

## Audit and Governance Committee Combined Improvement Plan

Ref	Action – (Statutory Recommendations)	Responsible Lead	Due Date	Measure of Success	Commentary/Progress
Improving Governance	<b>1. Embed and enforce the Council’s updated contract standing orders and procurement rules (Officers in all departments to follow and fully evidence compliance with contract standing orders on all procured services)</b>				
1.1	<p>Ensure regular refresher training for procuring officers.</p> <p>Ensure Training Video easily accessible on the intranet.</p>	Procurement and Contract Lead	<p>Blanket training provided March 2022; refresher training provided ad-hoc and to individuals where needed.</p> <p>Recording available from September 2022.</p>	<p>No. of attendees.</p> <p>No. of confirmed views.</p>	<p>All procuring officers were offered training in March 2022 on the new procurement rules and procedures.</p> <p>Recording of the training offered in March 2022; available to all officers to view as a refresher and to new officers as part of the induction training for those involved in procurement.</p>
1.2	Ensure guidance and handbook up to date and any changes notified to all managers and updated on the intranet.	Procurement and Contract Lead	Handbook up to date as at 9.9.22.	Review log/record.	Guidance and Handbook will be reviewed quarterly to ensure it is kept up to date. A link to the Handbook will be circulated to all officers when any updates have been applied

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1.3	Spot Check of ordered goods and services made via intranet to ensure the procurement rules are being followed.	Procurement and Contract Lead	Quarterly - Ongoing	Reduction in purchases made not following procurement rules.	Identify areas of non-compliance and offer further support/training to ensure all procurement rules are being followed.
1.4	Training on Chest (ProActis).	Procurement and Contract Lead	Awaiting date from Proactis.	No. of attendees.	All procuring officers will be offered training on the Chest e-procurement site, alongside this a refresher of the new procurement rules will be run through as well.
<b>Improving Governance</b>	<b>2.Ensure members and officers have robust assurance and reporting arrangements in place, for managing all ongoing contracts and to enable appropriate and timely action to remediate any non-compliance or wider deficiencies (As well as members receiving compliance assurance they need to demonstrate timely action in holding officers to account for any non-compliance)</b>				
2.1	Schedule of significant contracts provided to the Overview and Scrutiny Committee.  Overview and Scrutiny Committee to select those contracts to be reported on through the committee cycle.	Procurement and Contract Lead  Heads of Service	In line with Overview and Scrutiny Committee workplan.	N/A – no target no.	Schedule provided to identify the scope of contracts; Overview and Scrutiny to select contracts; Heads of Service to report on contract management arrangements.
2.2	Regular Progress Report to Corporate Programme Board to highlight any issues on the contracts register.	Procurement and Contract Lead	Commenced July 2022 - monthly	Elimination of rolling contracts.	Any actions to be identified and fed back to relevant responsible officers.

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2.3	Procurement exemption report to Audit and Governance Committee.	Procurement and Contract Lead	December 2022	N/A	Report to note the procurement exemption activity for the initial 6 months of operating under the new arrangements.
<b>Improving Governance</b>	<b>3.Review the Council's escalation arrangements up to Full Council and Overview &amp; Scrutiny Committee to ensure an adequate and timely response to address significant control environmental weaknesses.</b>  <b>(good governance arrangements via the Audit and Governance Committee to escalate ongoing significant matters to both Full Council and Overview and Scrutiny Committee, to demonstrate effective accountability and to drive timely improvements)</b>				
3.1	Review the outstanding current and historic Internal Audit recommendations and establish the monitoring scope and reporting route with the chair of the Audit and Governance Committee.	Director of Resources & Head of Legal and Governance	November 2022	Reduction in the no. of outstanding recommendations; focus on the high priority recommendations.	There may be a resource required to maintain and report on progress – this will be dependent upon the number of recommendations that are live and can be actioned.
3.2	Report to review arrangements and escalation controls to Audit and Governance Committee.	Head of Legal and Governance & Director of Resources	October 2022	N/A	Referral and escalation routes clarified; this is additional to the recommendation review process at 3.1.

Ref	Action (Internal Audit Actions 2021-2022)	Responsible Lead	Due Date	Measure of Success	Commentary/Progress
1. Recruitment	<p>Review Policy of References.</p> <p>Review of HR recruitment related procedures.</p>	HR Manager	December 2022	N/A	
2. Accounts Receivable	<p>Ensuring recovery processes are resumed and review of instalments spreadsheet to ensure still appropriate and being adhered to.</p> <p>Review of invoice processing and monitoring any reasons for dispute.</p> <p>Review of processes to complete previous audit recommendations.</p>	Financial Services Manager	December 2022		
3. Covid Risk Assessment	Review of Control Measures and risk assessments.	Head of Asset Management			<p>Since this review was undertaken, health and safety has been supported through external Health and Safety Advisors who are working with the Head of Asset Management in ensuring that appropriate Health and Safety Policies, and procedures are in place, and will be monitored through the</p>

