

Audit and Governance Committee Report



26 September 2012

Report of **Audit Manager**

Wards Affected
All

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To: Audit and Governance Committee

DATE: 26 September 2012

Internal audit activity report quarter two 2012/2013

Recommendations

That members note the content of the report

Purpose of Report

1. The purpose of this report is to summarise the outcomes of recent internal audit activity for the committee to consider. The committee is asked to review the report and the main issues arising, and seek assurance that action will be/has been taken where necessary.
2. The contact officer for this report is Adrianna Partridge, Audit Manager for South Oxfordshire District Council and Vale of White Horse District Council, telephone (SODC) 01491 823544 and (VWHDC) 01235 547615.

Strategic Objectives

3. Managing our business effectively.

Background

4. Internal audit is an independent assurance function that primarily provides an objective opinion on the degree to which the internal control environment supports and promotes the achievements of the Council's objectives. It assists the Council by evaluating the adequacy of governance, risk management, controls and use of resources through its planned audit work, and recommending improvements where necessary. After each audit assignment, internal audit has a duty to report to management its findings on the control environment and risk exposure, and recommend changes for improvements where applicable. Managers are responsible for considering audit reports and taking the appropriate action to address control weaknesses.

5. Assurance ratings given by internal audit indicate the following:

Full Assurance: There is a sound system of internal control designed to meet the system objectives and the controls are being consistently applied.

Satisfactory Assurance: There is basically a sound system of internal control although there are some minor weaknesses and/or there is evidence that the level of non-compliance may put some minor system objectives at risk.

Limited Assurance: There are some weaknesses in the adequacy of the internal control system which put the system objectives at risk and/or the level of non-compliance puts some of the system objectives at risk.

Nil Assurance: Control is weak leaving the system open to significant error or abuse and/or there is significant non-compliance with basic controls.

6. Each recommendation is given one of the following risk ratings:

High Risk: Fundamental control weakness for senior management action

Medium Risk: Other control weakness for local management action

Low Risk: Recommended best practice to improve overall control

2012/2013 Audit Reports

7. Since the last Audit and Governance Committee meeting, the following audits and follow up reviews have been completed:

Completed Audits

Full Assurance: 1

Satisfactory Assurance: 3

Limited Assurance: 1

Nil Assurance: 0

	Page Ref	Assurance Rating	No. of Recs.	High Risk Recs.	No. Agreed	Medium Risk Recs.	No. Agreed	Low Risk Recs.	No. Agreed
1. HR Pro 11/12	35	Limited	6	2	1	2	2	2	2
Benefit Fraud 12/13	N/A	Full	3	0	0	1	1	2	2
Risk Mgt 12/13	N/A	Satisfactory	9	0	0	5	3	4	2
Freedom of Information 12/13	N/A	Satisfactory	7	0	0	2	2	5	4
Insurance 12/13	N/A	Satisfactory	6	1	1	3	3	2	2

Follow Up Reviews

	Page Ref	Original Assurance Given	No. of Recs	Implemented	Partly Implemented	Not Implemented	Ongoing
Licencing 11/12	N/A	Satisfactory	8	2	0	0	6
2. HR Pro 11/12	42	Satisfactory	5	4	0	1	0
3. Waste Mgt and Recycling 11/12	47	Limited	14	5	3	6	0
Establishment Listing 11/12	N/A	Limited	3	3	0	0	0
4. Brown Bins 11/12	59	Satisfactory	5	2	0	3	0
5. Building Control 11/12	65	Satisfactory	3	0	1	2	0
Equalities and Diversity 11/12	N/A	Satisfactory	9	3	2	0	4
Travel and Subsistence 11/12	N/A	Satisfactory	14	9	2	3	0
ICT 12/13	N/A	Limited	4	3	1	0	0

8. Members of the committee are asked to seek assurance from the internal audit report and/or respective managers that the agreed actions have been or will be undertaken where necessary.

9. A copy of each report has been sent to the appropriate service manager, the relevant strategic director, the section 151 officer and the relevant member portfolio holder. In addition to the above arrangements, reports are now published on the council intranet and committee members are alerted by e-mail when reports are published.
10. Internal audit continues to carry out a six month follow up on all non-financial audits to establish the implementation status of agreed recommendations. All key financial system recommendations are followed up as part of the annual assurance cycle.

Systemic Control Weaknesses

11. **Appendix 2** of this report sets out weaknesses which have been identified within planned audits which internal audit consider to be systemic within the council. Every recommendation made by internal audit since April 2010 has been logged within a recommendation register according to an Institute of Internal Auditors control type definition, and a point system has been used - 1 point for a low risk recommendation, 2 points for a medium risk recommendation and 3 points for a high risk recommendation. The points have been totalled against each control type, and the top 10% control weaknesses which occur across a number of operational areas have been listed as a systemic control weakness. The table will be reviewed and updated by the audit manager, head of finance and the strategic director (section 151 officer) on an ongoing basis, and will be used to inform the annual audit plan and the scope of individual reviews

Financial Implications

12. There are no financial implications attached to this report.

Legal Implications

13. None.

Risks

14. Identification of risk is an integral part of all audits.

ADRIANNA PARTRIDGE
AUDIT MANAGER

1. HR PRO SYSTEM 2011/2012

1. INTRODUCTION

- 1.1 The fieldwork for this audit was undertaken in March 2012 and the final report was issued on 26 March 2012.
- 1.2 The following areas have been covered during the course of this review to provide assurance that:
- access and administration rights to the system are adequately controlled and appropriate;
 - an adequate and documented process is in place to ensure information on the system is kept up to date;
 - authorisation protocols and workflow audit trails are in place for all amendments to the system;
 - annual leave entitlement calculations are correct for full-time and part-time staff; and
 - variable leave years are being managed appropriately and carry forward entitlements are processed in a timely manner.

2. BACKGROUND

- 2.1 The HR pro system is supplied by Advanced Business Solutions and is a self-service system which officers can input any annual leave, sickness and other absences taken within the year. The HR pro system helps management monitor staff absence.

3. PREVIOUS AUDIT REPORTS

- 3.1 HR pro system and annual leave has not previously been subject to an internal audit review.

4. 2011/2012 AUDIT ASSURANCE

- 4.1 **Limited Assurance:** There are some weaknesses in the adequacy of the internal control system which put the system objectives at risk and/or the level of non-compliance puts some of the system objectives at risk.
- 4.2 Six recommendations have been raised in this review. Two High risk, two Medium risk and two Low risk.

5. MAIN FINDINGS

5.1 Access and administration of HR pro system

- 5.1.1 Internal audit established that although the HR pro system is password protected, there are no controls in place whereby the system locks after a number of unsuccessful log on attempts and the system does not prompt users to change their password. Appropriate access is given to all users, with system administration access given to officers in HR and one officer in ICT. However, it could not be confirmed that system administration training was given to the officer from ICT.

