



Westward House 2023-24 Audit Report

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10th October 2023

Distribution List

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1) Executive Summary

i) Introduction

This audit was as part of the agreed audit plan for 2022-23 financial year but has been completed in the audit plan for 2023-24.

Audit testing has been restricted to areas that have been assessed as high risk by Internal Audit.

Testing for Tenant Move in's and Move Out's was completed for the 2022-23 financial year.

Waiting List testing was completed on the most current position at point of testing – 27th July 2023. Rent account movement and position was completed on the most current position at point of testing – 1st September 2023.

Westward House and Freelands Close are temporary housing units situated on same site within the Chichester Council district. These are made available for individuals that are found to be in a homelessness situation or are going to find themselves in a homelessness situation. There are 60 units available over both sites. Chichester District Council, under the Homelessness Reduction Act have a duty to individuals under both Relief – to house once homeless and Prevention – to house to prevent homelessness.

Audit testing has been carried out on the following objectives to ensure that:

Objective 1- All housing allocations are compliant with the Homelessness act.

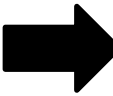
Objective 2 -That there are detailed procedures notes in place relating to Ins and Outs of the operations undertaken at Westward House.

Objective 3- All allocation of income to account is accounted for correctly and reconciled.

Objective 4- That all records maintained for current tenants and previous tenants are held and controlled within GDPR guidelines.

ii) Overall audit opinion

The overall audit opinion is based solely on testing carried out and discussions held during the course of the audit.

	Levels	Description/Examples
	No Assurance (Critical Risk Exceptions)	Major individual issues identified or collectively a number of issues raised which could significantly impact the overall objectives of the activity that was subject to the Audit
	Limited Assurance (High Risk Exceptions)	Control weaknesses or risks were identified which pose a more significant risk to the Authority
	Reasonable Assurance (High or Medium Risk Exceptions)	Control weaknesses or risks were identified but overall, the activities do not pose significant risks to the Authority
	Assurance (Low Risk/Improvement Exceptions)	No issues or minor improvements noted within the audit but based on the testing conducted, assurance can be placed that the activity is of low risk to the Authority

iii) Summary of findings

Objective 1: To ensure All housing allocations are compliant with the Homelessness act. – Assurance

No exceptions were raised as a result of audit testing under this objective.

When individuals become homeless or are going to be homeless, they are either placed in B&B accommodation temporarily or they remain in their own temporary housing solution if that is suitable, until a place becomes available at Westward House or Freelands Close. Individuals are placed on the Westward House and Freelands Close (WWH/FC) waiting list by housing officers within East Pallant House, making the selection process to be housed within Westward house objective and fair as there is no involvement from any colleagues at WWH/FC and the criteria is clear and evidence around this is saved to support these placements within Home connections, a web-based housing software used to record all housing applications.

Assessment of individual housing criteria along with Identification and eligibility checks are completed by the housing officers within East Pallant House, this is usually completed with input from a third party, for example: the police or refuge (Domestic Violence Charity) due to the nature of the majority of referrals. As placement into temporary accommodation is usually in an emergency situation, ID and risk assessments may not always be available immediately, but all individuals once placed in Westward House, cannot go into permanent housing solutions until these conditions are met and these are followed up by Move In officers covering the temporary housing options.

From the current 22 individuals awaiting placement at Westward House and Freelands close testing was completed on 5 from the most current housing position- as of 27th July 2023. This showed that ID was held for all individuals, and this was held securely within the Home Connections system. No copies of ID were held on the councils' shared drives for any individuals.

Risk Assessments, which assesses the individuals needs and housing requirements were completed for all individuals and all excluding one was saved in the risk assessment folders for the individuals on the councils shared drive – one was attached to an email and hadn't been saved to the correct folder but was present and all were also saved within Home Connections platform.

The Home Connections software had eligibility information completed with supporting documentation completed for all cases and records of communications around these.

All the assessment criteria areas on the Westward House waiting list were fully completed with supporting evidence in the individuals' files on the Shared Drive and on the Home Connections platform.

There is also an up-to-date active Westward House spreadsheet available on the Councils shared drive – this tracks all tenants and properties covering contact details, vehicles associated with the tenant, Last physical inspection of the property, time in WWH plus current Duty owed to the tenant by the council.

Objective 2: To ensure that there are detailed procedures notes in place relating to Ins and Outs of the operations undertaken at Westward House. - Limited Assurance

2 high risk exceptions were raised as a result of audit testing under this objective.

