



DERBY CITY COUNCIL

**AUDIT AND ACCOUNTS  
COMMITTEE  
6 APRIL 2006**

Report of the Head of Audit and  
Risk Management

# ITEM 7

## AUDIT REPORT – HOME TO SCHOOL TRANSPORT

### RECOMMENDATION

- 1.1 To note the report from the Assistant Director – Highways and Traffic Management.
- 1.2 To request a further update on progress of implementation of the recommendations contained in the internal audit report at the September meeting of the Committee.

### SUPPORTING INFORMATION

- 2.1 At its meeting on 29 September 2005, the Committee requested that it wished to have the opportunity to review in greater detail the audit report on Home to School Transport and discuss the findings of the report with the managers responsible for the service.
- 2.2 Appendix 2 is a report from Pat Ethelston, Assistant Director which briefs members on the actions taken since the publication of the audit report, in particular the progress that has been made on the implementation of recommendations contained within the audit report.
- 2.3 From the information provided by Assistant Director, the Head of Audit and Risk Management is satisfied that progress will be made to implement the agreed actions once a Project manager has been appointed. A further report will be submitted to the Committee at its September 2006 meeting on the progress of implementation of recommendations by the Head of Audit and Risk Management.

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**Background papers:** Final Internal Audit Report

**List of appendices:** Appendix 1 – Implications  
Appendix 2 – Report from Assistant Director - Highways and Traffic Management

<b>IMPLICATIONS</b>
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**Financial**

1. None directly arising.

**Legal**

2. None directly arising.

**Personnel**

3. None directly arising.

**Equalities impact**

4. None directly arising.

**Corporate objectives and priorities for change**

5. None directly arising.

### Report of Pat Ethelston, Assistant Director – Highways and Traffic Management

#### Home To School Transport – Internal Audit Review

Following an internal audit review of the above service, we agreed to implement 14 recommendations. Progress to date on the implementation process is shown in Table 1 at the end of this report.

The original audit report issued on 3 August 2005 contained 14 recommendations which were all agreed by Chris Niblock, Transport Procurement and Operations Group Manager. The timescale agreed to implement the majority of recommendations reflected the complexity of the issues concerned. It was expected that some of the recommendations would take between 6 to 18 months to implement because of the need for evaluating the outcome of performance measures.

The reason for allowing longer timescales for a number of the recommendations was also to allow for the establishment of a new Transport Procurement Unit. It was recognised this would take some time and that the new unit would then need time to tackle the recommendations.

To help develop the new unit, a board was established and Chris Niblock acted as Project Manager. His first allocated task was to investigate the scope of the new unit and make recommendations to the Board. Unfortunately, having made a good start to the project, Chris left the Council at the end of October for a new appointment. The post was re-advertised and interviews conducted but none of the candidates were thought to be suitable and no appointment was made.

The possibility of utilising a Change Manager was investigated but none were available. The Board has therefore decided to advertise for a secondment using a modified job description and person specification to seek to recruit a manager who can lead a project for the establishment of a new unit.

The lack of a Project Manager and the absence of the Section Head on maternity leave have delayed the project significantly. However, progress has been made where possible and to look for further improvement the Board asked team leaders to suggest areas where improvements or savings could be made or where quick wins might be possible. Work is now progressing to see whether any of these ideas can be implemented.

The implementation of the original recommendations is still appropriate but it will be necessary to review the timescales once a Project Manager has been appointed.

## Table 1 - Summary Of Progress Made In Implementing Audit Recommendations

Rec No	Original Recommendation	Details of Actions to address weaknesses	Current Status
1	<p>Rating: Merits Attention</p> <p>The existing Transport Policy concentrates on eligibility only and does not cover other relevant matters, such as stating wider service objectives.</p> <p>We recommend that the policy document is developed further to include all matters pertinent to the service, as well as stating policy on eligibility it should state wider service objectives and how these objectives should be achieved, i.e. value for money, quality assurance, performance indicators etc.</p>	<p><b>Original Agreed Action</b></p> <p>The process that is underway for the development of the TPOG unit will include a review of policy and documentation. The policy document referred to in this report is the Education policy for children regarding their entitlement to free home to school transport. The review will seek to combine elements of this document with both a policy from Social Services and an operational policy that meets the requirements of this report.</p> <p>To be implemented within 6 – 12 months of date of audit report.</p>	Awaiting the establishment of the TPOG unit
2	<p>Rating: Merits Attention</p> <p>A formal review process is not written into the existing Transport Policy and existing reviews only update legislative requirements.</p> <p>We recommend that the requirement for conducting annual reviews be written into the policy in order to promote best practice and improve the overall functionality of the service i.e. value for money, quality assurance, performance indicators etc.</p>	<p><b>Original Agreed Action</b></p> <p>As 1, above.</p>	Awaiting the establishment of the TPOG unit
3	<p>Rating: Significant</p> <p>No minutes are taken for the meetings held between Transport, Education and Social Services where the monitoring of spending is discussed.</p> <p>We recommend that these monthly meetings be minuted, with immediate effect, in order to evidence meeting discussions and the reasons for decisions taken and the resulting actions.</p>	<p><b>Original Agreed Action</b></p> <p>This issue has already been recognised and all meetings since June 2005 have been minuted.</p>	Implemented

