

List of Audits Completed as Part of the 2013/14 Audit Plan
(December 2013 – February 2014)

Audit	Audit Objective & Opinion								
Data Quality	<p>Control Objectives (CO):</p> <p>1. The following Key Performance Indicators (KPIs) have been calculated and reported accurately through the 2013/14 Qtr2 progress report:</p> <p>Environmental Health</p> <ul style="list-style-type: none"> - Satisfaction with the Disabled Facilities Grant scheme. <p>Leisure Services</p> <ul style="list-style-type: none"> - Total number of attendances at Cascades Leisure Centre. <p>Economic and Community Development</p> <ul style="list-style-type: none"> - Total number of people assisted within the Borough by Citizens' Advice Bureau (CAB). - Financial gain to clients resulting from CAB advice. <p>Audit Opinion</p> <table border="1" data-bbox="448 938 1452 2076"> <thead> <tr> <th data-bbox="448 938 528 1037">CO</th> <th data-bbox="528 938 719 1037">Assurance Level</th> <th data-bbox="719 938 1452 1037">Opinion</th> </tr> </thead> <tbody> <tr> <td data-bbox="448 1037 528 2076">1</td> <td data-bbox="528 1037 719 2076">Satisfactory</td> <td data-bbox="719 1037 1452 2076"> <p>In respect of the KPIs reviewed during the audit, there is a satisfactory level of assurance that systems are in place to accurately calculate these figures.</p> <p><u>Environmental Health</u></p> <p>The percentage satisfaction with the disabled facilities grant scheme was found to have been accurately stated.</p> <p><u>Leisure Services</u></p> <p>The attendance figure reported is based on a combination of both actual and best estimate figures. Audit testing identified that the reported Qtr2 figure varied from the figure within the supporting spreadsheet due to a misinterpretation. Furthermore, testing identified a total variance of 7442 against the figure within the supporting spreadsheet. This was found to be due to an element of double counting and a number of errors within the spreadsheet, all of which have now been corrected.</p> <p><u>Economic and Community Development</u></p> <p>These figures have been reported in accordance with the data obtained from the Citizens' Advice Bureau; which did identify the omission of some Ward areas and advice categories. Although this does not materially affect the indicator, it is recommended that upon receipt of this data, a number of verification checks take place to provide assurance that relevant data has been included within the outturn figures.</p> </td> </tr> </tbody> </table>			CO	Assurance Level	Opinion	1	Satisfactory	<p>In respect of the KPIs reviewed during the audit, there is a satisfactory level of assurance that systems are in place to accurately calculate these figures.</p> <p><u>Environmental Health</u></p> <p>The percentage satisfaction with the disabled facilities grant scheme was found to have been accurately stated.</p> <p><u>Leisure Services</u></p> <p>The attendance figure reported is based on a combination of both actual and best estimate figures. Audit testing identified that the reported Qtr2 figure varied from the figure within the supporting spreadsheet due to a misinterpretation. Furthermore, testing identified a total variance of 7442 against the figure within the supporting spreadsheet. This was found to be due to an element of double counting and a number of errors within the spreadsheet, all of which have now been corrected.</p> <p><u>Economic and Community Development</u></p> <p>These figures have been reported in accordance with the data obtained from the Citizens' Advice Bureau; which did identify the omission of some Ward areas and advice categories. Although this does not materially affect the indicator, it is recommended that upon receipt of this data, a number of verification checks take place to provide assurance that relevant data has been included within the outturn figures.</p>
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HR	<p>Control Objectives (CO):</p> <ol style="list-style-type: none"> Salary adjustments sent to the Payroll Officer are accurate, supported with appropriate documentation and are processed in accordance with Council policies and procedures. An establishment list is verified on an annual basis. <p>Audit Opinion</p> <table border="1"> <thead> <tr> <th data-bbox="448 434 528 533">CO</th> <th data-bbox="528 434 724 533">Assurance Level</th> <th data-bbox="724 434 1474 533">Opinion</th> </tr> </thead> <tbody> <tr> <td data-bbox="448 533 528 1003">1</td> <td data-bbox="528 533 724 1003">Satisfactory</td> <td data-bbox="724 533 1474 1003"> <p>The audit reviewed a range of policies and procedures which underpin the salary adjustment notifications sent to the Payroll Officer, including; honorariums, recruitment, maternity leave, redundancies and overtime. There is a satisfactory level of control in relation to these salary adjustment notifications being supported by the appropriate documentation. In order to strengthen these arrangements; recommendations have been made in relation to the following:</p> <ul style="list-style-type: none"> - A review of the Relocation Scheme and Overtime Policy. - Contract monitoring. </td> </tr> <tr> <td data-bbox="448 1003 528 1249">2</td> <td data-bbox="528 1003 724 1249">Satisfactory</td> <td data-bbox="724 1003 1474 1249"> <p>A revised establishment list has been produced based upon the new organisational structure as at 1 August 2013. This is due to be circulated to Group Managers and Operational Managers in February 2014 for verification and to update any changes within the establishment since this date.</p> </td> </tr> <tr> <td data-bbox="448 1249 528 1536"></td> <td data-bbox="528 1249 724 1536">Previous audit recommendations follow up</td> <td data-bbox="724 1249 1474 1536"> <p>The previous audit made two recommendations; both of which were found to have been implemented. A review of both the Maternity Handbook and Allowances (Honourarium) Policy and Procedure has been undertaken and the appropriate amendments made.</p> </td> </tr> </tbody> </table>	CO	Assurance Level	Opinion	1	Satisfactory	<p>The audit reviewed a range of policies and procedures which underpin the salary adjustment notifications sent to the Payroll Officer, including; honorariums, recruitment, maternity leave, redundancies and overtime. There is a satisfactory level of control in relation to these salary adjustment notifications being supported by the appropriate documentation. In order to strengthen these arrangements; recommendations have been made in relation to the following:</p> <ul style="list-style-type: none"> - A review of the Relocation Scheme and Overtime Policy. - Contract monitoring. 	2	Satisfactory	<p>A revised establishment list has been produced based upon the new organisational structure as at 1 August 2013. This is due to be circulated to Group Managers and Operational Managers in February 2014 for verification and to update any changes within the establishment since this date.</p>		Previous audit recommendations follow up	<p>The previous audit made two recommendations; both of which were found to have been implemented. A review of both the Maternity Handbook and Allowances (Honourarium) Policy and Procedure has been undertaken and the appropriate amendments made.</p>
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Licensing	<p>Control Objectives (CO):</p> <ol style="list-style-type: none"> Licence fees set locally e.g. private hire and hackney carriage, street trading etc. have been approved in accordance with the Council's Scheme of Delegation and are reviewed on a regular basis. Prior to formal approval, licences are checked to ensure they are supported with all relevant supporting documentation to ensure the licence application is valid. Licences are not issued unless the correct fee has been received and income is appropriately accounted for. Licences are processed within stated timeframes and issued under the correct authority. 												

