

2009/10 Audits not reported on to date

Report No 9- 2009/10 – Car Loans/Leases/Allowances

Systems Audit Opinion

In the opinion of the auditor the control assurance level with regard to the system is **substantial**.

Value for Money Opinion

In the opinion of the Auditor the control assurance level with regard to value for money is **substantial**.

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

Ensure that there is an adequate risk register in place and that it is reviewed quarterly.

The Auditor obtained a copy of the Personnel risk register and was unable to find information on the leased car scheme included within it. From looking at previous audits, this was specifically mentioned within a section about advising staff on the benefit and remuneration package. It is felt that Personnel should consider re-introducing the risks surrounding the lease car and loan schemes into the risk register.

R1 The Risk Register for Personnel should be updated to include the risks surrounding the lease car and loan schemes. (Priority – Medium. Responsible Officer – Personnel and Customer Services).

Check that there is a way that ensures that the council receives value for money e.g. by obtaining three quotes for each car.

The personal lease car files for all officers with a current leased car were obtained and checked to ensure that each detail at least three different lease companies. In all cases this was found to be in order.

When this point was looked at by the Chief Internal Auditor he believed that there could be an issue here as there could potentially be a breach of EU Regulations, aggregation rules. As such the Auditor contacted the Assistant Solicitor. However, previous advice had been given by the Chief Solicitor and in his absence this advice was unavailable.

However, in 2008/09 £111,000 was spent with one leasing company. As the contracts run for three years this total exceeds the EU thresholds for

tendering under the aggregation rules. Although the current system may be giving the best deal for each car it may be a breach of EU regulations. EU regulations maybe avoided if the scheme was amended. See Lease Car Schemes section 23 within this report for other options.

R2 The Chief Solicitor should clarify the EU Regulations position (Priority – Medium. Responsible Officer – Central Services Director).

Ensure that any charges for excess miles have been calculated correctly.

Integra was accessed and a listing produced of the invoices in relation to excess mileage. The invoices were then obtained and the Auditor calculated the pence per mile of all returned cars on the invoices. These all varied dependant on the individual cars c.c. When questioned, the Personnel Officer stated that the invoices are checked to ensure that the correct end mileage has been written on the invoice however she is currently unaware as to what the correct excess mileage rates should be. If this was known, Personnel would be able to check these invoices thoroughly and ensure we are being charged correctly.

R3 Personnel should contact the relevant lease companies in order to obtain a copy of the current excess mileage rates to ensure that the invoices sent to TMBC can be checked thoroughly prior to payment. (Priority – Medium. Responsible Officer – Personnel and Customer Services Manager).

Check the limitations of the loan scheme in comparison to that of other Councils and also establish the issues surrounding the case whereby an officer who has left has not repaid the full loan amount.

During the course of the audit, the Auditor had been made aware of an issue whereby an employee left the organisation through ill health but his final repayment was not collected upon termination of his contract.

As such, the Auditor has contacted the Principal Accountant, the Personnel and Customer Services Manager and the Insurance and Risk Manager to ascertain how this situation has come about. It appears that when the contract was terminated, the employee had contacted KCC so that the remaining balance could be taken from his pension. A letter from the employee to TMBC was found stating as such.

The Insurance and Risk Manager has been contacted to ascertain the situation to try and claw back the money using the guarantee bond. Talks were made with Zurich Municipal and the Auditor can now confirm that as of 9/06/09, Zurich have confirmed they will pay out for our loss.

Given that the loan was for such a large amount (£25,000), the Auditor looked into other Local Authority (LA) schemes in Kent to ascertain the limitations that they have. In all cases TMBC has a higher maximum loan amount figure

(currently £28,035) and also has the highest percentage allowance per the gross monthly salary (20%). All other authorities have a substantially lower maximum loan and percentage allowance. It is felt that Finance and Personnel should re-evaluate the scheme in light of the other LA's figures and the current global financial position. Below is a table of information, detailing the responses from the three LA's that responded to the Auditors requested information:

	TMBC	SWALE	SEVENOAKS	MEDWAY
Max loan allowance	28035	15000	10000	15000
% of Gross Monthly Salary	20%	15%	15%	12.5%

R4 It is recommended that Personnel and Finance re-assess the current limitations of the car loan scheme in comparison to other local councils. (Priority – High. Responsible Officers – Director of Finance, Central Services Director).

Report No 14-2009/10 – Season Tickets & Parking Permits

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

Although the opinion of this function is minimal, this is because of the issues relating to the reconciliation between the Gateway system and the Integra accountancy system. As the result of the difficulties in carrying out this reconciliation for the sample in the audit, the auditor cannot form a judgement as to whether all monies received are banked intact and promptly. The difficulties surrounding this process have been acknowledged by the Parking and Office Manager and Internal Audit have agreed to assist in investigating what level of risk is perceived and whether there is a viable solution to resolve the problem. If it was not for this problem, the audit opinion would be **substantial**.

Check that there is a limit to the number of visitor's vouchers that can be purchased and that this is controlled.

The Auditor questioned the Administration Officer with regard to the limitations of the visitor's vouchers. It was found that all residents are given a sheet of ten visitor's permits with their permit. Following on from this, they can apply for a further nine sheets – totalling 100 visitors vouchers per year.

From conversation during the audit it was considered that the system does not provide a way of informing users that the annual limit has been breached and it is a complex task of trying to find out this information. From discussions with the Parking and Office Manager he feels setting up a spreadsheet to track this usage may not be cost effective or practical. The Auditor was informed that this report may be possible in the system as the Administration Officer is becoming more familiar with the reporting functions available.

It may be considered that as there are no waiting lists for spaces that the issue of visitor vouchers beyond the limit is not a problem. However, if it is considered necessary to have a limit then monitoring needs to be in place to identify any abuse.

R1 If considered necessary to monitor issues then introduce a system of identifying and managing applicants who exceed the annual visitor voucher limit. Examine the possibility of achieving this through the Parking Gateway system. (Priority – Low. Responsible Officer – Parking and Office Manager)

Check that adequate procedure notes exists for staff and for the public for all parking schemes.

With regard to public procedure notes, all application forms have details on how to complete them and the internet site also gives detailed information on how their application will be processed, costs etc. This was all found to be in order.

In respect of staff procedure notes, these could not be found by the Auditor, the Administration Officer or the System Administrator. These should be produced so that anyone could follow a set of simple instructions in case of emergency.

R2 Procedure notes should be produced for the process carried out for processing season tickets and parking permits. (Priority – Medium. Responsible Officer – Parking and Office Manager)

Review and advise on the form of the letter and checks carried out with regard to residents parking permit renewals.

