



Internal Audit Report

Final

Development and Infrastructure

Review of Planning Applications

February 2012

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1 INTRODUCTION

This report has been prepared as a result of the Internal Audit review of Planning Application within Planning and Regulatory Services as part of the 2011/2012 Business Systems, Internal Audit programme.

Details of applications in relation to Development Management and Building Standards are recorded and held on the UNI-Form Database with all documents attached to the Civica Document management system.

2 AUDIT SCOPE AND OBJECTIVES

The main objective of the audit will be to establish that:

- The Planning Application process is in accordance with statute and the Council's Standing Orders and Financial Regulations;
- The application process allows for completeness, adequate segregation of duties and transparency when processing applications; and
- All applications and appeals are appropriate, bona fide and treated consistently

3 RISK ASSESSMENT

As part of the audit process and in conjunction with our CIPFA Systems Based Audit (SBA), ICQ approach, the risk register was reviewed to identify any areas that needed to be included within the audit. The risk identified was:

- SR16 Failure to have a robust internal control process and system.

4 CORPORATE GOVERNANCE

There were no Corporate Governance issues to be reported as a result of this audit.

5 MAIN FINDINGS

- 5.1 There is a standard process for planning applications with adequate segregation of duties within the Planning Section.
- 5.2 A formal declaration of interest register should be set up; to ensure transparency and that there is an adequate audit trail..

6 RECOMMENDATIONS

Two recommendations were identified as a result of the audit; one is of medium priority and the other of low priority. The recommendations are shown in the action plan attached at Appendix 2 and has been compiled with the co-operation and agreement of management.

Internal Audit considers that, in an effort to improve the quality of information, monitoring and control, the recommendations should be implemented in accordance with the agreed action plan. Management have set achievable implementation dates and will be required to provide reasons to the Audit Committee for failure to implement within the agreed timescale. Where management decides not to implement recommendations it must evaluate and accept the risks associated with that decision.

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 fundamental, material or minor. 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.

Based on the findings we can conclude that there are controls and processes in place to ensure the accuracy of information being input into the UNIFORM system.

Recommendations arising from the audit work should be implemented by the nominated responsible officer within the agreed timescale. Recommendations not implemented will require explanation to the Audit Committee. This could lead to findings being reported in the Internal Control Statement produced by the Council in support of the Annual Accounts.

8 ACKNOWLEDGEMENTS

Thanks are due to the Development Manager, Senior Technical Officer and Senior Support Technician for their co-operation and assistance during the Audit and the preparation of the report and action plan.

Argyll & Bute Council's Internal Audit section has prepared this report. Our work was limited to the objectives in section 2. We cannot be held responsible or liable if information material to our task was withheld or concealed from us, or misrepresented to us.

This report is private and confidential for the Council's information only and is solely for use in the provision of an internal audit service to the Council. In any circumstances where anyone other than the Council accesses this report it is on the strict understanding that the Council will accept no liability for any act or omission by any party in consequence of their consideration of this report or any part thereof. The report is not to be copied, quoted or referred to, in whole or in part, without prior written consent.

APPENDIX 2 ACTION PLAN

No.	FINDINGS	PRIORITY	RECOMMENDATION	RESPONSIBLE OFFICER	IMPLEMENTATION DATE
1	<p>There is no formal declaration register that can be checked. There is a tick box on the application form that can be used to declare an interest. Testing the process was difficult and limited.</p>	Medium	<p>A formal declaration of interest register should be set up, to ensure transparency and that there is an adequate audit trail. This register should be limited to staff with delegated authority and maintained by the appropriate 3rd Tier Manager.</p>	<p>Development Manager</p>	<p>29 June 2012</p>