Rec No	Original Recommendation	Details of Actions to address weaknesses	Current Status
4	<p>Rating: Significant</p> <p>Development and Cultural Services have no specific performance indicators to assess the effectiveness of home to school transport.</p> <p>We recommend that performance indicators are introduced specific to home to school transport in order for the provision to be effectively evaluated and so decisions will be based on accurate information</p>	<p><b>Original Agreed Action</b></p> <p>As per 1, above, the development process will include the use of performance indicators that will be based on reliability of operation and customer satisfaction surveys</p> <p>To be implemented within 6 – 18 months of date of audit report. This timescale was decided upon due to the need for PIs to be developed and agreed and then written into policy. Data would then need to be collected and monitored.</p>	Remains to be implemented
5	<p>Rating: Significant</p> <p>As performance indicators have not been set effective monitoring of the service provided cannot take place.</p> <p>We recommend that monitoring systems be introduced in order to clearly evaluate progress against these performance indicators and to enable decisions to be based on the most effective information.</p>	<p><b>Original Agreed Action</b></p> <p>As per 4, above.</p>	Remains to be implemented
6	<p>Rating: Merits Attention</p> <p>The transport 'Guidelines' issued to all individuals travelling do not clearly stipulate that either a travel pass or an identity card <u>must</u> be produced in order to travel and make no specific reference to the complaints process.</p> <p>We recommend that the transport 'Guidelines' be updated to reflect the above information. In order to ensure that they remain up to date they should be reviewed at least annually.</p>	<p><b>Original Agreed Action</b></p> <p>This issue has already been identified and a sentence to this affect appears on letters accompanying issued passes.</p>	Implemented

Rec No	Original Recommendation	Details of Actions to address weaknesses	Current Status
7	<p>Rating: Merits Attention</p> <p>There is no documented guidance or formal procedures for dealing with complaints.</p> <p>We recommend that the process for dealing with complaints be formalised and guidance notes prepared with standard documentation, in order for all complaints to be dealt with in the same way.</p>	<p><b>Original Agreed Action</b></p> <p>This procedure will be formalised and issued to all officers.</p> <p>To be implemented within 3 months of date of audit report.</p> <p>The three month period was to allow time for procedures to be set up and for training and implementation to take place.</p>	Remains to be implemented
8	<p>Rating: Merits Attention</p> <p>Service users, the public and schools are not consulted regarding their satisfaction with the service provided.</p> <p>We recommend that evaluation forms should be devised to assess the effectiveness of the service which are given/sent to service users at pre-determined timescales. These should be collectively analysed and the results acted on accordingly in order to improve the operation of the service provided.</p>	<p><b>Original Agreed Action</b></p> <p>As per 4, above.</p>	Remains to be implemented
9	<p>Rating: Significant</p> <p>There is no performance monitoring of the service providers to provide quality assurance of the service provided.</p> <p>We recommend that a quality assurance programme should be established at the earliest opportunity, under the direction of the Transport Procurement and Operations Group Manager, to ensure that the section maintain an appropriate service.</p>	<p><b>Original Agreed Action</b></p> <p>Performance monitoring and operation inspection will form a major part on the TPOG development programme. It is intended to raise this as a budget pressure in the budgetary process for 06/07.</p> <p>To be implemented within 9 months of date of audit report.</p> <p>Nine months was thought to be the time required to agree what needed to be inspected and establish staff and procedures.</p>	Remains to be implemented

Rec No	Original Recommendation	Details of Actions to address weaknesses	Current Status
10	<p>Rating: Significant</p> <p>There is no inspection programme of the service providers to ensure that contract terms and conditions are being adhered to.</p> <p>We recommend that an inspection programme be established at the earliest opportunity, under the direction of the Transport Procurement and Operations Group Manager, to ensure that the section maintain contract compliance.</p>	<p><b>Original Agreed Action</b></p> <p>As per 9, above.</p>	Remains to be implemented
11	<p>Rating: Merits Attention</p> <p>The Conditions of Contract for the Provision of Passenger Transport Services make no provision for records to be accessed with respect to contract delivery. We recommend that such a clause be written into the contract conditions to enable internal and external audit to access records with respect to contract delivery should the need arise.</p>	<p><b>Original Agreed Action</b></p> <p>All contract conditions will be examined as part of the group development process. This provision will be made at that time.</p> <p>To be implemented within 6 – 18 months of date of audit report. This period was determined on the basis that if clauses were introduced in new contracts it would take up to 18 months to run through all contracts.</p>	Remains to be implemented
12	<p>Rating: Merits Attention</p> <p>The paperwork on file for emergency taxi cover, contract DC220, had not been fully completed and was unauthorised.</p> <p>We recommend that controls are tightened up to make sure that all paperwork is fully completed and to ensure that prior to emergency contracts being issued all paperwork has been checked and authorised by a senior officer.</p>	<p><b>Original Agreed Action</b></p> <p>This will be rectified immediately.</p>	Being implemented

Rec No	Original Recommendation	Details of Actions to address weaknesses	Current Status
13	<p>Rating: Merits Attention</p> <p>There is currently no provision for providing training and/or information sessions for drivers and escorts. We recommend that a support service be established to offer training/instruction to service providers who would benefit from guidance on how to deal with the difficult situations they may encounter.</p>	<p><b>Original Agreed Action</b></p> <p>The unit has already recognised this matter and is in the process of arranging a programme of training in a number of aspects.</p> <p>To be implemented within 2 months of date of audit report – this will be on-going.</p>	Being Implemented
14	<p>Rating: Merits Attention</p> <p>With the introduction of a training support service controls need to be established in order to monitor the process. We recommend that a central register is produced and maintained to record the details of individuals who have received training and new drivers / escorts who have requested to be booked on subsequent sessions. This information should be used to monitor the effectiveness of the support service and provide accurate records of all of those that have received instruction.</p>	<p><b>Original Agreed Action</b></p> <p>The register will be an integral part of the training process.</p> <p>To be implemented within 2 months of date of audit report – this will be on-going.</p>	Being Implemented