

03/0514 - Grants Management

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Basic Information:

Report Date: 17 January 2005

Lead Auditor: Lorraine Woollard - Assistant Auditor

Supervisor: Robert Bailey - Principal Auditor

Scope: To review the arrangements in place for the management of grants issued by the Authority.

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

Headline Messages:

- Procedures are to be introduced to ensure that all grant funding is appropriately aligned with corporate priorities.
- The Local Compact is to be effectively communicated and regularly reviewed in conjunction with the voluntary/community sector, and a mechanism for measuring its impact developed.
- Consideration is to be given to how opportunities for voluntary/community organisations to gain equal access to grant funding administered by Administration Services can be improved.
- Service Level Agreements are comprehensive and subject to an annual review of performance, with the results reported to Members.
- As part of a review of Service Level Agreements the efficiency and effectiveness of performance monitoring arrangements is to be assessed.

Overall Opinion:

The Authority receives many grants from central government in the form of statutory funding or seed funding for new initiatives or projects. The Authority also awards grants to local organisations and these are the arrangements reviewed for the purposes of this audit.

This audit concentrated on grants issued to voluntary/community sector organisations currently administered by Administration Services, Strategic Housing (in relation to Homelessness) and Corporate Strategy (in relation to Community Safety). Initial meetings were held with appropriate officers within these Services in order to establish the risks associated with current grant management arrangements.

In 2003/4 grants administered by Administration Services amounted to £280,000, £254,000 of which are subject to service level agreements and the remaining £26,000 was allocated to fund miscellaneous, welfare and sports and recreation applications. The Authority is also accountable for over £200,000 in relation to Community Safety related funding.

Grants issued to homelessness agencies amounted to £81,000 and are all subject to service level agreements. Initially these grants were very often given in order to establish the service, however these services have since evolved and now attract funding from a range of different sources. Strategic Housing's objective is to focus these organisations to provide a co-ordinated approach to the district's homelessness issues and seek to develop a partnership approach to the district's problems.

Currently the Authority does not have a corporate grant strategy in place and it is considered that this would be difficult to develop and implement due to the varied nature of grants currently awarded by the Authority. Consequently, whilst some of the Authority's grant funding is aligned with corporate priorities through links with other related strategies, such as the Homelessness and Community Safety Strategies, there are a number which are mainly historical. Procedures are to be developed to ensure that all grant funding is appropriately aligned with corporate priorities.

A Local Compact with the Voluntary/Community sector has been developed to provide a framework for partnership working, promote effective working relationships and ensure consistency of approach between the Authority and the Voluntary/Community Sector. If these objectives are to be achieved it is essential that the Compact is effectively communicated and regularly reviewed in conjunction with the voluntary/community sector to establish its effectiveness and to consider how current arrangements assist its implementation. Whilst it is recognised that this can be difficult to measure in quantitative terms, a mechanism is required to demonstrate the effectiveness of the Local Compact in terms of successes or gains for both the Authority and the Voluntary/Community Sector.

A number of larger grants, usually those in excess of £1,000, are subject to Service Level Agreements and funding is usually for a period of three years. Service Level Agreements are comprehensive and subject to an annual review of performance, with the results reported to Members. Current monitoring arrangements are effective in demonstrating that requirements of the agreements have been met, although benefits in terms of outputs for some organisations is difficult to quantify and measurable outputs need to be defined. As current agreements are due to expire in March 2005 this would be an ideal time to carry out a full review of Service Level Agreements ensuring appropriate links to corporate priorities, effective monitoring arrangements and measurable outputs.

Opportunities for voluntary/community organisations to gain equal access to grant funding administered by Administration Services is to be improved through the promotion of grants available, and the publication of grants awarded by the Council in support of these organisations and their activities.

Current grant management arrangements are not corporately co-ordinated with individual Services working very much in isolation from others with the same responsibilities, and indeed from Partnerships with grant allocation responsibilities. As the majority of funding is very specific in nature at the moment, it is felt that there is probably little risk of duplication. However, as more and more new funding is identified, such as the Second Homes funding, co-ordination may become much more of an issue. It is however considered impractical in terms of staff resources required to co-ordinate grant management arrangements across a wide range of partnerships and partner organisations.

Report Agreed By: Head of Administration Services/Head of Corporate Strategy/Head of Health and Strategic Housing





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
Corporate Director (Central Services)
Corporate Director (Community Services)
Head of Administration Services
Head of Corporate Strategy
Community Safety Officer
Head of Health and Strategic Housing
Strategic Housing Manager
Head of Financial Services
Members of Audit Committee
Audit Manager (District Audit)








Job: 03/0514 - Grants Management

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>	
Risk Group: A Strategic					
The absence of a corporate grant strategy may lead to the Authority granting funding for projects/initiatives which are not supported by the Corporate Plan and a lack of co-ordination between grant funded agencies and grant awarding Services.	1. To ensure that grant funding administered by Administration Service is aligned with corporate priorities, as part of a review of Service Level Agreements organisations receiving grant aid will be asked to verify which strategic objective they contribute to in the Corporate Plan, and as part of the budget process a decision will be made regarding future funding.	Senior Democratic Support Officer	31 January 2005	006810	
The Authority may fail to support community organisations in providing services and facilities through grant aid if it is not fully accessible to the whole community	2. In view of e-government requirements, and to make the application process as easy and accessible as possible, the provision of the facility to complete application forms on line will be investigated.	Senior Democratic Support Officer/Community Safety Officer	30 April 2005	006074	
	3. In an attempt to ensure fair and equal access to funding organisations known to have previously been unsuccessful in receiving funding, due to a lack of adequate resources, have been included in the review currently being carried out of Service Level Agreements administered by Administration Services. Current Service Level Agreements expire in 2005 and prior to the next full review consideration will be given to how grant aid can be more accessible to the whole community without unfairly raising expectations.	Senior Democratic Support Officer	31 December 2006	008126	
Relationships between LCC and voluntary sector could break down if the local compact is not used as a working document to provide a framework in which to work.	4. As identified in Administration Services business plan for 2004/05 a review of the Local Compact will be carried out in conjunction with the Voluntary Sector to establish its effectiveness, and to consider how existing structures and working practices assist in its implementation.	Senior Democratic Support Officer	31 January 2005	006063	






Job: 03/0514 - Grants Management

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>	
Risk Group: A Strategic					
Relationships between LCC and voluntary sector could break down if the local compact is not used as a working document to provide a framework in which to work.	5. As part of the review of the Local Compact a mechanism to ensure that its impact can be effectively measured will be considered.	Senior Democratic Support Officer	30 April 2005	006064	
	6. As part of the review of Service Level Agreements the grants process will be reviewed, in conjunction with the voluntary/community sector, to ensure that it remains efficient and effective in achieving the Authority's aim to support community organisations to provide services and facilities through targeted grant aid.	Senior Democratic Support Officer	30 April 2005	006068	
	7. Copies of the Local Compact will be made available on the Council intranet and website and staff involved in the administration of grants awarded to the Voluntary and Community Sector will be made aware of it.	Senior Democratic Support Officer	31 January 2005	007767	
The Authority may fail to fulfill its role as accountable body if funding agreements are not comprehensive and subject to regular review.	8. As part of the review of Service Level Agreements the efficiency and effectiveness of performance monitoring arrangements will be assessed.	Senior Democratic Support Officer	31 January 2005	006076	
	9. The situation with regard to duplicity of Service Level Agreements with organisations who also receive County Council funding will be kept under review.	Head of Administration Services	31 January 2005	006078	
	10. Outstanding issues in relation to the unsigned SLA's will be resolved by the end of the financial year. Funding will be withheld until the agreement is signed.	Senior Democratic Support Officer	31 March 2005	006083	

Job: 03/0514 - Grants Management

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>	
Risk Group: A Strategic					
The Authority may fail to fulfill its role as accountable body if funding agreements are not comprehensive and subject to regular review.	11. Findings of the external review of Housing related Service Level Agreements, in relation to the need for more robust monitoring, will be addressed.	Strategic Housing Manager	31 March 2005	008360	
The Council may fail to comply with the principles of corporate governance if it is not transparent in its decision making relating to grant applications.	12. Guidance notes in support of grant management will be developed.	Head of Administration Services	31 January 2005	006031	
	13. Arrangements will be introduced to ensure that appropriate officers from other Services are present at Cabinet Committee when considering relevant grants.	Head of Administration Services	31 January 2005	006033	
	14. Meeting dates for consideration of relevant grants (administered by Administration Services) will be set prior to press releases regarding grants enabling decisions to be made within the notified timescales.	Head of Administration Services	31 January 2005	006039	
	15. The Authority now publishes how much funding is available for miscellaneous, welfare, community capital and community safety related grants each year.	Head of Administration Services/Community Safety Officer	12 October 2004	006041	
	16. A mechanism for publicising recipients of grants and the projects that have benefited from funding will be introduced and all opportunities for positive press releases will be taken advantage of.	Senior Democratic Support Officer	31 January 2005	006042	
	17. Guidance notes will be developed for management of Community Safety related grants.	Community Safety Officer	30 September 2005	008361	

