



Report for:

Darlington Borough Council - Darlington Audit Services

LRQA reference: LRQ0939713/0022
Assessment dates: 05/01/2011 - 06/01/2011
Assessment location: Darlington, County Durham
Assessment criteria: ISO 9001:2008
Assessment team: Margo Logie – Team Leader

LRQA office: UK



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Attachments

This report was presented to and accepted by:	
Name:	Brian McGuire
Job title:	Audit Manager

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1. Executive report

Assessment outcome:
The focus of the visit was on compliance to defined requirements. The management system was shown to be an effective mechanism for understanding and delivering stakeholders' requirements. From the evidence available compliance to the ISO 9001:2008 Standard was confirmed.
System effectiveness and continual improvement:
The team has operated a well managed system for a number of years and this continues to be the case, with performance results showing that it is effective. There is pressure on costs across the Council that also affects the Audit Service so process efficiency and streamlining will be an important focus for the future.
Areas for management attention:
No specific areas were identified during this visit. Continued monitoring of the Service and system will be needed during this period of major change, however it was demonstrated that the associated risks are well understood and being closely monitored.



2. Assessment summary

Introduction:

This report reflects the findings of a surveillance visit. The opening and closing meetings were held with Brian McGuire - Audit Manager. A review of the system and a discussion relating to the future plans for the Service and the management system was held. The scope of the certificate; "the provision of a statutory internal audit service to Darlington Borough Council, incorporating advice and consultancy and special investigation services" remains appropriate.

The Logo is used internally. It has recently changed and the new version was provided with the report. It is also available from LRQA's website if needed.

Review/planning

The small team has always worked well within their procedures and the system, simply structured, has operated with very few issues. It has proved effective over a number of years in supporting the delivery of objectives and goals.

The future is uncertain with cost cutting and efficiency being paramount within the Council which has recently restructured. Presently they are in a consultation period with further change expected over the coming months. A Finance Officer is currently on maternity leave and an Audit Manager post is expected to be deleted with work being absorbed by others. This is likely to lead to some process reviews to streamline the service or way it is provided. Development of MKInsight is likely to be affected due to time pressures however with the restructure some changes will need to be made to it, so that it reflects the Council's organisation and remains a useful tool for managing the audit process.

At present the team see the benefits of retaining a certified management system, appreciating the discipline it brings to their processes and as evidence to support the statutory annual review of Internal Audit and for these reasons wish to retain it.

Assessment of:	Management System	Related Findings:	0022COVMXL01
Assessor:	Margo Logie		
Auditee(s):	Brian McGuire - Audit Manager		

Audit trails and sources of evidence:

Audit Services Annual Report - 2009/10 prepared June 2010
 Review of Audit Effectiveness and related papers 2009/10 prepared June 2010
 Annual Audit Plan 2010/11- March 2010
 Audit Summary Report - 17 Dec 2010
 Client Surveys Returned 2010-11
 Annual Performance & Development Review - for whole team
 Training Attended - from Apr 2010
 Quality Manual on the "E Drive" including change controls and the document database
 DAS Quality Audits - Nov, Dec and Jan
 Annual review - 5 May 2010

Evaluation and conclusions:

The annual report includes details of performance against KPIs and another year of achieving against targets was recorded (with the exception of "% of planned pre determined assignments completed within year relative the agreed audit plan" with well documented reasons for this). This continues to be the only



KPI under pressure for 2010/11. The reporting structure is very formal and rigorously maintained.

Due to resourcing constraints, the formal monthly meetings have been substituted for less formal meetings, approximately fortnightly, that are arranged when all are in the office. As a result it has been decided that the annual review of the DAS Quality System will remain a requirement and this has been completed by the Audit Manager.

The documentation is simply structured and well controlled. All required procedures are in place and evidence of continued implementation was available. The Quality Audits of files have been completed consistently with no issues identified and the feedback received is very positive.

Assessment of:	Audit Services	Related Findings:	
Assessor:	Margo Logie		
Auditee(s):	Brian McGuire - Audit Manager Paul Robinson - Finance Officer Craid Alderson - Finance Officer		
Audit trails and sources of evidence:			
Audit planning 2010/11 - Risk Assessment Database, Draft Plan, Baseline Plan V4, Apportionment Plan, Time Sheets, Progress Report Audit Services including - Sickness Absence, Dolphin Centre			
Evaluation and conclusions:			
The planning process has been operating for a number of years and is risk based. The risk assessments are kept up to date and there was evidence of change following the completion of previous audits. Monitoring against the plan is regularly undertaken and reported quarterly. Changes will need to be made next year to take account of the changes in the Council where Services are now structured within three areas; People, Place & Resources. Non productive work will be split more accurately into sub heading next year to improve monitoring.			
The audit process that was reviewed in its entirety was seen to operate in line with all the procedures. Competency levels were demonstrated.			



