

**AUDIT & GOVERNANCE COMMITTEE 30 January 2014 Item 10**  
**AUDIT MONITORING REPORT: Apr - Dec 2013**

**LEAD OFFICER:** Darienne Law,  
Head of Corporate Resources (and S.151 Officer)

**AUTHOR:** Peter Usher, Audit Manager

**1.0 INTERNAL AUDIT WORK COMPLETED IN PERIOD NOV - DEC 2013**

**1.1** This report summarises findings from 2 final reports issued in November and December 2013. The previous progress report summarised final reports issued up to the end of October 2013.

**2013/14 - final reports issued in period**

- Main accounting system
- Petty cash

**1.2 Assurance on System Controls**

The overall evaluation of the system controls is set out below together with a summary of audit conclusions and any key recommendations. Key recommendations (Priority 1 and 2) and proposed management actions are shown beneath the relevant audit.

**1.2.1 Main Accounting System**

***Substantial assurance***

This audit reviewed the Council's main accounting system (TOTAL Financial Management System) and concluded that this continues to be well controlled and operates well.

Reconciliations by Financial Services of data from the external feeder systems are completed on a monthly basis and the majority were up to date as at September 2013. MIS Headway transactions for Building Control are an automated interface having minimal manual intervention. There have been staff changes within the Building Control department with the retirement of the Admin Support Officer and so at the date of the audit reconciliations between the two systems needed to be brought up to date.

Bank reconciliations are completed on a regular and timely basis and checked by a Senior Accounting Officer. The suspense accounts are also regularly reviewed and were all cleared and netted to zero. Daily checks of the interfaces are being performed to ensure that data is correctly uploaded to the TOTAL system. The Trial Balance was checked and nets to zero.

Journal files are held centrally by journal type within the Financial Services office. Each journal type has written procedures held on the file along with a journal number allocation sheet. Independent checks and authorisation of journals over £30,000 were being carried out and these were appropriately supported.

A review of user access rights for TOTAL was undertaken as part of testing to ensure they were appropriate and that any authorisation limits were in line with the Authorised Signatures list. From a sample of user accounts reviewed only 1 user account required a minor amendment due to the member of staff changing departments and job roles. Data security and back up procedures were also found to be adequate.

**Recommendations**

**No recommendations were made.**

**1.2.2 Petty Cash**

***Partial assurance***

At the time of the audit there were 15 accounts in operation in various locations throughout the Council, 9 of which were held in the Copeland Centre. This review concluded that there was scope to rationalise the number of accounts to improve efficiency and also improve overall control over petty cash.

Procedures in place are out of date and a number of staff were unaware of any procedures or where to find a copy if they needed to refer to them. The control environment could be strengthened by:

- Updating Procedures to reflect current practices and Financial Regulations;
- Ensure accounts are operated by authorised members of staff that have been included on the authorised signature list held in Finance;
- Year-end certificates should be signed by both the Head of Service and an approved member of staff as detailed on the authorisation permissions form.

Petty cash had been used to reclaim fuel, car parking or subsistence and these types of cost should be reclaimed via the MCal expenses system and be paid via payroll.

**Recommendations**

**Consideration should be given to reducing the amount of Petty Cash Accounts held within the Council by closing accounts that have not been used in the previous 3 months.**

*Head of Corporate Resources to propose reduction in petty cash accounts to CLT (by end of March 2014).*

**Procedures need to be updated to reflect current practices and Financial Regulations. Once updated, the procedures should be circulated to the appropriate staff and made available on the intranet for future reference.**

*Procedures will be updated and circulated to appropriate staff and made available on the Intranet for future reference (by end Feb 2014).*

**Staff listed as responsible for petty cash should be included on the authorised signature list held in Finance.**

*Responsible Staff to be included on the authorised signature list (by end Feb 2014).*

**Expenses incurred for fuel, car parking or subsistence should be claimed via the MCal system.**

*Reminder will be issued to Heads of Service by Finance (by end Feb 2014).*

**Departments Heads should ensure all staff operating petty cash accounts are fully aware of the procedures and use the appropriate paperwork as detailed within the Financial Regulations.**

*Reminder will be issued to Heads of Service by Finance (by end Feb 2014).*

**Access to petty cash accounts should be restricted to those authorised and included on authorised signature list.**

*To be incorporated into revised procedures and circulated to appropriate staff and made available on the Intranet for future reference (by end Feb 2014).*

**Year-end certificates should be signed by both the Head of Service and an approved member of staff as detailed on the authorisation permissions form.**

*To be incorporated into revised procedures and circulated to appropriate staff and made available on the Intranet for future reference (by end Feb 2014).*

### **1.3 Overdue actions arising from audit reports**

**1.3.1** Priority 1 and 2 recommendations still outstanding, with a target date for completion by 31 December 2013, are set out at **Appendix A**. These include recommendations made by both internal and external audit. There are **42** overdue recommendations overall which is an increase from 28 at the last report date.

**1.3.2** There are 6 overdue Priority 1 recommendations which comprise 3 brought forward and 3 new recommendations which are now overdue. These all derive from external audit recommendations. Significant progress has been made in implementing a number of these (see managers comments at Appendix A).

