

2008/09 Audits to date

Report No 19- 2008/09 – Homeworking

In the opinion of the auditor the control assurance level is **limited**

The audit brief was to review and document the systems in place for home working.

There are two types of homeworker recognised in the Homeworking, Teleworking and Mobile Working Policy and these are contracted home-workers and non-contracted home-workers. The distinction between the two types is that contracted homeworkers are expected to work from home on a regular basis subject to a contractual agreement whereas non-contracted people will work from home by agreement with their manager on an ad-hoc basis.

At a work station located in the Council premises a regular workstation assessment is carried out to ensure compliance with legislation. People working from home are required to carry out a self-assessment to ensure suitability.

From discussions with the Health & Safety Officer it was established that one of the next modules within the e-learning is programmed to be work station self assessments. Access to the e-learning is made via web link and as home workers are required to be available through email from home most workers will have internet access and be able to complete the work station self assessment at home. In order to undertake this self-assessment there will be a requirement for the individual to be trained in order to do so.

R1 Consider including the next module of e-learning – work station self assessments to be included within the home working policy. (Medium – Health & Safety Officer)

The adequacy of the Homeworking, Teleworking and Mobile Working Policy was critically assessed and it was considered that it required updating to include a number of areas relating to Health & Safety and Data Protection.

R2 Ensure that the Homeworking, Teleworking and Mobile Working Policy is updated with input from the Health & Safety Officer, Senior Personnel Officer and the IT Manager, and contains clear instructions for staff regarding data protection, health & safety and the safe transportation of Council equipment. (High – Senior Personnel Officer)

Report No 23- 2008/09 – Concessionary Fares

In the opinion of the auditor the control assurance level is **substantial**.

The audit brief was to audit the controls relating to Concessionary Fares, update the system notes and to follow up any recommendations from the previous audit.

The audit included the follow up of previous recommendations made. The only recommendation that still requires attention is the recommendation that when proof of age is received that a note is made on the application form of what the proof is and initialled by the member of staff who has seen it. This was tested as part of this audit and it was noted that on one occasion proof wasn't noted on the bus pass application or initialled.

R1 Wherever proof of eligibility is required the member of staff must note what the proof is and initial the application form. (Medium)

The procedure notes that were made available were reasonable however they did not appear to mention that the bus pass application form should be noted when proof of eligibility has been seen.

R2 Update the procedures to state clearly that the bus pass application form should be noted when proof of eligibility has been seen. (Medium)

There was an objective to ensure that all paBus passes are now issued through a bureau therefore this test was only relevant for the rail vouchers. A stock record is held by the Customer Services Officer at the Tourist Information Office (Barbara Mills). A check of this record showed a number of books being issued to Kings Hill, TIC and Snodland. It did not show when complete books had been returned. A physical check was carried out to ensure that the nine books shown as recently issued were currently in use. Eight of the nine books were found but one Senior rail book numbered 184 issued to Kings Hill could not be found during the audit. (Since the audit it was discovered that these had been returned but not recorded)

R3 Investigate the whereabouts of the missing Senior Rail Voucher Book number 184. (High)

R4 Ensure that Senior Rail Voucher Books are held securely. (High)

R5 Have a column in the stock record that shows when the books of vouchers have been returned. (Medium)

When rail vouchers are issued a stub is completed and the details entered on the Faredeal system. When the invoices are sent in by the rail company ATOC the stubs can be matched up to the invoices for the majority of the vouchers. For the outlying offices that issue vouchers including Kings Hill a monthly return is supposed to be completed with the relevant information to allow the Customer Services Officer to be able to check the invoices fully. The latest returns sent in were noted and the numbers checked to the

invoices. This highlighted that Kings Hill seem to have ceased sending in their returns however it was subsequently realised that this was due to a misunderstanding and have been emailed to reinstate this procedure.

R6 Ensure that all returns are sent in monthly so that the invoices can be fully reconciled. (High)

Report No 24- 2008/09 – Poult Wood Golf Professional

This report has not yet been finalised but the draft opinion is **substantial**.

Report No 25- 2008/09 – VAT

In the opinion of the auditor the control assurance level is **substantial**.

