

2009/10 Audit Reports receiving a Limited or Minimal Level of Assurance and where controls have not been reassessed to provide an adequate level of controls assurance

Audit Title: IT Disaster Recovery

Service Section: Information Technology

Issued Date: September 2009

Audit Scope: The audit set out to:

- Establish that the Council has a comprehensive IT Disaster Recovery Plan which would ensure the effective recovery of the IT infrastructure, systems and data.
- Establish that the IT Disaster Recovery plan is up to date and has been properly tested.

Findings: The main issues arising from the audit were:

- That there is a comprehensive IT Disaster Recovery Plan in place which covers all key stages that would need to be taken in the event of a Disaster.
- That the IT Disaster Recovery Plan and the arrangements in place with NDR (Network Disaster Recovery) have not been formally tested and therefore reliance cannot be placed upon it.

Assurance Assessment at the time of the audit: Limited

Management Response:

All but one of the recommendations has been accepted and the actions are planned to be implemented by March 2010. The one recommendation not accepted is the need to test the IT Disaster Recovery arrangements with NDR. This is not possible now as the arrangements with NDR have been terminated.

Adequacy of Response: Adequate.

However, it was noted that following the termination of the IT Disaster Recovery arrangements with NDR, the new Disaster Recovery arrangements would not be tested until March 2010.

Key Actions Agreed: To test the IT Disaster arrangements in December 2009 following the temporary construction of a temporary back up facility within the Gateway. Subsequently, Management Team agreed that the permanent solution will be to site the back up facility in the new Depot at Parkwood, with the target date being July 2010.

Follow Up date: Scheduled May 2010

Follow Up Assurance Assessment: Scheduled May 2010

Audit Title: **Members & Mayors' Allowances & Expenses**

Service Section: Democratic Services Manager

Issued Date: September 2009

Audit Scope: The audit set out to:

- Determine whether procedures for the claiming, processing and payment of Members allowances comply with the Council's Constitution and Financial Procedure Rules
- Establish if claims made in each category of allowance or expense are proper, accurate and in accordance with council policy and stated terms and rates
- Establish whether allowances and expenses have been correctly calculated, verified and authorised prior to payment
- Determine whether the current arrangements for the reporting of allowances and expenses meet current 'open government' and 'transparency' objectives
- Establish whether 'Chief Officers' claims for expenses are made and paid in accordance with the adopted scheme

Findings: The report concluded that controls over the allowance and expenses arrangements are generally strong. However, several areas of weakness were identified where important improvements needed to be made. A number of minor errors were identified during the audit, which had not identified by the staff responsible for checking the payments.

Assurance Assessment at the time of the audit: Limited (reflecting the sensitive area being examined)

Management Response: All of the recommendations have been accepted and the actions planned to be implemented by December 2009 and January 2010.

Adequacy of Response: Adequate

Key Actions Agreed: To:

- Update the Councils Constitution with the new allowance rates;
- Ensure better communication in the team regarding payment of subsistence after Council meetings;
- Ensure that all Members are reminded of the rules surrounding subsistence and travel expenses;

Follow Up date: May 2010

Follow Up Assurance Assessment: Awaited

Audit Title: **Business Transformation Programme**

Service Section: Business Improvement

Issued Date: March 2010

Audit Scope: The audit set out to:

- Establish the adequacy of governance arrangements over the Business Transformation programme
- Establish the adequacy of the business transformation process
- Provide assurance that the key objectives of the Business Transformation programme are being delivered

Findings: The audit recognised that the Business Transformation programme has facilitated collaborative working opportunities and provided a catalyst for change, enabling the four partner Authorities to work more closely together than previously. The report concluded that controls over the governance arrangements were in need of management attention and several areas were identified where urgent action was required.

Assurance Assessment at the time of the audit: Limited

Management Response: All but three of the 19 recommendations were agreed for immediate attention. The declined actions were adequately explained and alternative actions agreed.

Adequacy of Response: Adequate.

Key Actions Agreed: To:

- Agree a more robust Business Transformation/Shared Service programme of work
- Re-evaluate the Business Transformation Risk register and Risk Management Action Plan.
- Produce a formal MKIP partnership agreement which reflects the full extent of the partnership scope, governance arrangements and the position and role of the BTP function and responsibilities of MBC as Accountable Body
- Produce a situation report to set-out programme progress to date and actions required to unlock programme savings and quality improvements.

Follow Up date: Scheduled September 2010

Audit Title: **Compliance with the Contract Procedure Rules**

Service Section: Property and Procurement Manager

Issued Date: March 2010

Audit Scope: The audit set out to:

- Establish whether the procedures for dealing with tenders and contracts, as set out in the Contract Procedure Rules are adhered to

- Establish, for a sample of contracts, compliance with the Contract Procedure Rules and Purchasing Guide and all other relevant European and national contract regulations
- Determine whether appropriate staff are sufficiently aware of the Contract Procedure Rules

Findings:

The main issues arising from the audit were:

- The procurement of goods and services are not reliably being completed in accordance with the Contract Procedure Rules.
- There is currently no active monitoring of the procurement of goods and services by the Procurement Team to establish if the Contract Procedure Rules are being adhered to
- The Council has two contract registers in use. One register is maintained by the Procurement Team and one is maintained by Legal Services. The audit identified inconsistencies between the information recorded on both contract registers
- A survey completed on new starters and existing staff to establish awareness of the Contract Procedure Rules and the financial thresholds identified a limited awareness of the Contract Procedure Rules

Assurance Assessment at the time of the audit: Limited

Management Response: The management response is not due back until 31 May 2010.

Adequacy of Response: Not applicable as the response has not yet been received