#### ***Fixed Assets***

- BROUGHT FORWARD Ensure the implementation of the new asset register is well planned and resourced and that Internal Audit is used to provide assurance that the data has been transferred accurately (Audit Commission Annual Governance Report 2011/12) – **99% complete**.
- NEW Ensure that annual review of non-current assets identifies all assets that require revaluation taking into account the 5 year rolling cycle, indications of

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impairment and any other factors which may impact on the asset's fair value  
– **90% complete.**

- NEW Develop more frequent consultation between the Valuer and the Quantity Surveyor in the valuation process and in ascribing values and useful lives to building components. Ensure Finance staff are involved in discussions so as to challenge assumptions.

**Benefits**

- BROUGHT FORWARD Improve the accuracy of the benefit assessors to minimize the under or overpayment of benefit – **80% complete.** Training on complex areas of benefits assessment has been arranged for benefits assessment staff.
- BROUGHT FORWARD Review the listings of errors identified in external audit's work on the 2011/12 benefit claim. Identify any pattern of errors and provide training to individual assessors or on specific areas of the assessment – **50% complete.**

**Performance Indicators**

- NEW For Corporate PI's managers should complete the proforma provided and return a signed copy to Policy & Performance. The pro-forma should include a description of the indicator; how it will be calculated; and what the target and baseline is.

**1.3.3** There are **36** Priority 2 overdue recommendations (were 25 at end August)

**2.0 INTERNAL AUDIT PERFORMANCE AGAINST AUDIT PLAN**

**2.1** Internal Audit performance is set out at Appendix B.

**3.0 CONCLUSION AND RECOMMENDATION**

**3.1** It is recommended that Members note this report.

**List of Appendices:** Appendix A – Outstanding Key recommendations due by 31 Dec 2013  
Appendix B – Performance Indicators

**Background papers:** None

**Consultees:** Corporate Leadership Team

## Audit Recommendations - Overdue

**Report Type:** Actions Report





**Report Author:** Audit Manager

**Generated on:** 23 January 2014





| <b>SUMMARY OF OVERDUE RECOMMENDATIONS</b>           |                   |                   |
|---|-------------------|-------------------|
|   | <b>Priority 1</b> | <b>Priority 2</b> |
| <b>Total Overdue Recommendations as at 13/09/13</b> | <b>3</b>          | <b>25</b>         |
| "New" Recommendations due in the period             | 4                 | 31                |
| <b>TOTAL RECOMMENDATIONS TO BE IMPLEMENTED</b>      | <b>7</b>          | <b>56</b>         |
|   |                   |                   |
| IMPLEMENTED FROM LAST AUDIT REPORT                  |                   | 4                 |
| "NEW" BUT IMPLEMENTED BY PERIOD END                 | 1                 | 15                |
| <b>Total implemented in the Period</b>              | <b>1</b>          | <b>19</b>         |
| CANCELLED SINCE LAST AUDIT REPORT                   |                   | 1                 |
|   |                   |                   |
| OUTSTANDING FROM LAST AUDIT REPORT                  | 3                 | 21                |
| OVERDUE ADDED THIS PERIOD                           | 3                 | 15                |
| <b>Total Overdue Recommendations as at 23/01/14</b> | <b>6</b>          | <b>36</b>         |

**Code & Title** AR-AC Audit Commission/Grant Thornton


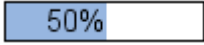
| Status Icon   | Action Code & Title  | Priority | Managed By                  | Progress Bar  | Due Date    | Description                       | All Notes   |
|---|--|----------|-----------------------------|---|-------------|-----------------------------------|---|
|    | AR-AC_019 Review the current status of benefits debtors greater than 3 years old. Where a repayment plan is not in place, or the debt is not being actively pursued, consideration should be given to their write off. | 2        | Head of Corporate Resources |    | 31-Mar-2012 | Annual Governance Report 2010/11. | 30-Apr-2012 Impact on the level of bad debts provision to be considered as part of the budget process. Input will be required from all departments.   |
|  | AR-AC_022 Ensure the implementation of the new asset register is well planned and resourced and that Internal Audit is used to provide assurance that the data has been transferred accurately.                        | 1        | Head of Corporate Resources |  | 31-Dec-2012 | Annual Governance Report 2011/12  | <p>09-Sep-2013 Just waiting to confirm agreed componentised asset balances with Grant Thornton.</p> <p>16-Jan-2013 Following time spent with Consilium it became apparent that the Total system was not suitable as it was not able to upload balances to the Revaluation Reserve. The system had to calculate these balances meaning all asset valuations had to be redone since the introduction of the</p> |

| Status Icon | Action Code & Title | Priority | Managed By | Progress Bar | Due Date | Description | All Notes  |
|-------------|---------------------|----------|------------|--------------|----------|-------------|--|
|             |                     |          |            |              |          |             | <p>Revaluation Reserve. We have followed up with the second identified provider, Real Asset Management. The preferred solution would be for an externally hosted service independent of the Total system. Additional costs have been identified and funding is being allocated. The project is ready to begin and will be implemented by end of March 2013.</p> <p>13-Sep-2012 It is currently anticipated that we will be implementing the Total Asset Register System (the same supplier as the Council's Finance system). A lot of work has been carried out on our asset records internally so we are in a good position to move forward but final confirmation that the Total System and the provider, Consilium, is fit for purpose,</p> |





| Status Icon   | Action Code & Title  | Priority | Managed By   | Progress Bar  | Due Date    | Description                       | All Notes   |
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|   |  |          |  |   |             |                                   | needs to be obtained. A second provider has been identified. Achievement of the timetable is highly dependent on whether we stay with the current provider. The exact process for data input is still to be confirmed, manual input or upload. The current spreadsheet system may need to be maintained for a period of time yet to be determined which may have a resource implication. Internal Audit will assist in the data assurance work. |
|  | AR-AC_034 Improve the accuracy of the work of benefit assessors to minimise the under or overpayment of benefit. | 1        | Revenues & Benefits Shared Services Manager;<br>Shared Services Benefits Manager;<br>Shared Services Performance Manager |  | 31-Aug-2013 | Certification work report 2011/12 | 11-Sep-2013 The treatment of income (including earnings) has been arranged for Benefits assessment staff over two sessions: 13th November 2013 at Whitehaven and 19th November 2013 at Carlisle. A refresher training course on effective dates has also been organised and   |