The audit brief was to ensure that the monthly VAT return was completed accurately, update the system notes and to follow up any recommendations from the previous audit.

On occasions payments are made in advance by Internal Cheque Request. These include payments for Courses sent with a Booking Form and Interim Contractors payments. In order for the payment to be included in the VAT calculations, it is necessary for the payee to either submit a confirmatory VAT invoice or a VAT receipt. During the testing one instance was found where a VAT receipt had not been supplied. Steps were taken to ensure that this was an isolated incident and a request was made for the VAT receipt to be obtained.

R1 Ensure that a record is kept of outstanding Contractor VAT receipts and ensure that these are regularly chased. (Medium) (Exchequer Services)

R2 Ensure that VAT receipts are received for those payments that are made in advance of a VAT invoice being received. (Medium) (Personnel Services)

Report No 26- 2008/09 – Development Control

In the opinion of the auditor the control assurance level is **Substantial**.

The audit brief was to ensure that all fees and charges in respect of Development Control (DC) are charged and received in accordance with the Government Regulations and financial procedure rules.

A previous audit had recommended that the risks associated with the 106 agreements should be listed on the Risk Register.

Another recent audit of the S106 Agreements (Development Contributions Audit Report No. 14 2008/09) had also been carried out in which a recommendation has been made regarding a Risk Register.

R1 A system must be implemented to record instances where Officers have declared an interest in an application and confirm they have no involvement. (High - Chief Planner DC)

Upon examination of the Risk Register there appears to be no reference to income other than a loss of income following complaints. There is an area of risk involved in ensuring that all income received is accounted for and banked promptly. There should also be reference to ensuring that the correct fees are being charged as these are set by Government.

R2 Ensure that the Risk Register includes reference to income and fees. (Low - Chief Planner DC)

Report No 26- 2008/09 – Court Costs

In the opinion of the auditor the control assurance level is **Minimal**.

The audit brief was to ensure that the procedures currently in place for seeking, receiving and allocating Court Costs are adequate, update the system notes and to follow up any recommendations from the previous audit.

Court costs that are awarded at the Magistrates Court and Crown Court the court collects the court costs and then passes any payments to the Council. A payment schedule is sent with the cheque detailing what the payments relate to however these schedules are not kept therefore it is not possible to identify what some of the payments appearing on Integra relate to. Once payments are received they are passed to the admin section to record in their paying on book and pass to Exchequer Services to process. These two courts deal with Criminal prosecutions.

For court costs awarded at County Court it is the Council's responsibility to collect the monies due.

There is no record of fees awarded, received, or what is outstanding held in Legal Services.

R1 Introduce a monitoring system whereby a record is kept of all court costs that are awarded to the Council, list payments received and record what balance is outstanding. (High – Chief Solicitor & Monitoring Officer)

R2 Ensure that the payment schedules received from the court are kept for future reference. (Medium – Chief Solicitor & Monitoring Officer)

The latest Legal Services Risk Register available on the share drive is dated 2007/08. All Risk Registers are due to be updated following training sessions provided by the Chief Internal Auditor and the Insurance Officer. In addition there is no mention of court costs within the current Risk Register of Legal Services.

R3 Ensure that the Legal Services Risk Register is updated to include risks involved with court costs and ensure that it is reviewed on an annual basis. (Medium – Chief Solicitor & Monitoring Officer)

Report No 28 - 2008/09 – Playscheme, Activate and Y2 Crew

In the opinion of the auditor the control assurance level is **Substantial**.

The audit brief was to audit the controls relating to the Playscheme, Activate and Y2 Crew Schemes, update the system notes and to follow up any recommendations from the previous audit.

The Play Scheme Staff are issued with a Play Scheme Handbook for which covers most of the areas they deal with which supplements training that they are given before the scheme commences, however there is no mention in the handbook about the completion of registers and receipt books or how to deal with standby income. As for Activate and Y2 Crew there were no procedures forthcoming for these.

