

## 2014-15 Internal Audit Assurance Reviews

Audit Review Title	Planned Quarter	Current Status	Audit Opinion	Scope of Audit and Findings
<i>Treasury Management</i>	1	<i>Final Report Issued</i>	Green	<p><i>The audit considered the Council's arrangements in respect of the following risk management objectives (RMOs):</i></p> <p><i>RMO1 – There are appropriate policies and strategies in place with the CIPFA Code of Practice which are reviewed, approved and monitored regularly. Audit testing found strong policies and procedures in place however minor adjustments were required to reflect current circumstances. Opinion: Green</i></p> <p><i>RMO2 – Appropriate procedures are followed in respect of the investment of treasury management funds. Testing found procedures to be followed with no recommendations raised. Opinion: Green</i></p> <p><i>RMO3 – Externally managed funds are effectively managed and controlled in line with Council policies. Audit testing found all funds to be well managed and controlled with no recommendation raised in relation to this area. Opinion: Green</i></p>
<i>Fees &amp; Charges</i>	1	<i>Final Report Issued</i>	Green	<p><i>The audit considered the Council's arrangements in respect of the following risk management objective (RMO):</i></p> <p><i>RMO1 – Fees and Charges are adequately set, approved, communicated and applied. Audit sample testing found that Services do review their fees and charges annually and are aware of the requirement to report to committee; however the audit found some discrepancies with fees advertised on the website and applying new rates from the effective date therefore reminders are to be sent to Services. In addition it was highlighted that fees and charges should be reported to committee in line with Financial Procedure Rules whether or not they result in changes. Opinion: Green.</i></p>

*Items in italic have been previously reported to the Committee and are included for completeness*

<b>Audit Review Title</b>	<b>Planned Quarter</b>	<b>Current Status</b>	<b>Audit Opinion</b>	<b>Scope of Audit and Findings</b>
<i>Income Collection – Payment Kiosks</i>	<i>1</i>	<i>Final Report Issued</i>	<i>Green</i>	<p><i>The audit considered the Council’s arrangements in respect of the following risk management objectives (RMOs):</i></p> <p><i>RMO1 – Adequate arrangements exist for operating and cashing up of income received via the Council’s payment kiosks. Audit testing found that adequate procedures were in place but the procedure notes required revising to reflect current processes. Opinion: Green</i></p> <p><i>RMO2 – Adequate arrangements exist for the recording; coding and balancing of all income received via the Council’s payment kiosks. Testing found these arrangements to be adequate however system parameters need to be set for miscellaneous income to include a credit card surcharge. Opinion: Green</i></p> <p><i>RMO3 – Appropriate controls exist in respect of contingency planning and minimising the potential for fraud. Audit testing found controls exist however the Business Continuity Plan requires updating with the replacement system, Adelante. Opinion: Amber</i></p>
<i>Income Collection – Web &amp; Telephone</i>	<i>1</i>	<i>Final Report Issued</i>	<i>Green</i>	<p><i>The audit considered the Council’s arrangements in respect of the following risk management objective (RMO):</i></p> <p><i>RMO1 – Adequate arrangements exist for the collection and accounting of income received via the Council’s website and over the telephone. Audit testing found arrangements were in place however some improvements were highlighted regarding provision of an online payment facility for Land Charges, approval of Council Tax invoice templates, transposition of the narrative from Adelante onto Integra and the Telephone Call Recording Policy requires updating regarding payment information not being recorded. Opinion: Green</i></p>

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Housing Benefit Overpayments	2	Final Report Issued	Green	<p>The audit considers the Council's arrangements in respect of the following risk management objectives (RMOs):</p> <p>RMO1 – Appropriate and timely action is taken to recover all Housing Benefit Overpayments. Audit testing found that appropriate action is being taken to recovery overpayments with only minor operational enhancements identified in this report. Opinion: Green.</p> <p>RMO2 – There are effective performance monitoring arrangements in place in respect of overpayments. Audit testing found that there are robust arrangements in place to monitor the recovery of overpayments and for this to be reported to management. Opinion: Green.</p>
Debtors	2	Final Report Issued	Green	<p>The audit considered the Council's arrangements in respect of the following risk management objectives (RMOs):</p> <p>RMO 1 – Effective key controls are in place to manage the Council's Debtors function. Audit testing confirmed that arrangements are in place for sundry debts to be raised and recovered in line with the Council's policies and procedures. Opinion: Green.</p> <p>RMO 2 - Effective processes exist in respect of Periodical Income. Audit testing confirmed that periodical invoices are being raised accurately in a timely manner, in line with the original rental agreement with the debtors. Opinion: Green.</p>
Section 106 Agreements	2	Field work completed, in quality control	---	<p>The audit considers the Council's arrangements in respect of the following risk management objective (RMO):</p> <p>RMO1 – Section 106 agreement (planning obligations) have been applied to development cases appropriately, in line with legislation and policy.</p>

