

**REPORT TO:** AUDIT AND RISK MANAGEMENT SUB-COMMITTEE 24/01/05  
**REPORT ON:** INTERNAL AUDIT REPORTS  
**REPORT BY:** CHIEF INTERNAL AUDITOR  
**REPORT NO:** 63-2005

**1 PURPOSE OF REPORT**

To submit to Members of the Audit and Risk Management Sub-Committee a summary of the Internal Audit Reports finalised since the last Sub-Committee.

**2 RECOMMENDATIONS**

Members of the Sub-Committee are asked to note the information contained within this report.

**3 FINANCIAL IMPLICATIONS**

None

**4. LOCAL AGENDA 21 IMPLICATIONS**

None

**5. EQUAL OPPORTUNITIES**

None

**6. BACKGROUND**

6.1 The day-to-day activity of the Internal Audit Service is primarily driven by the reviews included within the Internal Audit Plan. Broadly, on the completion of a specific review, a report which details the audit findings and recommendations is prepared and issued to Management for a formal response and submission of Management's proposed action plan to take the recommendations forward. Any follow-up work subsequently undertaken will examine the implementation of the action plan submitted by Management.

6.2 Executive Summaries for the reviews which have been finalised in terms of paragraph 6.1 above are provided at Appendix A. Within each Executive Summary the prime aim is to provide both Members and Management with key information which includes the reason for undertaking the review, summary financial data and statistics, the areas encompassed within the review and specific areas which were excluded, the principal audit objectives, an audit opinion on the adequacy of the systems and control framework of the area reviewed, the key conclusions based on the audit findings and recommendations and a summary of Management's response to the audit report. The full reports are available to Members on request.

**DAVID K DORWARD**  
**DEPUTE CHIEF EXECUTIVE (FINANCE)**

**13 January 2005**

**BACKGROUND PAPERS**

None

## i) INTERNAL AUDIT REPORT 2003/11

<b>Department</b>	<b>ECPD (Waste Management)</b>
<b>Subject</b>	<b>Street Cleaning</b>

**Introduction**

As part of the planned internal audit activity, a review of the procedures for the procurement of Street Cleaning services within the Environmental and Consumer Protection Department was carried out. The contracting element of the Street Cleaning function was formerly provided by Cleansing DSO with Environmental and Consumer Protection staff fulfilling the client function. Compulsory Competitive Tendering legislation was repealed in the Local Government in Scotland Act 2003 and this removed the requirement to maintain the 'Client /Contractor' split in relation to Street Cleaning. During 2003/04, the Environmental and Consumer Protection Department was split into two functions, namely Waste Management and Environmental Health and Consumer Protection and Street Cleaning is now part of the remit of the Waste Management function.

The Street Cleaning service includes the removal and disposal of litter and debris from streets, pavements, shopping areas and car parks etc within the Council's remit. The service provided also includes the mechanical sweeping of road channels throughout the city and the emptying of litter bins and dog faeces bins.

The budgeted expenditure for third party payments to the DSO for Street Cleaning for 2002/03 was £2.87m with actual expenditure during the period of £2.99m (per the Management Accounts 2002/03).

**Scope and Objectives**

The assessment included a review of procedures for identifying the work to be undertaken, estimating the cost of work, ordering of work, monitoring quality of work undertaken and procedures for dealing with work not of a satisfactory standard. The adequacy of management information and arrangements for monitoring actual expenditure against budgeted expenditure were also examined.

**Conclusion**

*The overall conclusion drawn from the audit fieldwork was that administrative procedures associated with the provision of street cleaning services should be updated in order to optimise use of computerised systems and ensure the accuracy of data held in the costing system.*

The areas highlighted where it is considered that improvements could be made include the following:

- Ensuring the security and integrity of data through the use of off-site storage of back-up and improvements to the password facility.
- Revising arrangements for capturing information on adopted streets and carrying out periodic checks to ensure accuracy of changes to route measurements and staff costs recorded in the database.
- Increased automation of administration processes to minimise the need for manual calculations.
- Reviewing the procedures for revenue monitoring to ensure significant variances are detected.
- Improving the quality monitoring process through standardisation of route and beat information, ensuring accessibility of recent quality monitoring information, and recording the closing of complaints more timeously.

**Management Responses to the Audit Report**

The audit findings and recommendations were formally reported to the Head of Waste Management and appropriate action agreed to address the specific issues raised.

