

## GWYNEDD COUNCIL

COMMITTEE	<b>AUDIT COMMITTEE</b>
DATE	<b>6 MAY 2014</b>
TITLE	<b>HEAD OF INTERNAL AUDIT ANNUAL REPORT 2013/14</b>
PURPOSE OF REPORT	<b>TO EXPRESS INTERNAL AUDIT'S OPINION ON THE OVERALL CONTROL ENVIRONMENT WITHIN THE AUTHORITY</b>
AUTHOR	<b>DEWI MORGAN, SENIOR MANAGER AUDIT AND RISK</b>
ACTION	<b>TO RECEIVE THE REPORT</b>

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### **1. INTRODUCTION**

- 1.1 As the "Head of Internal Audit" of Gwynedd Council pursuant to the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom, I am required to provide the authority with assurance on the whole system of internal control of the Authority. In giving my opinion it should be noted that assurance can never be absolute. The most that the internal audit service can provide to the governing body is a reasonable assurance that there are no major weaknesses in the whole system of internal control.
- 1.2 In assessing the level of assurance to be given, I have taken into account all audits relevant to 2013/14 and any follow-up action taken in respect of audits from this and previous periods.

### **2. OVERALL ASSURANCE**

- 2.1 **On the basis of Internal Audit work completed during 2013/14, in my opinion Gwynedd Council has a sound framework of control to manage risks. This assists in providing assurance in the arrangements for ensuring effective and efficient achievement of the Council's objectives, as the steps taken by the Council during the accounting period to establish and strengthen internal controls and to ensure that recommendations to remedy weaknesses identified by the Internal Audit service have, overall, been satisfactory.**

#### **2.2 Considerations**

In giving my opinion on the adequacy of the internal control systems, I have taken into consideration:

- Overall, good internal control was found within each of the Council's individual services.
- All Council departments have made good progress during 2013/14 in developing their risk assessment arrangements.
- Where significant control weaknesses were found, these matters were resolved by the Council's officers, or otherwise were considered by the Audit Committee.
- No reliance has been placed on any work by external assurance bodies when formulating the opinion in this report.

### 3. AUDIT WORK

#### Audit Plan

- 3.1 A total of 105 assignments were contained in the final revised audit plan for 2013/14. Of these, 99 were completed by 31 March 2014, which represents **94.29%** of the plan. For the purposes of this indicator, an assignment is counted as being completed when the final report/memorandum has been released or, if there is no report/memorandum, the assignment has been closed and no further time is expected to be spent on it.
- 3.2 This performance compares with the 2012/13 performance of 95.00%, against a target of 95%.
- 3.3 The audits from the 2013/14 plan that were not finalised before 31 March 2014 were:
- **Health Improvement Strategic Project.** Because of the need to prioritise other work, this audit was not started during the year. After considering the risks when preparing the 2014/15 audit plan, the audit has not been rolled over to the new year.
  - **Third Sector - Grants, Commissioning and Contracts.** Because of the need to prioritise other work, this audit was not started during the year. After considering the risks when preparing the 2014/15 audit plan, the audit has not been rolled over to the new year.
  - **Telecare.** Because of the need to prioritise other work, this audit was not started during the year. The audit will be undertaken during 2014/15.
  - **Follow-up to Reviews on Gwynedd Consultancy.** The field work was underway on 31 March. The audit has been rolled over to the 2014/15 plan.
  - **Leasing Arrangements in Schools.** The draft report had been released by 31 March. The final report will be released during the first quarter of 2014/15.
  - **Procurement Strategy.** The audit has slipped to 2014/15. This will allow further work to be done on the Procurement Strategy before the input of Internal Audit.
- 3.4 The audits from the 2013/14 plan that have contributed to the opinion contained in this annual report are listed in Appendix 1
- 3.5 Where relevant, internal audit reports are categorised to give an overall audit opinion of the control environment for that particular system or establishment:
- |             |                                                                                                                                                                    |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Opinion "A" | Assurance of financial propriety can be expressed as the controls in place can be relied upon and have been adhered to.                                            |
| Opinion "B" | Controls are in place, and partial assurance of financial propriety can be expressed as there are aspects where some procedures can be strengthened.               |
| Opinion "C" | Assurance of financial propriety cannot be expressed as the controls in place cannot be relied upon, but losses/fraud due to these weaknesses were not discovered. |

Opinion “CH” Assurance of financial propriety cannot be expressed as acceptable internal controls are not in place; losses / fraud resulting from these weaknesses were discovered.