R1 There need to be procedures for all Schemes that cover at least all risk areas. (Priority: High – Responsible Officer: Leisure Services Manager - Development)

All staff employed on the Play Scheme, Activate and Y2 Crew were listed by the auditor from the files of information held on staff by the Indoor Leisure Section and these lists were then cross checked to Personnel Section's spreadsheets. These spreadsheets state whether a CRB check has been returned or not. All of the CRB checks had been returned according to Personnel records.

R2 It would be useful for Leisure to maintain a list of staff for each of the schemes to aid checking and monitoring. (Priority: Low – Responsible Officer: Leisure Services Manager - Development)

A sample of two Play Schemes were randomly selected and an analysis of the monies collected and banked as per the registers and by the banking records were compared. A difference of £28 was found on the Woodlands Scheme.

It was investigated and found to relate to two families recorded as paying a cheque for £56 each but actually there was only one cheque for £56. Both families were subsequently refunded £28 due to getting a Leisure Pass when in fact only one refund of £28 should have been issued.

- R3 Ensure that when a cheque is paid for more than one person or paid in with another schemes banking that it is clearly noted on the register. (Priority: High – Responsible Officer: Administration Manager)**

A sample of two registers for the Y2 Crew were randomly selected for examination. It was found that these registers particularly were not very clear due to names being crossed out, names added, names in duplicate etc. One register contained names of eight people that do not appear to have paid at all and the money that was receipted on the 18th August (the day of the trip) was not paid into the councils kiosk until 27th August. The income collected on 11th August one event was £30 less than what was due however the income was paid in more promptly on 13th August.

There were receipts issued to people that had not actually paid or the receipt stated 'previously paid' so the receipt was not necessary. There were also eleven people that paid the Leisure Pass price for events but no Leisure Pass could be traced for them.

- R4 Procedure notes should include how to maintain the registers legibly for both Health and Safety and financial purposes. (Priority: High – Responsible Officer: Leisure Services Manager - Development)**

- R5 Procedures should include how all income collected must be banked promptly and intact. (Priority: Medium – Responsible Officer: Leisure Services Manager - Development)**

- R6 An explanation of the 'under banked' Y2 Crew income is required. (Priority: High – Responsible Officer: Leisure Services Manager - Development)**

- R7 Procedures should include how proof of Leisure Passes must be obtained wherever possible. (Priority: Medium – Responsible Officer: Leisure Services Manager - Development)**

- R8 Procedures should include how and when receipts should be issued. (Priority: Medium – Responsible Officer: Leisure Services Manager - Development)**

The insurance required for the Partnerships is specified in the Play Scheme agreements however an examination of the copies held on file found that two partners do not appear to have the appropriate level of insurance for Public Liability.

- R9 In future a procedure must be in place to ensure that all insurance certificates are checked for the appropriate level of insurance specified in the Partnership agreements. (Priority: High – Responsible Officer: Leisure Services Manager - Development)**

Report No 29- 2008/09 – Sports Development

In the opinion of the auditor the control assurance level is **Substantial**.

The audit brief was to audit the controls relating to Sports Development and write audit system notes.

A file was obtained from the SDO which shows all external coaches employed by TMBC for sports development courses. The Auditor checked that the relevant CRB and insurance checks have been made. From those details within the file, all had relevant documents to show that they are qualified and sufficient to provide coaching on TMBC's behalf. The Auditor did however note that no spreadsheet is held that shows all external coaches as a definitive record. This spreadsheet could then show whether all coaches have provided the documentation prior to commencement of employment. This is the same for all courses run under the sports development function.

R1 A spreadsheet should be created which details all of the external coaches used by TMBC and includes CRB date checks, insurance checks etc to ensure that the relevant documents have been obtained prior to commencement of employment. (Priority – High. Responsible Officer – Leisure Services Manager for Development).

A database is held by the SDO that shows all applicants (since the scheme began in its current format in 2002) and their details. However it does not show when payment was received, or how much payment was for. The Auditor consulted the SDO as to whether this would be a viable option as the database would then be the definitive record for the cricket programme. Both the Auditor and the SDO were in agreement that this should be amended.

R2 Two extra columns should be added to the Cricket Database which shows the amount paid and the date paid. (Priority - Medium. Responsible Officer – Leisure Services Manager for Development).