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|             |                     |          |            |              |          |             | <p>confirmed for Benefits assessment staff over two sessions:<br/> 4th December 2013 at Workington and 12th December 2013 at Carlisle. Both sets of training are mandatory for shared services assessment staff and will be provided by Gordon Riddell of Capita Training. Previous attempts to arrange these training sessions failed due to the original trainer having to attend a funeral and then having childcare problems that meant all existing arrangements had to be cancelled. Confident the current training will go ahead.</p> <p>05-Sep-2013 Subsidy for Assessors Training carried out over 3 days (20th to 22nd August 2013 by Linda Davies - Managing director of LA Directories Ltd).</p> |




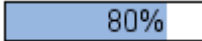
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|   |  |          |  |   |             |                                   | <p>Mandatory for all Benefits Assessment Officers.</p> <p>01-Aug-2013 Draft Training Strategy Document for submission to Operational Board restating commitment to training &amp; improvement. Mandatory subsidy training arranged for assessors (27th &amp; 28th February 2013). Training on treatment of income including earnings and effective dates. Expected May 2013 but date to be confirmed. Data cleansing work currently undertaken and ongoing to pick up non-standard rates.</p> |
|  | AR-AC_035 Review the listing of errors identified in external audit's work on the 2011/12 benefit claim. Identify any pattern of errors and provide training to individual assessors or on specific areas of the assessment. | 1        | Revenues & Benefits Shared Services Manager;<br>Shared Services Benefits Manager;<br>Shared Services Performance Manager |  | 31-Aug-2013 | Certification work report 2011/12 | 04-Sep-2013 In addition to the above training plan and data cleansing, we have carried out an intensive check on Non HRA claims testing for scheme types, start and end dates and eligible rent figure. Results were summarised and   |


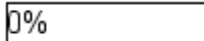

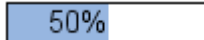


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|             |                     |          |            |              |          |             | <p>recommendations made to Benefits Manager and Team Leaders to ensure there is sufficient control and internal procedural guidance in place for Non HRA claims.</p> <p>The arranged training will raise awareness for the impact on subsidy.</p> <p>Treatment of income and effective dates will cover the errors found already and should improve accuracy.</p> <p>A full review of individual assessor error is still to be completed. The results of the external audit work will be reviewed by Benefits Team Leaders and compared to the individual error results as reported within the Quality Assurance Module which is now in operation across the shared service.</p> <p>Timescale end of March 2013.</p> <p>An advert for 1 x Quality</p> |


| Status Icon   | Action Code & Title   | Priority | Managed By   | Progress Bar  | Due Date    | Description   | All Notes  |
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|   |   |          |  |   |             |   | Assurance and 0.5 x Senior Quality Officer vacant positions is imminent. This will give us the extra resources needed to continue to monitor and review individual accuracy levels.  |
|    | AR-AC_037 Ensure that annual review of non-current assets identifies all assets that require revaluation taking into account the five year rolling cycle, indications of impairment and any other factors which may impact on the asset's fair value. | 1        | Financial Reporting and Technical Accountant; Estates & Valuations Manager |    | 31-Oct-2013 | Grant Thornton Audit Findings Report September 2013 | <p>13-Jan-2014 valuation programme has already been discussed, agreed and being actioned. There only remains to be a final review at year end to assess any changes to expected position.</p> <p>23-Sep-2013 Agreed - the agreed methodology for componentisation valuation and condition surveys requires closer and more frequent consultation. This is already in place with a joint programme being devised.</p> |
|  | AR-AC_039 Develop more frequent consultation between the Valuer and   | 1        | Financial Reporting and Technical  |  | 31-Oct-2013 | Grant Thornton Audit Findings Report September      | 23-Sep-2013 Agreed - the agreed methodology for componentisation valuation   |

| Status Icon   | Action Code & Title   | Priority | Managed By                                   | Progress Bar                    | Due Date    | Description   | All Notes   |
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|   | Quantity Surveyor in the valuation process and in ascribing values and useful lives to building components. Ensure finance staff are involved in discussions so as to challenge assumptions |          | Accountant; Estates & Valuations Manager     |                                 |             | 2013  | and condition surveys requires closer and more frequent consultation. This is already in train with a joint programme being devised.              |
|  | AR-AC_044 Provide a clear commentary where there are large movements between, the projected revenue outturn at quarter three and the actual outturn position for the year.                  | 2        | Financial Management and Treasury Accountant | <input type="text" value="0%"/> | 31-Dec-2013 | Grant Thornton Audit Findings Report September 2013 | 08-Oct-2013 will be completed at year end out turn report<br>23-Sep-2013 Agreed - new monitoring report devised which satisfies this requirement. |

