

2009/10 Audits not reported on to date

Report No 32-2009/10 – Pollution Control

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

The opinion of Limited has been given as there are two recommendations that were made during the previous audit that have not been fully implemented.

Establish the procedures for dealing with prescribed processes and document.

System notes have been produced by the Auditor and held on the audit file. However it should be noted that there are no written procedures notes regarding any of the procedures involved with prescribed processes such as use of the database.

R1 Ensure that procedures notes are produced with regards to prescribed processes procedures. (Medium – Chief Environmental Health Officer)

Ensure that recommendations made during the previous audit on prescribed processes have been implemented.

During the previous audit carried out on 2007/08 there were four recommendations made regarding Prescribed Processes. In October 2008 a follow up audit was carried out which established that some of the recommendations had not fully been implemented therefore testing was carried out to ensure that all recommendations had now been implemented.

R1 It is suggested that the database is used to run an outstanding inspection report periodically to aid the planning of visits and avoid the potential to miss an inspection.

The Environmental Health Technician (EHT) does not use a report to highlight establishments that are due a visit. The Auditor gained access to the database and examined the records of when a visit had been carried out and when the next visit was due as this is recorded within the database to ensure that there were no visits outstanding. Upon examination of all records it appeared that there were a large number of premises that had a visit outstanding. There were also occasions where a date of a completed visit had been carried had not been recorded or the date of the next visit due recorded, although there were some notes entered on the note page to show that a visit had actually been carried out. It is felt by the Auditor that the database is not being used to its full potential.

These queries were further investigated by the Environmental Health Technician because he was adamant that he had carried out the site visits of

all premises. This further work confirmed that the dates recorded on the database were not a true reflection of the current situation. In order for the database to be used to its full potential and for a report to be extracted of outstanding inspections the database must be up to date. A further recommendation has been made regarding this issue within this audit however if this recommendation is not implemented then the issue will be reported to the Audit Committee in line with the Audit procedures.

R2 It is suggested that a field is set up on the database to allow an entry for 'review date' to indicate when premises are due for review.

During a follow up audit previously carried out it was established that this had been implemented.

R3 The amounts paid must always be verified, the cheque returned and the correct amount requested.

Again during a follow up audit previously carried out it was established that this had been implemented although it is an ongoing issue. However a check was made during this audit that the correct subsistence charges had been collected for 2009/10 from which no queries arose.

R4 Every effort should be made to issue the bills for subsistence charges promptly following the 1st April each year to comply with the policy.

Once a permit has been issued there is then an annual subsistence charge which is set by DEFRA. Local Authorities are expected to request these payments promptly on the 1st April of each financial year. A report of income relating to these subsistence charges was extracted from Integra by the Auditor and examined from which it was established that the earliest debtor invoice raised was dated 15/05/09 and the latest was dated 02/06/09. From discussions with the Environmental Health Technician who raises these debtor invoices he mentioned that although DEFRA set the charges in March of each year they have been subject to change and therefore he generally waits a week once they have been issued to make sure they are not liable to change. However, the first debtor invoice was raised some six weeks after 1st April 2009.

Again a further recommendation has been made within this audit report regarding this issue and if not implemented will be reported to the Audit Committee in line with audit procedures.

R2 The database should be used to its full potential and be kept up to date which can then be used to regularly run a report of outstanding inspections to aid the planning of visits and avoid the potential to miss an inspection. (High – Chief Environmental Health Officer)

R3 Bills for subsistence charges must be raised promptly following the 1st April each year to comply with the policy. (Medium – Chief Environmental Health Officer)

Report No 33-2009/10 – Homelessness

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

Report No 34-2009/10 – Larkfield Leisure Centre Cash up

This was reported on to the last meeting of this Committee.

Report No 35-2009/10 – Investments

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

There was only one recommendation made relating to the following.

Ensure that the main accounting records are regularly reconciled to the investment ledger

The investments reconciliation file was obtained from the Exchequer office. Firstly, the Auditor checked the frequency of the reconciliation for the current financial year. It was ascertained that only three reconciliations have been carried out. It would be expected, as has been in recent years that reconciliations are carried out on a monthly basis.

R1 Investment reconciliations should be carried out on a regular monthly basis. (Priority – High. Responsible Officer – Exchequer Services Manager).

Report No 36-2009/10 – Refuse Contract

This was reported on to the last meeting of this Committee.

Report No 37-2009/10 – National Non Domestic Rates

This was reported on to the last meeting of this Committee.

Report No 38-2009/10 – National Performance Indicators

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

There was only one recommendation made relating to the following.

Ensure that a sample of NPI's was produced as per the procedure and the figures were accurate.

A sample of five NPI's was obtained using IDEA to generate the random sample, this sample comprised of two NPI's that are obtained through a Place Survey, two NPI's where TMBC are the data source but do not report the results and one where TMBC both provide the data and report the results.

The Place Survey is done every two years and is a National Survey. The questionnaire is compiled by the Government however it is the authority's responsibility to send it out to the appropriate random sample of residents in the Borough. This sample should be enough to ensure that a significant response is achieved so that the analysed results are meaningful. For 2008/09 the authority did well achieving a 62% response rate which was the highest in the country.

Various detailed working sheets, work programmes and procedures were obtained which in the opinion of the auditor looked to have been well organised, produced timely and thoroughly.