5.1.2 A HR pro self service user manual is available on the intranet for all users. Internal audit is satisfied that the user manual is sufficient in detail. Two recommendations have been made as a result of our work in this area (Rec 1 and 2).

5.2 Documented processes

5.2.1 Internal audit established that the HR business partner is responsible for the HR pro self service user manual and it is available on the intranet. The HR pro system administration manual is kept within the HR office and is available to all HR officers.

5.2.2 Internal audit established that templates for amendments to the HR pro system are available on the intranet and are required to be emailed to the HR inbox for action. From the testing undertaken of amendments made to the HR pro system, internal audit was satisfied that correspondences were received for all amendments and were all appropriately inputted onto the system. However, it was established that correspondences were received via email and the email was not kept as an audit trail to confirm authorisation from the line manager. One recommendation has been made as a result of our work in this area (Rec 3).

5.3 Authorisation protocols and workflow audit trails

5.3.1 Internal audit noted that a workflow within the HR pro system does exist, but only identifies when actions occur not the officer undertaking the action. From the testing undertaken, internal audit established that authorisation of annual leave workflow is appropriately set up as all officers are linked to their line manager for authorisation on the HR pro system. One recommendation has been made as a result of our work in this area (Rec 4).

5.4 Annual leave entitlement

5.4.1 Internal audit established that there is an annual leave and bank holiday policy in place, which was last reviewed in October 2011. It was determined that an annual leave calculation spreadsheet is in place to calculate part-time officers' annual leave entitlement.

5.4.2 From the testing undertaken of annual leave entitlement of both full-time and part-time officers, internal audit established control weaknesses as errors in calculation, carry forward and update of the HR pro system were evidenced. When amendments were made to an officers' annual leave entitlement on the system, it was established that the relevant officer was not notified. Two recommendations have been made as a result of our work in this area (Rec 5 and 6).

5.5 Carry forward entitlement

5.5.1 Internal audit established that the annual leave year dates are recorded on the HR pro system and are also maintained on a spreadsheet, which is reviewed by the HR administration team on a weekly basis. It is noted that the HR administration team updates the officers annual leave year entitlement on the system on a weekly basis.

5.5.2 From the testing undertaken on updating officers' annual leave year entitlement promptly following their anniversary, internal audit was satisfied that all the system records are updated appropriately and efficiently. No recommendations have been made as a result of our work in this area.

6. CATEGORISATION OF RECOMMENDATIONS

7.1 To assist management in using our reports, we have categorised our recommendations according to their level of priority as follows:

High Risk	Fundamental control weakness for senior management action	Recs 3 and 5
Medium Risk	Other control weakness for local management action	Recs 1 and 6
Low Risk	Recommended best practice to improve overall control	Recs 2 and 4

OBSERVATIONS AND RECOMMENDATIONS

ACCESS AND ADMINISTRATION OF HR PRO SYSTEM

1. Password Control

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> The HR pro system locks users out of the system after a number of unsuccessful attempts.</p> <p><u>Findings</u> Internal audit established that users are not locked out of the HR pro system after a number of unsuccessful attempts.</p> <p><u>Risk</u> If the HR pro system does not lock out users, there is a risk of officers trying to log into their colleagues HR pro access and succeeding due to trying limitless combinations of passwords.</p>	Users should be locked out of the HR pro system after a number of unsuccessful attempts, and access rights should only be unlocked by a system administrator.	Shared HR Business Partner
Management Response		Implementation Date
<p>Recommendation is Agreed in Principle IT has been asked to investigate whether HR Pro security options will allow this. Advice will be sought from ABS (software provider) if necessary.</p> <p>Management response: Shared HR Business Partner</p>		30 June 2012

2. System Administration Training

(Low Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> All system administrators have received HR pro system admin training.</p> <p><u>Findings</u> HR could not confirm if one of the system administrators received HR pro system admin training.</p> <p><u>Risk</u> If training is not provided to all system administrators, there is a risk of system administrator having full access to the HR pro system and not using it appropriately.</p>	<p>All members of the administrator user group should receive relevant training, or their access should be removed if considered no longer necessary.</p>	<p>Shared HR Business Partner</p>
Management Response		Implementation Date
<p>Recommendation is Agreed Member of untrained staff removed from system admin group.</p> <p>Management response: Shared HR Business Partner</p>		<p>Implemented</p>

DOCUMENTED PROCESSES

3. Authorisation of Correspondences

(High Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> For all correspondences received via email, the email is filed alongside the form so that an audit trail exists.</p> <p><u>Findings</u> In January and February 2012, there have been 118 amendments made and a sample of 10 amendments was selected. From the 10, internal audit found that all amendments were received via email, but for eight amendments, the email was not kept to confirm approval from the line manager, hence no audit trail.</p>	<p>All correspondences received via email, HR should ensure that the email is saved within the hr drive alongside the correspondence to confirm that they are signed by the line manager.</p>	<p>Shared Business Support Manager</p>

<u>Risk</u> If there is no audit trail to confirm that correspondences are approved by the service manager, there is a risk of the forms not being signed or approved by the line manager.		
Management Response		Implementation Date
Recommendation is Agreed Management response: Shared HR Business Partner		30 June 2012

AUTHORISATION PROTOCOLS AND WORKFLOW AUDIT TRAILS

4. Audit Trail

(Low Risk)

Rationale	Recommendation	Responsibility
<u>Best Practice</u> An audit trail exists within the HR pro system identifying when actions are occurred and by whom. <u>Findings</u> Internal audit established that the HR pro system currently only identifies when an action occurred, but not by whom. <u>Risk</u> If there is no audit trail, there is a risk of not determining which officer authorised/made amendments on the system should it be contested.	It should be investigated whether an audit trail can be established within HR pro which can identify and record which officers authorised/or made amendments on the system.	Shared HR Business Partner
Management Response		Implementation Date
Recommendation is Agreed in Principle Advice to be sought from ABS (software provider). Management response: Shared HR Business Partner		30 June 2012

ANNUAL LEAVE ENTITLEMENT

5. Annual leave calculation form review

(High Risk)

Rationale	Recommendation	Responsibility
<u>Best Practice</u> All annual leave calculation forms are reviewed by an HR officer, independent from calculation.	All annual leave calculation forms and the HR pro system should be reviewed by an officer within HR, independent from calculation and update, to confirm	n/a