**Code & Title AR-CS Customer Services**


| Status Icon   | Action Code & Title  | Priority | Managed By                          | Progress Bar  | Due Date    | Description            | All Notes   |
|---|--|----------|-------------------------------------|---|-------------|------------------------|---|
|    | AR-CS_128 That the current refund process is reviewed to ensure that a clear audit trail is established to show that the refunds have been appropriately authorised prior to payment and that there is a separation of duties throughout this process. | 2        | Shared Services Revenues Manager    |    | 30-Apr-2013 | Council Tax 2011/12    | <p>11-Sep-2013 Still awaiting fix for software bug.</p> <p>06-Feb-2013 Original due date 31 Jan 2012. Had shown as completed by 03 April 2012. However, no audit trail in place during 2012/13 audit and so the recommendation has been amended as outstanding with a new agreed target date of 30 April 2013.</p> <p>03-Apr-2012 Review complete – separation of duties and authorisation satisfactory subject to fix of above software bug.</p> |
|  | AR-CS_133 The Sundry Debtor Handbook needs to be updated to reflect changes to the Council Structure.  | 2        | Revenues & Benefits(TC) Team Leader |  | 31-May-2012 | Sundry Debtors 2011/12 | <p>05-Apr-2013 Awaiting details from Finance re the Nominated Debt Officers for each Department.</p> <p>16-Jan-2013 will contact Finance Section for update on Departments still raising</p>  |


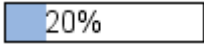
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|   |   |          |                                     |   |             |                               | <p>invoices and names of Nominated Debt Officers for each Department</p> <p>13-Jul-2012 will make a start on this ASAP</p>  |
|    | AR-CS_145 That, in line with NNDR recommendation AR-CS_124, consideration should be given to amending the Scheme of Delegation to formalise the current process of bankrupt customers being written off by the Revenues Team Leader prior to formal approval. | 2        | Financial Services Manager          |    | 30-Jun-2013 | Council Tax 2012/13           | <p>10-Oct-2013 Taking review of Fin Regs to December Council</p> <p>06-Feb-2013 Aim to have the Scheme of Delegations updated by June 2013 Council meeting at the latest.</p> |
|   | AR-CS_147 Academy report CT6600a Outstanding Inspections should be checked and completed inspections updated on the Council Tax system to correct the report for future.  | 2        | Shared Services Revenues Manager    |   | 30-Apr-2013 | Council Tax 2012/13           | 11-Sep-2013 ct6600 report has been saved and is currently being worked on.  |
|  | AR-CS_150 Invoices that are categorised "further action to be decided" for a set period (e.g. 3 months), should be referred to the agent for  | 2        | Revenues & Benefits(TC) Team Leader |  | 31-Jul-2013 | Debt Management Audit 2012/13 | 11-Jun-2013 Sundry Debtor Handbook will need to be updated to reflect this.   |

| Status Icon   | Action Code & Title   | Priority | Managed By                          | Progress Bar                    | Due Date    | Description                   | All Notes   |
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|   | collection.   |          |                                     |                                 |             |                               |   |
|  | AR-CS_151 Invoices that have been "in dispute" for a set period (e.g. 3 months), should be referred to a Senior Manager/ Chief Finance Officer to either propose write-off or continue to pursue. | 2        | Revenues & Benefits(TC) Team Leader | <input type="text" value="0%"/> | 31-Jul-2013 | Debt Management Audit 2012/13 | 11-Jun-2013 Sundry Debtor Handbook will need to be updated to reflect this. |




**Code & Title** AR-DO Operations




| Status Icon   | Action Code & Title   | Priority | Managed By  | Progress Bar                    | Due Date    | Description              | All Notes  |
|---|---|----------|---|---------------------------------|-------------|--------------------------|--|
|  | AR-DO_038 The Strategic Asset Management Strategy should incorporate a strategy on assets such as plant and equipment, given their value. | 2        | Head of Corporate Resources; Head of Neighbourhoods | <input type="text" value="0%"/> | 31-Oct-2011 | Asset Management 2011/12 | <p>12-Sep-2013 Amended the managed by responsibility from Head of Corporate resources to the head of Neighbourhoods. Head of Corporate Resources to liaise with Head of Neighbourhoods.</p> <p>02-Oct-2012 New Target Date set for the end of Dec 12. A new asset register as provided by Consilium will be assessed for the appropriateness of their system and then all assets will need to be added.</p> <p>02-Oct-2012 Amended the Managed By responsibility from the Director of Resources and Transformation to the Head of Corporate Resources from 02/10/12.</p> |


| Status Icon   | Action Code & Title  | Priority | Managed By  | Progress Bar  | Due Date    | Description                                | All Notes  |
|---|--|----------|---|---|-------------|--|--|
|  | AR-DO_042 A central register of external contracts, undertaken by the Council, is established to provide a picture of its obligations (with due regard to commercially sensitive information). The register should be reviewed annually by CLT and available to Members. | 2        | Head of Corporate Resources; Head of Neighbourhoods |  | 31-Dec-2012 | Landscape Management and Contracts 2011/12 | <p>12-Sep-2013 Head of Corporate Resources has commissioned this work with Procurement, Work in Progress.</p> <p>21-May-2012 Will be incorporated into the current review of the Constitution.</p> |

