

AUDITS COMPLETED BETWEEN 1st JULY 2020 & 31st OCTOBER 2020

2019/20 AUDIT PLAN

Car Parking

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> • The procedure for banking, reconciliation and monitoring of car parks income requires review to ensure that all monies are accounted for and reconciled consistently across the Alliance. • The 'Collection and banking of income and internal mail courier services' contract should be formally signed and all contract specification requirements including provision of insurance policies complied with. • All contracts relating to the Car Parks service should be closely monitored to ensure that the terms of the individual contracts are met. 	<ul style="list-style-type: none"> • A project is currently underway relating to replacement of the current cash only pay and display machines, with those which have the addition of a contactless/chip and pin payment option. • Keys to pay and display machines are strictly controlled, recorded and held securely. • Monthly and annual data is provided by the Parking Board in relation to car parking enforcement activity/income etc. • Season ticket applications and the relevant payment are all now made via the Council's website.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Car Park Inspections					2	
Procurement					1	
Reconciliation & Banking of Income			1			
Pay & Display Machines					2	
Discrepancies					1	
Car Parking Charges						1
Enforcement					1	
Contract Management			2			
Total			3		7	1

Carelink

Assurance Level

Assurance: LIMITED

It is our opinion that controls currently in place within the system provide limited assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> Formal stock records should be maintained to record all items of stock delivered and distributed. A review should be undertaken of the current process in place for the transportation of installation/sign up documentation to ensure that the privacy, confidentiality and security of the information is maintained at all times. A Procurement exercise should be undertaken to ensure that a suitable provider of the Carelink monitoring service is arranged. Adequate procedures should be developed between the Recovery and Carelink service with regard to the recovery of Carelink debts. 	<ul style="list-style-type: none"> Corporate recruitment procedures have been followed with regard to the appointment of Carelink staff. All staff have been provided with IT equipment to enable mobile access to client information

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Stock Records			1			
Client Documentation			1		1	2
Staffing Model					3	1
Client Visits					1	1
Promotion of the Carelink Service						1
Client Satisfaction						1
Carelink Monitoring Service			1		3	1
Income			1		2	1
Staffing Costs						1
Total			4		10	9

Housing Planned Maintenance

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> • In accordance with the Document Retention Schedules all construction tender contracts should be retained. • A contract variation form should be fully completed and retained in all relevant instances. • An appropriate procurement exercise should be undertaken in relation to asbestos surveying services. 	<ul style="list-style-type: none"> • Contract spend is regularly monitored. • Liaison between Procurement and Assets resulted in tenders being consistently managed.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Contract			3			
Risk Management					1	
Contract Files					1	
Lessons Learned					1	
Total			3		3	

Recovery

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
	<ul style="list-style-type: none">• 2019/20 collection rate targets are on target (as at February 2020) for Business Rates, Council Tax and Sundry Debtors.• Procedures are in place to manage 'special arrangement' payment plans.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Policies & Procedures					2	
OHMS System					1	1
Total					3	1

AES Governance

Assurance Level

Assurance: SUBSTANTIAL

It is our opinion that controls currently in place within the system provide substantial assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

	Strengths and Improvements
	<ul style="list-style-type: none">• Legal agreements have been developed and signed by all relevant parties.• Regular board meetings are held with the Alliance being adequately represented.• All relevant stakeholders are provided with sufficient information regarding the progress / performance of the joint venture.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Asset Register					1	
Set Up Costs					1	
Total					2	

Development Control

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none">• Planning applications should be promptly processed in accordance with statutory timescales.• The Enforcement Plan should be formally adopted by the Council.	<ul style="list-style-type: none">• Increased use of electronic processing to improve response times.• Improvements to the information available via the website allow greater levels of customer interaction.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Processing of Applications					1	2
Pre-Application Advice					1	
Monitoring of Conditions			1			
Total			1		2	2

Council Tax

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> • A procedure should be developed to ensure that all new build properties are physically inspected and where complete, issued with a Completion Notice and registered with the Valuation Office. • All discounts/exemptions should be reviewed in accordance with the documented review schedule. 	<ul style="list-style-type: none"> • Weekly Valuation Office schedules are reconciled to the system promptly. • Payments are posted to customer accounts promptly. • A daily reconciliation is carried out between the Income Management System and the Council Tax System. • A monthly reconciliation is carried out between the Council Tax System and the Financial Management System.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
VO Notifications Statistics					1	
Inspection of New Build Properties			1			
Review of Discounts / Exemptions			1			
System Access					1	
Total			2		2	

Creditor Payments

Assurance Level

Assurance: SUBSTANTIAL

It is our opinion that controls currently in place within the system provide substantial assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
	<ul style="list-style-type: none">• For the sample of invoices reviewed, where required, all were matched to a corresponding purchase order and had been appropriately authorised.• Payments made via the purchase ledger are regularly reconciled to the Creditors control account.• 97% of invoices were paid within 30 days, exceeding the target of 96% and better than the 2018/19 outturn (SMDC 92%, HPBC 95%).

