

**BRIDGEND COUNTY BOROUGH COUNCIL**

**REPORT TO AUDIT COMMITTEE**

**28<sup>th</sup> October 2010**

**REPORT OF THE HEAD OF PROPERTY & FINANCE**

**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 and 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:

<b>Report</b>	<b>System Overview</b>	<b>Work Finalised</b>	<b>Audit Days</b>	<b>Key Messages</b>	<b>Audit Opinion</b>	<b>Key Action Plan Dates</b>
Sundry Debtors	The Authority raised 23,500 invoices with a value of £25m in 2009/10. Individual directorates raise the debts and the Finance service monitors payments.	September 2010	19	Finance is monitoring the system well. From those sections tested Residential and Fairer Charging teams had good processes although there are a number of errors relating to Home Care invoices. Segregation of Duties in some teams in the Authority could be improved.	Reasonable Assurance	July – September 2010
Local Service Board	A review of the £51K grant made to the LSB by WAG to help access support and expertise and support projects in local delivery agreements.	September 2010	3	£31k used in 2009/10 met the requirements of the grant. £20k was carried forward subject to WAG approval.	Reasonable Assurance	None
E - Procurement	As part of the roll out of BRIDGE_buy, an audit presence was requested at training presentations for all system users in the Directorates within which the system has been rolled out so far (Resources, Chief Exec's & Communities).	Final presentation took place in October 2010	10	8 Presentations were made to provide the audit viewpoint as to users roles and responsibilities and to discuss risks associated with the system and the controls we expect to be in place within departments using the system. 111 staff attended the presentations.	Not applicable	Not applicable

Bridgend Recreation Centre	A review of the bar operations at the centre.	August 2010	9	The operation is making a gross profit with adequate controls to minimise risk. Minor recommendations have been made to enhance controls.	Reasonable Assurance	None
Innovation in Small & Rural Schools Grant	A grant of £77k was awarded to promote joint working in small schools.	August 2010	3	We are satisfied that funding has been appropriately spent in accordance with grant conditions. There was a small underspend of £2.5k.	Reasonable Assurance	None
DCELLS Development Grant	£44k was granted by WAG for advice, resource and to improve outcomes by developing teachers' skills. BCBC provided £19k match funding.	September 2010	2	Expenditure was made according to grant conditions.	Reasonable Assurance	None
Unlocking Potential in Special Schools Grant	£52k was granted to promote inclusion and develop the role of special schools and the relationship with mainstream schools.	October 2010	3	We are satisfied that the amount claimed is accurate and the monies have been appropriately spent in accordance with the scheme terms and conditions.	Reasonable Assurance	None
Breakfast Clubs Grant	£248k was claimed by BCBC in respect of the Breakfast Initiative Grant which provides free breakfasts to schoolchildren.	July 2010	3	We are satisfied that the monies have been spent properly in accordance with the terms and conditions of the scheme. There are strong controls in place.	Substantial Assurance	None
Arts Service	The Service covers a variety of centres and an arts development service and events.	October 2010	15	A number of issues identified in the 2008/09 audit have not been rectified. The management restructure has	Reasonable Assurance	January 2011

	New management are in place. The subsidy estimate for 2010/11 is £800k.			had an impact on this. However, the strategic direction of the service is now starting to materialise with a target of presenting this to Council in early 2011.. Budgets are well monitored and the Grand Pavilion has shown significant improvements in turnover and benefits from the outsourced catering provision at the Pavilion.		
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4.2 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. Equality Impact Assessment.**

6.1 There are no equality issues

**7. Financial Implications.**

7.1 There are no financial implications regarding this report.

**8. Recommendation.**

8.1 That the Committee note the report.

**Allan Phillips**  
**Head of Property & Finance**  
**28<sup>th</sup> October 2010**

**Contact Officer: Helen Smith**  
**Chief Internal Auditor**

**Telephone: (01656) 754901**

**Email: [internalaudit@bridgend.gov.uk](mailto:internalaudit@bridgend.gov.uk)**

**Postal address: Bridgend County Borough Council**  
**Internal Audit**  
**Innovation Centre**  
**Bridgend Science Park**  
**Bridgend**  
**CF31 3NA**

**Background documents:**

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