

DEPARTMENT Communities	AUDIT REVIEW Ski and Activity Centre	AUDIT REF 6118014
<p>BACKGROUND</p> <p>Carmarthenshire County Council manages a wide range of outdoor recreation facilities including Pembrey Country Park and the Ski and Activity Centre. These facilities generate significant levels of income, from a range of activities, to the Authority. Pembrey Country Park is one of the most visited outdoor attractions in Wales. Integral to the success of the Country Park is the Ski and Activity Centre, which includes the ski slope, the toboggan run, a bicycle hire point and a café.</p> <p>SCOPE</p> <p>An Internal Audit review of the Ski and Activity Centre was undertaken during March 2019 on the systems and procedures in operation to assess the extent to which:</p> <ul style="list-style-type: none"> ➤ Recommendations agreed in the previous Internal Audit report have been fully actioned; ➤ Income due has been collected in full, promptly banked and is accurately accounted for in accordance with the requirements of Financial Procedure Rules; ➤ Adequate arrangements exist for the procurement of goods and services; ➤ Adequate arrangements exist for the safeguarding of the Authority’s assets; ➤ Sale of shop stock is complete / in hand; ➤ All relevant staff have been subject to a Disclosure and Barring check; ➤ Staff rotas tally to submitted timesheets. <p>SUMMARY OF RESULTS</p> <p>The 2018/19 review of the Ski and Activity Centre resulted in a LOW assurance rating. The table in this report contains the updated Actions as requested by the Audit Committee on 13th September 2019.</p> <p>It was noted that although the audit of the Ski and Activity Centre was undertaken during March 2019, the management of the function had been transferred to the Outdoor Recreation Service on 1st February 2019.</p> <p>Discussions with management at the time of the audit, identified that new management arrangements are being introduced at the Ski and Activity Centre, to bring processes and procedures in line with those operating at Pembrey Country Park. It is acknowledged that at the time of the review, these new arrangements had not been fully introduced and implemented. As previously stated, the table contains the updated actions.</p> <p>The review in March 2019 identified a number of areas, where improvements were required, relating in the main to:</p> <ul style="list-style-type: none"> • Control over till access, income recording and reconciliation, and cash holding; • Document retention to evidence procurement decisions. <p>The issues identified during the review and an update on these actions are detailed in the table on the following page.</p>		

	Summary of Issues	Rating	Agreed Actions/Comments	Updated Actions
1	1 employee does not have a Disclosure and Barring Service (DBS) check which their post requires.	**	The DBS in question has now been completed and processed.	No Action required
2	As identified in the 2017/18 audit, there is inadequate segregation of duties and control over till access. Additionally, only 4 till operators have had unannounced cash ups since April 2018.	**	New Till system to be installed in the Park on 15th June 2019 where each operator will have a swipe card to access till. There is a plan in place to undertake cash ups of all the team by Managers	11/9/2019 - All agreed actions have been implemented. 1/3/2020 - New till system have spot checks of cash ups. Key to this is that swipe cards are only used when that individual is on shift.
3	20 income transactions were selected for review. The following issues were identified: <ul style="list-style-type: none"> • 2 instances where Income Reconciliation Forms (IRF) not completed; • 12 refunds identified, but only 1 detailed on the back of the IRF (refunds appear to be mainly return of golf deposits and till under/over adjustments); • 4 instances of overs/unders exceeding £2, but only 1 was detailed on the back of the IRF; • Only 1 Z-reading was filed; • 1 error identified on the Daily Income form; • 4 Weekly Income Forms not properly completed; • 2 Float in/out forms not completed; • 1 error on the Income recording (safe in/out form). 	**	Training will be provided to all staff on site. There will also be a review of all financial procedures in line with Pembrey Country Park's procedures.	Training was implemented immediately after Audit. BSU Team Leader and Commercial and Facility Manager revised procedure and changes to financial procedures. 1/3/2020 Financial procedures have now been added to Outdoor Recreation version so that all sites are following the same processes. Spot checks in place to ensure all processes are being followed
4	Whilst cash collection is usually undertaken on a suitably frequent basis, testing identified two occasions where three weeks' cash was collected together.	**	New safe and income collection arrangements have been introduced to address these issues.	11/9/2019 Income collection issues have been addressed as part of the training detailed above. 1/3/2020 Bank holiday pick ups have been arranged for different days to ensure insurance threshold is addressed.

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	Internal Audit also noted that weekly takings during August 2018 exceeded the insurance threshold value.			
5	There is inadequate evidence of the procurement decision making process, when approved suppliers have not been used.	*	Procurement spreadsheet has been set up similar to the document within the Country Park procedures, which will rectify this issue in future.	11/9/2019 Database has been set up and no purchases to be made without these processes being followed. 1/3/2020 Procurement process is used for all purchases and documented in database.
6	At the time of the audit, no invoice had been raised in respect of a booking for Ski Slope hire in August 2018, which had a net value of £1,200. Adequate income monitoring would have identified this omission. Of the remaining 9 credit invoices selected for testing, only 3 were invoiced within 10 days of incurring the debt, as per the requirement of Financial Procedure Rules.	**	The Booking system has been reviewed and diary markers put in place for raising of invoicing within the set time frame.	11/9/2019 Part of weekly processes is now to raise any invoices and the Commercial and Facility Manager checks diary for double checking income has been collected. 1/3/2020 Income monitoring is undertaken regularly to check all income is collected. The monitoring takes place as part of the weekly financial checks and invoices are raised as part of this.
7	Rates charged for Adaptive Club and Slope Hire are not included in the Charging Digest. (The Adaptive Club rate is pre entered onto the system by the Central Admin Team and cannot be amended by Centre staff). No evidence has been provided to confirm authorisation of these additional rates.	*	The Charging Digest is being updated to include this, with an SLA also being set up to confirm partnership working arrangements.	11/9/2019 Meetings have been undertaken to confirm points in the SLA, fees and charges are in draft version to be approved. 1/3/2020 SLA been completed but all charges are now part of the Charging Digest documents.
8	Minor discrepancies were identified during verification of the inventory of assets for hire. Internal Audit were advised these were due to human error.	*	Training and checking of asset list being reviewed and will be implemented.	11/9/2019 Spot checks are now undertaken as well as checks by the Ski and Activity Centre team. 1/3/2020 Asset checks have taken place already this year.