

# MINUTES

## GOVERNANCE AND AUDIT

### COMMITTEE

THURSDAY, 24 MARCH 2016



#### 48. INTERNAL AUDIT - UPDATE

The Corporate Finance Manager introduced report number CFM359, which gave an overview of work completed by Internal Audit between 19 November 2015 and 9 March 2016.

##### (1) Internal Audit Progress Report

Amjad Ali presented the report on behalf of RSM, which had been re-awarded the contract for providing internal audit services to the Council. He confirmed that all the work on the internal audit plan for 2015/16 had now been completed with seven reports finalised since the Committee was last updated. Of those audits, 3 were given a positive, green assurance with no management actions raised (treasury management, elections and planning fees) while risk management was given a green assurance with three low risk recommendations raised. The remaining three audits were given positive opinions with an amber/green level of assurance: 6 low risk recommendations were raised in relation to green waste, 5 low and 2 high risk recommendations were raised in relation to gas servicing and 3 medium and 3 low risk recommendations were raised in relation to tenancy management.

Further detail was discussed in relation to gas servicing. In response to a member's question, the Business Manager, Assets and Facilities explained that information relating to the number of properties where gas servicing had been completed had been consolidated and reconciled on the core asset management database. A 3-month monitoring period was underway during which the old and new systems would run parallel with one another to ensure that there was confidence that the new system was running correctly. The testing phase was due to be completed by May 2016.

One member asked questions regarding the sample testing which identified instances where the four-week tenancy notice period was not being adhered to. Tenancies started on a Monday and ended on a Sunday, however, of the sample tested, a number were identified where the notice period began part-way through the week, rather than commencing the following Monday, which ultimately resulted in lost. Members noted that a wholesale review of tenancy agreements was underway, which could provide an opportunity to address the internal audit recommendations by changing the date from which the four-week notice period would commence.

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Members also gave additional consideration to recommendations in relation to green waste. One Councillor made comments about the way in which payment for green bins was changing; residents were offered a reduced rate for signing up to pay annually by direct debit. No discount was offered to customers who paid by debit card, for which the Council was not subject to transaction fees, about which some concern was expressed. Members also raised concerns about the availability of the offer for those residents who did not have access to the internet. Officers provided some reassurance that a lack of internet access would not prevent a customer from setting up a direct debit, explaining that customer services advisors were able to arrange this over the telephone. Some members also made comment about difficulties that had been experienced with the system through which the direct debit had to be set up. Committee members recommended that the decision to offer reductions to residents signing up for direct debit and the way in which systems had operated during the renewal period should be considered by the Scrutiny Committee. It was further suggested that the Council may benefit from speaking to customers who had chosen to end their subscription to the green bin service to find out why.

The contents of the report were noted.

**Recommendation:**

**That the Scrutiny Committee should consider the decision to offer reductions to customers paying via direct debit for green bin renewals together with the way systems had operated during the renewal period.**