

Summary of Audit Work April – August 2008

Chief Executives Department

Analysis of Mandays

Regularity & Systems Audits

Human Resources	0.00
Employment Training	0.00
Land Charges	0.00
Register of Interests/Hospitality	<u>0.00</u>
	<u>0.00</u>

Economic Development

Business Centres	0.00
Industrial Estates	0.00
Regeneration Initiatives	<u>0.00</u>
	<u>0.00</u>

TOTAL **0.00**

Formal Reports Issued	Recommendations	Risk Assessment
None		

Chief Executives Department – Issues Reviewed

Not applicable.

Summary of Audit Work April – August 2008

Housing Services

Analysis of Mandays

Property Services

Contractors' Final Accounts	3.00
Partnership Arrangement – Mears	<u>0.00</u>
	<u>3.00</u>

Management & Rents

Disturbance & Redecoration Allowances	0.00
Housing Management	11.25
Portable Data Capture System	5.00
Rent Accounting	0.00
Rent Arrears Management/Monitoring	<u>2.00</u>
	<u>18.25</u>

Other

Rechargeable Works	0.00
LSVT	<u>0.00</u>
	<u>0.00</u>

TOTAL **21.25**

Formal Reports Issued

	Recommendations	Risk Assessment
Contractors Final Accounts	None	N/A
Portable Data Capture System	None	Medium
Rent Arrears 2007/08	None	Medium

Summary of Audit Work April – August 2008

Housing Services – Issues Reviewed

1 Contractors Final Accounts

- Examination was carried out in respect of the contractor's final statement of account and working papers for 1 scheme.
- There were no errors identified in respect of the contracts reviewed.

2 Portable Data Capture System

- Controls in place for income, banking and customer account details were examined.
- Files containing portable data capture machine printouts, bank slips and cash summary sheets were examined for accuracy and completeness.
- Payments were satisfactorily agreed to the General Ledger and bank statements.
- Suspense accounts are reviewed regularly and cash posted to the correct accounts.

3 Rent Arrears 2007/08

- The objective was to examine systems and controls in place to deal with rent arrears – management, monitoring and accounting.
- The systems in place to manage rent arrears were found to be operating satisfactorily.
- There are policies in place dealing with the management of current and former tenants arrears which are reviewed and updated regularly.
- Management information available during the recovery cycle was found to be adequate.

Summary of Audit Work April – August 2008

Leisure Services

Analysis of Mandays

Leisure Centres & Pools

Ferryhill Leisure Centre	8.75
Newton Aycliffe Leisure Centre	0.25
Spennymoor Leisure Centre	0.50
Sildon Sunnydale Leisure Centre	0.75
Fitness Suites	0.00
Bars & Catering	<u>0.00</u>
	<u>10.25</u>

Other Leisure Activities

Green Lane Canteen	6.25
Torex System	<u>5.75</u>
	<u>12.00</u>

TOTAL **22.25**

Formal Reports Issued

	Recommendations	Risk Assessment
Ferryhill Leisure Centre	Yes	Medium
Newton Aycliffe Leisure Centre 2007/08	Yes	Medium / high
Green Lane Canteen	Yes	Medium

Summary of Audit Work April – August 2008

Leisure Services – Issues Reviewed

1 Ferryhill Leisure Centre

- The purpose of the review was to ensure that the systems to control income, expenditure, stock and cash on site are adequate and adhered to.
- Procedures are reviewed and updated annually and staff informed of changes where relevant.
- Appropriate training records are being kept up to date and monitored centrally.
- Different room hire and booking rates can be charged at the manager's discretion and recommendations were made to improve controls in this area.
- Stock records were reviewed and improvements suggested in the previous audit were reiterated.
- Staff access to the fitness suites was reviewed and it was confirmed that this would be classed as a taxable benefit if provided free of charge. The Council does not have a tax dispensation to offer free staff entry and therefore tax deductions would need to be made as appropriate.

