PLYMOUTH CITY COUNCIL

Subject: Internal Audit – Progress Report

Committee: Audit Committee

Date: December 2013

Cabinet Member: Councillor Lowry

CMT Member: Malcolm Coe, (Assistant Director FETA)

Author: Robert Hutchins, Head of Devon Audit Partnership

Contact details: Tel: (01752 (30) 6710

e-mail: robert.hutchins@devonaudit.gov.uk

Ref: AUD/RH

Key Decision: No

Part:

Purpose of the report:

This report provides Members of the Audit Committee with a position statement on the audit work carried out since our last report of September 2013 and based on work performed to date during 2013/14. Internal Audit is able to provide reasonable assurance on the adequacy and effectiveness of the Authority's internal control environment.

The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

The work of the internal audit service assists the Council in maintaining high standards of public accountability and probity in the use of public funds. The service has a role in promoting high standards of service planning, performance monitoring and review throughout the organisation, together with ensuring compliance with the Council's statutory obligations.

The delivery of the Internal Audit Plan assists all directorates in delivering outcomes from the Corporate Plan:-

- Pioneering Plymouth by ensuring that resources are used wisely and that services delivered meet or exceed customer expectations;
- Confident Plymouth the Government and other agencies have confidence in the Council and partners.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land:

None.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

The work of the internal audit service is an intrinsic element of the Council's overall corporate governance, risk management and internal control framework.

Equality and Diversity:

Has an Equality Impact Assessment been undertaken? Yes/No

It is recommended the	nat:-
I. The repo	rt be noted.
Alternative option	s considered and rejected:
None, as failute to m	aintain an adequate and effective system of internal audit would contravene the
Accounts and Audit	Regulations 2003, 2006 and 2011.
Published work / in Internal Audit Annua	
Background paper	rs:
None	
Sign off:	

HR

Assets

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Recommendations and Reasons for recommended action:

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Originating SMT Member:

Has the Cabinet Member(s) agreed the content of the report? Yes

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Internal Audit Report 2013/14 Six Month Monitoring Report Plymouth Council

December 2013

Not Protectively Marked

Auditing for achievement

Devon Audit Partnership

The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay and Devon councils. We aim to be recognised as a high quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards (PSIAS) and other best practice and professional standards.

The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at robert.hutchins@devonaudit.gov.uk

Confidentiality and Disclosure Clause

This report is protectively marked in accordance with the National Protective Marking Scheme. It is accepted that issues raised may well need to be discussed with other officers within the Council, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.

This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.

1 Introduction

This report provides a summary of performance in the first six months against the internal audit plan for the 2013/14 financial year, highlighting the key areas of work undertaken and summarising our main findings and audit opinions. However, it should be noted that Appendix A provides progress on audits up to November.

The key objectives of the Devon Audit Partnership (DAP) have been to provide assurance to the Audit Committee, Section 151 Officer (Director for Corporate Services) and senior management on the adequacy and security of the systems and controls operating within the Council and to provide advice and assurance to managers and staff.

The level of risk associated with each of the areas in Appendix A has been determined either from the Local Authorities Strategic / Operational Risk Register (LARR), or the Audit Needs Assessment (ANA). Where the audit was undertaken at the request of client, it has not been risk assessed. Assurance and recommendations should be considered in light of these risk levels and the impact this has on achievement of corporate / service goals.

Opinion

In our opinion, and based upon our audit work in this and previous years, we consider that adequate controls are in place to control operations in the Council.

Where weaknesses have been identified management have agreed these findings and have either agreed the recommendations or accepted the associated risks. Where management actions have been agreed and as appropriate, we shall undertake follow up work to ensure that the identified risks have been mitigated.

3 Performance against the Plan

Overall, we have made adequate progress in the first six months of 2013/14, with 70% of the planned audits commenced (against expected rate of 50%) and 42% of audit fieldwork completed (against expected rate of 45%). A more detailed breakdown of performance against the plan is shown at appendix B.

It is pleasing to see that our "customer satisfaction" remains high, and hopefully provides independent assurance that our service is providing good value to the Council (please see appendix C).

Due to the fluidity of audit delivery some audits relating to the previous year (2012/13) have been brought to conclusion in 2013/14. Delivery of the ICT Audit Plan was heavily impacted by the departmental restructure during the first half of the year. However, planned work is now progressing with focus around the way in which services are delivered, service improvement and delivering value for money. Working relationships with ICT remain strong and Internal Audit continue to attend programme and project boards and provide advice and consultancy where required.

At this stage we remain confident that we will be able to deliver the internal audit plan as expected.

A summary of progress made against the plan, including various performance indicators for Internal Audit, is attached at Appendix B

4 Executive Summary

Overall, management continue to remain aware of strategic risks and have established mitigating controls, as demonstrated through the progress in developing and embedding the revised strategic risk management methodology. Despite reductions in resources and pressures from operational delivery and system changes, commitment remains good to ensure services are delivered and operational risks mitigated.

Previous audit follow up activity has shown positive engagement and commitment from management to improving the control environment. Further follow up work will be undertaken to confirm that this impetus is being maintained.

Based on work performed during 2013/14 to date, Internal Audit is able to provide reasonable assurance on the adequacy and effectiveness of the Authority's internal control environment.

The audit plan is progressing in line with expectations although significant time has been spent upon irregularity work which has impacted on the performance in days against the agreed plan. This has further been exacerbated by involvement of the audit team in other essential unplanned works where our input has been sought. Such factors have affected progress against the agreed plan, however, management continue to be receptive and responsive to our work. We will need to further revise plans to accommodate these changes.

