Audit Services Monitoring Report: First Quarter 2005/06   APPENDIX A

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

P1 & P2 AUDIT RECOMMENDATIONS ONLY

THE BEACON MUSEUM COLLECTION (Follow Up Due April 2006)

(P1)   That there be a full stock check undertaken, and that this is regularly reviewed, at a maximum period of 2 years
(Will be done on a monthly basis with each category looked at in turn, starting with Fine Art (August 2005), Photographs (September 2005), Ceramics (December 2005), Coins (February 2006), Archaeology (February 2006), Natural History (March 2006), and Social History (March 2006)

(P2)   That checks be made on the most valuable items (as per the valuation report) on a monthly rolling basis, with all these items to be covered over a period of 1 year.

(P2)   That when the next valuation report is prepared that the Beacon Manager ensures that the company undertaking the valuation includes all asset references in their final report.
(Will try to arrange valuation to coincide with possible Beacon Refurbishment due for end of 2005.)

PROCUREMENT VFM 2004 05 (Interim Follow Up Due October 2005)

(P2)   That the draft Procurement Strategy Action Plan is reviewed and agreed, once the Procurement posts in the new structure are in place.
(Plan review and update.)

(P2)   Once the procurement officer is in place, obtain feedback from this officer in line with the Excellence model and ensure appropriate training and appraisal is carried out.
(Confirm feedback. Review training needs. Assemble plan for training and obtain approval.)

(P2)   Ensure that sufficient IT resources are available to support the progress of e.procurement.
(When procurement officer has evaluated requirements, review with IT, confirm resource needs and obtain approval if necessary.)

CORPORATE GOVERNANCE 2004 05 (Follow Up Due December 2005)

(P2)   That the draft Communications Strategy is revised in line with the Improvement Plan arising from the Best Value Review of Communications.
(Target date is taken from the Best Value Review Improvement Plan to be considered by the Executive 24/5/05)

(P2)   B/fwd from 2003/04: That Customer Service Standards are approved and adopted corporately.
(To be progressed once the Customer Services Manager is in post.)

(P2)   B/fwd from 2003/04: That performance reports link performance / outputs with financial budgets / expenditure.

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

(Need to tie up Service Planning with budgets and monitor as part of Performance Monitoring reports rather than as budget monitoring.)

(P2) That, following appointment of the new Business Process Re-engineering team, a programme of service reviews is developed and progress is monitored by Corporate Team.
(Appointments to be made during summer 2005 and priorities for reviews of services identified by Corporate Team. Subsequent monitoring reports to be considered regularly by Corporate Team and Members.)

(P2) B/fwd from 2003/04: That, once feedback from the national consultation has been published, the Employee Code of Conduct should be updated.
(The ODPM model Code of Conduct for Local Government Employees was considered by the JCSP in December 2004. Feedback from the national consultation had not been published (as at 31/3/05), causing a delay in approving the new Code.)

B/fwd from 2003/04: That, at the next revision of the Code of Corporate Governance, the wording is corrected to read "A list of powers reserved to full Council and those delegated to Executive, other Committees, Panels and others, is set out in the Council's Constitution".
(Revision of wording was advised by Member Services officer in 2004. The Code of Corporate Governance now needs to be revised in line with the Good Governance Standard for Public Services, issued in January 2005.)

That Financial Regulations be updated in line with Contract Standing Orders and the organisational restructure.
(Following implementation of the restructure.)

(P2) B/Fwd from 2003/04: That protocols and codes of conduct are adopted to ensure that the implications for supporting community political leadership for the whole Council are acknowledged and resolved.
(Established that Guidance to Members on Outside Bodies was last approved by Policy Monitoring Board 3/4/98. This will be reviewed and updated if necessary in line with the Good Governance Standard for Public Services.)

(P2) B/Fwd from 2003/04: A quarterly review & update of the Corporate Risk Register.
(Currently being updated.)

(P1) B/Fwd from 2003/04: Including in the Corporate Risk Register details of action taken and progress being made to address risks.
(Currently being updated.)

(P1) B/Fwd from 2003/04: The documenting of an Operational Risk Register
(Most operational risk registers completed by March 2005. To be updated when key service objectives are set in May 2005, following implementation of the restructure.)

(P2) B/Fwd from 2003/04: Formalising the manner in which the Council considers external risks arising at other bodies that could be applicable to this Council.
(Will be developed and reviewed through report to Corporate Team.)

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

(P2)   B/Fwd from 2003/04: There should be independent spot checks to validate performance data.
(Would need to establish effect on workload. To be reviewed after the restructure.)

(P2)   The existing Code of Corporate Governance should be revised in line with the Good Governance Standard for Public Services.
(The new Standard was recently issued in January 2005. Meetings to review the new Standard have been arranged for May 2005.)

TELEPHONES AND MOBILES 2004/05 (Follow Up due September 2005)

(P2)   That procedures for dealing with mobile telephones are reviewed and updated and circulated to all staff and placed on the intranet for reference.

