

WIRRAL COUNCIL

AUDIT AND RISK MANAGEMENT COMMITTEE

28 JUNE 2007

REPORT OF THE DIRECTOR OF FINANCE

MUSEUM AND ART GALLERY SERVICE

1. EXECUTIVE SUMMARY

- 1.1. This report summarises the work undertaken by Internal Audit to evaluate the controls in operation within the Museums and Art Gallery service.

2. INTERNAL AUDIT WORK COMPLETED AND FINDINGS

- 2.1. A routine audit review of the Museum and Art Gallery Service was carried out in January 2007 with the report being issued on 9 February 2007. The audit opinion was that the control environment was 'poor'. There were twenty two recommendations, of which five were 'high' priority and seventeen 'medium' priority. Some of these issues had been raised in a previous report and not addressed. The findings of this review were reported to the Audit and Risk Management Committee on 29 March 2007 as part of the normal reporting process.
- 2.2. The Committee requested that a follow up audit be carried out to review progress in implementing the recommendations, and the findings presented to the next meeting of the Committee. Internal Audit carried out this follow up review in May 2007.
- 2.3. The detailed findings of the follow up audit are attached in Appendix 1. The findings can be summarised as follows:
- Two recommendations require action outside the Museum and Art Gallery Service before they can be fully implemented as they are part of larger reviews of the management structure.
 - Six recommendations have been fully implemented.
 - One recommendation has been partly implemented. I consider that the measures that have been put in place are sufficient to reduce the risk to an acceptable level.

- Two recommendations, regarding controls over income, have not been accepted by service management. They are of the opinion that they do not have the resources to fully implement them. However additional procedures have been put in place, which have reduced the risks to an acceptable level.
- Eleven recommendations have not yet been fully implemented. Progress is being made. However the target dates for full implementation have not yet been reached. I recommend that a further report on progress be presented to the next meeting of this Committee.

3. FINANCIAL AND STAFFING IMPLICATIONS

3.1. There are none arising from this report.

4. LOCAL MEMBER SUPPORT IMPLICATIONS

4.1. There are no local member support implications.

5. LOCAL AGENDA 21 STATEMENT

5.1. There are no local agenda 21 implications.

6. PLANNING IMPLICATIONS

6.1. There are no planning implications.

7. EQUAL OPPORTUNITIES IMPLICATIONS

7.1. There are no equal opportunities implications.

8. COMMUNITY SAFETY IMPLICATIONS

8.1. There are no community safety implications.

9. HUMAN RIGHTS IMPLICATIONS

9.1. There are no human rights implications.

10. BACKGROUND PAPERS

10.1 Internal Audit reports on the Museum and Art Gallery Service.

11. **RECOMMENDATION**

- 11.1 That a further report be presented to update on the implementation to the next meeting of this Committee.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/135/07