A full and detailed Move in Checklist form is in place for completion with each new tenant as they enter either Westward house (WWH) or Freelands Close (FC) properties. These give step by step instructions, highlight the required documentation, have tick boxes, and signature boxes to be completed to support the move in officers in completing all the required checks for every new tenant. These also include Health & Safety checks alongside housing benefit and physical property checks.

These should be completed, and a Licence agreement – which is a form of tenancy agreement, signed before any access to the property is given. Testing was completed on Move's in completed before the end of the last financial year –April 2023. Testing was completed on 30 individuals that moved into either WWH or Freelands Close.

The moving in process is not being fully completed. 5 move in forms were missing completely. 2 forms were incomplete. 5 individuals had no licence agreements retained and one Licence was not signed. One individual had no document folder on the councils shared drive present at all, meaning there were no documents or information retained at all. Documents and records are not consistently being saved correctly. This means Licence agreements are not being retained which are a legal requirement, Move In emails, which are one of the key actions from the Move In form and are sent to the Benefit Systems team (BST) to set up a new rent account for the individual at that property are not being sent which is delaying Wrapp rent account set ups.(Wrapp is the internal system used to record all rent accounts for the council).

This in turn is causing issues with rent payment allocation and creating additional work across other council teams. The In email is also sent to other departments within the Council – Benefits and Revenues, Debt Recovery, Careline, Benefit Systems plus others for the appropriate actions for their department to be taken.

Move out forms are completed as per the Move In process, but with all the required move out checks, these are held in the same location as the Move In forms on the Chichester Councils internal shared drive.

Move out forms are completed ideally with the tenant present just before they leave the property, but due to circumstances causing the move out, this may not be possible in all cases. The form still needs to be completed in every case to ensure all steps in the move out process are completed.

Out testing was completed on an additional 30 individuals from both WWH and FC that moved out within the last financial year. (5 went over into 2023-2024 FY due to lack individuals for testing) and these may cross over with previous move in testing. Testing found that the move out process was not being fully followed. All tested had a move out form present but 18 from the 30 had no out email, which as per the move in process this informs BST that the tenant has left the property, and 4 of the 30 tested had Licence agreements not signed or not saved.

The non completion of the Move Out email also has an impact on the housing Benefit claim processing, the Out email is used to process an end of the housing benefit claim at that property, if this is delayed then housing benefit overpayments created will have to be processed for the individuals rent account and if this is not processed at all, then the claim will stay active until the individual submits a new claim for housing benefit causing housing benefit overpayments to the individual tenant which are then re-charged to the Wrapp rent account and the council as debit owed.

See Ex -2.1 & 2.2 For full testing details.

Objective 3: To ensure that all allocation of income to account is accounted for correctly and reconciled. - Reasonable Assurance

2 Medium and 2 Low exceptions were raised as a result of audit testing under this objective.

Income is received within Westward house and Freelands Close in the form of rent payments, where there is a difference between housing benefit payments received and the rent charged, additional service charges added for the management of the units and the sale of electricity and washing machine tokens for use by tenants within WWH/FC.

In certain situations, charges for cleaning and repairs after a tenant has left a property may also be raised as recharges to the individuals rent account in wrap, where the property is left in an unacceptable condition. In the last financial year- 2022-2023 and so far in this current financial year 2023-2024 there have been no recharges for any costs incurred due to malicious behaviour of tenants. But this would not be a payment processed at WWH, this would be the recharge of costs incurred moved on the general ledger as direct expenses for WWH to the individuals rent account, removing the costs from the council. The only examples of this occurring sent to me by the HATL were from 2017 for the recharges to an individuals rent account. There is no record or tracker of these additional charges in place.

All payments made by tenants are processed within the Westward House main office by cash or card payments via a system called Pay 360 which transfers these payments directly into the council's bank account overnight and directly to the council's finance system called Civica. These are then transferred to the individual tenant's accounts held within an internal council system called Wrapp by the benefits systems team within the housing team. These are transferred via Manual data uploaded daily into Wrapp and then these are reconciled against the Civica entries on a quarterly basis by the finance team and the BST.

On testing, issues were identified with the processing and recording of payments within the WWH office for all elements of income. These were not being accurately recorded on the manual daily cash sheets or onto Pay 360. The stock taking of electricity card and washing machine tokens to check sales was not being completed.