As part of the Audit, the Director of Planning, Transportation and Leisure requested that the Audit was used to review and advise on the form of letter and checks we need to do for Resident Parking Permit (RPP) renewals. Following a complaint from a customer about the necessity and content of the random sample letter requesting current proof of entitlement this check was ceased at the request of senior management. In order for Audit to advise on the importance of these reviews, a check was carried out on all permits in order to determine the level of risk of fraud that existed. It should be noted that of the 843 letters sent out to applicants, only 17 cases were either cancelled or not renewed again.

A list of all 1847 residential parking permits was obtained from the Parking Systems Administrator. A list was also obtained from Revenues and Benefits System Administrator of all named Council Tax payers. After creating a common field for matching the permits were matched to Council Tax records. Where there was a match between a single permit surname and address with the same surname and address on Council Tax it was accepted that sufficient

proof of residency existed. This left 425 residents parking where there were either multiple permits for the same address or name differences. The way that the Gateway system stores addresses with a suffix meant that the data match on address would not be recognised for these cases.

An electronic copy of the public part of the electoral register was also obtained for the purpose of verifying residency for those permit holders whose name did not appear as a Council Tax payer. Due to the electoral register being split between public and private parts only a partial record of the electoral register could be used.

The Gateway system was used to examine what proof of residency and vehicle ownership had been supplied. Only 130 had a scanned proof of residency and only 134 had supplied a copy of the vehicle registration document (or tax reminder) proving ownership.

The remaining queries were matched manually against the register of electors and Council Tax records and this exercise has left 44 outstanding queries where there was no evidence of residency found in Council Tax records, Electoral Registration or on the Gateway system. These queries are shown on a spreadsheet which will be attached separately to this document as it includes personal information not to be passed on as a public document.

The audit has concluded that the production of the logbook relating to the vehicle at the time of application would be sufficient residency evidence to tie the vehicle and applicant to an address. The address could then be matched to the Council Tax or electoral register to ensure that it is a residential address as opposed to a business address. Arrangements would have to be made to supply a list of residential addresses from Council Tax and the public register from Electoral Register. Any anomalies could be investigated at time of application so that the only future check required would be for a new logbook to be provided when a change of vehicle takes place.

R3 Arrange for an Electoral Register public extract to be supplied annually in order to ascertain residency when receiving applications. (Priority – Medium. Responsible Officer – Parking and Office Manager).

There are concerns that some applicants have provided copies of bank statements or credit card statements that provide the Council with inappropriate data that could be used for identity theft. From discussions with the Parking and Office Manager it was ascertained that the logbook is not always available to applicants as they may have only recently moved into the area. The logbook should however be the preferred option in all cases as this one document can be utilised to ascertain vehicle ownership and also home address.

R4 The registered keeper form should be the preferred documentation required from customers. Other documents must

only be used if the registered keeper form is unavailable (Priority – Medium. Responsible Officer – Parking and Office Manager).

It should also be noted that some of the evidence found by the Auditors should have been rejected by the parking staff. Two documents for the same case were found to be corrupted during scanning – a V5C Car Registration Certificate and a credit card statement.

Another case was an address in Nelson Avenue where all the documentation provided to parking showed that they lived at one address however the application was for the neighbours address. This was confirmed by Council Tax and Electoral Registration records. The Parking Office has inadvertently processed a permit at the incorrect address, which should have been avoided by simply looking at the documentation in question.

R5 The Parking Office must continue to check all documentation thoroughly prior to processing applications. (Priority – Medium. Responsible Officer – Parking and Office Manager).

There were some applications where a residential permit had been requested and supplied where it was considered that a business permit was appropriate. There may be more of these cases appearing when the outstanding residency checks have been completed.

To summarise this section, the Chief Internal Auditor and Internal Auditor have found a total of 44 residents permits where documents have not been provided sufficiently in order to ascertain residency. If recommendation R6 is agreed the Audit department are willing to create a mail merge letter for the cases found in order for us to ensure that the customers applying for this benefit are indeed residents of the borough.

R6 Action needs to be taken to contact the 44 outstanding cases where proof of residency was unavailable in order to complete the process. (Priority – High. Responsible Officer – Parking and Office Manager).

Ascertain reconciliation procedures and carry out a reconciliation of season tickets, residents, visitors and business permits to ensure that all can be accounted for on Integra.

The Audit Manager was concerned that payments may be difficult to trace. Along with this, the Systems Administrator has advised the Internal Auditor that no reconciliations are carried out between the two systems.

It was therefore decided that the Auditor should try to carry out a reconciliation. A complete listing of all payments for permits and season tickets was produced by the Parking Office staff. This was then put into a compatible excel format and each permit/ticket type categorised and totalled. These totals were then matched against the totals from Integra. All in all, this

gave a difference of £960.68 more on Gateway than had been included on Integra.

As this gave the Auditor cause for concern, a sample of twenty of each permit/ticket type was obtained and traced from Parking Gateway to Integra. This was proving difficult as many narratives on Integra give the old permit number as a reference, meaning that the Auditor needed to refer back to the system to track most payments.

Because payments are difficult to trace from one system to the other, the Auditor cannot give assurance that all payments have been coded correctly or even received for that matter. This has therefore resulted in a minimal opinion for this audit. If required Audit would be willing to assist in the creation of a reconciliation for this function.

R7 Devise a reconciliation process to be carried out on a monthly basis to ensure that all payments are being received and coded correctly. (Priority – High. Responsible Officer – Parking and Office Manager)

Report No 16-2009/10 – Development Control

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

Using the CIPFA audit matrix 25 compliance tests have been carried out on Development Control. These were the main areas covered.

- Previous recommendations
- Fees and charges
- Applications received and referred back
- Separation of duties
- Fee income
- Refunds
- Appeals
- Risk register

Examine the declarations recorded in the formal record and for a sample trace to the application to confirm that the employee concerned had no dealings with the application.

It was confirmed that a 'Register of Personal Interests of a DC Officer in a Planning Application' exists however there were no entries made on it. This could imply that staff are not aware of it or there may genuinely have been no personal interests in any Planning Application.

R1 It is suggested that all Development Control staff are emailed to draw attention to the 'Register of Personal Interests' and what it

should be used for. (Low Priority – Chief Planner Development Control)

Report No 18-2009/10 – Land Charges

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

Identify and document the internal controls that exist and assess for soundness.