**Code & Title** AR-F&MIS Finance & Management Information


| Status Icon   | Action Code & Title  | Priority | Managed By                                   | Progress Bar  | Due Date    | Description                   | All Notes  |
|---|--|----------|--|---|-------------|-------------------------------|--|
|  | AR-F&MIS_293 The Draft Treasury Management manual needs to be completed (in particular for changes in job roles) and then approved by the Head of Corporate Resources. | 2        | Financial Management and Treasury Accountant | <div style="border: 1px solid black; width: 85px; height: 15px; background-color: #4F81BD; display: flex; align-items: center; justify-content: center;"><span style="margin-left: 5px;">85%</span></div> | 31-Mar-2012 | Loans and Investments 2011/12 | <p>08-Oct-2013 awaiting feedback from HoS</p> <p>12-Sep-2013 The bulk of the work on this project has now been completed, a quality review needs to take place prior to HoS approval estimated completion date October 2013.</p> <p>18-Jul-2013 once holidays are finished work will recommence on this project</p> <p>03-Apr-2013 Year end work has now commenced and the team's priority will be completion of out turn reports and the financial statements. once this has been complete, work will recommence to complete this task.</p> <p>16-Jan-2013 Financial Management and Treasury Accountant- Work has</p> |


| Status Icon | Action Code & Title | Priority | Managed By | Progress Bar | Due Date | Description | All Notes  |
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|             |                     |          |            |              |          |             | <p>progressed on this exercise, but the revenue and capital budget and TM strategy has now become the team's priority. Work will recommence when resources permit.</p> <p>18-Oct-2012 Amended wording of the recommendation to require approval by the Head of Corporate Resources instead of Corporate Director for Resources and Transformation.</p> <p>03-Oct-2012 All other outstanding works have now been completed. It is anticipated this work will be completed by 31 Dec 2012.</p> <p>04-Apr-2012 Work has commenced on this exercise and following further guidance from Sector will be progressed when resources permit - expected after year-end, work on the tender for Treasury</p> |

| Status Icon   | Action Code & Title   | Priority | Managed By                  | Progress Bar                    | Due Date    | Description                   | All Notes  |
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|   |   |          |                             |                                 |             |                               | Management, cash-flow and capital close down procedures are all completed.   |
|    | AR-F&MIS_314 A review of the Contract Register is carried out to ensure all the current and historical contracts are recorded and to ensure the data quality of the information.  | 2        | Contracts Officer           | <input type="text" value="0%"/> | 30-Jun-2013 | Creditors 2012/13             | 12-Sep-2013 Darienne to progress with Contracts Officer.   |
|    | AR-F&MIS_315 Responsibility for monitoring that aggregated orders do not exceed the tendering limit is appropriately assigned after the departure of the Interim Technical Accountant.  | 2        | Financial Services Manager  | <input type="text" value="0%"/> | 30-Apr-2013 | Creditors 2012/13             |  |
|  | AR-F&MIS_318 Managers take a proactive approach to outstanding invoice debt. If debts are uneconomical to pursue [under £50] and all options to collect the debt have been previously exhausted they should be put forward for write-off. | 2        | Head of Corporate Resources | <input type="text" value="0%"/> | 31-Jul-2013 | Debt Management Audit 2012/13 | 11-Jun-2013 D Law to write to all Managers reminding them that as part of budget monitoring any outstanding debts that are uneconomical to pursue should be put forward for write-off. |




| Status Icon   | Action Code & Title   | Priority | Managed By                 | Progress Bar  | Due Date    | Description                   | All Notes  |
|---|---|----------|----------------------------|---|-------------|-------------------------------|--|
|  | AR-F&MIS_321 S:151 Officer should consider Copeland's strategy/approach under proposed new legislation and the current level of debt at Copeland. | 2        | Financial Services Manager | <input data-bbox="1072 352 1274 392" type="text" value="0%"/> | 30-Sep-2013 | Debt Management Audit 2012/13 | 11-Jun-2013 Management Reports will be reviewed by D Law, A Brown, M Toner and E Turner. |




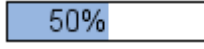

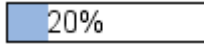
**Code & Title AR-LD Legal & Democratic**

| Status Icon   | Action Code & Title  | Priority | Managed By             | Progress Bar                    | Due Date    | Description       | All Notes   |
|---|--|----------|------------------------|---------------------------------|-------------|-------------------|---|
|  | AR-LD_032 Training is provided to the System Administrator to enable the effective administration of the LALPAC system, i.e. user accounts, user access rights, etc. | 2        | Legal Services Manager | <input type="text" value="0%"/> | 31-Dec-2011 | Licensing 2011/12 | <p>11-Oct-2013 Proposals to take over enhanced system with other Cumbrian authorities is not proceeding due to difficulties over price, contract, and data security. Additionally, Policy are reviewing existing software systems across the Council to try and consolidate and achieve better efficiencies. LALPAC classic continues to be used on a yearly contract pending longer term assessment of system.</p> <p>12-Sep-2013 LALPAC now taken over by IDOX. Scope of training not yet agreed by IDOX. IDOX Business Development Manager visiting Council 31/01/13. Discussions continuing re enhanced system in conjunction with other Cumbria authorities.</p> |

