

**Report No 1- 2006/07 – Bulky Refuse**

The objective of the audit was to ensure that there are adequate procedures in place for the processing of Bulky Refuse Collections and payments received.

In the opinion of the Auditor, the Control Assurance Level is High.

No recommendations were made.

**Report No 2- 2006/07 – IT Disaster Recovery**

The scope of the audit was to review the IT Disaster Recovery plan against the controls identified in the CIPFA matrix.

In the opinion of the Auditor, the Control Assurance Level is High.

No High Priority recommendations were made.

**Report No 3- 2006/07 – Housing Assistance (Renovation Grants)**

This audit was carried out to ensure that there are adequate procedures and controls for the processing and payment of the various grants.

In the opinion of the Auditor, the Control Assurance Level is High.

No High Priority recommendations were made.

**Report No 4- 2006/07 – Community Safety**

This audit was undertaken to ensure that the objectives of the performance plan are being addressed, the data recorded against the BVPI's and LPI's is accurate, to confirm that a risk register had been prepared and is being updated annually and that the Partnership funding is being accounted for satisfactorily.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

No High Priority recommendations were made.

**Report No 5- 2006/07 – Haysden Country Park**

This audit was undertaken to ensure that members of the public can enjoy the facilities in a safe and secure environment and that any income due has been received and accounted for correctly and promptly.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

No High Priority recommendations were made.

### **Report No 6- 2006/07 – Recruitment**

The audit brief was to document and review the system relating to Recruitment and to follow up and previous recommendations.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

No High Priority recommendations were made.

### **Report No 7- 2006/07 – Child Safety Equipment Scheme**

The objective of the audit was to document and review the system relating to the issue of free child safety equipment.

In the opinion of the auditor the control assurance level is Limited.

The scheme is free to recipients of benefits and in order to confirm the receipt of benefits applicants are required to sign an application form to give the authority to check their benefit status. There were two cases found where the application forms had not been signed and therefore the applicant had not given permission for their benefit status to be checked. A high priority recommendation was made to ensure that every applicant signs the application form. This recommendation was agreed by the Chief Housing Officer and a second officer is now required to check that the application form is complete before equipment is ordered.

### **Report No 8- 2006/07 – Physical & Environmental Controls**

The objective of this audit was to document and review the controls and procedures relating to Physical and Environmental Controls of the IT Suite using the CIPFA IT control matrix.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

During the course of the audit two contracts were examined that resulted in the issue of two High Priority recommendations.

The first instance related to a service provider where the cost exceeded £30,000 but the service had not been subject to tender. The explanation for this was that two separate services were originally sought by quotations and that an offer for a discounted price was accepted for both services to be provided by the same supplier. The recommendation was that Contract Procedure Rules should be used for contracts over £30,000.

The second instance referred to a supply contract where tender procedures had been followed and the contract was awarded to the supplier. However, the contract was being operated without the contract document being signed. Technically the specification and letter of intent form the contractual relationship but the contract document should be completed prior to the contract taking place. This matter has now been resolved.

Although the auditor highlighted these issues they were not considered significant enough to warrant lowering the level of assurance.

#### **Report No 9- 2006/07 – Commercial Services**

The objective of the audit was to review the key controls relating to Commercial Services and to follow up the recommendations from the previous audit.

In the opinion of the Auditor, the Control Assurance Level is High.

No High Priority recommendations were made.

#### **Report No 10- 2006/07 – Finance Post Opening**

The audit was undertaken to ensure that the procedures for post opening in Financial Services comply with HB/BFI Performance Standards.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

There was one High priority recommendation arising from the report. This concerned the number of Benefit files that were stored in open boxes that were considered to be in breach of Data Protection requirements. This had arisen due to a lack of storage space when the two area offices were amalgamated. Steps are in hand to provide secure locked cabinets for all live cases and to store dead files in a secure environment.

#### **Report No 11- 2006/07 – Car Park Income**

Management Team had identified through the Income Monitoring sheets that Car Park Income was below target. In addition concerns had been raised by the Audit Commission that there was a general trend in a decline of Car Park income in Kent. The internal audit review was carried out to ensure that the income is securely collected and accurately banked and adequate records are maintained.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

No High Priority recommendations were made.

#### **Report No 12- 2006/07 – Investments**

This audit was carried out to ensure that the Council's day to day surplus funds are invested in accordance with this Authority's Treasury Management Policy and Treasury Investment Policy. The audit did not include the funds managed by the Council's Fund Managers, being the balance of the proceeds of the sale of the Council's Housing Stock.

In the opinion of the Auditor, the Control Assurance Level is High.

No High Priority recommendations were made.

