



## INTERNAL AUDIT REPORT – RECEPTION SERVICES

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<u>Distribution:</u>	Audit Committee Chief Executive Director of Corporate Services Head of Corporate Performance & Compliance General Manager - Facilities
	<u>March 2019</u>

All matters contained in this report came to our attention while conducting normal internal audit work. Whilst we are able to provide an overall level of assurance based on our audit work, unlike a special investigation, this work will not necessarily reveal every issue that may exist in the Council's internal control system.

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## Executive Summary

This internal audit was completed in accordance with the approved annual Internal Audit Plan for 2018/19. This report summarises the findings arising from a review of Reception Services which was allocated 8 days.

Through the audit I found the following examples of good practice:

- Reception staff are provided with adequate training in all areas of reception services.
- Reception staff have been advised of the Council's complaints procedures and have received appropriate training in handling customers.
- There is a system in place to plan adequate cover for reception areas across the various council offices and annual leave is approved accordingly.
- All income received is recorded and receipted onto the Total financial system.
- The income received are processed against a correct department code (i.e. dog licensing/planning)
- Each receptionist has an individual log on and password
- All cash are held securely until lodged and there are adequate arrangements for the lodging of cash (e.g. external security company).
- There is appropriate insurance in place for any income held at reception areas.

One area (Priority 2) where controls could be enhanced was noted during this review.

The following table summarises the total number of recommendations from our audit (all recommendations being accepted by management):

Risk	Number of recommendations & Priority rating		
	1	2	3
Policies & Procedures	-	1	-
Receipt of Income	-	-	-
<b>Total recommendations made</b>	-	<b>1</b>	-

Based on our audit testing we are able to provide the following overall level of assurance:

<b>Satisfactory</b>	Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.
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## 1. Objective

The overall objective of this audit is to consider the main risks in relation to Reception Services and to review the key systems and controls in place to address these.

## 2. Background

Reception services are based over the 4 main headquarters of Causeway Coast and Glens Borough Council, Ballycastle, Ballymoney, Coleraine and Limavady. Council have 12 customer service administrators across the 4 main headquarters and Reception Services falls under the responsibility of the General Manager (Facilities).

Usually, the reception serves as an information centre for visitors and customers' staff, who can get help up on services including:

- Receiving visitors
- Recording of room bookings
- Directions
- Information on services available at the office
- Information on who to contact on various issues
- Cash Handling e.g. dog licences

We consider dealing with visitor needs quickly and professionally and providing a courteous greeting as vital to our reception services. To ensure we deliver a standard of reception like no other, we focus on regularly monitoring standards, training our staff thoroughly and making sure they are presentable, reliable, professional and helpful.

## 3. Risks

The risks identified relating to the Reception Services and agreed with management are as follows:

- Reception staff management (Lack of Policies & Procedures)
- Council services managed at reception e.g. dog licencing (Receipt of Income)

## 4. Audit Approach

The audit fieldwork comprised:

- Documenting the systems via discussions with key staff
- Consideration of the key risks within each audit area
- Examining relevant documentation
- Carrying out a preliminary evaluation of the arrangements and controls in operation generally within the Council
- Testing the key arrangements and controls
- Testing the completeness and accuracy of records.

The table below shows the staff consulted with and we would like to thank them for their assistance and co-operation.

Job title
General Manager - Facilities
Head of Corporate Performance & Compliance
Reception Staff

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## 5. Findings and Recommendations

This section of the report sets out our findings in relation to control issues identified and recommendations. A summary of all the key controls that we considered is included in Appendix II to this report.

### 5.1 Risk 1 – Policies and Procedures

Absence Policy	
<b>a) Observation-</b>	It was noted during the audit that Council does not have any Policy or Procedures in relation to Reception Services.
<b>b) Implication-</b>	Failure to provide quality services efficiently and effectively and customer dissatisfaction.
<b>c) Priority Rating- 2</b>	
<b>d) Recommendation 1-</b>	Council should develop an overarching Policy and Procedures for Reception Services.
<b>e) Management Response-</b>	Develop Policy and Procedures for Reception Services.
<b>Responsible Officer &amp; Implementation Date-</b> General Manager (Facilities) Summer 2019	

### 5.2 Risk 2 – Receipt of Income

Audit has no findings or recommendations to make in relation to this risk area.

## **6. Appendix I: Definition of Assurance Ratings and Hierarchy of Findings**

### **Satisfactory Assurance**

Evaluation opinion: Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

### **Limited Assurance**

Evaluation opinion: There are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to the system objectives not being achieved.

### **Unacceptable Assurance**

Evaluation opinion: The system of governance, risk management and control has failed or there is a real and substantial risk that the system will fail to meet its objectives.

## **Hierarchy of Findings**

This audit report records only the main findings. As a guide to management and to reflect current thinking on risk management we have categorised our recommendations according to the perceived level of risk. The categories are as follows:

**Priority 1:** Failure to implement the recommendation is likely to result in a major failure of a key organisational objective, significant damage to the reputation of the organisation or the misuse of public funds.

**Priority 2:** Failure to implement the recommendation could result in the failure of an important organisational objective or could have some impact on a key organisational objective.

**Priority 3:** Failure to implement the recommendation could lead to an increased risk exposure.

## 7. Appendix II: Summary of Key Controls Reviewed

Risk	Control issues
<p>There potentially could be a lack of policies and procedures of reception services for staff to follow leading to customer dissatisfaction</p>	<ul style="list-style-type: none"> <li>• The council should have documented policies and procedures for all reception services e.g. telephone answering; receipt of queries; taking payments; recording any bookings etc.</li> <li>• The policies and procedures are provided to staff</li> <li>• The policies and procedures are regularly reviewed and updated</li> <li>• Reception staff are provided with adequate training in all areas of reception service</li> <li>• Reception staff have been advised of the Council's complaints procedures and have received appropriate training in handling customers</li> <li>• There is a system in place to plan adequate cover for reception areas across the various council offices.</li> <li>• Annual leave is approved, and adequate cover is available</li> </ul>
<p>There is a potential risk that cash received at reception are not processed and secured correctly leading to financial loss for the council</p>	<ul style="list-style-type: none"> <li>• All cash received is recorded and receipted</li> <li>• An adequate financial system is in place for processing cash (e.g. Total)</li> <li>• The cash received are processed against a correct department code (i.e. dog licensing/planning)</li> <li>• Each receptionist has an individual log on and password</li> <li>• Staff follow a bank and cash procedure</li> <li>• If a float is used, it is checked before and after each shift</li> <li>• All cash are held securely until lodged</li> <li>• Lodgements are made regularly</li> <li>• There is appropriate insurance in place for any income held</li> <li>• There are adequate arrangements for the lodging of cash (e.g. external security company/ adequate staff)</li> <li>• Tills are cashed up and a till report is generated to compare against at the end of each shift.</li> <li>• Till reports are signed and any discrepancies investigated</li> <li>• There are cash limits to what the reception services can receive..</li> <li>• There is appropriate segregation of duties and checking between cash being received, cash being recorded on the financial system and cash being lodged</li> </ul>