| Status Icon   | Action Code & Title   | Priority | Managed By                  | Progress Bar                    | Due Date    | Description                 | All Notes   |
|---|---|----------|-----------------------------|---------------------------------|-------------|-----------------------------|---|
|   |   |          |                             |                                 |             |                             | <p>This recommendation relates to administration of the system rather than day to day operational functions which are running satisfactorily.</p> <p>05-Apr-2012<br/>05/04/12: Cost resolved. LALPAC are being requested to provide the training in-house to system administrators within the next 3 months. Scope of training to be mapped out and agreed with LALPAC beforehand.</p> <p>26-Aug-2011 Budget constraints could be the deciding factor but other avenues will be investigated.</p> |
|  | AR-LD_041 The Members' Allowances Scheme Travel and Subsistence allowance should be amended to allow for an allowance for travel by bicycle or other non- | 2        | Democratic Services Manager | <input type="text" value="0%"/> | 31-Mar-2012 | Members' Allowances 2011/12 | <p>09-Sep-2013 The next review is in 2015. Action will be completed at that time.</p> <p>16-Jan-2013 Will be incorporated into next review of Members'</p>  |




| Status Icon   | Action Code & Title  | Priority | Managed By                  | Progress Bar                    | Due Date    | Description                 | All Notes   |
|---|--|----------|-----------------------------|---------------------------------|-------------|-----------------------------|---|
|   | motorised form of transport, as per The Local Authorities (Members' Allowances) (England) Regulations 2003.  |          |                             |                                 |             |                             | Allowances<br>13-Jul-2012 Due for implementation by 31/3/2013   |
|    | AR-LD_042 The Members' Allowances Scheme paragraph 8.1 Claims and Payments should be revised to also include claims for the Dependants' Carers' Allowance, as per The Local Authorities (Members' Allowances) (England) Regulations 2003 – Claims and Payments 14.(1). | 2        | Democratic Services Manager | <input type="text" value="0%"/> | 31-Oct-2013 | Members' Allowances 2011/12 | 04-Sep-2013 During the Members' Allowances and Expenses 2013/14 Audit it was found that this recommendation had not been implemented. A new target of 31/10/13 has been agreed. |
|  | AR-LD_043 The rate of Dependants' Carers' Allowance should be increased to 100% in line with the Independent Remuneration Panel's recommendation in the interim review of Members' Allowances, March 2006.   | 2        | Democratic Services Manager | <input type="text" value="0%"/> | 31-Oct-2013 | Members' Allowances 2011/12 | 04-Sep-2013 During the Members' Allowances and Expenses 2013/14 Audit it was found that this recommendation had not been implemented. A new target of 31/10/13 has been agreed. |
|  | AR-LD_044 The Mayor's and Deputy Mayor's allowances should be included in the  | 2        | Democratic Services Manager | <input type="text" value="0%"/> | 31-Oct-2013 | Members' Allowances 2011/12 | 04-Sep-2013 During the Members' Allowances and Expenses 2013/14 Audit it  |



| Status Icon   | Action Code & Title  | Priority | Managed By                  | Progress Bar  | Due Date    | Description                                   | All Notes   |
|---|--|----------|-----------------------------|---|-------------|---|---|
|   | Members' Allowances Scheme as per the recommendation of the Independent Remuneration Panel's review of Members' allowances 2008-09.  |          |                             |   |             |   | was found that this recommendation had not been implemented. A new target of 31/10/13 has been agreed.  |
|    | AR-LD_047 A reminder is issued to Managers that, if a meeting they organise is to be subject to claims for travel and subsistence by Members, then a record of attendance should be taken and passed to Member Services.                     | 2        | Democratic Services Manager |    | 31-Oct-2013 | Members' Allowances 2011/12                   | 04-Sep-2013 During the Members' Allowances and Expenses 2013/14 Audit it was found that this recommendation had not been implemented. A new target of 31/10/13 has been agreed.   |
|  | AR-LD_048 Member Services should ensure there are written agreements between Copeland and outside bodies on payment of Members travel and subsistence claims, and this should include an exchange of information on the annual amounts paid. | 2        | Democratic Services Manager |  | 31-Mar-2012 | Members' Allowances 2011/12                   | <p>12-Sep-2013 Only a small number of outside bodies and members involved.</p> <p>09-Sep-2013 To be completed by December 2013.</p> <p>13-Jul-2012 To be in place December 2012</p> <p>05-Apr-2012 To be in place by October 2012</p> |
|  | AR-LD_050 Legal Services should review the Bribery Act legislation and determine its   | 2        | Legal Services Manager      |  | 31-Dec-2011 | Register of Gifts/Hospitality & Disclosure of | 11-Oct-2013 As 13/14.LEG.06. Work on policies ongoing with  |



| Status Icon | Action Code & Title  | Priority | Managed By | Progress Bar | Due Date | Description       | All Notes   |
|-------------|--|----------|------------|--------------|----------|-------------------|---|
|             | application to the Council, and the extent to which adequate procedures are in place to mitigate the risk of prosecution. This might include amendment to existing codes of conduct. |          |            |              |          | Interests 2011/12 | <p>further officer meeting scheduled for 16/10/13. Likely completion date 30/11/13.</p> <hr/> <p>12-Sep-2013 The Bribery Act Legislation will be incorporated into a revised Counter Fraud Policy for consideration by the Audit &amp; Governance Committee 07/11/13. Following this it will be presented to the Executive and Full Council.</p> <hr/> <p>08-Apr-2013 Several measures already exist to prevent bribery – financial regulations, code of conducts, vetting of staff as part of recruitment, transparency in publishing transactions over £500, contract procedure rules, etc. A risk assessment reviewing the risks which the Council might continue to be exposed to will be completed by the end of May. This review will</p> |