Delays in processes around the setting up of rent accounts on Wrapp as highlighted in the previous exception, have also caused rent payments to be allocated to a rent suspense account on Wrapp which was found to have not been reconciled since its set up

in June 2022, and sat with a balance of £934.18 as of August 2023, meaning payments received by individuals have not be added to their accounts giving an inaccurate reflection of their accounts.

Review of current debt recovery processes from WWH to the debt recovery team highlighted a historical issue with housing debts. At present this is sitting at £113,708 current debt. £78,776.33 of this figure is debt from 2015-2019. On checking the overdue rent on current tenants at WWH on 1st September 2023, this sat at £5949.61 over 5 tenants, but appropriate actions had been completed in all cases. 2 of these 5 had been issued notices to quit with the next 28 days due to these overdue rent accounts.

See Ex -3.2,3.4,3.6,3.7 For full testing details.

Objective 4: To ensure that all records maintained for current tenants and previous tenants are held and controlled within GDPR guidelines. - Reasonable Assurance

1 Medium exception was raised as a result of audit testing under this objective.

The 6 principles of GDPR: 1. Lawfulness, fairness, and transparency 2. Purpose limitation. 3 Data Minimisation. 4. Accuracy 5. Storage limitation 6. Integrity and Confidentiality are all addressed in the councils Data Retention Scheme document, this highlights the data that is used by Housing for Homelessness processing, and the Register of data processing highlights how the sensitive data within that is used, processed, and protected.

Data is held electronically in the councils internal Shared-drive and on a web-based Home Connections platform and manually within Westward house, closed paper files are held within Housing and Environmental Services office and the Councils Depot.

The register of data processing clearly states the type of data that is held on the Home Connections platform, how this is controlled and for how long. It also states that any printed copies are destroyed after use - Completion of the Home Connections original application are done entirely online with the tenant if support is required or on their own if able. No paper records are produced.

Current tenants -The only paper documentation that was being retained within WWH were the signed Licence agreements, which are now, after discussion, being scanned and destroyed immediately.

Previous tenants – Closed paper records are being held longer than is stated in both the register of Data Processing and the Councils Data Retention scheme.

The register of Data Processing spreadsheet also has information regarding WRAPP/emails/s-drive. What, why and where info is and how it's used etc. Approval for all held housing applications is completed at the time of the application online via the home connections web-based platform.

One standing order form was found in Move In testing to be held within the tenant records, and these should not be held there. But this has been removed and the occurrence of Standing orders being set up is minimal to be of any risk.

A full data Retention audit is in the process of being completed across all departments of the council, covering both paper and electronic records held. A more in-depth look at the electronic records will be covered within this.

See Ex -4.2 For full testing details.

Overall assurance level – Limited Assurance (High Risk Exceptions)

This is not the average of the assurances, but the worst assurance level given.

2 high risk, 3 Medium risk and 2 Low risk exceptions were raised in total and therefore IA can give Limited assurance that the area is of High risk to the Authority.

Key for risk rating of exceptions:

Priority Level	Description
Critical Risk	Control weakness that could have a significant impact upon not only the system function or process objectives but also the achievement of the organisation's objectives in relation to: <ul style="list-style-type: none">▪ The efficient and effective use of resources▪ The safeguarding of assets▪ The preparation of reliable financial and operational information▪ Compliance with laws and regulations And corrective action needs to be taken immediately.
High Risk	Action needs to be taken to address significant control weaknesses but over a reasonable timeframe rather than immediately. These issues are not "show stopping" but are still important to ensure that controls can be relied upon for the effective performance of the service or function. If not addressed, they can, over time, become critical. An example of an important exception would be the introduction of controls to detect and prevent fraud.
Medium Risk	These are control weaknesses that may expose the system function or process to a key risk but the likelihood of the risk occurring is low.
Low Risk - Improvement	Very low risk exceptions or recommendations that are classed as improvements that are intended to help the service fine tune its control framework or improve service effectiveness and efficiency. An example of an improvement recommendation would be making changes to a filing system to improve the quality of the management trail.

Exception 2.1 Clear procedures for the moving in process and checks to be completed are in place.

Risk rating: High

Findings

Moving in Checklist forms are in place for completion with each new tenant. These should be completed, and a licence agreement signed before any access to the property is given.

These forms are saved here S:\Housing Services\Accommodation Services Team\Westward House_Scans and paperwork.

Testing was completed on 30 Move's IN for both WWH and Freelands Close before the end of the last financial year - April 2023.

Testing found that not all the forms were saved in the correct location as above, that 5 In-forms were missing completely (7,10,21,22,27) and two forms were incomplete as only one page was scanned into the folder above, the signature sheet was missing (4,12). Testing found that 5 individuals had no licence saved in their records at all (28,23,18,15,2) and that one (11) the licence was not signed.

