

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

28 JUNE 2018

REPORT OF THE CHIEF INTERNAL AUDITOR

AUDIT REPORT – HEALTHY ORGANISATION REVIEW

1. Purpose of report

1.1 The purpose of this report is to present to Members the audit report in respect of the Healthy Organisation Review which was undertaken by the South West Audit Partnership on behalf of the Council's Internal Audit Shared Service (IASS) and which formed part of the Council's 2017/18 audit plan.

2. Connection to corporate improvement objectives/other corporate priorities

2.1 This report assists in the achievement of the following corporate priority/priorities:

- Smarter use of resources – ensuring that all its resources (financial, physical, human and technological) are used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities.

3. Background

3.1 As a consequence of resourcing issues within the Internal Audit Shared Service (IASS) during 2017/18, it was necessary to commission a number of reviews to be undertaken by an external provider. The South West Audit Partnership (SWAP) was therefore contracted to undertake a Healthy Organisation Review on five of the eight core function of the Council.

3.2 The review was part of the 2017/18 Internal Audit risk Based Plan and was undertaken on behalf of the Internal Audit Shared Service.

4. Current situation/proposal

4.1 The purpose of the Healthy Organisation Review is to provide an objective assessment of the management control framework or "health" of the Council. The framework comprises eight corporate themes: Corporate Governance; Financial Management; Risk Management; Programme & Project Management; Commissioning and Procurement; Information Management; Programme & Project Management; and finally People and Asset Management.

4.2 Five of the eight themes were reviewed as follows:

- Governance;
- Risk Management,
- Commissioning and Procurement;
- Programme & Project Management and;

- Information Management.

4.3 For each of the corporate themes, the strength of the management control framework in place was assessed against a benchmark model by identifying the presence or otherwise of key controls. As the Healthy Organisation review is a high level corporate overview, it assists with ensuring that there is a balanced view of the control framework in operation across the Council

4.4 The assurance for each of the five themes referred to above have been reviewed indicating an overall High Assurance opinion, however, it should be noted that SWAP were unable to form a conclusion on Information Management as the evidence needed to complete this review was not provided at the time of the audit. SWAP have subsequently been commissioned to follow up on this theme during the first quarter of the plan year 2018/19. The detailed report is attached at **Appendix A**. Set out from pages 41 onwards it details those areas where attention is needed and whilst these have already been recognised as such by services; and work is either ongoing or planned to address them; further details have been provided as to the owner of the action and whether or not follow up will be required by Internal Audit during 2018/19.

5. Effect upon policy framework and 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. Well-being of Future Generations (Wales) Act 2015 implications

7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives as a result of this report.

8. Financial implications

8.1 Effective Audit planning and monitoring are key contributors in ensuring that the Council's assets and interests are properly accounted for and safeguarded.

9. Recommendation

9.1 That Members give due consideration to the content of the Healthy Organisation Review and the actions to be taken to address those areas requiring attention.

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Background Documents

None