

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY COMMITTEE

INFORMATION

Agenda Item No 15

meeting date: 13 JANUARY 2015
title: AUDIT OF PLATFORM GALLERY AND VISITOR INFORMATION CENTRE
submitted by: DIRECTOR OF RESOURCES
principal author: MICK AINSCOW

1 PURPOSE

- 1.1 To report to Committee the results of a follow-up audit carried out at the Platform Gallery and Visitor Information Centre.

2 BACKGROUND

- 2.1 The report issued following the Gallery/VIC audit in March gave an assurance level of 5, meaning that in our opinion the Council could place no reliance on the arrangements and controls in place.
- 2.2 An eleven point Action Plan (Annex 1) was agreed with Gallery/VIC staff and the Leisure and Sports Development Manager at a meeting in February 2014.
- 2.3 Having been presented to Accounts and Audit Committee on 2 April 2014, the matter was referred to Community Services Committee with the recommendation that the operation of the Platform Gallery and Visitor Information Centre is reviewed.
- 2.4 The matter was reported to Community Committee on 27 May 2014. Members expressed concern about the issue and requested a further report be submitted showing the progress made when the follow up audit had been carried out.

3 CURRENT POSITION

- 3.1 A follow-up audit at the Gallery/VIC was carried out in July 2014, seeking to establish what progress had been made with regard to the agreed Action Plan.
- 3.2 The audit report issued on 31 July 2014 concluded that all recommendations agreed had been implemented and were working effectively. There had been significant improvements to administration processes and good progress had been made in reducing the number of stock lines to a more manageable level.

4 CONCLUSION

- 4.1 The follow up audit resulted in an assurance level of 2 – the Council can place reliance on the arrangements and controls in place.
- 4.2 It is pleasing to note the significant improvements made, and I am confident that this will be maintained given the willingness of management to take a more proactive role in the day to day running of the Gallery/VIC.

PRINCIPAL AUDITOR

DIRECTOR OF RESOURCES

CM2-15/MA/AC
12 December 2014

Action Plan

	Recommendation	Responsibility	Agreed	Date
R1	It is recommended that monthly stocktakes resume with immediate effect. Any discrepancies between actual stock and stock records should be thoroughly investigated. Copies of all stocktakes should be forwarded initially to the Leisure and Sports Development Manager for approval and then to the Accounts Section to enable write off/on.	Colin Winterbottom, Stephanie Hibbert & Dominique Dunand-Clarke	Agreed	Stocktakes continue to be carried out on a monthly basis. Copies are forwarded to the Leisure and Sports Development Manager for approval and then to the accounts section.
R2	It is recommended that greater care be taken when bringing forward stock figures from one month to the next. No new stock lines should be added during the month. In addition no new stock lines to be added unless other lines have been removed.	All Gallery staff	Agreed	All figures are being carried forward correctly from previous months stocktakes.
R3	It is recommended that the store room on Level A be completely cleared of all items. If stock is obsolete then it should be disposed of accordingly. The room should not be used as a stock room for items removed from active stock or for bulk storage.	Colin Winterbottom, Stephanie Hibbert & Dominique Dunand-Clarke	Agreed	No stock is stored in the Council Offices basement.
R4	It is recommended that consideration should be given to reducing the number of artists with work on sale at any one time to facilitate a less time consuming stocktake process. Artists work to also be returned immediately at the end of an exhibition.	Colin Winterbottom, Stephanie Hibbert & Dominique Dunand-Clarke	Agreed	The number of artists has been reduced to 25. They are replaced by a new 25 after a 3 month term.
R5	Sample stock takes on a minimum 20% of artists on display be carried out monthly, with any irregularities thoroughly investigated.	Colin Winterbottom, Stephanie Hibbert & Dominique Dunand-Clarke	Agreed	A stocktake of 5 artists is carried out monthly.
R6	All bought stock should be included on the main sales spreadsheet. Gallery side stock sheets should only be for commission based sales.	Colin Winterbottom, Stephanie Hibbert & Dominique Dunand-Clarke	Agreed	All bought stock is included on the main sales spreadsheet.

R7	It is recommended that stock lines be reduced to a more manageable level – with a maximum of 100 lines. This is in line with the instructions issued by Director of Community Services back in August 2011. As a full analysis of all stock lines should take place immediately to identify any obsolete/slow moving items with a view to reducing the number of lines to 50 within the next 6 months. Reduce the price of the identified items and actually market the ‘sale’ with external advertising etc.	Colin Winterbottom, Stephanie Hibbert & Dominique Dunand-Clarke	Agreed	Number of stock lines reduced down to 64 with some items still on sale with a view to reducing the number of stock lines further still.
R8	It is recommended that actual levels of stock held within individual lines should be reduced and be kept to a minimum. Gallery staff should not feel governed by minimum order quantities from suppliers and should only order stock they know has a ready market and the turnaround of stock is quite fluid.	Colin Winterbottom, Stephanie Hibbert & Dominique Dunand-Clarke	Agreed	Levels of stock held have been reduced to a more manageable level.
R9	It is recommended that guidance be drawn up for the mark –up percentage to be applied to bought in stock to ensure profit margins- wherever possible - are consistent across the entire stock range. This will ensure that selling prices are far less subjective.	Colin Winterbottom, Stephanie Hibbert & Dominique Dunand-Clarke	Agreed	Basic guidelines have been drawn up to assist staff with mark-up percentages.
R10	It is recommended that deliveries should be entered onto the spreadsheet as soon as they arrive at the Gallery, and greater care should be taken to ensure all receipts of goods are entered correctly. All delivery notes should be initialled and dated once entered onto the stock sheet and be kept on file for future reference.	All Gallery staff	Agreed	All deliveries are recorded on the delivery sheet kept on the front desk and entered onto the stock spreadsheet as soon as possible. Every night supervisors check the delivery sheet and ensure all deliveries have been inputted onto the stock spreadsheet correctly.
R11	It is recommended that no more perishable items are purchased once current stock has been sold.	Colin Winterbottom, Stephanie Hibbert & Dominique Dunand-Clarke	Agreed	No perishable items are on sale.