

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

26th January 2017

REPORT OF THE CHIEF INTERNAL AUDITOR

INTERNAL AUDIT – OUTTURN REPORT – APRIL TO DECEMBER 2016

1. Purpose of Report.

1.1 The purpose of this report is to inform the Audit Committee of actual Internal Audit performance against the nine months of the audit plan year covering April and December 2016.

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 2016/17 Internal Audit Plan was submitted to the Audit Committee for consideration and approval on the 21st April 2016. The Plan outlined the assignments to be carried out and their respective priorities.

3.2. The Plan provided for a total of 1,053 productive days to cover the period April 2016 to March 2017.

4. Current situation / proposal

4.1. The following table shows an analysis of productive days achieved against the plan for the first nine months of this financial year. A more detailed analysis as extracted from the Internal Audit Shared Service management information system is shown at **Appendix A**.

| Directorates | 2016/17 Full Year Plan Days | Proportion of Plan Days Available for April to Dec. 2016 | 2016-17 April to Dec. Actual Days delivered |
|------------------------------------|-----------------------------|--|---|
| CEX - Finance | 130 | 98 | 104 |
| Operational & Partnership Services | 105 | 79 | 115 |
| Education & Family Support | 155 | 116 | 133 |
| | | | |

| | | | |
|--|--------------|------------|------------|
| Communities | 128 | 96 | 98 |
| Social Services & Wellbeing | 105 | 79 | 39 |
| Cross Cutting Including: External Client, – Unplanned and Fraud & Error) | 430 | 322 | 332 |
| TOTAL PRODUCTIVE DAYS | 1,053 | 790 | 821 |

4.2. The figures show that 821 actual days have been achieved, which is 31 days more than the expected target of 790 days.

4.3. At present the overall structure of the Section is based on 18 Full Time Equivalent (FTE) employees. However, at the end of the Financial Year 2015/16, the Section was carrying 4 FTE vacant posts; this has now increased to 6 FTE vacant posts. A recent recruitment campaign was unsuccessful in addressing the shortfall in staff resources; therefore discussions are underway as to the best way forward to address the number of vacancies.

4.4. At the end of the period, 22 reviews / jobs have been completed and closed, 20 of which have provided management with an overall substantial / reasonable audit opinion on the internal control environment for the systems examined. Of the remaining 2 reviews, 1 identified significant weakness to such an extent that only limited assurance could be placed on the overall control environment and one, although necessary, was closed with no opinion being provided due to the nature of the work undertaken. Attached at **Appendix A and B** is the Head of Audit's ongoing opinion report and an extract from the Internal Audit Shared Service management system.

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 implications arising from this report.

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 Members give due consideration to the Internal Audit Outturn Report covering the period April to December 2016 to ensure that all aspects of their core functions are being adequately reported.

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26th January 2017

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Background Documents

None