



EPSOM AND EWELL BOROUGH COUNCIL

Internal Audit Progress Report

Audit, Crime & Disorder and Scrutiny
Committee Meeting

April 2016

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made.

Recommendations for improvements should be assessed by you for their full impact before they are implemented. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

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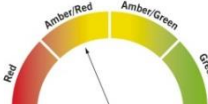
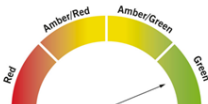

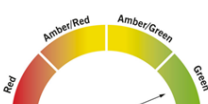
1 INTRODUCTION

The Internal Audit Plan for 2015/16 was approved by the Committee in Date 9 April 2015. This report provides a summary update on progress against that plan and summarises the results of our work to date.

2 REPORTS CONSIDERED AT THIS AUDIT COMMITTEE

This table informs of the audit assignments that have been completed and the impacts of those findings since the last Audit Committee held.

The Executive Summary and Key Findings of the assignments below are attached to this progress report at Appendix B. In addition we have included the executive summaries from the Project Management Advisory review (9.15/16) and Contract Management Advisory Review (10.15/16) not included in our January progress report.

Assignment	Assurance	Management Actions agreed		
		High	Medium	Low
Car Park Income (11.15/16)		1	1	1
Fleet Management (12.15/16)		-	-	2
Payroll (14.15/16)		-	1	3
Capital accounting and fixed assets (15.15/16)		-	-	-

2.1 Impact of findings to date



To date there are no areas that we need to bring to your attention as adversely impacting on our annual opinion.

Overall the level of findings and recommendations is low and management actions are being responded to in a timely manner.

2.2 Themes arising from our findings

The table below shows the issues we have flagged to date in our reports this year, and the underlying causes of the control weaknesses.

Root cause	High	Medium	Low
Policies and / or procedures out of date	1	7	4
Non-compliance with policies / procedures	-	3	2
Poor design of the control framework	3	5	5
Lack of training / awareness for staff	1	2	4
Lack of or poor management or performance information	1	1	3
Lack of segregation of duties	-	-	-
Poor record keeping	-	-	4

3 LOOKING AHEAD

Assignment area	Timing per approved IA plan 2015/16	Status
Green Waste Income (13.15/16)	Quarter 2	Draft report issued 5 February 2016
Facilities Management	Quarter 3	Moved to quarter 4, and combined with risk management, governance and procurement. Being undertaken by contract specialist.
Performance Management and Delivery of Corporate Plan	Quarter 4	Fieldwork complete
Data Quality	Quarter 3	Fieldwork to start in March 2016
IT Audit	Quarter 3	TBC
Risk Management	Quarter 4	As above
Governance	Quarter 4	As above
Procurement	Quarter 4	As above

4 OTHER MATTERS

4.1 Changes to the audit plan

There have been no further changes to the plan.

4.2 Added value work

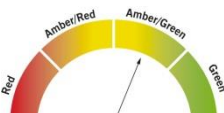
We have undertaken the following added value work since the previous meeting of the Committee.

Area of work	How this has added value
Our audit of project management and contract management were undertaken by a specialist in this area.	Our audit has provided the Council with a greater level of skill in these areas which has resulted in areas for management attention which may not otherwise have been determined. These reports are currently in draft for management review.
The combined review of facilities management, risk management, governance and procurement into one audit focusing on the governance, risk management of the facilities management contract in operation.	This review has been undertaken by a specialist to provide guidance as to the suitability of the contract, the adherence to contract terms and any potential for the council to obtain better value from the detail of the contract.

4.3 Key performance indicators (KPIs)

Delivery				Quality			
	Target	Actual	Notes (ref)		Target	Actual	Notes (ref)
Audits commenced in line with original timescales	Yes	Yes	1	Conformance with PSIAS and IIA Standards	Yes	Yes	-
Draft reports issued within 10 days of debrief meeting	100%	50%	2	Response time for all general enquiries for assistance in 2 working days	100%	100%	-
Final report issued within 3 days of management response	100%	100%	-	Response for emergencies and potential fraud	1 working day	N/A 100%	-
Notes							
1 – Dates have been changed at the request of management. No audits were cancelled/moved by RSM							
2 – Reports were delayed earlier in the year. Delays now addressed.							