3.6 All recommendations that were presented were done so in order to strengthen internal controls that mitigate operational risks, and to establish best practice.

3.7 Of the 99 completed assignments in the 2013/14 audit plan, the following opinion categories were expressed:

<b>Opinion Category</b>	<b>Number of Audits</b>
A	16
B	45
C	22
CH	0
No Category	16
<b>Total</b>	<b>99</b>

3.8 Of the reports relating to the 2013/14 plan that were given an ‘A’ to ‘CH’ opinion category, 73.5% obtained an ‘A’ or ‘B’ opinion, which is lower than the equivalent figure of 82.9% in 2012/13.

3.9 No audit received an ‘CH’ opinion.

3.10 The executive summaries of full reports are presented to the Audit Committee after the final report has been agreed with the client and issued. Where a memorandum is issued rather than a full report, and where there is no opinion category, the Audit Committee is presented with a summary of the findings of the relevant audits where appropriate.

3.11 The table below shows which meeting of the Audit Committee has received the details of audits from the 2013/14 plan. The dates of the relevant meetings of the Audit Committee are also shown in Appendix 1.

<b>Date of release of Final Report or Memorandum</b>	<b>Date of Report to the Audit Committee</b>
1 April 2013 – 30 June 2013	18 July 2013
1 July 2013 – 31 August 2013	26 September 2013
1 September 2013 – 31 October 2013	3 December 2013
1 November 2013 – 31 January 2014	20 February 2014
1 February 2014 – 31 March 2014	6 May 2014

### **Revisions to the Plan**

- 3.12 Revisions to the audit plan were reported regularly to the Audit Committee during the year.

### **Follow-up Work**

- 3.13 A final memorandum was issued for 10 follow-up audits between 1 April 2013 and 31 March 2014. One of these audits was given an “Unsatisfactory” opinion and one other and “Unacceptable” opinion. The others were given an “Acceptable” or “Excellent” opinion. This suggests that robust arrangements are in place within the authority to implement audit recommendations in order to strengthen internal controls and manage risk.

### **Control Improvement Working Group**

- 3.14 An important step forward during 2013/14 in strengthening the Council’s arrangements for responding to Internal Audit reports was the introduction of the Control Improvement Working Group. The Working Group consists of the Chair and Vice Chair of the Committee and three other members (chosen by rotation) that meets between Audit Committee meeting and discusses issues of control weaknesses that have arisen at the Committee meeting, in order to give them attention to greater depth. Every report that has been given a ‘C’ or ‘CH’ opinion receives attention there, with officers being invited to attend to explain the control weakness and, primarily, to explain the steps that have been taken to improve the situation.
- 3.15 In addition to the matters that arose from the audit reports, the Working Group gave attention to an area where the Head of Finance’s quarterly budget report had forecast a substantial overspend.
- 3.16 There was also an opportunity for the Working Group to contribute to the Council’s response to a consultation by the Auditor General for Wales.

#### 4. INTERNAL AUDIT RESOURCES

##### Staffing and qualifications

- 4.1 During 2013/14, the Senior Manager Audit & Risk and two team leaders had a full CIPFA qualification, and the Senior Auditor (IT) had an ISACA computer audit qualification.

##### Utilisation of staff resources

- 4.2 Appendix 2 contains an analysis of the use made of the time of Internal Audit officers during the period between 1 April 2013 and 31 March 2014. The Committee's attention is drawn to the following:

- The table demonstrates an increase in the number of productive days available to provide audits for Gwynedd Council, from **1,571** days between 1 April 2012 and 31 March 2013 to **1,706** days for the same period in 2013/14, an increase of 135 days. The main reason for this was fewer vacant posts, for shorter periods, in 2013/14.
- There was an increase in the number of days that had to be used to complete special investigations or responsive audits, from **39** in 2012/13 to **56** in 2013/14.
- There has been an increase in the number of days used to supply audits to our external customers from **137** in 2012/13 to **163** in 2013/14. The number of days is not expected to be as high during 2014/15.
- In terms of professional training, one Auditor was studying for the ACCA qualification.
- There was a decrease in the number of days lost due to illness, from **55** in 2012/13 to **29** in 2013/14. This figure is notably low; so low in fact that it will be difficult to achieve this figure every year.
- During 2013/14, **23** days were used on the Internal Audit Information Management Exercise. This is a substantial project within the unit to review, strengthen and implement its information retention policy, in order to ensure the efficiency of the information this is kept, as well as strengthening the controls in place to ensure compliance with data protection legislation.