<p><u>Findings</u> In 2011/2012, there are 67 part-time officers and a sample of five officers were selected. From the five, their annual leave entitlement was reviewed and internal audit established that four annual leave calculation forms were not reviewed by a HR business partner.</p> <p>As at 31 December 2011, there were 194 officers working at VWHDC and a sample of 10 officers were selected. From the 10, their annual leave entitlements were reviewed and internal audit found that two annual leave entitlements were updated incorrectly on the HR pro system.</p> <p>From a sample of 10 annual leave entitlements reviewed, internal audit found that for one officer, their outstanding annual leave amount was not carried forward.</p> <p><u>Risk</u> If the annual leave entitlement forms are not reviewed by an HR officer, independent from the calculation, there is a risk of the annual leave entitlement incorrectly calculated and not being spotted.</p>	<p>accuracy. The form should also be signed to confirm that the review for both the form and system has been undertaken.</p>	
Management Response		Implementation Date
<p>Recommendation Not Agreed We agree to continue checking the spreadsheet calculation but there is insufficient resource in the HR business support team to double check what is entered on HR Pro.</p> <p>Management response: Shared HR Business Partner</p>		n/a

6. Amendment notifications

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> All officers receive an email from HR when adjustments are made to their annual leave</p>	<p>All officers should be notified via email when an amendment within HR pro has been made outside of</p>	<p>HR business support manager</p>

<p>entitlement on the HR pro system.</p> <p><u>Findings</u> During testing of annual leave entitlement, internal audit established that HR is not notifying officers when amending their annual leave entitlement outside of their annual leave year update.</p> <p><u>Risk</u> If officers are not aware of adjustments being made on the HR pro system regarding their annual leave entitlement, there is a risk of officers not knowing the amount of leave they are entitled to.</p>	<p>their annual leave year update.</p>	
Management Response		Implementation Date
<p>Recommendation is Agreed in Principle The HR business support team amend a small number of hr pro annual leave records for part year calculations or calculations reflecting change of hours and we will continue to do this and email officers.</p> <p>If we had a single annual leave year for all south and vale employees the HR business support team would not need to send individual emails to employees to alert them to hr pro amendments at the start of their leave year as everyone's leave year would be updated at the same time and therefore HR Pro would be amended at the same time.</p> <p>Management response: Shared HR Business Partner</p>		<p>30 June 2012</p>

2. HR PRO SYSTEM FOLLOW UP 2011/2012

1. INTRODUCTION

- 1.1 The original fieldwork for this audit was undertaken in March 2012 and the final report was issued on March 2012. The follow up report was issued on 13 September 2012.

2. INITIAL AUDIT FINDINGS

- 2.1 The final report made seven recommendations and six were agreed. A limited assurance opinion was issued.

3. FOLLOW UP MAIN FINDINGS

- 3.1 The review found that four recommendations have been implemented, one has not been implemented and one recommendation is now not applicable.

FOLLOW-UP OBSERVATIONS

ACCESS AND ADMINISTRATION OF HR PRO SYSTEM

1. Password Control

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> The HR pro system locks users out of the system after a number of unsuccessful attempts.</p> <p><u>Findings</u> Internal audit established that users are not locked out of the HR pro system after a number of unsuccessful attempts.</p> <p><u>Risk</u> If the HR pro system does not lock out users, there is a risk of officers trying to log into their colleagues HR pro access and succeeding due to trying limitless combinations of passwords.</p>	<p>Users should be locked out of the HR pro system after a number of unsuccessful attempts, and access rights should only be unlocked by a system administrator.</p>	<p>Shared HR Business Partner</p>
Management Response		Implementation Date
<p>Recommendation Agreed in Principle IT has been asked to investigate whether HR Pro security options will allow this. Advice will be sought from ABS (software provider) if necessary.</p> <p>Management response: Shared HR Business Partner</p>		<p>30 June 2012</p>
Follow-up observations		

Internal audit established that the HR pro system now locks all officers out after three failed log-on attempts. It is noted though that the officers would not know if they are locked out as the message would not notify them. The HR business partner notified the system providers and they stated that the message cannot be done.	Implemented
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2. System Administration Training

(Low Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> All system administrators have received HR pro system admin training.</p> <p><u>Findings</u> HR could not confirm if one of the system administrators received HR pro system admin training.</p> <p><u>Risk</u> If training is not provided to all system administrators, there is a risk of system administrator having full access to the HR pro system and not using it appropriately.</p>	All members of the administrator user group should receive relevant training, or their access should be removed if considered no longer necessary.	Shared HR Business Partner
Management Response		Implementation Date
<p>Recommendation is Agreed Member of untrained staff removed from system admin group.</p> <p>Management response: Shared HR Business Partner</p>		Implemented
Follow-up observations		
All HR pro system administrators are now fully trained.		Implemented

DOCUMENTED PROCESSES

3. Authorisation of Correspondences

(High Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> For all correspondences received via email, the email is filed alongside the form so that an audit trail exists.</p> <p><u>Findings</u> In January and February 2012, there have been 118 amendments made and a sample of 10 amendments</p>	All correspondences received via email, HR should ensure that the email is saved within the hr drive alongside the correspondence to confirm that they are signed by the line manager.	Shared Business Support Manager

<p>was selected. From the 10, internal audit found that all amendments were received via email, but for eight amendments, the email was not kept to confirm approval from the line manager, hence no audit trail.</p> <p><u>Risk</u> If there is no audit trail to confirm that correspondences are approved by the service manager, there is a risk of the forms not being signed or approved by the line manager.</p>		
Management Response		Implementation Date
<p>Recommendation is Agreed</p> <p>Management response: Shared HR Business Partner</p>		30 June 2012
Follow-up observations		
<p>Internal audit selected a sample of 10 amendment made to personal data and found on five occasions an email was not kept to confirm approval.</p> <p>HR Business Support Manager's response</p> <p>With hindsight we feel that this recommendation should not have been agreed. When a change request is received, HR checks that all amendments have been properly signed off by the line manager and HR business partner. This mitigates the fundamental risk which is of a change being actioned without proper authority.</p> <p>We consider that the retention of separate copies of email messages would in most cases place a disproportionate and unnecessary administrative burden onto the team. If at any time it is necessary to review an audit trail then it is already possible to use the email archive system, Quest, for this purpose. In cases where an email message contains any additional information beyond that supplied on the change document, a copy of the message is saved to the personnel file, and this will continue.</p> <p>Going forward HR is looking to develop an HR pro workflow which will automatically incorporate an audit trail for the authorisation process and should allow HR to generate a report which can demonstrate all stages of approval.</p>		Not Implemented

