

**List of Audits Completed as Part of the 2015-16 Audit Plan
(April 2015 – August 2015)**

Audit	Audit Objective & Opinion						
Local Government Transparency Code	<p>Control Objectives (CO):</p> <p>1. All information titles and requisite details published on the councils website agrees to the Local Transparency Code.</p> <p>Audit opinion</p> <table border="1" data-bbox="368 584 1469 1305"> <thead> <tr> <th data-bbox="368 584 440 685">CO</th> <th data-bbox="440 584 624 685">Assurance Level</th> <th data-bbox="624 584 1469 685">Opinion</th> </tr> </thead> <tbody> <tr> <td data-bbox="368 685 440 1305">1</td> <td data-bbox="440 685 624 1305">Satisfactory</td> <td data-bbox="624 685 1469 1305"> <p>Evidence was obtained that all relevant data titles concerning the Local Government Transparency Code (LGTC) are being published onto the Council's website. Recent guidance documents concerning the Code were issued between April and June 2015 and these data titles will need to be reviewed to ensure they are fully compliant with this guidance and in a process making sure it is easily understood by the public. In particular areas such as; Expenditure exceeding £500; Local Authority Land; and retention of documents. This has been an acknowledged action by the Finance and Asset Management Group Manager.</p> <p>In addition to the review it is also suggested documents are retained in accordance with the Code's guidance and that all information published on the transparency pages of the Council's website should also be reviewed. This is to ensure it is clear and easy to understand by members of public, for example include descriptions for data titles and contact details.</p> </td> </tr> </tbody> </table>	CO	Assurance Level	Opinion	1	Satisfactory	<p>Evidence was obtained that all relevant data titles concerning the Local Government Transparency Code (LGTC) are being published onto the Council's website. Recent guidance documents concerning the Code were issued between April and June 2015 and these data titles will need to be reviewed to ensure they are fully compliant with this guidance and in a process making sure it is easily understood by the public. In particular areas such as; Expenditure exceeding £500; Local Authority Land; and retention of documents. This has been an acknowledged action by the Finance and Asset Management Group Manager.</p> <p>In addition to the review it is also suggested documents are retained in accordance with the Code's guidance and that all information published on the transparency pages of the Council's website should also be reviewed. This is to ensure it is clear and easy to understand by members of public, for example include descriptions for data titles and contact details.</p>
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Complaints Framework

Control Objectives (CO):

1. To ensure that formal complaints are dealt with in accordance with the Council's complaints procedure and that complaints, which are upheld, comply to the complaints remedy policy.

Audit Opinion:

CO	Assurance Level	Opinion
1	Limited	<p>There is a staff awareness of the procedures for handling formal complaints and it was found that the receipt of these complaints was being logged. However, there is limited assurance concerning the entry of data within the complaints log, in that:-</p> <ul style="list-style-type: none"> - response information was not complete; - the log is not fully compliant to data protection legislation; - access to the current log does not allow complaints to be handled in a confidential manner and that live log entries can be deleted; and - the log does not record the date that an acknowledgement was sent and therefore it is not being demonstrated that they are being issued within 2 days of receipt. <p>In respect of processing complaints, it was found that responses were being provided to complainants and that appropriate remedies were being offered for upheld complaints. However, the handling of complaints does not fully comply with the Councils complaints procedure or online guidance provided to complainants as follows:-</p> <ul style="list-style-type: none"> - the majority of customer complaints were received through the Council's website (87%); most of these complaints were not handled through the formal complaint procedure as they are considered service failures. However, the online user is not aware of this when electing to make a complaint; - complaints were not being consistently processed within the prescribed time frame; - documentary evidence of responses was not being retained, particularly in relation to complaints handled by phone or through a direct meeting - responses did on occasions omit to inform the complainant of the appeals process; and - the final checklists were not being completed and this impacts on the learning from complaints.

