

To: Executive Manager - Development Services

For information: Chief Executive
Executive Manager - Finance & Asset Strategy
Head of Building Surveying

1. Introduction

An audit of Building Control Fees & Charges has been carried out as part of the 2006-07 audit plans. Detailed tests have been carried out on the systems of control and the management of risk within this area.

2. Findings and recommendations

The detailed findings and recommendations are set out in the attached appendices. A Management Action Plan has been sent to the Executive Manager concerned for completion and a satisfaction survey sent to Ernie Spencer – Head of Building Surveying. Electronic versions can be mailed to you if you require a copy.

3. Conclusions

Building Control Fees and Charges continue to be accounted for accurately and in compliance with Financial Regulations. The professionalism of staff indicates a highly efficient service. Systems of control in place continue to function satisfactorily. Therefore the risk of error or maladministration is low. The recommendations made are intended to improve an already efficient system

Simon Martin
Audit Partnership Manager
7 August 2006

BUILDING CONTROL FEES & CHARGES 2005-06

1.1 AREAS COVERED DURING THE AUDIT

The key areas identified at the planning stage of the audit were as follows:

- a) Records/Applications are correct and appropriately accounted for.
- b) Fees and charges are correct and appropriately accounted for.
- c) Fees and charges are refunded where an incorrect amount has been submitted.
- d) There is no potential loss of income to the Council.
- e) Fees and charges received are allocated to the correct cost centre.
- f) Fees and charges are competitive.
- g) Performance Indicators results are in line with any targets in the Service Plan.
- h) The Service is self financing.
- i) Data is backed up/archived in the event of IT system failure.
- j) Information Governance is adhered to.

The methodology stated in the terms of reference document was used to establish and test the controls that management have in place for mitigating or reducing the above risks to an acceptable level.

1.2 OVERALL AUDIT OPINION

Building Control Fees and Charges continue to be accounted for accurately and in compliance with Financial Regulations. The professionalism of staff indicates a highly efficient service. Systems of control in place continue to function satisfactorily. Therefore the risk of error or maladministration is low. The recommendations made are intended to improve an already efficient system.

1.3 PREVIOUS RECOMMENDATIONS

The previous audit resulted in 1 recommendation; it is pleasing to note that this has been implemented.

1.4 LOCAL PERFORMANCE INDICATORS

As part of the audit, data reported on a quarterly basis pertaining to performance indicators was examined. The indicators were LPI D3 - applications to be considered within 5 weeks and LPI D5 - applications to be checked within 3 weeks of receipt.

LPI D3

	Q1	Q2	Q3	Q4	Total	
No considered within 5 weeks	302	260	271	346	1179	
Total number of applications	313	262	276	347	1198	98.41%

LPI D5

	Q1	Q2	Q3	Q4	Total	
No checked within 3 weeks	295	249	265	342	1151	
Total number of applications	313	262	276	347	1198	96.08%

In both instances the denominator wording, which is “total number of applications”, is not a true reflection of its representation. It should read as “total number of applications with a decision” for D3 and “total number of applications checked within 3 weeks” for D5.

The data as it stands is correct except for the wording which the Head of Building Surveying agrees needs to be changed.

1.5 CHEQUES IN SAFE

Cheques not banked are kept in the safe. An entry of “In Safe” is made on the *Supplementary Cheque List* for reference to the Cashiers. The cheque details are counter recorded in the *Cheques in Safe Register*.

Our audit established that cheque details entered in the *Cheques in Safe Register* are not always updated when the cheque is subsequently banked. In addition the *Supplementary Cheque List* was not always updated.

The Head of Building Surveying is vigilant in monitoring applications in hand which are awaiting balance of payment. Therefore the risk of cheques being erroneously held and not dealt with in good time is low.

However it is our audit opinion that the system already in place can be improved by monitoring the *Cheque in Safe Register* to reduce the likelihood of this happening in the future.

Meng-Chee Leong
July2006

Management Action Plan For: - Building Control Fees & Charges 2006-07

Appendix / Para	Recommendation	Significance * Low ** Med *** High	Agreed / Not agreed	Officer Responsible	Officer Comments	Implementation date
1.4	Performance Indicator wording needs to be changed.	*	Agreed	E. Spencer		Action and completed July 2006
1.5	The Cheque in Safe Register is monitored and cheque details are entered in appropriate columns	**	Agreed	E. Spencer		Action and completed July 2006

Electronic copy, original on file

Signed ___Ernie Spencer_____ for _____ (Executive Manager) Date ___7 August 2006_____