

BRIDGEND COUNTY BOROUGH COUNCIL

DIRECTORATE OF CORPORATE SERVICES



**INTERNAL AUDIT
SERVICE PLAN**

2006-09

*" We Will Deliver Effective, and
Efficient Assurance, Support and
Advice Services to Internal and
External Clients"*

Spring 2006

DIRECTORATE OF CORPORATE SERVICES INTERNAL AUDIT

Introduction...

This Internal Audit Service Plan serves a number of important functions – namely:

- To show how the services within the Department contribute to the Authority's Corporate Improvement Plan for 2005-08, the Bridgend County Borough's Community Strategy for 2005-16 and the Strategic Plan for the Directorate of Corporate Services for 2005-08.
- To note some key achievements of the recent years and the challenges currently facing the Department.
- To identify the Department's priorities for future service development during the next three years.
- To note key indicators by which the performance of services will be judged over the next three years, together with targets set for the indicators.
- To allocate responsibility to service managers for the attainment of priorities
- To outline the revenue budget available for 2006-07.

**Nyall Meredith
Chief Internal Auditor**

Directorate of Corporate Services

March 2006

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1 : Serving Our County Borough...

Overall Aim & Services Provided

Our overall aim is to:

“Deliver cost effective, efficient and quality services and advice to internal and external customers”

The Department provides assurance, support & advice services to other Directorates within the Authority plus a small number of outside bodies. These cover :

- Internal Audit Services
- Data Protection

Contact points for these services are given later in Section 7 if you wish to find out more about each service unit.

Service Profile & Resources

Strengths and Areas for Development

Strengths –

- Experience of Qualified Staff – both public and private sector.
- Staff willing to learn/improve professionalism.
- High level of customer satisfaction
- Effective Audit Committee with frequent meetings
- Opinion of external auditors and their reliance on our work
- In house specialisms

Areas for Development

- Communication across division and between teams
- Performance on KPI's
- Streamlining of documentation to improve efficiency
- IT based Audit Management System.

Financial resources / systems

- The service has a net revenue budget (before recharges) of £445k for 2006/07. A breakdown of this budget by service is given in section 6.
- systems used by the Department include:
 - Microsoft Office
 - Teamware
 - IDEA
 - Major Corporate Systems

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Staffing

The Department employs 12.8 full time equivalent staff and their professional qualifications include:

- CIPFA
- ACA
- MIIA
- CIMA
- ACCA
- BCS

The Department achieved IIP status in 2002 (in partnership with Finance) and is committed to the training and development of all staff.

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Supporting the Bridgend Community Strategy

Overarching Aims of the Strategy

1. To **improve quality of life for all** – to create a place where everyone can enjoy living, working and relaxing, and live life to the full.
2. To **look after our environment** through a more sustainable pattern of development.
3. To increase **prosperity**, by investing in lifelong learning, improving skills and supporting new businesses.
4. To have **safer communities** where crime levels decline and fear of crime is tackled so that local people feel safe and secure.
5. To achieve a **healthier** County Borough by tackling health inequalities and promoting healthy lifestyles.
6. To have a more **inclusive** county borough where everyone is supported to maximise their potential and live a full life.

In September 2005, Council agreed that the above aims become the Corporate Objectives of the Authority, replacing the objectives previously included within the Corporate Improvement Plan.

The following key themes are emerging from this strategy:

Key themes of the Strategy

1. **Working Together Better**
2. **Community Safety**
3. **Employment and Economic Regeneration**
4. **Children & Young People**
5. **Older People**
6. **The Environment**
7. **Health & Well Being**
8. **Access**

