|-------|------|-----|-------|
| HighW, Trans & Rec | Environmental - Crickhowell depot       | Final  | 30/09/2013 | Compliant | 0    | 1   | 0     | 0    | 1   | 0     |
| HighW, Trans & Rec | Environmental - Kirkhamsfield Depot (2) | Final  | 31/03/2014 | Compliant | 0    | 2   | 0     | 0    | 2   | 0     |
| Regen, Prop & Com  | Environmental - Neuadd Maldwyn          | Final  | 31/03/2014 | Compliant | 0    | 0   | 0     | 0    | 0   | 0     |
| Regen, Prop & Com  | Environmental - Neuadd Brycheiniog      | Final  | 07/03/2014 | Compliant | 0    | 0   | 0     | 0    | 0   | 0     |
| Leisure & Rec      | Environmental - Brecon Library          | Final  | 07/03/2014 | Compliant | 0    | 0   | 0     | 0    | 0   | 0     |

## 2.0 LIMITED ASSURANCE

*Limited Assurance – Evidence that some key controls and their application do not exist or operate effectively. Some risk that service delivery may be affected.*

**Table 2.1 - PLACE DIRECTORATE**

| Service            | Assignment Name                         | Status | Final Date | Opinion | Fund | Sig | Merit | Fund | Sig | Merit |
|--------------------|---|--------|------------|---------|------|-----|-------|------|-----|-------|
| HighW, Trans & Rec | Civil Enforcement (Car Parking - Fines) | Final  | 27/07/2013 | Limited | 2    | 2   | 3     | 2    | 2   | 3     |
| HighW, Trans & Rec | Depot (Brecon)                          | Final  | 20/05/2013 | Limited | 0    | 6   | 3     | 0    | 4   | 2     |
| HighW, Trans & Rec | ROCC                                    | Final  | 03/10/2013 | Limited | 2    | 7   | 0     | 2    | 7   | 0     |
| HighW, Trans & Rec | Fleet -Fuel (Usage and Security)        | Final  | 12/12/2013 | Limited | 8    | 2   | 1     | 8    | 2   | 1     |
| HighW, Trans & Rec | Depot (Boughrood)                       | Draft  | 17/02/2014 | Limited | 0    | 6   | 1     | 0    | 6   | 1     |
| HighW, Trans & Rec | Trade Refuse                            | Final  | 18/06/2014 | Limited | 2    | 2   | 0     | 2    | 2   | 0     |
| Leisure & Rec      | School Catering Q4 12/13                | Final  | 20/06/2013 | Limited | 0    | 6   | 2     | 0    | 6   | 2     |
| Leisure & Rec      | Newtown Youth Centre                    | Final  | 09/09/2013 | Limited | 0    | 8   | 7     | 0    | 8   | 7     |
| Regen, Prop & Com  | Welsh Church Act                        | Final  | 19/09/2013 | Limited | 2    | 1   | 0     | 2    | 1   | 0     |
| Regen, Prop & Com  | County Farm Estates                     | Final  | 20/02/2014 | Limited | 0    | 11  | 0     | 0    | 10  | 0     |

**Table 2.1 - PLACE DIRECTORATE Cont'd**

| Service           | Assignment Name                       | Status | Final Date | Opinion | Fund | Sig | Merit | Fund | Sig | Merit |
|-------------------|---------------------------------------|--------|------------|---------|------|-----|-------|------|-----|-------|
| Regen, Prop & Com | Dog Wardens / Pest Control            | Final  | 28/01/2014 | Limited | 0    | 10  | 0     | 0    | 10  | 0     |
| Schools           | Primary School - Forden               | Final  | 16/05/2013 | Limited | 2    | 12  | 1     | 2    | 12  | 1     |
| Schools           | Primary School- Penygloddfa (Newtown) | Draft  | 25/03/2014 | Limited | 1    | 6   | 1     | 1    | 6   | 1     |
| Schools           | Pre & After School Club Activities    | Final  | 15/05/2014 | Limited | 4    | 4   | 5     | 4    | 4   | 5     |

**Table 2.2 - RESOURCES DIRECTORATE**

| Service      | Assignment Name         | Status | Final Date | Opinion | Fund | Sig | Merit | Fund | Sig | Merit |
|--------------|-------------------------|--------|------------|---------|------|-----|-------|------|-----|-------|
| Professional | Sickness Absence        | Final  | 25/07/2013 | Limited | 2    | 9   | 1     | 2    | 9   | 1     |
| Professional | Legal Debt Collection   | Final  | 18/12/2013 | Limited | 1    | 2   | 2     | 1    | 2   | 1     |
| Professional | Declaration of Interest | Final  | 14/03/2014 | Limited | 3    | 4   | 1     | 3    | 4   | 1     |
| Business     | Debt Management         | Final  | 06/03/2014 | Limited | 4    | 10  | 1     | 4    | 10  | 1     |

