



Financial Audits


12/0838 Payroll Systems Replacement - ResourceLink Aurora

09-Aug-13 Substantial  The scope and objectives of the original audit review were to provide assurance that data transferred to the new HR/Payroll system was correct at the time of going live and that the payroll module was capable of meeting the Authority's needs in managing its payroll efficiently, effectively and in line with corporate policies and legislation (e.g. HMRC regulations). The audit concluded that substantial assurance could be provided on these objectives. Since the audit, good progress has been made to strengthen arrangements in those areas identified within the audit report and action plan, including the separation of duties between the HR and Payroll roles and improving system access rights on the new Payroll system.


12/0857 Purchase Ordering and Creditor Payment Processes within Environmental Services

10-Jan-14 Limited  Although some progress has been made to implement the agreed actions, it is felt that at present the level of assurance remains at limited given that actions to improve the efficiency of systems and processes within the Grounds Maintenance and Cleansing section have yet to be addressed, and although systems used for the processing and management of rechargeable repairs are in the process of being reviewed, it is unlikely that any improved systems will be in place before April 2014.


12/0859 Income Management

22-Apr-13 Substantial  Implementation of all actions agreed following the review in January have further strengthened control in relation to income management. Staff have been reminded of correct procedure in relation to a number of issues, including improvements necessary to comply with Payment Card Industry Data Security Standards. The Income Management Policy and supporting guidance have been updated accordingly and published on the Intranet.

12/0861 Debt Management - Council Housing

29-May-13 Limited  Council Housing debts are currently managed via two systems, the corporate financial system (Civica) and the Council Housing management system (Anite). It remains to be determined how the systems and procedures are to be used for managing Council Housing debt in the future. However, once this has been determined, Council Housing need to review arrangements with a view to improving invoicing and debt management procedures particularly in respect of rechargeable repairs and leaseholder charges. Regardless of which systems are used for managing debt in the future, the Service needs to introduce the same level of debt monitoring and review for the debt in Civica as is currently in place for the debt within Anite, and ensure that corporate financial monitoring requirements are met.


12/0862 Housing and Council Tax Benefits 2012/13 (Council Tax Support) - Lancaster

05-Jun-13 Substantial  A 'Substantial' level of assurance has been given on the basis that good arrangements were put in place to adopt and implement a Localised Council Tax Support Scheme within the prescribed timescales. Proposals for the new scheme were appropriately informed and details of the new scheme were communicated to residents. As the scheme adopted was to retain existing levels of council tax support for 2013/14 the financial implications of this decision are to be closely monitored and due consideration is to be given to the key risks facing the authority, whilst options for the 2014/15 scheme are being considered and consulted on.


12/0864 NNDR 2012/13 - Lancaster

26-Feb-14 Substantial  Arrangements for completion of NNDR returns have now been improved to ensure the accuracy of figures quoted and for a comparison to be made of the current and previous year's NNDR returns.

13/0885 Environmental Health Income Streams



11-Feb-14 Substantial  Good arrangements are in place for setting, reviewing and collecting Environmental Health fees and charges. Current arrangements ensure compliance with relevant legislation and are in accordance with the council's fees and charges policy. Actions have been agreed to review a number of fees and charges to ensure that they remain appropriate, cover the costs of service provision where required and can be appropriately substantiated should they be challenged.

13/0886 Planning and Building Control Income


16-Sep-13 Substantial  The opinion is based on current proposals for implementing new charges and the conclusion is that substantial assurance can be provided on arrangements being made. Given the position regarding implementation of charges it is felt that a further review of their effectiveness should be undertaken within 12 months. Similarly a substantial assurance opinion has been reached in terms of arrangements being trialled for delivery of the building control function.

Financial Audits



13/0888 Licensing Income

07-Oct-13	Substantial		A mechanism has been developed to accurately record time spent and to apportion the costs involved to each type of licensing activity. Systems and procedures in place ensure that fee setting is transparent and that costs to be recovered through licence fees can be robustly demonstrated
15-Jul-13	Substantial		Good arrangements are in place for the setting, reviewing and collecting of licence fees. Current arrangements ensure compliance with the legislation, and the council's fees and charges policy. Improvements required to ensure that arrangements are as robust as possible are currently being developed, and once in place should ensure that the risks associated with fee setting processes are minimised.



13/0889 Debtors 2013/14

05-Dec-13	Substantial		The council has a good system to record and manage debts effectively and actions have been agreed to address issues found during the course of this review.
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13/0890 Private Housing and Cemeteries Income Streams

07-May-14	Substantial		A substantial assurance opinion has been given on the basis that HMO re-licensing fees have been revised and reduced in accordance with the amendment to the Housing Act which came into force in September 2014. A number of other private housing fees have also been reviewed and arrangements for the collection of fees in respect of HMO re-licensing have been strengthened.
17-Oct-13	Limited		A limited assurance opinion has been given on the basis that the fees for HMO re-licensing have not been reduced in accordance with the amendment to the Housing Act which came into force in September 2012. Actions have been agreed to review these and all other private housing fees and charges to ensure that they remain appropriate and cover the costs of service provision where required. Implementation of the action plan should result in a substantial level of assurance being achieved.