There are detailed procedure notes available although some are handwritten partly due to the fact they are constantly changing. There is a separation of duties concerning the receiving and receipting of fees. There are computer system controls such as sequential numbering and fees being automatically calculated. Exchequer confirm receipt of cheques/cash paid for fees posted each day. Non-public documents are securely held in locked cabinets. Searches are checked and certified by someone other than the person carrying out the search. Since February 2009, the internal check of the statements of fees received by BACS through the National Land Information Service (NLIS) Hub to the Total Land Charges (TLC) system has lapsed. This could result in searches being completed without the correct fee being received.

A sample of twenty applications was checked testing the various controls.

R1 The check of the NLIS statements to the TLC system should be reinstated as soon as possible to check that the correct fees are received before sending out a search. (High Priority – Land Charges Manager)

R2 The procedure notes should be reviewed and preferably typed up to ensure they can be easily read and amended when necessary. (Low Priority – Land Charges Manager)

For a sample period of bankings, ensure that all income is coded correctly and appears on the Integra ledger.

Income for searches can be received through (i) NLIS Hub (Internet) or by (ii) cash/cheque. (i) For NLIS, the payments are posted to Integra and are manually input onto the TLC system. NLIS send daily statements showing who and what has been paid.

Accountancy ensure that journals are done weekly to ensure the VAT and the NLIS charges are coded to different nominal codes and a spreadsheet was examined to confirm this for the year to date and tested to ensure it was arithmetically correct and agreed with the NLIS daily statement.

A 'BACS report' is run from TLC daily which lists the NLIS payments entered for these searches and the name of the applicant. These are not currently

being used to check whether the fee has been correctly received and the report is being printed out for audit purposes only. Although the auditor was confident that income is posted from the NLIS Hub to the nominal ledger correctly there is no reconciliation between the NLIS and the TLC system which means that searches could be processed without the correct fee being received.

See R1

R3 Review the use and need for the 'BACS report' that is currently produced daily. (Medium Priority – Land Charges Manager)

Examine any performance indicators to find out whether they are being met.

BVPI's are no longer used with regard to Land Charges however performance is still being monitored.

There is a guideline that all searches should be completed within five working days and the performance plan states 90% of searches within 10 days. However the turnaround report obtained from the Land Charges Manager of all searches to date showed that the average time is 13 days with only 27.5% being issued within 10 days. This is partly due to the fact that some processes are still manual rather than electronic and this situation requires review and improvement. The TMBC website currently quotes 15 days to return a search, with a one or two day delay over due to computerisation, which may deter customers using TMBC.

R4 Investigate ways of improving the turnaround time of searches. (High Priority – Land Charges Manager)

R5 Consider rewording the statement on the website regarding turnaround times. (Low Priority – Land Charges Manager)

Ensure that there is an adequate risk register for local land charges and that it is reviewed annually.

The Auditor obtained a copy of the Legal Section's Risk Register which included Land Charges, this had been reviewed in July 2009. However the Registers' Main Activities and Aim/Objectives do not appear to be in line with the Performance plan as some of the aims/objectives are missing.

R6 The Risk Register requires updating with the relevant Main Activities and Aims/Objectives as per the Section Performance Plans in line with risk register procedures. (High Priority – Chief Solicitor)

Report No 19-2009/10 – Partnerships

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

The Council does not have a partnership policy although Management Team did agree a one page list of guiding principles in September 2009. However, this does not go into any detail and is simply the main principles to guide the Councils involvement in the Action Plan in the Statement of Intent from Kent's Local Government Leaders.

R1 Ensure that the Council adopts a Partnership Policy. (High – Central Services Director)

Examine the organisation's central partnerships record that it shows for each partnership the:

- a) name of the partnership and names of all the partners*
- b) purpose of or reason for the partnership*
- c) date and person who/body that formally approved the partnership request*
- d) date the partnership was established or joined where already in existence*
- e) expected lifespan where applicable*
- f) names of the employees who represent the organisation and their roles*
- g) organisation's likely financial and non-financial (e.g. staff time) commitment*
- h) dates when the partnership was reviewed and risk assessments updated*

From discussions with various members of staff it was established that there is not an up to date central partnership record. The Improvement & Development Manager does hold a list of some of the Councils partnerships which is also publicised within the Council Corporate Performance Plan within the 'Spotlight' publication. However it was established that this list is not up to date nor is it comprehensive. The list has however been used for audit purposes as a starting position in order to produce a full list of all current partnerships with the Council.

The question of partnerships has been discussed at Management Team and the updating of the central list is work in progress. This work could be progressed easier if a Partnership Policy was produced and included clearer guidelines as to what should be included in this list.

The layout of the list from Sevenoaks District Council contains only "**significant partnerships**" and contained some additional guidance of elements to determine significant partnerships.

R2 Ensure that the record is updated of the Councils partnerships to include:

- a) name of the partnership and names of all the partners**
- b) purpose of or reason for the partnership**

- c) **date and person who/body that formally approved the partnership request**
 - d) **date the partnership was established or joined where already in existence**
 - e) **expected lifespan where applicable**
 - f) **names of the employees who represent the organisation and their roles**
 - g) **organisation's likely financial and non-financial (e.g. staff time) commitment**
 - h) **dates when the partnership was reviewed and risk assessments updated**
- (High – Central Services Director)**

Report No 20-2009/10 – North and West Kent Housing Renewal Partnership

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

The reason for this opinion is due to the lack of any signed formal agreement for the Partnership and the problems with the Energy Efficiency Contract. If there had been a Partnership agreement in place the auditor's opinion would have been substantial. It should be noted that the overall performance and successes of the Partnership are worthy of credit.

There is currently no formal Partnership Agreement in place. The partnership was formed in August 2007 and the Strategic Housing Advisory Board were involved at every stage and advised of progress subsequent to the outcome of the bid. This bid resulted in success in achieving a large amount of funding from the Regional Housing Board (RHB). Those Partnerships that concentrated on the legalities of their Partnership were not as successful with the funding and were penalised for lack of spend and had their funding substantially reduced for year 2.

A draft memorandum of understanding on allocation of funding for 2009/10 was drawn up which required finalising and signing by the partners. However this was overtaken with the problems with the energy efficiency contract which the Legal Section have since been involved in including drawing up a suitable agreement.

During the audit process it was questioned why an agreement was necessary and it was explained that according to Audit Commission guidance 'the absence of formal partnership arrangements both inhibits the achievement of the partnership's objectives and increases the potential for a breakdown in governance arrangements and controls.' There is no single document that is appropriate for all kinds of partnership and each partnership must decide itself what it needs however partners should be clear about purpose, membership and accountability, be clear about whose interests are represented and how disputes will be handled.

R1 A partnership agreement must be drawn up and signed by the Partners as soon as possible. (High Priority – Chief Solicitor/Director of Health and Housing)

Ensure that procedures are in line with the Contract Procedure Rules and Financial Procedure Rules.

