

- Chief Executive
- Legal Victoria Gould – no comments to make
- Finance David Clarke, Strategic Director of Resources – no comments to make
- Other Strategic Directors David Carter, Strategic Director of Performance and Development
- District Councils
- Health Authority
- Police
- Other Bodies/Individuals Garry Rollason / Ken Powers – Internal Audit & Risk Management, Performance & Development Directorate

FINAL DECISION **YES**

SUGGESTED NEXT STEPS:

Details to be specified

- Further consideration by this Committee
- To Council
- To Cabinet
- To an O & S Committee
- To an Area Committee
- Further Consultation

Audit and Standards Committee – 20th February 2008

**Progress report on Action Plan arising from an audit of
Financial Practices of Youth Centres**

**Report of the Strategic Director for Children,
Young People and Families**

Recommendation:

That the Committee consider and comment on the progress made in achieving the outcomes of the Action Plan arising from the special investigation into financial practices at Studley Youth Centre and their impact upon the Service as a whole.

1. Background and introduction

- 1.1 Following some concerns identified through supervision, and a specific incident brought to managers' attention, it was decided that an independent audit of financial practices at Studley Youth Centre was undertaken.
- 1.2 The outcome of that investigation and Action Plan was presented to this Committee at its last meeting as part of the "Internal Audit Report 1st April – 30th September 2007".
- 1.3 Members, in discussing the report on the Youth Centre, requested a presentation about financial procedures at youth centres in general at this meeting. This report includes actions that the Service has undertaken following the investigation, and reports on some options currently being considered to improve efficiency and effectiveness of resource use.

2. Progress reports against specifically identified actions

- 2.1 Actions as identified (attached at **Appendix A**) have been achieved.
- 2.2 Financial guidelines "Management of Finance, Guidelines for Youth and Community Centres" have been reviewed. Discussions throughout the Service and colleagues within Audit and Children's Services Finance resulted in a

number of amendments to the 2004 version. The September 2007 update was circulated throughout the Service and posted on the Service's document library.

- 2.3 The Service's area managers at their meeting of 11th July 2007 were involved in identifying concerns and solutions to influence the drafting of the updated guidance and at their meeting of 15th September were reminded of the importance of managing situations to include the monitoring of financial practice using the new version.
- 2.4 At the 26th September meeting of all full-time Youth Workers and Officers the revised guidance was officially launched to all staff. In making the presentation the County Youth and Community Officer drew attention to issues relevant to the launch using the following headings:
- Read
 - Present through Management Committees
 - Bank income INTACT
 - Receipts for everything – preferably VAT
 - Centre business through centre accounts
 - Lettings to WCC
 - Budget plan
 - Annual audit.
- 2.5 The revised guidance is also included within the checklist for Induction procedures. This has previously been the case, the amendment being that new staff sign to confirm they have seen and read various guidelines and policy documents.
- 2.6 Additionally the examination of procedures and knowledge of policy documents is now contained within a revised Quality Assurance Framework. Initially this framework was developed to explore matters of quality of delivery of work with young people and has now been extended to cover other aspects of the business behind the work, e.g. finance, health and safety, etc. Maintained centres are visited at least every two years and where there may be cases of concern Area Service Managers will make spot visits to explore an aspect of the QA process.
- 2.7 An increased awareness of what can go wrong when close monitoring is not in place, as was the case at Studley, has also resulted in closer scrutiny and support from Children's Services Finance staff.

3. Conclusion

- 3.1 In general terms the Actions specified from the audit have been delivered. The Service is committed to developing procedures that will ensure that staff are properly informed at commencement of post what is expected of them and throughout their employment procedures are in place to measure that effectiveness. Staff are definitely aware of what is expected of them.

- 3.2 The challenge is to embed systems so that this awareness remains and that checks and balances are in place to identify at an early stage where things may not be as rigorous as should be expected. Managers must manage – recent implementation of new management structures and officer roles will support this change.
- 3.3 In looking to the future the Service is considering significant changes to the way centres are managed. A more centrally managed process, likely through area offices, where project funding for young people is the only delegated resource, is being considered. Such process should make better use of resources, simplify procedures and reduce the number of people involved in financial affairs.

4. Recommendation

That the Committee consider and comment on the progress made in achieving the outcomes of the Action Plan arising from the special investigation into financial practices at Studley Youth Centre and their impact upon the Service as a whole.

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7th February 2008

Action Plan arising from investigation at Studley Youth Centre

Key to Categorisation of Recommendations

Fundamental	Significant	Merits Attention
Action that is considered imperative to ensure that the County Council is not exposed to high risks. Major adverse impact on achievement of Authority's objectives if not adequately addressed.	Action that is considered necessary to avoid exposing the County Council to significant risks.	Action that is considered desirable and should result in enhanced control or better value for money. Minimal adverse impact on achievement of the Authority's objectives if not adequately addressed.

1. Fundamental Issues

Ref	Recommendation	Agreed action	Responsible officer	Implementation date
1	The Finance Guidelines should be reviewed and then re-introduced across all youth centres.	Review Guidelines and amend as necessary. Launch through Area Managers' meeting and remind them of need for thorough induction. Re launch Guidelines, accentuating essential points, at September youth worker meeting	Robert Townsend Peter Hatcher	September 2007 26 th September 2007
2	The operation of the revised Financial Guidelines should be monitored on an on-going basis.	Review Induction record keeping procedures to ensure essential elements ARE included.	Stephen Bell	November 2007

2. Significant and "Merits Attention" Issues

Ref	Recommendation	Agreed action	Responsible officer	Implementation date
	There are no recommendations in these categories.			