Appendix A details the assurance opinions for individual audits completed in 2013/14 since that reported in the progress report of September 2013. The definitions of the assurance opinion ratings are given in Appendix D.

Individual Executive Summaries follow to provide specific detail on directorates and identify where we have concerns that are impacting the current control environment.

Corporate Services - To date no significant concerns have been identified from our work; previous years work identified that the overall control environment was operating effectively, and this view continues.

Advice continues to be provided directly to officers as requested and for a number of on-going projects.

People – To date no significant concerns have been identified from our work; previous years work identified that the overall control environment was operating effectively and this view continues.

Advice continues to be provided directly to officers as requested and for a number of on-going projects.

The audit of Fostering & Adoption Panel Processes / EDRMS highlighted the following issues and considerations:-

Progress appears to be have been slow for both sending documents electronically and implementing an EDRMS, although the ability to send documents electronically appears to be close, delays are due to the lack of resources available to test the solution being offered.

A way forward needs to be found so that progress can be made which will in turn make the process more efficient.

The implementation of an EDRMS is a complicated piece of work in that there are a

lot of factors for consideration. The report highlighted some key areas ranging from project sponsorship to consultation and training. From the work undertaken there would be a real benefit to having a single source for documents to be stored, however any solution must be the place all records are stored otherwise there is a real risk of fragmentation and this is likely to be criticised by Ofsted when reviewing the journey of a child.

The audit of Special Education Needs found that:- Census information collected by the City Council and the Academy data provided by the Department for Education is used for a variety of different uses from planning for the future to the delivery of services.

Although data is collected throughout the year by the City Council, there are still questions on the reliability of the pupil data being held at the schools.

Based on the schools visited, the processes employed by them for the maintenance of their general pupil and SEN data were found to be effective based on the information provided to them by parents and others. With regard to children who have a statement, the Specialist Services Team have requested that any changes to data should be verified with the Team so that both school and local authority data can be verified and updated where necessary.

The processes for the annual review and the transitions from primary to secondary and then to post 16 have been effectively managed by the schools and partners.

The managing of the risk register has been in accordance with City Council procedures. This has seen the overall risk being reduced from an amber status to a green status following the May 2013 review.

In addition to audits undertaken as per the plan, advice and guidance has been provided to managers and staff at all levels within the People directorate.

Place - To date no significant concerns have been identified from our work; previous years work identified that the overall control environment was operating effectively and this view continues.

DAP reviewed the evidence compiled by officers to support the City Council's annual CRC Energy Efficiency Scheme submission, as required by the Environment Agency. We were able to provide assurance that the Council has fulfilled its obligations with regard to its annual submission prior to the submission deadline of 31st July 2013.

DAP were commissioned to undertake some work relating to the charging of temporary traffic orders (TTRO's) for events. A briefing note detailing our findings was issued and further work was subsequently commissioned in relation to the general operation of the Amey contract; this is currently work in progress.

DAP has continued to support the South West Devon Waste Partnership Waste PFI project which is well into its construction phase. DAP continue to attend the Project Executive Board, monitoring governance and risks. In addition, Audit have provided support and advice on two other major projects, namely the replacement of the Council's Material Recycling Facility (MRF) which is in its procurement phase, and the History Centre whose project team have been working on a funding bid to the Heritage Lottery Fund.

Schools - We have made progress in the delivery of our audit plan to schools although the larger proportion of the work will, as planned, be in the second half of the year. Schools have again been very appreciative of the quality of our service. The requirements to meet the challenges through change to the SFVS are significant. We

are focusing all of our effort to achieve the targets and support schools to the fullest of our ability.

Good Standard - our opinion is that the systems and controls in schools mitigate the risks identified in many areas. However, there are risks exposed in key areas which reduce overall assurance.

The key matters arising from the audits are the:

- approval of the School Development / Improvement Plan (Board);
- consideration of the year end monitor statement (Finance);
- approval of the Finance Policy as this contains the financial scheme of delegation (Board);
- review of Headteacher and Senior Leadership Team salaries (Board / Committee); and
- approval of Business Continuity Plan (Board / Committee).

Analysis of the results of audit and SFVS can be found at appendix A1.

5 Irregularities

There have been a number of issues reported to us for investigation and resolution. Some of the key issues reviewed are as follows

Corporate Services - DAP were commissioned to investigate a whistleblowing concern raised in respect of a potential breach of the Council's Contract Standing Orders. A report into this matter was issued in August 2013 and concluded that the judgement of a Council officer could be called into question, however, the officer concerned had left the employ of the Council by this time, and, as such, no further action was required.

DAP are finalising investigations into whistleblowing and grievance issues raised by an officer in respect of alleged detriments suffered as a consequence of carrying out the requirements of their role.

People - During 2013/14 to date, Internal Audit have carried out, or assisted in a total of 7 new irregularity investigations within the People Directorate. Work has included support to an investigation into whistleblowing allegations concerning practices of a contracted care provider; investigations into possible misuse of the authority's IT systems and the sending of sensitive information by text to an incorrect mobile phone number.

Place - During 2013/14, Internal Audit have carried out, or assisted in a total of six new irregularity investigations within the Place Directorate. DAP have worked with one department to re-enforce security protocols.

DAP have assisted HR and management with the progress of a disciplinary in respect of a member of staff prosecuted for selling fake clothing. The member of staff has subsequently been dismissed.

