

# Report

## Audit Committee

---

### Part 1

**Date:** 30 May 2017

**Subject** **Internal Audit Annual Report 2016/17**

**Purpose** To inform the Members of the Council's Audit Committee of:

- i) the overall opinion on the internal controls of the City Council for 2016/17;
- ii) Internal Audit's progress against the agreed audit plan;
- iii) Internal Audit's performance against local performance indicators.

**Author** Chief Internal Auditor

**Ward** General

**Summary** Internal audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

This report has been prepared in accordance with the Public Sector Internal Audit Standards. It gives an overall opinion on the adequacy and effectiveness of the City Council's internal controls during 2016/17, which was **Reasonable** - Adequately controlled although risks identified which may compromise the overall control environment; improvements required; reasonable level of assurance.

The second part of the report relates to the performance of the Internal Audit Section and how well its key targets in the year were met. 89% of the approved audit plan was completed in the year against a target of 77%.

**Proposal** **That the Annual Internal Audit Report 2016/17 and overall Audit Opinion be noted and endorsed by the Council's Audit Committee**

**Action by** The Audit Committee

**Timetable** Immediate

This report was prepared after consultation with:

- Chief Financial Officer
- Monitoring Officer
- Head of People and Business Change

## Background

1. Newport City Council, a local government organisation, is subject to The Accounts and Audit (Wales) Regulations 2014 and therefore has a duty to make provision for internal audit in accordance with the Local Government Act 1972.
2. The Regulations state that the Responsible Finance Officer of the organisation shall maintain an adequate and effective internal audit of the accounts of that organisation. Internal audit is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. It objectively examines, evaluates and reports on the adequacy of internal control as a contribution to the proper economic, efficient and effective use of resources.
3. In line with the Public Sector Internal Audit Standards, the Chief Internal Auditor should present a formal annual report to the Council which gives an opinion on the overall adequacy and effectiveness of the Council's internal control environment. The annual report should also:
  - disclose any qualifications to that opinion, together with reasons for the qualification
  - present a summary of the audit work undertaken to formulate the opinion
  - draw attention to any issues the Chief Internal Auditor judges particularly relevant to the preparation of the statement on internal control
  - compare the work actually undertaken with that planned and summarise the performance of the internal audit function against its performance measures and criteria
  - comment on compliance with these standards and communicate the results of the internal quality assurance programme.
4. This report is the Annual Internal Audit Report which incorporates the requirements of the Standards. It provides the overall audit opinion for Members on the internal controls operating within the City Council and provides a summary of the work completed during the year, identifying key findings and outcomes from the work undertaken. It also outlines the performance of the Internal Audit team during the year against agreed pre-set targets.
5. The internal controls operating within the Council are of a complex nature, reflecting the organisational arrangements. Internal Audit plans its work to address the major risks that the Authority faces. That work is not designed to check the work of others but to comment on the controls in place to protect the Council from loss of assets or inefficient operations caused by whatever factors.

### Overall Audit Opinion

- |   |
|---|
| <ol style="list-style-type: none"><li>6. The level of assurance that can be placed on the internal controls operating effectively for 2016/17 is "<b>Reasonable</b>" (<b>Appendix A</b>).</li></ol> |
|---|

7. The opinion for the internal financial controls operating within the Council in 2016/17 is:

We have undertaken our internal audit work for the year ending 31/03/2017 in accordance with the audit plan agreed by the Head of Finance and endorsed by the Council's Audit Committee on 26<sup>th</sup> May 2016. The plan was designed to ensure adequate coverage over the year of the Council's accounting and operational systems.

Our audit work included reviews, on a sample basis, of each of these systems / establishments sufficient to discharge the Head of Finance's responsibilities under section 151 of the Local Government Act 1972 and The Accounts and Audit (Wales) Regulations 2014. The opinion is based upon the work undertaken. We planned and performed our work to obtain the information necessary to provide us with sufficient evidence to give us reasonable assurance of the internal control systems tested.

Based on this work, in my view the internal controls in operation are **Reasonable**. The opinion expressed relates only to the systems and areas reviewed during the year.