3. Assessment Findings Log – ISO 9001:2008

Grade	Status	Finding	Root Cause Analysis & Corrective Action	Site(s)	Process(es)	Date	Reference	Clause
Minor NC	Closed	(Previously Finding 1004MJL01) The annual review of the system per the requirements of section 7 of the Quality Manual did not taken place in 2009. While a review of the system against the 2008 version of the standard recently took place and there is scrutiny of the effectiveness of the Audit Services (both internally and externally) the review of the Quality System by the Audit Manager is required.	Proposed Action: The annual review was undertaken informally but not recorded last year. How the existing meeting records can be used to demonstrate the process more clearly will be reviewed and the procedure and future meeting minutes updated accordingly. Verification: 5 January 2011 - It was decided that as the team is now so small the annual review is the most effective way of monitoring system's effectiveness and this was completed in May 2010.	Darlington	Management Review	22/03/2010	0022COV MXL01	5.6



4. Assessment schedule

	Current Visit	Next Visit (planned)
Visit type >	Focus	Certificate Renewal
Due date >	Dec 2010	Sep 2011
Start date >	05/01/2011	19/09/2011
End date >	06/01/2011	20/09/2011
Audit days >	2	2
Assessment Team >	Margo Logie	Margo Logie
Theme(s) >	Management System	Management System
Process(es) >	Complaints Continual Improvement Corrective Action Internal Audit Management Review Management System Changes Use of Logo Audit Services	Complaints Continual Improvement Corrective Action Internal Audit Management Review Management System Changes Use of Logo Audit Services Investigations Consultancy
Standard(s) >	ISO 9001:2008	ISO 9001:2008
Site(s) >	Resources Group. Town Hall, Feethams, Darlington, County Durham, DL1 5QT, United Kingdom	Resources Group. Town Hall. Feethams, Darlington, County Durham, DL1 5QT, United Kingdom
Code(s) >	7412 - Accountancy, Book Keeping, Financial Auditing, Tax	7412 - Accountancy, Book Keeping, Financial Auditing, Tax
Notes and Remarks >		



5. Assessment plan

Assessment type Certificate Renewal	Assessment criteria ISO 9001:2008	
Assessment team Margo Logie	Assessment dates 19 & 20 Sep 2011	Issue date Jan 2011

(Day 1)

11:30 Introductory meeting with management to explain the scope of the visit, assessment methodology, method of reporting and to discuss the company's organisation (approximately 15 minutes). The Team Leader will agree a time to meet with senior management to discuss policy and objectives for the management system.

Review of organisational and system changes

Lunch

Management System – Policy, objectives, risks, legislative requirements, annual review, quality audits, document control, records management, library, Competency, training and development

Audit Planning

Consultancy

Report writing

17:00 Close

(Day 2)

9:00 Review of findings from previous day. Review of the assessment plan for the day.

Audit Service including Xentrall Shared Services

Investigations

Preparation of final report.

14:00 Closing meeting with management to present a summary of findings and recommendations.



6. Report explanation

LRQA Findings Log definitions and information

Definitions of Grade Findings

Major Nonconformity

The absence of, or the failure to implement and maintain, one or more management system elements, or a situation which would, on the basis of the available objective evidence, raise significant doubt of the management to achieve:

- *the policy, objectives or public commitments of the organisation*
- *compliance with the applicable regulatory requirements*
- *conformance to applicable customer requirements*
- *conformance with the audit criteria deliverables.*

Minor Nonconformity

A finding indicative of a weakness in the implemented and maintained system, which has not significantly impacted on the capability of the management system or put at risk the system deliverables, but needs to be addressed to assure the future capability of the system.

Additional information

Isolated issues and opportunities for improvement

Any isolated issues identified during the assessment, which have not resulted in a nonconformity being raised, we will record in the appropriate process table in the report.

If we identify opportunities to improve your already compliant system, we will either record them in the process table applicable to the area being assessed, or in the executive summary of the report if they can deliver improvement at a strategic level.

Confidentiality

We will treat the contents of this report, together with any notes made during the visit, in the strictest confidence and will not disclose them to any third party, without the written client consent, except as required by the accreditation authorities.

Sampling

The assessment process relies on taking a sample of the activities of the business. This is not statistically based but uses representative examples. Not all of the detailed nature of a business may be sampled so, if no issues are raised in a particular process, it does not necessarily mean that there are no issues, and if issues are raised, it does not necessarily mean that these are the only issues.

Terms and conditions

If the company experiences any breach of regulatory or statutory requirement, it is required to inform LRQA, as detailed in the Terms and Conditions clause of the contract (1.7).

Please note that, in the standard terms and conditions of contract (see below) clients have an obligation to advise LRQA of any breach of legal or regulatory requirements and any pending prosecution. Although proportionality and scale of the situation should be considered, you are required to advise LRQA of any serious potential risks to our certification but not, for example, isolated cases of a minor nature.

“The Client is required to inform LRQA as soon as it becomes aware of any breach or pending prosecutions for the breach of any regulatory requirements relevant to the Certified Management System. LRQA will review the details of any breaches brought to its attention and may elect to perform additional verification activities chargeable to the client to ensure compliance with specified requirements. LRQA reserves the right to suspend or withdraw certificates of approval / verification statements and opinions for both failure to inform LRQA and the appropriate regulator of such breaches”.

LRQA information

The company is also reminded of the information and guidance available to them from our website (www.lrqaco.uk). This includes information on our QMS, EMS, OHSAS, Verification and Validation



products, our Training Services and our CE Directives products.

Information is also available from www.lrga.com