## 5. AUDIT PERFORMANCE

5.1 The results of the internal audit service's performance measures in 2013/14 were as follows:

Description	2012/13 Performance	2013/14 Ambition	2013/14 Results
% of the audits in the Audit Plan that are ready to be presented to the Audit Committee because they have either been closed or the final report has been issued	95%	95%	<b>94.29%</b>
% productive days to actual available (excluding holidays)	70.9%	74.3%	<b>74.81%</b>
Number of Audit Standards with full compliance according to the Wales Audit Office annual review	10	10	<b>10</b>
Number of audit days provided for Gwynedd Council	1,571	1,650	<b>1,707</b>
Number of audit days provided for external customers	137	80	<b>163</b>
% of Internal Audits with a "B" opinion or better (corporate indicator)	82.9%	70%	<b>75.0%</b> <sup>1</sup>
% of Internal Audit follow-up reports with an "Acceptable" opinion or better (corporate indicator)	88.9%	90%	<b>80.0%</b>

5.2 All targets were met, apart from:

**% of the audits in the Audit Plan that has either been closed or the final report has been issued.** At the end of the year the performance was only slightly of the target (6 out of 105 audits had been completed), despite the hard and conscientious efforts of Internal Audit staff.

**% of Internal Audit follow-up reports with an "Acceptable" opinion or better (corporate indicator).** This is a corporate measure, but the response of some services to the audits were disappointing, and there are arrangements to deal with this through the Audit Committee and the Control Improvement Working Group. Despite this, 4 out of every 5 had acted as expected.

<sup>1</sup> This measures the opinion of final reports released between 1/4/2013 and 31/3/2014, including some from the 2012/13 plan as well as 2013/14. This is the reason for the discrepancy between this result and the figure reported in paragraph 3.8, which only reports on the work of the 2013/14 plan.

## **6. COMPLIANCE WITH THE CODE OF PRACTICE**

- 6.1 Up to and including their 2013 review, the Wales Audit Office measured Internal Audit against the requirements of the 2006 CIPFA Code of Practice for Internal Audit. The Wales Audit Office reported in July 2013 that Gwynedd Council has an effective Internal Audit Service that complies in most respects with the standards of the Code of Practice.
- 6.2 The Public Sector Internal Audit Standards came into force on 1 April 2013, replacing the Code of Practice for Internal Audit in Local Government in the United Kingdom.
- 6.3 The external auditor's report noted that Internal Audit has met the following standards:
- Scope of Internal Audit
  - Ethics for internal auditors
  - Audit Committee
  - Relationships
  - Staffing, training and continuing professional development
  - Audit strategy and planning
  - Undertaking audit work
  - Due professional care
  - Reporting
  - Performance quality and effectiveness

It was reported that Internal Audit only partly met the Independence standard, due to other responsibilities of the Senior Manager Audit and Risk in addition to Internal Audit. This is a matter that has now been reported to and noted by the Audit Committee for several years.

- 6.4 The report did not contain recommendations.

## 7. WORK PLANS AND TARGETS 2014/15

7.1 A draft internal audit plan for 2014/15 was presented to the Audit Committee in its meeting on 20 February 2014. The latest plan is included in Appendix 3.

7.3 Internal Audit's performance measures for 2014/15 are:

Description	2014/15 Ambition
% of the audits in the Audit Plan that are ready to be presented to the Audit Committee because they have either been closed or the final report has been issued	95%
Number of Audit Standards with full compliance according to the Wales Audit Office annual review	10
Number of audit days provided for Gwynedd Council	1,506
Number of audit days provided for external customers	50
% of Internal Audits with a "B" opinion or better (corporate indicator)	70%
% of Internal Audit follow-up reports with an "Acceptable" opinion or better (corporate indicator)	90%

## 8. RECOMMENDATION

8.1 The Committee is asked to accept this report as the formal annual report of the Senior Manager Audit & Risk pursuant to the Public Sector Internal Audit Standards for the financial year 2013/14.





