

BARROW BOROUGH COUNCIL

INTERNAL AUDIT FINAL REPORT CR 141

HOUSING 2019-23 STAIRCASE CLEANING

EXECUTIVE SUMMARY

Introduction

This project forms part of the Council’s routine maintenance of its housing stock and relates to the cleaning of stairwells, entrances and their peripheries within residential blocks of flats for the period April 2019–March 2023; together with the undertaking of periodic surveys to ensure the quality of the work and report on risks or hazards. The preceding contract had expired on 31st March 2018.

The contract was awarded following a ‘selective tendering’ exercise, with invitations sent to contractors who had tendered for the previous contract. The total award was for £177,701.56, which is raised from a specific charge placed upon residents of the properties.

Audit Objectives

Internal Audit are required to consider for review all contracts entered into by the Council. The Director of Resources, through the Head of Internal Audit, will select all contracts valued over £100,000 and a sample of smaller contracts for detailed scrutiny and review.

The audit objectives were to perform an examination of the pre-tender and tender selection (Stages 1 of the contract process); together with the contract award and associated documentation (Stage 2). Details of the audit methodology are provided in Appendix 1.

Key Points
Restricted Assurance
3 major issues
4 important issues

Audit Conclusion – *Restricted Assurance*

As a result of the audit we have concluded that significant weaknesses have been identified in the system of control which put the system objectives at risk.

We have made three Priority 1 recommendations, concerning:

- explaining why all relevant procedures in the Contract Standing Orders were not followed;
- ensuring that the process of renewing a contract is undertaken in a timely manner before the end of the previous term; and
- ensuring that contract documents are appropriate.

We have made four Priority 2 recommendations, related to ensuring that:

- figures given relate to the full life of the contract and that this is clearly stated in relevant documents;

- the length of the contract is predetermined and clearly stated in relevant documents;
- the latest Contract Management Checklist is used; and
- the details of awarded contracts are published in the Council's electronic Contracts Register.

Management Response

We have received a constructive management response from the Head of Asset Management, accepting six recommendations and partially accepting one recommendation.

Acknowledgement

Internal Audit would like to thank staff for their co-operation and assistance during the review.