Report No 30 - 2008/09 – Property and Land

In the opinion of the auditor the control assurance level is **Substantial**.

The audit brief was issued by the Audit Manager and was to audit the controls relating to Property and Land, update the audit system notes and to follow up any recommendations from the previous audit.

During the course of the audit the Auditor has asked, which has now been actioned, for a template to be made, which the Estate Services Manager and the Principal Legal Officer can send over to the Senior Exchequer Officer whenever a property is amended by either occupant or rent review. This will then ensure that all amendments can be made clearly and concisely and the forms can be stored for future reference.

- R1 The new Property Assignment/Changes Notification Form should now be utilised for all amendments to a property, be it by occupant, lease or rent review.
(Priority – High. Responsible Officers – Estate Services Manager, Principal Legal Officer, Senior Exchequer Officer).**

Using the Property Technicians' spreadsheet the Auditor obtained copies of the leases/rental agreements to establish whether the same information is held by both parties. No issues arose with regard to this as correct charges were being made, rental agreements are in place and are under regular review.

A point that should be noted is that a recommendation was made last year to ensure that the rental spreadsheet includes details for all rental properties. At the start of the Audit, it was established that a property was missing from the spreadsheet. An updated spreadsheet which included the missing property has now been received.

- R2 The Estate Services Manager should ensure that the most up-to-date information is available on the spreadsheet at all times.
(Priority – Medium. Responsible Officer – Estate Services Manager).**

Report No 31 - 2008/09 – Purchase Ledger

This report is still in the draft stage but the initial opinion is **substantial**.

Report No 32 - 2008/09 – Payroll

In the opinion of the auditor the control assurance level is **substantial**.

The audit brief was to review and document the internal controls relating to payroll using the CIPFA audit matrix.

The exception reports for the current financial year August – November were examined. From discussions with payroll staff it was established that exception reports are produced on a monthly basis as part of each pay run. These reports are produced by the staff within the payroll section and each entry is examined and marked accordingly to signify that it has been checked, however a recommendation has been made previously that this report should be initialled by the member of staff who has checked it however the month of October 2008 had not been initialled. The exception reports are not sent to heads of service as there is no need to as it would not be of any use to them.

Although CIPFA best practice states that exception reports should be reviewed independently of the Payroll Section this is considered impractical in such a small authority.

R1 Ensure that the exception reports are initialled to show who has checked them. (Low – Exchequer Services Manager)

An examination of the establishment list found that it was not up to date and that an error had occurred in notifying a leaving date to KCC Pensions.

R2 Ensure that the establishment spreadsheet record maintained by the Senior Personnel Officer is kept up to date. (Medium – Senior Personnel Officer)

R3 Ensure that the incorrect notification of superannuation sent to KCC is corrected and ensure that future notifications are correct. (Medium – Senior Personnel Officer)

From discussions with the payroll staff it was established that although reports are received of any rejected BACS payments these reports are filed in the employees personal files therefore without trawling through all personal files to identify one it is not possible to highlight them.

R4 File the rejected BACS reports with the BACS acceptance reports for future reference. (Low – Exchequer Services Manager)

With regards to employee cheques these are normally handed to staff and a signature obtained of which there is a record kept in the payroll section. In addition there are non employee cheques that are produced and posted, however a record of the date as to when cheques are posted is not kept.

R5 Ensure the date that cheques are posted is recorded. (Low - Exchequer Services Manager)

Each month the payroll section issues each Service with a list of all employees currently on their files. Managers within each service should check these lists and keep a signed copy to show that it has been checked and then email the Senior Personnel Officer to confirm that they have carried out the check. From discussions with the Senior Personnel Officer it was established that Senior Officers do confirm by email that the schedules are correct and he keeps copies of these emails however a record is not kept of what replies are outstanding or if any non replies have been chased.

It should be noted that on occasions confirmations may not be received from some areas and it is difficult to chase as for areas like the leisure centres it is difficult to identify the point of contact as individual managers sometimes send the confirmation. Therefore there should be a contact officer within each Service to collate the confirmation from sections and then email the Senior Personnel Officer. A signed copy of the payroll report should be kept by the Service contact for future reference.