2 Newton Aycliffe Leisure Centre 2007/08

- The objective of this audit was to ensure that the systems of internal control that are in place at the Leisure Centre are satisfactory.
- Cash on site relating to till floats and petty cash was matched to the general ledger.
- Income banked as per the waybills was confirmed to the paying in slips and bank statements apart from a few minor errors.
- Some improvements were recommended relating to the maintenance of the Lost Property Register and storage of inventory.

3 Green Lane Canteen

- Controls in relation to operations and income were examined during the review.
- Income is received and banked promptly and takings could be matched to the general ledger.

Summary of Audit Work April – August 2008

Neighbourhood Services

Analysis of Mandays

Regularity & Systems Audits

Building Regulations & Planning Fees	0.00
Carelink	13.50
CCTV	7.25
Concessionary Fares	0.50
Concessionary TV Licences	2.00
Fleet Management System	2.50
Home Improvement Agency	0.00
Homelessness	8.25
Horticulture	0.00
Licensing	0.00
Neighbourhood Wardens	0.00
Shop Improvement Grants	0.00
Trade Refuse Charges	<u>11.25</u>
TOTAL	<u>45.25</u>

Formal Reports Issued

	Recommendations	Risk Assessment
Carelink	Yes	Medium / high
CCTV	Yes	Medium / high
Concessionary TV Licences	Yes	Medium
Homelessness Service	Yes	Medium

Summary of Audit Work April – August 2008

Neighbourhood Services – Issues Reviewed

1 Carelink

- A review was carried out on the Carelink service which provides services to 6,200 clients within Sedgefield Borough, Teesdale and Wear Valley DCs under the Supporting People (SP) contract with Durham County Council.
- Audit work involved verifying charges levied, raising invoices, clearing of suspense accounts, database maintenance, vat treatment, inventories and debtor management.
- As part of the review involved testing a random sample of clients to determine eligibility, validity and accuracy of charges.
- Some recommendations were made to improve the maintenance of the database and improve financial controls including the need to have comprehensive documented procedures.

2 CCTV

- Work was carried out to examine current systems in place to monitor and maintain the CCTV service provided to internal and external customers.
- The review involved examining legal status of the service, contracts in place, income and expenditure, equipment maintenance and recording and reporting of incidents.
- Some recommendations were made to ensure operating procedures are documented and updated, training logs are maintained and that incident logs are comprehensively maintained.

3 Concessionary TV Licences

- A follow-up review was undertaken to ensure that issues and recommendations in the 2007/08 audit have been resolved and implemented.
- Not all of the recommendations had been implemented and internal audit advised that reconciliations be carried out between records held by the section and the general ledger.

4 Homelessness Service

- Internal Audit examined controls in place in respect of the service.
- Income and expenditure records were examined and some improvements were suggested which involved performing monthly reconciliations to the general ledger.
- Audit reiterated the need for development of a full set of comprehensive procedure notes covering the activities of the section.

Summary of Audit Work April – August 2008

Resources

Analysis of Mandays

Income Audits

Bank Reconciliations	0.00
Collection Section	7.50
Rent Interfaces Reconciliation	0.00
Emergency Receipts & Receipt Books	0.00
Cash Offices- Green Lane	3.50
Cash Offices- Ferryhill	0.00
Cash Offices- Newton Aycliffe	0.00
Cash Offices- Shildon	0.00
Postal Remittances	0.00
Recurring Receipts	<u>0.00</u>
	<u>11.00</u>

General Audits

Car Allowances	0.00
Car Leasing and Loans	0.00
Council House Sales & Mortgages	0.00
Financial Checks	9.25
Imprests & Floats Systems	2.00
Information Technology	0.00
Insurances	0.00
Inventories	2.25
Members Expenses	0.00
Parish Recharges	0.00
VAT Return	<u>2.00</u>
	<u>15.50</u>

Core Financial Systems Audits

Capital Accounting	3.00
Council Tax	1.00
Non - Domestic Rates	0.00
Treasury Management	1.00
Accounts Payable	0.00
Accounts Receivable	1.25
Payroll & Human Resources	2.50
Housing Benefits	<u>12.50</u>
	<u>21.25</u>

