



# Surveillance

Report for:

## Darlington Borough Council - Darlington Audit Services

<b>LRQA reference:</b>	LRQ 0939713/ 0020
<b>Assessment dates:</b>	10-11 June 2009
<b>Assessment location:</b>	Darlington
<b>Assessment criteria:</b>	ISO 9001:2000
<b>Assessment team:</b>	Margo Logie
<b>LRQA office:</b>	Coventry



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<b>Attachments</b>

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

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## 1. Executive report

### **Assessment outcome:**

Although subject to the limitations of assessment sampling, the management system seen in operation during the visit continues to satisfy the requirements of the Standard - ISO 9001:2000, as there was evidence that it was being maintained and improved.

### **System effectiveness and continual improvement:**

The focus of the visit was on compliance to defined requirements. It was established during the assessment that the management system effectively supports the delivery of services that meet the defined requirements. Budget and resourcing constraints have limited the amount of time available for improvement activity however MKInsight is now used for time recording and performance reporting, that has streamlined the process and an upgrade is due which will further improve functionality of the system.

### **Areas for management attention:**

ISO 9001:2008 was issued in December 2008 and details of the requirements and transition process have been provided by LRQA. When you consider that you are ready to be assessed against the new version of the Standard please make LRQA aware of this prior to the assessment visit. To prepare for this you will need to carry out a review of your management system against the requirements of the 2008 Standard. The results of this review must be recorded and any necessary amendments to the management system must be made and implemented. The review and associated actions must be demonstrable to the Assessor during the transition visit.



## 2. Assessment summary

### Introduction:

#### This visit

This report reflects the findings of the first surveillance visit after the certificate renewal. The opening meeting was used to discuss the programme for the visit. The Darlington and Stockton Partnership has been running for a year now under the title of "Xentrall Services". Audits of the joint services are conducted by Stockton DC with the Audit Manager from Darlington having oversight of the plan and reports. So far this year there has been an increase in the amount of investigation work required which has affected the audit plan. The Service is required to make cost savings over the next two years, which could ultimately affect certification.

#### Visit theme

At least once every twelve months during the approval cycle, LRQA will review the essential indicators of the effectiveness of system implementation as part of the opening conversation with senior management and during the assessment of the processes targeted for the visit. These indicators include internal audits and management review, a review of actions taken on any nonconformities identified during the previous audit, treatment of complaints, effectiveness of the management system with regard to achieving the certified client's objectives, progress of planned activities aimed at continual improvement, continuing operational control, review of any changes, use of marks, any other references to certification. The final selection of themes will be determined after review of actual performance and changes. The visit theme on this occasion was compliance to ISO 9001 and company process and procedural requirements.

#### Important Contract Requirement

Clients is contractually 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.

#### Confidentiality

The contents of this report, together with any notes made during the visit, will be treated in the strictest confidence and will not be disclosed to any third party, except as required by the accreditation authorities.

#### Limitations of the sampling method

The audit is performed using sampling techniques and results are based on the sample seen. It should not be assumed that the processes and records seen demonstrate an absence of issues outside of the sample.

#### Information and guidance

The client is reminded of the information and guidance available to them free of charge from the client specific 'Extranet' page on [www.lrga.co.uk](http://www.lrga.co.uk) known as "myLRQA". This includes information on a full range of standards (Quality, Environment, Health & Safety, Information Security, EC Directives, the CCA Standard) as well as the newly issued Business Continuity Management Standard and Training Services. Access to case studies and FAQs is also available. A password is required to access this area, which can be obtained by registering on the site. Changes to company name, address or contact name can also be advised via the web site. A Technical Helpline is also provided to clients on 0800 900012 to answer any questions or queries you may have or these can be logged via the "KnowledgeBase" section of "myLRQA".

<b>Assessor:</b>	Margo Logie
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<b>Assessment of:</b>	Management	<b>Auditee(s):</b>	Brian McGuire – Audit Manager
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**Audit trails and sources of evidence:**

Xentrall Protocol  
Draft Audit Services Annual Report 2008/9  
Framework for Assurance for Internal Audit  
Audit Plans 2009/10 – Darlington BC & Xentrall  
Audit satisfaction scores  
Team meeting minutes – Feb & May

**Evaluation and conclusions:**

The KPI reporting within the Annual Report shows that all objectives were met including indicator 1 - the target to achieve a 4/4 in the Council's internal control environment overall. A very good performance was recorded in every area. Audit satisfaction results remain at an average of 4.5 out of 5.

The only change in documentation that has taken place since the last visit is that a Xentrall Protocol defining the working arrangements with Stockton BC has been developed. It has generally worked as designed with only minor problems. Informal monthly reviews have taken place to address any issues. A formal review of its effectiveness is planned for after the next audit committee, scheduled for the end of June.

MKInsight is now used for time recording and performance reporting which has streamlined the process. It has also been used to record the information governance audit results so that the recommendations can be followed up. A pilot to allow Client Managers to update recommendation on line is taking place. Version 6 will be issued shortly that will provide additional functionality and should lead to further process improvement.

The management review checklist has not been reviewed and completed this year as it has been decided that it would be more relevant to undertake this task after the Protocol review with Stockton. This will then be added as a section within the checklist.

