



# Surveillance

Report for:

## Darlington Borough Council - Darlington Audit Services

<b>LRQA reference:</b>	LRQ 0939713/ 0018
<b>Assessment dates:</b>	10-11 December 2007
<b>Assessment location:</b>	Darlington
<b>Assessment criteria:</b>	ISO 9001:2000
<b>Assessment team:</b>	Margo Logie
<b>LRQA office:</b>	Coventry



## Contents

1.	Executive report .....	3
2.	Assessment summary .....	4
3.	Assessment Findings Log - ISO 9001:2000 .....	7
4.	Assessment schedule .....	8
5.	Continual improvement tracking log .....	9
6.	Assessment plan .....	10
7.	Certificate details .....	11

<b>Attachments</b>

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

Lloyd's Register Quality Assurance Limited, its affiliates and subsidiaries and their respective officers, employees or agents are, individually and collectively, referred to in this clause as "LRQA". LRQA assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant LRQA entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.



## 1. Executive report

<b>Assessment outcome:</b>
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. The scope of the certificate has been reduced as responsibility for financial appraisals no longer resides with the Audit Service.
<b>System effectiveness and continual improvement:</b>
From information gathered during this visit the Management System would appear effective in meeting business needs and the expectations of stakeholders. DAS continues to give due consideration to opportunities for improving its processes as demonstrated by the ongoing development of the MKInsight system, the operating procedures and in particular the revision of the risk assessment model.
<b>Areas for management attention:</b>
No specific issues were identified during this visit that would affect certification.



## 2. Assessment summary

### Introduction:

This visit was conducted as a third surveillance of the office in Darlington to establish if the management system has been maintained to the requirements of ISO 9001:2000 within Darlington Audit Service (DAS).

Brian McGuire acted as the liaison for the visit. The programme was discussed and agreed. A post has been lost within the department and roles revised; there are now only two Audit Manager posts rather than three. A partnership agreement with Stockton Council is being progressed to jointly deliver support services from April 2008 which will affect the audit service, but the detail of how it will be managed within the partnership has not been decided, as yet.

The scope of the certificate has changed as responsibility for financial appraisals has been transferred to the Council's procurement section and is no longer within the DAS's remit.

The new approach to surveillance visits being adopted by LRQA was explained to the management team. The concept ensures that we are able to focus on issues that are important to our clients and users of certification. Consultation with the senior management will determine the key issues affecting the business and those elements where there is potential for delivering business improvement. A more flexible approach will be adopted towards planning the visit activity. A theme (or themes) will be selected for the visit, such as progress against improvement programmes, key issues facing the business, performance problems or customer issues.

Visit reports will in future record important improvement objectives, including current and target performance and milestone dates and subsequently record progress.

The last visit prior to a certificate renewal will be used to review progress to date, preview future business strategy to look for opportunities to align assessment activities with your objectives, and use this information to plan a beneficial Certificate Renewal visit.

Further information regarding the full range of standards for Quality, Environment, Health & Safety, Information Security, EC Directives, the CCA Standard and Training Services, including articles and case studies is available from [www.lrqa.co.uk](http://www.lrqa.co.uk) and from the "my LRQA" section of the website. A password is required to access this area, which can be obtained by registering on the site. In addition, to the information provided by LRQA you can feed back to us regarding the service that is provided through the certification process by accessing the service evaluation section. LRQA is continually seeking to improve its services and welcomes all comments made in this way. A Technical Helpline is also provided to clients on 0800 900012 to answer any questions or queries you may have.

Work is currently underway, at the "working draft" stage, by the ISO committee to review the requirements for ISO 9001. An amendment is planned for 2008. Key message from the committee is that, "the impact on users shall be limited and changes will only be introduced where there are clear benefits to users".

<b>Assessor:</b>	Margo Logie
------------------	-------------



<b>Assessment of:</b>	Management	<b>Auditee(s):</b>	Brain McGuire – Audit Manager
-----------------------	------------	--------------------	-------------------------------

**Audit trails and sources of evidence:**

Audit Plan  
Audit Committee Progress Report – Sept & Dec (Draft)  
Effectiveness of the System of Internal Audit Report – June  
Performance Indicator report - Nov  
Audit Quality Checks – 2007  
Feedback survey results  
Quality Manual and document change records  
2006/7 Benchmarking Reports  
Team Meeting Minutes – Set, Oct & Dec  
2007 Training Records

**Evaluation and conclusions:**

The quarterly reports to the Audit committee provide a comprehensive overview of the service provided and performance against performance indicators (PIs). Results against all the PIs demonstrate that the Service is performing very well. It is likely that audits completed against plan could fall short of the 92% target by the year end, which has been highlighted to the audit committee in the December report. Reports from internal and external reviews record good performance also. The Benchmarking results are on target for where the Service wish/expect to be in relation to similar service providers.