TOTAL	<u>47.75</u>
--------------	---------------------

Summary of Audit Work April – August 2008

Formal Reports Issued	Recommendations	Risk Assessment
Collection Section Bank Reconciliation 2007/08	None	Medium / high
Green Lane Cash Office	None	Medium
Council House Sales 2007/08	None	Low / medium
Accounts Receivable 2007/08	Yes	Medium
Payroll 2007/08	Yes	Medium / high

Summary of Audit Work April – August 2008

Resources – Issues Reviewed

1 Collection Section Bank Reconciliation 2007/08

- The audit involved examining systems of control for income and expenditure reconciliations and performance management.
- Reconciliations are performed monthly and were found to be up to date to the end of the financial year.
- Arrangements for taking payments over the telephone were reviewed in relation to data protection requirements and revised guidance is to be circulated to ensure full compliance.

2 Green Lane Cash Office

- The audit examined systems of control for cash floats, collections and banking, security and emergency receipts at the Cash Office.
- Floats and cash receipted were verified to the General Ledger.
- The Collection and Deposit Book was up to date and the Collections' section reconciliation spreadsheet was also up to date.

3 Council House Sales 2007/08

- A review was carried out on systems for processing applications under the Right to Buy (RTB) scheme.
- Records held by Legal, Valuations, Housing and Accountancy were examined as part of the review and found to be satisfactory.
- Discounts for 10 properties sold under the RTB scheme were examined in detail and had been calculated correctly.

4 Accounts Receivable 2007/08

- The review examined systems and processes in place for accounts receivable.
- Operating procedures were reviewed and found to be operating satisfactorily. This included examining the raising of invoices, arrears management and monitoring, credit adjustments, write offs, cash in suspense and system interfaces.
- It was agreed that a number of outstanding debts should be written off which amounted to £6,847 in value.

5 Payroll 2007/08

- A review was carried on payroll systems and processes within the Authority.
- Operational procedures for the processing of payroll were examined and found to be satisfactory.
- Audit work involved examining starters, leavers, sickness, maternity/paternity pay, timesheets, national insurance numbers, working time regulations and access to records and information systems.
- A number of recommendations were made to improve controls, which included maintaining a comprehensive authorised signatories list and documenting and certifying changes to payroll records.

Summary of Audit Work April – August 2008

Summary of Mandays

CORPORATE STUDIES & PROJECTS

Corporate Work

Corporate Governance	0.00
Energy Management	26.25
Fraud and Corruption	0.00
LGR Assurance	0.00
NFI Data Matching Exercise	0.00
Performance Management	0.00
Procurement Compliance	0.00
Risk Management	0.00
Risk Register	0.0
Special Investigations	12.75
Statement of Internal Control / Governance	0.00
Partnership Governance	<u>0.00</u>
TOTAL	<u>39.00</u>

AUDIT POLICY & MANAGEMENT & CONTINGENCY DAYS

Chargeable Management

Audit Planning and Administration	15.00
Audit Management & Supervision	0.75
Enterprise Investment Grants	0.00
Advice & Consultancy	<u>8.25</u>
	<u>24.00</u>

Non - Chargeable Management

CFO Audit Sub-Group	4.75
Risk Management Sub-Group	0.25
External Training Courses & Seminars	20.00
Internal Training Courses & Seminars	21.75
Audit Committee Reports / Meetings	0.75
Other Working Groups	0.00
Section Meetings	6.00
Time Management System	<u>4.00</u>
	<u>57.50</u>

TOTAL	<u>81.50</u>
--------------	---------------------

Summary of Audit Work April – August 2008**AUDIT MANDAYS TOTAL**

Chief Executive	0.00
Housing Services	21.25
Leisure Services	22.25
Neighbourhood Services	45.25
Resources Department	47.75
Corporate Studies & Projects	39.00
Audit Policy & Management	<u>81.50</u>
TOTAL	<u>257.00</u>