APPENDIX A: INTERNAL AUDIT ASSIGNMENTS COMPLETED TO DATE

Assignment	Opinion issued	Actions agreed		
		H	M	L
Attendance (1.15/16)		-	1	1
Recruitment (2.15/16)		-	1	5
Review of Anti-fraud and Anti-bribery Arrangements (2013/14) (3.15/16)	Advisory	1	5	3
Cash Handling (4.15/16)		1	3	2
Venues (5.15/16)		-	1	1
Information Governance (6.15/16)		-	2	8
Property Maintenance 7.15/16		1	1	2
PCI Compliance Control Framework (8.15/16)		3	6	-
Project Management Advisory review (9.15/16)	Advisory	-	7	-
Contract Management Advisory Review (10.15/16)	Advisory	-	7	-

APPENDIX B: EXECUTIVE SUMMARIES

Assignment: Project Management Advisory review (9.15/16)	Opinion:	Advisory
<p>a) Our review found some evidence of good practice project management across the Council. However, this was not consistently applied on many of the projects that we observed during our field work. Our view is that the formal application of project management is in its infancy. In particular, we identified weaknesses in project risk management, governance and accountability.</p> <p>b) There were also challenges around getting planned projects started in good time to enable delivery within timescales. Overall, we found there is scope to improve ways of working when delivering projects and related change programmes.</p> <p>c) Our report proposed a set of actions that if taken could bring significant improvements to the management of projects across the Council. These were:</p> <ul style="list-style-type: none"> i. The Council should build upon existing work around project management templates and processes being carried out by the ICT Team and expands this so that a set of Council wide project management tools can be developed. There should be a single Epsom & Ewell Borough Council project toolkit. ii. The Council should consider investing in developing a set of principles/ways of working that can serve as a guide to reinforce key values and behaviours that lead to effective management and delivery of projects. iii. The Council should develop a comprehensive project register in order to maintain periodic oversight of key projects that are being initiated and delivered across the Council. This should build upon existing information and data captured in the capital bid process and the Project Teams 'current works list'. iv. Resource constraints impacting project delivery should be identified and escalated to senior leaders in good time for resolution. To maximise the likelihood of delivering planned work, we recommend that the Council includes resource stage assessment during the later stages of the capital bid process. v. The Council should carry out lessons learned reviews on all major projects. vi. Terms of reference be created between project sponsors and the Projects Team, to ensure roles and responsibilities are clear for managing controls. Project boards should also be created to provide oversight of projects of a significant size and to ensure projects are routinely reviewed. vii. Projects of a substantial size should have a devoted risk log that is monitored and updated regularly throughout the life of the project. Significant risk, with a high impact and likelihood, should be escalated to project boards and/or senior stakeholders. In our view, the capital appraisal forms should include risk to delivering proposals within suggested timescales. <p>The introduction of these changes should be approached and managed as a change programme to ensure that there is buy in and support from stakeholders across the Council.</p> <p>Management Response</p> <p>The actions to be taken have been reported to the Leadership Team with timescales for completion.</p>		

Assignment: Contract Management Advisory Review (10.15/16)	Opinion:	Advisory
<p>a) The fieldwork conducted as part of our advisory review identified some instances of good practice contract management within the Council. For example, the presence of a contract register. However, overall there were limited formal contract management processes and controls in place. In particular, we identified challenges around performance reporting on contracts and gaps in accountabilities between those responsible for contract management and sponsors within service areas. In addition, there were no processes in place to ensure that contracts of significant risk were identified and given greater attention.</p> <p>b) In our view, the absence of formal contract management practice leaves the Council exposed to risk and decreases the likelihood of obtaining full value from contractual relationships with third party suppliers. Therefore, our actions were around introducing a more structured approach to contract management and investing in improving contract management awareness.</p> <p>Summary of actions:</p> <p>i) The Council should update its contract register to include all contracts across the organisation. The contract register should be kept up to date and shared with senior management periodically. In addition, a single depository of signed contractual documents should be created. It should become a mandatory process to upload new contracts onto the database once signed.</p> <p>ii) The Council conducts an assessment of its contract management resource requirements.</p> <p>iii) We recommend a number of improvements to reporting progress on performance of projects managed by the Projects Team. The quality of the 'current works projects' reporting tool should be enhanced so that it covers information on suppliers, key risks and progress against contracted agreements.</p> <p>iv) The Council should invest in contract management and commercial awareness training. Training should be made available for all of those involved in managing relationships with third parties, including staff, managers, sponsors and senior managers involved in leading projects which are being supported by third parties.</p> <p>v) The Council develops governance arrangements for contracts. Such arrangements should set out the roles and responsibilities for the various functions involved in contract management. Priority contracts should be subject to more formal controls and periodically reviewed via the Council's governance structure.</p> <p>vii) Where appropriate, the Council should seek to pass the administrative responsibilities for collecting contract performance information to its suppliers. This should assist in reducing the burden of Council staff in collecting performance monitoring information on contracts.</p> <p>viii) The council should distil the high level activities contained within this advisory report and produce a more detailed contract management improvement plan. The plan should be tracked against completion of outputs and delivering planned outcomes.</p> <p>Management Response</p> <p>The actions to be taken have been reported to the Leadership Team with timescales for completion.</p>		

