



**INTERNAL AUDIT REPORT
(October 2015 – March 2016)**

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<p>Trade Waste/CA Sites</p>	<p>3. All civic amenity sites should have their Employers Liability Insurance Certificate displayed by law.</p> <p><u>Trade Waste Contracts/Invoicing and Payments</u></p> <p>4. Payment terms specified on the trade waste contract should be streamlined across all council areas.</p> <p>5. Consider revising the terms and conditions detailed on the contract to specify what action is to be taken in the event of a dispute or failure to pay.</p> <p>6. Payment terms should be specified on the trade waste invoice currently being issued such as payment due within 30 days upon receipt of invoice.</p> <p>7. Management should ensure that reconciliations between departmental records and the debtors system are completed on a regular basis in order to provide assurance that all customers have been set up correctly on the debtors system, that all departmental records are up to date, and that all services provided have been accurately billed for.</p> <p>8. Council should consider payment in advance with a reconciliation carried out at year end.</p>	<p>Environmental Services</p>	<p>Agreed. Will request copy from Corporate.</p> <p>All trade waste payment terms to be harmonised.</p> <p>Will consider revision.</p> <p>Will liaise with finance.</p> <p>Will liaise with finance.</p> <p>Will liaise with finance and risk assess.</p>
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<p>Trade Waste/CA Sites</p>	<p><u>Payments of Commercial Bags/Tape Purchased</u></p> <p>9. Management should contact the providers of the TeCare system to discuss implementing a facility to show how transactions are paid at the Depot. In addition, the bag and tape system should be rolled out to all Council areas.</p> <p><u>CCTV Footage Checks</u></p> <p>10. CCTV should be fully operational at all civic amenity sites with a process in place to report CCTV not operational together with a timescale for repairs.</p> <p>11. Random monitoring of CCTV should be carried out by Management.</p>	<p>Environmental Services</p>	<p>Will follow up with TeCare and discuss feasibility of rolling out bag and tape system. Management agreed that harmonisation of service is appropriate.</p> <p>Agreed. Will liaise with estates for repairs and maintenance timescales.</p> <p>Agreed.</p>
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Conclusion

Based on this report's findings, Internal Audit has given a **Satisfactory** Level of Assurance on the Internal Control Framework within the function at the present time, in line with Public Sector Internal Audit Standards.

3. CRAIGAHULLIAR LANDFILL SITE AUDIT

Audit Report Title	Recommendations	Responsible Department	Management Responses
Craigahulliar Landfill Site	<p><u>Examination of CCTV footage on site</u></p> <p>1. Management should ensure that the timing of the camera system is in sync with the weighbridge system.</p>	Environmental Services	Agreed. Will contact relevant companies to sync.

Conclusion

Based on this report's findings, Internal Audit has given a **Full** Level of Assurance on the Internal Control Framework within the function at the present time, in line with Public Sector Internal Audit Standards.

4. ARTS CENTRE AUDITS

Audit Report Title	Recommendations	Responsible Department	Management Responses
Flowerfield Arts Centre	<p>Invoiced Customers</p> <p>1. Details of invoices to be raised should be forwarded to finance within 7 days.</p>	Leisure & Development	Flowerfield will immediately endeavour to revise and improve their internal systems for recording and dispatching Invoices efficiently and effectively within the required time frames and in line with Council policy. It should be recorded that Flowerfield's acknowledged failings in this matter are partly due to the ongoing Council merger and our recent problem of frequently changing or shortage of staff dealing with this aspect of administration.