		There is no formal monitoring to ensure that complaints are processed within the prescribed timescales, although the numbers of formal complaints dealt within and outside target response times are reported to Overview and Scrutiny Committee on a six monthly basis. In respect of online complaints, no data is collected on processing times and the report to Overview and Scrutiny does not distinguish between service type complaints and those which are an expression of dissatisfaction about a Council's action. The number of online complaints reported also included service complaints relating to highways, which is a County Council activity. There is also currently no mechanism in place to report on; complaints dealt with by organisations which undertake Council activities; complaint trends and actions taken to limit future complaints.
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Business Rates	Control Objectives (CO):		
	1. The reporting values within the NNDR3 return have been entered correctly from the evidence obtained to support the return		
	Audit Opinion:		
	CO	Assurance Level	Opinion
	1.	Good	<p>On an annual basis, billing authorities are required to complete a NNDR3 return. The return provides authorities with a tool by which they can calculate their certified non-domestic rating income as required by Regulation 9 of the Non-Domestic Rating Regulations 2013.</p> <p>An audit of the 2014/15 NNDR 3 return confirms:</p> <ul style="list-style-type: none"> • The return was completed and submitted within the given timeframe. • The overall net rates payable figure of £31,179,452 and other supporting values have been accurately reported on the return. • Testing of individual relief awards confirmed they had been accurately calculated and supported with documentary evidence. • A minor anomaly was identified regarding the 2012 deferral scheme which ceased at the end of 2014/15. The scheme allowed deferral of an element of 2012/13 rates to the following two years. The claiming of the deferral scheme in the 2012/13 return would have reduced the net rates payable, however, the proceeding following two years would have then seen this value increase as the outstanding rates were reclaimed. There is no impact on the return in future years. <p>A previous audit recommendation to review the discretionary rate relief policy has a December 2015 implementation date.</p>

Repair and Renew grants

Control Objective (CO)

1. The grant application process should conform to Defra's Memorandum of Understanding (MOU).

Audit Opinion

CO	Assurance Level	Opinion
1.	Satisfactory	<p>The Memorandum of Understanding (MoU) between the Council and Defra requires the Council's Chief Internal Auditor to give an audit opinion that invoices submitted by the Council are in compliance with grant scheme. The scheme was due to end on 31 March 2015 but during the course of the audit this was extended by Defra to 30 June 2015. Following an interim audit, which took place in March 2015, a follow-up audit was carried out in June 2015 and audit can give assurance that the main conditions of the scheme were complied with. Through testing audit can confirm the following:</p> <ul style="list-style-type: none"> • Expenditure has been correctly approved and meets the definition of eligible property and eligible expenditure as set out in Schedule 1 and 2 of the MoU. • A record has been maintained of each grant application, the measures applied for, the value and a reference number as set out in Schedule 3 of the MoU. • Pre and post inspections greater than the required sample size of 5% have been carried out in accordance with Part 11 of the MoU. <p>With regards to invoicing Defra, paragraph 2 of the MoU requires the Council to provide a schedule on the last working day of each quarter and an invoice raised with Defra within 20 working days of the last quarter. The interim audit confirmed no expenditure had been incurred in quarter 1 and in relation to quarter 2 expenditure; Defra verbally confirmed quarter 2 could be carried forward to quarter 3; with a revised submission date of 28 February. This was achieved, subject to a minor anomaly in the schedule submitted to Defra, the invoice was re-raised and monies were reimbursed to Tewkesbury Borough Council for the sum of £177k. Quarter 4 schedule and invoice, of £122k, was paid on the 3 July 2015. Due to the grant scheme coming to an end, the final invoice of £272k has been raised and sent to Defra. Assurance from the Finance Manager was obtained confirming once this payment has been received a nil balance will be achieved on the authority's accounts; this is in respect of payments being made to claimants and payments being received from Defra.</p> <p>Following the March 2015 audit, recommendations (Appendix A) were carried out to strengthen the arrangements of administering the grant application process. It was found through testing that these recommendations were found to be implemented or negated due to other measures being carried out. The findings were as follows:</p>