### **Report No 13- 2006/07 – Mileage Claims**

This audit was undertaken to ensure that only legitimate claims have been submitted, the standard of completion supports the claims made and that all vehicles are appropriately insured.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

Two High priority recommendations were made. All Chief Officers were advised to ensure that they have a system in place to regularly check the insurance certificates of all officers using their vehicle for business use. In addition they were also advised that no officer is to be allowed to undertake a journey unless his/her Service is certain that the vehicle is correctly insured.

### **Report No 14- 2006/07 – Flexible Working**

The audit was undertaken to ensure that staff who have opted into the Flexible Working Scheme are following the Guidelines laid down in the Flexible Working and Time Off document issued by Personnel and that the timesheets are being accurately maintained and that management controls and reviews are in place.

In the opinion of the Auditor, the Control Assurance Level is Limited.

Although there were no significant errors it appears that there is not a consistent approach to flexible working in different services. Most of these anomalies related to interpretation of the rules and managers discretion. There were however, no losses of time to the Council. Two medium priority recommendations were made for all Chief Officers in order to ensure a consistent approach is adopted. The recommendations were agreed by the Central Services Director and the issues of consistent approach were discussed at Management Team.

### **Report No 15 - 2006/07 – Larkfield Leisure Centre**

The objective of the audit was to audit the controls relating to the Larkfield Leisure Centre, update the system notes and to follow up any recommendations from the previous audit.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

There was one High priority recommendation. This related to contractors where they are required to supply a copy of their public liability insurance when providing services at the Centre. This recommendation was made to ensure that the contractor is providing sufficient insurance cover to minimise the risk to the Council. This recommendation was agreed and plans have been made to ensure compliance with future contracts.

### **Report No 16 - 2006/07 – Housing Benefits Subsidy Claim**

The objective of the audit was to ensure that there are sufficient internal controls over the preparation and calculation of the subsidy claim for 2005/06. Using the Audit Commission's schedules sample testing was also carried out on a selection of the cells within the subsidy claim to ensure the calculations were correct.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

There were four High priority recommendations made. Three of the recommendations related to queries in individual cells contained within the subsidy claim form that needed resolving. During the course of this audit it was found that a number of benefit claim files could not be located. The report recommended that steps were taken to find them. All of the files from Martin Square and Tonbridge Castle are in the process of being amalgamated with all live files being stored in locked cabinets. Some files are stored 'off-site', in a secure environment. The Audit Commission have also found 'missing' (or mis-filed) files to be a problem when they carried out their annual audit of the subsidy claim.

### **Report No 17 - 2006/07 –Pest Control**

The objective of the audit was to ensure that treatments are carried out in accordance with the contract and that free treatments are only provided when appropriate.

In the opinion of the Auditor, the Control Assurance Level is High.

No High Priority recommendations were made.

### **Report No 18 - 2006/07 – Cash Loss at Larkfield Leisure Centre**

This audit was carried out following the report of £110 missing from the centre safe. It was concluded that the procedures for storing money in the safe were adequate and no explanation could be made in respect of the loss. A risk assessment was carried on the frequency of losses from the safe. These were found to be infrequent and minimal additional security was deemed to be not cost effective.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

No High Priority recommendations were made.

### **Report No 19 - 2006/07 – Angel Leisure Centre**

This audit consisted of a surprise cash up of the cash in hand and takings at the Centre. This was followed up by an audit of the systems in place at the Centre. No queries arose from the cash up.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

Two High priority recommendations were made. They both related to the contract for the provision of catering at the Centre. The contract for the service had not been signed although the contractor was already providing the service. The level of service is set out in the specification and the terms of contract are being adhered to. It is considered that the risk from non-signature of this contract is minimal. In addition there was provision in the contract for an increase in income related to inflation and this had not been implemented.

#### **Report No 20 - 2006/07 – Assisted Car Purchase Loans**

The audit objective was to ensure that loans made to officers are in accordance with the scheme and that all criteria have been met.

In the opinion of the Auditor, the Control Assurance Level is High.

No High Priority recommendations were made.

#### **Report No 21 - 2006/07 – Housing Advances**

This audit reviewed the Housing Advances portfolio maintained on the Council's behalf by agents, Gemini Consultants Limited.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

No High Priority recommendations were made.

#### **Report No 22 - 2006/07 – Poult Wood Grounds Maintenance**

This audit was undertaken to ensure that there are adequate controls in place in respect of the in house agreement for the maintenance of the Poult Wood grounds.

In the opinion of the Auditor, the Control Assurance Level is High.

No High Priority recommendations were made.

#### **Report No 23 - 2006/07 – Concessionary Fares**

The audit brief was to examine the procedures for the processing of concessionary bus and rail passes to ensure that they are correctly applied and are accurately recorded in the Council's accounting records. In addition to ensure that the database for recording details of applicants conforms to the Data Protection Act.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

No High Priority recommendations were made.

#### **Report No 24 - 2006/07 – Playscheme and Activate**

The audit brief was to ensure that the Playscheme & Activate Schemes for 2006/07 were administered in accordance with written procedures and to test the controls in place.

