



SOUTHEND-ON-SEA BOROUGH COUNCIL

Audit recommendations arising from CCTV/Parking objections

March 2015

EXTERNAL AUDIT REVIEW

Recommendations arising from the objections


We have undertaken audit work to review the issues raised in the objections relating to CCTV/car parking. Below are our conclusions about the matters and the recommendations that we are raising, where appropriate.

BDO CONCLUSION	BDO RECOMMENDATION	Council response	Responsible officer	Deadline
<p>The arrangements surrounding the contract are weakened by the lack of documentation included within, or clearly enough signposted from, the formal signed contract document.</p>	<p>Where the Council does not fully complete the pricing (or other) information expected within the formal contract document schedules, that either:</p> <ul style="list-style-type: none">• there is a clear reference within the formal contract document to where this information is recorded, so that there is a clear trail of evidence documenting the expectations and agreement of both parties to the contract terms and conditions,• or the sections of the model document that are not being used are removed to avoid confusion and ensure that the finalised document is then in a fully completed state.			
<p>The analysis of the change control notes that have generated increases in payments demonstrates that these have not been authorised appropriately in accordance with the Council's Contract Procedure Rules (although the element in respect of the CCTV cars has been undertaken in accordance with the express wishes of Cabinet).</p>	<p>As there have been weaknesses around the management and control of this contract we recommend that the Council should:</p> <ul style="list-style-type: none">• ensure that the controls around contract variations are properly understood by all officers and that these are complied with in all instances,• review the contract variations entered into in respect of the parking enforcement contract and determine whether these are actually appropriate and required for the delivery of the service. Where they are they should be approved in accordance with the requirements of the contract procedure rules, and where they are not they should be rescinded with the contractor and future payments stopped.			

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<p>The contract procedure rules require that a contract variation greater than £100,000 be approved by the Chief Officer responsible, the Head of Procurement and the relevant Executive Councillor. It would be expected that this would be by way of a signed change control note.</p> <p>As the implementation of the mobile CCTV enforcement vehicles was approved by Cabinet following provision of a report by the Chief Officer responsible, the approval of the Chief Officer and the Executive Councillor can be seen to have been provided, although this is not explicitly documented through specific signatures.</p> <p>As the administrative mechanism to implement this decision does not accord with the expectations of the Contract Procedure Rules of the Council, the specific expenditure that has been approved by the Parking Team Leader, beyond his delegated authority, can be argued to be ultra vires in the absence of any further formal authorisation of the actual expenditure incurred in respect of implementing the Cabinet's decision.</p>	<p>Where:</p> <ul style="list-style-type: none"> the Cabinet takes a decision, that the full extent of the appropriate documentation required to ensure full compliance with the Council's Contract Procedure Rules underpins the Cabinet's decision, so that the administrative requirements are delivered, the Council instigates a change control to a contract already in place that it ensures that it can clearly demonstrate full compliance with the Council's contract procedure rules (i.e. relevant delegation or not), to ensure that the administration underpinning the decision properly supports the decision being taken. 			

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<p>The review of the Council's practice against the expectations of the TMA guidance and the Home Office guidance indicated that the arrangements put in place by the Council were mainly compliant. There was the scope for improvement in respect of:</p> <ul style="list-style-type: none"> • The Council's Code of Practice does not explicitly require the contractor to obtain CRB checks for its staff (although the contractor does do this anyway) • System modifications are required to monitor the times taken to respond to queries and complaints from motorists, so that the contractor's performance can be properly assessed and managed • An annual report about enforcement activities is not yet being produced, although the Council is now planning to do so 	<p>There remain opportunities for the Council to improve the governance arrangements over the parking enforcement contract, and we recommend that:</p> <ul style="list-style-type: none"> • the Council review the Code of Practice and the contracting arrangements, to ensure that the contract requirements are fully consistent with the requirements of the TMA 2004 and other requirements, as part of the tendering arrangements for the renewal of the parking enforcement contract, • the Council reviews the contract management arrangements used with the contractor, to ensure that they confirm and evidence the contractor's compliance with the specified operational procedures, so that the contractor does not undertake mobile enforcement operations that are not compliant with the statutory guidance or the operational requirements of the Council. 			
<p>The TPT adjudication decisions provide evidence of the contractor not complying with the Council's Code of Practice and therefore the Council needs to ensure that the management of the contractor delivers the performance of the contractor that is required.</p> <p>The Council needs to ensure that it learns the lessons from cases taken to appeal and the decisions of the TPT, as the two cases provided in respect of the same family were effectively caused by the same actions by the contractor (although the ultimate reasons provided by the TPT are different).</p>	<p>All successful appeals against the Council are reviewed to establish whether changes should be made to the operational arrangements for parking enforcement.</p>			

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<p>The Council’s processes to deal with questions from electors, and their representatives, arising from the inspection of accounts have led to delays in the provision of answers to those questions. These have caused delays in the resolution of the electors’ questions and have further delayed the issuing and resolution of consequent Objections.</p> <p>Further, in linked investigations carried out by the Objectors, delayed and/or inadequate responses have increased the likelihood of further Objections being received. Arrangements to keep senior officers aware of developments, delays and/or potential consequences have hindered senior Officers’ ability to direct resolutions.</p>	<p>The Council should improve the processes to respond to questions from electors by:</p> <ul style="list-style-type: none"> • capturing requests for information centrally, so that these can be allocated and monitored by senior officers, • making a specific officer responsible for responding to the questions within a specified timescale, • improving monitoring and senior escalation arrangements. 			



The matters raised in our report prepared in connection with the audit are those we believe should be brought to your attention. They do not purport to be a complete record of all matters arising. This report is prepared solely for the use of the organisation and may not be quoted nor copied without our prior written consent. No responsibility to any third party is accepted.

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