## ii) INTERNAL AUDIT REPORT 2003/37

<b>Department</b>	<b>Finance Revenues</b>
<b>Subject</b>	<b>Council Tax Refunds</b>

<b>Introduction</b>
<p>As part of the planned audit work a review of refunds of Council Tax was undertaken.</p> <p>There are several circumstances in which a refund of Council Tax may be necessary, including a reduction in Council Tax liability due to eligibility for single person discount or a refund of advance payments made by a liable party who subsequently moves out of the area under the control of the local authority. There is no limit on the period for backdating of Council Tax refunds and refund payments can, therefore, be backdated to the date that the Council Tax was introduced on 1 April 1993.</p> <p>Refunds are processed by staff within the Revenues Division of the Finance Department. In financial year 2002/03, there were approximately 8,600 refunds made and the associated value was in the region of £739,000. In financial year 2003/04, there were approximately 3,900 transactions, totalling £565,000. Some of these refund payments were in respect of other financial years.</p>
<b>Scope and Objectives</b>
<p>The purpose of the review was to confirm that Council Tax refunds are carried out in accordance with regulations and the Authority's Standing Orders and Scheme of Administration and that there is documentary evidence to support refund transactions. The adequacy of the framework for authorising the payment of refunds was assessed, as were procedures to ensure that refunds are correctly calculated and the relevant records updated.</p>
<b>Conclusion</b>
<p><i>The principal conclusions drawn from audit fieldwork are that there are areas where improvements could be made.</i></p> <p>Recommendations made include the following:</p> <ul style="list-style-type: none"><li>• The Scheme of Administration – Delegation of Powers should be amended to provide the Depute Chief Executive (Finance) with a specific delegated power to process refunds.</li><li>• The introduction of supervisory checks prior to the issue of high value refunds and further investigation of conflicting supporting documentation will assist in ensuring that refunds made are bona fide and accurately calculated.</li><li>• Requiring claimants to confirm continuing eligibility for reduction in Council Tax will help to ensure that only valid discounts/exemptions are awarded.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Head of Revenues and appropriate action agreed to address the specific issues raised.</p>

### iii) INTERNAL AUDIT REPORT 2004/06

<b>Department</b>	<b>Corporate</b>
<b>Subject</b>	<b>Starters And Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used by Departments in relation to Starters and Leavers was carried out.</p> <p>The budgeted number of full time equivalent posts for financial year 2002/2003 was 7,005. During this period approximately 1,050 new employees joined the Council whilst 1,115 employees left. This equates to an approximate 15% turnover in staff.</p> <p>Procedures to be followed in respect of Starters and Leavers have been put in place by both the Finance and Personnel Departments of the Council. The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver notification, bank mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the assignment was to provide a high level overview of Council wide procedures for Starters And Leavers. Areas examined included documentation obtained from and forms completed for new employees, the level of supporting documentation and authorisation prior to input into the Council payroll and the checking procedures employed to ensure accuracy and validity of input.</p>
<b>Conclusion</b>
<p><i>In general it is viewed that the procedures operated by Departments in relation to Starters &amp; Leavers could be improved.</i></p> <p>The principal areas commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• Corporate documentation for Starters and Leavers should be completed by all Departments and authorised in line with the requirements of the form. This will improve control in these areas.</li><li>• In line with the rules of the Local Government Pension Scheme all employees except casual staff should be automatically admitted into the Scheme unless they opt out in writing.</li><li>• Departments should be reminded of requirements in respect of resolving Temporary National Insurance Numbers to ensure that the information held on employees is accurate and up to date.</li><li>• Departmental Establishment Lists should be updated to provide an accurate record and also facilitate the implementation of Resourcelink Payroll/ Personnel system.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Depute Chief Executive (Finance) and appropriate action agreed to address the specific issues raised.</p>

#### iv) INTERNAL AUDIT REPORT 2004/07

<b>Department</b>	<b>Architectural Services</b>
<b>Subject</b>	<b>Starters And Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The procedures adopted by the Architectural Services Division within the Support Services Department were examined as part of the review.</p> <p>The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for New Start, Leaver Notification, Bank Mandate and Local Government Pension Scheme which have all been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 105 were employed within Architectural Services Division. During this period approximately 12 employees joined Architectural Services while 5 members of staff left the Division. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>Whilst the procedures operated by staff in relation to Starters and Leavers are generally satisfactory there are areas where it is viewed improvements can be made.</i></p> <p>The principal areas commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• Documentation in respect of Starters and Leavers should be authorised by appropriate staff in line with the requirements of the forms.</li><li>• Staff within Architectural Services should endeavour to ensure that new employees submit a P45 or P46 timeously in order that the appropriate information can be submitted to the Inland Revenue.</li><li>• The letter inviting applicants to interview should be amended to include the wording suggested by the Personnel Department thereby ensuring that applicants are requested to bring proof of the right to live and work in the United Kingdom.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the City Architectural Services Officer and appropriate action agreed to address the specific issues raised.</p>

