ARGYLL & BUTE COUNCIL

Internal Audit Section

INTERNAL AUDIT REPORT

CUSTOMER DEPARTMENT	CROSS CUTTING
AUDIT DESCRIPTION	RISK BASED AUDIT
AUDIT TITLE	REVIEW OF STAFF PARKING PERMITS
AUDIT DATE	APRIL 2016

2016/2017

Argyll
Bute
COUNCIL

1. BACKGROUND

A review of staff parking permits across the Council has been planned as part of the 2016-17 Internal Audit programme.

Argyll and Bute Council provides staff with parking space at offices throughout the area, however, in some areas the available parking space is limited and therefore permits may be issued to staff who are deemed to be business users and have a requirement to travel regularly on and off site.

2. AUDIT SCOPE AND OBJECTIVES

The objective of the audit was to review the issue/use of staff parking permits, any policies or procedures in place and their practical application. A sample of Council buildings was selected for review and Internal Audit undertook site visits as required.

3. RISKS CONSIDERED

SRR – Risk 8:   Reputation

Audit Risk: Failure to adhere to policies and procedures

Audit Risk: Failure to ensure efficient use of work time

4. AUDIT OPINION

The level of assurance given for this report is No Assurance.

Level of Assurance	Reason for the level of Assurance given
High	Internal Control, Governance and the management of risk are at a high standard with only marginal elements of residual risk identified, which are either being accepted or dealt with. A sound system of control is in place designed to achieve the system objectives and the controls

	are being consistently applied.
Substantial	Internal Control, Governance and management of risk is sound, however, there are minor areas of weakness which put some system objectives at risk and where specific elements of residual risk that are slightly above an acceptable level and need to be addressed within a reasonable timescale.
Reasonable	Internal Control, Governance and management of risk are broadly reliable, however although not displaying a general trend there are a number of areas of concern which have been identified where elements of residual risk or weakness with some of the controls may put some of the system objectives at risk.
Limited	Internal Control, Governance and the management of risk are displaying a general trend of unacceptable residual risk above an acceptable level and system objectives are at risk. Weakness must be addressed with a reasonable timescale with management allocating appropriate resources to the issues raised.
No Assurance	Internal Control, Governance and management of risk is poor, significant residual risk exists and/ or significant non-compliance with basic controls leaves the system open to error, loss or abuse. Residual risk must be addressed immediately with management allocating appropriate resources to the issues.

This framework for internal audit ratings has been developed and agreed with Council management for prioritising internal audit findings according to their relative significance depending on their impact to the process. The individual internal audit findings contained in this report have been discussed and rated with management.

A system of grading audit findings, which have resulted in an action, has been adopted in order that the significance of the findings can be ascertained. Each finding is classified as High, Medium or Low. The definitions of each classification are set out below:-

High - major observations on high level controls and other important internal controls. Significant matters relating to factors critical to the success of the objectives of the system. The weakness may therefore give rise to loss or error;

Medium - observations on less important internal controls, improvements to the efficiency and effectiveness of controls which will assist in meeting the objectives of the system and items which could be significant in the future. The weakness is not necessarily great, but the risk of error would be significantly reduced if it were rectified;

Low - minor recommendations to improve the efficiency and effectiveness of controls, one-off items subsequently corrected. The weakness does not appear to affect the ability of the system to meet its objectives in any significant way.

5. FINDINGS

Kilmory

Staff parking at Kilmory is free; therefore no parking permits are issued. There are approximately 120 car parking spaces available to staff at the rear of the building and 10 spaces available for visitors in the 'Woodlands' car park. There are 2 disabled spaces at the front of the building as well as an additional 12 parking spaces; however these are reserved for members of Council and the Strategic Management Team (SMT). There are currently 206 members of staff in post at Kilmory and the meeting/conference rooms can hold, approximately, an additional 205 people. Although at peak periods, parking spaces at Kilmory may be at a premium, there are no regular capacity/parking issues.

Whitegates Office

Staff parking at Whitegates is free; therefore no parking permits are issued. There are approximately 29 parking spaces and 2 disabled parking spaces available. There is also an additional overspill car park, at the old Lochgilphead Primary School, which can be used when the main car park is fully utilised. There are currently 69 members of staff in post at the Whitegates office and there are a number of meeting/training rooms that can hold, approximately, an additional 70 people. Although at peak periods, parking spaces at Whitegates may be at a premium, there are no regular capacity/parking issues.

Manse Brae

Staff parking at Manse Brae is free; therefore no parking permits are issued. There are approximately 60 staff parking spaces and 2 disabled spaces available. In addition to this there are 6 parking spaces for public visitors to the office. There are currently 135 staff members in post at Manse Brae and there are a number of meeting/conference rooms that can hold, approximately, an additional 31 people. Although at peak periods, parking spaces at Manse Brae may be at a premium, there are no regular capacity/parking issues.

Argyll House

Staff parking at Argyll House is free; therefore no parking permits are issued. There are approximately 30 staff parking spaces at the rear of Argyll House and an additional 3 parking spaces and 2 disabled spaces at the front of the building. There are currently 74 staff members in post at Argyll House and there a number of meeting/conference rooms that can hold, approximately, an additional 24 people. Although at peak periods, parking spaces at Argyll House may be at a premium, there are no regular capacity/parking issues.