Audit Opinion

CO	Assurance Level	Opinion
1	Good	Locally-set, non-statutory licence fees for 2013/14 were appropriately approved under the Council's Scheme of Delegation to Officers. Fees are reviewed annually and published, together with those for licences issued under the Licensing Act 2003 or the Gambling Act 2005, on the authority's website.
2	Satisfactory	<p>Testing undertaken on 20 different licences across various licence types confirmed that, prior to formal approval, licences are checked to ensure the application is valid. In relation to supporting documentation this was evidenced in the most part.</p> <p>Recommendations have been made and accepted by management in relation to:-</p> <ul style="list-style-type: none">• The introduction of quality assurance checklists for all licence types.• Checklists are signed off by a Manager and retained.• All supporting documentation, whether internal or external is retained and scanned to IDOX.
3	Satisfactory	<p>Testing demonstrated that licences are issued following the receipt of the correct fee, and that for the majority of licence types, payments are allocated to the correct licensing income code. During the course of the audit an additional detail code was set up to clearly allocate licence income relating to skin piercing applications.</p> <p>Regular monitoring of licensing-related income is undertaken but an audit recommendation to formalise the reconciliation process has been accepted by management.</p>
4	Satisfactory	Licences were found to have been issued promptly. A recommendation relating to the update of the Scheme of Delegation for approval of licences was accepted by management and Officers now have the authority to issue licences. An audit recommendation relating to the scanning of the licence following its approval was implemented during the course of the audit.