# Internal Audit Plan 2013/14

Audit Name	Opinion Category	Date Presented to Audit Committee
<b>CORPORATE</b>		
Control over Ordering and Payment for Property Repairs and Maintenance	C	6 May 2014
Health and Safety Risk Assessments	C	26 September 2013
Partnership Working	A	6 May 2014
Corporate Complaints Procedure	C	3 December 2013
Contribution to preparation of the Annual Governance Statements	No Category	26 September 2013
Contribution of Selfassessment of Governance Arrangements	No Category	
Corporate Governance - Delegation Arrangements	B	20 February 2014
Officers' Interests Policy	C	26 September 2013
Proactive Anti-Fraud and Anti-Corruption Work	No Category	
Data Protection - Clauses in Job Descriptions	C	20 February 2014
Budgetary Control	A	20 February 2014
NFI (National Fraud Initiative)	No Category	
Verification of Performance Measures	C	6 May 2014
<b>EDUCATION</b>		
<b>Resources</b>		
Appetite for Life Grant	B	3 December 2013
Primary Schools Free Breakfast Initiative Grant	B	26 September 2013
Schools Effectiveness Grant	C	6 May 2014
Out of School Childcare Grant	B	3 December 2013
Pupil Deprivation Grant	C	6 May 2014
Foundation Stage 2012-13 Revenue Grant	A	26 September 2013
Post-16 Education Grant	No Category	20 February 2014
Health and Safety Risk Assessments in Schools	B	6 May 2014
Administration of Student Grants and Loans	B	6 May 2014
<b>GwE</b>		
GwE	A	6 May 2014
<b>Schools</b>		
School Statistics and Censuses	C	6 May 2014
Education - Budget Review	No Category	
Secondary Schools - Budgetary Control	B	26 September 2013
Secondary Schools - Information Security	B	26 September 2013
<b>HUMAN RESOURCES</b>		
<b>Training</b>		
Use of Cetus - CALMS	C	20 February 2014
<b>FINANCE</b>		
<b>Financial</b>		
Debtors System - Review of Key Controls	B	18 July 2013
eProcurement System	B	6 May 2014
Payments System - Review of Key Controls	B	6 May 2014
<b>Accountancy</b>		

<b>Audit Name</b>	<b>Opinion Category</b>	<b>Date Presented to Audit Committee</b>
Main Accounting System - Review of Key Controls	<b>A</b>	18 July 2013
Bank Reconciliation - Review of Key Controls	<b>A</b>	6 May 2014
<b>Pensions and Payroll</b>		
Payroll System - Review of Key Controls	<b>B</b>	6 May 2014
Payroll - Maternity Pay	<b>B</b>	20 February 2014
Overtime Claims Procedures	<b>C</b>	6 May 2014
Payroll - Advances	<b>B</b>	3 December 2013
Gwynedd Pension Fund - Review of the Key Controls of the Administration Systems	<b>A</b>	6 May 2014
Pensions - Contributions from employers	<b>No Category</b>	6 May 2014
<b>Revenue</b>		
Risk-Based Benefit Verification	<b>A</b>	20 February 2014
Benefits System - Review of Key Controls	<b>A</b>	6 May 2014
School Uniform Grant	<b>B</b>	3 December 2013
Council Tax - Discounts and Exemptions	<b>B</b>	20 February 2014
Council Tax System - Review of Key Controls	<b>A</b>	6 May 2014
NNDR Refunds	<b>A</b>	18 July 2013
NNDR System - Review of Key Controls (2012-13)	<b>A</b>	18 July 2013
NNDR System - Review of Key Controls (2013-14)	<b>A</b>	6 May 2014
<b>DEMOCRACY AND LEGAL</b>		
<b>Registration</b>		
Arrangements for Registering Births, Deaths and Marriages	<b>C</b>	6 May 2014
<b>Monitoring Officer</b>		
Members' Gifts and Hospitality	<b>B</b>	26 September 2013
<b>ECONOMY AND COMMUNITY</b>		
<b>Community Regeneration</b>		
Local Regeneration Officers	<b>B</b>	20 February 2014
Communities First - Extension to the Old Scheme	<b>B</b>	18 July 2013
<b>Record offices, museums and the arts</b>		
Neuadd Buddug, Y Bala	<b>B</b>	18 July 2013
<b>Maritime and country parks</b>		
Ports	<b>C</b>	3 December 2013
Country Parks	<b>C</b>	20 February 2014
<b>Major Projects</b>		
Contract Management - Sailing Academy	<b>No Category</b>	6 May 2014
<b>Strategy and development Programmes</b>		
Youth Club Grants - Revenue Grant	<b>B</b>	3 December 2013
Wales Rural Development Plan Projects	<b>B</b>	6 May 2014
<b>Tourism, marketing and customer care</b>		
"Our Heritage" Project	<b>B</b>	6 May 2014
Tourist Information Centres	<b>B</b>	3 December 2013
<b>CUSTOMER CARE</b>		
<b>Emergency Planning</b>		
Emergency Planning and Business Continuity	<b>B</b>	6 May 2014
<b>Customer Contact</b>		
Siop Gwynedd	<b>C</b>	18 July 2013
<b>Libraries</b>		

