

**EXETER CITY COUNCIL
AUDIT AND GOVERNANCE COMMITTEE**

Internal Audit Summary of Work Completed 01 July to 30 September 2017

Please note that this is a summary of recommendations only, as to include all recommendations made from each audit report in detail would result in a lengthy document. Members may request a full copy of any report once finalised or alternatively meet with the Audit Manager to discuss specific audits further.

Audit Area	Summary
Community Infrastructure Levy/Section 106 Assurance rating: Some improvement required ★★★	<p>Community Infrastructure Levy (CIL)</p> <p>The Community Infrastructure Levy is a planning charge, introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. It came into force on 6 April 2010 through the Community Infrastructure Regulations 2010.</p> <p>This infrastructure can include transport facilities, flood defences, schools, sports facilities and open spaces.</p> <p>CIL is usually applied at a fixed rate to all new development (excluding residential extensions and annexes) of one or more houses, or with a floor area of more than 100 square metres. This includes non-residential development. Different rates can be applied to different types of development and where there is appropriate evidence, can be set at zero.</p> <p>The amount of CIL collected since its introduction is £2,304,303.47.</p> <p>S106 agreements</p> <p>Planning obligations are agreements entered into between the Council and developers usually in conjunction with the granting of planning permission. Planning obligations apply to land, binding it and whoever owns it. They are made using powers under section 106 of the Town and Country Planning Act 1990, which is why they are called “section 106 agreements”.</p> <p>Planning obligations can be used to:</p> <ul style="list-style-type: none"> - control the use of land - ensure that the developer provides sufficient infrastructure improvements to deal with the development <p>A planning obligations might include:</p> <ul style="list-style-type: none"> - an element of affordable housing within a housing development - the provision of open space and play equipment as part of a development, and payment of a sum for their future maintenance - local road alterations or improvements required by Devon County Council <p>The overall objective of this audit was to test that adequate controls are in place and working effectively within City Development for CIL and Section 106 and in particular:</p>

	<ul style="list-style-type: none"> - the collection of income - ensuring that any projects being funded are completed on time. <p>A total of 7 'medium' risk issues were reported and remedial action has been agreed with management for all of the issues identified.</p>
Land Charges Assurance rating: Good 	<p>Local authority searches form part of the conveyancing process when buying and selling houses. They make sure that buyers of properties are not caught out by obligations on those properties.</p> <p>At Exeter City Council the Land Charge section, which is part of the City Development directorate, undertake these searches and report whether there are restrictions on a particular property or piece of land within Exeter's boundary.</p> <p>Applicants can submit search requests either through one of two portals (NLIS Hub or TM Portal), by post or by email. Since July 2016, 61% of the searches have been submitted through the NLIS Hub, 12% via the TM Portal, 14% by post and 13% by email.</p> <p>A fee is charged for undertaking the official searches and these can be found on the Councils' website. However as stated in The Local Authorities (England) Charges for Property Searches) Regulations 2008, the charges and internal recharges made under regulation 5(2) can be no more than the costs to the local authority of granting access to property records. The Council, over the course of any period of three consecutive financial years must take reasonable steps to ensure that the income does not exceed the costs.</p> <p>The scope of this audit included a review of fees and charges, applications and searches, records and income and banking.</p> <p>A total of 3 'medium' risk issues were identified and remedial action was agreed with management.</p>
Trade Waste Assurance rating: Good 	<p>The Council offers a comprehensive range of waste management services to help local organisations manage their waste. The purposes of this service are:</p> <ul style="list-style-type: none"> • to meet the Council's obligations under the provisions of the Environmental Protection Act 1990 • to enable business' to meet their duty of care waste management obligations • to extract as much value from waste as possible <p>The collection services include: mixed recycling in one container, separated recycling materials, glass, rubbish from conversion to energy, waste from special events, food waste, clinical waste and hazardous waste.</p> <p>Commercial and charitable organisations have a legal requirement to make formal arrangements for the collection and disposal of their waste and are prohibited from using domestic collections, public recycling banks or household waste recycling centres.</p> <p>Duty of care is normally discharged be having a contract with a registered waste contractor, such as the Council.</p> <p>The Waste (England and Wales) Regulations 2011 repealed the Environmental Protection (Duty of Care) Regulations 1991</p>