DAP have advised HR and management in respect of

- the treatment of an anonymous complaint regarding the conduct of a member of staff. Management have concluded that the member of staff concerned has no case to answer.
- an external complainant raising concerns regarding the conduct of members of staff. It is not considered that there is any substance to the concerns raised.

- the alleged misappropriation of Council property by members of staff. The action required by the Council remains under consideration.
- disciplinary action relating to allegations of fraud and the potential referral of this matter to the Police. The disciplinary proceedings remain on-going and that a referral has been made to the Police.

Schools - Only one irregularity has been investigated by the Partnership in relation to Plymouth Schools in the first six months of this year. This was in relation to the misuse of a school issued laptop where it was identified that inappropriate adult websites had been accessed and a number of inappropriate images was also identified. A report was issued direct to the School.

Work has continued on providing support to the Devon and Cornwall Constabulary as part of their investigation at St Boniface's Catholic College. However, in November the charges of fraud were dropped by the Crown Prosecution Service and therefore our involvement in the Police case has come to an end.

NFI - As part of the 2012/13 NFI data matching exercise, DAP have continued to monitor the work undertaken within departments reviewing the data matches provided to the Council in February 2013.

In total, 9,316 matches were received, of which 2,739 were categorised by the Audit Commission as the highest priority. The majority of these matches relate to the Council's housing benefit, creditor, parking permit (including blue badges) and concessionary travel data. The remainder relate to the Council's insurance, payroll and residential care home data.

To date, a total of 4,449 matches have been processed, of which 683 errors and three potential frauds have been identified. The majority of errors identified to date involve the cancellation of blue badges and concessionary travel passes in respect of deceased badge / pass holders. The three potential frauds relate to applications for concessionary travel passes, which appear to have been made after the customer's reported date of death.

Other errors have been identified in respect of continuing payments made to a number of residential care homes after the resident's death and an overpayment of housing benefit. Of these cases, a sum of £6,358.20 is currently in the process of being recovered.

Work will continue to clear as many of the matches as possible prior to the Audit Commission's deadline of January 2014. In particular, a number of cases being investigated by the Council's Housing Benefit Fraud Team remain under investigation which could yield further errors, frauds and recoverable overpayments.

6 Customer Satisfaction

During the period we issued client survey forms with our final reports. The results of the surveys returned are, although low in number, very good and again are very positive. The overall result is very pleasing, with near 98% being "satisfied" or better across our services, see appendix C. It is very pleasing to report that our clients continue to rate the overall usefulness of the audit and the helpfulness of our auditors highly.

7 Inherent Limitations

The opinions contained within this report are based on our examination of restricted samples of transactions / records and our discussions with officers responsible for the processes reviewed.

8 Acknowledgements

We would like to express our thanks and appreciation to all those who provided support and assistance during the course of the audits in the first six months of 2013/14.

Robert Hutchins Head of Audit Partnership

Appendix A

Assurance Opinion and extract Executive Summaries - First Six Months of 2013-14

Risk Assessment Key

LARR – Local Authority Risk Register (SRR – Strategic, ORR Operational) score Impact x Likelihood = Total and Level ANA - Audit Needs Assessment risk level as agreed with Client Senior Management Client Request – additional audit at request of Client Senior Management; no risk assessment information available

Audit Area	Year	Status	Assurance Opinion	Executive Summary
Revenues & Benefits System Parameters	2013/14	In- Progress		The field work is nearing completion and no areas of concern have been identified.
ANA High risk				
Main Accounting System	2013/14	In- Progress		Work has commenced on this review.
ANA Medium risk				
Loans & Investments	2013/14	In- Progress		Work is underway for this review.
ANA Low risk	0040/44			
Procure to Pay Project (P2P)	2013/14	On-Going		Recent involvement in the P2P Project Board to provide real-time advice and support on project implementation and the review of processes.
Payroll Implementation & Transfer	2013/14	On-Going		DAP has continued its involvement as the new iTrent payroll system went live in April, ensuring the solution incorporates sufficient business and ICT controls.

CRB / Disclosure and Barring Service Client Request ANA High risk	2013/14	In- Progress		Work has recently commenced on this review.
Revenues & Benefits - Policy Changes (Welfare Reforms)	2013/14	Final	Good Standard	Following changes in the Welfare Report Act 2012 the national Social Fund (Community Care Grants and Crisis Loans) which was administered by the DWP transferred to local authorities and in April 2013 the Emergency & Welfare Scheme went live in Plymouth.
ORR - Amber				Payments from the fund to date are much lower than the budgets profiled for the period and it is likely that awareness of the Emergency Welfare Fund needs to be raised further to ensure that those in genuine need have access to it. The service area are planning further promotional activities.
				Delivery of the Emergency Welfare Fund is still a relatively new responsibility for the Council and as such the systems and processes for effective delivery and management of this area are continuing to evolve.
Sale of Civic Centre SRR - Red	2013/14	On-Going		DAP have continued to provide advice, support and assurance to the team tasked with the redevelopment of the Civic Centre. Audit has been able to bring its experience of previous major procurement exercises involving Competitive Dialogue and has been present at project meetings following the announcement of the preferred bidder. DAP will continue to support the team during the final stages of the project.
Setting up of DELT Client Request ANA Medium	2013/14	On-Going	N/A	DAP was commissioned to carry out a review of the documentation relating to the development of the DELT Business Case and to challenge the assumptions and financial figures upon which it was based. In addition, an objective and independent SWOT analysis was provided outlining the opportunities and risks that the creation of a shared ICT service such as DELT would present to the Council.