Licences are saved - S:\Housing Services\Housing Advice Team\Casework for tenants that have left properties and S:\Housing Services\Housing Advice Team\Casework_Westward House & Freeland Close Tenants - for active tenants.

One individual (23) also had no Case work folder at all. Meaning no documentation had been retained.

Hard copies of Licences were held at WWH whilst the tenant is active in the property, then the documents are removed and destroyed. All other documents are scanned and destroyed as they are completed, this process has now changed following discussions and all Licences are signed, scanned, and then destroyed and none are held with WWH.

One key task on the move in form is the completion of the 'IN' email - this email is sent to the benefit systems team, recorded when received and when added to Wrapp on a spreadsheet, this email provides them with all the relevant data and information to set up the Internal rent account system Wrapp.

This will enable a rent account to be set up in that individuals name, enabling payments to be allocated to the correct accounts, Housing benefit claims being correctly allocated and support the movement of individuals within WWH and FC and the rehoming of new tenants.

This process was tested within the out process – impact is on both the move in and Out processes.

The numbers referred to above are the testing number for each individual as per the testing spreadsheet. A copy of this has been provided to HSM and HATL for detailed reference.

Risks and consequences

Financial, H&S and compliance checks are not completed placing both financial and reputational risk to the council. Delays in the move in process causes additional work across departments within the council and finances not being correctly reconciled.

Agreed action	Officer responsible and by when
<p>Moving IN forms are completed for every tenant in full and saved in one agreed location.</p> <p>Licences are signed and scanned for every tenant and saved in one agreed location.</p> <p>Move IN emails are sent for every tenant to the Benefits System Team on move IN day with all key information completed.</p>	<p>HATL – 31/3/24</p> <p>Following a meeting with the HSM & HATL- all missing licences have now been scanned into the electronic files and going forward hard copies will not be retained within WWH - going forward these are being looked at to be saved in the home Connections platform – HATL – 31/3/24</p> <p>HATL – 31/3/24</p>

<p>Exception 2.2 Clear procedures for moving out process and checks to be completed are in place.</p> <p>Risk rating: High</p>
<p>Findings</p> <p>Move out forms are completed as per the Move IN process and saved as above - S:\Housing Services\Accommodation Services Team\Westward House_Scans and paperwork.</p> <p>Move out forms are completed ideally with the tenant once they leave the property, but due to absconding, prison recalls or other reason, this may not be possible in all cases. But the form still needs to be completed in every case to ensure all the steps in the move out process are completed.</p> <p>The key documentation required from Moving out process is the sending of the 'OUT' email as detailed above in the Move in actions, as this removes the named person from the Wrapp system rent account, ending their rent liability with WWH, ending housing benefit claims, and freeing the property for the next person to be processed as Move in.</p>

Move out testing was completed on an additional 30 individuals from both WWH and FC that moved out within the last financial year. (5 went over into 23/24 FY due tenant numbers available for testing)

Testing found that all 10 individuals tested for FC had no OUT emails saved, and that 8 from WWH had none. (2,5,8,9,14,17,18,19) - Tenant 5 - had an email saved in their records highlighting BST chasing info as a new tenant was due to be processed into a property but there was a person still registered at it, so they needed the OUT details to be able to move this forward. Discussion with HATL showed that he had numerous 'Out ' Emails which had been sent by the housing Officer in charge of the move Out process, but these had not been saved as per processes. Licence checks for OUT tenants showed - 1 incomplete (1) 1- Completely wrong form saved as a licence (16), 1 - licence not there (18) and 1 - Licence not signed (24) also testing showed - 1 - Still held in current tenant's folder area when they have left.

The numbers referred to above are the testing number for each individual as per the testing spreadsheet. A copy of this has been provided to HSM and HATL for detailed reference.

Risks and consequences

Financial, H&S and compliance checks are not completed placing both financial and reputational risk to the council. Delays in the move OUT process causes additional work across departments within the council.

Agreed action	Officer responsible and by when
Moving OUT forms are completed for every tenant in full and saved in one agreed location.	HATL– 31/3/24
Move OUT emails are sent for every tenant to the Benefits System Team on move OUT day where possible with all key information completed.	HATL – 31/3/24

Exception 3.2 - Electricity cards/Washing tokens Purchases - payment for these are recorded accurately and reconciled.

