

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

16th July 2009

REPORT OF THE CORPORATE DIRECTOR - RESOURCES

COMPLETED AUDITS

1. Purpose of Report.

1.1. To summarise for members the findings of the audits recently completed by the Internal Audit Division.

2. Connection to Corporate Improvement Plan / Other Corporate Priority.

2.1. Internal Audit's work impacts on the Corporate Improvement Plan/other corporate priorities.

3. Background

3.1. Internal Audit conducts reviews according to an annual audit plan and reports findings to Audit Committee.

4. Current situation / proposal.

4.1. Recently completed audits are summarised in the following table:

Report	System Overview	Report Issued	Audit Days	Key Messages	Audit Opinion	Key Action Plan Dates
Criminal Records Checks	A progress review of the centralised unit responsible for administering the processing of CRB checks of all relevant employees.	July 09	Part of general Follow Ups budget.	See report (Appendix A)	Limited Assurance	October 09
Transport Unit	<p>The Authority spends over £5.5m per year on transportation services including home to school transport, free bus travel and subsidised bus routes which would otherwise be uneconomic to run.</p> <p>The system reviewed includes award and management of contracts and the issue of bus passes.</p>	July 09	35 days	<p>There are a number of strengths and areas of good practice including :-</p> <p>Assessment of need for socially necessary transport;</p> <p>Timeliness of payments;</p> <p>Performance measures compared to other authorities.</p> <p>We have made suggestions for improvement including:-</p> <p>Improvement in communication between departments and clarity of respective roles;</p> <p>Training of staff in office systems;</p> <p>Improvement of contract monitoring;</p>	Adequate Assurance	October 09

Procurement Unit	<p>BCBC spends over £80m per year on goods and services. The Procurement Unit establishes contracts for some services and advises the Authority on regulations and best practice.</p>	June 09	25 days	<p>We have expressed concerns over the assurance received that all relevant employees of contractors have been adequately vetted. The Integrated Transport Unit intends to perform an annual check. We will revisit this area in the future to evaluate the adequacy of the control.</p>	Adequate Assurance	July 09
				<p>BCBC has recently adopted a procurement strategy and revised Contract Procedure Rules. (CPRs) The unit manages an approved list of suppliers, has expertise in contracts and related law, participates in the Welsh Purchasing Consortium and works with Value Wales etc. to improve procurement.</p> <p>We have made recommendations to help drive the changes needed to further improve procurement across the Authority. The adoption of a strategy should help in this process and we will revisit the implementation of the strategy in the near future.</p>		

	<p>Health and Safety Follow up</p> <p>A follow up review of the centralised unit that provides support and advice to managers in fulfilling their H&S responsibilities, including assisting in identifying and providing training.</p>	<p>July 09</p>		<p>Part of general Follow Ups budget.</p>	<p>It is disappointing that the new CPRs do not include a requirement for consultancy services to be subject to tendering as recommended by CIPFA.</p> <p>We are pleased to report that significant improvements have been made to the service since the time of the original audit, with nearly three quarters of recommendations having been implemented or partially implemented. This includes:- A revised Corporate H&S policy; Processes for consultation on new / revised policies; A full compliment of staff with up to date job descriptions.</p>	<p>Substantial Assurance</p>	<p>March 10</p>
<p>Licensing Income</p>	<p>A review of controls over Licensing and Registration income was undertaken at the request of the Head of Public Protection. The department had recently changed to</p>	<p>June 09</p>	<p>3 days</p>	<p>We have made suggestions for improvement, particularly in respect of ensuring all income due is credited to the service.</p>	<p>Adequate Assurance</p>	<p>June 09</p>	

	<p>using the Council's electronic receiving system.</p> <p>The Authority is responsible for collecting the Council Tax for approx. 59,000 dwellings in the Borough and the NNDR for approx, 3,900 commercial properties.</p> <p>The review included controls regarding the billing process, application of discounts and reliefs, effectiveness of income recovery and enforcement, controls surrounding refunds and write offs.</p>	July 09	10 days		<p>There are a number of strengths and areas of good practice including :-</p> <p>Full reconciliations undertaken of the billing run to ensure all chargeable properties are billed.</p> <p>Valuation Office lists reconciled and reviewed in a timely manner.</p> <p>Use of electoral data to undertake a full matching exercise against those claiming single persons discount.</p> <p>We have made suggestions for improvement including:-</p> <p>Maintaining up to date insurance certificates for Professional Indemnity, Public Liability and Employers Liability for the recovery agency used. (This recommendation has been made for a number of years.)</p>	Adequate Assurance	July 09
Council Tax & NNDR							

4.2. Members will note the opinion of limited assurance in respect of the progress review of Criminal Records Checks. Attached is a full copy of the report, in Appendix A to this report, and management attendance at the committee has been requested.

4.3 Members are invited to raise any issues on these audits or to request the production of a fuller report at the next meeting.

5. Effect upon Policy Framework & Procedure Rules.

5.1. None

6. Legal Implications.

6.1. There are no legal implications.

7. Financial Implications.

7.1. None

8. Recommendation.

8.1. That Members note the report

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Background documents

Internal Audit reports relating to the above audits held within the Internal Audit Division