The procurement exercise for the Energy Efficiency Contract was undertaken by Maidstone Borough Council in line with EU Procurement rules. It has subsequently come to light following the acceptance of the tender from Creative Environmental Network (CEN) that the original tender specification about the RHB funding was incorrect.

A form of contract has been drafted by TMBC and sent to all partners and a side letter varying the contract with CEN drawn up by TWBC for all parties to use on their individual service contracts. Confirmation that all authorities and the contractor accept this is awaited before proceeding to signature and completion. Since the issue of the draft report this has been confirmed by the auditor as signed and completed

R2 As lead authority in the Partnership any future procurement exercise must be monitored by this authority to ensure the relevant and correct rules/procedures are followed. (High Priority – Director of Health and Housing)

Ensure there are records of expenditure which are adequately monitored and are in line with the allowable expenditure as per the RHB and Government Office for the South East (GOSE).

Expenditure should be in line with the partnership bid that was submitted and accepted. Six monthly returns have to be sent to GOSE detailing Partnership Activity and Partnership spend. The returns are completed by each partner and then combined into one before being sent to GOSE. There is no checking by TMBC whether the partners' funds are being spent in the approved manner, each partner has to demonstrate on the return the number of cases they have dealt with under each relevant heading and the amount spent, including any impact on carbon dioxide emissions.

TMBC's figures on the return, for the period 1/4/08 to 31/3/09, were checked to the spreadsheet that is maintained by the Housing Staff dealing with grants. There were some anomalies with the figures reported in that TMBC spent approximately 1% less than actually stated. This would apparently not have had an affect on the partnership's recommended funding for 2009-10.

R3 Care should be taken when completing the returns to ensure that they are correct including another officer to double-check their accuracy. (Medium Priority – Chief Housing Officer)

R4 As lead authority, in view of there being no agreement, checks should be carried out to ensure the partners are spending the funds as prescribed and reporting correctly. (Medium Priority-Director of Health and Housing)

Ensure there has been a risk assessment and an adequate Risk Register including the Partnership that is reviewed regularly.

The risk register for Housing includes a relevant section on Private Sector renewal and energy efficiency which covers the Partnership and has been reviewed. However due to the lack of a Partnership Agreement it is the auditors opinion that this should be on the Risk Register until an agreement has been finalised.

R5 The risk register should include the risks associated with their being no agreement. (Medium Priority – Director of Health and Housing)

Report No 21-2009/10 – VAT

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

Examine and document the system for producing the figures for the VAT return.

A copy of the VAT Return procedures were obtained from the staff Intranet. These appear to be very comprehensive. At the review stage of this report, the Audit Manager checked through the procedure notes and found a section regarding the return that needed to be updated. From further discussions with the Exchequer Services Manager he has said that the procedure notes are due to get an overhaul and as such the Auditor has raised a recommendation.

R1 The VAT Return procedure notes available on the staff intranet should be updated to reflect the current processes used. (Priority – Medium. Responsible Officer – Exchequer Services Manager).

Test a sample of transactions from the differing sources to ensure that the VAT element is charged/claimed correctly.

A report of all creditor invoices and all debtor invoices for 2009/10 to date was produced by the Chief Internal Auditor. The Auditor then randomly selected 20 of each using IDEA and checked to ensure each is mathematically correct and that the correct VAT code has been utilised. From the investigations all appeared to be in order.

One small error was noted by the Auditor in which the coded budget book stated that the catering contract for Poult Wood Golf Course was taxable.

From looking at the invoices and through discussions with the Exchequer Services Manager it was ascertained that this is in fact exempt. The budget book should therefore be amended accordingly.

R2 The VAT code for the Poult Wood Catering Contract should be amended in the coded budget book. (Priority – Low. Responsible Officer – Exchequer Services Manager).

Test the timeliness of raising SLS invoices and in particular that the output tax on invoices raised after a month end are included in the applicable months return.

A listing of all SLS invoices created in the current financial year was obtained using Integra and a sample of twenty were selected at random using IDEA. These invoices were then checked to ensure that they have been raised in a timely manner to ensure that the VAT is accounted for in the correct months return.

From this sample the auditor found that two invoices had been raised after 31 days of the service being provided and therefore would not be included on the correct VAT return. As such the auditor took a further sample of twenty sales invoices and found that four of these were also over 31 days between the date that the service was provided and the date that the invoice was raised. A recommendation has therefore been made in relation to this:

R3 The Exchequer Services Manager should further remind Chief Officers that all invoices should be raised within the same month in which the service is provided to ensure that the VAT is recorded on the correct VAT return. (Priority – High. Responsible Officers – Exchequer Services Manager)

Report No 22-2009/10 – Youth and Play Development

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

To ensure that there are sufficient procedure notes for use by the administration staff within Leisure Services and for the Playscheme, Activate and Y2 Crew staff.

There are two handbooks regarding the Playscheme one for staff and one for managers and supervisors. There are also general admin staff procedure notes however these notes need updating to reflect changes to the scheme this year.

With regards to the Y2 crew scheme there are admin notes and general guidance notes.

With regards to the activate scheme there are no procedure notes.

- R1 Ensure that the Playscheme Admin procedure notes are updated. (Medium – Administration Manager)**
- R2 Ensure that procedure notes regarding the admin procedures of the Activate scheme are produced. (Medium – Administration Manager)**

To ensure that a CRB check had been completed for all staff employed for the 2009/10 summer Playscheme and for staff working at the Activate sites and Y2 Crew.

A list of staff employed for all three schemes was requested to compare to the spreadsheet held by Personnel of CRB records. This spreadsheet only details names, CRB number and dates.

It was confirmed that all staff employed on all three schemes had a CRB check in place.

However, whilst carrying out the audit it was noticed by the auditor that within the Playscheme and Activate general files of documents there were copies of CRB disclosures being kept on file from work shop providers.

With regards to CRB checks the current procedure is that once confirmation is received a note should be made of the date that it was received and then the documentation should be destroyed as this is a breach of the Data Protection Act to keep these documents.

- R3 Destroy any CRB disclosures currently on file and ensure that no documents or photocopies of documents received regarding CRB checks are retained on file in the future. (High – Youth & Play Development Officer)**

Activate - To ensure that details of attendance matched the receipts to ascertain that all monies due were collected. In addition that these monies collected were banked promptly and correctly coded on the ledger. Also to ensure that where a discount was given, as the applicant was a leisure pass holder, that this pass was in date.

For a sample of four activate courses the registers were checked to the activate register and banking spreadsheet held by Leisure Services and then a check was made that income had been received and banked ensuring the numbers agreed and the income was coded correctly on the ledger. Any leisure passes were checked to ensure that the names agreed and were in date.