			Additional work was also undertaken on the procedures and governance arrangements associated with the project.
School Financial Value Standards	2013/14	On-Going	We reported to the Department for Education that all schools had submitted their self-assessment returns for March 2013.
ANA Low			
Payroll ANA High risk	2013/14	In- Progress	This is a new payroll system and a detailed review to provide assurance around the effectiveness of controls and processes commenced in November.

- Housing Benefits (ANA High risk)
- Key Financial Systems Access Controls (ANA High risk)
- Creditors (ANA High risk)
- Council Tax (ANA Medium risk)
- Debtors (ANA Low risk)
- IT Material Systems (ANA Low risk)
- Capital Accounting Asset Register (ANA Low risk)
- NNDR (ANA Low risk)
- Absence Management (SRR Amber)
- Corporate Landlord (SRR Amber)
- Central Buyers (Client Request ANA Medium)
- FM Joint Venture Project(Client Request ANA Medium)
- Street Lighting Conversion to LED and dimmers (Client Request ANA Medium)

Corporate Services - ICT				
ICT Financial Management	2012/13	Draft	Good Standard	Working in conjunction with ICT this work informs the review of ICT Programme Management in 2013/14 following the ICT re-structure. The audit concludes that ICT Financial Management is of a good standard with effective, if time consuming, processes in place to

			monitor budgets on a regular basis. Improvements around service design and processes used to forecast revenue costs associated wi projects would reduce the number of variances and permit more timely management of budgetary pressures. Contract management needs to take a higher priority to ensure that full value for money is obtained from suppliers and increased rigor around project approval including CMT approvals, would also have a positive impact on both budgetary control and making the most of available resources.	l,
ICT Strategy - ICT Programme Delivery ANA Critical risk	2013/14	In Progress	Work is being undertaken to review progress against the Programm Delivery report (April 12), producing more detailed recommendations to meet with current demands and challenges. In addition to formal audit work, auditors attend Programme and Project Boards which assists in informing audit opinion. Following the re-structure, meeting have now been held with all members of the ICT Service management team.	is igs
ICT Strategy – Demand Management ANA Critical risk	2013/14	Not Started	Work will be undertaken to identify how best effective demand management can be achieved within the current strategic and operational framework.	
ICT Service Design – Supplier/ Contract Management ANA Critical risk	2013/14	In Progress	Work has already been undertaken to look at supplier and contract management within the Authority, with an IT Auditor assisting as appropriate on IT related contracts. This will help inform the formal I audit work around identifying where improvements can be made and better value for money achieved.	
ICT Service Design – Overall Service Design ANA Critical risk	2013/14	Not Started	Work in this area is likely to be high level and may well inform recommendations made as part of the overall programme delivery audit. The critical importance of getting the service design stage will also be reflected within Financial and Contract Management reports Internal Audit continue to stress the importance of this area.	

ICT Service Operation (Function) - New Data Centre (including Firewall & Backup) ANA Critical risk	2013/14	On-Going	The audit is dependent upon the commissioning of the new data centre. Auditors are attending the Data Centre Project Board and associated contract discussions, as well as contributing to the process to identify and procure appropriate monitoring tools. Due to the continuing delays in commissioning the new data centre at Windsor House a formal review is unlikely to occur during this financial year. Once the data centre is commissioned, formal work will assess if the new data centre meets with original objectives and that Firewall and Backup processes are effective.
ICT Service Operation (Process) – Access Management ANA High risk	2013/14	Not Started	The audit will be undertaken in the fourth quarter of the financial year and will look to ensure that access to logical and (to a lesser extent) physical information assets are effectively controlled. An opinion of how effectively the Authority manages new ways of working and the erosion of the traditional corporate boundaries will be provided. Further consideration will be given to the utilisation of wireless and public access networks.
Corporate Application – iTrent HR/ Payroll ANA Critical risk	2013/14	In Progress	During the first six months of the financial year, Internal Audit has been periodically referred to on a range of topics relating to the new HR/Payroll solution. As a result, some formal work has been undertaken to gain most value from time spent on some of the more technical aspects of the system. Some of the time resource saved due to the delays in bringing the new data centre online is to be allocated to undertaking a technical audit of the iTrent solution that will compliment the Payroll Material Systems audit.
ICT Compliance Board, Project Boards, Programme Board Client Request	2013/14	On-going	Auditors continue to attend and contribute to the high level ICT governance process through active attendance at appropriate programme and project boards.

Cross Cutting			
Contract Management Client Request ANA High risk	2013/14	In Progress	The scope and objective of this audit is to provide an independent review of council wide contract management arrangements. This involves discussion with key officers across the Council to establish the extent of the current contract portfolio, identify those officers involved in contract management and the arrangements in place for managing a range of key contracts.
Corporate Information Management - includes Freedom of Information, Data Protection Act & Information Security arrangements SRR - Amber	2013/14	In Progress	DAP continues to attend and support the Information Lead Officers Group (ILOG) set up in 2011/12. Additionally, a review of the arrangements in place to manage the Council's compliance with the new Public Sector Network security requirements is currently being finalised. Following the 2012/13 review of the Council's corporate framework for dealing with Data Protection (see above), DAP are examining the level of staff awareness regarding information management and security and their compliance with procedures.
Transformation Programme Client Request ANA High risk	2013/14	On-going	At the request of management, DAP are providing support and advice to the various Transformation project streams.
Business Continuity ANA Low	2013/14	On-going	DAP continues to attend meetings of the Business Continuity Strategy Group to provide advice and support. Work will also include following up the progress being made in implementing agreed courses of action arising from previous audit reviews of the corporate and departmental business continuity planning arrangements.