The team meetings now clearly record any changes to the management system documentation. Training feedback as well as resourcing issues are also routinely addressed.



<b>Assessment of:</b>	Audit Services	<b>Auditee(s):</b>	Brian McGuire – Audit Manager Paul Robinson – Finance Officer Craig Alderson - Finance Officer
<b>Audit trails and sources of evidence:</b>			
Universal Risk Scores Master List Risk Scores Reassessments Audit Plans 2009/10 – Darlington BC & Xentrall Audit files - Gurney Pease Primary School. Creditors Community Services & Civic Theatre			
<b>Evaluation and conclusions:</b>			
<p>The files reviewed were all maintained to the usual high standard with evidence that the management system audit checklist had been completed for each file. Evidence was also available to show that the reviews and authorisations required, prior to reports being completed and issued, had taken place.</p> <p>The updating of the risk assessments following completion of audits and/or operational changes within the Service areas was demonstrated. MKInsight is used to report on outstanding recommendations and these are followed up monthly by email. The facility for Client Managers to access their own and update/close them if it is fully rolled out should reduce the amount of work the team has to do to chase for follow up actions.</p>			



### 3. Assessment Findings Log - ISO 9001:2000

Grade 1	Status 2	Finding 3	Corrective action review 4	Process / Aspect 5	Date 6	Ref 7	Clause 8
Minor NC	Closed	<p>Two areas relating to document control were identified that did not comply with Section 28 of the quality manual</p> <ul style="list-style-type: none"> <li>It was not possible to see from the minutes of May &amp; July 2008's section meetings that all the changes to the Quality Manual were discussed as required to show that changes have been communicated and implemented.</li> <li>The MKInsight User Guide was produced earlier this year by the team as no manual was provided when Version 5 was supplied however no version controls were recorded on the documents, i.e it is not part of the quality manual.</li> </ul>	<p><b>Proposed corrective action</b></p> <ul style="list-style-type: none"> <li>Fundamentally the process works well. The recording of minutes will be assessed with a view to ensuring that all document changes are systematically discussed and recorded.</li> <li>A Version 5 user manual has now been supplied by the system provider therefore the User Guide produced by the team will be withdrawn and archived.</li> </ul> <p><b>10 June 2009</b> – The records of team meetings (Jan-May 2009) showed that changes are discussed at each meeting. Even if no changes have been made during the month a note to this effect is recorded within the minutes.</p>	Document Control	01 Sep 08	0809MJL01	4.2.3
SFI	Closed	<p>A review of the audit file checklists showed that on a number of occasions surveys were not sent out at the end of the audits as they were 2007/8 audits completed in 2008/9. Although the results may not be able to be reported in the final audit committee report there would still be benefit in sending out a survey to maximise the opportunities for obtaining feedback.</p>	<p><b>10 June 2009</b> – These have been sent out as audits have been completed.</p>	Satisfaction Surveys	01 Sep 08	0809MJL02	8.2.1
SFI	New	<p>There may be benefit in reconsidering what is stored in MKInsight to ensure that consistent and complete records are kept in the correct place (MKInsight or the shares file) to support both current needs and in preparation for possible use of MK as the complete audit record in the future and the deletion of the shared drive files.</p>		MKInsight Attachments	11 Jun 09	0906MJL01	4.2.4

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYMM<Initials>seq.#

8. Clause of the applicable standard

\* Major NC = Major nonconformity

Minor NC = Minor nonconformity

RC = Requires correction

SFI = Scope for improvement

xLRQA = Issue for follow-up by LRQA at next visit







## 5. Continual improvement tracking log

Baseline information					
1. Improvement objective reference number:		CI 0908		Date first recorded: 1 September 2008	
2. What is to be improved?	3. Baseline performance		4. Target performance	5. Target completion date	
Performance Indicators 1 – The Council's internal control environment overall – as evaluated through CPA use of resources key lines of enquiry (KLOE)	3/4 (2007/8)		4/4 (2008/9)	April 2009	
Progress information					
6. Visit type and date	7. Progress summary		8. Current performance	9. Findings log cross reference (if applicable)	10. Status
1SV 0906	Draft Annual Report due to be presented to the Audit Committee on 26 June 2009 shows that the target was met.		4/4		Closed



## 6. Visit theme selection

<b>Visit type:</b>	<b>1<sup>st</sup> Surveillance</b>		
Due date (yy-mm):	0906	Location:	Darlington
Actual date:	10-11 Jun 2009	Team:	Margo Logie
Duration:	1 day + Travel		
Selected theme(s) (include reasons for theme selection)		Processes	
Compliance to Work Instructions and ISO Standard. Due to changes anticipated with joint working with Stockton.		Audit Services – Planning & Risk Assessment	

<b>Visit type:</b>	<b>2<sup>nd</sup> Surveillance</b>		
Due date (yy-mm):	0103	Location:	Darlington
Actual date:		Team:	Margo Logie
Duration:	1 day + Travel		
Selected theme(s) (include reasons for theme selection)		Processes	
Compliance to Work Instructions and ISO Standard. Due to changes anticipated with joint working with Stockton.		Audit Services – Special Investigations Training & Competency	