

BRIDGEND COUNTY BOROUGH COUNCIL
REPORT TO THE GOVERNANCE AND AUDIT COMMITTEE
28 JANUARY 2021

REPORT OF THE HEAD OF THE REGIONAL INTERNAL AUDIT SERVICE
INTERNAL AUDIT REPORT - EXTERNAL FUNDING

1. Purpose of report

- 1.1 To present to members of the Committee a recently issued internal audit report which reviewed a sample of externally funded schemes in order to provide assurance in respect of the procurement and governance aspects of the schemes.

2. Connection to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objective under the **Well-being of Future Generations (Wales) Act 2015**:
- Smarter use of resources – ensuring that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

- 3.1 An internal audit review of External Funding was undertaken as part of the 2020/21 annual Internal Audit Plan. The objective of the review was to provide assurance that the Council's policies and procedures, as well as the funding terms and conditions, are being adhered to when managing external funding received by the Council.
- 3.2 The Chief Executive presented a report on the Arbed programme to Cabinet on 17th November 2020. Within that report reference was made to work being undertaken by Internal Audit which aimed to provide assurance that the procurement and governance aspects of externally funded schemes were compliant with Council policies as well as any specific grant terms and conditions.
- 3.3 That report informed Cabinet that the completed audit report would be presented to the Governance and Audit Committee.

4. Current situation/proposal

- 4.1 The completed internal audit report is attached at **Appendix A**.
- 4.2 The report identifies the 10 schemes reviewed and the findings and recommendations made as a result of the work. It was found that, from the sample

selected and reviewed, the concerns arising from a previous externally funded scheme have not been replicated. Documentation was available to support compliance with the Council's Contract Procedure Rules and the involvement of Corporate Procurement when engaging contractors. There was also evidence of supplier monitoring, reporting and governance across all the projects

- 4.3 An audit opinion of reasonable assurance was given, that is that key controls exist but there may be some inconsistency in application. As a result only 4 minor, 'merits attention' recommendations were made.

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 of the Committee note the content of the report.

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Background Documents :

None