CRC Energy	2013/14	Complete	DAP have been able to certify that the Council has fulfilled its
Efficiency Scheme			obligations with regard the submission of data and compilation of
Annual Return			supporting evidence for the CRC Energy Efficiency Scheme.
Statutory requirement			Annual Certificate issued 31 July 2013.

- Capital Programme Governance (SRR Amber)
 Delivery Plans Governance and monitoring Client Request (ANA High risk)

People Directorate						
Audit Area	Year	Status	Assurance Opinion	Executive Summary		
Transfer of Public Health	2012/13/ 14	On-going	·	Field work complete, report to be issued shortly.		
(ANA High Risk)						
Health & Wellbeing Board	2012/13/ 14	On-going		Field work complete, report to be issued shortly.		
(ANA High Risk)						
Commissioning & Contracting (Adults) Follow Up (ANA - Medium Risk)	2012/13	Final	N/A	The Head of Joint Strategic Commissioning and the Commissioning Manager provided an update on progress made towards the agreed actions raised in the original report. Since the audit, both Adult and Children & Young People's Commissioning and Contracting Teams have both become part of Joint Commissioning and Adult Social Care and are currently undergoing a restructuring exercise. Therefore, many of the more strategic /longer term plans in the original report have been placed "on hold" until the restructuring exercise is complete. It would not be appropriate to conduct any further audit testing in this area until the new team is established.		

Commissioning & Contracting (Children) Follow Up (ANA - Medium Risk)	2012/13	Final	N/A	The Head of Joint Strategic Commissioning and the Commissioning Manager provided an update on progress made towards the agreed actions raised in the original report. Since the audit, both Adult and Children & Young People's Commissioning and Contracting Teams have both become part of Joint Commissioning and Adult Social Care and are currently undergoing a restructuring exercise. Therefore, many of the more strategic /longer term plans in the original report have been placed "on hold" until the restructuring exercise is complete. It would not be appropriate to conduct any further audit testing in this area until the new team is established.
Pre-Paid Cards – review process from end to end (ANA - High Risk)	2013/14	On-going		
Disabled Facilities Grants (DFGs) (ANA - High Risk)	2013/14	On-going		
PLUSS (ANA - Medium Risk)	2013/14	On-going		
Troubled Families (Families with a Future (FWAF)) (ANA - Medium Risk)	2013/14	On-going		Verification of quarterly claims being submitted.
Careers South West (ANA - Medium Risk)	2013/14	On-going		

Easy Let Scheme	2013/14	On-going	
(ANA - Low Risk)			
Youth Offending Team YOT)	2013/14	On-going	
(ANA - Low Risk)			
Culture, Sport & Leisure Projects inc Pavilions Disposal (ANA - High Risk)	2013/14	On-going	

- Public Health Commissioning contracting and processes (ANA High Risk)
- Plymouth Safeguarding Adults Board (ANA Medium Risk)
- Plymouth Safeguarding Children's Board (ANA -Medium Risk)
- Social Fund (ANA Medium Risk)
- Transitions (to Adults, from Primary to Secondary, from Pre-school to Primary) (ANA Medium Risk)
- Children's Centres (ANA Low Risk)
- Academies Delivery Board & UTC (ANA Low Risk)
- Training Schools Alliance (ANA Low Risk)
- Excellence Cluster (ANA Low Risk)
- Alternative Complimentary Education (ANA Low Risk)
- Local Integrated Service Trust (ANA Low Risk)

Place				
Audit Area	Year	Status	Assurance Opinion	Executive Summary
History Centre SRR(84) Amber risk	2013/14	On-Going		DAP has continued to provide support and advice to the Project set up to oversee the development of a History Centre for the City. Audit has been present at Board meetings as the vision and solution options have been developed and work on securing the necessary funding progresses.

Control of Fuel, Fuel Cards and Fuel Containers ANA Medium risk	2013/14	Draft	Improvements Required	Fuel bunkers at Prince Rock Depot and Chelson Meadow are controlled through the use of key fobs, with electronic records maintained of fuel obtained and vehicle mileage readings at the time of refuelling. However, once inconsistencies in the production of fuel usage reports, completion of driver record books and recording of mileage information are addressed, controls will be far more effective
				Street Scene Services use fuel cans to hold fuel for operational use, however, the controls in place for identifying and monitoring their use need to be strengthened.
				Access to red diesel was found to be well controlled, with good records and regular reconciliations undertaken.
Street Cleaners On- Call System ANA Medium risk	2013/14	Draft	Improvements Required	The on-call arrangements inherited by Street Scene management are longstanding and this is an excellent opportunity for Street Scene management to progress their intended reorganisation of the on-call system.
				The operation of the on-call system is well managed in respect of the close monitoring of the duties undertaken on an on-call basis. However, improvements could be made to the clarity of the forms used for recording on-call activity and if reports were obtained from Call24, (which were previously provided to support a disciplinary investigation) the monitoring process would be far more robust.
				The level of responsibility associated with staffing the on-call rota dictates that the staff involved should be at supervisory level and given that the on-call service is a Street Scene function, staff should be drawn from Street Scene. However, the on-call system is operated on a voluntary basis and as such there is a risk that there could insufficient interest amongst appropriate staff. In such circumstances management would need to consider the merits of extending the rota to staff in other service areas or considering