<b>Audit Name</b>	<b>Opinion Category</b>	<b>Date Presented to Audit Committee</b>
"Gwynedd Ni"	<b>A</b>	20 February 2014
<b>Information Technology</b>		
Logging and Monitoring	<b>B</b>	3 December 2013
Laptop Security	<b>C</b>	20 February 2014
Software Licences (Corporate)	<b>B</b>	26 September 2013
Software Licences (Schools)	<b>C</b>	26 September 2013
<b>Council Land and Property</b>		
Council Properties - Firefighting Equipment	<b>B</b>	26 September 2013
<b>SOCIAL SERVICES, HOUSING AND LEISURE</b>		
<b>Across the department</b>		
Support Workers Travel Costs	<b>B</b>	26 September 2013
Social Services - Security of Files and Data	<b>B</b>	6 May 2014
Results-Based Accountability	<b>No Category</b>	3 December 2013
<b>Supporting People</b>		
Supporting People	<b>A</b>	18 July 2013
Supporting People Grant 2012-13	<b>No Category</b>	20 February 2014
<b>Leisure</b>		
Banking Arrangements in the Leisure Centres	<b>C</b>	18 July 2013
Sport Council Grants	<b>No Category</b>	20 February 2014
<b>Adults</b>		
Direct Payments	<b>C</b>	3 December 2013
Enablement Schemes	<b>B</b>	3 December 2013
<b>Children and Families</b>		
Youth Justice Service	<b>B</b>	6 May 2014
Children - Post-care Allowances	<b>B</b>	20 February 2014
<b>Residential and Day</b>		
Overnight Arrangements at Council Homes	<b>C</b>	6 May 2014
Bryn Blodau, Llan Ffestiniog	<b>C</b>	20 February 2014
<b>Private Sector Housing</b>		
Older - Disabled Persons - Adaptations to Homes	<b>B</b>	3 December 2013
Empty Houses back into use Project	<b>B</b>	3 December 2013
<b>HIGHWAYS AND MUNICIPAL</b>		
<b>Fleet</b>		
Fleet Management - NWPP Parts Contract	<b>No Category</b>	20 February 2014
<b>Highways Works</b>		
Rechargeable Works	<b>A</b>	20 February 2014
<b>Waste Management and Streetsecene</b>		
Community Gangs	<b>B</b>	6 May 2014
Trade Refuse	<b>B</b>	20 February 2014
<b>REGULATORY</b>		
<b>Environment</b>		
Payments to Taxi Firms	<b>B</b>	6 May 2014
<b>Planning</b>		
Planning Service - Performance Measure CT02A	<b>No Category</b>	6 May 2014
The Planning Service	<b>B</b>	26 September 2013
Development Control - Enforcement	<b>B</b>	20 February 2014

<b>Audit Name</b>	<b>Opinion Category</b>	<b>Date Presented to Audit Committee</b>
<b>Public Protection</b>		
Trading Standards	<b>B</b>	6 May 2014
<b>Transportation and Street Care</b>		
Enforcement and Transport	<b>B</b>	6 May 2014
Regional Transport Service Grant	<b>No Category</b>	20 February 2014
Subsidised Travel Tickets - Payments to bus companies	<b>C</b>	3 December 2013