Assignment: Car Park Income (11.15/16)	Opinion:	Amber / Red
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a) During the audit it was noted that the Council do not have a formal write-off procedure in place for the writing off of Parking Charge notices. There is a risk that the approach to writing off car park income debts is inconsistent and that debts may be inappropriately written off by employees in the Council without the appropriate level of authorisation.

b) Keys for the pay and display machines are stored in the Ashley centre car park. They are stored in a locked room and only those with access to the keys have the pin to enter the room. There is no sign out sheet in place for the keys when individuals who work for the Council remove them. There is a risk that without a sign out sheet keys are potentially in the possession of inappropriate individuals.

c) A reconciliation spreadsheet is maintained to record values of cash removed from the parking pay machines and the audit ticket produced. The results reflect significant discrepancies between the values on the audit tickets and the cash removed from these machines.

In particular from an examination of 74 days from September to mid November 2015 there were 64 variances reported with an unidentified reason recorded on the reconciling spread sheet. Of these 64 variances, 29 exceeded £200 and 2 exceed £1000. Although overall discrepancies are appearing as positive, this could potentially due to the absence of an audit ticket. The overall level and value of variance weakens our overall assurance that all monies are accurately and completely accounted for.

Variance Discrepancy	September	October	November (to the 16/11/15)
£0	1	2	0
>£0 <£5	1	0	0
>£5 <£50	3	11	16
>£50<£200	1	3	0
>£200	16	10	3
Total value of variance (+/-)	+ £9333.55	+ £4313.25	+£2465.45

Well-designed controls being applied effectively

d) New fees and charges are presented annually to the Environment Committee for approval. Reports are presented to the Board for approval and the new charges are implemented. Fees and charges were presented to the Environment Committee and approved for the next financial year on January 2015.

e) Cash is collected by a cash handling company – Contract Securities. They empty the machines and deliver the cash to the bank. We found that in all cases cash was promptly banked after collection, taking an average of two days before being recorded in the bank account.

f) A bank reconciliation is carried out between the cash collected from pay and display machines and the amount deposited in the bank. We found the reconciliation was carried out on a daily basis and we did not identify any reconciling issues in our sample.

g) The Council has a 'Lifespan' of a standard Penalty Charge Notice (PCN). The process map details the lifecycle of a charge notice and the payments to be made at each stage. In addition there are process notes that detail how to actually use the system SiDem and how PCNs are issued from the system.

h) A Penalty Charge Notice has six stages to its 'life'. If payments are not made within certain timescales, triggers are activated on the SiDem software and the PCN is escalated to the next stage of payment recovery. We found for a sample of PCNs that the appropriate follow up action had taken place to recover the monies owed by the individual fined.

i) Parking charge notice appeals can be made via email (using the Council's website) or by letter. Procedures are in place for the staff involved to follow. Appeals must be in writing and cannot be made via phone call. Once a decision has been made the Council will write to the individual to inform them of the outcome. Whilst a PCN is being challenged the debt chasing process will be put on hold. We found from our sample that all appeals had been processed correctly and when a decision had been made the individual was written to inform them of the outcome. In addition, going forward the Council is moving towards barrier controlled access on their car parks which should reduce the number PCNs issued. However, use of barriers brings different risks of operations from pay and display.