Job: 03/0514 - Grants Management

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>	
Risk Group: A Strategic					
The Council may fail to comply with the principles of corporate governance if it is not transparent in its decision making relating to grant applications.	18. Decisions regarding applicants success/failure to secure a grant will be made within set timescales and the applicant informed of the decision promptly.	Community Safety Officer	28 February 2005	008362	
Risk Group: B Operational					
Service delivery may be affected if decisions made by Members with regard to grant approval/refusal are not communicated to the appropriate staff, and the appropriate action carried out.	19. A formal mechanism for recording miscellaneous, welfare, sports and recreation grants applications received through to subsequent payment (or refusal of the grant) will be introduced.	Senior Democratic Support Officer	31 January 2005	006036	
	20. A mechanism will be introduced to ensure that independent checks are performed to reconcile grant payments to approved applications. Checks performed will be appropriately evidenced.	Senior Democratic Support Officer	31 January 2005	006046	
	21. Members have been consulted and have agreed to the introduction of new procedures involving the appropriate checks being carried against the specified criteria prior to applications for miscellaneous, welfare and sports and recreation funding being passed to them for approval/refusal.	Senior Democratic Support Officer	30 November 2004	006048	
	22. An independent check will be introduced to reconcile grant payments to approved applications. Checks performed will be appropriately evidenced.	Community Safety Officer	30 April 2005	008363	

Action Plan Agreed By: Head of Administration Services/Head of Corporate Strategy/Head of Health and Strategic Housing

Report Issued On: 17 January 2005

04/0567 - Planning

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Headline Messages

Overall Opinion

Action Plan

Detailed Analysis

Basic Information:

Report Date: 13 April 2005

Lead Auditor: Amanda Robinson - Assistant Auditor

Supervisor: Robert Bailey - Principal Auditor

Scope: To review the Council's arrangements in respect of Planning Applications and Building Control.

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

Headline Messages:

- The Planning and Building Control Service is embracing and seeking to meet the requirements of the Government's planning modernisation agenda.
- Hard work and good management has paid off with a Planning Delivery Grant awarded of £524,000 and an additional minimum of £52,010 expected upon approval of the Local Development Scheme.
- At current resource levels the Service is unlikely to sustain the improved performance against BV109 relating to the speed of determining planning applications.
- The Service has resource issues in connection with meeting the demands of the new planning regime whilst fulfilling its commitment to major regeneration projects.
- There is a need to effectively invest the Planning Delivery Grant and additional income from increased planning fees to sustain improved performance and implement the Local Development Framework and e-planning agenda.
- The need for a detailed robust and deliverable improvement plan is recognised and is to be addressed.

Overall Opinion:

Planning is high on the Government's agenda which wants to see it playing a positive role in achieving sustainable development, a better quality of life for all and better public services. The Government is also seeking greater community participation, openness, efficiency and effectiveness through an e-planning agenda. The Planning and Compulsory Purchase Act 2004 aims to further reform the system through:

- simplifying the complex nature of plans;
- increasing the speed at which plans are produced and decisions on applications are made; and,
- better engaging the public.

Towards achieving these objectives local planning authorities must produce a new plan, a Local Development Framework (LDF), comprising a series of documents, clearly linked to the Community Strategy, which together provide the framework for delivering the area's spatial planning strategy.

A Planning Delivery Grant (PDG) was introduced in 2003/04 recognising the serious underinvestment in the planning process in the preceding decade and aiming to improve the performance and resourcing of planning authorities, the amount awarded dependent upon performance against the Government's agenda (performance on development control, local plan preparations etc.). There is an expectation that PDG should be used to invest in systems which will improve the efficiency and delivery of planning services.

This audit concentrated on the challenges facing the Planning and Building Control Service, and in particular risks associated with a failure to effectively implement the Government's agenda which would inevitably impact upon the PDG awarded. There is no doubt that the modernisation agenda is a priority for the Service, the challenges of which they are actively embracing through:

- the Service's business plan;
- reports to senior managers and Members;
- production of LDF documents available on the Council's website and being consulted upon in line with legislative requirements;
- successful introduction of the Local Land and Property Gazetteer now managed by Information Services;
- the Uniform 7 Spatial Mapping system due to be operational April 2005 and the public expected to be able to view and comment upon planning applications on-line by the summer;
- a commitment to sustainable development per the proposed sustainability appraisal process; and, most notably,
- the recent achievement of £524,000 PDG for 2005/06 with a further award (a minimum of £52,010) expected upon the Secretary of State's approval of the authority's Local Development Scheme.

To achieve this significant award the Service has invested previous PDG in purchasing expertise to develop the Service's information technology and to outsource some Development Control work to help address capacity problems. Since the 2004/05 PDG the Service has concentrated on handling planning applications to meet Government targets (BV109). This achievement has taken considerable effort by the Development Control Team which is currently operating with a planning application to caseworker ratio far exceeding the Government recognised optimum. Since meeting the targets staff have been lost, some to sickness, and there are concerns over the current levels of stress within the Team.

The Forward Planning Team also have resource issues in trying to meet the competing demands of the legislative requirements of the Planning and Compulsory Purchase Act 2004, rewarded through PDG, and managing the implementation of major regeneration projects (e.g. Luneside East). If major projects are not delivered per expectations the Authority's current good reputation could be undermined and its ability to do business and attract partners, external funding etc. seriously affected. A recognised need to effectively address resourcing in business cases at

project inception is being addressed through a separate audit review (04/0574 Project Management). Appropriate investment in meeting the LDF timetable should help secure future grant monies. For 2006/07 a greater proportion of PDG for 2006/07 is expected to be awarded for progress with LDFs.

The Service has also recognised a serious skills shortage associated with the need to develop the e-government interface which has been addressed to date through buying in consultancy work. There is a recognised need to consider the cost-effectiveness of current arrangements given future needs.

All resource issues have been brought to the attention of Management Team by the Service Head who is now to prepare an Improvement Plan to be approved by Cabinet. The Improvement Plan needs to be a detailed robust and deliverable three year strategy prioritising tasks, specific steps and milestones to be met in order to implement the targets set by the modernisation agenda with responsibilities assigned and resources required identified. It needs to set out how to effectively invest PDG and the additional income, through the Government increasing planning fees with effect from 1st April 2005, in Service improvement. It should demonstrate how income can be sustained so as not to impact upon the Authority's revenue budget and recognise that a significant proportion of the PDG awarded this year is based on standards already attained and subsequent awards are therefore likely to be considerably less. Further it needs to consider barriers to the achievement of targets such as the national shortage of town planners and potential loss of experienced staff in the current competitive environment for planning staff.

Given the need to effectively integrate the LDF and Community Strategy the Planning Service must continue to seek appropriate representation on the Local Strategic Partnership.

It is hoped that preliminary discussions already held between the Corporate Strategy and Planning Services, and the implementation of the Corporate Consultation Strategy later this year, will lead to a co-ordinated approach to engagement and public participation, the Service's statutory consultation requirements being met cost-effectively.

Report Agreed By: Head of Planning and Building Control


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: Corporate Director (Regeneration)
Head of Planning and Building Control
Head of Financial Services
Members of Audit Committee
Audit Manager (District Audit)

Job: 04/0567 - Planning

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>
Risk Group: Strategic				
The Authority may fail to secure maximum Planning Delivery Grant through a failure to adhere to the Local Development Scheme (project plan for preparing the Local Development Framework).	1. The Service will continue to seek the additional resources required to successfully implement the Local Development Framework and upgrade service provision in accordance with the Government's agenda for modernising planning.	Head of Planning & Building Control	30 June 2005	008850 

Action Plan Agreed By: Head of Planning and Building Control

Report Issued On: 13 April 2005

04/0531 - Members & Civic Expenses

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Basic Information

Headline Messages

Overall Opinion

Action Plan

Detailed Analysis

Basic Information:

Report Date: 01 February 2005

Lead Auditor: Amanda Robinson - Assistant Auditor

Supervisor: Robert Bailey - Principal Auditor

Scope: A risk based review of the Council's arrangements for Members and Civic Expenses.