Business Rates

Control Objectives (CO)

1. Valuation lists are received regularly and promptly reconciled.
2. The number of bills produced in respect of opening debit are reconciled to number of business liable.
3. Relief has been appropriately authorised and applied.
4. Payments are allocated correctly and recovery action is taken in respect of accounts in arrears.
5. Reconciliation between Northgate and the general ledger is undertaken on a monthly basis.

Audit Opinion

CO	Assurance Level	Opinion
1	Good	Through a review of a sample of Valuation Office (VOA) schedules assurance was obtained that VOA changes are promptly and accurately recorded within Northgate. Furthermore, a reconciliation between the VOA and Northgate is performed.
2	Good	The annual billing process provides assurance that entry of key business rate parameters into Northgate are reviewed and that there is a reconciliation between the Valuation Office and Northgate figures. In addition, supervisory checks are also performed on accounts as part of the billing process. The previous audit recommendation in relation to retention of annual billing data has also been implemented.
3	Good	A review of a sample of accounts found that relief/exemptions have been calculated correctly and, where appropriate, also authorised. In addition, quality assurance checks on relief are undertaken as part of the annual billing process.
4	Satisfactory	Payments in connection with business rates are allocated correctly and, furthermore, refunds were found to have been authorised on Northgate. In respect of recovery of arrears, action to obtain liability orders in accordance with the collection policy has been undertaken. However, the arrangements concerning monitoring debt need to be enhanced in order to demonstrate compliance to the collections policy and rate avoidance procedures should be developed in relation leased properties.
5	Good	The reconciliation of non-domestic payments and associated refunds between revenues and the general ledger is undertaken on a monthly basis. The accuracy of the reconciliation process was also confirmed through a review of AP2 and AP4 balancing statements.

Creditors

Control Objective (CO)

1. There is adequate control over the placement of orders and receipt of goods.

Audit Opinion

CO	Assurance Level	Opinion
1	Satisfactory	<p>A sample of 20 paid creditor invoices were found to have been appropriately authorised and coded, were arithmetically correct and where VAT had been applied, contained a valid VAT registration number. Assurance was also obtained that invoiced VAT values are processed through the creditor's system and are accurately allocated to the VAT ledger code.</p> <p>Although 3 invoices were found not to be supported with official purchase orders, these were small in value (£38- £200), and 2 of these related to the same service area. In a number of other cases, particularly where expenditure is more significant, these were supported by a contract or agreement. Wherever possible, there is an adequate separation of duties in the ordering and receipt of goods process.</p> <p>In relation to the payments made for the storage of personal belongings for homeless persons, the invoice details could not be verified; thereby providing only limited assurance for this activity. Recommendations have therefore been made to enhance the process for monitoring this expenditure, including:</p> <ul style="list-style-type: none">• Obtaining an inventory of items for which storage is being provided.• Establishing the liability for loss or damage to such items.• Verifying the invoices received i.e. the number of containers.• Considering a maximum number of containers per household.• Obtaining competitive quotes in order to obtain best value.
2	Previous audit recommendations follow up	<p>The previous creditors audit made 3 recommendations; 1 of which has been implemented with waivers obtained for the printing of Committee papers and B&B accommodation; 1 which has been negated in respect of running a duplicate payments report on a monthly basis; and 1 which is in the process of implementation with operational procedure notes currently being developed.</p>

Tree
Inspections

Control Objective (CO)