#### **STRATEGIC AND IMPROVEMENT**

##### **Strategic Direction**

SMAP Fund	<b>No Category</b>	6 May 2014
Youth Crime Prevention Fund	<b>No Category</b>	6 May 2014

##### **Democracy**

Member Training	<b>B</b>	6 May 2014
Exempt Papers and Confidentiality	<b>B</b>	3 December 2013

##### **Performance and Scrutiny**

Project Management Arrangements	<b>B</b>	6 May 2014
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#### **Summary of the number of reports in each opinion category, 2013/14 Plan:**

	Number of Audits
A	<b>16</b>
B	<b>45</b>
C	<b>22</b>
No Category	<b>16</b>
<b>Total</b>	<b>99</b>

Analysis of Internal Audit Use of Time | April - 31 March:

2012/13		2013/14
<b>2,814</b>	<b>Total Days</b>	<b>2,945</b>
404	Less Holidays (Statutory and Non-Statutory)	446
<b>2,410</b>	<b>Total Available Days</b>	<b>2,499</b>
	Less:	
22	Special Leave	16
55	Illness	29
22	Professional Training	10
94	Job Training	76
<b>2,217</b>	<b>Available Days</b>	<b>2,368</b>
	Less Unproductive Time:	
15	Performance Review (Appraisal)	18
6	Medical Appointments	9
34	Time Recording and Management	34
90	Meetings and Committees	86
2	Meetings - Joint working with WAO	3
4	Training Presentation	10
2	Conducting interviews	5
55	Background Work	46
62	Admin etc.	50
21	Audit Committee	26
137	Internal Audit Management	116
5	Absence Management	6
17	North Wales Joint-working Tasks	2
6	IT problems	8
10	Galileo Upgrade	5
0	Internal Audit Information Management Exercise	23
43	Less: other management work (Senior Manager)	52
<b>1,708</b>	<b>Total productive days</b>	<b>1,869</b>
57	Work for SNPA	45
80	Work for CTE	118
<b>1,571</b>	<b>Total productive days, Gwynedd Council</b>	<b>1,706</b>

Analysis of the use of Gwynedd Council productive days:

2012/13		2013/14
1,424	Work on current year's plan	1,528
1	Completion of previous year's work	21
20	Commencement of next year's work	13
39	Advice and Consultancy	47
48	Follow-up work	41
39	Responsive Work / Special Investigations	56
<b>1,571</b>		<b>1,706</b>



# Internal Audit Plan 2014/15

<u>Audit Title</u>	<u>Why is this in the plan?</u>	<u>Days</u>
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## Education

Special Educational Needs Joint Committee	A review if needed of the administrative arrangements and of the effectiveness of the governance arrangements	20
Communication with Schools	Effective engagement with schools is critical for guidance, advice and guidance to be effective	10
GwE	Needs a further review, to build on the work of 2013/14	20
ICT in Secondary Schools	Every part of the iT network needs to be reviewed in turn, to ensure robustness of the entire system.	20

## Capital Schemes

New Hafod Lon School	A capital contract that is a substantial financial investment	15
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## Grants

Pupil Deprivation Grant	A substantial grant. A review could reduce external audit fees	8
Post-16 Provision in Schools Grant	An expectation in the Funding Conditions	15
Foundation Stage Revenue Grant	An expectation in the Funding Conditions	8

## Schools

Catering	Some schools have established their own arrangements - need to check compliance with standards.	20
Primary Schools - Workforce Modelling	A review of arrangements, following discussions with senior managers from the Education Department	20
Secondary Schools - Governance	An audit of governance in primary school was conducted in 2013/14, therefore arrangements in secondary schools will be reviewed in 2014/15	20

## Human Resources

Health and Safety - Lone Working	This can present significant risks to some staff. There is a need to verify that all departments take this matter seriously.	10
Jobs System - security and accuracy	This is a new system that has been developed. Due to the nature of the information that is held on it, there should be an independent check of its administrative arrangements.	25
Sickness arrangements - referral to Occupational Health	This is identified as an important step in ensuring consistency and staff support.	20

