

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT TO AUDIT COMMITTEE 20<sup>th</sup> JANUARY 2011

### REPORT OF THE HEAD OF PROPERTY & FINANCE

#### INTERNAL AUDIT – OUTTURN REPORT – JULY TO DECEMBER 2010

#### 1. Purpose of Report.

1. The purpose of this report is to inform the Audit Committee of actual Internal Audit performance against the 2010 – 2011 Plan for the period 1<sup>st</sup> July to 31<sup>st</sup> December 2010.

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

- 2.1. The work of audit is intended to assist in the achievement of all corporate and service objectives.

#### 3. Background

- 3.1. The 2010/11 Internal Audit Plan was submitted to the Audit Committee for approval on 8<sup>th</sup> July 2010. The Plan outlined the assignments to be carried out and their respective priorities.
- 3.2. The Committee were advised that the Plan had been formulated using the new management information system (APACE). This is the second outturn report being presented to the Audit Committee which has been extracted from the Internal Audit management information system.

#### 4. Current situation / proposal

- 4.1. A summary of the audits commenced / ongoing and those completed for the period July to December 2010 is detailed in Appendix A.
- 4.2. The following table shows an analysis of work done in relation to the original plan.

Directorate	2010-11 Full Year Plan Days	Proportion of Plan Days available for July to December	2010-11 July to Dec. Actual Days
Finance and Property	265	132.5	152
ICT & Customer Contact	274	137	124
Corporate Development & Partnerships	125	62.5	76
Legal and Regulatory Services	35	17.5	18
Children's (Including Schools)	301	150.5	249

Communities	170	85	15
Wellbeing	210	105	46.5
Cross Cutting	45	22.5	10
External	0	0	4
<b>TOTAL PRODUCTIVE DAYS</b>	<b>1,425</b>	<b>712.5</b>	<b>694.5</b>
Audit Overheads	1,110	555	581
<b>Overall Total</b>	<b>2,535</b>	<b>1267.5</b>	<b>1275.5</b>

4.3. The figures show that 1275.5 actual days have been achieved, which exceeds the overall planned time available of 1267.5. The increase in days can be attributed to the assistance provided by audit staff from the Vale of Glamorgan who have undertaken a number of audits over the period.

4.4. The results also show that overall productive time against that planned for the six months is 97% with 694.5 of the 712.5 days available being achieved, this is 18 days less than that expected, however, with the Section carrying a vacant post this figure should have been higher (48 days) had it not been for the assistance provided by Vale audit staff. It can also be seen that there is an increase in the number of overhead days used, this can be attributed to more annual leave being taken than anticipated, and an increase in general administration which has been affected as a result of a relocation of offices.

4.5. At the end of the period 31 reviews have been completed and closed, 24 of which have provided management with an overall audit opinion on the internal control environment for each of the systems examined. So far to date, significant weaknesses in the system of internal control have been identified in 5 of these reviews, which have already been reported to Audit Committee. It is the intention of Internal Audit to revisit these areas before the end of the Financial Year to gain the necessary assurance that improvement to the system of internal financial control is evident.

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

5.1. There is no effect upon the policy framework and procedure rules

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

6.1. There are no equality issues.

## **7. Financial Implications.**

7.1. Effective audit planning and monitoring are key contributors in ensuring that the Council's assets and interests are properly accounted for and safeguarded.

## **8. Recommendation.**

8.1. That the Committee notes the report

**Allan Phillips**  
**Head of Property & Finance**  
**20<sup>th</sup> January 2010**

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

**Telephone:** (01656) 754901

**E-mail:** [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**

None