Andrew Wathan  
Chief Internal Auditor  
April 2017

Audit Opinions Issued

8. On undertaking audit reviews in accordance with the annual audit plan, an opinion is given on how well the internal controls of the system or establishment are operating (**Appendix B**). Internal audit reports provide a balanced view of the controls in place and record strengths and weaknesses. The opinion is determined by the number of issues identified during the course of the review and the risk rating and priority given to each. Each audit review undergoes a comprehensive review process by the Audit Manager and occasionally the Chief Internal Auditor before the draft report is sent out to management. The controls are generally measured against a predetermined matrix of expected internal controls for each system; for fundamental systems these are usually derived from CIPFA Control Matrices.
9. The opinions given to individual audit reviews are shown at **Appendix A**. In summary the following opinions were issued following audit reviews:

	2013/14	%	2014/15	%	2015/16	%	2016/17	%
Good	21	51	8	24	9	26	7	20
Reasonable	18	44	21	62	17	50	22	63
Unsatisfactory	0	0	5	14	8	24	5	14
Unsound	0	0	0	0	0	0	1	3
<b>Total</b>	<b>41</b>	<b>100</b>	<b>34</b>	<b>100</b>	<b>34</b>	<b>100</b>	<b>35</b>	<b>100</b>
<b>Overall Opinion</b>	<b>Good</b>		<b>Reasonable</b>		<b>Reasonable</b>		<b>Reasonable</b>	

10. In the past external audit have relied upon the work undertaken by internal audit, in particular on the audit of the fundamental financial systems. The audit opinions issued on these during 2016/17 were Good / Reasonable. None were classified as unsatisfactory or unsound.
11. In addition to planned work the team also undertook “special investigation” reviews. 2 special investigations were undertaken during 2016/17. These arose for a number of different reasons, including information passed straight to the Section regarding allegations against members of Council staff, potential fraud, theft or non-compliance with Council policy / procedures for example. These reviews are typically time intensive and on occasions difficult to prove.
12. Work was also undertaken during the year which did not warrant an audit opinion on the control environment. This is shown at **Appendix C** as Non Opinion Work.

### Key Issues

13. The opinion is derived from the audit opinions given to individual reviews undertaken during the year, as shown at **Appendix A**, and these range from Good to Unsatisfactory; a **Good** opinion - *Well controlled with some risks identified which require addressing; substantial level of assurance.*
14. Where unacceptable levels of risk have been identified Heads of Services and their service managers have the responsibility for addressing the situation.
15. It is pleasing to note that 7 “Good” audit opinions were issued during the year:
  - National Non Domestic Rates (NNDR)
  - Payroll
  - Registration Service
  - Ysgol Gymraeg Casnewydd (Follow Up)
  - Mount Pleasant Primary
  - Crindau Primary
  - Housing Benefits
16. 22 “Reasonable” audit opinions were issued
17. However, 5 “Unsatisfactory” audit opinions were issued:
  - Highways Network Assets Valuation
  - Payment Card Industry Data Security Standards (PCIDSS)
  - Maes Ebbw School
  - Charles Williams Church in Wales Primary School
  - Overtime & On-call Payments - Highways
18. There was 1 Unsound audit opinion issued during 2016/17.
  - Agency / Overtime - Refuse
19. The main reasons for giving an unsatisfactory opinion would generally be where there was a failure to comply with the Council’s Financial Regulations or Contract Standing Orders, failure to comply with financial procedures, lack of financial procedures, poor administration, failure to adhere to recognised best practice, non-compliance with the services’ own procedures, insufficient controls in place to properly account for income or an inability to demonstrate value

for money. A summary of the issues identified in the above Unsatisfactory audit reports will be reported to Audit Committee separately later in the year.

20. 2 Community Centre accounts were audited during 2016/17 and both were unqualified.