Helensburgh & Lomond Civic Centre (H&L Civic Centre)

Staff parking at the H&L Civic Centre is free; therefore no parking permits are issued. There are approximately 107 parking spaces available for the Civic Centre; approximately 56 of these spaces are in the Grant Street Car Park. There are also 6 disabled spaces available. There are currently 150 staff members in post at the H&L Civic Centre and there a number of meeting/conference rooms that can hold, approximately, an additional 371 people. Although at peak periods, parking spaces at the H&L civic centre may be at a premium, there are no regular capacity/parking issues.

Witchburn Road

Staff parking at Witchburn Road is free; therefore no parking permits are issued. There are approximately 27 parking spaces available at Witchburn road; approximately 20 of these spaces are at the front and 5 to the rear, there are also 2 disabled places available. There are currently 81 members of staff in post in the Main Witchburn Road Building and a further 24 in the adjacent Old Registrar's building who share this car park, there are no meeting rooms available at either of these buildings. Parking spaces at Witchburn Road are at a premium with regular capacity/parking issues.

Municipal Buildings/Lorn House

The Albany St Car Park serves as staff parking for both the Municipal Buildings and Lorn House in Oban; however charges apply for parking in this car park, it is also heavily used by the Royal Mail service and is open to members of the public. There are 42 parking spaces and 2 disabled spaces available. There are currently 46 members of staff in post at the Municipal Buildings and 21 at Lorn House. Municipal Buildings and Lorn House have a number of meeting/conference rooms between them which can hold, approximately, an additional 47 people. Parking spaces are at a premium in Albany St Car Park with regular capacity/parking issues. This is the only location where permits are available.

Permits

There were no documented procedures in place to guide staff in the application or issue of staff parking permits. There are currently 39 parking permits in use by staff which have been funded by the Council through an internal recharge process.   Development and Infrastructure staff receive requests for permits via the Council's email system or by telephone call. Internal Audit have been advised

that there is no limit as to the number of permits available and that a permit would be issued regardless of who the requester is so long as a cost centre and account code is provided.

Development and Infrastructure Services maintain the master list of all permit holders (public and staff) from which our sample was selected. It is maintained in a lever arch file with staff permits highlighted for quick reference. It was noted that one column heading was incorrect stating "Date Banked", however, this contained the permit expiry date.

A sample of 9 (25%) Council funded permits were selected from the master list and reviewed, the findings are noted below;

- There was no evidence of business justification provided in any case
- There was no evidence of management authorisation; although 2 managers were copied into email requests for issue of permits
- One was requested by the user them self
- Two were requested by administration staff with no evidence of managerial authorisation.
- Four permits had no back-up documentation and are thought to have been issued following requests by phone calls
- None of the recorded requesters were found on the Council's authorised signatories list although both managers who were copied into emails were.

Development and Infrastructure records also show that there are currently 7 permits in use that have been bought personally by staff who are deemed ineligible for business use provision, however, as stated above there is no definition of criteria. Upon further investigation, Internal Audit found that the cost of one of these permits had been reimbursed to a member of staff through the travel claim process due to requirement to travel for business purposes.

6. CONCLUSION

From the offices tested, sufficient parking exists with the exception of Witchburn Road in Campbeltown and the Municipal Buildings and Lorn House in Oban. In relation to the Albany Street Car Park in Oban, parking permits are in use; however, formal procedures and documentation are not available. It was not evidenced that the allocation process was criteria based and there was no evidence of internal controls such as authorisation, segregation of duties & measurement being in place.

This audit has provided no assurance. There was 1 high recommendation for improvement identified as part of the audit and this is set out in Appendix 1; this will be reported to the Audit Committee. Appendix 1 sets out the action management have agreed to take as a result of the recommendation, the persons responsible for the action and the target date for completion of the action. Progress with implementation of the action will be monitored by Internal Audit and reported to management and the Audit Committee.

Thanks are due to staff and management for their co-operation and assistance during the Audit and the preparation of the report and action plan.

APPENDIX 1   ACTION PLAN

Findings	Risk Impact	Rating	Agreed Action	Responsible person agreed implementation date
1. Lack of documented procedure		**High/ Medium or Low**		
There were no documented procedures in place to guide staff in the use, application or issue of staff parking permits.	Failure to have documented formal policies, procedures and processes may lead to inconsistent decision making resulting in an adverse effect on staff morale and reputation.	High	**Head of Improvement & HR to liaise with Head of Roads & Amenity Services to develop a protocol which documents the use, assessment criteria and issue of parking permits in order to ensure openness and transparency.**	**Head of Improvement & HR** **Head of Roads & Amenity Services** **30 September 2016**

Contact Details

Name   Mhairi Weldon & Abbie Macalister

Address   Whitegates, Lochgilphead, Argyll, PA31 8RT

Telephone 01546 604294 & 01546 604272

Email   Mhairi.Weldon@argyll-bute.gov.uk & Abbie.Macalister@argyll-bute.gov.uk

www.argyll-bute.gov.uk

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