INTERNAL AUDIT REPORT

MARKETING & PUBLIC RELATIONS

Lynda Baker - Audit Manager
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EXECUTIVE SUMMARY

1. INTRODUCTION

1.1 Background

Communications can help improve awareness, understanding and support of the Council's visions, goals and services. Good communications can add value and can help improve services and performance (CPA scores). Milton Keynes Council's communications function is carried out by the Marketing and Public Relations department. The functions and responsibilities of the corporate team include: communications strategy; internal communications; media relations; use of new media; design and print; advertising; copywriting; exhibitions; general publicity, 'LiveMK' magazine; 'MK@work'.

Since the last audit the department has put effective routes of communication in place. Corporate communications strategy, policies and procedures have been produced outlining a number of central routes of communication. These support the corporate identity and should help reduce costs with the use of standard templates.

The department's limited budget does not cover the production of information leaflets and publications. The directorates meet these costs. The department has a budget of £457,000.

1.2 Objectives and Scope

The objectives of the audit were to ensure:

- Consistency of communications, both external and internal for MKC (Consistency of communications)
- Effectiveness of communication to stakeholders (Effectiveness of Communications)
- Compliance with the contracts handbook for areas where a service has been outsourced (Contracts)

This routine audit was carried out in November 2005.
2. CONCLUSIONS

2.1 The audit findings demonstrate that the system of control is basically sound, although there are minor weaknesses, which may put some of the system objectives at risk.

2.2 The Corporate Communications strategy, policies and procedures have contributed to an improved consistency of communications whereby the corporate identity is clearly shown but the procurement of communications does not always follow these procedures and is not always channelled through the Marketing and Public Relations department. As a result the MKC brand may not always be clearly advertised.

2.3 All ‘Good Internal Controls’ identified are recorded (Section 4) and all ‘Risks and Control Weaknesses’ identified that give rise to a recommendation are summarised in a table (Section 5).

3. WAY FORWARD

3.1 All the recommendations identified are included in the Management Action Plan (Page 5). However, the key recommendations are set out below to provide a summary of those areas where management are required to focus their attention:

3.1.1 Management should adhere to the Corporate Communications strategy, policies and procedures. They should inform the Marketing and Public Relations department of external communications. Financial regulation 4.10 should be enforced.
FINDINGS SUMMARY

4. **GOOD INTERNAL CONTROLS**

The following areas were tested and confirmed as having good internal controls with no problems to report:

4.1 **Effectiveness of communications to stakeholders**

4.1.1 The Marketing and Public Relations department assesses the effectiveness of communications known to them. For external communications this is done by tracking feedback from 'LiveMK' on the Internet and the intranet; carrying out household surveys; comparing their performance to that of other Local Authorities with the use of comparative data. The department assesses internal communications by tracking feedback to email communications (MK@work). The amount and quality of press coverage is also tracked. The department also tracks the volume of job advertisements placed by the Local Authority and the percentage of re-advertising.

4.2 **Contracts**

4.2.1 Compliance with the contracts handbook is satisfactory for current contracts.
# FINDINGS SUMMARY (continued)

## 5. RISKS AND CONTROL WEAKNESSES

<table>
<thead>
<tr>
<th>Ref</th>
<th>Theme</th>
<th>Findings</th>
<th>Risks (Implications)</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Consistency of communications</td>
<td>The Corporate Communications Manager considers that 20% of print leaflets produced by the Council do not show the Corporate brand as expected.</td>
<td>Efforts to build a strong brand will be negated and the cost benefits of centralised ordering lost.</td>
<td>The Corporate Communications strategy, policies and procedures should be enforced by Heads of Service and adhered to by the directorates.</td>
</tr>
<tr>
<td>2</td>
<td>Effectiveness of communications</td>
<td>Not all communications are being channelled through the Marketing department.</td>
<td>Ineffective communications to stakeholders/ Inconsistent with brand</td>
<td>Financial regulation 4.10 which states that “publicity expenditure and expenditure on legal/public notices – prior to committing expenditure, officers will consult with PR and agree format of expenditure” should be enforced.</td>
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</table>

NB Any cost implications arising from implementation of the recommendations by HBS must be agreed in advance with the appropriate Client Officer and the Partnership Delivery Manager.
## MANAGEMENT ACTION PLAN

The recommendations are categorised on the following basis:
- **Essential** - Implementation is required with immediate effect to address a weakness that fundamentally undermines the control of that system.
- **Important** - Implementation is required within a short period of time to address weaknesses that seriously undermine the control of that system.
- **Standard** - Management need to take recommended action within a reasonable period to address weaknesses that may undermine system control.

<table>
<thead>
<tr>
<th>Ref</th>
<th>Recommendation</th>
<th>Categorisation</th>
<th>Management Comments</th>
<th>Manager Responsible</th>
<th>Target Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Consistency of communications</strong></td>
<td>Important</td>
<td>Agreed by Corporate Communications Manager – it has been agreed that the Corporate Communications Manager would attend DMTs and use this to highlight the benefits of Communications strategy and also remind them of the financial regulations</td>
<td>Corporate Communications Manager</td>
<td>Ongoing</td>
</tr>
<tr>
<td></td>
<td>The Corporate Communications strategy and policies and procedures should be enforced by Heads of Service and adhered to by the directorates.</td>
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<tr>
<td>2</td>
<td><strong>Effectiveness of communications</strong></td>
<td>Standard</td>
<td>Agreed by Corporate Communications Manager – (see above)</td>
<td>Corporate Communications Manager</td>
<td>Ongoing</td>
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