Risk rating: Low

Findings

Within WWH the tenants are required to purchase electricity cards - these are sold at the values of £1, £5, and £10 cards. These cards do not cost us this value, this is the value of electricity the tenants pay for and receive once they insert them into their meters. These cards are used once, dots appear on the cards when they have been inserted into the meters and these then have no value left on them. The washing machine tokens work on the same principle, but there are 2 types of tokens, one large and one small. These both have the value of £2 and are only different sizes to use in different washing machines on site. These are purchased, used, and then recycled back into 'stock' to be re-sold again. So always have a face value of £2 per token.

On visiting Westward House and Freelands Close on 7/9/23 the Housing Accommodation Team Leader (HATL) informed me that a colleague was in the process of completing a stock count on the electric cards and washing machine tokens, but he was unable to locate the relevant spreadsheet or advise on when this had last been completed. There have been previous issues around cash reconciliation within WWH and finance. A colleague from finance had supported WWH in 2020 to review processes and this was investigated as a concern and the suggestion was put forward that these should be completed monthly.

On the day of my visit, the HATL and myself completed a full count of the Electricity cards this equalled £9,712 held in the cash drawer and in the safe. Plus, an additional pot with historic damaged cards, that were unable to be used by the tenants. There were also several £1 cards that had been used to reset the meters after a tenant has left, this returns the meters back to Zero balance for the next tenant. Although these cards do not cost us the face value, these are worth back to us the value at which they are sold. So therefore, control and counts do need to be completed.

The HATL and I also completed a count on the washing machine tokens. There were £244 worth of tokens on site in the cash drawer on the date of visit. This did not include tokens that were used and still held in the machines and would be recycled back into stock to be resold. Issues have been highlighted in the recording of transactions in relation to the accuracy on the cash sheets.

The last figures I have found recorded for quantities for these items is back to 2019 when reviewed by a finance colleague, no other records or counts were found. Due to the value of these items and the lack of records, a full historic reconciliation is not financially efficient.

On 11/9/23 - conversation held with HATL - colleague that had started count/record is now out of the business So, as we are unable to locate the spreadsheet that was started previously. The HATL has already started a spreadsheet from the count that we completed on 7/9/23 covering both Electric cards and washing machine tokens. This will be completed monthly and reconciled against the cash sheets (to get actual Denomination break downs and P360 to double check £ value sold)

I have offered support in the completion/set up of this if required.	
Risks and consequences	
There is a lack of control and reconciliation around Washing Tokens and Payment cards which carry a cash value, monies are not processed to income for WWH and how expected.	
Agreed action	Officer responsible and by when
Monthly reconciliation of Electricity Cards and Washing Machine tokens against actual count and Pay 360 sales.	Monthly stock count – HATL 31/3/24 (Review timings at this date)
All currently held unusable or void cards to be destroyed.	HATL – 31/10/23
All future void cards or cards used to re-set meters to be recorded on stock spreadsheet and destroyed.	HATL – 31/3/24
All deliveries of new cards/Tokens to be immediately recorded on the stock tracker.	HATL – 31/10/23

<p>Exception 3.4 -All Payments at WWH/FLCV are recorded correctly on cash forms, are accounted for against the correct cost codes & cash movement is controlled and recorded correctly.</p> <p>Risk rating: Medium</p> <p>Findings:</p> <p>Testing found that there were cash forms missing for November 2022, that cash forms were not completed fully and/or errors were found on the cash sheets. (Jan/Feb March/April & May 2022) Payments were missing from the forms, columns regarding cash or card totals etc, were incorrectly completed.</p> <p>Testing also found that where the permanent rent account hadn't been set up in Wrapp yet, then a temporary Rent account would be used.</p> <p>This is a suspense/dummy account set up in Wrapp which enables payments to be taken for rent or Service Charges to be allocated to the permanent account later. The person taking the payment must then email Benefit Systems team informing them of who and what the payment is for to enable this to be reconciled later.</p>
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Errors were also found following bank reconciliation in March/April completed by a Finance Colleague, they completed a review and highlighted issues around processes. This highlighted an issue following an update of the pay 360 system, this meant transactions were unable to be entered at the time of the transaction. These were recorded in a manual receipt book and the cash/ card transactions completed for these. These should have been processed via Pay 360 the next day, but they weren't. Causing an issue with the bank reconciliation completed by Finance. This has now been resolved.

Testing of the Wrapp suspense account found that Year to date the balance of unreconciled payments was £934.18, at the beginning of 2023-2024 Financial Year.