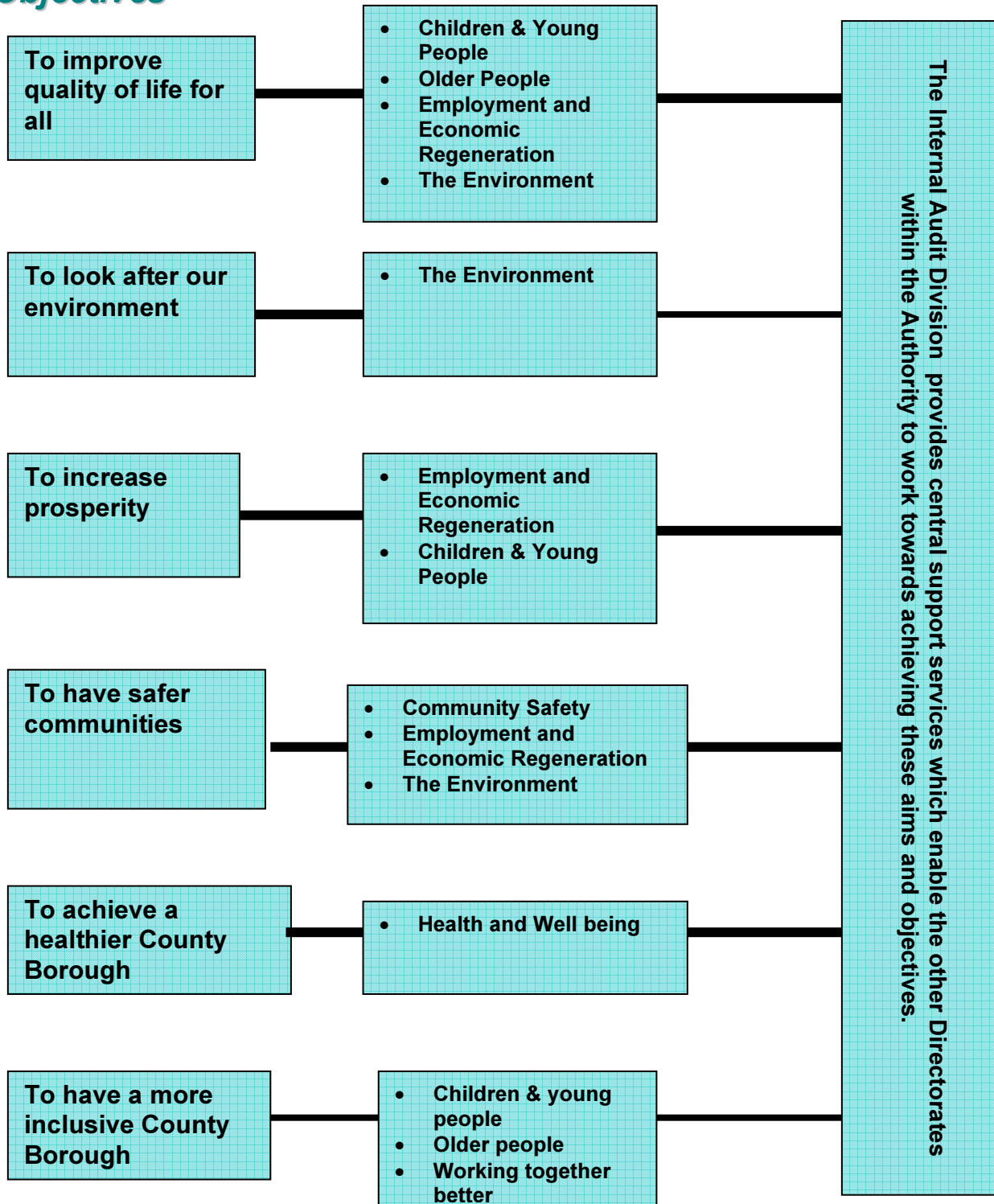
Our services seek to support all of the above aims, themes and objectives – either directly or indirectly. The diagram on the next page seeks to illustrate this.

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Overarching Aims and Objectives

Community Strategy Themes

Department's Contribution



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2: Some Recent Key Achievements...

Key Achievements over the past 3 years...

- *Introduction of CRSA for schools*
- *Developing the Audit Committee*
- *Shorter, Sharper Schools Audits*
- *Maintained High Level of client satisfaction*
- *External Audit place reliance on our work.*
- *Updated Technology.*
- *Developed increased appetite for Professional Training*
- *Building on Collaborative Training arrangements with other IA teams.*
- *Development of links between Data Protection arrangements and FOI arrangements.*

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3: Challenges facing the Directorate

A Joint Risk Assessment exercise was undertaken in May 2005 by the Wales Audit Office, Corporate Management Board and Cabinet. Given that the department has a professional duty to take into account such risks identified by management mn\ in its audit planning , **all these** impact upon the Department to greater or lesser extent.

In addition the Chief Executive has identified three 'flagship projects' as part of the Council's response to the Cultural Review carried out by the Wales Audit Office. These are:

- 1. Human Resources**
- 2. Procurement**
- 3. Performance Management**

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4: Priorities for Future Service Development...

The Directorate has identified these as its key priorities for the next three years . These have been developed with reference to Corporate Objectives and the outcome of the Joint Risk Assessment. Departmental objectives resulting from these priorities are shown .

DIRECTORATE PRIORITIES	DEPARTMENTAL OBJECTIVES
<ul style="list-style-type: none"> ▪ Ensure financial stability and sustainability, and maintain internal control 	<ul style="list-style-type: none"> ▪ Provide professional advice and guidance on the Council's system of internal control, risk management and data protection. ▪ Input into the review of financial and Contract Procedure Rules
<ul style="list-style-type: none"> ▪ Address whole authority issues resulting from cultural review 	<ul style="list-style-type: none"> ▪ Address relevant findings of Central Services Review carried out by Wales Audit Office ▪ Implement outcome of corporate 'Transformation' proposals within the Department. ▪ Initial development of SLA for Internal Audit.
<ul style="list-style-type: none"> ▪ Improve procurement methods to realise efficiency savings 	<ul style="list-style-type: none"> ▪ Participate in Procedures working Group.
<ul style="list-style-type: none"> ▪ E government 	<ul style="list-style-type: none"> ▪ Major Internal Audit Review of Website. ▪ Participate in CITG
<ul style="list-style-type: none"> ▪ Human resource issues particularly sickness absence management and workforce development 	<ul style="list-style-type: none"> ▪ Implement new sickness absence procedures with department. ▪ Major Internal Audit Review of new sickness absence procedures after bedding in. ▪ Participate in Trent Project Board
<ul style="list-style-type: none"> ▪ Maintenance of an asset base fit for purpose 	<ul style="list-style-type: none"> ▪
<ul style="list-style-type: none"> ▪ Improved access to services 	<ul style="list-style-type: none"> ▪
<ul style="list-style-type: none"> ▪ Occupational health & safety 	<ul style="list-style-type: none"> ▪