#### Implementation of Agreed Management Actions

21. Jobs were included in the plan to follow up on the implementation of previous agreed management actions relating to audit work in 2015/16.
22. During the year the team sought assurance from operational managers that previously agreed management actions to improve the internal control environment and reduce the level of risk had been implemented. This related to 2015/16 finalised audit reports.
23. Across all service areas, 86% of actions agreed by management had been implemented (includes actions partially implemented where the risk has been significantly or sufficiently mitigated). There are insufficient resources within the team to follow up all audit reports issued to test that all of the agreed management actions have been implemented at an operational level; the Internal Audit team therefore have to rely on the integrity of managers to provide accurate feedback on whether or not they have implemented the actions they agreed. **Appendix D.**
24. Non implementation of agreed Management Actions will be reported to Audit Committee separately later in the year.

#### The Way Forward

25. Managers of the service areas need to ensure that robust internal controls are in place and adhered to in order to ensure that the systems in operation run efficiently and effectively and the scope for misappropriation, theft or error is minimised. Heads of Service have a responsibility to ensure that the Council's Financial Regulations are complied with at an operational level. Staff should be made aware of the Financial Regulations and the requirements therein and the consequences of non-compliance.
26. Internal Audit currently run seminars on what Financial Regulations and Contract Standing Orders mean, why they are in place, what they are about and to whom they relate. 9 (9 in 2015/16) sessions were delivered to 95 (109 in 2015/16) delegates during 2016/17.
27. Adequate financial procedures need to be put in place and disseminated to all concerned to make sure that they are complied with to ensure systems and processes are run as intended by management. Agreed management actions stated in audit reports should be implemented to eliminate or reduce the weakness and minimise the risk.

#### Performance of the Internal Audit Section 2016/17 (**Appendix E**)

28. Despite not having a full complement of staff for the whole year, 89% of the approved audit plan was completed against a target of 77%; (77% completed in 2015/16). A total of 80 (88) audit reviews were planned during the year with 63 (62) being completed to at least draft stage by the end of the year. (The total number of jobs in the plan was adjusted from 80 to 71 to reflect the fact that managers were not able to accommodate the audit during the year). Comparisons against periods 2014/15 to 2016/17 are shown at **Appendix E.**
29. As a result of the commitment and dedication of the remaining Internal Audit staff in post during the year, the team did really well against pre-set targets.

30. Although 200 days were planned for special investigations during the year, 95 productive days were actually spent auditing specials and unplanned work, 105 days less than allocated within the plan which meant more planned audit work could be undertaken.
31. There continued to be audit coverage throughout the service areas of the Council which again, was met with positive feedback from management. The team continually provides advice on financial matters to ensure managers are better placed to ensure sound financial management in their service areas. This may impact on the audit plan but this is where internal audit adds value to the Authority.
32. The efficiency of turning final reports around and getting them out to operational managers is generally within the targets set (average of Welsh local authority internal audit teams). Having agreed identified issues with management we are now giving management the responsibility for coming up with their own actions of how controls can be improved; the use of laptops at draft report discussions has speeded up this process and has been welcomed by management.
33. Getting draft reports out this year took 13 days against a target of 10. Final reports were sent out within 3 days of receiving agreed management comments.
34. In 2016/17 the Audit Section continued to send out evaluation questionnaires to managers after an audit review had been undertaken in their area, which gave them an opportunity to feedback on the performance, professionalism and the audit process in general. Following the finalisation of reviews, 35% of questionnaires were returned (35% in 2015/16) with 100% of managers stating they were satisfied with the audit process and that it added value to service provision, which is reassuring.
35. As examples of where the team has added value in the work undertaken, feedback comments are shown at **Appendix F**.
36. The Audit Team had an establishment of 9 staff (including the Chief Internal Auditor). The section is split into two teams which cover the whole of the Council's systems, establishments and staff, each managed by an Audit Manager. During the year the team was supported by a secondment from Grant Thornton to help achieve the plan.
37. The majority of the fundamental financial systems audited were completed to at least draft report stage by the year end.
38. The Audit Section's management realistically plans for externalities like special investigations, financial advice and financial training although ad-hoc reviews requested by management are not always taken into consideration but will have an immediate impact on the achievement of the audit plan. In 2016/17, 2 special investigations were undertaken across all service areas which dealt with allegations of bribery and corruption and non-compliance with policy.
39. Many of the managers within the Council also call upon the Audit Section for financial advice which is generally reactive. Internal Audit staff are more than willing to offer any help and assistance they can to ensure that operations are undertaken properly but this can also have an impact on planned audit reviews.
40. The number of planned audits completed within the estimated time allocation amounted to 72% in 2016/17 compared with 52% in 2015/16. Generally overruns are due to issues being identified during the course of the audit. The reasoning behind any significant overruns will be explored by management.
41. Newport's Internal Audit Section's performance is benchmarked annually with the other 21 authorities in Wales via the Welsh Chief Auditors' Group.