AUTHORISATION PROTOCOLS AND WORKFLOW AUDIT TRAILS

4. Audit Trail

(Low Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> An audit trail exists within the HR pro system identifying when actions are occurred and by whom.</p> <p><u>Findings</u> Internal audit established that the HR pro system currently only identifies when an action occurred, but not by whom.</p> <p><u>Risk</u> If there is no audit trail, there is a risk of not determining which officer authorised/made amendments on the system should it be contested.</p>	<p>It should be investigated whether an audit trail can be established within HR pro which can identify and record which officers authorised/or made amendments on the system.</p>	<p>Shared HR Business Partner</p>
Management Response		Implementation Date
<p>Recommendation is Agreed in Principle Advice to be sought from ABS (software provider).</p> <p>Management response: Shared HR Business Partner</p>		<p>30 June 2012</p>
Follow-up observations		
<p>The head of HR, IT and customer services spoke to the system provider and it was established that it was not possible to have an named audit trail within the workflow.</p>		<p>Not Applicable</p>

ANNUAL LEAVE ENTITLEMENT

6. Amendment notifications

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> All officers receive an email from HR when adjustments are made to their annual leave entitlement on the HR pro system.</p> <p><u>Findings</u> During testing of annual leave entitlement, internal audit established that HR is not notifying officers when amending their annual leave entitlement outside of their annual leave year update.</p>	<p>All officers should be notified via email when an amendment within HR pro has been made outside of their annual leave update.</p>	<p>HR business support manager</p>

<p><u>Risk</u> If officers are not aware of adjustments being made on the HR pro system regarding their annual leave entitlement, there is a risk of officers not knowing the amount of leave they are entitled to.</p>		
<p>Management Response</p>		<p>Implementation Date</p>
<p>Recommendation is Agreed in Principle The HR business support team amend a small number of hr pro annual leave records for part year calculations or calculations reflecting change of hours and we will continue to do this and email officers.</p> <p>If we had a single annual leave year for all south and vale employees the HR business support team would not need to send individual emails to employees to alert them to hr pro amendments at the start of their leave year as everyone's leave year would be updated at the same time and therefore HR Pro would be amended at the same time.</p> <p>Management response: Shared HR Business Partner</p>		<p>30 June 2012</p>
<p>Follow-up observations</p>		
<p>Internal audit can confirm that officers are now notified when amendments are made to their annual leave outside of their yearly update.</p>		<p>Implemented</p>

3. WASTE MANAGEMENT & RECYCLING FOLLOW UP 2011/2012

1. INTRODUCTION

- 1.1 The original fieldwork for this audit was undertaken in November 2011 and the final report was issued on 19 December 2011. The follow up report was issued on 4 July 2012.

2. INITIAL AUDIT FINDINGS

- 2.1 The final report made 14 recommendations and ten were agreed and the remaining four were agreed in principle. A limited opinion was issued.

3. FOLLOW UP MAIN FINDINGS

- 3.1 The review found that five recommendations have been implemented, three recommendations have been partly implemented, and the remaining six recommendations have not been implemented. Revised implementation dates have been provided where appropriate. The department is going through the 'fit for the future' process which has led to delays in some areas.

FOLLOW-UP OBSERVATIONS

POLICIES AND PROCEDURES

1. Policies and procedures

(High Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> There are authorised, comprehensive and up to date policies and procedure notes which cover all key areas, e.g. waste management, recycling and performance management.</p> <p><u>Findings</u> The Shared Administration Team Leader stated there is a need to develop new policies and procedures for all activities. There are no policies and procedures, e.g. for waste/recycling/data/stock management.</p> <p><u>Risk</u> There is a lack of procedure or compliance with best practice which may lead to, for example: poor performance/stock/data management or inefficient administration of financial transactions.</p>	<p>Ensure there are policies and procedures covering:</p> <ul style="list-style-type: none">- waste management,- recycling activities,- performance management,- financial administration and checking of waste and recycling information and invoices,- data management,- stock management.	<p>Shared Waste and Parks Manager</p>

Management response	Implementation date
Recommendation is Agreed Management response: Shared Waste and Parks Manager	31 March 2012
Follow-up observations	
Procedure notes have been developed (e.g. waste and assisted collection, clinical and bulky waste), however not all policies have been drafted and finalised. This is due to the upcoming fit for the future exercise which is occurring across the service area which may lead to changes in processes.	Partly Implemented Revised implementation date: 31 January 2013

OBJECTIVE HEADING

2. Job descriptions

(Low Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> There are clear and up-to-date job descriptions in place for all officers.</p> <p><u>Findings</u> From discussion with human resources (HR,) it was confirmed there are no up to date job descriptions for all officers within the corporate strategy department responsible for waste management and recycling e.g. the Shared Administration Team Leader. Furthermore, the Shared Administration Team Leader stated roles and responsibilities needed to be revised.</p> <p><u>Risk</u> Duties are not carried out due to confusion over roles and responsibilities, and poor performance may not be managed appropriately.</p>	Ensure there are job descriptions and/or roles and responsibilities up to date for all members of staff.	Shared Waste and Parks Manager
Management response	Implementation date	
Recommendation is Agreed Shared Team Leader job description has been written and has been evaluated, with a temporary person currently in post. Management Response: Shared Waste and Parks Manager	31 March 2012	
Follow-up observations		
Job descriptions have not been reviewed due to the upcoming fit for the future exercise which is occurring across the service area which may lead to changes in		Not Implemented Revised

processes.	implementation date: 31 January 2013
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NATIONAL INITIATIVES

3. Meetings

(Low Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> All formal meetings with contractors have agendas, minutes and are recorded throughout the year.</p> <p><u>Findings</u> From review of the contractor meetings file - there is an agenda for the June meeting – but no formal minutes. This is similarly the case for July and May operations meetings.</p> <p><u>Risk</u> Without a clear record of all meetings or reasons for cancellation – there is a lack of compliance with good practice and lack of visible audit trail, e.g. which may be required in the event of a dispute.</p>	Ensure all operations, contract and other key meetings are minuted, if meetings are cancelled this should be recorded within the minutes file.	Shared Waste and Parks Manager
Management response		Implementation date
<p>Recommendation is Agreed Procedures have been put in place and all operations, contract and other key meetings are minuted and have agendas.</p> <p>Management Response: Shared Waste and Parks Manager</p>		30 December 2011
Follow-up observations		
Internal audit requested all 2012 meetings records up to the date of review, and the meetings for January, March and April were provided which were deemed adequate.		Implemented

ACCURACY OF WEIGHBRIDGE RECORDS AND INVOICES

4. Spot Checks

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> There is a regular complete or spot check of weighbridge and recycling records to the tickets.</p> <p><u>Findings</u> Following discussion with the</p>	Ensure there are the necessary spot checks of tickets to data received by the council.	Shared Waste and Parks Manager

<p>Waste Management Technical Officer, internal audit established the data related to recycling and waste collected is not checked to primary evidence (e.g. tickets) on a sample basis.</p> <p><u>Risk</u> Incorrect records of waste collection and recycling leading to incorrect financial payments and strategic decisions.</p>		
Management response		Implementation date
<p>Recommendation is Agreed This will be checked as part of a monthly reconciliation of data provided by Biffa, County Council and Agrivert.</p> <p>Management response: Shared Waste and Parks Manager</p>		31 March 2012
Follow-up observations		
<p>Currently this has not been done, however it is on the agenda to be conducted.</p>		<p>Not Implemented</p> <p>Revised implementation date: 31 July 2012</p>

