

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT TO AUDIT COMMITTEE

14<sup>th</sup> April, 2011

### REPORT OF THE ASSISTANT CHIEF EXECUTIVE - PERFORMANCE

#### AUDIT COMMITTEE – RECOMMENDATION MADE

#### 1. Purpose of Report.

1. To present to Members the report on the recommendations made since 1<sup>st</sup> July 2010, in accordance with the Audit Committee's Forward Work Programme.

#### 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. The primary purpose of Internal Audit reporting is to communicate to management within the organisation information that provides an independent and objective opinion on the control environment and risk exposure and to prompt management to implement agreed recommendations for improvement.

#### 4. Current situation / proposal

- 4.1. In order to assist the Audit Committee in ensuring that due consideration has been given by the Committee to all aspects of their core functions a summary of recommendations made by Internal Audit since 1<sup>st</sup> July prioritised according to risk is detailed in table 1 below.

**Table 1**

<b>Description</b>	<b>No of Recommendations Made</b>	<b>No of Recommendations Agreed</b>
<b>Fundamental</b> - action imperative to ensure that the Authority is not exposed to high risks;	0	0
<b>Significant</b> - action necessary to avoid exposure to significant risks;	108	107
<b>Merits Attention</b> - action that is desirable and should result in enhanced control or better value for money (VFM).	185	181
<b>Total</b>	<b>293</b>	<b>288</b>

4.2. The recommendations made are graded according to their importance (Fundamental, Significant and Merits Attention). In addition, each recommendation will be grouped by risk. The risk categories are as follows:-

- A – Accomplishment of Objectives
- C – Compliance
- E – Value for Money
- R – Reliability and Integrity of Information
- S – Safeguarding Assets
- X – Governance

4.3. Table 2 below details the number of recommendations made grouped by risk.

**Table 2**

<b>Description</b>	<b>No of Significant Recommendations</b>	<b>No of Merits Attention Recommendations</b>
<b>A</b> – Accomplishment of Objectives	6	11
<b>C</b> - Compliance	39	50
<b>E</b> – Value for Money	9	18
<b>R</b> – Reliability and Integrity of Information	14	25
<b>S</b> – Safeguarding Assets	34	72
<b>X</b> - Governance	6	9
<b>Total</b>	<b>108</b>	<b>185</b>

## **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 the Committee note the report.

**David Macgregor**  
**Assistant Chief Executive - Performance**  
**14<sup>th</sup> April 2011**

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### **Background Documents**

None