

Bridgend County Borough Council
Audit Committee
10th March 2006
Report of the Deputy Chief Executive
And Executive Director - Resources

Regulatory Plan 2005/06

- 1 I attach in **Appendix A** a copy of the Welsh Audit Office's Regulatory Plan for 2005/06. Members will recall that this was submitted to the Council Meeting of the 1st March 2006, however it is clearly appropriate for the committee to consider it separately.
- 2 Members are **recommended** to note the report.

Completed Audits

- 3 The more straightforward of the recently completed audits are summarised in the following table.

Report	Draft Report Issued	Audit Days	Key Messages	Audit Opinion	Key Action Plan Dates
Adult Services Home Care	June 2005	18	<ul style="list-style-type: none"> • Robust systems in place. • Impressive collection rate of 97% • Only low risk recommendations made. 	Adequate	April 2006
Sub Contractors Tax	Dec 2005	7	<ul style="list-style-type: none"> • Improvements to reconciliation systems recommended. 	Adequate	March 2006
Payroll – Environmental & Planning	July 2005	10	<p>Improvements needed in:</p> <ul style="list-style-type: none"> • The procedures manual • Audit logs • Authorised signatory lists • Authorisation of spreadsheet data • Regular reviews of pay records <ul style="list-style-type: none"> • 'Audit & Admin Officer' proving effective. 	Adequate	Immediate

- 4 I will be happy to deal with any points members wish to raise on these audits or if they wish produce fuller reports on selected reports to the next meeting and would **recommend** they note completion and key messages arising from the above audits.
- 5 Two further audits have been completed on **Supporting People** and **School Governance** which I am of the opinion will be best dealt with at the next meeting of the committee. This will have the advantage of not overburdening this meeting, allowing feedback from a focus group of governors and for Internal Audit to establish if the most significant recommended action date on Supporting people has been hit.
- 6 In addition several other audits have been completed that in my opinion require fuller consideration by the committee which I will now deal with in turn.

Risk Management

- 7 Internal Audit has recently completed a major review of the Council's Risk Management processes and such is the importance of these to the work of the committee that I feel it is important that the committee see the report in its entirety. I therefore attach a copy in **Appendix B**.
- 8 Members are **recommended** to note the report.

Payroll

- 9 At the last meeting of the committee I informed members that audits had been completed on payroll arrangements in Education, Leisure & Community Services and Environmental & Planning Directorates. But in light of the imminent completion of a further audit on Corporate Payroll arrangements, I took the view that these reports are best reported together at the committee's March meeting.
- 10 The Corporate Payroll Audit has now been completed so I now feel it appropriate to present the findings of these audits to the committee.
- 11 In the case **Environment and Planning**, Internal Audit is of the opinion that the system of internal control is **adequate**, and this report has been summarised in the table of completed audits above.
- 12 However in the case of **Education Leisure & Community Services, and the Corporate Payroll** I regret to inform the committee that Internal Audit is of the opinion that the system of internal control is **inadequate** in each of these cases. Therefore in

accordance with our previously agreed practice full copies of Internal Audit's reports are attached in **Appendix C and D** respectively.

- 13 Relevant Managers have been invited to attend the meeting to discuss the report and Members are **recommended** to consider and note the report.

L.M. James

Deputy Chief Executive and Executive Director - Resources

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Background documents:

Audit Reports within the internal audit division.