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

Headline Messages:

- Budgets for civic receptions and mayoral functions are well managed and staff work hard to achieve the best possible results from the funds available.
- Security for civic regalia is good but records are to be reviewed and improved.
- Resources to support twinning are limited but a revised Service Level Agreement and improved monitoring should help ensure the best use of resources available.
- Accountability in respect of the Youth Games is to be improved and the corporate input better managed through enhanced internal communication.

Overall Opinion:

Recent staffing changes in Administration Services prompted a review of working practices and initiated proposals for improvements prior to this review commencing. It was agreed that the following four areas of operation should be covered in this review:

- civic receptions and mayoral functions;
- civic regalia;
- Twinning; and
- the Youth Games.

Each were examined in terms of resource allocation and their contribution towards achieving corporate aims and objectives.

The aim of civic receptions and mayoral functions is to maintain tradition and promote the City. Positive action has been taken by Administration Services in the last year to help justify the expenditure and demonstrate accountability. Implementation of the agreed actions resulting from this review should help formalise some of the improvements made. It is evident that the Service works hard to achieve the best possible results from the limited funds available and budgets are well managed. The current six-monthly review meeting with the Mayor and Mayoress, to be enhanced through an induction meeting, will help clarify responsibilities, objectives and expectations and prioritise the schedule of events. Improved record keeping and notes of feedback should further help the events planning process.

Service security arrangements were under review prior to the audit commencing and revised arrangements for keys have been introduced which satisfy the Council's insurers. In terms of corporate risk civic regalia is low and security arrangements are generally considered very good. However the heritage value of the regalia is high warranting particular care. This is recognised by the recently appointed Ceremonial and Members Officer who is to review the inventory and insurance position in detail and ensure responsibilities and arrangements for regalia in use meets the terms of the insurance policy. Records of gifts are also to be improved.

Twinning aims to promote good relations with other European towns through cultural, sporting, social-economic and educational exchanges. Resources available limit the Council's support to the Lancaster and District Twinning Society to an annual grant; £3,800 in 2004/05. Weaknesses in current arrangements, including the need to clarify roles and responsibilities, have been recognised by Administration Services and are to be addressed through the revised Service Level Agreement (SLA), effective April 2005, and recently introduced monitoring form. The new form to be completed by the Twinning Society and to be evaluated prior to the granting of further funds requests information on how the work of the Society contributes to the Council's strategic objectives.

The contribution of the Youth Games to corporate strategic objectives is clear in the current SLA and is to be updated in the revised SLA, effective from April 2005, and reiterated through the new monitoring form similar to that for the Twinning Society. The Council supports the Games again through an annual grant (£12,300 in 2004/05) which is expected to be around £50,000 in 2005/06 when Lancaster is the host. Deficiencies in monitoring to date are to be strengthened in future years with funding to be dependent on the Sports Council fulfilling their responsibilities under the SLA, and in particular submitting annual accounts. The need to clarify corporate responsibilities and input is evident and to be addressed through consultation with the Head of Arts and Events and Chief Leisure Officer in drafting the revised SLA.

I would like to thank the Head of Administration Services and Ceremonial and Members Officer for their positive response to the findings of this review and wish them success in implementing the agreed actions.

Report Agreed By: Head of Administration Services and Ceremonial and Members Officer




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: Corporate Director (Central Services)
Head of Administration Services
Ceremonial and Members Officer
Head of Financial Services
Members of Audit Committee
Audit Manager (District Audit)




Job: 04/0531 - Members & Civic Expenses

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>
Risk Group: Civic Receptions and Mayoral Functions				
Tradition may be lost if civic receptions and mayoral functions cannot be held through a lack of funding caused by an inability to justify expenditure.	1. The aims and objectives of civic receptions and mayoral functions are to be documented during the preparation process for each event thus enabling the success of the event to be measured and informing priority setting in future years.	Ceremonial and Members Officer	31 May 2006	008127 
	2. Administration Services are to introduce a better induction process for the new mayor to include discussion of roles, responsibilities, expectations, objectives etc. A six monthly review meeting, as carried out this year, will be used to evaluate the first six months and determine the schedule of events, priorities etc. for the remaining term of office.	Head of Administration Services / Ceremonial and Members Officer	31 May 2006	008130 
	3. A file is to be maintained for each event held to include the documented aims and objectives (c.f. Ref. 008127). Feedback cards are being developed to enable a formal evaluation of the success of each event. The file will also include all details regarding good and services procured (e.g. quotes).	Ceremonial and Members Officer	31 May 2006	008132 

Job: 04/0531 - Members & Civic Expenses

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>
Risk Group: Civic Regalia				
The City's civic regalia could be lost through inadequate security arrangements.	4. The inventory of civic regalia is being reviewed and brought up to date and items are being photographed, copies to be sent to the Risk and Insurance Manager. Following completion of the inventory (December 2005) the valuation and insurance position of each item will be reviewed as appropriate (expected completion date May 2006). From the start of the new year (May 2005) a list of gifts will be maintained, recording details of who the gift was from, who received it and who has custody of it, and items will be added to the civic regalia inventory as appropriate.	Ceremonial and Members Officer	31 December 2005	008141 
	5. The civic regalia inventory will be reviewed annually to verify the location of items listed, review condition etc.	Ceremonial and Members Officer	31 May 2006	008142 
	6. Security arrangements for civic regalia are currently under review to ensure compliance with the insurers requirements (items to be in locked premises when not in use and no cover for loss from unattended vehicles). Procedures will be documented and responsibilities defined and made clear to those accountable.	Ceremonial and Members Officer	31 March 2005	008143 
The Authority may be unable to replace civic regalia in the event of losses arising through inadequate insurance.	7. Completion of the inventory (c.f. Ref. 008141) will include checking arrangements with the museums regarding items on loan etc. and ensuring that the Risk and Insurance Manager is appropriately informed.	Ceremonial and Members Officer	31 December 2005	008151 

Job: 04/0531 - Members & Civic Expenses

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>
Risk Group: Twinning				
The value of twinning could be lost through a lack of activity caused by insufficient funding.	8. The SLA with the Twinning Society has been reviewed inconspicuously with them. Arrangements will be presented to Members through a Cabinet report in February 2005.	Head of Administration Services	31 March 2005	008163 
Risk Group: Youth Games				
The Authority's ability to support the youth games financially may be diminished through a lack of funds available and/ or failure to justify expenditure.	9. The aims and objectives of the Youth Games are linked to corporate priorities within the current SLA expiring March 2005. The new SLA with the Sports Council is currently being drafted and monitoring, to be clearly defined within the agreement, will be carried out by Administration Services.	Head of Administration Services	31 March 2005	008174 
	10. The Sports Council will be required to submit audited accounts and clear budget proposals with the new monitoring form annually prior to funding being granted. Administration Services will evaluate the information provided ensuring that: <ul style="list-style-type: none"> - funding has been expended per Authority expectations; - expenditure is reasonable and best value has been achieved; and - there is a commitment to seeking funding from other sources. Evidence of the monitoring and evaluation will be retained on file.	Head of Administration Services	30 November 2005	008178 

Job: 04/0531 - Members & Civic Expenses

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>
Risk Group: Youth Games				
Funding for the games may be limited by a failure to maximise sponsorship opportunities.	11. The Head of Administration Services will ensure that the Chief Leisure Officer and Head of Arts and Events are appropriately consulted during the drawing up of the new SLA with the Sports Council for the Youth Games. Administration Services will be responsible for monitoring performance against the agreement.	Head of Administration Services	31 March 2005	008181 

Action Plan Agreed By: *Head of Administration Services and Ceremonial and Members Officer*

Report Issued On: *01 February 2005*

04/0568 - Cash and Banking (Internet and Automated Telephone Payments)

Contents

Basic Information

Headline Messages

Overall Opinion

Action Plan

Detailed Analysis

Basic Information:

Report Date: 27 June 2005

Lead Auditor: Lorraine Woollard - Assistant Auditor

Supervisor: Derek Whiteway - Internal Audit Manager

Scope: To consider the risks associated with payments received via the internet and automated telephone service.

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

Headline Messages:

- Arrangements are in place to minimise the risk of financial loss to the Authority through virus attack or system failure.
- Arrangements are in place to ensure that customers' credit/debit card details remain secure.
- Procedures ensure that income is properly accounted for with regular reconciliation of payments.
- Contract agreements with software suppliers are in place.
- Improvements to software are to be made to comply with e-government requirements in relation to providing customers with the ability to check account balances online or via touch tone telephone dialling.

Overall Opinion:

Since April 2004 customers have been able to pay certain debts using either the internet or a touch tone telephone, 365 days per year, 24 hours per day. These methods of payment have proved very successful and as at the end of March 2005 over 8700 transactions totalling in excess of £1.1 million have been made via the automated telephone service, and over 2500 transactions amounting to in excess of £327,000 have been made via the Internet.