	Agreed Management Action	Implementation Date	Manager Responsible
1	A sign out sheet for parking machine keys will be introduced, detailing: <ul style="list-style-type: none"> - date - key number - reason for key request - time the key was taken in or out - the individuals name and signature. (Low) 	1 April 2016	Joy Stevens – Head of Customer Services
2	The Customer Services Team will investigate the differences on the values on the audit tickets and cash collected. Reasons for each variance will be investigated and recorded on the reconciliation. In addition this reconciliation will be reviewed by the Head of Customer Services on a monthly basis with the results of her review recorded to reflect the acceptance of reasons and investigations undertaken. (High)	31 January 2016	Joy Stevens – Head of Customer Services
3	A write- off procedure will be agreed by management for car park income debt. The procedure will detail the signatories required to authorise a write-off and at the point at which recovery processes have been exhausted. (Medium)	1 April 2016	Joy Stevens – Head of Customer Services

Assignment: Fleet Management (12.15/16)	Opinion:	Green
<p>We identified a good level of controls established, with two exceptions:</p> <p>a) The fleet vehicle requirements are discussed informally with service managers at regular meetings during the course of the year to ensure that services to be delivered can be met. For example, would the Council need to procure an additional type of vehicle if there was to be a change in service provision. The outcome of these discussions are not formally minuted or documented. There is a risk this weakens the rationale and decision making process in the fleet requirement going forward.</p> <p>b) The Fleet Team at the Depot monitor vehicle downtime but not MOT success/failures. In addition KPIs are not formally reported to management. There is a risk the absence of such formal reporting weakens routine assurances of oversight and control.</p> <p>Application of the Control Framework</p> <p>We did not identify any issues with the application of the control framework during the audit.</p> <p>c) Legislation requires fleet managers to hold an Operator's licence. We satisfactorily verified evidence that a current Operator's Licence is held by the nominated officer who is the Fleet Manager.</p> <p>d) We confirmed insurance cover is in place for the Council's fleet. Insurance managed by London Borough of Sutton (LBS) on behalf of the Council, which deals with Zurich insurers on the Council's behalf. Any claims under £25,000 are dealt with by LBS, and over £25,000 Zurich will take over. Additionally all third party insurance claims are carried out using Zurich.</p> <p>e) Previously tendering at the Depot was carried as per the Council's standard procurement approach. The last procurement activity carried out was in 2008 for the SFS contract for leased vehicles. Any additional vehicles have been made within this contract. The SFS contract is to expire in 18 months' time. The Council has decided to use the Yorkshire Purchasing Organisation (YPO) to carry out the procurement process for the new fleet lease contract due to the better service offered. The procurement process is in the early stages but four potential suppliers had been chosen and the contract was go out to tender in January/February 2016. It was undecided if the Council would purchase or lease the next set of fleet vehicles.</p> <p>f) The status of driver's personal licences is routinely checked and verified by an external company, the Licence Bureau, and reported to EEBC. Random spot checks are carried out on driver's eligibility to drive. We were also provided with a full report where all driver licences had been checked. The report did not identify any issues and action did not need to be taken.</p> <p>g) All drivers are required to sign a declaration of fitness to drive. LGV drivers (above 7.5-tonne vehicles) are required to undergo a medical at age 45 and every five years thereafter. In addition, waste services drivers undergo a mandatory annual hearing test and optional eye tests are available to drivers. The results of health checks are reported to management at the Depot. A memo was sent out to all drivers on 2 December 2015 to remind them to report medical conditions that will affect their driving.</p> <p>h) Routine in year vehicle maintenance, annual MOTs and payment of road fund licences are monitored through a number of monitoring spreadsheets which have key reminder dates set up to prompt the Transport Administrator. For a sample of fleet vehicles selected we found that all were present on the monitoring spreadsheet detailing when the last service/MOT was carried out and we verified that an MOT had taken place as per the schedule for each vehicle sampled.</p> <p>i) All vehicle repairs for damage are costed and purchase orders are authorised on the fleet software by the Transport Administrator or Fleet Manager depending on the value. The Transport Administrator can authorise orders to £250 and the Fleet Manager above this for vehicle reports only. If he is not present the authorisation request is escalated. For a sample of 10 maintenance and repair costs we found that all had been authorised appropriately on Fleetwave, which interfaces with the Council's finance system for payment.</p>		

j) Keys for vehicles have to be signed in and out of the Depot. They are kept in a safe that has a pin protected access code. We were provided with the sign out and sign in sheet. We observed workers at the start of the day signing out their keys and on their return signing them back in. In addition our testing confirmed that keys were all returned at the end of the day and securely stored.