R6 Ensure that there is a contact officer for each Service to ensure that the monthly payroll reports are circulated around each Service and then send an email to the Senior Personnel Officer

**each month to confirm that the reports have been checked. In addition ensure that a signed copy of the payroll report is kept by the Service contact for future reference.
(Medium – All Chief Officers)**

R7 The Senior Personnel Officer should keep a record of the confirmations that have been received from Services to show they have checked the monthly payroll lists and where necessary chase any confirmations not received. (Low – Senior Personnel Officer)

The current Risk Register held on the share drive is incomplete. From discussions with the Exchequer Officer it was established that it is the intention this year to try and embed risk management with payroll staff. It is hoped to update the register in December 2008.

R8 Ensure that the Risk Register is reviewed and updated. (Medium – Exchequer Services Manager)

During the course of the audit there was anecdotal evidence of errors contained within the documents submitted to Payroll. The Payroll staff do not have a responsibility for checking accuracy of documents but they do frequently identify errors.

It was mentioned to the Auditor that perhaps an alternative could be to train relevant officers to achieve a level of consistency in the completion of prime documents such as starter, termination and change of particular forms, or perhaps a E-Learning Module could be produced for the training and could be used for all new staff members who are required to complete the forms.

**R9 Consider providing training to relevant officers within all Services regarding the completion of prime payroll documents.
(Low – Senior Personnel Officer)**

Report No 33 - 2008/09 – Investments

In the opinion of the auditor the control assurance level is **substantial**.

The audit brief was to audit the controls relating to Investments, update the system notes and to follow up any recommendations from the previous audit.

The Auditor obtained the investment reconciliation file from the Exchequer office and checked to insure that they are regularly carried out and that they do indeed balance. From looking at the file it was ascertained that reconciliations that have been carried out do balance however only two reconciliations have been carried out in the current financial year. Reconciliations should be carried out monthly.

As a result of the audit, the Exchequer Services Manager has now ensured that all the reconciliations have been brought up to date and he has assured

the Auditor that future reconciliations will be carried out in a more timely manner.

R1 Monthly reconciliations must be carried out for the investments ledger. (Priority – High. Responsible Officer – Exchequer Services Manager).

A selection of 20 investments were obtained using the IDEA random sampling technique. They were checked to ensure that they complied with the Treasury Management strategy and the Treasury Management Practices (TMP's). Nineteen of the twenty were all found to be in order. The one that caused concern to the Auditor was because no signature was found on the documentation to state that it had been authorised by a senior officer. All others were found to comply with policies and included all the information vital to the processing of investments.

The investment process requires the record of investment and the payment request form to be signed by an authorising officer. In this instance, the payment request form was found to be signed by the Principal Accountant, however the investment record was not. In order to complete a full audit trail, both documents must be signed. As the process has now been strengthened to include the Chief Executive, Director of Finance and the Chief Accountant, the priority of the recommendation is low as the authorisation of the investment record is embedded as part of the process.

R2 All records of investment must include an authorised signature. (Priority – Low. Responsible Officer – Exchequer Services Manager).

As part of the audit, the Auditor was asked to investigate whether or not the investment that was carried out with the Icelandic Bank, Landsbanki, was made in compliance with the Council's policies. The Auditor also checked to ensure that, in light of the current financial situation, processes had been reviewed to further minimise the risk of counter party failure in the future.

The Auditor was firstly in contact with the Senior Exchequer Officer. He obtained as much evidence as possible to show that procedures had been reviewed. From looking at the evidence, including updated TMP's, Treasury Management Team notes, minutes from recent Local Authority Creditor meetings, statements to the press and letters to Landsbanki, it is clear that even more robust measures are in place to maximise capital preservation and that staff, members and the public have all been kept informed of progress.

A check was then made, by obtaining the original record that the Landsbanki investment was made, at the time, in line with the Councils Treasury Management policies. Once obtained, the Auditor could see that this had been correctly authorised, that relevant information had been obtained from Sector Treasury Services regarding credit rating and suggested duration exposure and that at the time Landsbanki were an authorised counter party.