**Table 2.3 - PEOPLE DIRECTORATE**

| Service | Assignment Name                               | Status | Final Date | Opinion | Fund | Sig | Merit | Fund | Sig | Merit |
|---------|---|--------|------------|---------|------|-----|-------|------|-----|-------|
| Housing | Housing Rent                                  | Final  | 08/04/2014 | Limited | 0    | 6   | 6     | 0    | 6   | 6     |
| Adults  | Social Care Day Centre - Arlais (Llandrindod) | Final  | 05/12/2013 | Limited | 0    | 11  | 4     | 0    | 11  | 4     |
| Adults  | Social care Estab -Westwood Day Centre        | Final  | 28/01/2014 | Limited | 0    | 10  | 5     | 0    | 10  | 5     |
| Adults  | Domiciliary Care - External                   | Final  | 18/06/2014 | Limited | 3    | 4   | 0     | 3    | 4   | 0     |

**Table 2.4 - CHANGE & GOVERNANCE DIRECTORATE**

| Service | Assignment Name               | Status | Final Date | Opinion | Fund | Sig | Merit | Fund | Sig | Merit |
|---------|-------------------------------|--------|------------|---------|------|-----|-------|------|-----|-------|
| ISC     | Safeguarding Assets (leavers) | Final  | 12/12/2013 | Limited | 3    | 2   | 0     | 3    | 2   | 0     |
| ICS     | Internet Usage/Monitoring     | Final  | 19/05/2014 | Limited | 1    | 11  | 7     | 1    | 5   | 3     |

**3.0 LOW ASSURANCE**

*Low Assurance - Fundamental failure of key controls that represent a significant risk of failing to deliver effective services*

**Table 3.1 - PLACE DIRECTORATE**

| Service       | Assignment Name              | Status | Final Date | Opinion | Fund | Sig | Merit | Fund | Sig | Merit |
|---------------|------------------------------|--------|------------|---------|------|-----|-------|------|-----|-------|
| Leisure & Rec | Zipporah Liesure System      | Final  | 30/04/2013 | Low     | 4    | 7   | 0     | 4    | 7   | 0     |
| Schools       | Business Continuity- Schools | Final  | 07/08/2013 | Low     | 1    | 0   | 0     | 1    | 0   | 0     |
| Schools       | High School - Brecon         | Final  | 07/11/2013 | Low     | 9    | 12  | 4     | 3    | 11  | 3     |
| Schools       | Unofficial Funds             | Final  | 24/02/2014 | Low     | 7    | 6   | 0     | 7    | 6   | 0     |

**Table 3.2 - RESOURCES DIRECTORATE**

| Service      | Assignment Name        | Status | Final Date | Opinion | Fund | Sig | Merit | Fund | Sig | Merit |
|--------------|------------------------|--------|------------|---------|------|-----|-------|------|-----|-------|
| Professional | Collaborative Planning | Final  | 15/01/2014 | Low     | 5    | 6   | 0     | 5    | 6   | 0     |
| Professional | E Procurement          | Final  | 15/01/2014 | Low     | 6    | 13  | 0     | 6    | 13  | 0     |
| Professional | Schools Bank Balances  | Final  | 24/01/2014 | Low     | 3    | 0   | 0     | 3    | 0   | 0     |

**Table 3.3 - PEOPLE DIRECTORATE**

| Service | Assignment Name  | Status | Final Date | Opinion | Fund | Sig | Merit | Fund | Sig | Merit |
|---------|------------------|--------|------------|---------|------|-----|-------|------|-----|-------|
| Adults  | Substance Misuse | Final  | 16/06/2014 | Low     | 6    | 0   | 0     | 6    | 0   | 0     |

**Table 3.4 - CHANGE & GOVERNANCE DIRECTORATE**

| Service | Assignment Name          | Status | Final Date | Opinion | Fund | Sig | Merit | Fund | Sig | Merit |
|---------|--------------------------|--------|------------|---------|------|-----|-------|------|-----|-------|
| ICS     | Business Continuity -ICT | Final  | 02/05/2013 | Low     | 4    | 6   | 0     | 4    | 6   | 0     |