Earlier this year the Chief Revenues Officer requested that a review be carried out to evaluate the effectiveness of the control measures in place in relation to these payment methods. Implementation of the facility to accept payments via the Council's Intranet is ongoing and as such has not been evaluated.

Contract agreements are in place with the payment clearing service and the software suppliers for the provision of this facility both of which have been signed by the Chief Revenues Officer and representative of the service provider.

Arrangements are in place to minimise the risk of financial loss to the Authority through virus attack or system failure. The facility to accept electronic payments is a managed service and as such the majority of risks of this nature are transferred to the service provider. Anti virus software is in place for all local networks and responsibility for reinstating systems are defined in contract agreements.

Procedures ensure that income is properly accounted for and reconciliation of payments made is performed on a daily basis. Arrangements are in place to ensure that customers' credit/debit card details remain secure. The Authority does however have insurance protection for loss arising from fraudulent use of credit/debit cards.

Some improvements to software are required in order to comply with e-government requirements in relation to providing customers with the ability to check account balances online or via touch tone telephone dialling. Currently, although account numbers are validated, customers are not requested to verify that the account number stated is correct. Customers are not advised of the amount outstanding or the payment due, and no comparison takes place of the amount to be paid with the amount due. Quotes for purchasing software which will provide customers with more information online, prior to payments being made, are to be sought and an informed decision regarding installation of the software made. Implementation of this facility forms part of the Authority's IEG plan and is due to be in place by December 2005.

Audit trail details in relation to electronic payments are currently incomplete as payments cannot be traced to where they originated. The risks associated with this are considered minimal as accounts currently payable by electronic means i.e. Council, NNDR, parking fines and Council Housing rent are all traceable to an address. Should payment for miscellaneous goods and services be made available electronically issues in relation to the completeness of the audit trail will be reviewed.

Report Agreed By: Accountancy Services Manager/Senior User Support Manager





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: Head of Financial Services
Chief Revenues Officer
Head of Information Services
Local Taxation and Income Officer
Senior User Support Officer
Accountancy Services Manager
Members of Audit Committee
Audit Manager (District Audit)

Job: 04/0568 - Cash and Banking (Internet and Automated Telephone Payments)

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>
Risk Group: Financial				
The Authority's cashflow could be affected if the Authority fails to receive payments due.	1. A quote for purchasing the software to provide customers with information about outstanding amounts prior to payments being made will be sought from the supplier and the agreed action implemented. It should be noted that there is a lot of work going on nationally regarding authentication levels required for access to this and other information. Whatever action taken will be in line with this.	Senior User Support Officer	31 December 2005	008352 
	2. A quote will be obtained from the supplier for introduction of the facility to inform customers that an overpayment is likely to occur and a decision whether to implement this will be made.	Senior User Support Officer	31 December 2005	008353 
Risk Group: Operational				
Errors may not be detected if income is not properly accounted for.	3. The minimum payment amount will be reviewed taking into consideration processing costs per transaction.	Accountancy Services Manager	30 September 2005	008343 
Risk Group: Regulatory				
The Authority may be subject to legal action if it does not comply with appropriate legislation and/or contract requirements.	4. A procedure to ensure that the Authority is notified when the payment facility is unavailable will be agreed with Civica until such time that internet/ATP payments are brought in-house.	Senior User Support Officer	30 September 2005	008349 

Job: 04/0568 - Cash and Banking (Internet and Automated Telephone Payments)

<i>Risk</i>	<i>Agreed Action</i>	<i>Responsibility</i>	<i>Implementation Target Date</i>	<i>Ref</i>
Risk Group: Reputation				
The Authority's reputation may suffer if payments via the Internet and ATP are not secure	5. If any projects where payment for miscellaneous goods and services can be made via the Internet or ATP is to be implemented, this risk will be considered at that time.	Senior User Support Officer	31 March 2006	008334 

Action Plan Agreed By: *Accountancy Services Manager/Senior User Support Manager***Report Issued On:** *27 June 2005*

Internal Audit - Follow Up Summary Report

Job: 02/0497 - Information Management

Date of Final Report: 24 November 2003

Agreed By: Corporate Director (Central Services), Head of Information Services, Head of Legal Services and Head of Administration Services.

Date of Follow-Up: 16 March 2005

Overall Opinion on Follow Up:

The need for a corporate, co-ordinated approach to information management recognised during the original review is being addressed through the Information Management Officer (IMO) and Information Management Group (IMG). The IMO is the Council's Data Protection Officer and Freedom of Information Officer and the IMG comprises the Corporate Director (Central Services) (Freedom of Information Champion), the IMO and the Heads of Information, Legal and Administration Services.

Of the fourteen actions agreed in November 2003 six have been fully implemented, six are in the process of being implemented and two, relating to a review of the E-mail and Internet Policy, are outstanding though the Information Management Group is to start the process at their meeting this month.

Effective information management supporting the provision of council services, ensuring legislative compliance and demonstrating open and accountable decision making is the principle behind the new Information Management Strategy which incorporates a number of policies offering guidelines and procedures. Some of these policies (Data Protection, Freedom of Information, Information Security and E-mail and Internet) are already in place and a further two, Records Management and Business Continuity, are to follow, the former, which includes disposal and retention guidelines, being due to be finalised by the IMG this month prior to consultation with service heads.

Corporate awareness of the principles of effective information management is being raised through implementation of the Strategy and associated Policies, all of which are available on the Intranet.

A corporate data audit in respect of Data Protection was recently completed and a more detailed audit in respect of Freedom of Information is currently underway.

The role of Information Custodians is developing through:

- the data audits and annual review of the Data Protection notification;
- implementation of the Information Security Policy, recently requiring the completion of Systems Access Authorisation forms; and,
- dealing with data requests which have increased since the Freedom of Information Act came in to force in January 2005.

An information management training plan has been devised by the IMG and is in the process of being delivered. Corporate briefings on Freedom of Information held in December 2004 were followed by training, including data protection issues, at which all services were represented.

A user friendly guide on information management setting individual responsibilities under Council policies and legislation has been approved by the IMG and it is anticipated that all users will be required to sign up to the Guide following the review of the E-mail and Internet Policy.

Whilst significant progress has been made in the last fifteen months it is recognised that there

Job: 02/0497 - Information Management

is much still to do to implement and embed the Information Management Strategy prior to compliance monitoring by the IMO. Once new policies are fully embedded there is also an intention to hold group meetings with Information Custodians to monitor progress.

Implementation of Agreed Actions - Detail

Ref

Agreed action has been fully implemented:



The Information Management Officer will, with the help of an external consultant, develop a Data Protection Policy.

[003600](#)



The Information Management Officer, in consultation with Information Custodians, will ensure that all personal data processed by the Authority is identified.

[003599](#)



Staff will be informed that the Information Management Officer is the Data Protection Officer.

[003591](#)



Further consideration is to be given to the role of Information Custodians ensuring that they act as Service representatives on issues such as Data Protection. The Information Management Officer will arrange regular group meetings with Information Custodians, and Information Services as appropriate, to ensure a Corporate co-ordinated approach to information management and compliance with relevant legislation.

[004350](#)



Consideration will be given to any training requirements arising from the Information Management Strategy in consultation with the Personnel Services Training Officer as appropriate.

[003590](#)



The Head of Administration Services will ensure that the work programme of the new Information Management Officer provides for responsibilities in relation to implementing further legislation in respect of information management should the need arise.

[003604](#)

Agreed action is in the process of being implemented:



The Information Management Officer will lead on preparatory work for compliance with FoI, engaging services through the development of the Information Management Strategy, to include the identification and classification of all data held.

[003606](#)



The annual Data Protection notification will be disseminated to Services, through the Information Custodians, prior to submission with a view to ensuring that all manual and computerised files are covered.

[003598](#)

Job: 02/0497 - Information Management



A User Guide is to be introduced promoting best practice, referring to policies where relevant, and providing contact details for further advice if required. (c.f. Ref. 003584)

[003586](#)



A User Guide, to be introduced through the implementation of the Information Security Policy, with reference to the use of PC software will be approved by Members prior to issue.

[003584](#)



Legislative requirements including Data Protection and the Freedom of Information Act will be considered during the drafting of the Information Management Strategy. The Information Management Officer will research Corporate requirements of the Strategy consulting with Service Heads and Members as appropriate. Once drafted the Strategy will be reported to the Internal Affairs Review Board prior to Cabinet, for adoption.