<p>Flowerfield Arts Centre</p>	<p>2. An outstanding debtors report should be issued to the centre on at least a monthly basis, with a further follow up review meeting with credit control on a quarterly basis.</p> <p>Booking Forms/Charges</p> <p>3. An invoice should be issued to the customer for the service provision on all occasions.</p> <p>4. Council should consider moving towards upfront payment as well as/instead of issuing invoices.</p> <p>Ticket Sales</p> <p>5. An accurate record of tickets sold/unsold should be retained for reconciliation purposes.</p>	<p>Leisure & Development</p>	<p>Flowerfield staff will continue to consult with the CCG Finance Office on new procedures and follow up information but are aware of a lack of comprehensive information from the Finance Officer at this time particularly concerning the development of the new “centralised” financial processing systems.</p> <p>These will now be addressed.</p> <p>Failings on this matter are exceptional. This is being addressed.</p>
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Flowerfield Arts Centre	Review of Recommendations from Audit dated 2014 6. A computerised till system should be implemented at Flowerfield as soon as possible. Consideration should be given to the possibility of reprogramming the till previously used at Dunluce Centre. 7. Management should consider measuring and testing the quality of the service by implementing a range of audience feedback mechanisms. 8. Consideration should be given to the suggestions in relation to generating extra income for the centre by carrying out a cost/benefit analysis.	Leisure & Development	<p>If the redeployment of this till system is possible it would be useful to us to move forward on acquiring the same. Currently resources are somewhat stretched to purchase an entirely new system.</p> <p>These two points are currently being discussed for further development as part of the Causeway Coast and Glens Cultural Arts and Heritage Strategy Consultation and Action Plan.</p>
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Audit Report Title	Recommendations	Responsible Department	Management Responses
Roe Valley AC	<p>Cash Reconciliations</p> <p>1. When a refund is issued, a valid reason for the refund should be recorded on the back of the till receipt which should be attached to the daily product sales report.</p> <p>Lodgements/Card Income</p> <p>2. Management should ensure that lodgements are made before amounts held in the safe exceed £1000 as this is the maximum amount that Council is insured for.</p> <p>Invoices</p> <p>3. The centre should ensure that all outstanding invoices are followed up as soon as possible.</p> <p>Ticket Sales</p> <p>4. Management should develop and implement a spreadsheet to enhance the process for recording receipt and issue of third-party tickets.</p> <p>5. The centre should retain all ticket stubs and unsold tickets for audit purposes.</p>	Leisure & Development	<p>Agreed.</p> <p>Agreed. Management will monitor lodgement totals, particularly during busy box office periods when income exceeds £1,000, as applicable to the one occasion cited in findings.</p> <p>Resolved. All invoices now centralised, issued and processed by Finance, effective from 01/02/16, in line with Council credit control procedures.</p> <p>Agreed.</p> <p>Agreed.</p>

Audit Report Title	Recommendations	Responsible Department	Management Responses
Ballymoney Town Hall	<p>Cash Reconciliations</p> <ol style="list-style-type: none"> 1. The daily cash reconciliation sheet should be signed by both the duty officer and finance on all occasions. 2. When refunds are issued, they should be authorised/signed off by Management as per cash handling procedures. 3. A valid reason for variances should be recorded on the daily cash reconciliation sheet. 4. Greater care should be taken in relation to filing and administration of paperwork to ensure all backup is attached to the appropriate daily sales report. <p>Ticket Sales</p> <ol style="list-style-type: none"> 5. The centre should develop and implement a spreadsheet to enhance the process for recording receipt and issue of third-party tickets. 6. An accurate record of tickets sold/unsold should be retained for audit purposes. 	Leisure & Development	<p>Agreed.</p> <p>Agreed.</p> <p>Agreed.</p> <p>Agreed.</p> <p>Agreed.</p> <p>Agreed.</p>

5. MUSEUM AUDITS

Audit Report Title	Recommendations	Responsible Department	Management Responses
<p>Museums</p> <p>Coleraine, Ballymoney, Roe Valley & Green Lane, Limavady and Ballycastle.</p>	<p>Entry, Accession, Movement and Exit of Items</p> <p>1. To ensure that a full inventory of each Museum collection is maintained, the Council should work to address the backlog of items to be accessioned.</p> <p>Security of Museum Assets</p> <p>2. Council should provide a formal list of key holders for all museums.</p> <p>3. To provide evidence that visual checks of the building and collection are being undertaken, the Council should consider introducing a checklist for completion by the Museums Officer. The checklist should include the checks required under the Museum's Collection Care & Conservation Plan and Emergency Manual Part 1: Risk Reduction & Preparation. Copies of the completed checklists should be given to the relevant department for inclusion in the Museum's property file and to the Museums Manager to ensure that any corrective actions required for the collection are identified.</p>	<p>Leisure & Development</p>	<p>Backlog managed through the Documentation Plan as part of the Accreditation standard. Volunteers provide enormous contribution in delivering on that Plan. Targets are set in line with current resources. Budget required to bring in more support to progress more quickly.</p> <p>Agreed.</p> <p>Agreed with the exception of Ballycastle Museum. Weekly visits are not sustainable with current resources. The weekly monitoring by the Countryside Access officer was a suitable solution identified with conservators.</p>

