

RECOMMENDATIONS TO CABINET 6 DECEMBER 2011

FROM RESOURCES AND PERFORMANCE AUDIT AND RISK COMMITTEE MEETING HELD ON 29 NOVEMBER 2011

ARC79: DOCUMENT RETENTION POLICY

At the invitation of the Chairman, Councillor Mrs Mellish, the Audit Manager introduced the Internal Audit Team to the Committee.

In presenting the report, the Audit Manager explained that the report set out the background for the need to change the current policy for the retention of documents and records of the Council.

Members were advised that as a result of training courses run by the East of England Development Agency (EEDA) on Data Protection and Freedom of Information, it was identified that the current arrangements for the retention of records were insufficient to cover the range of documents held within the Council. Currently, document retention was included as an appendix in Financial Regulations which initially covered finance related documents and had grown over time to incorporate other areas as they had been identified.

The Audit Manager explained that it was clear that the current policy was insufficient as the retention of documents was not simply a finance function, but had wider implications in respect of Data Protection, Freedom of Information and ISO 15489 (the International Standards on Records Management which was the standard adopted by the Corporate Scanning Team).

It was highlighted that the Council may need to prove (to a court of law or some other statutory body) that the contents of a particular document or data file created or that existed within an Electronic Management System had not changed since the time of storage.

The Committee was informed that on developing the policy reference was made to the National Archives guidelines and service areas had been contacted for their input regarding the type of documents stored and length of storage time. External Audit had also been consulted on the type of document they would accept for audit purposes.

The Retention Policy would provide a corporate policy framework to govern decisions on whether a particular record should be retained and for what period. The policy also set out the criteria to be followed in making a decision whether to retain or dispose of a record and the format it was kept in, either hard copy, scanned or electronic.

The Audit Manager explained that the future management and review of the

policy would be the responsibility of the Document Management System Manager and would form part of any future information management system.

Members were advised that there were no direct financial implications, but that there was the requirement to reduce the amount of space each service area required as the Council was looking to maximise the potential income by letting parts of the building, and there were associated costs for the external storage of unnecessary documents.

In response to questions from Councillor Humphrey, the Audit Manager explained that the retention of certain documents was stipulated by legislation, and it was therefore not possible to standardise the retention period of documents across the authority. However, personal data was only kept for the period required by the Council and then disposed of in accordance with adopted procedures.

Councillor D J Collis asked if the information forwarded from North Norfolk District Council (NNDC) was readily accessible to the Borough Council. In response, the Audit Manager explained that the information would be received in compliance with DWP requirements. The Deputy Chief Executive explained that it was anticipated that the history and background to claims would be available from NNDC. All "live" data would be transferred and previous data would be archived in accordance with the retention policy. The document imaging system would eventually replace the paper based system. The Courts had now acknowledged that electronic documents were acceptable as evidence. The Deputy Chief Executive added that it was anticipated that a common policy would be adopted by NNDC and the Borough Council.

In response to questions from Councillor de Winton regarding the Council's off-site storage facility, the Deputy Chief Executive explained that as documents were being scanned, the amount of paper based files would be reduced. At present the boxes sent to off-site storage were clearly marked with a destruction date.

Councillor de Winton commented that the Borough Council currently had a good Internal Audit Team. The Deputy Chief Executive informed the Committee that audit arrangements would be included in the Partnership Agreement.

RESOLVED: That Cabinet be advised that the Resources and Performance Panel – Audit and Risk Committee supports the recommendation as set out in the report to Cabinet as follows:

For Cabinet to recommend that Council approve the Retention Policy.

ARC80: **UPDATE TO FINANCIAL REGULATIONS**

The Audit Manager explained that the report presented proposed amendments to the Financial Regulations to reflect recent changes in the Management Team.

The Committee was advised that the Financial Regulations were last reviewed in January 2009. Since then changes to the service structure and Management Team had meant that responsibility for certain functions in the regulations had been re-allocated. It was therefore necessary to update some references and at the same time review the regulations as a whole to ensure that they remained relevant and fit for purpose. The draft revised version of 'Financial Regulations' was attached as Appendix 1 to the report.

The Summary of Changes was outlined as set out at section 2 of the report.

The Audit Manager explained that there were no direct financial implications, but the document affected all financial systems throughout the Council.

Councillor de Winton referred to page 72, paragraph 12.4 – use of Council credit cards and commented that credit cards were a cost effective method for the payment of expenses and questioned why petty cash was being used. In response, the Audit Manager explained that petty cash was only used for payments up to the value of £20.00. Employees were also encouraged to use the electronic purchasing system. The Deputy Chief Executive advised that there was a cost involved for the provision of credit cards within the authority. He explained that it was important that some staff held credit cards for business continuity reasons and gave an example of the loss of King's Court.

RESOLVED: That Cabinet be advised that the Resources and Performance Panel – Audit and Risk Committee supports the recommendation as set out in the report to Cabinet as follows:

For Cabinet to recommend that Council approve the amended Financial Regulations.