13/0891 Creditors 2013/14

09-Dec-13	Substantial		Significant progress has been made with implementation of the actions agreed following the original audit. Procedures have been put in place to strengthen arrangements for authorising new creditors. Arrangements have also been made to ensure the situation regarding non compliance of the EU Directive on combating late payment is kept under close review.
14-Aug-13	Substantial		The council has effective arrangements in place for the payment of creditors. Arrangements have been identified for improvement in relation to the authorisation of new creditors, and compliance with the EU Directive on combating late payment. These are to be addressed through implementation of the agreed action plan.


13/0895 Trade Waste and Recycling, Bulky Waste and Litter Enforcement Fees and Charges

15-Jan-14	Substantial		Good arrangements are in place for setting, reviewing and collecting fees relating to the provision of trade and bulky waste collections and for litter enforcement. Current arrangements ensure compliance with relevant legislation and are in accordance with the council's fees and charges policy. Actions have been agreed to review trade waste fees to ensure that they remain appropriate and to ensure that bulky waste fees can be appropriately substantiated should they be challenged.
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13/0896 Grounds Maintenance, Nursery and Cleansing Income Streams



21-Jan-14	Limited		Limited assurance is given on the basis that there is a heavy reliance on manual systems, officer knowledge and experience. Whilst arrangements are in place to calculate grounds maintenance charges which are in accordance with the Local Government Act 2003, actual charges are generally higher. There is no evidence of cleansing charges having been reviewed since 2008/09 and the relationship between the current schedule of rates and the rates calculated in 2008/09 is unclear. The nursery operates on trust, the cash receipting system and stock management arrangements being underdeveloped and open to error and abuse.
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13/0901 NDR Retention - Lancaster

11-Nov-13	Substantial		A reasonable approach has been taken to estimating potential changes in revenue due to appeals therefore minimising the risk of a significant impact on cash flow, and ensuring that rate retention is appropriate. Good arrangements have also been made to ensure that adjustments to be made due to appeals are properly taken into account in NDR income monitoring.
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Financial Audits

13/0902 Housing Benefit (Welfare Reforms) - Lancaster


08-May-14	Maximum		The original review found that Welfare Reforms had been effectively implemented and assessments made were in accordance with the new Regulations. With a view to demonstrating good practice two actions were agreed following the original audit, however these have subsequently been found to be impractical. The assurance opinion remains 'maximum'.
12-Dec-13	Maximum		Maximum assurance is provided on the basis that the council has effectively implemented the Welfare Reforms and testing found assessments to be correct and in accordance with Housing Benefit Regulations. Action is being taken to further raise standards by implementing matters of best practice highlighted through the review concerning data sharing protocols and awarding Discretionary Housing Payments.

Governance Audits

11/0837 Complaints


14-Oct-13	Substantial		The revised Customer Comments, Compliments and Complaints Policy and Guidance are now in place and training is currently being developed. A system has been developed to manage complaints data, ensure consistency, and facilitate report writing. Arrangements also ensure that complaints can be monitored corporately so that common themes can be highlighted and areas for improvement identified. Sufficient progress has been made to achieve a substantial level of assurance.
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13/0911 Officer Gifts, Hospitality and Register of Interests



24-Apr-14	Limited		Current arrangements effectively demonstrate the council's commitment to high standards of conduct, this being clearly stated in the Officers' Code of Conduct (the Code). Systems and procedures are in place, however staff need to be made more aware of their responsibilities, with standards and expectations being more effectively communicated. Effectiveness of the Code is difficult to measure, compliance with standards set being dependent on the awareness and integrity of employees. However, feedback obtained indicates understanding and compliance with the Code varies across the council. Strengthening the role of managers in current arrangements, and increased awareness of the standards in place, should address the issues identified in this review and help to ensure that the requirements of the Code are met.
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Other Audits


11/0821 Repairs and Maintenance Section - Partnership with Forrest

15-May-13	Substantial		Since the time of the review in October 2011, officers have continued to develop effective arrangements for working within the partnership framework. Communication and trust have also significantly improved resulting in strong working relationships and good working practices. Effective arrangements are in place to ensure that work is completed on time, within budget and to a high standard. Good arrangements are also in place for recharging leaseholders.
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12/0855 Septic Tanks

23-Sep-13	Substantial		Since the time of the post audit review further progress has been made in implementing the agreed actions. Most significantly a new contract is now in place and arrangements have been developed for its effective management. Therefore, a substantial level of assurance can be provided.
06-Jun-13	Limited		Whilst significant progress has been made with implementation of the action plan and improvements have been made, the review of systems is ongoing and new procedures will not be fully implemented until the new contract is in place. Therefore, a limited level of assurance remains. Given the current position, Internal Audit will review progress again with a view to reporting to the September meeting of the Audit Committee.