[003583](#)



E-mail and internet access permissions will be reviewed, ensuring all employees with access are signed up to the policy, through the implementation of the User Guide (c.f. Ref. 003584).

[003684](#)

Agreed action is still to be implemented:



The E-mail and Internet Policy will be reviewed to see if an effective monitoring system can be established.

[003589](#)



The E-mail and Internet Policy will be relaunched following its review (c.f. Ref. 003589).

[003686](#)

Derek Whiteway

Derek Whiteway CPFA, Internal Audit Manager

Distribution: Corporate Director (Central Services)
Head of Information Services
Head of Legal Services
Head of Administration Services
Information Management Officer
Head of Financial Services
Members of Audit Committee
Audit Manager (District Audit)

Job: 03/0523 - Public Relations and Communications

Date of Final Report: 16 July 2004

Agreed By: Communications Manager and Head of Corporate Strategy

Date of Follow-Up: 09 March 2005

Overall Opinion on Follow Up:

The original review noted significant improvements in the way the Authority communicates, both internally and externally, since the Connecting with Communities Project in 2002 and formation of the Authority's Communications Team. Of the twelve agreed actions resulting from the review four have been fully implemented and progress has been made on all but one remaining.

The original review found high proportions of employees aware of corporate policies, guidelines etc. relating to communications but lower levels of understanding and compliance which is being addressed through ongoing promotion by the Communications Team. Similarly Learning Pool Modules, developed by Internal Audit and to be made available on the Intranet in the near future, aim to raise awareness and understanding of sections of the Constitution. New information management guidelines and an associated retention and disposal schedule, due to go out to Services for consultation in the Spring, should address problems highlighted in the original review regarding the retention of e-mails. The lack of a corporate list of key contacts within government agencies, partnerships etc. is being addressed through the Communications Working Group; those contacts considered to be of benefit to others in the Authority to be added to the Telephone Directory on the Intranet.

Cost savings have been made as a result of a review of corporate advertising needs which has since led to a further review of design, printing and distribution.

Improved business planning and a Communications Strategy being developed will provide clear targets and success measures for delivering communications objectives. The draft Communications Business Plan 2005/06 includes specific objectives relating to the agreed actions, namely:

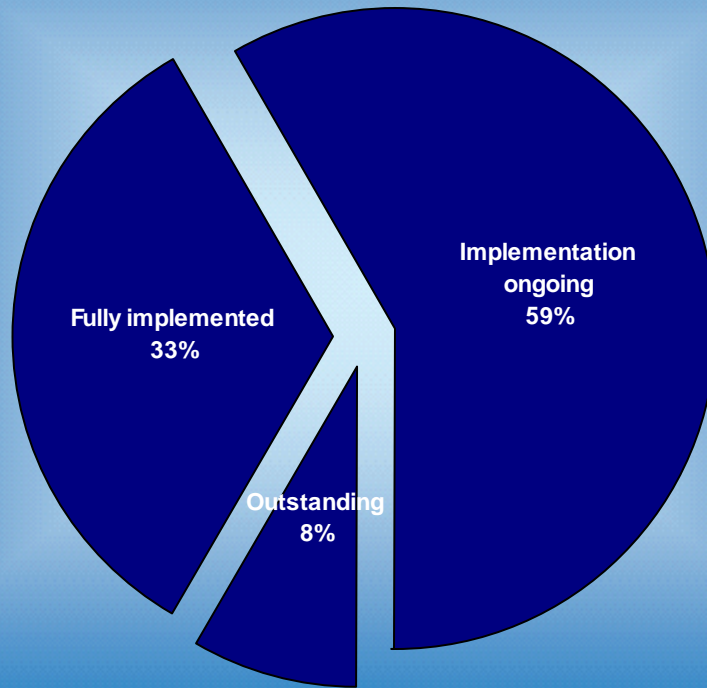
- compliance with communications guidance set out in the Council's Framework for Partnership Working;
- implementation of the corporate Consultation Strategy in conjunction with Corporate Strategy and the Authority's E-Government Officer; and,
- improving the accessibility of information for all.

The one outstanding action relates to plans for the Access to Services Review to commission research with focus groups in 2005/06 on customer services as they relate to minority ethnic groups, the disabled and elderly which will include the provision of translation and interpretation services. A 'disability audit' has been carried out and an accommodation review, taking into account disabled access, now forms a separate project within the Access to Services Review.

It is evident that communication mechanisms are continually developing and actions resulting from the Access to Services Review are expected to have a major positive impact on the way the Authority communicates externally. Revised Customer Service Guidelines are to be fed into the Review to enable ongoing update as more services join the Customer Service Centres and develop their own standards for service delivery.

Summary Results of Follow Up:

Progress with Implementation of Agreed Actions



Implementation Status	No of Actions
Agreed action has been fully implemented	4
Agreed action is in the process of being implemented	7
Agreed action is still to be implemented	1

Agreed action has been fully implemented:



A 'disability audit' of main Council buildings is to be undertaken as part of the Access to Services Review and findings will be fed into the resulting action plan.

[008089](#)



The Speak Easy system is to be promoted with associated guidance on how to access the system.

[006210](#)



The Authority will carry out a full assessment of corporate advertising needs with a view to improving cost-effectiveness.

[006191](#)



Services will be reminded of the need to pass drafts or working diagrams of publications, stationery etc. to the Communications Office for verification prior to printing to ensure consistency and compliance with the Corporate Identity and Style Guide.


[006192](#)

Job: 03/0523 - Public Relations and Communications

Agreed action is in the process of being implemented:

- | | | |
|---|---|------------------------|
|  | Corporate Strategy and the Communications Team will work together during the implementation of the Consultation Strategy to ensure that the Communications Strategy is appropriately informed of matters arising and associated guidance can be updated as required. | 006228 |
|  | Customer Service guidelines will be reviewed through the Access to Services BV Review to inform the Council's future approach to customer services. Revised guidelines will be promoted widely throughout the Authority. | 006204 |
|  | The Communications Strategy will be revised to include links to other communications documents and the associated action plan will be developed to include more specific target implementation dates. | 006202 |
|  | The Communications Working Group will give consideration to the development of a corporate list of key contacts within government agencies, the L.S.P., Poulton Neighbourhood Management Partnership and parish councils. Considerations will include determining the benefits of a corporate list, information already held within Services, Service expectations of such a list and, if considered feasible, the best way of compiling the list for accessibility and for ease and cost-effectiveness of updates. | 006220 |
|  | The Communications Strategy will be revised to include provision for the 'Framework for Partnership Working' and accompanying checklist once it is approved. | 006199 |
|  | A Disposal and Retention Policy is to be written, as part of the work on the Information Management Strategy, which will include general guidance on the retention of e-mails. | 006197 |
|  | The Internal Audit Section will continue to develop learning pool modules for sections of the Constitution to help raise awareness amongst Council employees. | 006185 |

Agreed action is still to be implemented:

- | | | |
|---|---|------------------------|
|  | The Access to Services BV Review is to commission research with focus groups on customer services as they relate to minority ethnic groups, the disabled and elderly. The research will include the provision of translation and interpretation services and the Authority is to act upon the findings. | 006232 |
|---|---|------------------------|
-

Derek Whiteway

Derek Whiteway CPFA, Internal Audit Manager

Distribution: Chief Executive
Corporate Director (Central Services)
Communications Manager
Head of Corporate Strategy
Information Management Officer
Head of Financial Services
Members of Audit Committee
Audit Manager (District Audit)

Internal Audit - Follow Up Summary Report

Job: 03/0526 - Fraud and Corruption 2003/04

Date of Final Report: 18 June 2004

Agreed By: Head of Financial Services

Date of Follow-Up: 26 May 2005

Overall Opinion on Follow Up:

A follow-up review has been carried out to determine progress made in implementing actions agreed following the audit completed in June 2004. Four actions were agreed at the time of the audit of which two have been fully implemented. One of the outstanding agreed actions has been reconsidered in light of the cash office closure and is planned for implementation by the end of May, and the second is considered no longer relevant.

The Fraud Response Plan and Anti-Fraud Policy for the Housing Benefit and Council Tax Benefit Section is now available to all employees via the Council's intranet site.