## v) INTERNAL AUDIT REPORT 2004/08

<b>Department</b>	<b>Communities</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The procedures adopted by the Communities Department were examined as part of the review.</p> <p>The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver Notification, Bank Mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 287 were employed within Communities. During this period approximately 93 employees joined Communities while 137 members of staff left the Department. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>Whilst the procedures operated by staff in relation to Starters and Leavers are generally satisfactory there are areas where it is viewed improvements can be made.</i></p> <p>The principal areas commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• Consideration should be given to using the Corporate documents as these have been designed to capture the necessary information required for processing Starters and Leavers and will ensure that the Department are operating in line with other Council Departments.</li><li>• The Department should resolve Temporary National Insurance numbers timeously in order to ensure that employees are not using temporary ones for a disproportionately long time.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Head of Communities and appropriate action agreed to address the specific issues raised.</p>

## vi) INTERNAL AUDIT REPORT 2004/09

<b>Department</b>	<b>Dundee Contracts Services</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The procedures adopted by Dundee Contract Services were examined as part of the review.</p> <p>The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver Notification, Bank Mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 489 were employed within Dundee Contract Services. During this period approximately 83 employees joined Dundee Contract Services while 73 members of staff left the Division. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>Whilst the procedures operated by staff in relation to Starters and Leavers are generally satisfactory there are areas where it is viewed improvements can be made.</i></p> <p>The principal areas commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• Use of the Corporate Starter and Leaver documentation will ensure that the necessary information is captured and that forms are appropriately authorised.</li><li>• In line with the rules of the Local Government Pension Scheme all employees except casual staff should be automatically admitted into the Scheme unless they opt out in writing. Copies of the pension forms should be retained in each employee's personal file.</li><li>• The Department should resolve temporary National Insurance numbers timeously in order to ensure that employees are not using temporary ones for a disproportionately long time.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Director of Dundee Contract Services and appropriate action agreed to address the specific issues raised.</p>

## vii) INTERNAL AUDIT REPORT 2004/10

<b>Department</b>	<b>Economic Development</b>
<b>Subject</b>	<b>Starters And Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The procedures adopted by the Economic Development Department were examined as part of the review.</p> <p>The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver Notification, Bank Mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 121 were employed within Economic Development. During this period 14 employees joined Economic Development while 15 members of staff left the Department. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>The procedures operated in relation to Starters and Leavers are generally satisfactory and only one area was identified where it is viewed improvements can be made.</i></p> <p>The area commented upon in more detail in the report is as follows:</p> <ul style="list-style-type: none"><li>• The Department should ensure that the Corporate forms for Starters and Leavers are fully completed and signed in line with the requirements of the form. This will ensure that all necessary information is gathered and that forms are appropriately authorised.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Director of Economic Development and appropriate action agreed to address the specific issues raised.</p>

## viii) INTERNAL AUDIT REPORT 2004/11

<b>Department</b>	<b>Environmental Health</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver Notification, Bank Mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 441 were employed within Environment and Consumer Department. During this period 33 employees joined the Department while 55 members of staff left the Department. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department. The Environment and Consumer Department has recently been restructured. Audit findings included in this report relate specifically to issues identified in relation to procedures operated for Starters and Leavers within the Environmental Health division.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>Whilst the procedures operated by staff in relation to Starters and Leavers are generally satisfactory there are areas where it is viewed improvements can be made.</i></p> <p>The principal areas commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• The relevant Corporate documents should be used and appropriately authorised in order to ensure that the required information is obtained from employees.</li><li>• The appropriate pension forms should be completed and submitted by the relevant staff and forwarded to the Pensions section.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Head of Environmental Health and Trading Standards and appropriate action agreed to address the specific issues raised.</p>

ix) INTERNAL AUDIT REPORT 2004/12

<b>Department</b>	<b>Education</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The procedures adopted by the Education Department were examined as part of the review.</p> <p>The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver notification, bank mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 2,288 FTE staff were employed within the Education Department. During this period approximately 407 employees joined Education while 404 members of staff left the Department. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>Whilst the procedures operated by staff in relation to Starters and Leavers are generally satisfactory there are areas where it is viewed improvements can be made.</i></p> <p>The principal areas commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• Consideration should be given to using the Corporate documents as these have been designed to capture the necessary information required for processing Starters and Leavers and will ensure that the Department are operating in line with other Council Departments.</li><li>• The Department should regularly monitor the use of Temporary National Insurance numbers in order to ensure that employees are not using them for a disproportionately long time.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Director of Education and appropriate action agreed to address the specific issues raised.</p>