			incorporating the requirement of staffing the rota into terms and conditions.
			At the outset of the audit, concerns were raised in respect of the potential duplication of effort in respect of the experiences of Street Scene staff responding to calls where Amey were already present. As such, consideration has been given to existing relationships with contracted partners, Amey and Call24. New working arrangements have been agreed with Amey, following a roundtable meeting, including Street Scene management. With regard to Call24, the new arrangements with Amey will need to be communicated to them and it is considered a worthwhile exercise to provide them with some tailored guidance as to how out of hours calls should be dealt with to ensure that their operations align with Street Scene's requirements.
Waste PFI ANA Medium risk	2013/14	On-Going	DAP continues to support the South West Devon Waste Partnership Waste PFI project, advising on governance and risk issues.
Replacement of MRF ANA Medium risk	2013/14	On-Going	DAP have been providing the Project support and challenge during the Outline Solution (ISOS) and Detailed Solution (ISDS) stages of the procurement and will continue to do so as it moves into the final phases which will culminate in the submission of final tenders and the selection of a preferred bidder in the New Year.
Replacement of minibus fleet, Plant and Equipment Client Request	2013/14	On-Going	DAP have been able to provide assurance and support to the team tasked with the purchasing of replacement vehicles as part of the Council's minibus fleet and was present during the drawing up of the vehicle and contract specifications and the subsequent evaluation of tenders.
Contract Management ANA High risk	2013/14	In Progress	The scope and objective of this audit is to provide an independent review of council wide contract management arrangements. This involves discussion with key officers across the Council to establish the extent of the current contract portfolio, identify those officers involved in contract management and the arrangements in place for managing a range of key contracts.

CRC Energy Efficiency Scheme Annual Return	2013/14	Complete	DAP have been able to certify that the Council has fulfilled its obligations with regard the submission of data and compilation of supporting evidence for the CRC Energy Efficiency Scheme.
Statutory requirement			Annual Certificate issued 31 July 2013.
Sale of Civic Centre	2013/14	On-Going	DAP have continued to provide advice, support and assurance to the team tasked with the redevelopment of the Civic Centre. Audit has
ANA High risk			been able to bring its experience of previous major procurement exercises involving Competitive Dialogue and has been present at project meetings following the announcement of the preferred bidder. DAP will continue to support the team during the final stages of the project.

- Capital Programme Governance (ANA Medium risk)
- Street Lighting Conversion to LED and dimmers (ANA Medium risk)

Plymouth City Council - Schools Financial Value Standard Position at : July 2013

				Confirmed	Unconfirmed		Part tions met	Expectation	Not Met ons not Met	No SF
				Assessment	Self-		Part		ssment & or Audit)	Retui
ġ ş	School Name	SFVS	Academic		assessment	Overall	of which "n"	Overall	of which "n"	receiv
		Expectations	Council				are under		are under	
•		Met					85%		65%	
					1/0	1	complete		complete	
7	Austin Farm Primary	i i		Y	YS	IP Y	0.85	N	0.65	0
L		In Part	Eggbuckland			1				
) E	Beechwood Primary	Yes	Estover / North West	Y						
E	Boringdon Primary	Yes	Plympton	Y						
(Chaddlewood Primary	Yes	Plympton	Y						
(College Road Primary	la Dart	Devonport / Stoke			Y				
(Compton C of E Primary	In Part Yes	Damerel Eggbuckland	Y						
	Drake Primary		Devonport / Stoke	Y						
	Number Disease	Yes	Damerel							
	Dunstone Primary	Yes	Plymstock	Y						
_	ggbuckland Vale Primary	Yes	Eggbuckland	Y						
	Ernesettle Community Primary	Yes	MAP	Y						
1	orbridge Primary	Yes	Estover / North West	Y						
F	Ford Primary		Devonport / Stoke	Y						
	Glen Park Primary	Yes	Damerel	V						
_	Goosewell Primary	Yes Yes	Plympton Plymstock	Y Y						
	Ham Drive Nursery	ies	Tymotock	1		Y	Y			
	•		MAP			-	•			
ŀ	ligh Street Primary	In Part	Devonport / Stoke	Y					<u> </u>	-
		Yes	Damerel							
F	ligh View Primary	Vaa	Lipson	Y						
F	Holy Cross Catholic Primary	Yes	Devonport / Stoke	Y						
L		Yes	Damerel							
_	Hyde Park Infants	Yes	All Saints	Y						
_	Hyde Park Juniors Keyham Barton Catholic Primary	Yes	All Saints MAP	Y Y						-
<u> </u>	Knowle Primary	Yes Yes	All Saints	Y						
	aira Green Primary	Yes	Lipson	Y						
L	eigham Primary		Estover / North	Y						
-	ipson Vale Primary	Yes	West	V						
-	Manadon Vale Primary	Yes Yes	Lipson All Saints	Y Y						
	Marlborough Primary	103	Devonport / Stoke	Y						
L		Yes	Damerel							
N	Mary Dean's C of E Primary	Yes	Estover / North West	Y						
٨	Mayflower Community School	Yes	MAP	Y						
١	Montpelier Primary	Voo	All Saints	Y						
N	Morice Town Primary	Yes	Devonport / Stoke	Y						
L		Yes	Damerel							
_	Mount Street Primary Mount Wise Community Primary	Yes	Lipson Devonport / Stoke	Y						
1"	nount wise community Finnary	Yes	Damerel	Y						
(Dakwood Primary	Yes	Estover / North	Y						
F	Pennycross Primary	Yes	West All Saints	Y						
	Pilgrim Primary		Devonport / Stoke	Y						
	Plaistow Hill Infants	Yes	Damerel	N/						
_	Plymbridge Nursery	Yes	MAP Estover / North	Y		Y			,	
L		In Part	West			1				
_	Plympton St Mary's C of E Infants	No	Plympton					Y	Y	
	Plympton St Maurice Primary	Yes	Plympton	Y						
_	Pomphlett Primary Prince Rock Primary	Yes	Plymstock Lipson	Y Y						
	Riverside Community Primary	Yes		Y						
		Yes	MAP							
_	Salisbury Road Primary	Yes	Lipson	Y						
_	Shakespeare Community School St Andrew's C of E Primary	Yes	All Saints Devonport / Stoke	Y Y						-
		Yes	Damerel Devonport / Stoke							L
	St Budeaux Foundation C of E Juniors	Yes	MAP	Y						
_	St Edward's C of E Primary	Yes	Eggbuckland	Y						
5	St George's C of E Primary	Yes	Devonport / Stoke Damerel	Y						
5	St Joseph's Catholic Primary		Devonport / Stoke	Y						
•	St Paul's Catholic Primary	Yes	Damerel MAP	Y						-
	St Peter's C of E Primary	Yes	Devonport / Stoke	Y						1
L		Yes	Damerel							
5	St Peter's Catholic Primary	Yes	Estover / North West	Y			[[
5	Stoke Damerel Primary		Devonport / Stoke	Y						
-	Stuart Road Primary	Yes	Damerel Devonport / Stoke							
1	Studie Nodu Filliary	Yes	Devonport / Stoke Damerel	Y						L
7	he Cathedral School of St Mary		Devonport / Stoke	Y						
7	hornbury Primary	Yes	Damerel Estover / North	Y						
L		Yes	West	1						
	/ictoria Road Primary	In Part	MAP			Y	Y			
1	Veston Mill Community Primary	Yes	MAP	Y						
٧	Vhitleigh Community Primary (Wood View)		Estover / North			Y				
1	Videy Court Primary	In Part	West	v						-
1.0	Voodfield Primary	Yes	Eggbuckland Estover / North	Y Y						
		Yes	West	1						
٧										
٧	Voodford Primary	Yes	Plympton	Y						
V	Woodford Primary Yealmpstone Farm Primary Primary		Plympton Plympton	Y Y 57	0	6	2	1	1	0