<p>Museums</p> <p>Coleraine, Ballymoney, Roe Valley & Green Lane, Limavady and Ballycastle.</p>	<ol style="list-style-type: none"> 4. Issues identified in the checklist should continue to be communicated to environmental services by the Museums Officer for remedial action. The Head of environmental services should then liaise with the Museums Manager and the Head of Community & Culture to ensure that adequate protection measures can be put in place for the collection whilst any remedial works are being carried out. 5. As part of Coleraine Museum's accreditation a PSNI survey should be carried out for museum items retained in Cloonavin as evidence that security is considered to be of an acceptable level commensurate with risk. 6. Council should consider removing Coleraine Museum collection from the basement in Cloonavin to a dedicated secure space which is designed to meet standards and requirements for the preservation, protection, and accessibility of the collection as a matter of urgency. 	<p>Leisure & Development</p>	<p>Agreed, however, not applicable to Limavady/Green Lane.</p> <p>With John Andersons input that can be actioned.</p> <p>Environmental and security conditions have to be met along with workplace comfort for staff and researchers required as daily access to area required with ability to accommodate regular working in stores – packing, inspection, preparing for display, returning from display, isolation area etc.</p>
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Conclusion

Based on the museum audit findings, I would conclude that the controls in place provide a **satisfactory** level of assurance.

7. FLEET MANAGEMENT AUDIT

Audit Report Title`	Recommendations	Responsible Department	Management Responses
Fleet Management	<p>Review existing controls, policies, and procedures relating to fleet management</p> <p>1. Council should finalise and formally approve the fleet management strategy.</p> <p>Determine what checks on fuel usage/mileage efficiency are carried out by management</p> <p>2. The pumps should be replaced at Limavady depot as a matter of urgency to enable the fuel system to provide accurate readings.</p> <p>3. Fuel should be bulk ordered centrally to enable a more competitive price to be sought.</p> <p>4. Council should ensure all vehicles are added to the fleet tracking system.</p>	Environmental Services	<p>Agreed</p> <p>Agreed</p> <p>May be difficult as different quantities are ordered at different times and therefore capacity for a Council wide bulk order may not be available. Flexibility to price around when required can offer savings.</p> <p>Agreed</p>

	<p>Determine if vehicle maintenance is undertaken in a planned way</p> <p>5. Records of all maintenance work carried out by the hire company for Limavady locality vehicles should be provided to the Fleet Manager to provide assurance required under the Operator's Licence.</p> <p>6. Council should consider developing a central maintenance / servicing schedule for all localities that will ensure consistency of standards, record keeping and performance review across the council.</p> <p>7. Council should consider introducing a full service every 6 months at all localities.</p> <p>8. Council should consider reviewing the resourcing levels to ensure they are complying with legal requirements in relation to the Fleet Operator's Licence.</p>		<p>Agreed</p> <p>Agreed</p> <p>Agree to consider</p> <p>Agree</p>
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Conclusion

Based on the fleet management audit findings, I would conclude that the controls in place provide a **Satisfactory** level of assurance.

8. OFF STREET PARKING

Audit Report Title	Recommendations	Responsible Department	Management Responses
Off Street Parking	None	Environmental Services	

Conclusion

Based on the off street parking audit findings, I would conclude that the controls in place provide a **full** level of assurance and have resulted in no recommendations being made.

APPENDIX 1: ASSURANCE LEVELS

Category	Definition
No Assurance 'Dark Red'	There are fundamental weaknesses in the control environment which jeopardise the achievement of system objectives and could lead to significant risk of error, fraud, loss or reputational damage being suffered.
Limited Assurance 'Red'	There are a number of significant control weaknesses and/or a lack of compliance which could put the achievement of system objectives at risk and result in error, fraud, loss or reputational damage.
Satisfactory Assurance 'Amber'	An adequate control framework is in place but there are weaknesses and/or a lack of compliance which may put some system objectives at risk.
Full Assurance 'Green'	There is a sound control environment with risks to system objectives being reasonably managed. Any deficiencies identified are not cause for major concern.

Recommendation Categorisations

Priority	Definition	Timeframe for taking action
Red – 1	A serious issue for the attention of senior management and reporting to the appropriate Committee Chairman. Action should be initiated immediately to manage risk to an acceptable level	Less than 1 month or more urgently as appropriate
Amber - 2	A key issue where management action is required to manage exposure to significant risks, action should be initiated quickly to mitigate the risk.	Less than 3 months
Green - 3	An issue where action is desirable and should help to strengthen the overall control environment and mitigate risk.	Less than 6 months

Note: These 'overall assurance level' and 'recommendation risk ratings' will be based upon auditor judgement at the conclusion of auditor fieldwork. They can be adjusted downwards where clear additional audit evidence is provided by management of controls operating up until the point of issuing the draft report.