Mailing and data entry contractors (Wyman Dillon) were used and the Communities and Local Government's (CLG) contractor analysed the raw data to produce the NPI results. The Improvement and Development Unit (IDU) also analysed the raw data using Predictive Analysis Software (SPSS). The IDU reconciled the results they produced to those that the CLG's contractor produced.

The data for both NP23 and 42 was shown to the auditor to demonstrate the analysis as per SPSS to evidence the figures produced which agreed with the data produced by CLG's contractor.

The two NPI's in the sample where TMBC provide the data are NP 154 and NP 159 which are indicators that the Chief Planner (Policy) has responsibility. The figures for these are produced annually and therefore related to the 2008/09 results.

The procedure for calculating the NP 154 is that the end of year net dwelling completions during the previous year on all development sites with planning permission are checked on site. The final figure is agreed and reported in the Council's Annual Monitoring Report (AMR). This is subsequently reported to the County Council directly to the South East England Regional Assembly (SEERA) who collate the results for the Region. The figures in the Housing Land Supply 2006-2021 – Development Land Allocations table in the AMR totalled the reported figure in the Council's results/target setting form. The

audit did not drill further into whether the figures in this table were correct. The only issue to raise regarding the procedure is that there are a number of typing errors within it that should be corrected.

R1 Correct the various typing errors in the NP154 and NP159 procedures available on the H drive. (Low Priority – Chief Planner)

Report No 39-2009/10 – Income Receipting

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

There were no Internal Control weaknesses identified during this audit and therefore there was no recommendations made.

Report No 40-2009/10 – Housing and Council Tax Benefits

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

Report No 41-2009/10 – Elections

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

There were only two recommendations made relating to the following.

Ensure that any legislation is referred to and internal procedures/guidelines exist and are followed by all relevant staff.

The Ministry of Justice (MOJ) produced detailed guidance for the European Elections which was followed. It was admitted that in-house procedures need to be drawn up to cover all relevant areas in administering elections. It was the first year that Accountancy Section had responsibility for the accounting and therefore this was not documented other than highlighting important notes in the MOJ guidance.

As for Electoral Services Administration an Electoral Services Strategy (2009-2012) document has been compiled which comprises of high-level strategies and policies detailing the delivery of each of the functions of the unit together with a list of related high-level documents. Day to day procedures are not included however this document gives a good basis of what the Electoral Services Section do and would be useful for anyone new to the Authority to read and understand.

Guidance manuals are available on how to use the Electoral Administration System Halarose for the conduct of an Election and for maintaining the Register of Electors.

R1 In the event of absence of key members of staff it is necessary that some simple procedures detailing the key functions, cross referenced to any legislation/guidance are drawn up. (Medium Priority – Principal Administrator).

Ensure that there is an adequate risk register for Elections and that it is reviewed six monthly.

The corporate risk register for Elections was examined and found to be adequate. However the registers should now be reviewed six monthly and this was last reviewed in July 2009.

It was pointed out that there are election specific risk registers that are regularly reviewed daily/weekly/monthly as required. These were not looked at as part of this audit but it is to be considered by the Principal Administrator in conjunction with the Insurance and Risk Manager whether two sets are necessary.

R2 Please ensure that in line with the current guidelines that the corporate risk register is reviewed six monthly. (Medium Priority – Principal Administrator)

Report No 42-2009/10 – Benefits Post Opening

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

Report No 43-2009/10 – Housing Register and Choice Based Lettings

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

Report No 44-2009/10 – Creditors

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

Report No 45-2009/10 – Council Tax

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

Report No 46-2009/10 – Debtors

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

There was only one recommendation made in this report and the detail relating to this is as follows.

Ensure that monthly reconciliations are carried out with regard to the sales ledger suspense accounts.

The Senior Internal Auditor interrogated the sales ledger on Integra in order to establish the current balances on the suspense accounts and also discussed the reconciliation process with the Senior Exchequer Assistant. It was ascertained that, although there are only a small number of transactions placed onto the sales ledger suspense accounts, reconciliations are carried out on an ad-hoc basis. Reconciliations should be carried out monthly in order to establish any anomalies. This process could be incorporated as part of the overall reconciliation which is carried out monthly.

R1 Ensure that the debtor suspense accounts are reconciled in line with the overall debtors reconciliations. (Priority – Medium. Responsible Officer – Exchequer Services Manager).

Report No 47-2009/10 – Council Tax Refunds

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

There were no Internal Control weaknesses identified during this audit and therefore there was no recommendations made.

Report No 48-2009/10 – Bank and Cheques Reconciliations

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

There was only one recommendation arising from this report and the details are as follows.

Ensure that a record of the reporting line for bank reconciliations exist, i.e. the reconciliation is reported to a senior officer who will acknowledge that a reconciliation has taken place.

The reporting line moves up from the Exchequer Assistants to the Chief Accountant and Director of Finance in the last instance. Both reconciliations need to be signed by the Senior Exchequer Assistant that carried out the process, followed by the Exchequer Services Manager who checks that the process and figures have been calculated correctly. These documents then have to be approved by the Director of Finance or the Chief Accountant.

When checking that all reconciliations for the current financial year had been authorised correctly a No1 reconciliation for April and a No2 reconciliation for July were both found not to have been approved by the Director of Finance or Chief Accountant. All others were found to be in order.

R1 The No1 and No2 account reconciliations should be signed by the Director of Finance or the Chief Accountant. (Priority – Medium. Responsible Officer – Exchequer Services Manager).

Source: - Internal Audit Reports