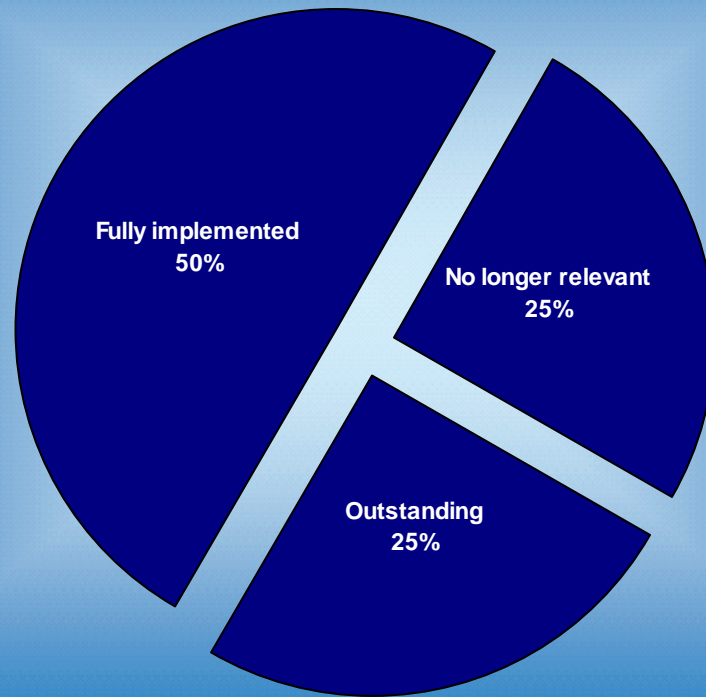
An annual comparison of physical stocks of cheques to stock records is now included as part of the closure of accounts process. This has now been carried out by an officer independent of the cheque process, and a stock certificate produced. Stock checks are to be performed on a six monthly basis in the future.

As a result of the review in June 2004 it was agreed that an instruction to Service Heads highlighting issues relating to collection and banking of cash income and postal remittance arrangements was required. These instructions are to form part of more detailed guidance to be issued to Services following the introduction of new banking arrangements as a result of the cash office closure. The guidance is to be issued before the end of June and will also cover the new petty cash arrangements.

Current staffing levels make it impractical for the safe room to be accessed by two officers however it is considered that the level of risk is mitigated by other controls in place.

Summary Results of Follow Up:

Progress with Implementation of Agreed Actions



Implementation Status	No of Actions
Agreed action has been fully implemented	2
Agreed action is no longer relevant	1
Agreed action is still to be implemented	1

Agreed action has been fully implemented:



Evidence that physical checks of creditor cheque stocks against stock records will be maintained for all future checks performed. Six monthly comparisons of physical stock to stock records will be introduced for benefit cheques, which will also be evidenced.

[005785](#)



The Fraud Response Plan and the Anti-Fraud Policy for the Housing Benefit and Council Tax Benefit Section will be made available to all employees via the Councils intranet site.

[005533](#)

Agreed action is no longer relevant:



Consideration will be given to the need for two officers to access the safe room, taking into account available staff resources and the level of risk involved. The risk being partially mitigated with the implementation of agreed action Ref: 005785.

[005789](#)

Agreed action is still to be implemented:



An instruction will be issued to all Service Heads highlighting issues relating to:
- separation of responsibility for the identification, collection, receipt and banking of cash income; and
- procedures for postal remittances.
The instruction will request that Service Heads consider procedures followed within their Service to ensure that they comply with Financial Regulations and Procedures. Where appropriate, Service Heads will be notified separately of any issues which relate specifically to their service.

[005693](#)

Derek Whiteway

Derek Whiteway CPFA, Internal Audit Manager

Distribution: Corporate Director (Central Services)
Head of Financial Services
Accountancy Services Manager
Members of Audit Committee
Audit Manager (District Audit)

Internal Audit - Follow Up Summary Report

Job: 03/0552 - Leisure Management

Date of Final Report: 16 July 2004

Agreed By: Chief Leisure Officer

Date of Follow-Up: 01 June 2005

Overall Opinion on Follow Up:

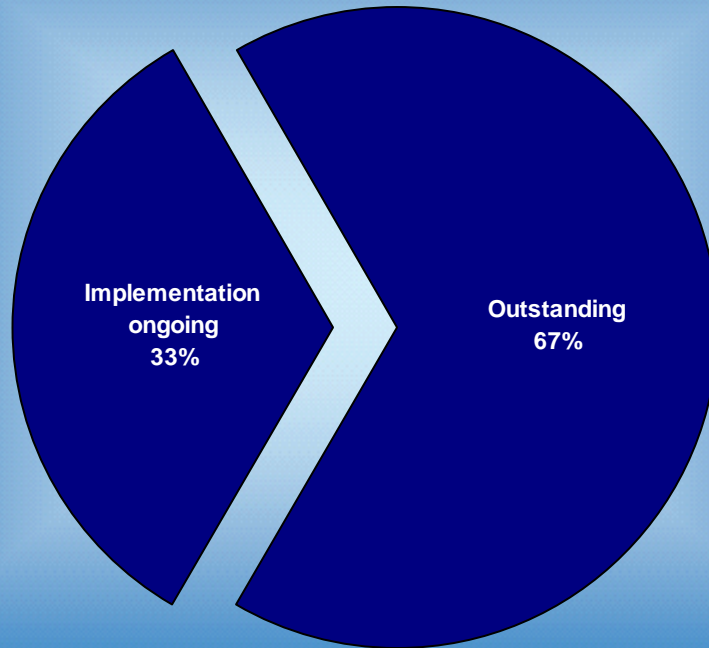
The original review finalised in July 2004 established that the Service had a high regard for public and customer safety and had been instrumental in the introduction of the Corporate Child Protection Policy.

The Service continues to recognise the importance of ensuring that all employees are appropriately screened during the recruitment process in order to comply with the Child Protection Policy and processes have been implemented to ensure that valid disclosures will be in place for all front line staff by July 2005 and all remaining staff by March 2006 per the Leisure Services business plan.

Further actions are required in order to ensure that personnel records are appropriately maintained ensuring references and qualifications are available in support of all recruitment decisions made. Personnel information is currently held in a number of different locations and there remains some uncertainty over relative responsibilities for the maintenance of personnel information either centrally by the Human Resources and Organisational Development Service or by individual Services. The agreed actions should be fully addressed through the proposed decentralisation of personnel files when responsibilities for the maintenance of personnel information is to be clarified.

Summary Results of Follow Up:

Progress with Implementation of Agreed Actions



Implementation Status	No of Actions
Agreed action is in the process of being implemented	1
Agreed action is still to be implemented	2

Agreed action is in the process of being implemented:



The Chief Leisure Officer and Support Services Manager in consultation with Section Heads will ensure that a list of all posts which require CRB disclosures is maintained stating the level of check required. Postholders checked will be noted together with the date a further disclosure is required (three years hence per the Child Protection Policy) ensuring a 'valid' disclosure is in place for all employees working with children. The validity of checks carried out by previous employers will be verified per the Child Protection Policy. Procedures for obtaining disclosures will be documented and include the evidence to be maintained to support a disclosure having been received ensuring disclosure information is appropriately handled and not retained for longer than necessary to support decisions made (CRB guidelines 6 months).

[006537](#)

Agreed action is still to be implemented:



The Service will ensure that references are taken up for all successful applicants prior to appointment, including casual staff used on an occasional basis.

[006779](#)



The Service will ensure that all employees have an up to date personnel file which includes the completed job application form, copies of references obtained and evidence that qualifications stated have been checked.

[006536](#)

Derek Whiteway

Derek Whiteway CPFA, Internal Audit Manager

Distribution: Corporate Director (Regeneration)
Chief Leisure Officer
Support Services Manager
Sports & Recreation Development Manager
Community Leisure Manager
Principal Leisure Manager
Head of Financial Services
Members of Audit Committee
Audit Manager (District Audit)

Internal Audit - Follow Up Summary Report

Job: 03/0508 - Salt Ayre Leisure Centre

Date of Final Report: 16 June 2004

Agreed By: Chief Leisure Officer and Leisure Services General Manager

Date of Follow-Up: 01 June 2005

Overall Opinion on Follow Up:

The Service has made good progress in implementing the twelve actions agreed during the review completed in June 2004. Six actions have been fully implemented, one partially implemented, three are in the process of being implemented, one is still to be implemented and one relating to price negotiations, is considered no longer relevant, 'special rates' agreed prior to the appointment of the current Operations Manager being phased out.

The original review found the service customer focussed with clear objectives for improvement and they have continued to strengthen this through the introduction of a Customer Care Charter and a more effective customer complaints process. The Service is also seeking to implement a customer forum at the Centre by June 2005 as per their 2005/06 business plan to provide customers with an opportunity to comment on the running of the centre and the activities held there.

The Centre has recognised, through its 2005/06 Business Plan, that there is a need to introduce additional performance indicators aimed at driving performance improvement and demonstrating the Centre's role in delivering Corporate Plan priorities.

The Centre is actively continuing to improve the fabric of the building by seeking additional resources through more frequent requests for capital programme monies and seeking external funding and partnering opportunities, where appropriate.