**x) INTERNAL AUDIT REPORT 2004/13**

<b>Department</b>	<b>Housing</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The procedures adopted by the Housing Department were examined as part of the review.</p> <p>The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver notification, bank mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 383 FTE staff were employed within the Housing Department. During this period approximately 19 employees joined Housing while 21 members of staff left the Department. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>Whilst the procedures operated by staff in relation to Starters and Leavers are generally satisfactory there are areas where it is viewed improvements can be made.</i></p> <p>The principal areas commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• The Department should ensure that the relevant Corporate documents are used and appropriately authorised in order to ensure that the required information is obtained from employees.</li><li>• The Department should endeavour to ensure that new employees submit a P45 or P46 timeously in order that the appropriate information can be submitted to the Inland Revenue.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Director of Housing and appropriate action agreed to address the specific issues raised.</p>

**xi) INTERNAL AUDIT REPORT 2004/14**

<b>Department</b>	<b>Information Technology</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work, a review of the systems and procedures for processing Starters and Leavers within the various Departments of the Council was carried out.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 87 FTE staff were employed within Information Technology. During this period 2 employees joined Information Technology while 5 members of staff left the Department.</p> <p>Documentation relating to a small sample of Starters and Leavers in Information Technology extracted from a report provided by the Payroll section within the Finance Department was examined. The aim was to ensure that the appropriate documentation was completed, appropriately authorised and that the details held in the ISIS Payroll and Personnel Systems were accurate.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>The principal conclusion drawn from this review is that there is a sound system of control designed to achieve the system objectives and that the controls are being consistently applied.</i></p>

**xii) INTERNAL AUDIT REPORT 2004/15**

<b>Department</b>	<b>Finance General</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work, a review of the systems and procedures for processing Starters and Leavers within the various Departments of the Council was carried out.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 108 FTE staff were employed within Finance General. During this period 6 employees joined Finance General while 6 members of staff left the Division.</p> <p>Documentation relating to a small sample of Starters and Leavers in Finance General extracted from a report provided by the Payroll section within the Finance Department was examined. The aim was to ensure that the appropriate documentation was completed, appropriately authorised and that the details held in the ISIS Payroll and Personnel Systems were accurate.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>The principal conclusion drawn from this review is that there is a sound system of control designed to achieve the system objectives and that the controls are being consistently applied.</i></p>

### xiii) INTERNAL AUDIT REPORT 2004/16

<b>Department</b>	<b>Finance Revenues</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The procedures adopted by Finance Revenues were examined as part of the review.</p> <p>The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver Notification, Bank Mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 192 FTE staff were employed within the Finance Revenues Department. During this period approximately 36 employees joined Finance Revenues while 20 members of staff left the Department. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>Whilst the procedures operated by staff in relation to Starters and Leavers are generally satisfactory there are areas where it is viewed improvements can be made.</i></p> <p>The principal area commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• In order that Pensions staff receive the information they require Revenues staff should ensure that all forms are completed and passed to the Pensions Section.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Head of Revenues and appropriate action agreed to address the specific issues raised.</p>

#### xiv) INTERNAL AUDIT REPORT 2004/17

<b>Department</b>	<b>Social Work</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The procedures adopted by Social Work were examined as part of the review.</p> <p>The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver notification, bank mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 1,622 FTE staff were employed within the Social Work Department. During this period 220 employees joined Social Work while 171 members of staff left the Department. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>Whilst the procedures operated by staff in relation to Starters and Leavers are generally satisfactory there are areas where it is viewed improvements can be made.</i></p> <p>The principal areas commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• Arrangements should be made for the filing of documents to facilitate easy retrieval in the event of a query.</li><li>• The Department should ensure that documents are authorised by staff of an appropriate designation.</li><li>• The Department should resolve temporary National Insurance numbers timeously in order to ensure that employees are not using temporary ones for a disproportionately long time.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Director of Social Work and appropriate action agreed to address the specific issues raised.</p>