5. Bill of quantities

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> A responsible officer has a clear record and knowledge of the bill of quantities and its compliance with the contracted terms.</p> <p><u>Findings</u> Following discussion with the Shared Administration Team Leader, the workings behind the current bill of quantities is unclear and clarification is needed with the contractor over whether the current contract is being complied with.</p> <p><u>Risk</u> Without knowledge of the formulation of the bill of quantities – incorrect payments may be made and the contracted terms may not be complied with.</p>	<p>Clarify the workings behind the bill of quantities and ensure rates are approved yearly.</p>	<p>Shared Waste and Parks Manager</p>
Management response		Implementation date
<p>Recommendation is Agreed Discussions with Biffa have started and further clarifications are to be agreed.</p>		31 January 2012

Management response: Shared Waste and Parks Manager	
Follow-up observations	
The council has clarified the working behind the bill of quantities, a copy of which has been retained by internal audit and the approval of this listing is due to be conducted in October 2012.	Partly Implemented Revised implementation date: 30 October 2012

6. Rate checks

(Low Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> There is a documented check of all calculations and rates applied on each invoice presented to the council.</p> <p><u>Findings</u> Following discussion with the Shared Administration Team Leader, whilst there is a check of the rates used – this is not formally documented for waste invoices.</p> <p>For recycling, from our sample testing it has been noted the documentation of the check of the recycling breakdown has not been done on all occasions (1 out of 6 – not signed off).</p> <p><u>Risk</u> Without formal sign off, there is a lack of visible audit trail and record of rates and quantities being checked.</p>	The invoices and recycling breakdown received should be marked when the rates are checked.	Shared Waste and Parks Manager
Management response		Implementation date
<p>Recommendation is Agreed in Principle The core invoice will be checked following any changes and the variable will be checked monthly.</p> <p>Management response: Shared Waste and Parks Manager</p>		31 December 2011
Follow-up observations		
Internal audit requested the invoices for waste and recycling for 2012 as at audit date. All were reviewed and had been appropriately checked and marked.		Implemented

7. Variable work

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> There is a record of all variable</p>	Ensure there is a record of variable work	Shared Waste and Parks Manager

<p>work requested which is used to reconcile with waste invoices.</p> <p><u>Findings</u> Through discussion with the Shared Administration Team Leader, a spreadsheet is currently being developed to record all new resident requests for bins to be collected.</p> <p><u>Risk</u> An incorrect invoice charge may not have been identified, possibly leading to unnecessary financial loss to the council.</p>	<p>required, e.g. new residents and requests made by waste management team.</p>	
<p>Management response</p> <p>Recommendation is Agreed in Principle We are currently putting in place procedures that will address this issue.</p> <p>Management response: Shared Waste and Parks Manager</p>		<p>Implementation date</p> <p>29 February 2012</p>
<p>Follow-up observations</p>		
<p>The spreadsheet is currently being developed by the shared administration team leader.</p>		<p>Not Implemented</p> <p>Revised implementation date: 31 July 2012</p>

RECYCLING MATERIALS

8. Electronic authorisation

(Low Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> Electronic authorisation enables prompt processing of recycling invoices.</p> <p><u>Findings</u> Currently, once the recycling credits are approved the forms are manually transported from VWHDC to SODC location for processing. On review of the Recycling credits – as at audit date – the July, August and September credit invoices have not been issued to Oxfordshire County Council. Given the period of time which has elapsed (audit date: 14th October), internal audit highlighted the time lag is</p>	<p>Consider using electronic authorisation of recycling credits</p>	<p>Shared Waste and Parks Manager</p>

excessive.		
<u>Risk</u> A lack of adherence to good financial practice and the possibility of a loss of interest.		
Management response		Implementation date
Recommendation is Agreed We will do this for December and then ongoing after that. Management response: Shared Waste and Parks Manager		31 December 2011
Follow-up observations		
All members of the team are now on one site, Abbey House (VWHDC), therefore the physical proximity reduces the risk identified in the audit to an acceptable level.		Implemented

9. Turnaround time targets

(Medium Risk)

Rationale	Recommendation	Responsibility
<u>Best Practice</u> There is an established time within which all invoicing is expected to be completed. <u>Findings</u> On review of the recycling credits – as at audit date – the July, August and September credit invoices have not been issued to Oxfordshire County Council. Given the period of time which has elapsed (audit date: 14 th October), internal audit highlighted the time lag is excessive. <u>Risk</u> A lack of adherence to good financial management and the possibility of monies not being recovered by the council or a loss of interest.	Establish internal time targets to ensure recycling credit invoices are issued promptly.	Shared Waste and Parks Manager
Management response		Implementation date
Recommendation is Agreed in Principle Recycling credits are subject to external data being provided which we do not have direct control over, however we will establish internal time targets. Management response: Shared Waste and Parks Manager		31 January 2012
Follow-up observations		
Not all policies have been drafted and finalised due to the upcoming fit for the future exercise which is occurring across the service area which may lead to changes in		Not Implemented Revised

processes.	implementation date: 31 January 2013
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PROMOTION

10. Materials recovery facilities

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> The mix of recycling materials sent to the materials recovery facilities reported to the council is reported on a monthly basis.</p> <p><u>Findings</u> The Contract Manager confirmed the mix of recycling materials sent to the materials recovery facilities reported to the council – is as at the end of the financial year 2010/2011 (i.e. March 31st 2011), however processes are being put in place to ensure the mix is reported on a monthly basis.</p> <p><u>Risk</u> Incorrect allocation of invoice charges will result in incorrect financial records.</p>	Ensure the contractor provides monthly up-to-date breakdown of materials sent to the materials recovery facilities (MRFs).	Shared Waste and Parks Manager
Management response		Implementation date
Recommendation is Agreed		31 January 2012
Management response: Shared Waste and Parks Manager		
Follow-up observations		
The shared waste manager made available Biffa produced product splits for January and March, in addition to the locally (Culham) produced information of the mix of recycling materials.		Implemented

PROMOTION

11. Service user feedback

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> An action plan should be drawn up, as a result of, any service user feedback exercise to address any outstanding issues.</p> <p><u>Findings</u> There is no evidence that an action plan was drawn up as a</p>	Ensure there is an action plan devised as a result of service user feedback.	Shared Waste and Parks Manager