## Corporate

<b><u>Audit Title</u></b>	<b><u>Why is this in the plan?</u></b>	<b><u>Days</u></b>
Review of State Aid	This mater has been identified by officers from Economy and Community as a risk that requires a corporate review	6
Staff Protection Register	Need to unsure consistency, the safety of staff an compliance with data protection legislation	10
Severe Weather Plan	This plan has been noted in the Cross-departmental Risk Register as mitigating a high risk. There is a need to ensure that it remains updated an practicable.	10
Use of Technology - Value for Money review	A review to find if the Council is making the best use of the technology available to it to make efficiency savings	25
Mobile Phones	Weaknesses were identified the last time this was review; this is an area o high risk	30
Proactive Anti-Fraud and Anti-Corruption Work	Work that needs to be undertaken to address the risk of fraud and corruption	40
NFI (National Fraud Initiative)	The Council partakes in this scheme, that is run by the external auditors	30
Disclosure Arrangements - Awareness of the Whistleblowing Policy	Following discussions with Human Resources, it was decided that a further audit of this area would be timely	15
Protection Arrangements	An area of high risk that requires an annual review	20
Exemptions from the corporate training arrangements	Training and staff development is key for the Council to achieve its objectives, and assurance is needed that there is a reasonable basis to exclude staff	15

### **Code of Governance**

Contribution to preparation of the Annual Governance Statements	This is contained within the plan every year	5
Succession Plan and Workforce Planning	This is a key part of the Council's work in preparing for the future	15
Corporate Governance - Implementing Committee Decisions	This has been identified by members of the Audit Committee as a key part of the review of governance arrangements	15
Protocol for Member-Officer Relations	Part of a cyclical programme to review elements of the Local Code of Governance	10
Officers Gifts and Hospitality	This is a key control in establishing a culture of propriety	20

### **Finance**

Network Convergence	This has been in the audit plan for several years, but the project has slipped	20
Treasury Management	An important financial area that has not been reviewed by Internal Audit for some time	20
IT Systems	Further assessments will confirm which specific audits will be conducted in this area	20

<u>Audit Title</u>	<u>Why is this in the plan?</u>	<u>Days</u>
IT - Backups and Service Continuity	This area was audited in 2012/13, but there is a need to ensure resilience following recent developments	10
CHAPS Payments	An audit to review security and value for money of this method of payment	10
Risk Management Arrangements	A key element in the Council's governance arrangements	20

### Major Financial Systems

Gwynedd Pension Fund - Review of Key Controls	Joint working Protocol with WAO	15
Gwynedd Pension Fund - Closure 2013-14	Joint working Protocol with WAO	5
Payroll - Multiple Jobs	The need to administer correctly those employees who have more than one post is an important control	25
Bank Reconciliation - Review of Key Controls	Joint working Protocol with WAO	10
Bank Reconciliation - Closure 2013-14	Joint working Protocol with WAO	5
Main Accounting System - Review of Key Controls	Joint working Protocol with WAO	10
Benefits System - Review of Key Controls	Joint working Protocol with WAO	15
Benefits System - Closure 2013-14	Joint working Protocol with WAO	5
Debtors System - Review of Key Controls	Joint working Protocol with WAO	10
Payroll System - Review of Key Controls	Joint working Protocol with WAO	15
Payroll System - Closure 2013-14	Joint working Protocol with WAO	5
Payments System - Review of Key Controls	Joint working Protocol with WAO	15
Payments System - Closure 2013-14	Joint working Protocol with WAO	5
Council Tax System - Review of Key Controls	Joint working Protocol with WAO	8
Council Tax System - Closure 2013-14	Joint working Protocol with WAO	5
Council Tax System - iPortal	A new development that will widen access to the Council Tax System. The controls over this need to be reviewed.	10
NNDR System - Closure 2013-14	Joint working Protocol with WAO	2

### Economy and Community

Leisure Centres	These are an area of high financial, health and safety and business risk .	30
Communities First - The New Scheme	The is a new scheme that replaces the old "Communities First". This could be an area of high risk.	20
Potential Scheme	Has been the subject of substantial investment and a European Grant	25
Beaches	There are a number of risks that need to be controlled.	10
Industrial and Technology Units	This area has not been reviewed for several years	20
Yr Hafan, Pwllheli	An establishment review that is periodically required	10