**xv) INTERNAL AUDIT REPORT 2004/18**

<b>Department</b>	<b>Personnel</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work, a review of the systems and procedures for processing Starters and Leavers within the various Departments of the Council was carried out.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 51 FTE staff were employed within the Personnel Department. During this period 6 employees joined Personnel while 10 members of staff left the Department.</p> <p>Documentation relating to a small sample of Starters and Leavers in Personnel extracted from a report provided by the Payroll section within the Finance Department was examined. The aim was to ensure that the appropriate documentation was completed, appropriately authorised and that the details held in the ISIS Payroll and Personnel Systems were accurate.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>The principal conclusion drawn from this review is that there is a sound system of control designed to achieve the system objectives and that the controls are being consistently applied.</i></p>

**xvi) INTERNAL AUDIT REPORT 2004/19**

<b>Department</b>	<b>Planning and Transportation</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The procedures adopted by the Planning and Transportation Department were examined as part of the review.</p> <p>The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver notification, bank mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 172 FTE staff were employed within the Planning and Transportation Department. During this period approximately 13 employees joined Planning and Transportation while 9 members of staff left the Department. A small sample of these Starters And Leavers was obtained from a report provided by Payroll control.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>The procedures operated by staff in relation to Starters and Leavers are generally satisfactory and only one area was identified where it is viewed improvements can be made.</i></p> <p>The area commented upon in more detail in the report is as follows:</p> <ul style="list-style-type: none"><li>• In future Planning and Transportation staff should ensure that secondment arrangements are formalised and details are passed to any subsequent employing Department to minimise confusion and the risk of incorrect payments being made.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Director of Planning and Transportation and appropriate action agreed to address the specific issues raised.</p>

**xvii) INTERNAL AUDIT REPORT 2004/20**

<b>Department</b>	<b>Leisure and Arts</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The procedures adopted by Leisure and Arts Department were examined as part of the review.</p> <p>The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver notification, bank mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 493 FTE staff were employed within the Leisure and Arts Department. During this period 79 employees joined Leisure and Arts Department while 119 members of staff left the Department. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>Whilst the procedures operated by staff in relation to Starters and Leavers are generally satisfactory there are areas where it is viewed improvements can be made.</i></p> <p>The principal areas commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• All documentation should be filed appropriately. This will ensure that key documentation in relation to Starters and Leavers can be retrieved in the event of a query.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Director of Leisure and Arts and appropriate action agreed to address the specific issues raised.</p>

xviii) INTERNAL AUDIT REPORT 2004/22

<b>Department</b>	<b>Planning and Transportation</b>
<b>Subject</b>	<b>2003/04 Grant Claim Public Transport Projects</b>

<b>Introduction</b>
<p>In the 2003/04 financial year Scottish Ministers offered grant assistance to Dundee City Council to be used for any public transport projects which align with the Council's Local Transport Strategy. The grant provision made to the Council for financial year 2003/04 totalled £427,851.</p> <p>It is a requirement of the conditions of the grant that "the Council shall by 30 June 2004 submit to the Scottish Ministers a statement of compliance with the grant conditions signed by the head of internal audit and a summary of the project or projects which the grant supported".</p>
<b>Scope and Objectives</b>
<p>The overall aim of this review was to enable the Chief Internal Auditor to provide an opinion as to whether or not the entries on the Statement of Expenditure submitted by the Council, are fairly stated, the sums claimed are properly due, substantiated with documentary evidence and have been used for the intended purposes in accordance with the terms and conditions under which the claim for grant is made.</p>
<b>Conclusion</b>
<p><i>On the basis of examining the accounts and records of this grant claim, obtaining such explanations and carrying out such tests as considered necessary, it is considered that the entries in the claim form are fairly stated and that the sums claimed are properly due and have been used in accordance with the terms and conditions of the Offer of Grant.</i></p>

**xix) INTERNAL AUDIT REPORT 2004/23**

<b>Department</b>	<b>Finance - General</b>
<b>Subject</b>	<b>Use of Personal Computers</b>