12/0860 Markets

10-May-13	Substantial		Good progress has been made to implement the actions agreed at the original review and this is reflected in the assurance opinion being raised from 'Limited' to 'Substantial'. A comprehensive master record of stalls and stallholders has been produced which is being used to ensure that licences are appropriately issued, all traders maintain up-to-date public liability insurance and payments due are correctly calculated and the audit trail is complete.
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13/0871 HR Systems Replacement - ResourceLink Aurora

25-Apr-14	Substantial		A substantial assurance opinion has been given in respect of the HR element of the new system, on the basis that although implementation is still very much 'work in progress', controls have been put in place to ensure that each module is built and tested and that appropriate training and guidance is provided, prior to each module being rolled out. Actions have been agreed to review system access requirements ensuring that a good separation of duties between the HR and Payroll roles is enforced through the system.
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Other Audits

12/0874 Salt Ayre Sports Centre, Williamson Park and Other Recreational Facilities

26-Sep-13 Limited



There are good arrangements in place to ensure that fees and charges are appropriately set, authorised and reviewed. A limited assurance opinion has been given on the basis that the efficiency and effectiveness of current purchasing and stock management arrangements in respect of catering at SASC need to be improved. Pricing arrangements at recreational grounds seek to encourage maximum usage, however consideration needs to be given to whether the service provided is effectively balanced against the income generated.

12/0875 Visitor Information Centres

14-Oct-13 Substantial



The original review found the Service to be good and able to demonstrate best practice for customer service. Aspirations for continuing improvement is demonstrated through work with partner organisations on the development of a Brand Implementation Plan to better market the district. The action arising from the original review concerning the proper accounting for VAT on the commission for ticket sales has now been addressed.

19-Jun-13 Substantial



Whilst the City Council's arrangements for delivering tourism objectives are continually being developed, the VICs' role is well understood by those concerned. The Service has good arrangements to keep up to date with industry changes, the local area and business and customer needs and to develop its service provision accordingly. Customer feedback is positive and best practice for customer service can be demonstrated.

12/0877 Corporate Property Related Service Contracts

20-Aug-13 Limited



The review has identified that there is no coordinated approach to the management of property service related contracts. Responsibilities have not been formalised or defined, and systems in place require improvement in order to evidence compliance with statutory regulations and/or health and safety requirements. At present therefore limited assurance can be provided. An action plan has been agreed which seeks to take a more corporate approach in this area of business introducing a structured and automated approach to compliance with clearly identifiable roles, responsibilities and training requirements.

12/0878 Affordable Warmth

16-Dec-13 Limited



An affordable warmth strategy has been drafted with a view clearly defining aims and objectives and achieving a co-ordinated approach to helping vulnerable households achieve affordable warmth. However, resources available to deliver the actions within the strategy have not been identified. Therefore limited assurance can be provided in relation to the council's arrangements for delivering affordable warmth objectives.

30-May-13 Limited



Whilst the Authority is currently helping vulnerable households to achieve affordable warmth, the development of a strategy with clearly defined aims and objectives would provide more strategic direction and a co-ordinated approach. Funding is available to March 2014, however arrangements for resourcing affordable warmth objectives beyond this point need to be considered in the context of overall Council priorities.

13/0883 Working Time Arrangements

13-Nov-13 Limited



Whilst working time arrangements across the council are generally appropriate to business needs there are areas where there may be scope for greater efficiency (e.g. standby and callout arrangements). Not all areas of the council are compliant with Working Time Regulations and/or corporate policies relating to working time arrangements. Policies need reviewing and clarifying for managers to ensure that they are applied fairly and consistently (where appropriate).

Arrangements for the management of non standard pay are inadequate, inefficient and prone to error and this should be addressed through better utilisation of the new HR/Payroll system and a review of related procedures and practices - e.g. improved distinctions between different types of pay, standardised forms etc.

There may be scope for efficiencies through better time recording systems and the introduction of a corporate approach where possible. Arrangements for booking and recording annual leave should be improved once the related module of the HR/Payroll system is introduced, which is due by April 2014.

Lone working risk assessments and procedures need to be reviewed.

A corporate approach to home-working and hot-desking is required to maximise the benefits of this flexible approach to working.

Other Audits

13/0897 CCTV

16-Dec-13 Limited



Current arrangements require significant improvement in order to meet the requirements of the Home Office Surveillance Camera Code of Practice, and demonstrate compliance with legislation. The guiding principles of the Code closely reflect the requirements of the Data Protection Act 1998, and systems and procedures require strengthening to enable the council to effectively evidence that it is fully compliant with data protection obligations in the management of its CCTV systems, therefore minimising the risk of legal challenge, financial penalties and/or reputational damage. An action plan has been agreed with a view to ensuring compliance with legislation through the adoption of the principles of the Code. Officers with CCTV management responsibilities are to form a working group with a view to taking forward actions agreed in the plan.