

# **BRIDGEND COUNTY BOROUGH COUNCIL**

## **REPORT TO AUDIT COMMITTEE**

**9th December 2010**

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

#### **Internal Audit – Control Risk Self Assessment**

#### **1. Purpose of Report.**

- 1.1 To update Members on Control Risk Self Assessment (CRSA), this initiative is being piloted with one cluster group of schools, with a view to rolling out to all schools in BCBC during 2011/12.

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

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

#### **3. Background**

- 3.1. On an annual basis the Internal Audit section visits a proportion of the Authority's Primary, Secondary and Special Schools in order to carry out a pre-determined programme of work, with a view to giving the school, their Governing Body and the Authority assurance that controls are operating effectively.
- 3.2. Internal Audit is commencing a pilot exercise with a cluster group of schools to introduce CRSA as a methodology for evaluating controls.
- 3.3. The aim of the questionnaire is primarily to enable Head teachers to review and ensure that they undertake and comply with requirements of the Financial Scheme for Schools which is based on the legislative requirements of the Schools Standards & Framework Act 1988.
- 3.4. The CRSA Questionnaire is also a tool for the Internal Audit Section to evaluate the financial and other related controls in operation at schools, thus providing assurance on control systems and reducing the need for more frequent audit visits.

#### **4. Current situation / proposal**

- 4.1. A pilot commenced with Bryntirion Cluster which comprises one comprehensive school and seven primary schools each receiving a CRSA Questionnaire and a visit from Internal Audit to assist them with its completion.
- 4.2. Early feedback from Head teachers involved in the pilot is very positive from the perspective that they are able to identify issues by completing the toolkit on a far more informal basis than having recommendations in a formal audit report. Secondly, some of the elements of the CRSA can contribute towards self evaluation for ESTYN under the new Common Inspection Framework.
- 4.3. The adoption and full implementation of CRSA will have the following benefits:-

- Head Teachers / Management take responsibility for internal control.
- Helps identify responsibility and accountability for effective control and risk management.
- Assists in analysing and reporting the status of internal control to management and the governing body.

4.4. It is hoped that from January onwards Internal Audit can roll out to other clusters in the Authority and formally roll out the CRSA to all schools from September 2011.

4.5. Our objective is that we will eventually reduce the regularity of audit visits to schools with each school completing an annual CRSA in the years in which they are not visited.

## **5. Effect upon Policy Framework & Procedure Rules.**

5.1. None

## **6. Equality Impact Assessment.**

6.1. This is an information report and no equality issues have been identified.

## **7. Financial Implications.**

7.1. There are no financial implications

## **8. Recommendation.**

8.1. That Members note the report

**Allan Phillips**  
**Head of Property & Finance**  
**29<sup>th</sup> November 2010**

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## **Background Documents**

None