1. Tree inspections are being undertaken in accordance with policy (high risk land).

CO	Assurance Level	Opinion
1	Satisfactory	<p>All Officers undertaking tree inspections have undergone Basic Tree Survey and Inspection training as required by the policy.</p> <p>There is a schedule of high risk land which shows progress to date in completing the inspections and is used by Officers within Grounds Maintenance as a control schedule to ensure that all high risk sites are inspected and reported on by the revised deadline of 31 March 2014.</p> <p>As of the date of the audit all but 3 of the 90 identified high risk sites had been inspected. While the intention is to complete the remaining 3 sites by 31 March 2014, this is currently precluded by flooding and will be dependent on the floods subsiding and the ground drying out before then.</p> <p>Inspections are being conducted in accordance with the policy and properly recorded on the Site Tree Inspection Forms (Form A's). These identify the location and tag numbers of the trees inspected at each site and separately identify the tag numbers of trees identified as having defects. Further Site Tree Inspection Forms (Form B's) have been prepared for all trees with defects identifying whether immediate works or further inspection is recommended based on the standard risk assessment in accordance with the policy. Some parts of the form are not being completed in full and, although this does not currently present a significant risk, recommendations have been raised to ensure full completion to prevent risks of misclassification of high risk sites arising in the future.</p> <p>Work completed in respect of defects identified is being recorded on Form C's and there is therefore a clear audit trail from the Form A (Inspection) to the Form B (recording defects) to the Form C (recording work completed).</p> <p>At the date of the audit, however, few (6) Form C's had been completed, indicating that there is a large backlog of works required, including some trees inspected in February 2013.</p>

		<p>No schedule of future inspections of high risk trees has yet been established in response to recommendations for further inspections raised in respect of inspections to date. As yet this does not represent a high risk as the recommended inspection intervals are at 12 and 24 months and, as far as we are aware, none of these scheduled further inspections are yet overdue.</p> <p>It is important that, once the current phase of inspections (high risk areas) has been completed, the envisaged database of trees should be established and maintained. This should incorporate the tag numbers of all trees allocated during the inspection process and incorporate details of the Forms A, B and C as appropriate. The database should serve both as an inventory of all the tagged trees as well as showing the status of works required and/or further inspections due as a result of the initial inspection.</p>
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Follow Up Audits