42. Where targets have not been achieved, Internal Audit management will continue to address this in the 2017/18 audit plan which should lead to future improvements in performance. Inevitably, delays caused by means beyond the control of the audit section can only be minimised by on-going discussions with management.
43. The Policy Finance Committee (1998) requested that on-going consideration be given to the sufficiency of internal audit resources. Audit staff resources have been reduced over the last few years which means that fewer audit jobs can be undertaken in the audit plan which results in the provision of less assurance across all service areas.
44. With a full complement of staff the audit resource is only just about sufficient to provide assurance on the Council's internal control environment, but given the experiences of staff changes in the last couple of years, the Chief Internal Auditor will have to monitor the situation closely and use a range of options to ensure appropriate audit coverage is provided. The Chief Internal Auditor will endeavour to provide adequate and appropriate audit coverage throughout the Council although prioritisation is required, given the reduced resources within the team.
45. The current level of resources is just about adequate to meet the continuing needs of service led demands. However, the level of resources needs to be assessed in line with Internal Audit's on-going involvement with The Measure, performance indicators, the changing risk profile of the Council and auditing grant claims not reviewed by the external auditor.

#### Developments

46. In the spirit of Making the Connections and shared services the Chief Internal Auditor has continued in his dual role acting in that capacity for Newport City Council and Monmouthshire County Council. This is a permanent arrangement.
47. Where unfavourable audit opinions are issued it is the Head of Service's responsibility to inform their respective Cabinet Member of the situation and ensure that appropriate action is taken to address the issues identified.

#### **Financial Summary**

48. There are no financial issues related to this report.

#### **Risks**

49. If Members are not involved in the endorsing the Audit Report it would weaken the overall governance arrangements of the Council and be non-compliant with the Public Sector Internal Audit Standards, which therefore, could be subject to adverse criticism from the external auditor, currently WAO.

#### **Links to Council Policies and Priorities**

50. The work of Internal Audit supports all of the Council's priorities and plans.

#### **Options Available**

51. (1) That the Annual Audit Report 2016/17 and overall Audit Opinion be noted and endorsed by the Council's Audit Committee.

## **Preferred Option and Why**

52. Option (1) as it is requirement of the Public Sector Internal Audit Standards and ensures good governance.

## **Comments of Chief Financial Officer**

53. I can confirm that I have been consulted on the Annual Audit Report 2016/17 and have no additional comments.

## **Comments of Monitoring Officer**

54. The Annual Report is in accordance with the Accounts and Audit Regulations and the Public Sector Internal Audit Standards. The report confirms that adequate and effective internal financial controls are in place to ensure that the Council complies with its financial duties. The second part of the report puts the work of the Audit Section into context within the Council's Performance Management Framework and again highlights the effectiveness of the work undertaken by this service area.

## **Staffing Implications: Comments of Head of People and Business Change**

55. There are no other specific HR issues arising as a result of the report. In terms of Corporate Policy & Performance, the report presents a review of audit activity during the period concerned and is set out in the context of performance framework. Clearly the work of the audit team is critical in giving assurance that the work of the Council is being undertaken within the set policies and procedures.

## **Comments of Cabinet Member**

56. Not applicable.

## **Local issues**

57. No local issues.

## **Scrutiny Committees**

58. Not appropriate.

## **Equalities Impact Assessment**

59. Not required.

## **Children and Families (Wales) Measure**

60. Not appropriate.

## **Consultation**

61. Not appropriate.

## **Background Papers**

62. 2016/17 Audit Plan.