<b>Introduction</b>
<p>As part of the planned audit work a review of the use of personal computers within Finance General was carried out. Approximately 120 staff are employed within the Finance General Division and the majority access computing facilities on a regular basis in the course of their normal work. A variety of software packages are used.</p> <p>All staff are required to adhere to the Guidelines for Usage of Computer, Internet and Electronic Mail Facilities (the Guidelines). These are issued to all staff and employees have to sign a proforma to acknowledge receipt. Staff also have access to the Guidelines via a number of other sources, including the Council's Employee Handbook and Intranet site. The extent to which users were complying with the Guidelines was assessed in one-to-one interviews, using a questionnaire as the basis for discussion. Areas covered included issues pertaining to the use of hardware and software and also measures taken to protect data.</p>
<b>Scope and Objectives</b>
<p>The objectives of the audit were to obtain assurance that staff are aware of their responsibilities in relation to the use of personal computers and that they adhere to best practice, as contained in the Council Guidelines.</p> <p>Audit fieldwork excluded examination of arrangements for maintenance of networks, e-mail usage and use of Internet facilities.</p>
<b>Conclusion</b>
<p><i>The principal conclusion drawn from audit fieldwork is that whilst there are no major concerns regarding the use of computing facilities by Finance General staff, there are certain areas where it is viewed improvements can be made.</i></p> <p>Areas commented upon in more detail in the report include the following:</p> <ul style="list-style-type: none"><li>• To help ensure that all user activity is in line with Council policy staff should be reminded that it is the responsibility of the individual to be aware of and adhere to the Guidelines.</li><li>• To increase the security of computerised systems passwords should remain confidential and not easily guessed and there should be a requirement for all users to enter a password to gain access to the Finance General network facilities.</li><li>• To increase security of onscreen data the feasibility of a timeout facility for all the main software packages and screensavers for network terminals should be explored.</li><li>• To facilitate optimal performance of the network non-standard screensavers and wallpapers should be removed.</li><li>• To minimise the potential loss of data in the event of system failure staff should adhere to best practice in backup procedures.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Head of Finance and appropriate action agreed to address the specific issues raised.</p>

**xx) INTERNAL AUDIT REPORT 2004/24**

<b>Department</b>	<b>Finance - Revenues</b>
<b>Subject</b>	<b>Use of Personal Computers</b>

<b>Introduction</b>
<p>As part of the planned audit work a review of the use of personal computers within Finance Revenues was carried out. Approximately 275 staff are employed within the Finance Revenues Division and the majority access computing facilities on a regular basis in the course of their normal work. Software packages used include IWorld, the database for Council Tax, Benefits and Non-domestic Rates, ISE Workflow, the document imaging system and Microsoft Office.</p> <p>All staff are required to adhere to the Guidelines for Usage of Computer, Internet and Electronic Mail Facilities (the Guidelines). These are issued to all staff and employees have to sign a proforma to acknowledge receipt. Staff also have access to the Guidelines via a number of other sources, including the Council's Employee Handbook and Intranet site. In addition, Departmental guidance on computer security was issued to Accounts Staff at a recent training session. The extent to which users were complying with the Guidelines was assessed in one-to-one interviews, using a questionnaire as the basis for discussion. Areas covered included issues pertaining to the use of hardware and software and also measures taken to protect data.</p>
<b>Scope and Objectives</b>
<p>The objectives of the audit were to obtain assurance that staff are aware of their responsibilities in relation to the use of personal computers and that they adhere to best practice, as contained in the Council Guidelines and Departmental guidance.</p> <p>Audit fieldwork excluded examination of arrangements for maintenance of networks, e-mail usage and use of Internet facilities.</p>
<b>Conclusion</b>
<p><i>The principal conclusion drawn from audit fieldwork is that whilst there are no major concerns regarding the use of computing facilities by Finance Revenues staff, there are certain areas where it is viewed improvements can be made.</i></p> <p>Areas commented upon in more detail in the report include the following:</p> <ul style="list-style-type: none"><li>• To help ensure that all user activity is in line with Council policy, staff should be reminded that it is the responsibility of the individual to be aware of and adhere to the Guidelines.</li><li>• To increase the security of computerised systems, passwords should remain confidential and not easily guessed.</li><li>• To increase the security of onscreen data, the feasibility of a timeout facility for software packages should be explored.</li><li>• To minimise the potential loss of data in the event of system failure, staff should adhere to best practice in backup procedures.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Head of Revenues and appropriate action agreed to address the specific issues raised.</p>

**xxi) INTERNAL AUDIT REPORT 2004/25**

<b>Department</b>	<b>Scientific Services</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver Notification, Bank Mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 441 were employed within Environment and Consumer Department. During this period 33 employees joined the Department while 55 members of staff left the Department. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department. The Environment and Consumer Department has recently been restructured. Audit findings included in this report relate specifically to issues identified in relation to procedures operated for Starters and Leavers within Scientific Services.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>The procedures operated by staff in relation to Starters and Leavers are generally satisfactory and only one area was identified where it is viewed improvements can be made.</i></p> <p>The area commented upon in more detail in the report is as follows:</p> <ul style="list-style-type: none"><li>• Staff within Scientific Services should ensure that new employees submit a P45 or P46 timeously in order that the appropriate information can be submitted to the Inland Revenue.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Scientific Services Manager/Public Analyst and appropriate action agreed to address the specific issues raised.</p>