Playgrounds	<p>To follow-up the previous recommendations made within the 2012/13 Playgrounds audit. The 2012/13 Playgrounds audit made 8 recommendations; 6 of which were found to have been implemented, 1 partially implemented and 1 of which is agreed to be followed up at a later date.</p>										
	<table border="1"> <thead> <tr> <th>Ref</th> <th>Recommendation</th> <th>Findings</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Playground sites identified as part of the Play Strategy 2007-2010 should be checked against TBC land registry titles.</td> <td>Recommendation implemented. A review of playgrounds currently inspected and maintained by Tewkesbury Borough Council has been undertaken to confirm ownership. Furthermore, verbal assurance was provided that a check of TBC land registry titles has been undertaken to ensure there are no other playgrounds on council owned land that are not being inspected or maintained.</td> </tr> <tr> <td>2</td> <td>Prior to the transfer of a playground to TBC, documentary information confirming the playground confirms to EU standards and is in good condition should be obtained.</td> <td>Due to the fact that Tewkesbury Borough Council has not adopted any new playgrounds since the audit recommendations were made in June 2013; it was agreed with the Asset Manager that this recommendation would be followed up following the completed transfer of a new playground into the Council's ownership.</td> </tr> </tbody> </table>	Ref	Recommendation	Findings	1	Playground sites identified as part of the Play Strategy 2007-2010 should be checked against TBC land registry titles.	Recommendation implemented. A review of playgrounds currently inspected and maintained by Tewkesbury Borough Council has been undertaken to confirm ownership. Furthermore, verbal assurance was provided that a check of TBC land registry titles has been undertaken to ensure there are no other playgrounds on council owned land that are not being inspected or maintained.	2	Prior to the transfer of a playground to TBC, documentary information confirming the playground confirms to EU standards and is in good condition should be obtained.	Due to the fact that Tewkesbury Borough Council has not adopted any new playgrounds since the audit recommendations were made in June 2013; it was agreed with the Asset Manager that this recommendation would be followed up following the completed transfer of a new playground into the Council's ownership.	
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	3	Consideration should be given to commissioning RoSPA to undertake an inspection of all council owned playgrounds.	Recommendation implemented. RoSPA inspections have been completed for all Council-owned playgrounds, which include a documented risk assessment for the playground site and individual play equipment. The next annual RoSPA inspections are due to be undertaken in March 2014.
	4	Playground inspections should be documented in respect of the Finches, Winchcombe.	Recommendation implemented. Inspections are now documented in respect of the playground at the Finches, Winchcombe.
	5	Inspection sheets should include an accurate record of all playground equipment and provide adequate information for the inspector to identify and report defects.	Recommendation implemented. Playground inspection sheets are now consistent in their format and provide for key information to be recorded. Each form is tailored to the specific playground in terms of listing each item of play equipment and the component hazards that are required to be checked during the inspection.
	6	Any defects identified through the inspection by the Council's insurers need to be resolved promptly and an audit trail maintained as evidence of rectification.	Recommendation partially implemented. Inspections are no longer carried out by the council's insurers due to the termination of the engineering policy. Property Services are however currently in the process of implementing a new system to record all identified defects and any subsequent action taken. Audit testing found that where high risk defects are identified there was evidence of their rectification.
	7	Officers responsible for inspections should be adequately trained and receive update training on a regular basis.	Recommendation implemented. The Officers' currently undertaking playground inspections have received adequate training in both the routine and operational inspection of children's playgrounds. Refresher training is scheduled to take place every 3 years (next due July 2016).

	8	The Finches playground and the Rollerblade Park, Link Road should be added to the Council's engineering insurance policy.	Recommendation negated. Playgrounds are no longer insured under an engineering policy due to the operational and annual inspections now being carried out by trained members of staff. Assurance was obtained during the audit that public liability cover is held by Tewkesbury Borough Council which provides cover for any personal injury claims in relation to playgrounds.
Corporate Improvement Work	Summary of work undertaken		
Procurement	Complete: Demonstrating effective procurement was identified as a significant governance issue within the 2012/13 Annual Governance Statement. One of the key actions within the procurement delivery plan was to undertake a spend analysis. This work has now been complete and has been submitted to the Procurement Group for review.		
Customer Services	Complete: Internal Audit was commissioned by Corporate Leadership Team to undertake a review of how customer service is dealt with across all services. This included, how customer requests are logged, performance standards that are in place, how data is monitored and used etc. Findings will help inform the refresh of the Customer Services Strategy.		

The level of internal control operating within systems will be classified in accordance with the following definitions:-

LEVEL OF CONTROL	DEFINITION
<i>Good</i>	Robust framework of controls – provides substantial assurance.
<i>Satisfactory</i>	Sufficient framework of controls – provides satisfactory assurance – minimal risk. Probably no more than one or two 'Necessary' (Rank 2) recommendations.
<i>Limited</i>	Some lapses in framework of controls – provides limited assurance. A number of areas identified for improvement. A number of 'Necessary' (Rank 2) recommendations, and one or two 'Essential' (Rank 1) recommendations.
<i>Unsatisfactory</i>	Significant breakdown in framework of controls – provides unsatisfactory assurance. Unacceptable risks identified – fundamental changes required. A number of 'Essential' (Rank 1) recommendations.

Recommendations/Assurance Statement

CATEGORY	DEFINITION
1 Essential	Essential due to statutory obligation, legal requirement, Council policy or major risk of loss or damage to Council assets, information or reputation. Where possible it should be addressed as a matter of urgency.
2 Necessary	Could cause limited loss of assets or information or adverse publicity or embarrassment. Necessary for sound internal control and confidence in the system to exist and should be pursued in the short term, ideally within 6 months.