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Transparency	4	Field work completed, in quality control	---	<p>The audit considers the Council's arrangements in respect of the following risk management objectives (RMO):</p> <p>RMO1: here are arrangements in place to ensure compliance with the mandatory requirements of the Local Government Transparency Code effective from 31st December 2014 on a quarterly basis.</p> <p>RMO2: There are arrangements in place to ensure compliance with the mandatory requirements of the Local Government Transparency Code effective from 31st December 2014 on a one off basis.</p> <p>RMO3: There are arrangements in place to ensure compliance with the mandatory requirements of the Local Government Transparency Code effective from 2nd February 2015 on an annual basis.</p>
Procurement	3	Field work completed, in quality control	---	<p>The audit considers the Council's arrangements in respect of the following risk management objectives (RMO):</p> <p>RMO1: The Council has an adequate Procurement Strategy in place.</p> <p>RMO2: The Council has adequate and up to date contract and finance procedural rules and these are followed in practice.</p>
Income Collection - Direct Debits & Standing Orders	2	Fieldwork underway	---	<p>The audit considers the Council's arrangements in respect of the following risk management objectives (RMO):</p> <p>RMO1: Appropriate arrangements exist to promote Direct Debits and Standing Orders as a method of Payment to the Council.</p> <p>RMO2: Adequate arrangements exist for the recording, coding and balancing of all income received via Direct Debit and Standing Order.</p> <p>RMO3: Arrangements exist regarding appropriate compliance with key Direct Debit regulations.</p>

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Licensing Functions (excluding Taxis and Alcohol)	4	Fieldwork underway	---	<p>The audit considers the Council's arrangements in respect of the following risk management objectives (RMO):</p> <p>RMO1: The Council has procedures in place to handle the management of licenses for which it has responsibility to issue and maintain, excluding taxi and alcohol licences.</p> <p>RMO2: The Council sets appropriate and justifiable fees, where permitted, for provision and renewal of licences, and collects the same before licences are issued.</p> <p>RMO3: Appropriate enforcement arrangements exist, including issuing penalty notices and collecting penalty fees where necessary.</p>
Standards of Officer Conduct (including anti-bribery and corruption arrangements)	4	Fieldwork underway	---	<p>The audit considers the Council's arrangements in respect of the following risk management objectives (RMO):</p> <p>RMO1: The Authority has appropriate policies in place relating to standards of Officer conduct.</p> <p>RMO2: Arrangements are in place to uphold standards of officer conduct.</p>
Cemeteries	4	Fieldwork underway	---	<p>The audit considers the Council's arrangements in respect of the following risk management objectives (RMO):</p> <p>RMO1: There are procedures in place to effectively and efficiently perform the statutory duties required as a local authority and as the owner of a burial ground.</p> <p>RMO2: There are procedures in place to effectively administer and perform the services provided by Tonbridge Cemetery.</p> <p>RMO3: There are procedures in place to correctly and effectively collect the Cemetery Service Charges.</p>
Council Tax Recovery	4	Fieldwork underway	---	<p>The audit considers the Council's arrangements in respect of the following risk management objective (RMO):</p> <p>RMO1: Effective recovery procedures are in place for the collection of Council Tax debt.</p>

**Annex three**

<b>Audit Review Title</b>	<b>Planned Quarter</b>	<b>Current Status</b>	<b>Audit Opinion</b>	<b>Scope of Audit and Findings</b>
NNDR Recovery	4	Fieldwork underway	---	The audit considers the Council's arrangements in respect of the following risk management objective (RMO): RMO1: There are processes in place to identify and recover NNDR not paid.
Housing Financial Assistance (Including Rent Deposit Bonds)	4	Not yet started	---	
Community Safety Partnership	4	Not yet started	---	
Leisure Trust Contract	4	Not yet started	---	
Housing Register & Allocations	4	Not yet started	---	
Grounds Maintenance	4	Not yet started	---	
VAT	4	Not yet started	---	
Write-offs	4	Not yet started	---	

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## 2014-15 Internal Audit Follow Up Reviews

Audit Review Title	Planned Quarter	Current Status	Audit Opinion	Scope of Audit and Findings
Recruitment Vetting Procedures Follow Up	2	Final Report Issued	Amber	The audit considered the Council's arrangements in respect of the following risk management objective (RMO): RMO1 – All weaknesses found as part of the Recruitment Vetting Procedures 13/14 Internal Audit have been addressed. Audit testing found that appropriate action had been taken to address 9 of the 11 recommendations made in the original report. The remaining two recommendations had not been progressed; the issues are not considered to be significant control matters and Internal Audit will continue follow up on these items later in the financial year. Opinion: Amber.
Mobile Phones Follow Up	2	Final Report Issued	Amber	The audit considers the Council's arrangements in respect of the following risk management objectives (RMO): RMO1 – All weaknesses found as part of the Mobile Phones 13/14 Internal Audit have been addressed. Audit testing found that adequate action had been taken to address the weaknesses identified in the original audit report though the implementation of a formal policy had been delayed by the introduction of a new telephony system, in addition further enhancements to the monitoring arrangements were recommended in this report. Opinion: Amber.
Discretionary Housing Payments Follow Up	2	Field work completed, in quality control	---	The audit considers the Council's arrangements in respect of the following risk management objective (RMO): RMO1 – All weaknesses found as part of the Discretionary Housing Payments 13/14 Internal Audit have been addressed.

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