In light of the evidence obtained by the Auditor, the investment was carried out in line with Council policies.

Report No 34 - 2008/09 – General Ledger

In the opinion of the auditor the control assurance level is **substantial**.

The audit brief was to check controls relating to the General Ledger to ensure that data is processed accurately. Using the Audit Commissions testing schedules the main accounting system, budgetary and other high level monitoring controls and close down procedures (including the brought forward figures) were examined.

Testing found no errors and no recommendations were made as the result of this audit.

Report No 35 - 2008/09 – Council Tax

In the opinion of the auditor the control assurance level is **substantial**.

The audit brief was to audit the controls relating to Council Tax, update the system notes and to follow up any recommendations from the previous audit.

The Senior Revenue Assistant (SRA) is supposed to complete a spreadsheet of the Council Tax valuation office schedules that have been reconciled however this had not been done until recently since the end of 2007/08. This spreadsheet should detail any differences and shows when they are corrected usually delays are due to the Valuation Office. It has been confirmed that there have been a number of problems with the Valuation Office and continuing differences in the figures. As 5th January this had now been fully reconciled.

R1 The spreadsheet must be updated even when the figures do not reconcile (High Priority – Responsible Officer – Principal Revenues Officer)

The Senior Revenue Assistant ensures that the suspense account is regularly monitored. During the audit it was found that one item remained unidentified for a couple of months and was thought to relate to monies that did not belong to the Authority. It was subsequently identified, as most items are, however it did highlight that there is no written procedure for dealing with unidentified items.

R2 A procedure for dealing with unidentified suspense items should be drawn up, this should include the timescale in which they should be dealt with and where they should be posted. (Medium Priority – Responsible Officer – Principal Revenue Officer)

A report was extracted of all accounts of non payers and missed payments and a random sample of 20 were checked to ensure they had been promptly followed up and appropriate action taken for the outstanding amounts.

All of those in the sample had moved through the appropriate stage of the reminder process and beyond where necessary to summonsed arrangements (SUMAR), liability orders and to the bailiffs.

There were two queries regarding accounts whereby a SUMAR had been set up but the accounts still remained unpaid. An email has been sent to the Senior Revenue Assistant to ascertain whether these are due for further action.

R3 Confirm that account numbers 510661 and 8068563 have been highlighted promptly for further action following unsuccessful SUMARs. (Medium Priority – Responsible Officer – Principal Revenue Officer)

A report was obtained of those on Single Person Discount and a random sample of twenty people was extracted using IDEA. A check was then carried out to ensure that a declaration or a review had been carried out as evidence to support these. Two of the twenty in the sample were on Benefits and therefore are checked by the Housing Benefits Section not Council Tax. Four of the twenty were due to be reviewed in 2008 but did not appear on the relevant reports produced and checked by the Principal Revenue Officer. One of the twenty was outstanding due to the Christmas break.

R4 An investigation is required to establish why four of the accounts, in the sample of Single Person Discounts, were not included in the reviews. (High Priority – Responsible Officer – Principal Revenues Officer)

Report No 36 - 2008/09 – HB/CTB Assessments

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

The audit brief was to audit the controls relating to Council Tax and Housing Benefit Assessments and to follow up any recommendations from the previous audit.

Whilst there are procedures in place for ensuring that individual training needs are met there is no actual log kept of the training carried out throughout the year.

R1 It is suggested that a training log is set up to show the dates, subjects and staff that attended any training for evidence and monitoring purposes. (Low)

There was one case in a sample of pay declared examined where the monthly payslips had been input incorrectly as there were a total of three in the same

family working for the same employer and one payslip was input as the mothers which was actually the sons. This is being followed up but it is believed to have no effect on the overall benefit.

R2 To comply with best practice ensure that two months payslips are received for the claimant where they have income from earnings. (Low)

From the sample of twenty cases that were examined there were two cases that should have been on single person discount since 2007 which had not been identified. It is understood that a report was run to pick up all those initially relating to 2008.