(P2)   That all mobile phone users be reminded of the need to review bills and ensure they sign the front of the invoice to say that they have reviewed all calls and have passed copies of itemised bills to payroll for deduction from salary. All invoices must be signed even if there are no personal calls to deduct.
(Reminder given at Management Group and Team Brief 19/05/05) (IMPLEMENTED)

(P2)   That a reminder be given to those officers processing invoices that all invoices should be appropriately allocated to the correct cost codes.
(Reminder given at Management Group and Team Brief 19/05/05) (IMPLEMENTED)

(P2)   That the online billing be reviewed as part of the follow up to test a sample of calls made.

(P2)   That the helpdesk forms are retained and filed (either electronically or paper copies) in a file that is easily accessible to ensure that an appropriate Business Case supports all allocations of mobile telephones.
(Helpdesk forms are recorded on the system and can now be easily retrieved through the title of the helpdesk form.) (IMPLEMENTED)

(P2)   That all mobile telephones that the Council issues are brought in to I.T. to be security tagged. The Security tag should also be used as an identifier of the telephone and recorded on the inventory.

(P2)   That the Senior I.T. Support Officer maintain the inventory to ensure that all phones listed are up to date.
(Inventory is currently being updated with new numbers and IMEI numbers.)

(P2)   That a reminder be given to managers that they must inform I.T. when an employee leaves so that the account can either be cancelled, or changed if a new starter takes over the telephone.
(Reminder given at Management Group and Team Brief 19/05/05) (IMPLEMENTED)

(P2)   That consideration be given to using the reports generated on the Vodafone account to monitor mobile telephone usage.

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

(P2)   That all numbers be identified with the name of the user or an appropriate identifier if the line is used for faxes etc.
(IMPLEMENTED)

(P2)   That consideration be given to the use that can be made of the monitoring reports available from the new system in the Copeland Centre.

(P2)   That the situation regarding fixed line telephone allowances be reviewed in light of some officers receiving both a mobile telephone and fixed line allowance.
(This has been reviewed and it was found that it would not be straightforward to alter. They will be reviewed when Terms and Conditions are reviewed through Job Evaluation.) (IMPLEMENTED)

MEMBERS ALLOWANCES2004/05 (Follow Up Due August 2005)

(P2)   That the overpayment is reclaimed on any future travel and subsistence claims made by the Member.

(P1)   That, even though conference expenses are raised by Exchequer, the invoice to raise the expenses should be authorized by the budget holder.
(IMPLEMENTED)

(P2)   That Members Services undertake an annual check with outside bodies to confirm that no duplicate claims have been submitted.

(P2)   That, when the Scheme of Members Allowances is next updated, a paragraph is added detailing what Members can claim with respect to attendance at meetings/conferences with outside bodies.

(P2)   That written agreements are introduced between Copeland and outside bodies as to who will pay expenses.

STORES 2004/05 Follow Up November 2005)

(P2)   The Parks Operations Officer compiles written procedures for the Stores system. These should define the procedures governing stores operation and the responsibilities of individual employees.

(P2)   Greater control is placed on the stores system. There should be a dedicated person who is responsible for the receipt and issue of items to and from the store.
(Parks Operations Officer will be the dedicated officer and will have 2 reliefs.)

(P2)   The storeroom keys are no longer given out to the operatives to help themselves to the required item/s. The dedicated person (as mentioned in 2.3 above) should maintain custody of the keys at all times. They should obtain the item required from the store and give it to the operative and the operative should sign the stock sheet for receipt of the item.

(P1)   The Parks Operations Officer is removed from the authorised signatures list for the authorisation of invoices to maintain the separation of duties

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

(P1)   A written record is maintained of all keys held.

(P1)   In order to maintain adequate separation of duties between issuing and use of stock, that a revised store system is introduced for the Pest Control store so that the operatives no longer have keys to gain access to the store.
(Not agreed. Not practical to implement, however, Pest Control Operatives need to have training in completion of stock records.)

(P1)   A full stock take is undertaken to establish the true quantities of all stock within the store and that where necessary, all stock sheets are adjusted accordingly, with the approval of the Parks & Open Spaces Manager. Bearing in mind the low value of stores held, this approval could be in the form of random spot checks.
(Parks & Open Spaces Manager to carry out spot checks.)

(P2)   In order to maintain the audit trail, the reference number of all receipts should be recorded on the stock sheets.

(P1)   The Chainsaw and associated parts are added to the store system to ensure that all movements are recorded.
(New store to be purchased and new systems to be implemented. Only dedicated officers have access.)

(P2)   The usual stock sheets are used for the chemicals, so that the information is easier to understand at a glance and that all the necessary information can be recorded.

(P2)   In order to maintain the audit trail, a note is made on the original order of the repair job and date.
(Numbered defect job sheets to be completed for all breakdowns of machinery. This number will be recorded on the original order.)

(P1)   Annual independent stock checks are introduced immediately to comply with Financial Regulations.

(P1)   Shortages and write-offs should be reported in writing to the Service Manager, following stock checks.

(P1)   The Service Manager signs the record book when a small plant item is to be written off. Pending any review of Financial Regulations, if authority is delegated, this should be in writing.