Surveys are sent out with each audit. Only seven have been received back this year, so far. Again excellent results have been achieved. The one poor response was followed up appropriately.

The team meeting minutes show that resourcing, performance, complaints/feedback and system improvements are regularly discussed and actions progressed. Changes to MKInsight are being worked on with another release due in February 2008 to include the planning and reporting elements. A further release in September 2008 will complete the development of the product.

DAS's risk assessment model has been revised which improves the process by being a far more comprehensive review of the various types of risk that could be encountered and their likelihood of occurrence.

The changes to system documentation have been minor in nature. They were all well documented and authorisation controlled.

100% file auditing is carried out at completion with no issues being identified. MKInsight adds further controls to the existing system increasing the achievement of consistency, particularly with the organisation of working papers.



<b>Assessment of:</b>	Audit, Advice and Consultancy	<b>Auditee(s):</b>	Brain McGuire – Audit Manager Paul Robinson - Auditor
<b>Audit trails and sources of evidence:</b>			
Consultancy Files – FMSiS, Partnership Services & Agresso Investigation Files (2 sampled) Audit Files – Raid St School & Creditors (Adult Social Services & Catering)			
<b>Evaluation and conclusions:</b>			
<p>The consultancy files maintain simple records of the scope of DAS's involvement and relevant project/progress documents such as minutes of meetings and reports. The process, as outlined within the procedure, had been followed. None of the consultancy projects this year have as yet been completed.</p> <p>The investigation files were also conducted as per requirements and evidence of a system to ensure that the retention times were adhered to was also available.</p> <p>The audit files are now only maintained on MK Insight, with no paper being held. Those sampled clearly demonstrated the process, controls, reporting and follow up requirements as well as PI tracking. The Audit File template, set up in MKInsight, provides as good control to ensure the key process steps are adhered to. Excellent discipline was seen in maintaining records in the E Drive which were as defined within the Quality Manual and consistent for each audit.</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
RC	New	The Audit Synopsis file within the Quality Manual contains out of date documents, as the up to date Summary of Audits Completed is now stored within the Audit Plan folder. The old documents should be deleted.	Not required	Summary of Audits Completed	10 Dec 07	0712MJL01	4.2.4
SFI	Closed	There is scope to further streamline the "Quality Manual" that will further enhance the system documentation, for example, sections 26 and 29 and by incorporating MKInsight into more sections, such as section 28.	<b>11 December 2007</b> – Changes have been made.	Quality Manual	05 Mar 07	0703MJL01	4.2.3
SFI	Closed	The output from the first annual review was clearly evident as a complete revision of the documentation resulted and this was discussed at the team meeting in January 2007. Consideration needs to be given to ensuring that the output can be clearly demonstrated in future years, e.g. an action plan, report or meeting minutes.	<b>11 December 2007</b> – No further reviews have taken place.	Annual Quality Review	05 Mar 07	0703MJL02	8.2.2
SFI	Closed	There are checklists covering key control aspects to assist with school audits that have been established for a number of years and a new checklist relating to the FMSiS. Consideration could be given to amalgamating these to ease the process while still being able to clearly highlight the FMSiS requirements to verify that they have been met.	<b>11 December 2007</b> – MKInsight is now used and two separate audit plans used.	School Audits - FMSiS	06 Mar 07	0703MJL03	7.1
SFI	New	There could be benefit in including the description as well as the form number within the document title in the Document Version Control Folder, in the same way as is done within the Documents Folder. This should make the identification of each one quicker and easier.  Within the Document Folder (that holds the template of each form) the document name and number is used as a document title. There may be benefit in formatting each one with the number first to mirror the Document Version Control Folder which could make the updating process slightly easier.		Document Version Control Folder	10 Dec 07	0712MJL02	4.2.3

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



#### 4. Assessment schedule

<b>Management system elements to be assessed at each visit:</b> <ul style="list-style-type: none"> <li>• Management review</li> <li>• Management of change</li> <li>• Continual improvement</li> <li>• Internal audit</li> </ul>	<ul style="list-style-type: none"> <li>• Corrective action</li> <li>• Preventive action and system planning</li> <li>• Use of LRQA logo and other marks</li> </ul>	<b>Scheme specific elements:</b> <ul style="list-style-type: none"> <li>• Customer feedback and complaints</li> <li>• Legal compliance</li> <li>• Communications</li> <li>• Prevention of pollution</li> </ul>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Visit type >	1 <sup>st</sup> Surveillance	2 <sup>nd</sup> Surveillance	3 <sup>rd</sup> Surveillance					Certificate renewal
Due date >	Jun 06	Mar 07	Dec 07					Sep 08
Start date >			10 Dec					1 Sep
End date >			11 Dec					2 Sep
Assessor days >	1	1	1 + Trv					1 + Trv
Process / Aspect								
Audit Planning and Service		✓	✓					✓
Special Investigations		✓	✓					✓
Advice & Consultancy			✓					✓
Financial Appraisal		✓						✓
Training & Competency			✓					✓