Plymouth City Council - Schools Financial Value Standard Position at : July 2013

-	•			M	et	In	Part		Not Met	
				Confirmed Assessment	Unconfirmed Self-		tions met Part		ons not Met ssment & or Audit)	No SFVS Return
DÆ No.	School Name	SFVS Expectations Met	Academic Council		assessment	Overall	of which "n" are under 85% complete	Overall	of which "n" are under 65% complete	received
4185	Eggbuckland Community College	Yes	Eggbuckland	Y						
4605	Notre Dame R C School	Yes	RC Schools	Y						
4155	Plymouth High School for Girls	Yes	Grammar Schools	Y						
4172	Sir John Hunt Community Sports College (Wood View)	In Part	Estover / North West			Y				
5403	St Boniface R C College	In Part	RC Schools			Y				
-	Secondary			3	0	2	0	0	0	0
	5			60%	0%	40%	0%	0%	0%	0%
					3		2		0	
7066	Brook Green Centre for Learning	Yes	Estover / North West	Y						
7065	Courtlands School	Yes	Eggbuckland	Y						
7063	Cann Bridge School	In Part	Estover / North West			Y				
7068	Longcause Community Special School	Yes	Plympton	Y						
7069	Mill Ford School	Yes	MAP	Y						
7067	Mount Tamar School	In Part	MAP			Y				
7062	Woodlands School (Wood View)	In Part	Estover / North West			Y				
	Special			4	0	3	0	0	0	0
	7			57%	0%	43%	0%	0%	0%	0%
				4	1		3		0	
	Grand Total All Schools			6	4]	11		1	

Plymouth City Council - Internal Audit Plan 2013-14 and Progress to date as at 30th September 2013

						Status						
Area	Audit Type	Number of Audit Entities	Detailed description	Planned days	Actual days	Audit started	Audit fieldwork completed	Draft report issued	Responses Rec'd	Final Report issued	Draft report is sued in target days	Final report issued in target days
Corporate Services		50	-	579	167.16	25	17	17	15	16	14	16
Cross Cutting		17		133	99.36	11	3	3	2	3	3	2
People		26		237	89.94	14	8	8	6	6	7	6
Place		11		67	64.86	14	9	9	7	7	9	7
School Visits		26		180	90.89	10	10	10	5	6	7	5
Fraud Prevention & Investigation		28		239	144.47	28	17	13	8	11	13	11
Corporate Governance		0		85	34.75	6	5	1	1	1	1	1
Grant Claims/ Account Certification		1		7	0.00	0	0	0	0	0	0	0
Other Chargeable activities		0		165	22.02	1	0	0	0	0	0	0
Advice/Consultancy		7		85	45.97	7	0	0	0	0	0	0
Carry forward		0		0	0.00	0	0	0	0	0	0	0
TOTAL		166		1777	759.41	116	69	61	44	50	54	48
Contingency				90								