From the sample of four activate courses application forms were compared to the register, a check was made to ensure the correct payment had been made and that the monies were collected and banked as per the registers and applications forms and by the banking records. It was not possible to trace the income to Integra as although there is a record of payments received these

are grouped together when passed to Finance to process and it is not possible to identify some payments. When payments are passed to Finance the accompanying banking record simply lists each cheque amount and not the name. Unlike the playscheme banking spreadsheet which records names against the cheques which can be checked to the banking records and then traced to Integra easily. As a result an overall reconciliation was carried out by comparing the total income and refunds recorded on the activate register and banking spreadsheet against the amounts on Integra. Overall there was a difference of £181. From further investigation it was established that there was £156 of Playscheme income that had been incorrectly coded to the Activate code which has now been adjusted, therefore there is now only a £25 difference.

All Leisure pass holders in the sample were checked to the spreadsheet of LP holders and it was confirmed that all had a valid Leisure Pass.

R4 Ensure that there is a complete audit trail of booking to banking of income. (High – Administration Manager)

Y2 Crew - To ensure that details of attendance matched the receipts to ascertain that all monies due were collected. In addition that these monies collected were banked promptly and correctly coded on the ledger. Also to ensure that where a discount was given as the applicant was a leisure pass holder that this pass was in date. To ensure that all monies received on the day were receipted accordingly and paid in promptly. And that the triplicate receipt books were completed correctly.

A sample of two registers for the Y2 Crew 2009 were randomly selected using the auditing tool IDEA for examination. The registers were then obtained and a check made to ensure that the attendance agreed with the banking record spreadsheet and that the income could be traced to Integra. Although initially a number of queries arose these were discussed with the Youth & Play Development Officer which resulted in only one payment not being traced, this was as a result of the cheque payment being returned from their bank, this payment has now been chased and awaiting receipt. It was also noted that the register for the Boom activity had not been marked as children attended and left.

Where discount had been given as the applicant was the holder of a Leisure Pass (LP) a check was made against the LP spreadsheet that the applicant was in fact in receipt of a LP from which one LP could not be confirmed. A LP application form has now been sent to this applicant.

All monies had been banked and receipted within a reasonable timescale.

With regards to receipt books only one of these was used for the Y2 crew scheme during 2009 as for the first time this year payment had to be made at the time of booking. Upon examination of the triplicate receipt book all was found to be in order.

- R5 Ensure that all registers for the Y2 Scheme are marked accordingly with attendance. (High – Youth & Play Development Officer)**
- R6 Ensure that a check is made that an applicant is a holder of a LP before discount is given. (Medium – Administration Officer)**

To ensure that the partnership arrangements were satisfactory.

This year there were six partnerships in operation and upon examination of the partnership agreements all had been returned and signed and the agreement itself appeared adequate.

With regards to the financial payments to the partnerships these are quoted in the agreements. A check was made to ensure that the amounts quoted in the agreements agreed with the payments made through Integra and that there was supporting documentation held on file to confirm these amounts and how they had been calculated.

Two queries arose. Firstly with regards to the Playscheme held at Aylesford there was some paperwork on file to support the payment that was made but not a completed breakdown of how the payment was calculated. Secondly with regards to the Playscheme held at Snodland the payment made was £422.60 more than that stated in the agreement. Upon discussions with the Youth & Play Development Officer reasons for this overpayment were obtained although there was nothing in writing.

- R7 Ensure that where partnerships have changed since the payments were stated in the partnership agreements paperwork is kept to support the amendments. (Medium- Youth & Play Development Officer)**

Report No 23-2009/10 – Food and Safety

In the opinion of the Auditor, the Controls Assurance level is **substantial**.

At the draft report stage the auditor gave a limited opinion due to the delay in obtaining a signed memorandum of agreement between all parties though it was stated in committee minutes last year that it had been signed by all parties. In addition the Service Level Agreement between the partners had not been signed. These have since been signed and these were verified by the auditor.

Establish whether there are any written procedures, statutory instruments or policies that may be relevant.

The TMBC written procedures were obtained for the audit were all dated 2005 or 2006 and therefore are well overdue for reviewing and updating.

The Food Law Enforcement Plan has been recently updated and covers 2009 to 2012.

R1 Procedures must be reviewed and updated. (Medium Priority – Food and Safety Manager)

Ascertain how premises are recorded and whether inspections are carried out at appropriate intervals by checking a sample of the records held.

Premises are recorded on Uniform and there is also a manual file for each premise. The information for each inspection is held on the manual file and the relevant information updated on Uniform by clerical staff.

A random sample of twenty files were examined to check whether inspections were carried out as per their priority category, whether the dates agreed with Uniform and whether they were inspected when due. Food inspections should be completed within 28 days of their due date, Health and Safety inspections should be done within the year they are due.

All except one of the twenty files agreed with Uniform in terms of dates inspected, the incorrect date was due to a mix up with the Church of St Peter and St Paul. This has since been corrected but a follow up letter is overdue.

The inspection due dates as per Uniform were checked to the actual inspection dates according to the files and this revealed that only one of the eleven food inspections was overdue by seven months due to a backlog last year. Overall the remaining food inspections had been done on time or early with just one revisit due imminently. The nine Health and Safety Inspections were done within the year due with just one due a follow up letter as previously mentioned in 2.7.

R2 Whenever possible, food inspections should be carried out within twenty eight days of their due date, as per the guidelines. (Medium Priority – Food and Safety Manager)

Ascertain how premises are identified and categorised into high and low risk. Ensure there is a system of checking that all relevant premises are registered with the Council e.g. A periodic check to the NNDR records.

A list of the relevant categories for both Food and Health and Safety Inspections was obtained, this shows the categories from A to E, six months to every 3 years for Food, A to C, one year to six years for Health and Safety. There used to be a Category F for Food inspections which was removed in 2006 however this still appears on the Uniform system.

The checking of lists from Business Rates has ceased and yellow pages are not being routinely checked however it is planned to re-establish this and start checking again. Other than that officers do keep a look out when they are out and about. A sample of ten restaurants/takeaways were found on Yell.com and checked to the Uniform System. All those in the sample were found on the system.

- R3 Ensure that Category F premises are amended on the system. (Medium Priority - Food and Safety Manager)**
- R4 Ensure there is a system of checking that all relevant premises are registered. (Medium Priority – Chief Environmental Health Officer)**

Ensure that income and expenditure is accounted for promptly and accurately.