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Credit Notes					1	
Total					1	

NNDR

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none">• A robust, proactive procedure for the inspection/review of business rate premises should be developed and implemented to ensure that all new builds, voids, change of circumstances etc. are captured promptly and the relevant accounts updated accordingly.• All issues and anomalies relating to Business Rates accounts, identified during the processing of the Covid-19 Business Grants, should be actioned accordingly. Proactive measures should be put in place to ensure that all such future instances are identified and processed promptly.	<ul style="list-style-type: none">• A sample of discounts awarded was reviewed and all had been correctly applied.• Parameters had been correctly set within the system for the 2019/20 billing year.• Valuation Office schedules are reconciled to the Council's NNDR system weekly.• NNDR income is regularly reconciled to the Income Management System, and the Financial Management System.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Year End Procedure Notes					1	
Inspection/Review of Business Premises			1			
Covid-19 Business Grants			1			
Total			2		1	

Housing Benefits

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> • The 'Risk Based Verification Policy' should be reviewed on an annual basis and submitted for approval by the appropriate body in accordance with HB/CTB Circular S11/2011. • All new claims should be processed consistently in accordance with the Alliance's 'Risk Based Verification Policy'. • The reasons for accepting requests to backdate benefit should be adequately recorded including consistent application of 'good cause' and provision of documentary proof in support of requests where feasible. 	<ul style="list-style-type: none"> • All new benefit claims and changes of circumstances are received online. • The Housing Benefit Debt Service (HBDS) has been implemented in order to identify details of employers and earnings.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Risk Based Verification			2			1
Backdated Claims			1		1	
Claims Processing					3	
Management Checks					1	
System Variables						1
Payment on Account					2	
Overpayments					2	
System Storage					1	
Part Completed Applications						1
Emergency Payments					1	
Total			3		11	3

2020/21 AUDIT PLAN

Capital Accounting

Assurance Level

Assurance: SUBSTANTIAL

It is our opinion that controls currently in place within the system provide substantial assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
	<ul style="list-style-type: none">• Asset Registers are updated accordingly based on information supplied by Legal Services and surveyor valuations.• Valuations are carried out in accordance with RICS and guidance issued by CIPFA.• The most highly valued assets are valued annually to ensure confidence that the net book value recorded on the balance sheet is materially correct.• Adjustments for depreciation and revaluations are correctly recorded on the Integra system.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
None						
Total						

Corporate Governance

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
<ul style="list-style-type: none"> • A policy regarding the claiming of mileage and expenses for staff above grade AR9 should be documented, approved and distributed to all relevant staff. • All expenses, hospitality and leave claimed by Senior Officers should be subject to appropriate scrutiny and independently approved. • The regular attendance of Senior Officers at meetings/events of external bodies should be subject to a formal independent approval process to ensure it provides sufficient benefit to the Alliance. 	<ul style="list-style-type: none"> • Priorities and objectives have been agreed and adequately communicated. • A 'Local Code of Corporate Governance' has been adopted which is in line with the latest CIPFA/Solace guidance. • There are designated committees responsible for governance issues.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Ethical Framework					1	
Induction Process					1	
Promotion of Policies and Procedures					1	1
Claiming of Expenses			2			
Attendance at External Bodies			1			
Civic Cars					2	
Interests / Gifts and Hospitality					1	2
Annual Leave and Additional Time Off			1		1	1
Appraisal Scheme					1	
Total			4		8	4

Housing Rents

Assurance Level

Assurance: SATISFACTORY

It is our opinion that controls currently in place within the system provide satisfactory assurance that risks material to the achievement of the systems objectives outlined in the Scope and Objectives section of this report are adequately managed.

Key Findings

Key Issues	Strengths and Improvements
	<ul style="list-style-type: none">• The rent debit was correctly calculated and applied to the OHMS system.• Cash received as per the income management system is regularly reconciled to the OHMS rent system.• Rents received/refunds reached customer accounts promptly.

Summary of Recommendations

An analysis of the recommendations categorised by risk and classification (regulatory or added value) is shown below:

Description	High		Medium		Low	
	R	A	R	A	R	A
Void Management					1	1
OHMS User Access					1	
Total					2	1