<p>result of the latest SODC survey (July 2010) regarding waste management and recycling services.</p> <p><u>Risk</u> The council may fail to act on service user feedback to improve service delivery.</p>		
Management response		Implementation date
<p>Recommendation is Agreed</p> <p>Management response: Shared Waste and Parks Manager</p>		31 March 2012
Follow-up observations		
<p>The shared waste and parks manager stated if there are any issues arising from the 2013 citizens' panel, an appropriate action plan will be undertaken. However, currently as things stand there is no cause for such a plan from the evidence gathered from service users.</p>		Implemented

STOCK CONTROL

12. Stock

(High Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> There should be regular stock counts and an updated stock register.</p> <p><u>Findings</u> Through discussion with the Shared Administration Team Leader, internal audit identified there is no formal stock control system in place. There is in addition, no threshold established for the minimum level of stock, i.e. bins, held.</p> <p><u>Risk</u> A misappropriation of stock may not be identified leading to unnecessary financial loss to the council.</p>	<p>A stock control system needs to be put in place:</p> <p>(a) stock register (b) regular monitoring, count and reconciliation of stock levels. (c) establish a threshold for the minimum level of bins held.</p>	Shared Waste and Parks Manager
Management response		Implementation date
<p>Recommendation is Agreed</p> <p>Work has already began - will be put immediately in place.</p> <p>Management response: Shared Waste and Parks Manager</p>		Immediately
Follow-up observations		
<p>After discussions with the shared administration team leader, whilst a stock register has been developed</p>		Partly Implemented

procedures still need to be written for this and the monthly rolling reconciliation is not happening yet due to negotiations between the council and Biffa about some overcharges.	Revised implementation date: 31 January 2013
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2010/2011 PREVIOUS RECOMMENDATIONS

13. Customer database reporting

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> The customer database be fully utilised to help produce reports to aid service delivery, e.g. tracking reports.</p> <p><u>Findings – 2007/2008</u> This will be discussed with the OSM in conjunction with other CRM issues arising from these reports, and a way forward agreed.</p> <p><u>Follow Up Observations – 2007/2008</u> Organisational Development has stated that there will be no further development in the CRM system; it will be superseded by another system in Autumn 2008, which is currently being commissioned by Organisational Dev. Waste services will review their processes to link in with the new system, to ensure better accountability and tracking facilities. However it should be noted that the current reports allow management to verify contractor claims and monitor performance on non collections. Recommendation was considered to be partly implemented and the revised implementation date as 31 October 2008.</p> <p><u>Findings – 2011/2012</u> Through discussion with the Shared Waste Manager, the review currently remains ongoing – and no final decision has been made.</p> <p><u>Risk</u> The council is not utilising the</p>	<p>It is recommended that the reporting facility contained within the CRM system should be reviewed by the Waste Management Team and the Organisational Change Manager to address the shortfall in reporting as identified by the Waste Management Team to enable reports to be produced that deliver improvements in the monitoring arrangements.</p>	<p>Staff Officer</p>

facilities to deliver improvements in delivery of customer-specific services.		
Management Response 2007/2008		Implementation Date
<p>Recommendation is Agreed This will be discussed with the OSM in conjunction with other CRM issues arising from these reports, and a way forward agreed.</p> <p>Management Response: Waste Services Manager</p>		30 September 2007
Management Response		Implementation Date
<p>Recommendation is Agreed Currently with IT to develop a new joint system.</p> <p>Management Response: Shared Waste and Parks Manager</p>		31 March 2012
Follow-up observations		
<p>This is delayed due to the upcoming fit for the future exercise which is occurring across the service area which may lead to changes in processes.</p>		<p>Not Implemented</p> <p>Revised implementation date: 31 January 2013</p>

14. Customer database monitoring

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> The customer database should be reviewed by the waste and recycling team alongside other service areas, e.g. debtors.</p> <p><u>Findings – 2007/2008</u> A preliminary report specification, primarily to address the lack of information relating to brown bins, has been prepared. It has been forwarded to the Organisational Change Manager as a draft. Further discussions concerning feasibility to take place. Outcome to be determined by the action date.</p> <p><u>Follow Up Observations – 2007/2008</u> Organisational Development has stated that there will be no further development in the CRM system; it will be superseded by another system in Autumn 2008, which is currently being commissioned by Organisational Dev. Waste services will review their</p>	<p>It is recommended that the waste team should review of all the processes that feed into the CRM system to ensure the CRM system is being fully utilised by officers for input, monitoring and where necessary report purposes. This review should take place in conjunction with members of the Organisational Change service area and the Debtors service area to formulate a regular timetable for the production of reports with a view to improving the management arrangements.</p>	<p>Staff Officer</p>

<p>processes to link in with the new system, to ensure better accountability and tracking facilities. Recommendation was considered to be partly implemented and the revised implementation date as 31 October 2008.</p> <p><u>Findings – 2011/2012</u> Through discussion with the Shared Waste Manager, the review currently remains ongoing – and no final decision has been made.</p> <p><u>Risk</u> Without cross council consultation the review may not deliver as efficient an outcome as is possible.</p>		
Management Response 2007/2008		Implementation Date
<p>Recommendation is Agreed A preliminary report specification, primarily to address the lack of information relating to brown bins, has been prepared. It has been forwarded to the Organisational Change Manager as a draft. Further discussions concerning feasibility to take place. Outcome to be determined by the action date.</p> <p>Management Response: Waste Services Manager</p>		31 August 2007
Management Response		Implementation Date
<p>Recommendation is Agreed Currently with IT to develop the system to meet our needs. We have mapped what is needed.</p> <p>Management Response: Shared Waste and Parks Manager</p>		31 March 2012
Follow-up observations		
<p>This is delayed due to the upcoming fit for the future exercise which is occurring across the service area which may lead to changes in processes.</p>		<p>Not Implemented</p> <p>Revised implementation date: 31 January 2013</p>

4. BROWN BINS FOLLOW UP 2011/2012

1. INTRODUCTION

- 1.1 The original fieldwork for this audit was undertaken in October and November 2011 and the final report was issued in December 2011. The follow up report was issued on 12 July 2012.

2. INITIAL AUDIT FINDINGS

- 2.1 The final report made six recommendation and all six were agreed. A satisfactory assurance level opinion was issued.

3. FOLLOW UP MAIN FINDINGS

- 3.1 Since the original audit review the administration of brown bins has been transferred to Capita. The council's waste team refer customers to either Capita to administer new customers or to Biffa for queries regarding bin deliveries or collections.
- 3.2 The review found that two recommendations have been implemented and one is no longer applicable as old aged debt has been written off and the process has now changed. The remaining three recommendations that have not been implemented and revised implementation dates have been agreed.

