

Issue No. / Priority	Audit Letter Ref.	Issues	Action Agreed	Responsible Officer	Target Date
1/H	page 9	Performance The speed and accuracy of processing new benefit claims were in the worst quartile in 2004/05.	To deliver benefit recovery action plan to achieve BFI standards	Karen Corby	Mar 07
2/H	page 9	Performance against the planning quality of service checklist is in the worst quartile in 2004/05.	Review of staffing in report to executive June 2006, addressing recruitment and retention issues. The process improvement team is agreeing changes with Development Control	Mike Tichford	Sept 06
3/H	page 9	Percentage of new homes built on previously developed land is in the worst quartile 2004/05.	Interim Policy has been produced to tackle the issues and is strengthened in the local plan to be adopted in July 06. Nothing to be done about the consents already granted but still to be built	Mike Tichford	Implemented
4/H	page 9	The processing of major and minor planning applications failed to meet national standards, but only by a small degree in 2004/05.	As above	Mike Tichford	Sept 06

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5/L	page 9	Performance against the environmental health best practice checklist (BV 166) is in the worst quartile.	1.Report to Executive on amended Environmental Services Enforcement Policy - this will increase performance to 63.75% 2.Review & amendment as of service specific enforcement policies. Food safety/health & safety enforcement policies are being reviewed on a Cumbria wide basis - this will increase performance to 65% 3.Establishment of pollution control and licensing procedures. Liaison with Economic regeneration on position of Housing Standards procedures - this will increase performance to 70% 4.Re introduction of customer satisfaction surveys - this will increase performance to 80%	Vic Emmerson Jackie O'Reilly Vic Emmerson & Environmental Protection Team Leader (<i>currently vacant</i>) Vic Emmerson	May 2006 July 2006 October 2006 July 2006
6/H	para.22	Staff absence rates remain high (worst quartile) and continue to have an impact on the capacity of the organisation.	Corporate team are leading on a package of measures to ensure that sickness absence is being managed appropriately. This will include new processes to record, report and review incidences of sickness	Hilary Mitchell	

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7	para.32	<p>Safer Communities, the impact of drug use – follow up Agencies and their partnerships still do not have a picture of need in the county to which they can effectively target efforts and resources to address the weaknesses in equality of access to services.</p>	<p>This is an issue of leadership in Cumbria in addressing the issue and getting it into the DAAT work plan, not a direct responsibility of District Councils and little ability to enforce. CDRP drugs and Alcohol Group reviewed and new action</p>	<p>Mike Tichford</p>	<p>Implemented from a district perspective</p>
8/M	para.33	<p>Waste Management – follow up The amount of municipal waste generated had continued to increase within the district and the county overall (to the highest level for any English county area).</p>	<p>a) Copeland will continue to play its part in the County Waste Partnership. b) A further 2,000 properties will be added to the alternate week collection system. c) A trial black sack reduction exercise will be implemented in the summer of 2006 and rolled out if successful. d) Trade premises will be checked to ensure their waste is not entering the household waste stream. Copeland experienced a 0.6% fall in waste generated in 05/06 vs 04/05</p>	<p>Keith Parker Janice Carrol, Waste Services Manager</p>	<p>a) Ongoing b) End June 06 c) End September 06 d) throughout the year</p>
9/M	para.33	<p>A framework for a waste strategy had been agreed by most parties but this was not underpinned by clear, resourced plans.</p>	<p>Copeland will continue to play its part in the County Waste Partnership</p>	<p>Keith Parker Janice Carrol</p>	<p>In accordance with the Partnership's deadlines</p>

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10/M	para.33	The high levels of waste generated were not being addressed vigorously to minimise the risk of fines for exceeding the landfill allocation.	See above plus, Copeland exceeded its statutory recycling and composting target for 05/06 by 10 percentage points at 28% and is in upper quartile for waste composted.	As above	As above
11/H	para.35	Performance Indicators The Council needs to further strengthen its own internal quality assurance procedures to ensure that the published performance data and the information it uses to manage services is reliable.	Quality checks are built into the timetable for the production of annual performance indicators. Further training has been undertaken by staff compiling indicators. Internal audit will build more time into routine systems audits to review the collection of performance data. [Audit Plan 06/07]	Hannah Kozich Performance Improvement Manager M Robinson Audit & Fraud Prevention Manager	Implemented 15/05/06
12/H	page 12 para.52	Corporate Governance – follow up Significant improvements had been made but not all the recommendations agreed had been implemented. Members need to ensure that strengthening corporate governance arrangements within the Council continues to be given sufficient priority. The Council need to implement audit recommendations in a timely manner.	The corporate performance monitoring system has been modified to include quarterly follow up of outstanding audit recommendations. Outstanding audit recommendations are reported on a quarterly basis to the Audit Committee.	Corporate Team and Management Group M Robinson Audit & Fraud Prevention Manager	With effect from 1 April 2006 Quarterly