## APPENDIX A

### Overall Council Opinion for 2016/17 is **Reasonable**

	13/14	14/15	15/16	16/17
<b>Good</b>	21	8	9	7
<b>Reasonable</b>	18	21	17	22
<b>Unsatisfactory</b>	0	5	8	5
<b>Unsound</b>	0	0	0	1
	41	34	34	35


### Internal Audit Services - Management Information for 2016/17

Job number	Portfolio	Service Area	Section or Team	Job Title	Risk Rating / Priority	Complete when FINALISED	Opinion given
P1617-P4	CE	Finance	Income Collection	National Non Domestic Rates (NDR)	Medium	Finalised	Good
P1617-P15	CE	People & Bus Change	Corporate HR	Payroll System	High	Draft	Good
P1617-P23	CE	Law & Regulation	Registration Services	Registration Service (Financial Systems)	Medium	Draft	Good
P1617-P45	People	Education Service	Primary Schools	Ysgol Gymraeg Casnewydd (Follow-up)	High	Finalised	Good
P1617-P46	People	Education Service	Primary Schools	Mount Pleasant Primary	Medium	Finalised	Good
P1617-P49	People	Education Service	Primary Schools	Crindau Primary	Medium	Finalised	Good
P1617-P66	Place	Streetscene & City Services	Customer Services	Housing Benefits (Procedures, Performance & Staffing)	High	Finalised	Good
P1617-P1	CE	Finance	Accountancy	Bank Reconciliation	Medium	Draft	Reasonable
P1617-P5	CE	Finance	Strategic Procurement	Creditors CAAT's	Medium	Finalised	Reasonable
P1617-P6	CE	Finance	Strategic Procurement	Procure to Pay (eProcurement)	High	Finalised	Reasonable
P1617-P13	CE	People & Business Change	Business Service Development	Performance Indicators	Medium	Finalised	Reasonable
P1617-P14	CE	People & Business Change	Corporate HR	Payroll CAAT's	Medium	Finalised	Reasonable
P1617-P16	CE	People & Business Change	Corporate HR	Travel & Subsistence	High	Finalised	Reasonable

Job number	Portfolio	Service Area	Section or Team	Job Title	Risk Rating / Priority	Complete when FINALISED	Opinion given
P1617-P17	CE	People & Business Change	Corporate HR	Total Reward	High	Finalised	Reasonable
P1617-P19	CE	People & Business Change	Partnership Support	Grants to Voluntary Sector Organisations (Follow-up)	Medium	Draft	Reasonable
P1617-P28	People	Children & Young People Services	Children's Teams	Looked After Children Team (16+) (Follow-up)	High	Draft	Reasonable
P1617-P30	People	Children & Young People Services	Resources	Oaklands Respite Care	Medium	Draft	Reasonable
P1617-P31	People	Children & Young People Services	Safeguarding, QA & Child Protection	Appointeeships	Medium	Finalised	Reasonable
P1617-P34	People	Adult & Comm Serv	Quality Assurance	Commissioning & Contracts	High	Draft	Reasonable
P1617-P36	People	Adult & Comm Services	Provider Services	Blaen-y-Pant	Medium	Finalised	Reasonable
P1617-P38	People	Adult & Comm Services	General	Amenity Funds (Follow-up)	Medium	Draft	Reasonable
P1617-P44	People	Education Services	Nursery Schools	Kimberley Nursery (Follow-up)	High	Draft	Reasonable
P1617-P47	People	Education Services	Primary Schools	Llanmartin Primary	Medium	Draft	Reasonable
P1617-P52	People	Education Services	Secondary Schools	Newport High School	Medium	Finalised	Reasonable
P1617-P56	People	Education Services	I&I - Special Educational Needs	SEN Assessments / OoCP (Follow-up)	High	Finalised	Reasonable
P1617-P57	People	Education Services	I&I - Inclusion Services	Safeguarding / Child Protection (2015/16)	High	Finalised	Reasonable
P1617-P62	Place	Streetscene & City Services	Strategic Area	Street Works	Medium	Draft	Reasonable
P1617-P65	Place	Streetscene & City Services	Environmental Services	Crematorium	Medium	Finalised	Reasonable
P1617-P67	Place	Streetscene & City Services	General	Overtime - WDS (Follow-up)	Medium	Finalised	Reasonable
P1617-P9	CE	Finance	General	Highways Network Assets Valuation	High	Finalised	Unsatisfactory
P1617-P18	CE	People & Business Change	Digital & Information	Payment Card Industry Data Security Standards	High	Finalised	Unsatisfactory
P1617-P48	People	Education Services	Primary Schools	Maes Ebbw	Medium	Draft	Unsatisfactory