£804.90 was carried over unreconciled from last year. A meeting with the Systems and Service Improvement Team Leader highlighted that reconciliation had not been completed up to date meaning that debts and non-payment of rent and Service Charges could have been chased but payments could have been sitting in the suspense account. HB payments had also been paid into the suspense account. These owed balances have been written off and now unable to be re-allocated back to the actual rent account. The Systems and Service Improvement Team Leader has now completed a reconciliation task of the suspense account to identify and allocate payments to the relevant rent accounts. As of 13/9/23- balance on suspense account is still £912.30 highlighting that limited movement has been made with these transactions.

Transactions processing at WWH.

All transactions are recorded on the daily cash sheets and onto Pay 360 as they occur.

The cash sheets are split into different sections and recorded as Rent or Washing/Electricity.

I crossed checked July 2023 Cash sheets which cover 3/7/23 -31/7/23 against all the entries made onto P360 and to follow one transaction from start to finish. One error was found for payment method entry entered on cash sheet as a Card Payment but was Cash (CAN 8348), but all other areas were correctly entered.

The Cash sheets are completed monthly, but cash sheets were scanned over before the end of the month occurred, meaning end of month or start of month data is missing. The Pay 360 reports are run to cover the money banked via G4s (secure Money collection company) which is for the period 6/7/23-3/8/23 meaning these do not match the period the cash sheets are saved for and then the G4S collections are processed several days after collection making reconciliation and data comparison harder than it needs to be - Finance are having to manual reconcile cash collection cut off dates to match inputted data and Cash in Transit (Monies not yet collected)

A new process has been agreed where cash sheets will be scanned 1st -31st of month. Banking for G4S will be processed for 1st-31st of the month and reports sent to finance for reconciliation will always cover 1st =31st of each month.

All transactions that are recorded on the daily payments sheets and are added to Pay 360, this updates overnight to S2603 cost centre on the general ledger, which is the cost centre for Westward House.

Monthly banked money is counted and bagged for G4S collection this figure is entered on Pay 360 to 'cut off' expected monies. Report from Pay 360 shows expected. Under/Over banking completed on pay 360 to show actual monies banked. All goes to Civica/GL overnight.

Cashiers (I&P) reconcile the cash received to bank/sent to G4S and report to finance team if any errors.

Finance reconciles the cash to the general Ledger ensuring all are allocated to the correct cost codes by reconciling against G4S collection information the Pay 360 reports which are all sent by email but the HATL at WWH this also highlights any overs/under in this banking in the email.

The Civica and Wrapp accounts are then manually reconciled by the Benefits systems team (BST), at present this is on a quarterly basis, but finance and BST are looking to move this to a monthly exercise due to issues in this process.

The most recent reconciliation was completed fully up to June 2023. The difference between Civica and Wrapp = £383.29 year to date up to June 2023.

The Systems and Service Improvement Team Leader reviewed all areas, and this is believed to be due to cut off dates as highlighted above with Cash collections at not only WWH but all other areas that process cash within the Council. There is currently a £40k discrepancy for July 23. The BST and finance team have met to look at the causes of this and to discuss moving to monthly reconciliations to help support identifying discrepancies going forward.

Housing benefit payments have not been fully reviewed in this audit in detail. One transaction has been followed through for one account in relation to payments received to the individual's account. The Northgate system (Revenue & Benefits web-based platform) transactions for housing benefit payments are then uploaded into Wrapp and reconciliations for these are from General Ledger codes B1302 to RBE250 from the Northgate. (Which is a consolidation of the RB7295 & RB7296 imports from Northgate) Other payments into Wrapp are not included in the RBE250 and have to be manually included e.g. - Access PRS payments (Homefinder payments) But these are for all Wrapp housing accounts and not just WWH. At the end of June 2023 this balanced to Zero discrepancy. As of end of August 23 - this figure is £14,397.91 - this is again being discussed and worked through between BST and Finance, this is expected to be one of the areas that needed to be included within monthly reconciliation this was being all worked through and had been identified prior to any discussion I held.

An issue identified in this process was identifying the relevant documents required within the Councils Wrapp folder on the x - shared drive. As after the main outer folder there was a lack of consistency in document pathway names, making it harder to identify the relevant folder/files required.