R3 All those who are single or single parents need to be identified to ensure that the Council Tax records can be updated. (Medium)

Confirm that regular reports are produced to identify and reassess cases where claimants are due to become 25 years old.

This has never been necessary or a requirement until the new Local Housing Allowance (LHA) came in. LHA reports have not yet been run but it has been planned to commence shortly.

R4 Run regular reports to identify and reassess where claimants are due to become 25 years old. (Low)

From the sample of twenty cases examined four had old VF control sheets confirming evidence specified however these are not used any more. It was intended that the IDOX system would offer a VF control but this has not yet materialised from Northgate. The only VF sheets in operation are those used when the visiting officer goes out and sees proof whilst she is out.

The Benefits Management are happy that the assessors have been adequately trained and experienced enough to comply with VF even though it is not essential just best practice. The testing has shown that this is the case but it is felt that some kind of checklist would be useful.

R5 It is suggested that until Northgate install a VF module that the Benefit Staff use a checklist to tick off the various items required for the verification of the claim. (Medium)

Upon checking the sample of twenty benefit cases one of the claimants was found to have had a wife in a nursing home since 2006 and whilst this had been followed up in June 2008 no further action had been taken. Following this audit the claim has been suspended and a new claim form requested to be completed.

R6 Ensure that diary notes are made to ensure that these cases are flagged up for intervention after 52 weeks. (Medium)

Testing took place to confirm that changes are made promptly to the statutory rates and that independent checks are carried out immediately after new or amended parameter file data is input in order to confirm its accuracy.

Whilst it could be seen that changes are made and independent checks are carried out on the parameter file data etc according to the spreadsheets held by the System Administrator there were no dates of input on the working papers.

R7 Please enter the date of input on the various parameter spreadsheets. (Low)

Confirm with management that procedures are in place to prioritise the assessment of change in circumstances which may lead to a cessation or reduction in benefits.

Currently there are no procedures to prioritise the assessment of change in circumstances which may lead to a cessation or reduction in benefits. although when there is a backlog management may work through the workload to pull out any that may cause an overpayment.

R8 It is suggested that there is a procedure in place to prioritise 'changes in circumstances' which may lead to a reduction or cessation of benefits. (Low)

Report No 37 - 2008/09 – Homelessness

This review is ongoing at present but the auditor has found that there has been unbudgeted growth in the cost of the rent deposit scheme which may have been mitigated by a reduction in bed and breakfast accommodation costs. The review is also looking at the procedures required to strengthen the recovery of bed & breakfast contributions and rent deposit advances and loans.

Report No 38 - 2008/09 – Refuse Contract

In the opinion of the auditor the control assurance level is **substantial**.

The audit brief was to ensure that payments are processed promptly and correctly taking into account any adjustments for inflation and base data changes increases. In addition to ensure additional works are sufficiently supported and that penalty clauses are monitored and applied correctly. Update any system notes and follow up any recommendations from the previous audit.

A previous audit report in 2007/08 identified significant weaknesses in the systems used in the Waste and Street Scene Team. These issues are being urgently resolved by service managers assisted by IT and Internal Audit. Consequently this audit only considered the specific area of reconciliations and supporting documents.

The substantial audit opinion has been given as the current system has controls in place to investigate any significant differences in the monthly reconciliation between the client and contractor. This has minimised the risk of financial error.

The contractor has developed a program that will replace the current system and there is a working party set up in the council to oversee the progress of this system. For this reason there has been no significant development of the current system.

A check was made to ensure that for invoice B (additions) there were sufficient supporting documents and evidence that reconciliations had been carried with regards to agreeing the invoice produced by the Council and the invoice produced by the contractor Veolia. In addition a check was made to ensure that the invoices had been certified and paid promptly.

All was found to be in order with the exception of the May invoice whereby the WSM should have initialled the invoice to show that he had agreed the amounts. This is marked within the date stamp as to when the invoice was received. Upon further examination of all the invoices received this financial year to date all had been initialled by the WSM.

R1 Ensure that the monthly invoices are initialled by the WSM after he has agreed the invoice before payment is made. (Medium – WSM)

Source: - Internal Audit Reports