

08/0725 - Member Expenses and Civic Functions

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Assignment Details:

Report Date: 27 May 2009

Lead Auditor: Dawn Allen - Assistant Auditor

Supervisor: Robert Bailey - Principal Auditor

Scope: A risk based review of the Councils arrangements in respect of members expenses, member development and the mayoral function.

Objectives: To provide assurance that significant risks are identified and effectively managed, and that control measures in place are appropriate, robust and reliable.

Assurance Opinion:

Level of Assurance Provided:  **Reasonable**

Additional Comments: A reasonable level of assurance can be provided in relation to the effectiveness of arrangements for member development, member expenses and the mayoral function. Implementation of the agreed action plan will enhance current arrangements and ensure that the aims and objectives of the mayoral function are appropriately aligned to corporate plan priorities.

Headline Messages:

- Effective arrangements are in place ensuring Members expense claims are compliant with the Members Allowance Scheme.
- The service is committed to member development as recently recognised through the award of the North West Member Development Charter Status level one.
- In order to achieve level two of the charter the service needs to demonstrate the impact that member development has had on the work of the Authority and the community as a whole. Actions have been agreed which will assist the service in achieving this.
- Actions have been agreed in order to link the aims and objectives of member development and the Mayoral function, to the achievement of corporate aims and objectives.

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- A more structured and focused approach to the Mayors annual report is to be adopted.

Internal Audit Commentary:

The scope of this review was to evaluate the controls in place in respect of three distinctly different risk areas: member expenses, member development, and the mayoral function. Reasonable assurance can be given that controls are in place to mitigate risks, although implementation of the agreed actions will help to strengthen overall control.

The risk relating to member expenses is well managed, a Members Allowance Scheme is in place and testing confirmed that members expense claims were compliant with the requirements of the scheme in all cases.

The Council's commitment to member training and development is evidenced through its corporate training charter and the work it has done in recent years to deliver an effective programme aimed at providing members with the skills they need to fulfil their role. These efforts were recognised in November 2008, by the award of level one of the North West Charter for Elected Member Development. Plans to achieve level two by 2012 will be enhanced through implementation of agreed actions.

The Service acknowledges that more can be done to demonstrate how the Mayoral function provides a value for money service and a number of actions have been agreed in order to address this. The Service will seek to formalise the aims and objectives of the Mayor in order to demonstrate how they contribute to the achievement of corporate priorities and will introduce a more structured approach to the Annual Report of the Mayor, including the achievement of stated aims and objectives.

Managers' Comments:

The agreed actions for member development will be useful in providing a focus for:

- more clarity, purpose and transparency to the Strategy for Members and Officers and highlight the skills that Members need to undertake their many roles;
- more opportunities to share good practice and the costs of training and widen Members' networks; and
- support the process towards a bid for Level 2 of the NWE0 Member Development Charter.

Report and Action Plan Agreed By: Head of Democratic Service and Principal Democratic Officer

Follow Up Review Due By:

I would like to thank the members of the Service(s) involved in the audit for their contributions and cooperation in the audit.



Derek Whiteway CPFA, Internal Audit Manager

Distribution: Chief Executive
Head of Democratic Services
Head of Financial Services
Principal Democratic Officer
Ceremonial & Members' Officer
Assistant Ceremonial & Members Officer
Members of Audit Committee
Audit Manager (District Audit)

Job: 08/0725 - Member Expenses and Civic Functions

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Risk Group: Operational

Risk Members are unable to perform their role through a failure to deliver an effective member development training programme which is linked to corporate objectives and priorities. (R004150)

Inherent Residual Target

Current Risk Assessment



Internal Audit Opinion  There is scope to improve management of the risk

Agreed Action	Signifi- cance	Responsibility	Implementation Target Date	Ref
1. The Member Development Strategy will be revised to clearly set out the roles and responsibilities of key Members and how these roles and responsibilities link to Corporate Plan priorities. The revised strategy is to be agreed by the Council Business Committee.	●●	Principal Democratic Officer	31-Dec-09	014122
2. The Service will explore opportunities for sharing good practice regarding Member training and development with other local authorities and public bodies and will seek to participate in external training wherever possible, providing Members with access to a wider variety of development and networking opportunities.	●	Principal Democratic Officer	31-Jul-09	014127
3. The Service will develop a programme of target areas (e.g. IT training, Media training etc.) and through adoption of appropriate mechanisms per the North West Charter Toolkit, will aim to demonstrate the impact that member development has had in each area on the work of the authority and the community, with a view to achieving level two charter status by November 2012.	●●●	Principal Democratic Officer	31-Mar-10	014266

Risk Group: Reputational

Risk The reputation of the Council could be damaged if the mayoral function is unable to demonstrate worth. (R004180)

	Inherent	Residual	Target
Current Risk Assessment			

Internal Audit Opinion  Risk is inadequately managed

Agreed Action	Signifi- cance	Responsibility	Implementation Target Date	Ref
4. The Service will seek to formalise the Mayors aims and objectives linking them to corporate plan priorities where appropriate, and report annually on progress towards achievement.	●●	Ceremonial & Members' Officer	31-Mar-10	014796
5. The Service will explore options for raising awareness of, and consulting with, the local community on the role and expectations of the Mayor/Mayoral function. Methods for obtaining feedback from the general public regarding customer satisfaction will also be identified with any areas requiring action being reported and acted upon as appropriate.	●●	Ceremonial & Members' Officer	31-Mar-10	014800
6. The Service will seek to introduce a more structured approach to the Mayors annual report. Feedback from the general public will be incorporated into the report, as will progress towards the achievement of stated aims and objectives to demonstrate that the Mayoral function is delivering a value for money service.	●●	Ceremonial & Members' Officer	31-Mar-10	014802
7. The Service will consider whether there are benefits to be gained from formally benchmarking the costs of the civic function with other similar authorities i.e. would it provide greater opportunities to achieve value for money and establish if current expenditure is reasonable.	●	Ceremonial & Members' Officer	31-Mar-10	014803

Risk The Authority may suffer financial losses and/or reputational damage may result through Members not complying with the requirements of the Members Allowance Scheme. (R004148)

	Inherent	Residual	Target
Current Risk Assessment			

Internal Audit Opinion  Risk is well managed