A partnership with West Kent College, TMBC, Sevenoaks and Tunbridge Wells Council was launched in October 2008 to provide low cost high quality training courses for businesses. During the audit the Chief Environmental Health Officer (CEHO) was seeking signatures for the memorandum of agreement (MOU) although it had been reported to the Advisory Board as already been signed. Since the issue of the draft report the CEHO has managed to obtain the relevant signatures and these have been seen by the auditor.

A partnership has been set up between TMBC, Sevenoaks, Dartford and Tunbridge Wells, West Kent College and North West Kent College to support the Scores on the Doors scheme and help caterers and food retailers improve food safety. Running up to May 2010 targeting 150 hardest to reach food businesses. There is training, fast track coaching and seminars. TMBC will be receiving the funding and paying the invoices. Safe Food Better Business (SFBB) book the businesses on the courses and staff will attend some of the sessions to check the quality of the training. Returns are sent showing how many businesses have benefitted.

A Service Level Agreement has been drawn up and the CEHO was seeking signatures from the partners during the audit. Since the issue of the draft report the relevant signatures have been obtained and seen by the auditor.

TMBC receive a proportion of the income from courses that are attended. A check that the income received was correct and prompt was carried out. This highlighted that the college provide a schedule of the courses run, the income received and the costs incurred to give a total net figure of which TMBC receive 25%.

The schedule for May 09 to Sept 09 was received mid-October though the draft agreement states that the schedule should be submitted soon after the 31 August 09. The College have not yet therefore been invoiced.

The schedule had just been obtained from West Kent College by the CEHO and she had therefore not had chance to check it. The Auditor therefore checked the schedule which showed that the figures were incorrect, a revised schedule was requested which was also found to be incorrect according to the supporting spreadsheets that were sent by the College.

R5 Ensure that statements are chased up soon after their due date to obtain the income share promptly. (Low priority – Chief Environmental Health Officer)

R6 It is suggested that the detailed spreadsheets are requested from West Kent College with the schedules to aid the checking process. (Medium Priority – Chief Environmental Health Officer)

Note any other relevant areas that arise during the audit.

During the audit it was established that the inspectors do not currently use the Uniform system, the clerical support input the relevant information from the inspection forms which are written up manually on duplicate self carbonating forms and clerical support type up most letters.

A research exercise was carried out including questioning a sample of other authorities in Kent to establish what use is made of technology when carrying out inspections, logging the information upon returning from an inspection and the use of clerical support for input and producing letters.

Unfortunately there was limited feedback however from the feedback it was confirmed that inspectors were able to use the computer systems to access and enter data and produce their own letters.

It is understood that the use of handheld computers such as those that Building Control use has been suggested but the idea has not progressed any further due to issues such as cost and the practical aspects of actually using these computers needs to be established.

R7 It should be considered whether better use of resources could be made if the inspectors were trained up on the use of Uniform. (Medium Priority – Director of Health and Housing)

R8 It should be considered whether the use of handheld computers is practical and cost effective by being looked at in more detail. (Medium Priority – Director of Health and Housing)

Report No 24-2009/10 – Insurance

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

Ensure that settlement figures are notified by Zurich Municipal promptly.

The Insurance Ledger book was again used to ascertain the date that settlements had been received. From checking the files held by the Insurance and Risk Manager (IRM) all lease car claims have been settled in 77 days or less. With regard to the two property claims sampled, one has been settled and the other is pending decision from the Buildings and Facilities Manager.

The IRM has been chasing this and hopes to resolve the settlement as soon as the Buildings and Facilities Manager gives the go ahead.

R1 The Insurance and Risk Manager should liaise with the Buildings and Facilities Manager to ensure that the settlement for PR02/08 is finalised. (Priority – Medium. Responsible Officer – Insurance and Risk Manager).

Follow up the recommendations from the previous audit to ensure that they have been implemented.

In the last audit, a recommendation was made to ensure that the insurance procedure notes are uploaded on to the staff intranet. Upon looking the auditor has found that this has not been carried out. From discussions with the IRM it was ascertained that straight after the previous audit, these were uploaded onto the intranet but cannot currently be seen. The Auditor has asked that the IRM to look into this. The IRM has assured the auditor that this will be carried out shortly.

R2 The Insurance and Risk Manager should ensure that the procedure notes are uploaded onto the Intranet. (Priority – Low. Responsible Officer – Insurance and Risk Manager).

Report No 25-2009/10 – Property and Land

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

To confirm that Terrier entries are accurate compared to the deeds held.

The Auditor obtained a report of all properties and land owned by the Council from the Terrier system (Uniform), selected a sample of 20 using the auditing tool IDEA and checked against the deeds to ensure that all Terrier entries had deeds to match.

Eighteen of the sample were all found to be correct, however there were two queries that arose, firstly land rear of 75-111 High Street West Malling Kent is recorded on the Uniform system as being unregistered however the Principal Legal Officer is adamant that this is registered and was able to locate the deeds. The Property Technician has now updated the Terrier system with the deed details. Secondly the Public Conveniences at Priory Road Tonbridge Kent records could not be located.

R1 Investigate and establish where the deeds are for the Public Conveniences at Priory Road Tonbridge (Medium – Principal Legal Officer)

To confirm that Deeds held by the Council are recorded on the terrier.

A sample of 20 deeds were randomly selected from the Legal Services storage room. The details held on the deeds were then checked against the terrier system to ensure they have been recorded.

All was found to be in order.

To confirm that Rental payments are up to date, to confirm that Rental/leasing agreements are in place and the correct charge is being made and reviewed regularly.

A report was extracted from the Terrier system shows all tenancy details, a sample of 20 were selected and a check made to the Integra system that all payments are up to date. Copies of the rental agreements were also obtained to match with the details held on the system. Also obtained a copy of the Invoice Template that is used by the Senior Exchequer Officer to raise invoices for all rental properties to ensure that the correct parties are being billed for their occupancy.

There were three agreements whereby a rent review was due. However from further investigation it was established that all of these were subject to a RPI increase which the Senior Exchequer Assistant is currently working on. An email was shown to the Auditor to show that these increases were being dealt with.

With regards to an agreement with Warmlake Sports for the rental of the shop unit at Larkfield Leisure Centre (LLC), no invoices have been raised since 1st March 2008. With regards to this agreement it is not the responsibility of Exchequer Services to raise these invoices as it is the responsibility of the Leisure Centre. For the year 2008/09 an invoice should have been raised for £4,232 and then from 1st April 2009 there should have been an annual increase and then invoices also should have been raised from 1st April 2009 to date. Therefore the total due to be invoiced is approximately £7,000.

