

FINAL INTERNAL AUDIT REPORT
ENVIRONMENT AND COMMUNITY SERVICES DEPARTMENT

FOLLOW UP REVIEW OF LIBRARIES
AUDIT FOR 2016- 17

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INTRODUCTION

1. This report sets out the results of our systems based follow up audit of the Libraries Audit 2015-16. The audit was carried out in quarter three as part of the programmed work specified in the 2016-17 Internal Audit Plan, agreed by the Director of Finance and Audit Sub-Committee.
2. The controls we expect to see in place are designed to minimise the department's exposure to a range of risks. Weaknesses in controls that have been highlighted will increase the associated risks and should therefore be corrected to assist overall effective operations.

AUDIT SCOPE

4. This follow up review considered the final audit report issued in 16th December 2016 and was restricted to identifying progress made on implementing the previously agreed recommendations.

MANAGEMENT SUMMARY

5. Of the previous 3 agreed recommendations, 2 have been fully implemented, 1 is being progressed for completion. The recommendation being implemented relates to amending the Library computer system, to include pending fines on a client's overall debt, not just adding it once items are returned.

SIGNIFICANT FINDINGS (PRIORITY 1)

6. There are no priority one findings to report.

DETAILED FINDINGS/MANAGEMENT ACTION PLAN

7. Any new findings and are detailed in Appendix B of this report and require management comment. Appendix A provides information on the recommendations that are being followed-up and Appendix C give definitions of the priority categories.

8.

ACKNOWLEDGEMENT

9. We would like to thank all staff contacted during this review for their help and co-operation

| No | Recommendation | Management Comment | Target Date | Priority | Responsibility | Follow-up comments | Status |
|----|---|---|--------------|----------|--|--|--------------|
| 1 | Any discrepancies in reconciliations should be uniformly recorded. | Issue will be raised at Management Team Meeting | January 2016 | 3 | Library Commissioning and Operations Manager | A sample of ten weeks banking's were tested for ten individual libraries. It was found that reconciliations are uniformly recorded. Discrepancies continue to be reported to Management and investigated. | Implemented. |
| 2 | The LMS should be amended so that the pending fine is added to system, to enable customers to be sent to the DCA when their total debt surpasses £15. | This will be kept under review. As this would really only apply to someone with one item overdue worth less than £15 the cost of implementing it is likely to outweigh the potential benefit. | Ongoing | 2* | Library Commissioning and Operations Manager | This is still outstanding pending development by the supplier of the system. | Outstanding. |
| 3 | Chief Officer approval should be obtained where expenditure is in excess of £5000, where quotes are not obtained. | Waiver documents are currently with the Head of Finance for approval and this is expected within the next month. Expenditure with Supplier A was capital funding for a special project approved by the Executive. | January 2016 | 2* | Stock and Reader Development Manager | 57 items of expenditure over £15,000 were tested to ensure a contract was in place and/or tendering was undertaken or a wavier sort in compliance with CPRs. This was found to be the case, for the 57 items with 10 waivers having been sort. A number of contracts were procured on behalf of the consortium by LB Bexley. | Implemented |

Definition of priority categories.

Priority 1

Required to address major weaknesses and should be implemented as soon as possible

Priority 2

Required to address issues which do not represent good practice

Priority 3

Identification of suggested areas for improvement