Risks and consequences	
Payments made are incorrectly reconciled to incorrect accounts or a lack of controls are in place.	
Agreed action	Officer responsible and by when
Daily Cash sheets to be accurately completed including totals and payment methods.	HATL – 31/3/24 (to review previous 3 months)
Processing through Pay 360 to be completed as the transaction is completed and the CAN number recorded accurately.	HATL – 31/3/24 (to review previous 3 months)
Clear information regarding the allocation of payments to suspense accounts to be sent from WWH – BST	HATL – 31/3/24 (to review previous 3 months)
Monthly reconciliation of the rent suspense account to be completed by the BST and any data missing from WWH to be fed back.	S&SITL - 31/3/24 (to review previous 3 months)
HATL to complete banking for G4S collection for 1 st to 31 st of each month.	HATL - 31/3/24 (to review previous 3 months)
HATL to consistently send finance the monthly reconciliation information that has been set up in their new process. – Email with Pay 360 report, confirmation of amount collected by G4S and any differences in between these amounts.	HATL - 31/3/24 (to review previous 3 months)
BST and Finance to complete Civica- Wrapp reconciliation on a monthly basis until process is streamlined.	S&SITL - 31/3/24 (to review previous 3 months)
BST to complete monthly reconciliation of Northgate – Wrapp until process is streamlined.	S&SITL - 31/3/24 (to review previous 3 months)

Files saved within Wrapp folders to be of a consistent pathway/label to assist both teams & Audit in locating the correct documents.	S&SITL & Accountant (Revenues) - 31/3/24
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<p>Exception 3.6 To ensure that any additional charges are applied to the correct tenants Wrapp account, and recorded as relating to cleaning, repair charges, service charges or Rent Charges.</p> <p>Risk rating: Low</p>	
<p>Findings:</p> <p>There is limited occurrence of this happening. One tenant was evicted on 31/8/23 and additional charges will be raised to her account for fumigation and repairs. But this will only occur once invoices are received. No charges were found to have been recharged for 22/23 or 23/24 so far.</p> <p>Additional costs - on Civica under separate charges on the S2603 cost code -these will then be charged to either 02A03 Repairs and Maintenance - landlord or 02A04 - Repairs and Maintenance - Tenant or 02J01 - Building Cleaning. - the invoices for these works would be raised here, paid and then the charge debited to 07D03 - Building Services recharge, this would then be raised into Wrapp as a charge of additional costs to the individual tenants rent account on Wrapp by the BST. But this would need to be done individually and with communication between the BST and WWH. The HATL sent me an example of an email template used to communicate this information to the BST from 2019 and an example of charges to an individual's rent account from 2017.</p>	
<p>Risks and consequences</p> <p>Additional costs are not claimed back via tenants causing a cost to the council.</p>	
<p>Agreed action</p> <p>All charges for recharge to individuals rent accounts to be agreed and communicated with the BST team. – process required.</p> <p>Tracker to be set up in WWH to record any works to be completed over and above 'normal' end of tenancy costs or repairs. This is to be communicated to Finance and the BST for the appropriate actions to be taken.</p>	<p>Officer responsible and by when</p> <p>HATL - 31/3/24 (to review previous 3 months)</p> <p>HATL - 31/3/24 (to review previous 3 months)</p>

Exception 3.7 -Action is taken to chase up any outstanding Service charge or rent payments.

Risk rating: Medium

Findings:

On my visit to WWH 7/9/23. Discussions with one of the Move In officers, lead to me being shown me a new client move out process. Tenant had debt on account, so an email was sent to 'recovery' to inform them of this. - Email received from Paul Demetriou. this is a new process in place. Tenants have been referred since July and currently there are 5 tenants debts logged for processing by Debt Recovery team for July only, these Include Write off as uneconomical and passed for Debt recovery agents.

This includes all debts for each tenants' different properties and not just the WWH debts. I tested a sample of the top 5 value debts from the Debt - Active and Former to 1st September 2023.

This spreadsheet shows all debt across all Housing debts as of 1 September 2023, Of the £113,708.05 for West Ward house total debt, £78,776.33 of this debt is from 2015-2019. In March 2023 - £221,300.57 of total Housing debt was written off, some of these debts dated back to 2006/2007. The current £113k for WWH is after these write offs.

Of the historical Debt, the largest are from 2016 & 2017. The largest debt being 1 tenant in 2017 which is an outstanding debt of £15k which occurred between Oct 2017 -sept 2021, due to legal circumstances, her first Formal Written letter regarding rent arrears was issued in February 2018, Payment plans and Notices to quit were issued, finally court possession of the property took place in February 2020.

The second is £9k – from Feb 2017 - July 2019. The first arrears letter was issued in May 2017, notice to quit was first issued in January 2019, (payments started and stopped in between these dates to stop the progression of Notice to Quit) before an injunction was issued in court due to an incident that occurred at WWH all action has been taken along the process from the side of WWH.