## Appendix B - Audit Opinions used in 2016/17

	GOOD (Green)	Well controlled with no critical risks identified which require addressing; substantial level of assurance.
	REASONABLE (Yellow)	<b>Adequately controlled although risks identified which may compromise the overall control environment; improvements required; reasonable level of assurance.</b>
	UNSATISFACTORY (Amber)	Not well controlled; unacceptable level of risk; changes required urgently; poor level of assurance.
	UNSOUND (Red)	Poorly controlled; major risks exists; fundamental improvements required with immediate effect.

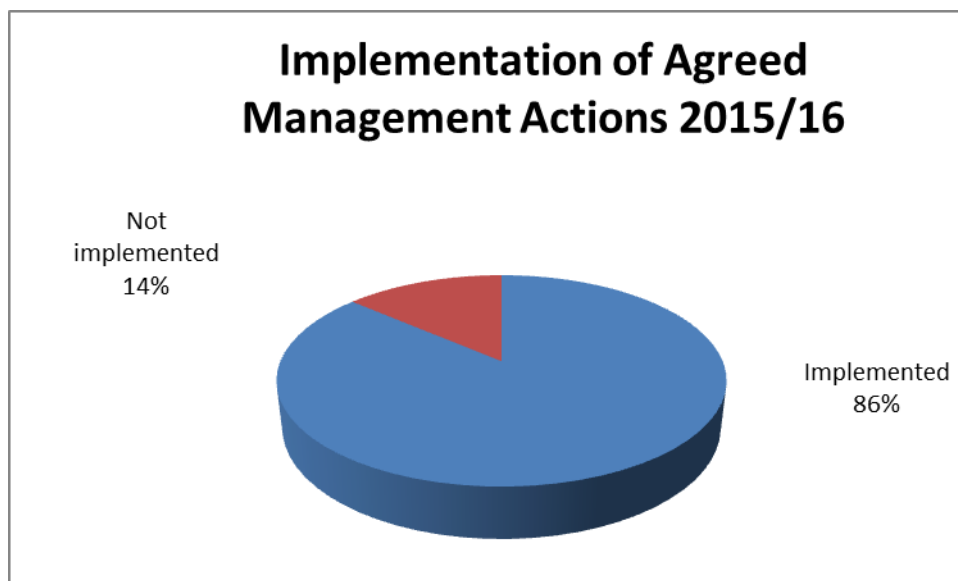
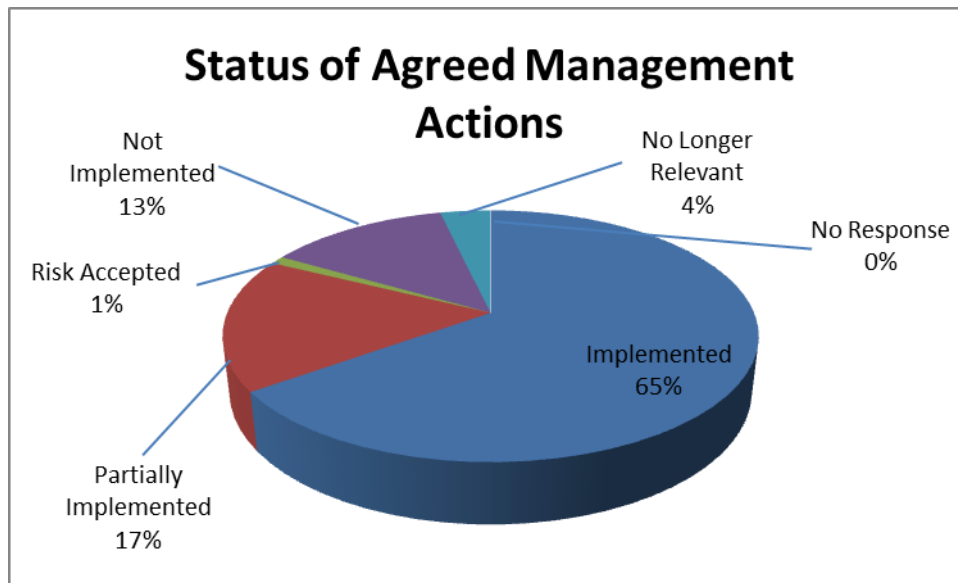
## Appendix C – Non opinion audit work 2016/17

