

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

26th April 2018

REPORT OF THE CHIEF INTERNAL AUDITOR

INTERNAL AUDIT – FINAL OUTTURN REPORT – APRIL 17 TO MARCH 18

1. Purpose of Report.

1.1 The purpose of this report is to present to Audit Committee, the Head of Audit's Annual Opinion and the actual Internal Audit performance against the audit plan covering the year April 17 to March 18.

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 2017/18 Internal Audit Plan was submitted to the Audit Committee for consideration and approval on the 27th April 2017. The Plan outlined the assignments to be carried out and their respective priorities.

3.2. The Plan provided for a maximum of 1,085 and a minimum of 995 productive days to cover the period April 2017 to March 2018.

4. Current situation / proposal

4.1. The following table shows an analysis of productive days achieved against the plan for this financial year.

| Directorates | 2017/18 Full Year Plan Days | | 2017-18 Actual Days delivered |
|---|-----------------------------------|------------|-------------------------------------|
| | Max. | Min. | |
| CEX - Finance | 130 | 130 | 95 |
| Operational & Partnership Services | 110 | 110 | 96 |
| Education & Family Support | 160 | 125 | 94 |
| Communities | 130 | 130 | 51 |
| Social Services & Wellbeing | 170 | 170 | 76 |
| Cross Cutting (Including Fraud & Error) | 385 | 330 | 220 |
| TOTAL PRODUCTIVE DAYS | 1,085 | 995 | 632 |

- 4.2. As can be seen from the figures above, the actual outturn for the year shows that the overall productive days originally planned for have not been achieved. This is as a direct result of staff vacancies throughout the year and long term absences during the first half of the year.
- 4.3. As a consequence of resourcing issues at the commencement and during the first half of the financial year it became necessary to undertake a re-structure. The new structure was implemented from 1st October 2017 reducing the establishment to 14FTEs.
- 4.4. The opinion contained within the report at **Appendix A** relates to the system of internal control at the Council and the overall control environment in place. The system of internal control is designed to manage risk to a reasonable level rather than to eliminate the risk of failure to achieve corporate / service policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. Included within **Appendix B** is the supporting evidence which lists all those assignments which have been commenced / completed for the year and where an assignment has been completed; an audit opinion has been applied where applicable.
- 4.5. On the basis of internal audit work undertaken, and taking into account all available evidence, it is the opinion of the Chief Internal Auditor that reasonable assurance can be applied to standards of internal control at Bridgend County Borough Council.

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 Final Outturn Report covering the year ending March 2018, including the Head of Audit's annual opinion to ensure that all aspects of their core functions are being adequately reported.

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26th April 2018

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Background Documents

None