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					Health and Safety Management Group.
4. Performance Management	Action being taken to review Performance Framework and associated procedures – Performance framework for 2018 will be removed from the website and replaced with an updated document that reflects current arrangements. Recovery Tracker will continue to be published alongside the Growing Forward Report. More frequent reporting to Overview & Scrutiny.	Director of Resources	October 2022		There will be a new Performance Management Framework developed for Westmorland and Furness Council.
5. Insurance	Contract Management Checklists – process revised and updated procedures circulated Copy of Insurance Policies to be filed with Legal Services. Contract Register available on website and to staff and public.	Director of Resources	July 2022		Complete
6. Housing – Staircase cleaning	The contract register will be a standing item on the MT project board to provide further measures to ensure that appropriate measures	Procurements and Contract Lead	Immediate		The recommendations which relate to matters which cannot be undone are noted.

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	can be taken to ensure that any time constraints can be identified and managed appropriately.				The procurement reset is intended to address audit concerns with regards to procurement and this will be tested in future audits.
7. Procurement	Explanation have been provided as requested. Management Team have been aware of auditor concerns from these and previous audits and have taken steps to address these. During 2021, a Procurement Review was undertaken by STAR procurement, a local authority shared service who are national leaders in procurement and shared services who work with organisations to deliver real and tangible transformation and improvements. The review has led to a revised Procurement Strategy adopting in January 2022 and new contract standing orders and revised guidance/thresholds which have been implemented since 1 April 2022. Training for	Management Team			Complete

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	<p>procuring officers was provided through March 2022.</p> <p>The compliance requirements from previous audits were clarified in the procurement review/reset of 1 April 2022 and was emphasised as part of the training delivered in March 2022.</p> <p>A new contract is being prepared for seasonal baskets but this was not completed by the December 31<sup>st</sup> implementation date because the resource was diverted to other activities. This has been extended for another season to allow planting for the spring/summer baskets and summer barrier baskets until the end of September. This was reported to Executive Committee in July 2022 and a tender specification is currently being drawn up prior to the tender being issued.</p>	Head of Operations Tender current being readvertised	November 2022		
8. Catering and Cleaning at the forum	Up to date contract register made available to the public – complete.	Procurement and Contract Lead			The majority of recommendations relate

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	Ongoing management of Contract	Head of Visitor and Economy			to matters which cannot be undone. The procurement reset is intended to address audit concerns with regards to procurement and this will be tested in future audits.  Calculation of Annual Commission payment was reviewed and initial action completed, and will be kept under review for the period of the contract.
9. Cleaning of Barrow Town Hall and Associated buildings	Ongoing management of contract	Head of Asset Management			The majority of recommendations relate to matters which cannot be undone. The procurement reset is intended to address audit concerns with regards to procurement and this will be tested in future audits.

Ref	Action (Internal Audit Actions 2019-2020)	Responsible Lead	Due Date	Measure of Success	Commentary/Progress
1. Leasing	Phoenix Centre	Commercial Estate Manager			Lease arrangements are under consideration



## **FM Code Improvements from 2021-2022**

Requirement	Improvements
<b>The responsibilities of the chief finance officer and leadership team</b>	
The leadership team can demonstrate that the services provided by the authority provide value for money.	Improvements are as outlined in the Council's response to the Statutory Recommendations of the appointed auditor.
The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer (CFO) in Local Government (2016).	Recruit to complete the Finance establishment to provide the CFO with sufficient and relevant resources.
<b>Governance and financial management style</b>	
The Council applies CIPFA/SOLACE "Delivering Good Governance in Local Government: Framework (2016)".	Where reviews of the corporate governance arrangements reveal improvement recommendations, action is planned that will ensure effective governance in future.
The Financial Management style of the Council supports financial sustainability.	Refresher training for officers with financial responsibilities has been identified with the outcome of improving financial literacy and strengthening the accountability of budget managers and senior officers, which supports financial sustainability.
<b>Medium to long-term financial management</b>	
The authority has carried out a credible and transparent financial resilience assessment.	Make better use of benchmarking and the CIPFA resilience index when shaping the MTFP.
The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members.	Formalise long term financial planning/modelling.
The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities.	The narrative in the capital strategy could be enhanced further with linkage to the Strategic Asset Management Plan.
The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans.	The Corporate Landlord approach will be implemented from 2022.
<b>Monitoring financial performance</b>	
The leadership team takes action using reports, enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.	The Council is refreshing the service performance collection methodology.

<b>Requirement</b>	<b>Improvements</b>
The chief finance officer has personal responsibility for ensuring that the statutory accounts provided to the local authority comply with the Code of Practice on Local Authority Accounting in the United Kingdom.	The Council will prepare the Accounts within statutory deadlines and working papers will be produced to a high standard. The Council will continue close working with the external auditors to implement any audit recommendations.
The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions.	The Council will continue to review the format and usefulness of its performance reporting.