### Capital Schemes

Sailing Academy	A substantial capital contract that is largely funded through grants, and therefore is a high risk	15
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**Audit Title****Why is this in the plan?****Days**

Gwynedd Museum and Gallery

A substantial capital contract that is largely funded through grants, and therefore is a high risk

**15****Grants**

Youth Service Revenue Grant

An expectation in the Funding Conditions

**8**

Youth Service Training Grant

An expectation in the Funding Conditions

**8****Adults, Health and Wellbeing**

Personal Monies of Home Residents

Added at the request of the departmental management team, who see this area as a risk

**25**

Independent Living Fund

This has shown in that past that in can be an area of high risks.

**15**

Collaboration with the Health Board

A high risk on the service's risk register

**30**

Homelessness

An area of comparitavely hugh risk, that has not been audited since the "Systems Review" on the service

**25**

Galw Gwynedd

A review of arrangements in the contact centre, following some work in 2013/14

**20**

Plas Maesincla, Caernarfon

A decision has been taken to undertake an establishment audit, rather than themed audits, at the request of the department.

**12**

Plas Ogwen, Bethesda

A decision has been taken to undertake an establishment audit, rather than themed audits, at the request of the department.

**12**

Extra Care Housing

An audit would be timely, as these are new developments for the Council

**10**

Telecare

Slipped from the 2013/14 plan. An important development for the provision of care, that also involves external partners.

**20**

Shift arrangements at Residential Homes

Added following a request by the departmental management team for a review of the area

**10****Capital Schemes**

Social Services Information System

A capital contract that is a substantial financial investment. Large risks if the project fails

**20****Grants**

Supporting People

A large grant with a regional strategic direction

**15****Children and Family Support**

Children's Services - Commissioning of Care

A review is suggested on the robustness of arrangements in this important area

**16**

Looked After Children - Education and Health Assessments

Included at the request of the Head of Department

**15****Grants**

Out of School Childcare Grant

An expectation in the Funding Conditions

**8**

<b><u>Audit Title</u></b>	<b><u>Why is this in the plan?</u></b>	<b><u>Days</u></b>
Flying Start Revenue grant	A substantial grant. A review could reduce external audit fees	10
Families First Grant	A substantial grant. A review could reduce external audit fees	10

### **Highways and Municipal**

Waste Disposal Contracts	These are essential in transforming the way with which waste is dealt.	15
Depots and Workshops - Stock Control	Periodic audits are expected for these areas of risk.	10
Safety at Recycling Centres	Centres that are very popular with the public, but have a high inherent risk due to the nature of machinery, traffic etc.	20
Playgrounds	The Department has identified this as an area of high risk. A programme of work to ensure safety should be in place.	15
Fleet Management	An area of several risks, that have not been reviewed recently by Internal Audit.	20

### **Grants**

Sustainable Waste Management Grant	A substantial grant. A review could reduce external audit fees	25
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### **Regulatory**

Collaboration - Road Safety Partnership	There are inherent risks with collaboration projects	10
Traffic Orders	An area where weaknesses have been found in the past	20
Parking Enforcement	An area of high public profile for which independent assurance of propriety would be beneficial	20
Planning Service - time taken to make decisions	Following an initial review in 2013/14, the department has requested further work in 2014/15	10
Public Footpaths and Recreational Routes	An area of risks to the public.	15
Joint Planning Policy Committee	A review if needed of the administrative arrangements and of the effectiveness of the governance arrangements	10
Integrated Transport Unit	An area of high risk that warrants regular Internal Audit reviews	25

### **Capital Schemes**

Briwet Bridge	A substantial capital contract that is largely funded through grants, and therefore is a high risk	15
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### **Strategic and Improvement**

Procurement Strategy	This strategy is of key importance for the Council	40
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<u>Audit Title</u>	<u>Why is this in the plan?</u>	<u>Days</u>
Gwynedd Consultancy Projects Risk Registers	Due to the nature of the work of YGC, individual project risk registers are essential.	10
Follow-up to Reviews on Gwynedd Consultancy	Has slipped from the 2013/14 plan. A verification that recommendations in the review by Finance officers have received proper attention.	30
		<b>1,506</b>