| Status Icon | Action Code & Title | Priority | Managed By | Progress Bar | Due Date | Description | All Notes   |
|-------------|---------------------|----------|------------|--------------|----------|-------------|---|
|             |                     |          |            |              |          |             | <p>identify any further amendments necessary to corporate documentation with approval then being sought to those amendments. The review will also identify any further training and publicity necessary and consider the timescale for future reviews of the prevention measures. It is aimed to have this process complete by the end July.</p> <hr/> <p>05-Apr-2012<br/> 05/04/12: The Bribery Act 2010 affects three areas:<br/> (a) the Council's codes of conduct;<br/> (b) the Council's procurement procedures;<br/> (c) the Council's anti-fraud and corruption policies.<br/> The emphasis of the Act is to be proactive and avoiding the conditions of bribery.</p> <p>The Democratic Services,</p> |



| Status Icon   | Action Code & Title  | Priority | Managed By                  | Progress Bar                    | Due Date    | Description                              | All Notes  |
|---|--|----------|-----------------------------|---------------------------------|-------------|--|--|
|   |  |          |                             |                                 |             |  | Legal Services and Audit Shares Services Managers are undertaking work on these three aspects with the work currently being scoped out. It is anticipated that the work in these three areas will be completed by the 30/09/12. There is a linked issue of money laundering and work on this matter will be completed by the 30/09/12. |
|  | AR-LD_053 The Scheme of Member Allowances 2013/14 is reviewed with regard to the recommendations re Dependant Carer's Allowance made by The Independent Remuneration Panel's Review of Members' Allowances 2012-15 (March 2012). | 2        | Democratic Services Manager | <input type="text" value="0%"/> | 31-Oct-2013 | Members' Allowances and Expenses 2013/14 | 04-Sep-2013 Review and amend scheme.   |

**Code & Title** AR-LES Leisure & Environmental Services





| Status Icon   | Action Code & Title   | Priority | Managed By    | Progress Bar  | Due Date    | Description                  | All Notes  |
|---|---|----------|---------------|---|-------------|------------------------------|--|
|  | AR-LES_046 Look at all options for the collection of income for Book of Remembrance applications. | 2        | Parks Manager |  | 31-Jan-2013 | Bereavement Services 2012/13 | <p>03-Sep-2013 Currently looking at Electronic registers system that would allow links for info needed to process BOR applications from Copeland Direct</p> <p>08-Apr-2013 Extension of time has been given for this recommendation to 30/11/13 to allow for works to be carried out to the Copeland Centre reception area.</p> <p>03-Apr-2013 The preferred option for all applications for B.O.R to be taken at the Copeland Centre with a new target date set for November 2013</p> <p>10-Jan-2013 Currently being looked at as part of transformation programme</p> <p>02-Oct-2012 Look at options with finance.</p> |





| Status Icon   | Action Code & Title  | Priority | Managed By    | Progress Bar  | Due Date    | Description                                   | All Notes  |
|---|--|----------|---------------|---|-------------|---|--|
|  | AR-LES_061 Ensure that members of the public, especially the recently bereaved are informed that all Book of Remembrance applications will only be accepted at the Copeland Centre or via post to the Copeland Centre. | 2        | Parks Manager |  | 30-Nov-2013 | Bereavement Services Follow Up Audit 2012 13. | <p>22-May-2013 Working with transformation team and crematorium staff to progress over the coming months</p> <p>08-Apr-2013 Link in to transformation programme.</p> |


**Code & Title** AR-PP Policy & Performance

| Status Icon   | Action Code & Title   | Priority | Managed By                  | Progress Bar                    | Due Date    | Description                | All Notes   |
|---|---|----------|-----------------------------|---------------------------------|-------------|----------------------------|---|
|    | AR-PP_069 All Managers are reminded that they should monitor personal calls made by employees using CBC mobile phones. The calls should be identified, verified and costs recorded. | 2        | Head of Corporate Resources | <input type="text" value="0%"/> | 31-May-2011 | General Tax Issues 2010/11 | <p>12-Sep-2013 Head of Corporate Resources to progress with Shared HR Manager when in post.</p> <p>02-Oct-2012 Amended the Managed By responsibility from the Director of Resources and Transformation to the Head of Corporate Resources from 02/10/12.</p> <p>21-Jul-2011 Reminder of policy on acceptable use of Council-provided phones included in corporate information section of Latest Word on 1 July 2011. Separate note still required for Managers with staff who have council mobiles to review usage and agree reimbursement.</p> |
|  | AR-PP_070 Managers ensure that the Payroll Officer is informed of any deductions  | 2        | Head of Corporate Resources | <input type="text" value="0%"/> | 31-May-2011 | General Tax Issues 2010/11 | <p>12-Sep-2013 Head of Corporate Resources to progress with Shared HR</p>   |