xxii) INTERNAL AUDIT REPORT 2004/26

<b>Department</b>	<b>Waste Management</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work a review of the documentation and procedures used in relation to Starters and Leavers by Departments within the Council was carried out. The documentation required for new employees includes a letter of appointment, a payroll new start form, a P45/P46, a bank mandate and forms relating to the Local Government Pension Scheme. Documentation required for leavers includes a letter of termination/resignation, a leaver notification form and Local Government Pension Scheme leaver forms. All Departments should use the Corporate forms for Starters, Leaver Notification, Bank Mandate and Local Government Pension Scheme which have been designed to capture the relevant information.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 441 were employed within Environment and Consumer Department. During this period 33 employees joined the Department while 55 members of staff left the Department. A small sample of these Starters and Leavers was extracted from a report provided by the Payroll section within the Finance Department. The Environment and Consumer Department has recently been restructured. Audit findings included in this report relate specifically to issues identified in relation to procedures operated for Starters and Leavers within Waste Management.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>Whilst the procedures operated by staff in relation to Starters and Leavers are generally satisfactory there are areas where it is viewed improvements can be made.</i></p> <p>The principal areas commented upon in more detail in the report are as follows:</p> <ul style="list-style-type: none"><li>• The Department should ensure that new employees submit a P45 or P46 timeously in order that the appropriate information can be submitted to the Inland Revenue.</li></ul>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Head of Waste Management and appropriate action agreed to address the specific issues raised.</p>

**xxiii) INTERNAL AUDIT REPORT 2004/27**

<b>Department</b>	<b>Support Services</b>
<b>Subject</b>	<b>Starters and Leavers</b>

<b>Introduction</b>
<p>As part of the planned internal audit work, a review of the systems and procedures for processing Starters and Leavers within the various Departments of the Council was carried out.</p> <p>The budgeted number of full time equivalent posts within the Council for 2002/03 was 7,005 of which 123 FTE staff were employed within Support Services excluding staff employed within the Architectural Services Division for which a separate report has been issued. During this period 7 employees joined Support Services while 24 members of staff left the Department.</p> <p>Documentation relating to a small sample of Starters and Leavers in Support Services extracted from a report provided by the Payroll Section within the Finance Department was examined. The aim was to ensure that the appropriate documentation was completed, appropriately authorised and that the details held in the ISIS Payroll and Personnel Systems were accurate.</p>
<b>Scope and Objectives</b>
<p>The overall aim of the review was to assess the extent of compliance by Departments with Council procedures. Areas examined in relation to Starters included the documentation obtained from and completed for new employees, the level of authorisation prior to inclusion in the Council payroll and the checking procedures to ensure accuracy and validity of input. The documentation completed and the processes adopted for Leavers were also considered.</p>
<b>Conclusion</b>
<p><i>The principal conclusion drawn from this review is that there is a sound system of control designed to achieve the system objectives and that the controls are being consistently applied.</i></p>

xxiv) INTERNAL AUDIT REPORT 2004/31

<b>Department</b>	<b>Planning and Transportation</b>
<b>Subject</b>	<b>2003/04 Grant Claim: Cycling, Walking &amp; Safer Streets</b>

<b>Introduction</b>
<p>In the 2003/04 financial year Scottish Ministers offered grant assistance to Dundee City Council for Cycling, Walking &amp; Safer Streets Initiatives. The grant provision made to the Council for financial years 2001/02 to 2003/04 inclusive was £405,000, of which £218,000 relates to the 2003/04 financial year. It is a requirement of the Conditions of Grant that "the Council shall by the 30 June in the financial year following receipt of any grant submit to the Scottish Ministers a statement of compliance with the grant conditions signed by the head of internal audit".</p>
<b>Scope and Objectives</b>
<p>The overall aim of this review was to enable the Chief Internal Auditor to provide an opinion as to whether or not the grant funding received in respect of the above subject has been spent in accordance with the related Terms and Conditions.</p>
<b>Conclusion</b>
<p><i>On the basis of examining the accounts and records of this grant claim, obtaining such explanations and carrying out such tests as deemed necessary, it is considered that the entries in the claim form are fairly stated, and that the sums claimed are properly due and have been used in accordance with the terms and conditions of the Offer of Grant.</i></p> <p>The only area specifically reported upon was that in future years appropriate measures should be implemented to ensure that fees are supported by adequate documentary evidence. This in turn should facilitate the grant certification process.</p>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Financial Services Manager and appropriate action agreed to address the specific issues raised.</p>

xxv) INTERNAL AUDIT REPORT 2004/32

<b>Department</b>	<b>Planning and Transportation</b>
<b>Subject</b>	<b>2003/04 Grant Claim: North East and North West Arterial Corridors</b>