The Debt recovery team was not a separate team until September 2019 and then this team was pulled into Covid grant work until August 2020. An email received from the Revenue and Debt recovery manager highlights that due to a lack of clear communication regarding these debts from the housing team and the then taxation team, these debts have not been processed in the manner they should have been. These have now been addressed and will be written off under LA error/Maladministration.

Debts for Active Tenants as off 1st September 2023 = £5949.61 - 3.7d - Debt active & Former - The top 5 outstanding debts for active tenants, all but one has received the appropriate warning letters in relation to their current debt on their rent accounts. One that hasn't, is a brand-new tenant and awaiting set up of HB. Of the 4 applicable tenants all had received Warning notices

regarding their Debts on accounts. 2 had received notices to quit in relation to the debts or other reasons and have now left WWH.

- 1 - as per email sent on day, I visited had email listing debts to Recovery
- 1 - Move out email but no debt email to recovery
- 1 - Standing order was being set up with help from Carer -
- 1 - Safe Guarding issues raised for the tenant and not actually sure if they are still in WWH.

The new process is recorded on the move out form. A full debt recovery audit across all areas of the council is currently being completed and will look at end to end process within this.

Risks and consequences

Payments are not regularly chased for overdue rent and Service charges meaning reduced income for the Council.

Agreed action

All officers completing move outs to send required emails to Debt Recovery team to communicate tenants rent account positions.

Historical Debt to be reviewed and actioned as appropriate.

Officer responsible and by when

HATL - 31/3/24 (to review previous 3 months)

DM- Conversations with DCS in progress regarding historical debt- to be addressed in full council Debt Recovery Audit.

Exception 4.2 - Data Retention guidelines are in place around holding data for previous tenants.

Risk rating: Medium

Findings:

Data is held as highlighted above for current previous tenants and homelessness processing.
 Statement from Register of Data Processing: Paper - Closed cases are held in the filing room in the Housing and Environmental Services office. The filing room is locked when the offices are closed - Photo of the room available.
 Home Connections

(1) Live applications (to include all live statuses) - retained while active. (2) Removed - delete applications and associated data 12 months after removal. (3) Housed - delete applications and associated data 24 months after tenancy start date.

The register of Data Processing states - At the present time there is no protocol to destroy data held electronically. A new supplier is being procured by the Home Connections Partnership and there will be protocols included to remove data in accordance with the Council's retention policy. Only data complying with the retention policy will be transferred to the new system, which commences on 01/04/2018.

Paper records are destroyed in accordance with the Council's retention scheme.

There are currently 19,588 applications on the Home Connections web-based platform - 4,819 records are held for 'Housed' of which multiple records have a last modified date of 1/11/20 - which was from transfer from the old system - This data as per above guidelines should have been removed. this is the same for the 6059 Removed Records all added on 20/11/20.

Page 51 of the CDC retention scheme states that:

Housing advice and homelessness – the delivery of housing advice and the associated issues of homelessness - All applications will be deleted six years after the closure of the case- Application forms.

Homeless forms Homeless licences.

Page 50 of the CDC Retention Scheme states that: Housing Register – the process of the allocation and management of welfare of housing by the Local Authority as above (1) live applications etc. It states examples of this as - Housing register application forms, medical data, financial data, Photographic images, Applicant IDs.

Following a discussion with the Housing solutions Manager, it's clear that these documents do not apply to the 6 years guidance and that the electronic data was not complying to the 12/24-month rule for removal. She was aware of the documents and the need to complete a review on these held in the room at EPH and informed me there were more held within the Depot.

As states the electronic data doesn't currently have a protocol around the deletion of data held - but there are discussions taking place at present as the contract with Home Connections is coming to an end in March 2024 - Data Retention, will be a part of these discussions. The issue of data retained on Council Shared drives will be reviewed in the council wide audit of Data Retention.

It was also highlighted to Housing Solutions Manager that at present on the main external website there was no protection Policy for the Housing department but there is for all others with customer facing information. This highlights to customers what exactly we do with their data.

Risks and consequences

Sensitive data is breached that should not have still been held within WWH

Agreed action	Officer responsible and by when
Closed Paper files held with EPH and Depot to be review, removed, and destroyed as per the Data Retention Scheme Policy.	HATL - 31/3/24 – to be in progress.
The external website to be updated with a housing specific Protection policy.	BS&SM – 31/3/24