k) The Transport Administrator carries out bi-weekly audits of fuel usage. A sample of 10 fuel records are selected and reconciled against the original receipts for fuel payments. We reviewed the last five audits carried out by the Transport Administrator and found a receipt was in place in relation to each fuel payment. There were no variances identified but investigations are carried out by the Transport Administrator if discrepancies are identified.

l) Accidents reported are recorded and rates are scrutinised and monitored via a monitoring spreadsheet. If drivers are involved in three or more incidents in 12 month rolling period discussions are held with their line manager. We were provided with the monitoring spreadsheet that details accidents that have occurred as well as; who is responsible and the value of the subsequent claim.

m) Budget monitoring identifies any exceptional costs that may be arising in respect of fuel or overheads. Routine budget reports are provided to the Fleet Manager and quarterly meetings and updates occur with the appropriate Group Accountant. Fuel cost monitoring forms part of the budget monitoring process and is analysed by the Waste and Transport Manager and the Senior Financial Accountant. We satisfactorily confirmed that budget reports are received by the Fleet Manager. The budget reports are reviewed by the Fleet Manager and any exceptional costs are noted and explanations are sought.

n) Maintenance fees are fixed within the contract and included in the cost of leasing the vehicle. SFS repair and maintenance employees are as a result paid a fixed fee and the Council have no jurisdiction over monitoring their performance.

o) For O Licence holders, the legislation requires that daily vehicle checks are undertaken. There is a defect book in place for every vehicle. The drivers are required to fill this out every time the vehicle is used. If the drivers identify a defect they are required to update and take the book and keys into the workshop so it can be repaired. If there are no defects they are required to state this in the book. For a sample of vehicles we reviewed the defect books and found all were being filled out prior to the vehicle being used.

	Agreed Management Action	Implementation Date	Manager Responsible
1	In conjunction with informal meetings, in order to demonstrate a clear rationale and decision making process in the fleet requirement going forward we will document users requirements and comments regarding fleet numbers and vehicle profile in a formal document on at least an annual basis. This will be used to inform fleet procurement decisions.	01/04/16	Fleet Manager – Jon Sharpe
2	Agreed performance indicators together with standing issues, risks and budget pressures will be formally reported with narrative by the Fleet Manager on at least a quarterly basis to the management team. This could be briefly summarised in a one page dashboard format for simplicity.	01/04/16	Fleet Manager – Jon Sharpe

Assignment: Payroll (14.15/16)	Opinion:	Amber/Green
<p>a) It was noted that it was not clear from the documentation on file whether the individual requesting the change in HR is different from the individual reviewing exception reports. There is a risk of fraudulent payments being made due to the lack of a segregation of duties.</p> <p>b) In only three instances was a leaver form filled out when an employee's contract was terminated. There is a risk that if the leaver checklist is not filled out that all the required steps required to process a leaver may not be carried out leading to individuals remaining on the payroll system and receiving payment. In three instances we found no evidence of correspondence between the individual leaving the organisation and HR detailing the reasons for them leaving the organisation and their final leaving date. There is a risk employees may not have been removed from the payroll records in a timely manner as per their official leaving date leading to overpayments to former employees.</p> <p>c) Payroll runs, and HMRC and pension payments, are reviewed by the Head of HR prior to the final BACS submission by the Payroll Bureau Manager. Based on the evidence provided we could not confirm that October's payroll run had been reviewed prior to the final BACS submission payment by the Payroll Bureau Manager. There is a risk that without review of the payroll runs prior to payment that inappropriate payments may be being made to staff.</p> <p>d) The BACS submission file to pay the payroll is required to be ready at least three working days prior to the submission on the 20th. For three of the months sampled we found that the BACS submission file was only submitted two working days prior to the 20th of each month (payday). There is a risk if BACS submissions are not made in a timely manner that staff may be paid late leading to employee dissatisfaction.</p> <p>Evidence of well-designed controls being applied effectively:</p> <p>e) The Council has a procedural document detailing the processes in place with regards to the payroll function at the Council. The document clearly outlines the roles and responsibilities of HR and Payroll.</p> <p>f) HR is responsible for the addition and amendment of employee personnel data at the Council. In addition they are responsible for the review and authorisation of the payment run. Payroll is responsible for the activation of payroll data (starters, leavers and amendments) as detailed within the monthly changes spreadsheet which is updated by the HR Team and the physical processing of the payment run. They are not responsible for making amendments to payroll standing data. We confirmed that there is significant segregation in duties in place with regards to the processing of payroll information and payment of the payroll.</p> <p>g) Through an electronic workflow all starter information is forwarded onto payroll that subsequently activates the employee account on iTrent. For all new starters sampled we found they had been appropriately set up on the system with an accompanying starter form, signed contract and an authorisation to recruit document which reconciled to the information on iTrent.</p> <p>h) For a sample of five BACS payments to HMRC we found that all were authorised prior to the BACS submission being paid by the Head of HR in a timely manner.</p> <p>i) We found for a sample of leavers that all had been removed promptly from payroll records.</p> <p>j) We reviewed a sample of five reconciliations between payroll and the general ledger and found all had been carried out in a timely manner and evidence of independent review was present.</p> <p>k) When identified overpayments are reported, HR send a letter to the individual concerned identifying the amount that has been overpaid and the asking individual to pay the money back. The detail of the overpayment is forwarded to the Finance Team for pursuing as a debtor. There were only two overpayments identified by the Payroll and HR team at the time of the audit and both were being dealt with as per the Council's procedures.</p>		

