

Financial governance action plan

Issue	Proposed action	Timescale
KPMG recommendation: non-escalation of known overruns	<ul style="list-style-type: none"> • Letter to be sent to all project managers and budget holders highlighting the obligation to manage annual and life-time budgets, and to report potential cost overruns immediately. • Programme Management Office to monitor compliance re annual and lifetime forecasting on information systems and report non-compliance to line managers and through the corporate performance monitoring process. • Staff holding key financial compliance posts will be required to sign annual Stewardship Statements at each year end. 	<p>30 September</p> <p>From September monitoring</p> <p>April 2010</p>
KPMG recommendation: poor documentation	<ul style="list-style-type: none"> • The current approach to core documentation on project files will be fully implemented and subject to regular spot-checking. • Guidance to be issued to staff on the retention of other documentation and full audit trails, including meeting notes. • On-going training to be provided to all staff on use of the Athena suite of systems. 	<p>In progress and in audit plan</p> <p>30 September</p> <p>On-going</p>
KPMG recommendation: use of spreadsheets	<ul style="list-style-type: none"> • The Athena suite of systems is used for core financial and programme management for all projects. Reports will continue to be refined, including for lifetime reporting. • Guidance to be issued to staff on the management of spreadsheets and version control. • Information system requirements to be reviewed, and decision taken regarding enhancement or replacement. 	<p>On-going</p> <p>30 September</p> <p>Project in Improvement Programme</p>
KPMG recommendations: financial controls within Olympic Legacy Directorate	<ul style="list-style-type: none"> • Appoint an interim qualified accountant with appropriate experience and a brief to improve OLD financial monitoring and control. 	<p>Complete - August</p>

	<ul style="list-style-type: none"> • Introduce an improved financial control and oversight regime within the Olympic Legacy Directorate, with sign-off by the Group Director, Resources and Performance. • Plan for the effective transition to the OPLC, with continuing roles subsumed within core LDA property, finance, and PMO teams. 	<p>Complete - July</p> <p>On-going, to complete 30 September</p>
KPMG recommendations: use of contingency	<ul style="list-style-type: none"> • Introduce formal policy that any contingencies in budgets can only be accessed through the formal change control process. • For Olympic land, it is proposed elsewhere on the agenda that the contingency can be authorised by the Chief Executive and the CFO subject to expenditure remaining within the overall in-year budget. If this is not the case, further approval will be required. 	<p>30 September</p> <p>16 September</p>
KPMG recommendations: long-term budgetary control	<ul style="list-style-type: none"> • Future monthly performance reports will include information on lifetime budgets and forecasts. 	From September monitoring
KPMG recommendations: risk management	<ul style="list-style-type: none"> • Risk management reports are provided to the Audit, Risk and Performance Committee and the Board on a regular basis. Actions taken to mitigate risk in the period will be clearly reported. • The scope of internal audit reports will be agreed with the Chief Finance Officer, and all reports, including drafts, will be provided to the CFO. 	<p>From September reporting.</p> <p>30 September</p>
Additional action: budget-holder roles and delegation	<ul style="list-style-type: none"> • Issue guidance to all staff, reiterating budget holding roles and delegation levels. • Project scorecards are signed by project managers. 	<p>30 September</p> <p>From September monitoring</p>
Additional action: internal audit plan	<ul style="list-style-type: none"> • Enhance internal audit plan to include a review of the budget monitoring process and regular auditing of high-value/construction projects. 	Complete - August
Additional action: finance and performance function	<ul style="list-style-type: none"> • Conduct an audit of qualifications for finance staff. • Consider measures to strengthen the finance function, 	<p>Complete - July</p> <p>18 November</p>

	<p>covering core corporate functions and support to operational directorates. Make recommendations to November Board.</p> <ul style="list-style-type: none"> • Consider arrangements for the management of all corporate support functions. Make recommendations to the November Board • Produce a policy statement for the PMO, setting out the role in respect of the production of management information, compliance, and support and challenge to operational directorates. • Introduce regular, additional performance management sessions to enable the CEO and the CFO to discuss performance with operational Group Directors and Directors. • Introduce a performance forum to compliment finance forum and CEO sessions 	<p>18 November</p> <p>31 October</p> <p>From September monitoring</p> <p>From September</p>
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