



GEDLING
BOROUGH COUNCIL



INTERNAL AUDIT

Report

2005-2006

LEISURE Final Contract Payment Audit

Departmental - Review
Suresh Mistry
JUNE 2005

GEDLING BOROUGH COUNCIL

INTERNAL AUDIT REPORT

Final Contract Payment Audit

Leisure Services

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1. INTRODUCTION

- 1.1 The purpose of this audit assignment is to review the procedures and standing orders in respect of Contracts and to validate this process by auditing the final payment of the contract certified by the department. This is in accordance with the Audit Plan.

SCOPE AND COVERAGE

- 1.2 The audit review will undertake the tender procedures and evaluation and the adoption of the standing orders and the financial regulations of the Authority.
- 1.3 Any findings, conclusions and recommendations are included in a formal report or memorandum.

2. CONDUCT OF AUDIT

- 2.1 The audit terms as referenced in the introduction were followed.
- 2.2 Discussions were held with the Leisure Resources Support officer and Parks Administrative and Development Officer in respect of the file and documents forwarded for the contract to be audited.
- 2.3 The assistance and co-operation of the officers concerned for this audit is acknowledged and appreciated

3. EXECUTIVE SUMMARY

- 3.1. The contract procedures, together with the supporting documentations do not meet the financial regulations and standing orders.
- 3.2. The Audit has highlighted issues that are considered to be of **high** risk and are included in this report together with the recommendations.

3.3 CONCLUSION

The contract procedures applied are unsatisfactory. The implementation of recommendations identified in this report will ensure the procedures are applied in accordance to the financial regulation.

AUDIT ASSURANCE

As a result of the work undertaken during the audit, it is concluded that the compliance to contracts standing orders are unsound and no audit assurance could be given.

IMPLEMENTATION PLAN

LEISURE – Final payment contact audit

REC (Risk)	RECOMMENDATION	RESPONSIBLE OFFICER	MANAGEMENT COMMENT	IMPLEMENTATION DATE
4.1.6. High	That all the issues raised are addressed as a matter of priority and that 5% retention is deducted from the gross value of the contract.	Parks Administrative and Development officer	Agreed	June 2005
4.1.10. High	That the correct procedure is applied to all contractors, especially those administered by external third parties on behalf of the authority.	Head Of Leisure	Agreed	June 2005
4.1.12. High	That Groundwork Greater Nottingham is contacted and this information is formally requested	Head Of Leisure	They have been, and will provide all information possible	June 2005