

Chichester District Council

CORPORATE GOVERNANCE & AUDIT COMMITTEE 25 July 2019

Audit Reports, Follow Up & Progress Report – Audit Plan

1. Contacts

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2. Recommendation

The committee is requested to consider the Audit Reports, Follow Up and note progress against the audit plan.

3. Main Report

3.1. Westward House Cash Handling

This audit was carried out as part of the agreed audit plan for 2019/2020. Audit testing has been restricted to areas that have been assessed as high risk.

Audit testing has been carried out on the following objectives:

- The float reconciles to the authorised amount recorded on CIVICA.
- Cash received is processed on a timely basis.
- Monies received are held securely and collected and banked on a regular basis.
- Washing Machine Tokens and Electricity Cards are stored safely and reconciled regularly.
- Reconciliations are undertaken for all monies collected and any under and over banking is recorded.

Three high risk exceptions were identified relating to:

- Service charge/ rental fee not entered onto the income management system at the time of the transaction.
- A record of when the key safe code was last changed was not kept.
- A records of stock movement for electricity cards is not undertaken.

Five medium risk exceptions were identified relating to:

- Floats were not checked on a regular basis.
- Receipts for tenants service charges/tenants payments were not always produced.
- Reconciliation of banking to the audit form is not performed.
- Key deposit register were not kept up to date.
- A double check of banking records to takings were not performed.

The overall opinion by Internal Audit is of Limited Assurance which has been based on testing carried out and discussion held during the course of the audit.

3.2. Income Generation

This audit was carried out as part of the agreed audit plan for 2018/2019, and audit testing has been restricted to areas that have been assessed as high importance.

Following a discussion with Finance it was decided to focus on the areas of Estates, Building Control and Civil Parking Enforcement.

Three high risk exceptions were identified relating to:

- Invoices not always being raised for backdated income due from rent reviews.
- Building Control timesheets not showing a breakdown of how much time is being spent on individual site visits or plan checks.
- Benchmarking not being carried out on other Local Authorities Building Control fees.

The overall opinion by Internal Audit is of Limited Assurance which has been based on testing carried out and discussions held during the course of the audit.

3.3. Trade Waste

This audit was taken from the agreed 2018/2019 audit plan.

Audit testing was carried out on the following objectives:

- New contracts and Events have been set up correctly for the collection of Trade Waste bins.
- Customer accounts are cancelled when requested.
- There is a consistent approach to charging for one off events.
- Invoices are produced for the payment of Trade Waste bin collection.
- Income is reconciled from Bartec to the General Ledger.

One medium risk exception was identified relating to:

- The accuracy of the pricing information entered onto the contracts to that invoiced to the customer.

The overall opinion by Internal Audit is of Reasonable Assurance which has been based on testing carried out and discussions held during the audit.

3.4. Housing Applications

This audit was carried out as part of the agreed 2018/2019 Audit Plan.

Audit testing was carried out on the following objectives:

- Procedure for being accepted onto the Housing Register are being complied with.
- Reviews are carried out where requested.
- Inactive applicants are removed from the register.

The overall opinion by Internal Audit is that Assurance can be given based on testing undertaken and discussions held during the audit.

3.5. Key Financial Systems 2018/2019

Internal Audit reviewed the Key Financial Systems in order to give assurance that the controls are operating effectively and as designed.

The purpose of this report is to raise awareness where improvements can be made. The areas mentioned in the report have been identified and reported in the action plan. All areas mentioned have been discussed with appropriate Service Managers.

The areas where improvements can be made relate to:

- The monitoring of the Debtors Suspense Account.
- Debt Recovery procedure notes for Council tax and NNDR.

This will continue to be monitored and also reviewed as part of the 2019/2020 Audit Plan.

3.6. IT Security – Follow Up

Since the last follow up audit in 2018/2019 the remaining two actions have now been addressed.

These related to:

- That a reconciliation is undertaken between the current records and equipment held.
- A master inventory is to be held on TrackIT, this should include: the cost of the item, date of purchase, unique ID number and who it has been allocated to.

4. Background

4.1. Not Applicable

5. Outcomes to be Achieved

5.1. Not Applicable

6. Proposal

6.1. Not Applicable

7. Alternatives Considered

7.1. Not Applicable

8. Resource and Legal Implications

8.1. Not Applicable

9. Consultation

9.1. Not Applicable

10. Community Impact and Corporate Risks

10.1. Not Applicable

11. Other Implications

Are there any implications for the following?		
	Yes	No
Crime & Disorder:		√
Climate Change and Biodiversity:		√
Human Rights and Equality Impact:		√
Safeguarding and Early Help:		√
General Data Protection Regulations (GDPR):		√
Health and Wellbeing:		√
Other (Please specify):		√

12. Appendices

12.1. Progress Report – Audit Plan

13. Background Papers

13.1 None