<b>Introduction</b>
In the 2003/04 financial year Scottish Ministers offered grant assistance to Dundee City Council for the North East and North West Arterial Corridors Project. The Grant provision made to the Council for the financial years 2003/04 was £518,000. It is a requirement of the Conditions of Grant that "the Council shall by the 30 June submit to the Scottish Ministers a statement of compliance with the grant conditions signed by the head of internal audit".
<b>Scope and Objectives</b>
The overall aim of this review was to enable the Chief Internal Auditor to provide an opinion as to whether or not the grant funding received in respect of the above subject has been spent in accordance with the related Terms and Conditions.
<b>Conclusion</b>
<i>On the basis of examining the accounts and records of this grant claim, obtaining such explanations and carrying out such tests as deemed necessary, it is considered that the entries in the claim form are fairly stated, and that the sums claimed are properly due and have been used in accordance with the terms and conditions of the Offer of Grant.</i>

xxvi) INTERNAL AUDIT REPORT 2004/33

<b>Department</b>	<b>Planning and Transport</b>
<b>Subject</b>	<b>2003/04 Grant Claim: Section 70 Concessionary Fares</b>

<b>Introduction</b>
<p>In the 2003/04 financial year the Scottish Executive offered grant assistance to Dundee City Council to help fund the Concessionary Fares Scheme for the elderly and disabled. The grant awarded was to fund the difference between costs incurred to enhance certain aspects of local bus travel for the elderly and disabled and the Transport Authority's Grant Aided Expenditure (GAE) allocation for concessionary fares.</p> <p>The sum claimed for 2003/04 was £1.147 million and it is a requirement of the conditions of grant that "the Transport Authority shall by 30 June in the financial year following receipt of any grant submit to The Scottish Ministers a statement of compliance with the grant conditions signed by the head of internal audit".</p>
<b>Scope and Objectives</b>
<p>The overall aim of this review was to enable the Chief Internal Auditor to provide an opinion as to whether or not the entries on the Statement of Expenditure submitted by the Council, are fairly stated, the sums claimed are properly due, substantiated with documentary evidence and have been used for the intended purposes in accordance with the terms and conditions under which the claim for grant was made.</p>
<b>Conclusion</b>
<p><i>On the basis of examining the accounts and records of this grant claim, obtaining such explanations and carrying out such tests as considered necessary, it is considered that the entries in the claim form are fairly stated and that the sums claimed are properly due and have been used in accordance with the terms and conditions of the Offer of Grant.</i></p>

**xxvii) INTERNAL AUDIT REPORT 2004/34**

<b>Department</b>	<b>Planning and Transportation</b>
<b>Subject</b>	<b>2003/04 Grant Claim: Bringing Confidence into Public Transport / Smartbus</b>

<b>Introduction</b>
<p>In the financial year 2003/04 Dundee City Council was offered grant assistance for work associated with the above projects. It is noted that because of the synergy of the originally separate projects the Scottish Executive agreed that these initiatives be combined into one project covering a package of transport measures. The grant provision made to the Council for financial years 2003/04 to 2004/06 inclusive was £8.155m, of which £2.509m relates to the 2003/04 financial year. It is a requirement of the conditions of grant that "the Council shall by 30 June in the financial year following receipt of any grant submit to the Scottish Ministers a statement of compliance with the grant condition signed by the head of internal audit."</p>
<b>Scope and Objectives</b>
<p>The overall aim of this review was to enable the Chief Internal Auditor to provide an opinion as to whether or not the entries on the Statement of Expenditure submitted by the Council, are fairly stated, the sums claimed are properly due, substantiated with documentary evidence and have been used for the intended purposes in accordance with the terms and conditions under which the claim for grant is made.</p>
<b>Conclusion</b>
<p><i>On the basis of examining the accounts and records of this grant claim, obtaining such explanations and carrying out such tests as considered necessary, it is considered that the entries in the claim form are fairly stated and that the sums claimed are properly due and have been used in accordance with the terms and conditions of the Offer of Grant.</i></p> <p>The only area specifically reported upon was that in future years appropriate measures should be implemented to ensure that fees are supported by adequate documentary evidence. This in turn should facilitate the grant certification process.</p>
<b>Management Responses to the Audit Report</b>
<p>The audit findings and recommendations were formally reported to the Financial Services Manager and appropriate action agreed to address the specific issues raised.</p>