

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

30 JUNE 2016

REPORT OF THE CHIEF INTERNAL AUDITOR

INFORMATION AND ACTION REQUESTS BY COMMITTEE

1. Purpose of Report

- 1.1 To summarise for Members the actions and information requests made by the Audit Committee at its last meeting on the 21st April 2016.

2. Connection to Corporate Improvement Objectives / Other Corporate Priorities

- 2.1 Internal Audit's work impacts on all of the Corporate Improvement Objectives and 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 A summary of actions and information provided is contained in the following table:

Audit Committee Date	Action /Request	Officer Responsible	Comment / Action / Resolution	Current Status
28 th January 2016	IASS External Assessment - That the Committee noted that a further report would be presented to the Committee, setting out the proposed scope and objectives of the assessment to be undertaken, to ensure that the Committee can gain the necessary external assurances on the effectiveness of the Internal Audit Shared Service function.	CIA	A proposed scope and objectives for Audit Committee's consideration is scheduled for further on the agenda for today's meeting (30 th June 2016)	Complete
21 st April 2016	Risk Management – A Member referred to page 92 of the report and the Risk Description of School Modernisation, and the sale of public land. He asked what processes were in place in order to secure the best price possible for acquiring land upon which to provide new or	Head of Finance	All property disposals are governed through the property disposals team which consists of experienced professionally qualified surveyors. The project team assesses each potential surplus asset and determines the most appropriate method of sale. In most instances this involves	Complete

	<p>combined modernised schools.</p>		<p>the appointment of specialist agents to ensure that the sites are widely marketed and the best bids received. As part of the disposals process there are several approval processes and procedures, including valuation evidence to assess any offers received. This ensures that the best disposal outcome is achieved, and a robust audit trail exists</p> <p>As part of the council's asset management plan to rationalise its property portfolio the council is actively pursuing an enhanced disposal programme to generate capital receipts to support its capital programme. To ensure that the council achieves the best disposal outcome it has adopted a disposal strategy which provides a guiding framework for all asset disposals.</p> <p>The council's disposal strategy recognises the statutory duty to achieve the best price reasonably obtainable for the sale of assets, under Section 123 of the Local Government Act 1972. The onus under this legislation is to demonstrate that in discharging its statutory functions it has acted properly, rationally and with due regard to its fiduciary duty in order to avoid the risk of challenge.</p> <p>In some instances such as Community Asset Transfer the decision is made to dispose of assets for less than "best consideration". An example of this is the transfer of the former library in Bridgend to Bridgend Town Council. The General Disposal Consents Order 2003, permits councils to sell or lease assets at less than "best consideration" subject to a value limit of £2m, and only in cases where it can clearly demonstrate and attribute value to wellbeing benefits.</p>	
<p>21st April 2016</p>	<p>Risk Management - A Member referred to page 85</p>	<p>Head of Finance</p>	<p>The business case will include B roads as well as A</p>	<p>Complete</p>

		of the report, and Maintaining the Infrastructure ie roads and highways. In relation to committing finance to any future such maintenance works, she asked if this was planned for B and other minor roads as oppose to A roads.		roads.	
21 st April 2016		Risk Management - A Member referred to paragraph 4.3 of the report, and a statement confirming that the 2016-17 Corporate Risk Assessment was fully aligned with the Council's MTFS and Corporate Plan. She felt that future such versions of the Risk Management Policy should reflect this more clearly, and that this document needed to be cross referenced with the MTFS.	Risk Management & Insurance Officer	A version of the Corporate Risk Assessment has been produced which cross references the links between the Corporate Plan and Corporate Risk Assessment. The suitability of this format is to be assessed.	Ongoing
21 st April 2016		A Member referred to the Inherent and Residual Risk scores and asked how these compared with similar or other risks in neighbouring local authorities.	Risk Management & Insurance Officer	Risk assessments from six other councils have been received and will be analysed to see what themes are reoccurring. This information will be used during the next quarterly review.	Ongoing
21 st April 2016		In response to a question from the Committee, the Chief Internal Auditor stated that she would provide a report to the Committee on the high percentage of savings achieved in Legal and Regulatory Services.	Head of Finance and CIA	Clarification from Members will be requested at the 30 th June meeting in order to understand what additional information is required, particularly as detailed information has been provided in both Cabinet and Scrutiny reports and the Head of Finance has confirmed that saving within Legal & Regulatory Services have been met.	Outstanding

5. Effect upon Policy Framework& Procedure Rules.

5.1 None

6. Equality Impact Assessment.

6.1 There are no equality implications.

7. Financial Implications.

7.1 There are no financial implications regarding this report.

8. Recommendation.

8.1 That the Committee notes this report.

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30th June 2016

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Background Documents

None