

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

3rd March 2011

REPORT OF THE ASSISTANT CHIEF EXECUTIVE - PERFORMANCE

COMPLIANCE OF INTERNAL AUDIT TO THE STANDARDS AS CONTAINED WITHIN THE CODE OF PRACTICE FOR INTERNAL AUDIT IN LOCAL GOVERNMENT IN THE UNITED KINGDOM 2006

1. Purpose of Report .

- 1.1 The purpose of this report is to inform the Audit Committee of the findings of the self-assessment checklist – measuring the compliance of Internal Audit to the Standards as contained within the Code of Practice for Internal Audit in Local Government.

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 The Code of Practice defines the way in which the internal audit service should undertake its functions. It consists of eleven standards together with a checklist for compliance with the Code.
- 3.2 In order to assist the Committee in discharging its obligations under the Constitution, and to facilitate the monitoring of the internal audit function to ensure that a continuously effective level of performance is maintained, compliance with the Code of Practice for Internal Audit is mandatory.

4. Current situation / proposal.

- 4.1 A checklist is included as an appendix to the Code, which enables the Head of Internal Audit to measure the service provision against the standards within the Code. It is suggested that the results of this review should be used as part of the annual internal audit report to those charged with governance to demonstrate compliance with the Code and identify any areas for further action.
- 4.2 Attached at Appendix A are the results of the self-assessment for Bridgend CBC's Internal Audit Section against the checklist. The review has found that Internal Audit meets all of the eleven standards set out in the Code; whether in full or in part. It has been identified that seven of the standards are fully compliant whilst the remaining four are partially achieved.

4.3 The main areas of attention focus around Standards 5 – Relationships, 6 – Staffing, Training and Continuing Professional Development, 8 – Undertaking Audit Work and 11 – Performance, Quality and Effectiveness.

4.4 An action plan will be formulated to address these areas to ensure full compliance with the Code is achieved and will be the responsibility of the Chief Internal Auditor to implement the necessary changes.

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 notes this report.

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3rd March 2011

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Background documents:

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