| Status Icon   | Action Code & Title  | Priority | Managed By                       | Progress Bar                    | Due Date    | Description                              | All Notes  |
|---|--|----------|----------------------------------|---------------------------------|-------------|--|--|
|   | that are required for personal calls in a timely manner. This must be the next available pay date from when the Vodafone invoice is received.            |          |                                  |                                 |             |  | Manager when in post.<br>02-Oct-2012 Amended the Managed By responsibility from the Director of Resources and Transformation to the Head of Corporate Resources from 02/10/12. |
|    | AR-PP_088 HR should remind managers that it is essential Exit Checklists are completed for all leavers.  | 2        | Head of Corporate Resources      | <input type="text" value="0%"/> | 31-Mar-2013 | Payroll 2012/13                          | 12-Sep-2013 Head of Corporate Resources to progress with Shared HR Manager when in post.   |
|    | AR-PP_089 The appropriate training is given to Copeland Direct Officers prior to Book of Remembrance applications being accepted at the Copeland Centre. | 2        | Transformation Programme Manager | <input type="text" value="0%"/> | 30-Nov-2013 | Bereavement Services Follow Up 2012 13   |  |
|  | AR-PP_092 The monthly management checks of Payroll must ensure that all manual calculations are correct and noted as such, prior to the pay run.         | 2        | HR Manager                       | <input type="text" value="0%"/> | 01-Nov-2013 | Members' Allowances and Expenses 2013/14 |  |
|  | AR-PP_093 That the Comments, Compliments and Complaints procedure is   | 2        | Transformation Programme Manager | <input type="text" value="0%"/> | 31-Oct-2013 | Comments, Compliments and Complaints     | 27-Sep-2013 CRO to update procedure to reflect the use of Covalent at Stage 1.   |

| Status Icon   | Action Code & Title   | Priority | Managed By                       | Progress Bar                    | Due Date    | Description                                  | All Notes   |
|---|---|----------|----------------------------------|---------------------------------|-------------|--|---|
|   | updated to reflect current working practices.   |          |                                  |                                 |             | 2013/14                                      |   |
|    | AR-PP_095 Care must be taken by Officers to record the correct open, closed and target dates to ensure data quality.  | 2        | Transformation Programme Manager | <input type="text" value="0%"/> | 30-Sep-2013 | Comments, Compliments and Complaints 2013/14 |   |
|    | AR-PP_096 Covalent records must be updated by Officers on a timely basis to ensure the accuracy of analytical reporting.  | 2        | Transformation Programme Manager | <input type="text" value="0%"/> | 30-Sep-2013 | Comments, Compliments and Complaints 2013/14 | 27-Sep-2013 Internal target time set of three days to log on to Covalent from receipt.                                  |
|    | AR-PP_098 In line with the Comments, Compliments and Complaints procedure monitoring reports and feedback should be regularly reported to the Corporate and Leadership Team, the Overview and Scrutiny Committee and published on the Intranet. | 2        | Transformation Programme Manager | <input type="text" value="0%"/> | 23-Oct-2013 | Comments, Compliments and Complaints 2013/14 | 27-Sep-2013 Complaints on CLT / IE/ FE agenda for October / November covering full performance from April to September. |
|  | AR-PP_102 For Corporate PI's managers should complete the pro forma provided and return a signed copy to Policy & Performance. The pro  | 1        | Transformation Programme Manager | <input type="text" value="0%"/> | 30-Sep-2013 | Performance Management 2012/13               |   |

| Status Icon   | Action Code & Title  | Priority | Managed By   | Progress Bar                    | Due Date    | Description                    | All Notes  |
|---|--|----------|--|---------------------------------|-------------|--------------------------------|--|
|   | forma should include:- •A description of the indicator; How it will be calculated; and What the target and baseline is.                              |          |  |                                 |             |                                |  |
|  | AR-PP_104 Managers should update Covalent regularly as stated in the Performance Management Framework. 8 Milestones are recorded on Covalent System. | 2        | Head of Corporate Resources; Head of Neighbourhoods; Energy and Planning, Head of Nuclear; Head of Policy & Transformation; Head of Regeneration & Community | <input type="text" value="0%"/> | 31-Oct-2013 | Performance Management 2012/13 | 07-Oct-2013 Agreed – Update to be given to CLT & LMG regarding requirements. |

## AUDIT PERFORMANCE INDICATORS – 1 APRIL 2013 TO 31 DEC 2013

*Input measures*

| Note | Indicator  | 2013/14 Target | 2013/14 Actual to date |
|------|--|----------------|------------------------|
| 1    | Cumulative days provided   | 565            | 311                    |
|      | % of audit plan days provided – cumulative year to date (9 months) | 75%            | 55%                    |

565 days comprise 15 days carried forward from 2012/13 plan and 550 days in 2013/14 plan. Fewer days have been delivered in the 9 month period than planned as it has not been possible to progress all audits as provisionally scheduled. It is envisaged that deferred audits will be carried forward for completion in 2014/15. Another factor is that the majority of fundamental system audits are done in Quarter 4 so the days profile is also skewed by this.

*Output measures*

| Target   | Actual   |
|--|--|
| Complete 95% of audit plan by 31 March - fundamental system audits     | There are 12 audits classified as fundamental, most of which are completed towards the end of the year.<br>3 of these have been completed and work is ongoing on the 5 following:<br>Benefits; Council Tax; Business Rates; Cash receipting; and Sundry Debtors.<br>The 3 audits to start in Qtr 4 relate to payroll, creditors and budgetary control.<br>It has been agreed with the S151 Officer that no further work is required on capital accounting given external audit's work on this area.  |
| Complete 95% of audit plan by 31 March – non-fundamental system audits | 10 of 20 non-fundamental reviews have been completed.<br>2 further audit reviews (partnership arrangements and homelessness) are ongoing.<br>Of the remaining 8 audits the following have been deferred at Copeland's request:<br>IT Strategy; FOI review; procurement.<br>The Review of HB overpayments has not been started pending the findings of a similar audit review at Carlisle City Council as the system for recovery is similar and provided by RBSS.<br>This leaves 4 other reviews to complete, including 2 follow up reviews (risk management & crematorium). |