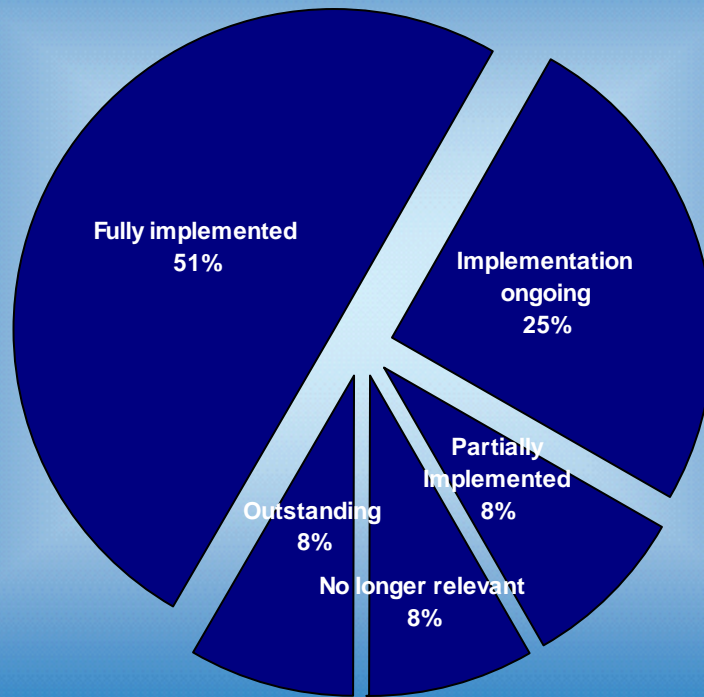
Consideration is still being given as part of an ongoing review of Salt Ayre Sports Center with regards aggregating like posts and will include liaison with the Human Resources and Organisation Development Service as appropriate.

A full review of employees roles and responsibilities is currently being conducted and aims to address all pay concerns identified through one-to-one discussions with employees. Results of these discussions will be fed into the forthcoming EDPA process. The Service has identified sickness absence as being a major area of underperformance at the Centre and is currently taking steps to address the situation.

In seeking to continually improve, the Operations Manager is currently in the process of reviewing and updating emergency procedures to determine whether any further enhancements can be made to what is already an effective and robust process. Once completed all current staff will be made aware of the revised procedures and all new starters will receive copies along with fire safety training as part of the induction process.

Summary Results of Follow Up:

Progress with Implementation of Agreed Actions



Implementation Status	No of Actions
Agreed action has been fully implemented	6
Agreed action is in the process of being implemented	3
Agreed action has been partially implemented	1
Agreed action is no longer relevant	1
Agreed action is still to be implemented	1

Implementation of Agreed Actions - Detail

Ref

Agreed action has been fully implemented:



The complaints log will be kept up to date ensuring complaints are dealt with, within five days as far as possible, and those not dealt with are followed up as appropriate.

[006466](#)



The Leisure Services General Manager will implement a Customer Care Charter for the Centre.

[006462](#)



Full emergency action procedures will be periodically tested, the results of exercises informing the emergency action plans.

[006472](#)



The Chief Leisure Officer will review the work required with a view to reporting into the capital programme and seeking options for external funding as appropriate.

[006435](#)



The Leisure Services General Manager will seek an electronic version of the Building Conditions Survey with a view to it becoming a working document. The electronic version will be amended/noted appropriately to record works carried out and any new works required.

[006431](#)



Performance indicators to drive performance improvement and demonstrating the Centre's role in delivering Corporate Plan priorities will be developed through the business planning process, responsibilities for delivery being clearly defined.

[006428](#)

Agreed action is in the process of being implemented:



The Chief Leisure Officer will continue to address pay concerns, seeking performance incentives where appropriate based on clear objectives.

[006483](#)



The Operations Manager, together with the Duty Managers, will consider the effectiveness of the Centre's interpretation of policies to manage underperformance ensuring that all are clear on their responsibilities and support available.

[006482](#)



Once the revised emergency action plans are complete all staff will be made aware of them, evidenced by the signing of a declaration that they have read and understood them, and training will be offered as appropriate.

[006469](#)

Agreed action has been partially implemented:



All visitors (excluding customers) will be required to sign in and out of the building.

[006473](#)

Agreed action is no longer relevant:



Basic guidelines will be drawn up regarding price negotiations with a view to ensuring negotiated prices are appropriate and kept to a minimum. All negotiated prices will be authorised by the Operations Manager through completion of the Centre's 'Price Reduction Request Form'.

[006480](#)

Agreed action is still to be implemented:



Leisure Services will consult Personnel Services regarding the maintaining of recruitment waiting lists with a view to agreeing procedures, including the obtaining of Criminal Records Bureau checks. Those listed must have been successful at interview for a previous like post and retention periods will be limited to between three and six months maximum.

The Service will also consult with Personnel Services on the possibility of aggregating like posts within the establishment book, agreeing the standard of records to be maintained and responsibilities for authorising decisions.

[006425](#)

Derek Whiteway

Derek Whiteway CPFA, Internal Audit Manager

Distribution:

Internal Audit - Follow Up Summary Report

Job: 04/0565 - Housing Benefits and Council Tax Benefits 2004/05

Date of Final Report: 05 November 2004

Agreed By: Chief Revenues Officer

Date of Follow-Up: 07 June 2005

Overall Opinion on Follow Up:

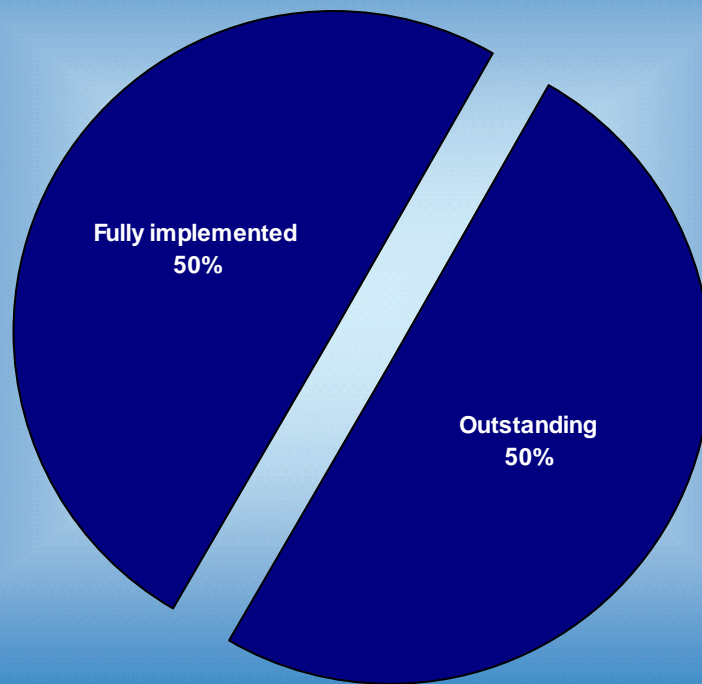
A follow-up review has been carried out to determine progress made in implementing the two agreed actions following the original audit completed in November 2004.

As agreed Benefits staff have been issued with the Corporate Anti-Fraud and Corruption Policy, Anti-Fraud and Corruption Strategy and Fraud Response Plan together with the Benefits Anti-Fraud Policy. Staff were also asked to sign to acknowledge that they were aware of, and understand, the documents.

The Chief Revenues Officer has not yet revised the Revenues specific declarations form. This should be carried out by the end of September when it will be issued to all Revenues staff to complete ensuring declarations are up to date.

Summary Results of Follow Up:

Progress with Implementation of Agreed Actions



Implementation Status	No of Actions
Agreed action has been fully implemented	1
Agreed action is still to be implemented	1

Agreed action has been fully implemented:



The Corporate Anti-Fraud and Corruption Policy, Anti-Fraud and Corruption Strategy and Fraud Response Plan together with the Benefits Anti-Fraud Policy is to be issued to all benefits staff via e-mail. Revenues Administration are to visit all staff to obtain a signed declaration that they have read and understood the documents.

[008203](#)

Agreed action is still to be implemented:



The Chief Revenues Officer is to revise the declarations form. The revised form is to be issued to all Revenues staff ensuring declarations are up to date. Records of future reviews will be retained on file.

[008190](#)

A handwritten signature in black ink that reads "Derek Whiteway".