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13/H	para.38	Final Accounts 2004/05 audit There were many aspects of the working papers that demonstrated good practice in 2004/05. However, there were also instances where time pressure had reduced the Council's ability to undertake an internal review of the completeness of working papers and financial statements before they were submitted for audit.	External Audit has agreed to work with the Finance Department to clarify how further improvements can be made to the accounts close down process to ensure that earlier deadlines can be met while still leaving time for robust internal quality review procedures.	C Nicholson Accountancy Services Manager	
14/H	para.44	General Fund spending and balances Balances appear adequate. Members will need to have regard to the level of balances in the light of future commitments and development requirements.	Head of Finance 7 Business Development will consider as part of the Budget process and consult with Budget Working Party and include in financial statements as presented to Audit Committee	S Borwick Head of Finance & Business development	Continuous – first formal consideration Sept 06
15/M	para.45	The Council has a medium-term financial strategy (MTFS) but this now needs to be further developed to incorporate clear links with all other strategies and plans that the Council has in place to ensure the longer-term affordability of corporate priorities.	Existing documents to be consolidated and built into planning process	S Borwick Head of Finance & Business development	Combined document by Sept 06
16/H	para.47	Housing Revenue Account The Council transferred its housing stock on 7 June 2004 to Copeland Homes. The Council entered into a VAT sharing agreement with Copeland Homes. The Council needs to ensure that, should there be any changes to the VAT or accounting regulations, that these arrangements remain compliant.	Current agreement in place. To be monitored if legislation changes	S Borwick Head of Finance & Business development	Ongoing

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17/H	para.49	<p>Capital Programme The Council recognise the need to update the capital strategy produced in 2003 and work is in progress. This means that the Medium Term Financial Strategy (MTFS) and the capital strategy are currently slightly out of step and the new capital strategy needs to be aligned to the overall MTFS.</p>	<p>Capital Strategy to be updated and combined with MTFP. Currently out for consultation and part of OSC P&R work Plan</p>	<p>Chris Lloyd Business Development manager – Capital Strategy</p> <p>S Borwick Head of Finance & Business Development - MTFP</p>	<p>Sept 06</p>
18/H	para.50	<p>Systems of internal financial control The Audit Commission Interim Audit Report during the year identified specific weaknesses in internal controls operating within the main accounting system, in particular the need for control account reconciliations to be completed on a timely basis and for procedure notes for some key financial systems to be updated.</p>	<p>Outstanding recommendations monitored as part of corporate performance monitoring and reported to the Audit Committee quarterly.</p>	<p>Corporate Team</p> <p>M Robinson Audit & Fraud Prevention Manager</p>	<p>Quarterly</p>
19/H	para.54	<p>Legality of transactions Following the recent reorganisation, the Council has had to make various severance arrangements. These are often complex and technical in nature and, while these appear compliant with the powers of the Council, it is important to ensure that members and officers continue to take advice as considered necessary to ensure that these decisions cannot subsequently be open to successful challenge on financial or legal grounds.</p>	<p>Monitoring Officer to be contacted to consider proposed severance arrangements prior to any decision being made</p>	<p>Martin Jepson</p>	<p>As required</p>

**ANNUAL AUDIT AND INSPECTION LETTER 2004/05 [March 2006]
ACTION PLAN**

AUDIT 31 05 06 Appendix A

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20/M	para.59	<p>Use of resources judgements Areas for improvement include:-</p> <ul style="list-style-type: none"> • updating the MTFs to provide clear links with the Council's other strategies and plans and demonstrate the continued affordability of corporate priorities 	To be integrated in combined Document and planning process	S Borwick Head of Finance & Business development	Sept 06
21/M	para.59	<ul style="list-style-type: none"> • specifically include responsibility for risk management within a Council Committee terms of reference 	Risk Management Strategy has identified the relevant committee and monitoring process	S Borwick Head of Finance & Business development	Implemented
22/H	para.59	<ul style="list-style-type: none"> • ensure the accounts presented for audit are free from material errors or misstatement and comply with all disclosure requirements 	Quality assurance process in place	S Borwick Head of Finance & Business development	For 2005/06 final accounts
23/H	para.59	<ul style="list-style-type: none"> • procedure notes are introduced for all business critical systems 	<p>Payroll – notes to eb comeptled</p> <p>Revenues - Full system notes available. Desk aids provided for benefit processing staff. Review requirements when section at steady state.</p>	<p>Nicky Scott</p> <p>Karen Corby</p>	<p>August 06</p> <p>Mar 07</p>

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24/M	para.59	<ul style="list-style-type: none"> Introduction of controls to monitor aggregate spend with suppliers to ensure compliance with tendering requirements. 	Current systems to not easily report on this area. Work to be considered as to how this can be undertaken. In the meantime Internal audit will monitor as part of creditors audit where possible	S Borwick Head of Finance & Business development Marilyn Robinson Audit & Fraud prevention manager	System to be in place by Sept 06

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