#### Next visit details

<b>Visit type</b>	Certificate Renewal		
<b>Assessor days</b>	1 + Trv	<b>Due date</b>	Sep 2008
<b>Locations</b>	Darlington		
<b>Codes</b>	7412		
<b>Team</b>	Margo Logie		
<b>Criteria</b>	ISO 9001:2000		
<b>Remarks and instructions</b>			
Note: opening meetings will be at 09:30 hours and closing meetings at 16:00 hours unless agreed otherwise.			





## 5. Continual improvement tracking log

Baseline information				
1. Improvement objective reference number:		CI 0703 01	Date first recorded: 6 March 2007	
2. What is to be improved?	3. Baseline performance		4. Target performance	5. Target completion date
Efficiency of the Audit Service through the implementation of MKInsight to provide a paperless process, better clarity within the records between the evidence and the findings and in the future with the planning and PI tracking processes.	MKInsight will be used for all audits from April 2007.		Efficiencies to be quantified as implementation to be defined and each stage of development.	
Progress information				
6. Visit type and date	7. Progress summary	8. Current performance	9. Findings log cross reference (if applicable)	10. Status
2SV 0703	Paper files have been reduced by back scanning and these will now be linked within MKInsight so that recommendations and reports can be produced directly from the system. Client surveys should also be linked by the time of the next visit.			
3SV0712	Use of the system is progressing well and the next release will include audit planning and performance reporting modules.	All audits are now completed in MKInsight with no paper files held. Once the reporting modules have been developed APACE can be dispensed with and all work recorded on the one system only. The structure of working papers in particular is has improved which saves time when approving.		Open



## 6. Assessment plan

<b>Assessment type</b> Re-certification	<b>Assessment criteria</b> ISO 9001:2000	
<b>Assessment team</b> Margo Logie	<b>Assessment dates</b> 1-2 September 2008	<b>Issue date</b> Dec 2007

(Day 1)

11:00	<p>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 top management to discuss policy and objectives for the management system.</p> <p>Policy, objectives and performance</p> <p>Future plans</p> <p>System &amp; Documentation changes</p> <p>Improvements - development of MKInsight</p> <p>Follow up all outstanding issues from previous visits</p> <p>Management, Quality Review &amp; Team meetings</p> <p>Internal Quality System Audits</p> <p>Stakeholder feedback</p> <p>Training</p> <p>Advice &amp; Consultancy</p> <p>Report writing.</p>
17:00	<p>Close.</p>

(Day 2)

9:00	<p>Review of findings from previous day. Review of the assessment plan for the day.</p> <p>Audit Planning and Service</p> <p>Special Investigations</p> <p>Preparation of final report.</p>
14:00	<p>Closing meeting with management to present a summary of findings and recommendations.</p>

## 7. Certificate details



### DRAFT CERTIFICATE OF APPROVAL

*This is to certify that the Management System of:*

**Darlington Borough Council - Darlington Audit Services  
Darlington  
UK**

*has been approved by Lloyd's Register Quality Assurance  
to the following Management System Standards:*

**ISO 9001:2000**

*The Management System is applicable to:*

**The provision of a statutory internal audit service to Darlington Borough Council, including advice and consultancy and special investigation services.**

**Technical review date:**

Office use only

**Certificate  
expiry:**

Office use;  
Assessor enter if  
non-standard

Type of certificate:

<input checked="" type="checkbox"/> Single certificate <i>(Complete this form)</i>	<input type="checkbox"/> Certificate per location <i>(Complete this form for each location)</i>	<input type="checkbox"/> Multi-site certificate <i>(Complete additional multi-site form)</i>	<input type="checkbox"/> Multiple languages <i>(Complete required forms for each required language)</i>
---------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------

Accreditation / number of certificates:

<input checked="" type="checkbox"/> UKAS / 2	<input type="checkbox"/> RvA /	<input type="checkbox"/> /	<input type="checkbox"/> Not accredited /
----------------------------------------------	--------------------------------	----------------------------	-------------------------------------------

Reason for issue of certificate

<input type="checkbox"/> Initial certification	<input checked="" type="checkbox"/> Change of certification	<input type="checkbox"/> Certificate renewal
------------------------------------------------	-------------------------------------------------------------	----------------------------------------------

Further instructions: (e.g. module and / or annex for directives):

Scope reduced as financial appraisals are no longer undertaken by the Audit Service.

QA Register entry (for UKAS accreditation only)	Required	<input type="checkbox"/>	Not required	<input type="checkbox"/>
-------------------------------------------------	----------	--------------------------	--------------	--------------------------