	Agreed Management Action	Implementation Date	Manager Responsible
1	The monthly timetable will be adhered to for the processing of payroll information and final BACS submissions to ensure compliance with the Council's payroll procedural manual.	1 April 2016	Cynthia Gill – Payroll Bureau Manager
2	In all cases we will ensure that signatures confirming the authorisation of payroll runs will be accompanied by a date to verify that it had been reviewed prior to final BACS submission by the Payroll Bureau Manager.	1 April 2016	Cynthia Gill – Payroll Bureau Manager
3	On an individual leaving the organisation a leaver's form will be completed and filed by a member of HR. Recording information including the last date of employment and reason for leaving. In addition correspondence between the individual leaving the organisation and HR. (medium)	1 April 2016	Shona Mason – Head of HR and Personnel
4	Segregation of duties between the submission of payroll changes and the review of the exception report will be enforced. The 'monthly changes' spreadsheet that will be amended to include an additional column would be added detailing the member of HR requesting the change. If an individual had been responsible for a change throughout the month they would not be responsible for reviewing monthly exception report.	1 April 2016	Cynthia Gill – Payroll Bureau Manager & Shona Mason – Head of Personnel & HR

Assignment: Capital accounting and fixed assets (15.15/16)	Opinion:	Green
<p>a) We raised no issues in this review which required management action.</p> <p>b) Capital expenditure is reported to the Financial Policy Panel in terms of the Capital Programme. We verified reported expenditure to the ledger and for a sample of additions to capital assets we verified these had been updated in the asset register. For the purchase of a property in 2014/15 and for the sale of a property in 2015/16, we agreed the entries to the ledger and obtained a copy of the signed Transfer of Title Deed.</p> <p>c) Capital income and expenditure, and balance sheet entries, are reconciled to the asset register as part of the preparation of final accounts. We confirmed that this took place and verified key figures in the reconciliations to source. We confirmed that capital and revenue expenditure is analysed to ensure expenditure that does not produce a capital asset is not capitalised and revenue expenditure which does is capitalised.</p> <p>d) We verified that investment land and buildings are valued by a qualified valuer each year and other land and buildings are valued on a five year cycle. We confirmed that an impairment review had been carried out, i.e. indexes for changes in values were provided for land and buildings not being individually valued. For a sample of land and buildings we confirmed the asset register had been updated for the new valuation and that the indexation for a sample of properties had been applied.</p> <p>e) We confirmed that vehicles are verified and the asset register updated for any changes. We accepted that other plant and equipment is not verified because of the value of the assets and the resources that would be required to verify them. This is a long-standing policy of the Council which has not been challenged by External Audit.</p>		

f) We confirmed that the reconciliation of capital transactions included reconciliation to the previous year's balance sheet entries and verified key figures to the 2013/14 annual accounts and the 2014/15 annual accounts. We agreed the calculation of depreciation for a sample of assets.

g) We confirmed that only appropriate officers have access to the RAM Asset Register. We accept management assurance that the asset register is backed up as part of the routine backup processes.

	Agreed Management Action	Implementation Date	Manager Responsible
	None raised		

FOR FURTHER INFORMATION CONTACT

Karen Williams

karen.williams@rsmuk.com

Tel: 07818 002463

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