

# **The Vale of Glamorgan Council**

## **Cabinet Meeting: 25 July, 2016**

### **Report of the Leader**

#### **Computer Audit Service - Pilot Scheme**

##### **Purpose of the Report**

1. To provide Cabinet with an update following the completion of the pilot scheme where the specialist computer skills of the Internal Audit Shared Service have been utilised to undertake an audit for Newport City Council.

##### **Recommendation**

1. THAT Cabinet note the content of this report, and request that the Internal Audit Shared Service consider how this service can be extended.

##### **Reason for the Recommendation**

1. To provide Cabinet with the results of the pilot scheme with Newport City Council.

##### **Background**

2. On the 13th July 2015 the Audit Committee received an update report on the Internal Audit Shared Service with Bridgend County Borough Council. After considering the contents of the report, the Committee resolved (minute number 222):-
  - (1) THAT Cabinet be recommended to extend the Internal Audit Shared Service Partnership for a period of two years to 31st January, 2018.
  - (2) THAT Cabinet be recommended to delegate authority to the Head of Finance / Section 151 Officer and the Operational Manager - Audit, in consultation with the Leader and Managing Director, to explore options for expanding the Internal Audit shared Service.
3. On the 27th July 2015, Cabinet duly considered the recommendations of the Audit Committee and resolved (minute number C2857):-
  - (1) THAT the reference from the Audit Committee be welcomed, and the relevant Members and Officers be thanked for their hard work.
  - (2) THAT the following recommendations as set out in the report be agreed:  
THAT the Internal Audit Shared Service Partnership be extended for a period of two years to 31 January, 2018.

THAT delegated authority be granted to the Head of Finance / Section 151 Officer and the Operational Manager – Audit, in consultation with the Leader and Managing Director, to explore options for expanding the Internal Audit Shared Service.

4. As a consequent, the potential to expand the specialist computer audit service was explored. Newport City Council expressed an interest in utilising this resource and it was agreed that a specialist computer audit review would be undertaken.

### **Relevant Issues and Options**

5. 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 Heads of Audit in order to identify any lessons that may have been learnt during this process to aide future improvements going forward.
6. 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.
7. It is worth noting that since the pilot was initially discussed between the two respective Heads of Audit, the IT department at Newport has been going through significant change.
8. 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.
  - A method for issuing draft and final reports has also been agreed which again will streamline the process moving forward.
  - In the spirit of collaboration and partnership working, Newport City Council's Logo will also be appended to the final report.
9. 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.

10. Bridgend County Borough Council's Audit Committee has already been apprised of the results of the pilot and the report will be presented to the Council's Audit Committee on the 27th July. The Head of Audit for Newport City Council - Mr. Andrew Wathan kindly agreed to attend both Committees to provide an update of the pilot from the Client's perspective.

### **Resource Implications (Financial and Employment)**

11. The costs of delivering a specific specialist computer audit were recovered.

### **Sustainability and Climate Change Implications**

12. There are no sustainability or climate change implications arising as a result of this report.

### **Legal Implications (to Include Human Rights Implications)**

13. There are no specific legal implications relating to this report. However, there will be legal implications specific to any future developments made.

### **Crime and Disorder Implications**

14. There are no crime and disorder implications arising as a result of this report.

### **Equal Opportunities Implications (to include Welsh Language issues)**

15. None as a direct result of this report.

### **Corporate/Service Objectives**

16. The work of internal audit is intended to assist in the achievements of all corporate and service objectives.

### **Policy Framework and Budget**

17. The proposals in this report are in accordance with the policy framework and budget.

### **Consultation (including Ward Member Consultation)**

18. No further consultation is proposed.

### **Relevant Scrutiny Committee**

19. Corporate Performance and Resources.

### **Background Papers**

None

### **Contact Officer**

Helen Smith - Operational Manager - Audit

### **Officers Consulted**

Rob Thomas - Managing Director  
Carys Lord - Head of Finance / Section 151 Officer

**Responsible Officer:**

Rob Thomas - Managing Director