FOLLOW-UP OBSERVATIONS

PROCEDURES

1. Procedures

(Medium Risk)

Rationale	Recommendation	Responsibility
<u>Best Practice</u> Procedures are in place covering the brown bin service which are up to date and reflect current practices. <u>Findings</u> The procedure manual introduced in February 2011 does not always reflect current practices. It is acknowledged that processes are being revised and a plan is in place which includes developing standard operating procedures. <u>Risk</u> If accurate and up to date procedures are not in place then officers may take inappropriate or unauthorised actions.	Procedures should be updated to reflect current practices.	Shared Administration Team Leader
Management Response		Implementation Date
Recommendation is Agreed		End of Q4 2011/2012

Management Response: Shared communications manager	
Follow-up observations	
Capita have introduced a full set of operational procedure documents for the financial management of providing the brown bin service to customers. An example covering charging for ordering an additional bin was reviewed and found to be up to date and reflect current practices.	Implemented

MANAGEMENT INFORMATION

2. Customer service specification

(Low Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> Actions agreed within the customer service specification are documented and monitored.</p> <p><u>Findings</u> The customer service specification which forms part of the contract with Biffa includes:- a) a requirement for the contractor to provide and maintain a register of comments and complaints and provide this to the council on a monthly basis. Whilst records of comments and complaints are recorded against individual customers and council staff have access to view these details a monthly register is not provided. b) a requirement for the contractor to carry out an annual customer satisfaction survey. Whilst the council itself uses the residents panel Biffa have not yet carried out a survey.</p> <p><u>Risk</u> If the council does not seek and use information agreed in the customer service specification it may not be seen to be managing the contractors performance appropriately.</p>	<p>The council should review the garden waste contract requirements and customer service specification to ensure that all elements are fulfilled or an alternative solution is documented and agreed.</p>	<p>Shared Administration Team Leader</p>
Management Response		Implementation Date
<p>Recommendation is Agreed We will review the garden waste contract requirements and customer service specification when the new processes and procedures are in place as they may have implications for both.</p>		<p>End of Q1 2012/2013 – subject to the new processes being in place.</p>

Management Response: Shared communications manager	
Follow-up observations	
There are plans to revise the customer service specification but this has not yet been achieved. A revised implementation date has been provided.	Not Implemented Revised date: 31 December 2012

INCOME

3. Contractor records

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> The council should be certain that the contractor has carried out suspension of collections or set up new customers correctly when advised to do so.</p> <p><u>Findings</u> From a sample of ten new customers one customer, 31049, appeared to have two garden waste rounds recorded on the contractors database. Although there is no clear indication if there are two bins at the property there is only a payment for one bin being made.</p> <p>From a sample of ten amendments and cancellations it was not clear if the bin collection had been correctly suspended by the contractor in six cases, customers 82591, 31295, 80024, 91896, 99642 and 94521.</p> <p><u>Risk</u> If the council is not reassured that bin collections are suspended correctly then it may not be seen to be carrying out stated actions with potential embarrassment to the council and customers receiving a service for which they are not paying.</p>	The council should ensure that bin collections are accurately recorded and acted upon by the contractor.	Shared Administration Team Leader
Management Response		Implementation Date
Recommendation is Agreed		End of Q4 2011/2012
Management Response: Shared communications manager		
Follow-up observations		
It is likely that some cancelled customers may appear as live in the contractor's database but they are not expected		Not Implemented

to be on the actual roundsheets for bin collections. Following the cancelling and writing off of aged debt the council need to carry out some data cleansing to the Agresso database for brown bin customers in order to facilitate a full reconciliation with the contractors database. This is expected to be completed by the end of August 2012.	Revised date: 31 August 2012
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4. Aged debt

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> Reports showing caseloads for outstanding debt should include all payment methods.</p> <p><u>Findings</u> Whilst good progress has been made on addressing aged debt and a good system of reviewing all debt has been introduced, this is concentrating on non direct debit payers. It is acknowledged that this is the area of greater debt but direct debit aged debt should also be reviewed.</p> <p>Reports showing invoices raised since 1 April 2011 record the caseload for outstanding invoices as a volume and a percentage but only for non direct debit payers.</p> <p><u>Risk</u> If reports on caseload only reflect one payment method then a true profile of outstanding debt may not be accurately provided.</p>	<p>a) the aged debt recovery process should include a plan to address direct debit debt.</p> <p>b) Caseload of invoices outstanding should include direct debit invoices outstanding.</p>	Shared Administration Team Leader
Management Response		Implementation Date
Recommendation is Agreed		End of Q4 2011/2012
Management Response: Shared communications manager		
Follow-up observations		
Since the review the process has changed so that if payment is not received the account will be deactivated and the service cancelled hence aged debt does not accrue. Agreement was obtained for the aged debt from prior years to be written off.		No longer applicable

RENEWALS AND AMENDMENTS

5. Direct debit invoices

(Medium Risk)

Rationale	Recommendation	Responsibility
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<p><u>Best Practice</u> Direct debit collection dates should be clearly and accurately notified.</p> <p><u>Findings</u> Pro-forma invoices for direct debit payers act as notification of the date an amount to be collected from customers bank accounts. Payments collected 26 August 2011 had wording on invoices issued 11 August 2011 stating the payment would be collected 'on or around 28th August 2011' and also a line below this stating that the amount will be automatically withdrawn on 110811.</p> <p><u>Risk</u> If dates of collections are not clearly stated then customers may reject payments and the council may not be acting in accordance with the requirements of the direct debiting scheme.</p>	<p>The council should request that Capita update direct debit pro-forma invoices to:-</p> <p>a) state the date the payment is due to be taken from customers bank accounts as opposed to an 'on or around' date.</p> <p>b) either remove the date from the line stating payments will be withdrawn automatically or to update the date field to the actual date of collection.</p>	<p>Shared Administration Team Leader</p>
<p>Management Response</p>		<p>Implementation Date</p>
<p>Recommendation is Agreed This issue will be discussed with Capita at the next Debtors meeting (on 11 January 2012). However it should be noted that the impending implementation of Auddis will rectify the problems created with the current manual process.</p> <p>Management Response: Shared communications manager</p>		<p>End of Q1 2012/2013</p>
<p>Follow-up observations</p>		
<p>From a review of invoices produced in May and June 2012 the wording now states the date the direct debit will be withdrawn and does not state on or around.</p>		<p>Implemented</p>

RECONCILIATION

6. Reconciliation

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> The council should seek confirmation that the contractors' database is accurate and up to date.</p> <p><u>Findings</u> A full database listing has been requested by Biffa but is not available within the current CRM system. Although the council's</p>	<p>The council should provide the contractor with a full customer listing as soon as possible and then seek appropriate documented confirmation that the contractor reconciles their database with the council's database.</p>	<p>Shared Administration Team Leader</p>

<p>Garden Waste Project Officer is undertaking a manual reconciliation of data provided by Biffa to the council's Agresso records a long term solution is needed.</p> <p><u>Risk</u> If the council does not confirm that the contractors' database is accurate it may be inaccurately charging for the service provided.</p>		
Management Response		Implementation Date
<p>Recommendation is Agreed</p> <p>Management Response: Shared communications manager</p>		End of Q1 2012/2013
Follow-up observations		
<p>As per recommendation 6 above, some data cleansing within Agresso is required in order to facilitate a full reconciliation with the contractor's database. This is expected to be completed by the end of August 2012.</p>		<p>Not Implemented</p> <p>Revised date: 31 August 2012</p>

5. BUILDING CONTROL FOLLOW UP 2011/2012

1. INTRODUCTION

- 1.1 The original fieldwork for this audit was undertaken in September 2011 and the final report was issued in October 2011. The follow up report was issued on 16 July 2012.