(P1)   The Business Development Manager progresses the new fuel store as a matter of urgency due to the significant increase in the monthly cost of the diesel.
(To be ordered on 27/5/05 by John Davies. 6 weeks delivery and then will need to be fitted.)

(P2)   There is a quarterly reconciliation of materials/chemicals usage with the work carried out. If resources are not available to do this, then spot checks should be carried out.
(Pest Control job sheets to be amended to included quantity used. Chemicals – already monitored using the pesticide application records.)

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

(P1)   Uniforms are no longer given to any employees without having the logo printed on them first and all uniforms should be returned upon termination of the employee's contract.
(There was a mix up by Arco and all Casual uniforms have the logo on them this year. To be implemented across the whole of the department.)
(IMPLEMENETED)

(P2)   The Senior Accountancy Assistant investigates the definition of "stock" and whether or not the current insurance policy includes cover for stock.

(P1)   All employees are made aware of the Council's Contract Standing Orders and Financial Regulations.
(Contract Standing Orders have recently been revised and training sessions will be held by 31/10/05.)
(Financial Regulations are due to be revised and training sessions will be held once they have been approved.)

BEST VALUE MANAGEMENT SYSTEM 2004/05 Follow Up Due April 2006)

(P2)   Heads of Service should ensure that there are sufficient resources available to complete the statutory task of compiling BVPI's, to ensure deadlines for submission are met.
(Currently reviewing performance management system, including staff resources and partnering with other Local Authorities.)

DEVELOPMENT CONTROL AUDIT 2004/05 Follow Up Due September 2005

(P2)   The Development Control Officers ensure that all information is filed onto the relevant file immediately when it is received. If the relevant Development Control Officer is not at work, then the filing should be carried out by another member of the Development Control staff.
(Reminder to be given to all Development Control Officers. The Admin Support Assistant will carry out the filing if the Development Control Officers are not in work.)

(P2)   Whenever an amendment is received which affects the description of the proposal that the Admin Support Officer is informed immediately so that the computer system can be updated to reflect the correct description.

(P1)   All stocks of Controlled Stationery, i.e. Daily Cash Collection Sheets and Receipts are kept in a locked cupboard with access restricted to only authorised personnel.
(The completed Daily Cash Collection Sheets will be kept in the Regeneration cupboard which is locked and access restricted and the receipts will be kept in the Admin Support Assistant's locked drawer.)

(P1)   The Admin Support Assistant no longer leaves the keys to her drawer in the lock. She should keep them on her person at all times and hand them to another authorised member of staff whenever she is absent from work.
(IMPLEMENTED)

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

(P1)   The spare key to the Admin Support Assistants desk and to the secure cabinet which stores the controlled stationery should be held securely. These should be accessible to other authorised employees who may need access to them in the absence of the Admin Support Assistant.
(Spare keys held by Admin Support Officer.)

(P1)   The board and the receipts which are in use should be held in a secure cabinet/drawer whenever it is not is use and should never be left unattended.
(To be kept in the Regeneration cupboard.)

(P1)   As soon as the Admin Support Assistant receives monies they are recorded on the Daily Cash Collection Sheet and locked in the tin in the drawer. They should not be opened and left to one side to all be written on at once and they should never be left unattended.
(IMPLEMENTED)

(P2)   Employees no longer accept monies from applicants in reception. All applicants seen in reception wishing to pay an application fee should be directed to the Cash Office to pay.
(IMPLEMENTED)

(P2)   More information is put on the Daily Cash Collection Sheet and the receipt which will be able to identify the specific application, for example, the address of the proposal.
(IMPLEMENTED)

(P2)   When the Cashiers input the payments into the Cash Receipting system that they include more detailed information to enable the payment to be traced back to the application, for example, receipt number, address of the proposal.
(Depending upon how many characters are available.)

(P2)   The Finance & Business Development Technical Officer carries out a reconciliation of the income received in Development Control to the amount on FMS. In the interim period until the new computer system is implemented the Finance & Business Development Technical Officer will check the receipt numbers are sequentially numbered and will investigate any discrepancies.

(P2)   More information is detailed on the refund so that the cheque is raised with a full explanation. This is particularly important for refunds which are sent to the applicant's agents or to applicants who have multiple applications.

(P2)   Whenever an application is withdrawn and a full refund given that details of the application are recorded prior to it being returned.

(P2)   Whenever a partial refund is given that a file note is made as to the reason for the refund.

(P2)   A letter is always sent to either the applicant or the agent advising them of the refund to be sent and the reason for it.

(P1)   All employees are made aware of the Councils Contract Standing Orders and Financial Regulations, especially those who are dealing with the department's income.

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

PFI PAYMENTS 2005/06 (Follow Up Due December 2005)

(P2)   If DWP and Copeland Homes make any late payments in the future that penalty charges are calculated and imposed as per the conditions of the contract

Ref: S:\2005\Committees\ASG xx 08 05\ASG xx 08 05 Audit Services Monitoring Report 1st Quarter Appendix A Key Findings.doc