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In addition to the above, a Departmental priority has been identified following the assessment of service strengths and areas for development. Objectives to address this priority are shown alongside.

<i>DEPARTMENTAL PRIORITY</i>	<i>DEPARTMENTAL OBJECTIVES</i>
<ul style="list-style-type: none">▪ IT Based Audit Management System	<ul style="list-style-type: none">▪ <i>Develop project plan for selection, acquisition and implementation</i>

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5. BUSINESS PLAN ASSESSMENT & REVIEW

This section demonstrates how the Departmental Objectives referred to above will be achieved by identifying actions required and allocating responsibility for those actions to individuals. The table will be used throughout the period of the plan to monitor the achievement of those objectives.

Directorate Priority – Ensure financial stability and sustainability, and maintain internal control

DEPARTMENTAL OBJECTIVES	TARGET	RESP OFFICER	METHOD OF MEASUREMENT	Resource Implications
Provide professional advice and guidance on the Council's system of internal control, risk management and data protection.	This is our Core Function	Nyall Meredith	<ul style="list-style-type: none"> ▪ Internal Review ▪ EA Review ▪ External Review 	Apart from External Review these are funded within our current budgets. Any External Review is likely to take place towards the end of this plan and the resource implications are still being evaluated.
Input into the review of financial and Contract Procedure Rules	Completed 2006/07	Nyall Meredith	Done/Not Done	

Directorate Priority – Address whole authority issues resulting from Cultural Review

DEPARTMENTAL OBJECTIVES	TARGET	RESP OFFICER	METHOD OF MEASUREMENT	Resource Implications
Address relevant findings of Central Services Review carried out by Wales Audit Office	Unclear at the moment since review has not been finalised			

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Implement outcome of corporate 'Transformation' proposals within the Department.	Sept 2006	Nyall Meredith	Done/Not Done (NB impact not likely to be great)	
Initial development of SLA for Internal Audit.	March 2007	Nyall Meredith	Done/Not Done	

Directorate Priority - Improve procurement methods to realise efficiency savings

DEPARTMENTAL OBJECTIVES	TARGET	RESP OFFICER	METHOD OF MEASUREMENT	Resource Implications
Participate in Procedures working Group.	Dependant on Group Project Plan	Gerry Doak	Done/Not Done	

Directorate priority – e- government

DEPARTMENTAL OBJECTIVES	TARGET	RESP OFFICER	METHOD OF MEASUREMENT	Resource Implications
Major Internal Audit Review of Website.	Dec 2006	Nyall Meredith	Done/Not Done	
Participate in CITG	Ongoing	Nyall Meredith	Done/Not Done	

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Directorate priority – Human resource issues particularly sickness absence management and workforce development

DEPARTMENTAL OBJECTIVES	TARGET	RESP OFFICER	METHOD OF MEASUREMENT	Resource Implications
Implement new sickness absence procedures with department.	April 2006	Nyall Meredith	Done/Not Done	
Major Internal Audit Review of new sickness absence procedures after bedding in.	Dec 2006	Jo Norman	Done/Not Done	
Participate in Trent Project Board	Ongoing	Nyall Meredith	Done/Not Done	

Departmental priority – IT Based Audit Management System

DEPARTMENTAL OBJECTIVES	TARGET	RESP OFFICER	METHOD OF MEASUREMENT	Resource Implications
<i>Develop project plan for selection, acquisition and implementation</i>	June 2006	Nyall Meredith	Done /Not Done	Approx.£25k

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6. Evaluating Performance

The following performance indicators are used to evaluate performance in each service area:

INDICATOR	2005/06 Actual	2006/07 Target	CIPFA Benchmarking
Sickness Levels *	4%	4%	4%
'Chargeable' times	53%	60%	63%
Other KPI's are being considered but are awaiting completion of this year's CIPFA benchmarking exercise.			

* Given the small size of the department ,this indicator is a 3 year rolling average.

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7. REVENUE BUDGET 2006/07

INTERNAL AUDIT REVENUE BUDGET 2006/07

Service Area	Employees £,000	Non Pay £,000	Income £,000	Total £,000	Budget Holder
Internal Audit	460	28	(43)	445	N Meredith
Total Internal Audit	460	28	(43)	445	

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7: Contact Points...

Contact Points for Each Service Unit

- If you require further information about the services – please contact :

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