2. INITIAL AUDIT FINDINGS

- 2.1 The final report made three recommendations and three were agreed. A satisfactory assurance level opinion was issued.

3. FOLLOW UP MAIN FINDINGS

- 3.1 The review found that two recommendations were in hand but had not been completed hence a revised date was agreed. One recommendation suggested five areas of best practice and four had been implemented and the fifth was to be addressed when recommendation two is implemented.

FOLLOW-UP OBSERVATIONS

FEES AND INCOME

1. Reconciliations

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> Regular reconciliations are undertaken to ensure building control income is fully recorded and correctly coded within the general ledger.</p> <p><u>Findings</u> A 'fees for services' sheet is compiled monthly to identify payments made in advance. Whilst this uses a 'plan fees received' report from the Uniform building control system there is no reconciliation to ensure that all applications are captured and to match income with general ledger codings.</p> <p>The draft copy inspected appeared to state a figure as net of vat when it included vat. Also a sub total was included within totals that did not appear to make sense.</p> <p><u>Risk</u> If regular reconciliations are not undertaken then any payments</p>	<p>a) The 'fees for services' document should be reviewed to ensure vat is correctly stated and to explain or move the sub totals amount at the bottom of the page.</p> <p>b) A reconciliation should be undertaken to match the 'plan fees received' report to applications received that month to ensure all are captured.</p> <p>c) Income coded within the general ledger system should be reconciled with the building control fees received according to Uniform with any differences identified, recorded and resolved.</p>	<p>Shared Building Control Manager</p>

which are miscoded may not be identified and reports may not reflect the correct payments received.		
Management Response		Implementation Date
Recommendation is Agreed Management Response: Shared Building Control Manager		1 December 2011
Follow-up observations		
The issue of reconciliations has yet to be resolved. A new financial model is being introduced which will look at not only income but expenditure against each job. Once this is in place and the implications are known reconciliations requirements will be reviewed.		Not Implemented Revised date: 31 December 2012

PERFORMANCE MONITORING

2. Feedback - privacy notice

(Medium Risk)

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> When collecting personal information the council should provide a privacy notice in order to comply with the requirements of the Data Protection Act 1998.</p> <p><u>Findings</u> A survey form is issued to obtain feedback on the building control service which requests information on the respondents age, sex, disability and ethnic group. There is no privacy statement on the document covering the purpose and use of the data.</p> <p><u>Risk</u> If a privacy statement is not provided when collecting personal data then the council may not be meeting the statutory requirements of the Data Protection Act 1998.</p>	Documentation used to obtain personal information, such as survey forms, should include a privacy notice covering the purpose and disclosure of personal information.	Shared Building Control Manager
Management Response		Implementation Date
Recommendation is Agreed Privacy statement to be added to feedback forms. Management Response: Shared Building Control Manager		1 December 2011
Follow-up observations		
The survey cards were being updated at the time of follow up and are due to be finalised once confirmation of building		Not Implemented

BEST PRACTICE**3. Best practice****(Low Risk)**

Rationale	Recommendation	Responsibility
<p><u>Best Practice</u> Areas of best practice across the two council's should be considered and processes harmonised where possible.</p> <p><u>Findings</u> During the review practices across SODC and VWHDC were compared in order to identify any areas of best practice.</p> <p>a) ENFORCEMENT INFORMATION SODC's website does not contain any information regarding enforcement action other than stating that prosecution can result from breaching building regulations. VWHDC doesn't contain enforcement information but does have a link to an explanatory booklet which contains enforcement information.</p> <p>b) RISK REGISTERS SODC has four specific risks affecting building control officers:-</p> <ul style="list-style-type: none"> • SPL001 – attack by animals at visits • SPL002 – Employee negligence at visits • SPL009 – Accidents at work (at council or site visits) • SPL012 – Abuse or attack to staff <p>VWHDC only has one H&S risk.</p> <p>c) BUILDING CONTROL SERVICE PLAN ANALYSIS OF WORKLOAD AND PERFORMANCE SODC applications workload has a table of numbers as well as the bar chart VWHDC just has the bar chart. Same for site workload.</p>	<p>The five areas identified within the findings should be reviewed and harmonisation across the two council's considered.</p>	<p>Shared Building Control Manager</p>

<p>SODC states actual % value on % of full plans checked within 15 days bar chart. VWHDC just has the bar chart.</p> <p>SODC has a total fee income bar chart with values with no equivalent for VWHDC.</p> <p>d) CUSTOMER FEEDBACK VWHDC feedback request is personalised, SODC is anonymous. SODC is a card, VWHDC is a letter. Not established if there are any cost or time advantage in either but consider harmonising</p> <p>e) CUSTOMER FEEDBACK – SUMMARY IN BUILDING CONTROL SERVICE PLAN SODC customer feedback data has a table of numbers as well as the bar chart representing data which makes it easier to interpret and see volumes of responses. SODC shows cumulative data from April to December. VWHDC shows the quarter so is not comparing like for like.</p> <p><u>Risk</u> If areas of possible harmonisation are not reviewed and adopted then the council may not be making use of best practice.</p>		
Management Response		Implementation Date
<p>Recommendation is Agreed</p> <p>Areas identified a) web pages being harmonised in October/November b) risk registers to be reviewed and updated c) accepted needs harmonisation and will be easier with a single system. d) Feedback form see 2 above e) customer feedback needs to be consistent across the two councils.</p> <p>Management Response: Shared Building Control Manager</p>		1 January 2011
Follow-up observations		
<p>a) From review of the council's website information which is now harmonised across VWHDC and SODC, there is a link to a building regulations explanatory booklet which contains enforcement information.</p> <p>b) Risk registers have been harmonised.</p> <p>c) The service plan no longer contains targets and a performance point within the building control office displays performance data. Information displayed at the performance point was seen to be harmonised.</p>		<p>a), b), c) and e) – Implemented</p> <p>d) Not Implemented – revised date 31 December 2012</p>

d) Is to be included within the implementation of recommendation 2 above as feedback cards are being reviewed and harmonised. e) As per c) above.	
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