From discussions with the Finance and Business Manager the explanation provided was that it was an oversight and an invoice will be raised this week. However this means that not only will the tenant receive a large invoice but if the tenant had ceased trading during the period that was not billed then the Council would have had difficulty in recovering the outstanding rent.

With regards to an agreement with Melanie Ranger for rent of the treatment room at LLC the income being received does not match the amounts that should be invoiced as per the agreement. The payments being received are higher than the amounts stated in the agreement. The Finance & Business Manager will investigate this.

R2 Ensure that an invoice is raised for Warmlake Sports at LLC for rent due from 1st April 2008 to date taking into account an increase which was also due as from 1st April 2009. (High – Finance & Business Manager)

- R3 Ensure that invoices are raised promptly to Warmlake Sports. (High – Finance & Business Manager)**
- R4 Examine the payments being received from Melanie Ranger for hire of the treatment room at LLC to ensure that they are in line with the amounts stated in the agreement. (High – Finance & Business Manager)**

Report No 26-2009/10 – DVLA Link

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

The audit was requested by the Chief Executive and was to audit the controls relating to the DVLA Web link to ensure they complied with the *Web Enabled Enquiry System (WEE) Agreement*.

Ensure that only authorised users have controlled access to the system.

A list of those officers with authorised access was obtained which had been sent by email by the DVLA in June. This has since been updated as one member of staff left and one commenced and this was recently emailed to the DVLA to confirm.

Ensure that data is only requested and used for the agreed legitimate business purposes and hard evidence available

The data is requested as per the WEE agreement and this is mainly for abandoned vehicles, littering, fly tipping and nuisance vehicles. Either a file is retained of the evidence for each request or it may be held on Uniform or in a drawer. (See **R2**)

A management report was requested from the DVLA in order to be able to check that all enquiries made were suitably logged and for a legitimate reason. A report was forwarded by DVLA for the period 1/11/09 to 4/12/09 which was checked to the records held and no queries arose.

- R1 It is suggested that these reports are obtained periodically from the DVLA to carry out management checks on enquiries being made. (Low priority – Waste and Street Scene Services Manager)**

Ensure documents are retained securely which are containing personal information.

Documents containing personal information are currently being stored in lever arch files on desks, open cabinets or in unlocked drawers.

- R2 As per the WEE Interchange Agreement, all records containing personal information, including a hard copy of the record (VQ5), screen prints reports or other data which have been supplied or**

derived from DVLA's system in any format must be retained in a secure manner. This means that such data must be held in a locked drawer or in a room with a lock or keypad overnight. (High Priority – Waste and Street Scene Services Manager)

Report No 27-2009/10 – Building Control

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

Confirm by enquiry and observation that a computer printout is produced on a regular basis showing all new applications with their paying in slip number and that this is checked by an independent employee to the amount banked.

A computer printout isn't produced on a regular basis which shows this information but is easily obtainable as this report has been used by the auditor in this testing of the system. As such no reconciliation is carried out against the amount banked.

From discussions with the Principal Building Control Officer (PBCO) it was ascertained that no reconciliations are carried out between payments on Uniform and that on Integra. The problem lies with the kiosk. As payments processed on the kiosk do not have an account number put on the system as a narrative it is difficult to be sure that the payment is reconciled against the correct payment information on Uniform. Cheque payments are easily traced as when processed by Exchequer Services, the Building Control reference number is punched in as the narrative. This has been checked within other tests and found to have been easily followed from the Uniform information to the Integra information.

Following a discussion with the Chief Building Control Officer (CBCO) and the PBCO, it has been jointly decided that it would be a wise option to try and devise a reconciliation for the month of December. The results of this can then be reported back to the auditor and a plan made as to how these can be carried out in the future.

R1 A reconciliation should be trialled for the month of December and the results reported back to the Auditor in order to ascertain a way forward. (Priority – Medium. Responsible Officer – Chief Building Control Officer)

Select a sample of applications and for each one carry out multiple checks as detailed in the CIPFA Building Control Matrix.

This test, as detailed in the CIPFA Building Control Matrix, involved selecting a random sample of twenty applications and looking at the application forms to ensure that they are fully complete, payments are correct and can be traced and that documents are held on file to show all that parties were informed of the building charges.

The majority of items checked within this test were all found to be in order. There were however a few small anomalies.

Firstly, although not a major issue, three of the twenty sampled applications were not date stamped. These should be stamped in order to provide for a good audit trail and to monitor processing times.

R2 All applications should be date stamped once received. (Priority – Low. Responsible Officer – Chief Building Control Officer).

Another point to raise is with regard to the decision notices that are sent out. A copy of these should be held on the manual file in order to ensure that the correct parties have been given sufficient notice of the imminent changes to a property that may be in their interest. A recommendation has been made in relation to this.

From the records, select a sample of applications where the fees have been paid in cash and by cheque. Trace back to the receipt book and ensure that a receipt was issued in each case.

The Auditor contacted the Building Control Technician with regard to this and it was ascertained that receipts are provided for search companies that come in weekly. They require these receipts for the records of their businesses. It was originally thought that the acknowledgement letters include details of the payment and as such can be classed as a receipt. From further discussions at the draft stage of this report it was ascertained that this was not the case. It was decided that instead of amending the acknowledgement letters, a VAT receipt would be sent with all acknowledgement letters. As such, a reconciliation of the receipt books would not match against the payments prior to banking as these aren't used in all cases.

R3 In future, a VAT receipt should accompany the acknowledgement letters. (Priority – Medium. Responsible Officer – Chief Building Control Officer).

Examine the risk register for Building Control and ascertain whether the relevant risks appear to be covered and whether this has been reviewed within the last quarter of the financial year.

The Auditor obtained a copy of the risk register for Building Control from the share drive and checked to ensure that all the relevant risks appear to be covered and that this has been revised within the last quarter of the current financial year. The only risk that appears to be missing is directly linked to being a self-sufficient service. Obviously there are significant financial implications, along with risks surrounding public perception and customer service. The last review was carried out in July 2009 so this was found to be in order however the income/expenditure risks should be stated.

- R4 The risks surrounding generating enough income to cover expenses should be added to the risk register. (Priority – Medium. Responsible Officer – Chief Building Control Officer.)**

Report No 28-2009/10 – Car Parking

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

There was no recommendations arising from the control testing carried out during this audit.

Report No 29-2009/10 – Concessionary Fares

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

Follow up any relevant recommendations made in previous audits.

The last audit had 6 recommendations all which had been dealt with or were ongoing. The proof of eligibility issue has not been complied with fully as the testing during this audit showed there are still applications without initials confirming that the relevant proof has been seen. In addition it was noted that the proof obtained appeared to often be proof of date of birth and not proof of address. In addition the Senior Rail vouchers were being held in an office on an open shelf (although not accessible by the public could be stolen by visitors to Tonbridge Castle that are invited upstairs) rather than being locked away. Most of the outlying offices were sending in their returns more frequently.

