

DEPARTMENT <b>Communities</b>	AUDIT REVIEW <b>Llanelli Leisure Centre</b>	AUDIT REF <b>5516003</b>
PLANNED DAYS <b>5</b>	ACTUAL DAYS <b>8</b>	Frequency of Audit <b>Annual</b>

**Background**

Carmarthenshire County Council provides a wide range of leisure facilities including Llanelli Leisure Centre. The Centre generates significant levels of income from a range of activities, including swimming, badminton, basketball, football, fitness suite and general room hire and is therefore considered high risk to the Authority.

The net approved budget for 2016 / 2017 was approximately £553k which includes expected income of approximately £959k.

**Scope**

The review covered the controls and procedures in operation at Llanelli Leisure Centre to assess the extent to which:

- The recommendations in the previous report have been actioned;
- All income is properly accounted for;
- Adequate arrangements exist for the safeguard of the Authority's assets;
- Adequate controls exist over staffing resources.

**General Opinion**

The systems and procedures operated by Llanelli Leisure Centre have been assessed as being of High risk to the Authority due to the level of cash income being collected from users of the facility. Based on the results of the current Internal Audit review the risk rating will remain as high.

In relation to the areas that were reviewed during in previous years and again during this year, some improvements have been made. In particular, it was noted that improvements had been made relating to the fill income procedures and it is pleasing that management are taking a pro-active approach to ensure that procedures are operating as expected by undertaking income reconciliation monitoring.

In addition, it is acknowledged that Llanelli Leisure Centre no longer rely on the BSU Section to undertake the unannounced cash ups due to the lack of the Section's resources and have now commenced conducting their own unannounced cash ups to address this issue.

It is noted that many of the improvements have been implemented over recent months, therefore management should ensure that the current arrangements continue to a good standard by implementing overall management monitoring of procedures operating at the centre. In addition, it is important that progress

continues to be made to ensure that recommendations not yet fully actioned are addressed.

However, the current Internal Audit visit was expanded to include the review of staffing related matters which has resulted in a number of fundamental weaknesses being identified which need to be addressed as a priority.

This together with some issues that had been previously reported that continue to remain outstanding has resulted in the overall assessment of the management and administration at Llanelli Leisure Centre being considered to be operating to a low standard.

The Improvements required in order to demonstrate a better standard of control over the centre's facilities in particular relate to:

- Improved procedures for the rotas and payment of staff;
- Improved booking procedures;
- Improved stock recording and reconciliation procedures;
- Compliance with the requirements of Financial Procedure Rules;
- Further improvements procedures for income collection and recording.

RECOMMENDATIONS		OVERALL ASSURANCE
Priority 1- Fundamental Weaknesses	<b>1</b>	<b>LOW</b>
Priority 2 – Strengthen Existing Controls	<b>3</b>	
Priority 3 – Minor Issues	<b>1</b>	