

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO AUDIT COMMITTEE

30 JUNE 2016

REPORT OF THE CHIEF INTERNAL AUDITOR

PILOT SCHEME – EXPANSION OF THE COMPUTER AUDIT SERVICE

1. Purpose of Report.

1.1. To summarise for Members the lessons learnt from the recent pilot in which the specialist computer skills of the Internal Audit Shared Service Section have been utilised to undertake an audit for Newport City Council.

2. Connection to Corporate Improvement Objectives / Other Corporate Priority.

2.1. Internal Audit's work impacts on all the Corporate Improvement Objectives/other Corporate Priorities.

3. Background

3.1. In June 2015, Audit Committee were informed that opportunities for extending the Internal Audit Shared Service to other neighbouring authorities would be explored, including the potential for expanding the specialist computer audit service.

3.2. Newport City Council expressed an interest in utilising this resource and it was agreed that a specialist computer audit review would be undertaken and 20 productive days were provisionally set aside to accommodate this.

3.3. The audit has recently been concluded and the draft report has been issued. As this was a pilot, it was agreed that feedback would be provided from both Chief Internal Auditors in order to identify any lessons that may have been learnt during this process to aide future improvements going forward.

4. Current situation / proposal.

4.1. Overall it is felt that this pilot has proved to be a success. During the feedback meeting it was acknowledged that the specialist computer knowledge and skills resulted in Newport City Council receiving a valuable audit report, the findings and recommendations of which will be invaluable moving forward. It was also recognised that the area reviewed would not have been covered in such detail in house as Newport City Council's Internal Audit Section does not have the level and depth of specialist knowledge that was required.

4.2. It is worth noting that since the pilot was initially discussed between the two respective Chief Internal Auditors, the IT department at Newport has been relocated (outsourced), and is still going through significant change.

4.3. There were lessons learnt from this pilot which will assist in developing any future work with other Local Authorities. The list below (which is not exhaustive) highlights

some of the challenges that were faced during the process and the means of resolution moving forward.

- This work took 5 months from approving the audit scope to issuing the draft report, which is in no way timely. The problems were largely down to the availability of staff and it has been suggested that moving forward a date for exit meetings should be agreed at the initial scoping meeting. This will ensure that all relevant officers from both Authorities are working to the same agreed deadline.
- There were initial issues in identifying and contacting key Officers and accessing data and systems for which reliance was placed on staff in Newport to address. However suggested improvements have since been discussed which will minimise reliance on others.
- The pilot has enabled the roles of both Internal Audit Sections to be clarified. As stated Newport City Council agreed to “buy in” our computer expertise and therefore it would have been counterproductive if a member of Newport City Council’s Internal Audit team had to be heavily involved in this work. In the future these requirements will be addressed and solutions put in place before the work commences.
- Furthermore, a method for issuing draft and final reports has also been agreed which again will streamline the process moving forward.
- Finally in the spirit of collaboration and partnership working, Newport City Council’s Logo will also be appended to the final report.

4.4. It is therefore pleasing that this work has been undertaken and that colleagues in Newport City Council have provided constructive feedback which will assist in improving any future service provided to other Local Authorities / Public bodies.

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. None

8. Recommendation.

8.1. That Members note the report.

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Background documents

Internal Audit reports relating to the above audits held within the Internal Audit Division