		<ul style="list-style-type: none"> • 4 out of 5 contractual terms and conditions between the Authority and the claimants were found to be completed. • The office use section on the grants application form were found not to be completed, however, this was negated as approval of the applications was being identified within the monitoring spreadsheet the Licensing and Registration Officer maintains. • Although there was no documented evidence obtained that a check against the Business Flood Grant scheme was carried out. The Economic Development Officer, who administers the Business Flood Grants, confirmed that this had been performed and therefore this recommendation was negated. • The Defra schedule was completed and submitted by 28 Feb 2015, this was achieved. <p>Overall grants that were reviewed, complied with the criteria of the scheme and the quarterly invoices were raised and sent to Defra within the agreed timescales, therefore overall opinion is of a satisfactory level of control with regards to conforming to the scheme.</p>
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Disabled Facility Grants	Control Objective		
	1. Conditions attached to the Disabled Facilities Capital Grant determination (2014/15) No 31/2244 have been complied with and that grants have been processed in accordance with the Housing Grants, Construction and Regeneration Act 1996		
	Audit Opinion		
	CO	Assurance Level	Opinion
	1	Satisfactory	<p>Conditions attached to the Disabled Facilities Capital Grant determination (2014/15) No 31/2244 have been complied with. The monitoring of grant monies is undertaken, however, the entry of payment request form data onto a spreadsheet does not add value to the organisation as this information can be obtained from new financials.</p> <p>A sample of grant applications was reviewed and it was found that these were processed in accordance with the housing renewal grant regulations. Furthermore, local land charges were being applied, where appropriate, to privately owned properties where the grants had exceeded £5000. With regard to the grant approval process, the application form does need to be amended to remove any references to Council Tax benefit. In respect of grant payments, delays occurred between works being signed off and the actual payment being issued. Delegation of the authorisation of this process together with the approval of grants should be considered in order to ensure promptness of processing.</p>

Tree Inspections

Control Objective

1. Trees are being inspected and maintained in accordance with the Council's tree safety management policy.

Audit Opinion

CO	Assurance Level	Opinion
1	Unsatisfactory	<p>Manual records retained demonstrate that tree inspections have taken place in both the high and medium risk land assessment areas, however there is limited assurance as to the robustness and completeness of this inspection process as follows:-</p> <ul style="list-style-type: none"> • Not a clear audit trail from the land assessment to the inspection records (manually retained or electronically on uniform). • The manual records do not consistently retain sufficient detailed information (species, map co-ordinates) on the inspection of each tree. In respect of some of the high risk land areas sampled, detailed information was only retained on defective trees and therefore only these trees have been plotted electronically within uniform. • 31 areas of land are still awaiting investigation in respect of land ownership liability. • Tree tag reference numbers have been duplicated for different trees on the same site. • Maps used did not show position of Council land and, as a result, trees were inspected and tagged that did not belong to the Council. <p>With regards to the retention of inspection information within Uniform, this information was found to be incomplete in that next tree inspection dates had not been consistently stated. Therefore, the reporting system within Uniform could not be currently used to generate inspection notification reports for UBICO and as such defective trees are not being inspected in accordance with the policy – this is a health and safety issue.</p> <p>Verbal assurance was provided by the UBICO – Tewkesbury Grounds Maintenance Manager that works had been carried out on trees identified as requiring immediate works. However, during the audit process no documentary evidence (i.e. completed form c's) to support this statement was provided. In addition, no processes has been established to amend records within Uniform, where immediate works undertaken have resulted in the individual tree risk changing or where a tree has been removed. It should be noted that lack of evidence to support the maintenance/monitoring of defective trees, has not only a health and safety risk but impacts on the council in defending any insurance claims which potentially could lead to higher insurance premiums being charged.</p>

Car Parks	<p>Control Objectives (CO):</p> <ol style="list-style-type: none"> 1. Income relating to car parking tickets, permits and penalty notices is collected, banked and allocated correctly to the general ledger. 2. Expenditure claimed in relation to the car parking contracts of Securityplus and APCOA is verified for accuracy prior to payment. 3. The performance of the Security Plus and APCOA contracts is actively monitored. 													
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Corporate Improvement Work														
ICT asset inventory	<ul style="list-style-type: none"> • The audit team have helped ICT by flowcharting recommended new procedures. • A hardware asset inventory template has been produced. • Both the documented procedures and assert inventory template take into account the requirements to ensure compliance with the council's Financial Procedure Rules (FPR). • Internal Audit provided advice on the disposal of assets to ensure compliance with both the Council's FPR and contract procedure rules 													

Corporate Improvement Work	
Fraud arrangements	An assessment of the Council's overall fraud arrangements is currently being undertaken using the 'Fighting Fraud Checklist for Governance'. The outcome of this will be considered by the internal Corporate Governance Group and reported to Audit Committee in December.

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.