In the opinion of the Auditor, the Control Assurance Level is High.

No High Priority recommendations were made.

#### **Report No 25 - 2006/07 – Petty Cash**

The audit was carried out to ensure that the petty cash expenditure incurred under the current system is appropriate and to review the procedures for the new system, update the system notes and to follow up any recommendations from the previous audit.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

No High Priority recommendations were made.

#### **Report No 26 - 2006/07 –Tonbridge Pool**

The audit consisted of making an un-announced visit to Tonbridge Pool and reconciling the cash holdings in the building. In addition there was an additional cashing up of income for the crazy golf and bouncy castle located in the Tonbridge Sportsground.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

There were two High priority recommendations made. These related to the income for the Bouncy Castle and Crazy Golf. Tickets for these activities have been pre-numbered and it was recommended that a simple reconciliation between tickets issued and cash should be undertaken daily. These are seasonal activities and plans are in place to implement the recommendations in the next season.

#### **Report No 27 - 2006/07 – Cash Kiosks**

This audit was the initial review of the systems for operating the Cash Kiosks that have been installed at Kings Hill and Tonbridge Castle.

In the opinion of the Auditor, the Control Assurance Level is Limited.

There were four High priority recommendations made. Two related to investigating reconciliation differences. As a result of these discrepancies it was recommended that daily reconciliations take place for a limited period and thereafter weekly reconciliations if appropriate. The final

recommendation was that a risk assessment was carried out for the two kiosks and the resultant risks should be included in a risk register. These recommendations were agreed and plans are in place to implement them.

### **Report No 28 - 2006/07 – Property & Land**

This audit was carried out to ensure that all property and land owned by the Council is correctly recorded on a terrier and that the correct rent/lease income is being received where appropriate.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

No High Priority recommendations were made.

### **Report No 29 - 2006/07 – Martin Square Telephone Bills**

This audit resulted when a concern was raised when a member of Administrative Services staff who noticed that there was a significant increase in the cost of the telephone bill for the Martin Square Office. This was identified as being improper use by an agency temp. Further investigation was carried out and it was found that two other agency temps had been making excessive use of Council telephones, albeit to a lesser extent. The cost of these calls has been recovered from the temps concerned.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

No High Priority recommendations were made.

### **Report No 30 - 2006/07– Poulton Wood**

The audit brief was to audit the controls relating to the collection of green fees at the Poulton Wood golf course, update the system notes and to follow up any recommendations from the previous audit.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

One High priority recommendation was made for tickets issued in error to be returned to Leisure Services as evidence that the ticket was issued in error. This recommendation was raised with the Golf Professional and was implemented from January 2007.

### **Report No 31 - 2006/07 – CCTV**

This audit was carried out to ensure that adequate procedures exist in order to meet Home Office Guidelines on use of CCTV and to ensure that the costs of the scheme are proportioned correctly and are billed on a regular basis.

In the opinion of the Auditor, the Control Assurance Level is Substantial.



No High Priority recommendations were made.

### **Report No 32 - 2006/07 – Main Accounting System**

The audit brief was to document and review the main accounting system using the CIPFA matrix to evaluate the effectiveness of the internal controls set up within the system.

In the opinion of the Auditor, the Control Assurance Level is High.

There were two High priority recommendations made to improve the system. These required reconciliations to be brought up to date. Since the audit one reconciliation has been completed and the other is being worked on.

### **Report No 33 - 2006/07 – Payroll**

The audit brief was to audit the key internal controls relating to Payroll using the district audit matrix and to follow up any recommendations from the previous audit.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

One High priority recommendation was made. Following the recent upgrade of the Payroll system the security and access has not yet been fully structured. In addition, the software supplier (Frontier) still has full access to the system to deal with initial problems. This is obviously not ideal from a security point of view but is for practical purposes. It was recommended that as soon as practical, the security and access features of the system should be updated to ensure the integrity and security of the system. The action plan has not been returned yet but is still within the response deadline.

### **Report No 34 - 2006/07 – Angel Centre Cash Loss**

This audit was carried out as a result of a possible cash theft, reported by the General Manager, from the Angel Centre's income for 10 January 2007. The discrepancy was discovered on 11 January 2007. A cashier had banked her takings and had called the Duty Manager to sign them off and put them in the safe. The cashier left as the Duty Manager had been called to another incident. The takings were left on a desk that could be accessed by all staff. The Duty Manager later locked the takings in a safe and on the following morning a reconciliation was carried out when it was identified that £35 had gone missing. This was an isolated incident and instructions to staff require that money is stored safely and is not left unattended.

In the opinion of the Auditor, the Control Assurance Level is Substantial.

Two High priority recommendations were made that reiterated adherence to the banking procedures and the safe storage of cash. The action plan has not been returned yet but is still within the response deadline.