

**BRIDGEND COUNTY BOROUGH COUNCIL**

**REPORT TO AUDIT COMMITTEE**

**29<sup>th</sup> September 2011**

**REPORT OF THE ASSISTANT CHIEF EXECUTIVE - PERFORMANCE**

**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/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:

Report	System Overview	Work Finalised	Audit Days	Key Messages	Audit Opinion	Key Action Plan Dates
Ynysawdre Swimming Pool Follow up	A follow up review was carried out at the pool due to the previous audit opinion of limited assurance	July 2011	7 days	Improvements have been made to the control environment sufficient to give reasonable assurance that key risks are controlled. Issues still to be resolved included completion of PAR-Q fitness forms and billing of hirers.	Reasonable	Implemented
Fostering	<p>The Fostering Service arranges the placement of children internally with BCBC contracted Foster Carers and externally through Independent Fostering Agencies (IFA's). In 2010/11 £2.9m was paid to IFA's. A further £1.9m was paid to internally contracted Carers. At the time of writing approx 80 children are placed via IFA's and 70 through internal carers. Though in excess of 100 children have been placed internally throughout the year.</p> <p>The service is regularly inspected by the CSSIW therefore the</p>	August 2011	32 days	<p>Overall the service was deemed to be very well run with positive reports received by the CSSIW.</p> <p>The main area of concern raised during the audit related to the employment of a consultant to carry out ad hoc social work. Concerns included the lack of an up to date contract, no evidence of a CRB check or appropriate insurance being in place.</p> <p>A recommendation made in a recent KPMG report relating to documenting the choice and selection criteria for IFA's has been reiterated in our report.</p> <p>Management have assured audit that steps have already been taken to implement these</p>	Reasonable	September 2011

	work carried out by audit sought to avoid duplication and placed reliance on the assurances already given by external inspections.			recommendations.		
Children's Homes	<p>BCBC has four children's homes that were subject to reorganisation at the time of the audit. Their combined budget in 10/11 was approx £1.7m. In addition to longer term care, some of the homes offer emergency placements and respite care.</p> <p>This audit sought to focus on key areas such as payroll and absence management, which are not covered by other inspecting bodies such as the CSSIW.</p>	August 2011	15 days	<p>A number of strengths were identified during the audit including management's awareness of the need to reduce costs whilst at the same time maintaining an excellent level of service provision.</p> <p>Only a small number of significant recommendations were made during the audit, namely the need to ensure checks are carried out on driving licenses and insurance documents for those staff who drive BCBC vehicles or use their own vehicles to transport service users.</p> <p>A monitoring process for CRB renewals also needed to be introduced.</p>	Reasonable	September 2011
Home to School Transport	BCBC spends over £4m on transporting children to and from school.	August 2011	23 days	Good progress has been made in assurance over CRB checks of drivers and escorts.	Limited	September 2011 - April 2012

	<p>Both Communities and Children directorates are involved in this service.</p> <p>The auditors reviewed contract monitoring arrangements and income collection.</p>			<p>A number of improvements are required including, evidence of contractors' insurance, assurance on escorts having appropriate training on special needs routes, temporary contracts, invoice processing, budget monitoring and an improved SLA between Children and Communities.</p>		
<p>Youth Services Capital Grant</p>	<p>An audit review of the Youth Services Revenue and Capital Grant for 2010/11 was undertaken as part of the Terms and Conditions set out by the Welsh Assembly Government. Approx £80k revenue funding and £164k capital funding was received in 2010/11.</p>	<p>August 2011</p>		<p>The grant was reviewed in order to comply with the WAG terms and conditions. It was established that there were strong systems of control in place including:</p> <ul style="list-style-type: none"> <li>• Robust system for monitoring of money held centrally.</li> <li>• Good systems in place for voluntary organisation to apply for the capital funding side of the grant.</li> <li>• Evidence of grant recipients being required to sign terms and conditions prior to receiving funding.</li> </ul> <p>However it became apparent that a greater level of monitoring of capital funding provided to voluntary organisations was needed. Audit identified cases of missing receipts, under spends and items classified as capital that audit did not feel were of a</p>	<p>Reasonable</p>	<p>No recommendations made as grant ceased in 2010/11.</p>

				capital nature. WAG has been informed of our findings in accordance with the Terms and Conditions of the grant.		
--	--	--	--	--	--	--

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. None

**8. Recommendation.**

8.1. That Members note the report

**David MacGregor**  
**Assistant Chief Executive - Performance**  
**29<sup>th</sup> September 2011**

**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**

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