Job number	Portfolio	Service Area	Section or Team	Job Title	Risk Rating / Priority	Complete when FINALISED	Opinion given
P1617-P8	CE	Finance	General	Annual Governance Statement	Not applicable	Finalised	Not applicable
P1617-P10	CE	Finance	General	National Fraud Initiative (NFI)	Medium	Finalised	Not applicable
P1617-P11	CE	Finance	General	Financial Advice	Not applicable	Finalised	Not applicable
P1617-P12	CE	Finance	General	Follow-up of Agreed Management Actions	Not applicable	Finalised	Not applicable
P1617-P20	CE	People & Business Change	General	Financial Advice	Not applicable	Finalised	Not applicable
P1617-P21	CE	People & Business Change	General	Financial Regulations Training	Not applicable	Finalised	Not applicable
P1617-P22	CE	People & Business Change	General	Follow-up of Agreed Management Actions	Not applicable	Finalised	Not applicable
P1617-P26	CE	Law & Regulation	General	Financial Advice	Not applicable	Finalised	Not applicable
P1617-P27	CE	Law & Regulation	General	Follow-up of Agreed Management Actions	Not applicable	Finalised	Not applicable
P1617-P32	People	Children & Young People Services	General	Financial Advice	Not applicable	Finalised	Not applicable
P1617-P33	People	Children & Young People Services	General	Follow-up of Agreed Management Actions	Not applicable	Finalised	Not applicable
P1617-P40	People	Adult & Comm Services	General	Financial Advice	Not applicable	Finalised	Not applicable
P1617-P41	People	Adult & Comm Services	General	Follow-up of Agreed Management Actions	Not applicable	Finalised	Not applicable
P1617-P43	People	Education Services	R&P - Finance & School Resources	Education Improvement Grant (2015/16)	Medium	Finalised	Not applicable
P1617-P55	People	Education Services	Schools	CRSA's / Healthcheck - Nursery / Primary / Secondary	Medium	Finalised	Not applicable
P1617-P58	People	Education Services	General	Financial Regulations Training	Not applicable	Finalised	Not applicable

Job number	Portfolio	Service Area	Section or Team	Job Title	Risk Rating / Priority	Complete when FINALISED	Opinion given
P1617-P59	People	Education Services	General	Financial Advice	Not applicable	Finalised	Not applicable
P1617-P60	People	Education Services	General	Follow-up of Agreed Management Actions	Not applicable	Finalised	Not applicable
P1617-P70	Place	Streetscene & City Services	General	Financial Advice	Not applicable	Finalised	Not applicable
P1617-P71	Place	Streetscene & City Services	General	Follow-up of Agreed Management Actions	Not applicable	Finalised	Not applicable
P1617-P78	Place	RI&H	General	Financial Advice	Not applicable	Finalised	Not applicable
P1617-P79	Place	RI&H	General	Follow-up of Agreed Management Actions	Not applicable	Finalised	Not applicable
P1617-P80	External	Ext Audits	WCAG	WCAG Training Co-ordinator	Not applicable	Finalised	Not applicable