	<p>and apply the Duty of Care requirements brought in by the Environmental Protection Act 1990. Amongst other requirements this legislation requires that all collections are covered by a valid transfer note that includes a written description of the waste to enable anyone handling it to do so safely and appropriately.</p> <p>A new Waste Collection Service Agreement was introduced by the Council in February 2017, for implementation with effect from 1 April 2017. The following service improvements were introduced:</p> <ul style="list-style-type: none"> - invoicing monthly in arrears instead of paying for collection services three months in advance - customers only charged for the actual bins emptied or number of visits made to collect waste or recycling sacks - removal of bin hire costs to a more transparent pricing structure <p>The overall objectives of this audit were to test that:</p> <ul style="list-style-type: none"> - adequate controls are in place and working effectively within the Trade Refuse process - the new trade and weighbridge model in Bartec is working effectively <p>A total of 6 'medium' risk issues were reported</p> <p>I am pleased to report that remedial action has been agreed with the management for the majority of findings identified, however, remedial action was not agreed for the following finding identified as part of our audit work:</p> <ul style="list-style-type: none"> - after the testing on the system has been completed and there have been three clear runs which have balanced there are no plans to carry out regular reconciliations (between the income received as per the Collective Bartec system and that shown on Ash Debtors and E-Fins)
Bereavement Services Assurance rating: Good 	<p>Bereavement Services (BS) run the three cemeteries in Exeter, Higher Cemetery at Heavitree, Exwick Cemetery and Topsham Cemetery. Each of the cemeteries offer full burials, burial of ashes, a non-denomination chapel and a range of memorial options.</p> <p>In addition, the Council previously offered a service known as 'Exclusive Right of Burial' (EROB) in which people from across the city could choose to pay for the lease of a specific burial plot at a particular site. Due to a number of reasons such as running out of space at the cemeteries, this is a service that Bereavement Services no longer provide. However, BS still deal with the existing EROB cases that were purchased prior to the service ceasing to be offered. Leases for burial plots are extendable for 10 years at a time, with customers previously having purchased a 30 year lease (which are now beginning to expire in many cases).</p> <p>The scope of the audit included a review of payments and the efficiency of the service.</p> <p>The audit identified 1 'medium' risk issue and remedial action was agreed with management.</p>
Allotments Assurance rating:	<p>Exeter City Council generates income through renting out allotment plots to tenants from across the city.</p> <p>There are in excess of 1,400 allotment plots throughout the city centre located at 26 sites.</p>

<p>Good ★★★</p>	<p>Each site has either an individual allotment representative or a small group managing the site – this is a voluntary position. Their roles include arranging the letting of vacant plots and the on-going day to day overseeing of the allotments.</p> <p>There is currently a waiting list of around 180 applicants expecting to receive a plot, with on average a 12 month waiting period. When a current tenant relinquishes a plot, it is offered to the applicant at the top of the waiting list.</p> <p>The scope of this audit included a review of payments and debt recovery.</p> <p>The audit identified only 3 'low' risk issues which will be followed up as part of the internal audit follow-up process.</p>
<p>Disabled Facilities Grant Assurance rating: Good ★★★</p>	<p>If a home owner or someone living in a property is disabled they may qualify for a disabled facilities grant (DFG) which can be put towards the cost of providing adaptations and facilities to enable the disabled person to continue living in the property.</p> <p>Devon County Council (DCC) has been allocated funds by Central Government to support disabled adaptations. A share of this money is then allocated to each local authority within Devon to administer on behalf of DCC.</p> <p>For the 2016/17 year, Exeter City Council was awarded £671,330 through the Better Care Fund, although 10% of this amount, £67,133, was paid back to DCC to form a central funding pot so that all local authorities can access and use these additional funds where greatest demand for DFGs arise.</p> <p>The DFGs are issued subject to certain conditions and these are set out by the Department of Community and Local Government on an annual basis.</p> <p>The main objective of the audit was to review the awarding of the grants to check that they comply with the conditions as set out by Central Government</p> <p>One 'medium' risk issue was reported and remedial action has been agreed by management.</p>