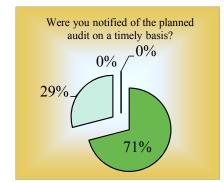
	Annual	Quarter 1		Quarter 2		Quarter 3		Quarter 4	
Perf. stats for Plymouth (Inc Schools)	Target	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Percentage of audit plan started	100	23%	38%	45	70%	68		90	
Percentage of audit plan completed (field work)	93	18%	16%	45	42%	71		93	
Percentage of planned days delivered	95	24%	22%	48	43%	72		95	
Draft reports issued in target days	90	90%	68%	90	89%	90		90	
Final reports issued in targets days	90	90%	79%	90	96%	90		90	
Customer satisfaction.	90	90%		90		90		90	

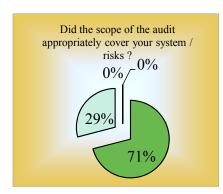
	Annual	Quarter 1		Quarter 2		Quarter 3		Quarter 4	
Perf stats for Plymouth (Exc Schools)	Target	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Percentage of audit plan started	100	23%	42%	45	48%	68		90	
Percentage of audit plan completed (field work)	93	18%	17%	45	24%	71		93	
Percentage of planned days delivered	95	24%	22%	48	42%	72		95	
Draft reports issued in target days	90	90%	68%	90	46%	90		90	
Final reports issued in targets days	90	90%	79%	90	71%	90		90	
Customer satisfaction.	90	90%		90		90		90	

Customer Survey Results April 2013 - Sept 2013

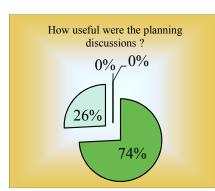
The charts below show a summary of 31 responses received.

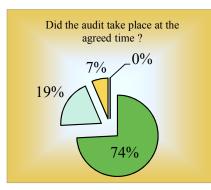




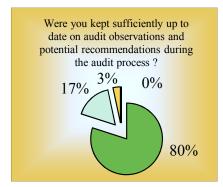


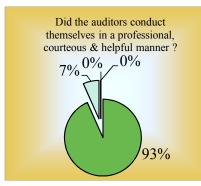




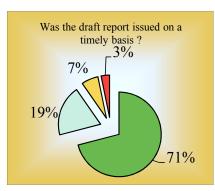


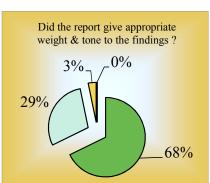


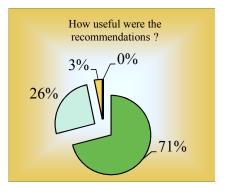




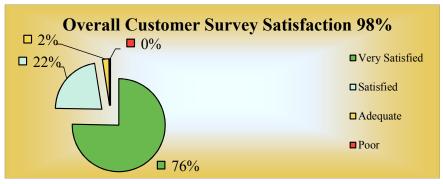












Definitions of Audit Assurance Opinion Levels

Assurance	Definition
High Standard.	The system and controls in place adequately mitigate exposure to the risks identified. The system is being adhered to and substantial reliance can be placed upon the procedures in place. We have made only minor recommendations aimed at further enhancing already sound procedures.
Good Standard.	The systems and controls generally mitigate the risk identified but a few weaknesses have been identified and / or mitigating controls may not be fully applied. There are no significant matters arising from the audit and the recommendations made serve to strengthen what are mainly reliable procedures.
Improvements required.	In our opinion there are a number of instances where controls and procedures do not adequately mitigate the risks identified. Existing procedures need to be improved in order to ensure that they are fully reliable. Recommendations have been made to ensure that organisational objectives are not put at risk.
Fundamental Weaknesses Identified.	The risks identified are not being controlled and there is an increased likelihood that risks could occur. The matters arising from the audit are sufficiently significant to place doubt on the reliability of the procedures reviewed, to an extent that the objectives and / or resources of the Council may be at risk, and the ability to deliver the service may be adversely affected. Implementation of the recommendations made is a priority.

Confidentiality under the National Protective Marking Scheme

Marking	Definitions
Not Protectively Marked or Unclassified	Documents, information, data or artefacts that have been prepared for the general public or are for the public web pages or can be given to any member of the public without any exemptions or exceptions to release applying, have the classification NOT PROTECTIVELY MARKED. Some organisations will also use the word UNCLASSIFIED for publicly available information.
Protect	Any material that may cause distress to individuals, breach proper undertakings to maintain the confidence of information provided by third parties, breach statutory restrictions on the disclosure of information, cause financial loss or loss of earning potential, or to facilitate improper gain, give unfair advantage for individuals or companies, prejudice the investigation or facilitate the commission of crime, disadvantage government in commercial or policy negotiations with others should be marked PROTECT.
Restricted	Information or data or documents that should only be shared between a specific group of work staff who have to demonstrate a need to know, because of the sensitive content, then the document must be marked RESTRICTED.
Confidential	Material that is so sensitive that only specific named staff should have access. Special handling rules apply and so CONFIDENTIAL must only be applied to highly sensitive data.
Secret and Top Secret	Information with this sensitivity is unlikely to be available to the Partnership and the Chief Executive of the relevant organisation must make the decision to apply either of these protective markings. These markings are only to be used with information that can only be shared on a strict must know basis, with each party having signed a specific confidentiality agreement.