

## Update on Internal Audit Recommendations 2021/22

The Internal Audit division maintains a log of all Internal Audit Reports issued. The recommendations made as part of these Reports are uploaded onto the Council's Performance Information Monitoring System (PIMS).

The responsible officer for each recommendation is required to update PIMS with the actions taken to address the identified issues.

The information below details the progress status of Internal Audit recommendations relating to the 2021/22 financial year.

### Update on 2021/22 Internal Audit Recommendations

Recommendation Ratings	Total Recommendations Made	Action Complete	Action Outstanding or Off-Target	Target date not yet reached	% Complete per Recommendation Rating
3*	3	3	0	0	100%
2*	80	75	4	1	94%
1*	36	32	1	3	89%
	<b>119</b>	110	5	4	
		92%	4.5%	3.5%	

Information relating to all outstanding, or off-target, recommendations is detailed on the following pages.

## ACTION OFF TARGET

Report Reference: 1121004 Payroll

Action Status: Off Target

Action Target Date: 31.05.2022

Recommendation Rating: \*\*

### Brief Description of Issue/Recommendation:

#### Employee Certification Exercise

Completion of the 2021/22 Employee Certification Exercise had not been completed. Where the Certification Exercise had been issued to Managers, only 3 Managers (from 20) had responded to the request.

The Employee Certification Exercise is an important internal control; adequate resources should be made available to ensure it is completed annually.

### Agreed Action:

Staffing issues will hopefully have improved in time for the 2022-23 exercise.

E-mail to be sent to all Managers from the Director of Corporate Services prior to the exercise being undertaken, explaining that the exercise is due to be carried out and the importance of completing the information promptly.

Where non-compliance continues, this will be escalated to the relevant DMT and CMT, where appropriate.

### Current Position:

E-mail was issued to all Managers from the Director of Corporate Services, emphasising the importance of completing the exercise.

The 2022-23 certification exercise has been commenced, but responses have only been received from approximately 25% of Managers, to date.

## ACTION OFF TARGET – WITH REVISED TARGET DATE SET

Report Reference: 1121001 Creditor Payments  
Action Status: Off Target – with revised Target Date set  
Action Target Date: 31.08.2022 (Revised Target Date: 31.03.2023)  
Recommendation Rating: \*

### Brief Description of Issue/Recommendation:

#### Credit Balances

A review of credit balances should be completed, and appropriate action taken to reduce the volume held on the system and to address all historic balances.

#### Agreed Action:

Credits applied in-year are investigated promptly. Investigation into the 21 credit balances remaining after initial examination will be made and, where possible, reversed.

#### Current Position:

All in-year credits are promptly dealt with; there are no new outstanding credit balances.  
A way forward on dealing with historic credit balances has been agreed with the Head of Financial Services; the relevant service areas are being contacted to provide a financial code for the impact of reversing the open items.  
95% of the remaining credits have already been processed.

Report Reference: 1121001 Creditor Payments  
Action Status: Off Target – with revised Target Date set  
Action Target Date: 01.07.2022 (Revised Target Date: 31.03.2024)  
Recommendation Rating: \*\*

### Brief Description of Issue/Recommendation:

#### Purchase Orders (POs)

Staff should be reminded of the importance of raising Purchase Orders and ensuring full compliance with the Authority's Financial Procedure Rules. The 'Achieving Purchase Order Compliance' Policy should be implemented as soon as possible.

#### Agreed Action:

PO compliance reports are sent to all BSU Managers on a quarterly basis.  
'Achieving Purchase Order Compliance' is to be piloted in the Chief Executives Department after exceptions have been identified; target date for commencement and progression is 1st July 2022.

#### Current Position:

Progress on implementing 'Achieving Purchase Order Compliance' is continuing, albeit slower than anticipated, due to resource issues in the main. Pilots are continuing in the Chief Executive's Department and are planned to commence in the Department for Education & Children's Services.

Report Reference: 2121002 Performance Management  
Action Status: Off Target – with revised Target Date set  
Action Target Date: 30.09.2022 (Revised Target Date: 31.03.2023)  
Recommendation Rating: \*\*

**Brief Description of Issue/Recommendation:**

**Regulatory Recommendations**

All regulatory recommendations should be captured in order to appropriately monitor the action being taken to address the concerns.

**Agreed Action:**

A procedure for managing all regulatory report recommendations is currently being drafted. This will be completed and introduced by the end of September 2022.

**Current Position:**

Draft Procedure has been developed, with the approach discussed and agreed with the Governance & Audit Committee and key officers. Procedure now needs to be finalised and communicated across the Authority.

Report Reference: 6121028 Trust Funds - Dyfed Welsh Church Fund  
Action Status: Off Target – with revised Target Date set  
Action Target Date: 30.09.2022 (Revised Target Date: 31.03.2023)  
Recommendation Rating: \*\*

**Brief Description of Issue/Recommendation:**

**Dyfed Welsh Church Fund - Property**

A decision on the rental value, or possible sale, of a property owned by the Dyfed Welsh Church Fund continues to remain unresolved.

**Agreed Action:**

Legal correspondence on the purchase of the property is ongoing between the three authorities. Matter will be referred to the Charity Commission during the next three months.

**Current Position:**

Discussions are still ongoing between the Directors of Finance and the legal teams of Carmarthenshire, Ceredigion, and Pembrokeshire.