Derek Whiteway CPFA, Internal Audit Manager

Distribution: Corporate Director (Central Services)
Chief Revenues Officer
Benefits and Customer Services Manager
Principal Officer (Claims Security)
Management and Administration Officer
Head of Financial Services
Members of Audit Committee
Audit Manager (District Audit)

Job: 03/0505 - Personnel Management

Date of Final Report: 16 July 2004

Agreed By: Head of Personnel Services

Date of Follow-Up: 01 July 2005

Overall Opinion on Follow Up:

The original review completed in July 2004 resulted in seventeen agreed actions, eight of which are in the process of being implemented, seven are still to be implemented and alternative actions have been agreed for the remaining two.

The original review supported the findings of the last comprehensive performance assessment which said 'the Council does not have a strategic approach to staff resources' but found the Authority striving for a more strategic approach, in part through the development of the first HR Strategy. Many agreed actions related to the content of the Strategy and proposals at that time to develop an associated implementation plan. The 2004 Pay Settlement for Local Government requires all local authorities to produce a Pay and Workforce Strategy and, since the original audit, national guidance has become clearer, the Local Government Pay and Workforce Strategy aiming to have 'the right numbers of people in the right places with the right skills to deliver improved services, greater efficiency and better customer focus in front line services'.

Human Resources and Organisation Development (HR&OD) (formerly Personnel Services) are actively embracing the requirements and have moved away from further developing the HR Strategy in favour of preparing the Pay and Workforce Strategy and Workforce Development Plan. The Service Head is taking a lead role in a regional working group aiming to develop a prototype for district councils to use in Lancashire and Cheshire (the Regional Employers Organisation are seeking to develop a common standard to be used across all authorities to enable effective benchmarking).

The Service is currently collecting data through a workforce survey (skills, age, qualifications, post entry training, ethnicity, gender etc.) to compile a profile of the Authority's resources to enable strategic workforce planning. The data is to be examined alongside medium term business objectives with a view to identifying future potential resource/capacity issues so that an action plan to address the issues identified can be developed. The need to challenge service delivery methods and consider alternatives including joint-working, partnership working etc. is recognised by HR&OD. All Service Heads are to be involved in developing the medium term workforce plan which is to set out the organisation's objectives and related people management issues thus providing an opportunity for integration with the Performance Management Framework.

Developing management and leadership capacity is a key priority on the Government's agenda which the Authority is working towards, in part through an in-house management development programme 'Success Through People'. The programme, intended to reach more than one hundred and thirty managers, is provided in two levels - a strategic overview designed for more senior managers and more detailed training modules for middle managers or 'influencers' (i.e. those responsible for carrying out EDPAs and for all aspects of people management).

Agreed actions in relation to equality and diversity are being addressed through the Corporate Equalities Planning Group. Current work includes finalising a review of the Race Equality Scheme, and the development of a Corporate Equalities Programme in pursuit of Level 2 of the Equality Standard for Local Government - a stated objective of the Council.

Job: 03/0505 - Personnel Management

The original review found scope to improve consultation arrangements. There are now scheduled meetings of the Joint Consultative Committee and regular dialogue with Trade Unions, including opportunities for employee representatives to meet informally with the Chairman of the Personnel Committee. HR&OD is confident that Services are seen to be complying with the Consultation and Negotiation Protocol. The introduction of e-mail facilities for Trade Union representatives at City Contract Services has also improved the flow of information to that Service. Plans to seek regular feedback, particularly from managers, have not progressed significantly since the audit due to resource issues within HR&OD. This is to be addressed by the Principal HR Officer whose recently agreed key work objectives include customer relationship management.

Resource issues within the Service have also impacted upon the implementation of agreed actions relating to data management. A checklist, intended to accompany the decentralisation of personnel files, has been drafted but guidance with regards security and ensuring compliance with legislation (e.g. Data Protection Act, Freedom of Information Act and Medical Records Act) has yet to be produced. Corporate policy on password protection has yet to be implemented within the Service.

The original review, and a subsequent recent review of Best Value (04/0571), raised concerns over systems for compiling data for Best Value Performance Indicators (BVPIs), inaccuracies having been found through incorrect application of the BVPI definitions and heavy reliance on manual systems. Whilst revised procedures have been introduced to address the concerns raised it is recognised that a new computerised HR system could help in providing more accurate information, potentially more efficiently. This was to be addressed through a working group (involving HR&OD, Financial Services and Internal Audit) seeking to implement a replacement for the Delphi Millennium System by March 2006. The project has since been postponed but parties involved in the original working group will seek to ensure Payroll, Service and HR needs, including computerised personnel data with effective reporting, are accommodated in any future replacement.

Given the ongoing implementation of many of the agreed actions a further review of progress will be carried out in six months.

Implementation of Agreed Actions - Detail

Ref

Agreed action is in the process of being implemented:



Personnel Services will regularly seek and respond to feedback from managers, employee representatives and prospective employees. The results of feedback will inform changes and improvements as appropriate. Personnel Services will continue to develop and extend interviews with customers and the Customer Survey Interviews building in qualitative issues where appropriate.

[004854](#)



The revised HR Strategy will stress the need to ensure that Personnel Services is involved and consulted in the formative stages of any response to strategic decisions which have people implications.

[004821](#)



Employee representatives will be involved in reviewing the HR Strategy and setting out the detailed people objectives.

[004827](#)

Job: 03/0505 - Personnel Management



The first revision of the Strategy will make reference to the Council's Occupational Health Service, the arrangements for which were recently formally reviewed.

[004828](#)



In consultation with senior managers and Trade Unions, Personnel Services will develop clear and realistic medium-term objectives for people management issues which will be documented within the implementation plan in support of the HR Strategy. Officers involved in developing the implementation plan will set target dates and respective responsibilities for achieving the objectives.

[004817](#)



Employee relations will be improved through making available opportunities for regular dialogue with employee representatives and a joint review of the Consultation and Negotiation Protocol.

[004853](#)



The implementation plan in support of the HR Strategy will seek to ensure that all Services contribute to the Corporate Equalities Plan in respect of employment related issues through specific targets.

[004857](#)



Personnel Services will continue to increase awareness of equality and diversity through proposed changes to training.

[004859](#)



In recognition that a higher score in testing could have been achieved through better access to information by those not connected to the intranet, Personnel Services will advise the Head of City Contract Services on provisions to make personnel policies and job vacancies equally available to employees without intranet access.

[004870](#)

Agreed action has been reviewed and revised:



Original action:

The electronic establishment book will be updated to include actual annual salaries in monetary terms thus enabling Personnel Services to produce the reports required for BVPIs within the Service.

[004863](#)

Revised to:

For efficiency and improved accuracy, the top five percent of earners will be manually identified from the establishment book and then the appropriate individuals required for the BVPI outturns will be counted. Effective system reporting, enabling the efficient compilation of BVPI data, is to be pursued by HR&OD during preparations for procuring a replacement for the Delphi Millennium system.

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Original action:

[004818](#)

Work will continue on the development of a set of management competencies and will be led by the Training and Development Officer. People management performance will be monitored through the effective use of the EDPA process.

Revised to:

The Authority is to seek to improve management and leadership capacity in accordance with the requirements of a Pay and Workforce Strategy through an in-house management development programme, 'Success through People'. People management performance will be monitored through the effective use of the EDPA process.

Agreed action is still to be implemented:



Personnel Services will continue to review their electronic folder structure to eliminate the need for password sharing and ensure compliance with Corporate policy. Once reviewed all staff within the Service will be asked to change their passwords. The Service will also introduce password protected screensavers on all machines to avoid inadvertently passing on sensitive data.

[004873](#)



The Planning and Performance Management Group is reviewing corporate planning and business planning processes. The review will seek to ensure that the content of the HR Strategy's implementation plan is incorporated into Service business plans and the performance management framework as appropriate.

[004836](#)



Personnel Services will ensure that the replacement for the Delphi Millennium system allows adequate separation of duties between Financial Services and Personnel Services* and meets their needs in terms of efficient and effective system reporting through their involvement in the working group investigating a replacement.
(* i.e. Personnel to be responsible for the input of standing data (e.g. personal details and spinal column point))

[004881](#)



The Service will review the arrangements for holding information, seeking advice from the Information Management Officer on regulatory compliance issues as appropriate.

[004871](#)



Personnel Services will co-ordinate an annual review of the HR Strategy, the first review to include recognition of increasingly varied employment and training arrangements and to encourage consideration of the value of relationships including partnership working, engaging contractors etc.

[004819](#)

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Improving the Authority's strategic approach to staff resources and ensuring the adequacy of staff resources to deliver the future improvement agenda, with the capacity to meet both current and future skills needs, is to be considered by the Planning and Performance Management Group. The HR Strategy is to be developed into a three-year People Plan, to be linked to corporate priorities through effective integration with Business Planning and the Performance Management Framework.

[004845](#)

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