- R1 It must be ensured that proof is obtained for both residency and age or disability before an application is processed. (High Priority – Principal Administrator/Personnel and Customer Services Manager).**
- R2 As proof of eligibility is not retained it is important that staff initial the application form to confirm that proof has been seen. (High Priority – Principal Administrator/Personnel and Customer Services Manager).**
- R3 The Rail voucher books must be locked away when not in use as they are valuable and could be misappropriated. (High Priority – Principal Administrator/Personnel and Customer Services Manager).**

Review the system used for administering passes by examining information leaflets, procedure notes and any relevant guidance.

The procedure notes had been updated following the last audit. It would be useful to expand on the notes and re-circulate them to all staff about the importance of obtaining the correct proof and initialling the application form to confirm it has been seen.

R4 Amend the procedures notes for both Bus and Rail applications to include obtaining the appropriate proof, initialling the application form and then re-circulate them to all relevant staff. (Low Priority – Principal Administrator/Personnel and Customer Services Manager).

Trace payments through the system to ensure that all income is properly accounted for and promptly banked. Trace payments to Council's ledger to ensure correct coding.

Bus permits are free so the income relating to bus passes comes from payments for replacement passes or companion passes. This income is not shown on the Faredeal system although there is a section on the system for showing costs which could be used to produce a report of income received to be reconciled to Integra. This relates to income of approximately £1500 per annum.

R5 It is suggested that the use of the 'Customer Cost' section on the Faredeal system is investigated. (Low Priority – Principal Administrator/Personnel and Customer Services Manager)

Examine controls over the database to ensure that only up to date accurate information is held and that the system is secure.

The Faredeal system has password controls and those staff that could use the system has varying levels of access as shown on the working paper. Looking at this in more detail it was found that Level 2 access would be more appropriate for all those with Level 1 access except Barbara Mills and Carol Oakley. The Level 2 access gives the same access as Level 1 except password control which should be restricted. Data is archived periodically in line with the system guidelines.

R6 It is recommended that all those with Level 1 access amended to Level 2 with the exception of Barbara Mills and Carol Oakley. (Medium Priority – Principal Administrator/Personnel and Customer Services Manager)

Check any invoices are being processed correctly and that the amounts charged are correct.

From examination of the rail invoices file it could be seen that the invoices when received were being checked against the vouchers issued. This process relies upon the outlying offices who also issue vouchers sending in regular returns. Since the last audit this has improved with the returns being sent in more regular.

A few months ago it came to light that a mistake had been made with the rail company issuing some rail vouchers with the full amount of £26 rather than £10 which has resulted in us having to pay out approximately £700 extra. Once our staff realised the error, the vouchers were cancelled and the remaining books destroyed and the correct value of vouchers obtained.

R7 It is recommended that a paragraph is included in the Rail Voucher procedures regarding checking the value of the vouchers upon receipt to ensure they are the correct value before they are issued. (Medium Priority – Principal Administrator/Personnel and Customer Services Manager)

Report No 30-2009/10 – Angel Centre Cash Up

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

There was no recommendations arising from the control testing carried out during this audit.

Report No 31-2009/10 – Poulton Wood Golf Professional

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

Test check a sample of members details against another source and ensure that where discount is given for residents that the addresses tie up.

The file of resident member applications was obtained from the Leisure Services Administration Manager (LSAM) and the 156 applications within the first file (surnames A-G) were checked to ensure that the address was within the borough in order for them to receive the discount. Of these 156, only 2 were found to be from outside the borough. This is only 1.3% of the 156 population and does not give any concern to the auditor. The Auditor would however suggest that if Leisure Services are unsure as to whether an application is from a property within the borough that they utilise www.voa.gov.uk which can clarify the borough in which the property is situated.

R1 The two cases where applications for residents discounts were actually outside the borough should be addressed. (Priority – Low. Responsible Officer – Leisure Services Administration Manager).

Ensure types of payments i.e. cash and cheque figures as per the system agree with what was banked and ensure the voids and refunds are not excessive.

A copy of the returns for July were obtained and checked to ensure that the correct method of payment had been utilised on the till. The Auditor checked the amount on the paying in slip against the written amount on the return. In two cases differences were found with regard to the cash figures but all other amounts matched. With regard to the two differences, letters had been received from NatWest and information had been passed onto the Golf Professional to ensure that the difference is made up. (There were a further four letters also received within July regarding differences). When totalled, the differences reconciled to just £30 but given that there were six occasions in which letters had been received from NatWest, the Auditor has recommended that further care be taken.

R2 More care should be taken when counting the money up prior to completing the paying in slip in order to reduce the amount of amendment letters being received from NatWest Bank. (Priority – Medium. Responsible Officer – Golf Professional).

Report No 32-2009/10 – Pollution Control

This report is still at draft stage and will be reported on during the next update report.

Report No 33-2009/10 – Homelessness

This report is still at draft stage and will be reported on during the next update report.

Report No 34-2009/10 – LLC Cash Up

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

The audit of the Larkfield Leisure Centre (LLC) was requested by the Audit Manager. An unannounced cash up was carried out on 2nd December 2009.

Check to ensure that floats and petty cash equal accountancy records.

The Audit Manager and two Senior Internal Auditors made an unannounced visit to LLC in order to carry out a cash up of all monies held in the safes and tills to ensure that the amounts held agreed with the float records held by the Accountancy section.

All was found to be in order with the minor exception of the petty cash held which was found to be £1.50 under.

R1 Ensure that the petty cash is corrected and reconciled to the value of £600. (Low – LLC General Manager)

Check the found property procedure and ensure that the guidelines have been adhered to.

All valuable lost property is held within the day safe. All valuables held in the safe were checked to the log to ensure that all had been recorded. All was found to be in order. A check was then made to establish if there were any items recorded on the log that were not in the safe. There were two discrepancies identified. Firstly a gold ring number 241 which was dated May 2009 could not be found and secondly £25 cash, number 263 dated July 2009 could not be found, there was no evidence on the log to show that these items had been collected by the owners. From discussions with the Operations Manager and further investigation of the day safe the two missing items could not be located.

R2 Remind staff of the need to ensure that all found property is logged and held securely. (High – LLC General Manager)

Report No 35-2009/10 – Investments

This report is still at draft stage and will be reported on during the next update report.

Report No 36-2009/10 – Refuse Collection

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

There was no recommendations arising from the control testing carried out during this audit.