Community Centres	
Duffryn	Unqualified
Eveswell	Unqualified

## Appendix D – Implementation of Agreed Management Actions 2015/16



**Appendix E - Performance Indicators 2016/17 - Newport City Council - Internal Audit Section**

	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual
Proportion of planned audits complete	66%	77%	77%	89%
Number of planned audits completed within estimated days	50%	52%	65%	72%
Directly chargeable time against total time available	54%	55%	61%	60%
Directly chargeable time against planned	88%	71%	84%	83%
Proportion of Special Reviews responded to within 5 days	100%	100%	100%	100%
Continue to train staff in all Service Groups/Areas on best financial practice	9	9	11	9
Staff turnover rate [ 0 members of staff left]	2	4	1	0
Promptness of draft report issue: end of fieldwork to draft report issue date	12 days	12 days	10 days	13 days
Promptness of report finalisation: client response to final report issue date	2 days	3 days	5 days	3 days



## Appendix F

### Summary of Audit Evaluation Questionnaires (AEQ) Comments 2016-17

#### Positive Feedback from Auditees

1	<p>Feedback given regarding processes/admin was very useful and has enabled us to make changes already and we will continue to use this advice in any future planning. The feedback regarding the financial aspect fell more to how the budgets were managed by accountancy rather than us as a service area.</p> <p>When Ken came to the initial meeting it was clear that he had prepared for the audit beforehand as he was extremely organised and had the relevant data that was to be discussed.</p>
2	<p>The "on site" work was fairly unobtrusive - it was apparent that a lot of preparatory work had been done beforehand.</p> <p>The report addressed the issues highlighted at the scoping meeting and I am grateful for the guidance that has resulted from the process.</p> <p>Thank You.</p>
3	<p>We would welcome further Audit support as we implement some of the management actions, particularly around the implementation of the new online claims system to ensure compliance.</p>
4	<p>Very thorough and in depth audit. Very professionally undertaken by Alex who was always sensitive to our area of work and flexible during very busy periods. Expectations and how the audit was to be undertaken were made clear at the onset. Alex gave very good advice and support in any areas for improvement. The audit has helped the team focus on what needs to change and improve but also highlight the areas we are very strong at and do well which is good for morale and team work. Many thanks.</p>
5	<p>Linda made the process as simple and time efficient as possible, she kept us informed every step of the way and was clear and concise in asking us for information required.</p>
6	<p>The Audit Team were incredibly supportive and professional. We have seen the school's audit in a positive light and welcomed the advice/guidance.</p> <p>In future we would always feel comfortable to come to audit to clarify any queries we may have.</p> <p>Thank you for your support!</p>
7	<p>Overall a good report that highlights many positives and improvements made.</p>
8	<p>Jan undertook the audit at Monnow Primary School; he was both professional and extremely thorough in his approach. Although the audit process was demanding, it provided the school and governing body with the necessary guidance and support needed to move forward.</p> <p>The overall experience was very positive.</p>

9	<p>All correspondence in relation to the audit was clear and provided in a timely manner. The process was fair and carried out professionally both when Alex was on site and remotely. The report provides us with areas to improve, and discussions with Alex and Jan provided clarity in any area that I had questions.</p> <p>I was wondering if it might be beneficial, to schools, if we received an annual summary of the outcomes of school audits. If there are common strengths/shortcomings and we are made aware of them, we could all learn from them. Obviously, I would not expect the schools to be named but an overview might be helpful to us in between audits.</p>
10	<p>School feels reassured that if we had any concerns or needed guidance we would have no hesitation to contact audit for support. This was not how the School Business Manager felt prior to the Audit. School found the Audit reassuring and a positive experience.</p>
11	<p>Comments: I would like to thank Jan and Dona for the constructive manner in which the audit was carried out. As a newly appointed Headteacher, I appreciated the assistance and positive advice given in order for the new office staff members and myself to develop a clear way forward.</p> <p>The only improvement I would suggest, is that when NCC become aware that an Acting Headteacher is in position and that unsatisfactory audit has been identified prior to this, that a member of the audit team visits the school as a matter of principle. The self-audit checklist was an excellent tool and highlighted to me obvious problems within the school. This checklist would have been even more helpful had it been sent to me as soon as I took over the role of Acting Headteacher rather than 10 months after.</p>
12	<p>The report highlighted areas where I assumed that practices had been changed and they hadn't been practically. It was a useful exercise and timely reminder.</p>