



INTERNAL AUDIT REPORT – STREET CLEANSING

<u>Auditor:</u>	<u>Sharon Bradley</u>
<u>Distribution:</u>	Audit Committee Chief Executive Director of Corporate Services Director of Environmental Services Head of Operations
	<u>August 2018</u>

All matters contained in this report came to our attention while conducting normal internal audit work. Whilst we are able to provide an overall level of assurance based on our audit work, unlike a special investigation, this work will not necessarily reveal every issue that may exist in the Council's internal control system.

Table of Contents

Executive Summary.....	3
1 Objective	4
2 Background	4
3 Risks	4
4 Audit Approach.....	4-5
5 Findings and Recommendations	5
Appendix I: Definition of Assurance Ratings and Hierarchy of Findings	6
Appendix II: Summary of Key Controls Reviewed.....	7

Executive Summary

This internal audit was completed in accordance with the approved annual Internal Audit Plan for 2018/19. This report summarises the findings arising from a review of the Street Cleansing which was allocated 7 days.

Through the audit I found the following examples of good practice:

- Health and Safety policies and procedures are in place and available to staff.
- Risk assessments are undertaken and completed and staff have been given health and safety training.
- Any risks threatening street cleaning are identified and included on a Risk Register.
- Policies and procedures to support work planning and prioritisation are in place.
- A task management process or software is used to register, allocate and manage planned street cleaning and ad hoc requests for street cleaning
- A Budget is in place and is monitored and key performance indicators are in place.
- Staff follow work plans that are in place and are aware of all their responsibilities in regard to street cleaning.
- There is an adequate number of staff/resources to complete work timely
- The responsibility for the upkeep of equipment and assets used by street cleaning is clearly understood and staff have the appropriate qualifications/training to operate relevant equipment.

One area (Priority 2) where controls could be enhanced was noted during this review.

The following table summarises the total number of recommendations from our audit (all recommendations being accepted by management):

Risk	Number of recommendations & Priority rating		
	1	2	3
It may be that street cleansing work is not planned appropriately and the work is not prioritised correctly leading to streets being unclean or becoming unsafe, and extra costs being incurred.	-	1	-
Total recommendations made	-	1	-

Based on our audit testing we are able to provide the following overall level of assurance:

Satisfactory

Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

1. Objective

The overall objective of this audit is to consider the main risks in relation to Street Cleansing and to review the key systems and controls in place to address these.

2. Background

The overall purpose of the street cleansing service is to sustain a Borough that is perceived as clean, safe and well-cared for by its residents, businesses and visitors. Perceptions of cleanliness and safety strongly contribute to residents' sense of well-being, and satisfaction with the neighbourhood in which they live. A clean and well-cared for Borough will also support the economy by influencing business decisions to remain in or re-locate to the area, help sustain and develop the Borough's tourism, and underpin a vibrant cultural life. Council is responsible for sweeping roads, footpaths and removing litter throughout the Borough, helping to keep the environment clean.

The main responsibilities within Council for managing street cleansing fall within the directorate of Environmental Services. The 2018/19 budget for street cleansing is 2.38 million. The main functions of the Street Cleansing Service is the cleansing of adopted highway areas across the Borough and removal of fly tipping. The service provides a number of statutory tasks including street cleansing, public bin emptying and removal of fly-tipping.

It is an offence to drop litter. Local councils can send fixed penalty notices up to £80 for the offence of littering as an alternative to prosecution in the courts. The Courts can impose fines up to £2,500 for littering offences.

3. Risks

The risks identified relating to Street Cleansing and agreed with management are as follows:

1. Health and Safety
2. Work Planning
3. Management of Staff
4. Equipment and Assets

4. Audit Approach

The audit fieldwork comprised:

- Documenting the systems via discussions with key staff
- Consideration of the key risks within each audit area
- Examining relevant documentation
- Carrying out a preliminary evaluation of the arrangements and controls in operation generally within the Council
- Testing the key arrangements and controls
- Testing the completeness and accuracy of records.

The table below shows the staff consulted with and we would like to thank them for their assistance and co-operation.

Job title
Head of Operations
Operations Managers

5. Findings and Recommendations

This section of the report sets out our findings in relation to control issues identified and recommendations. A summary of all the key controls that we considered is included in Appendix II to this report.

5.1 Risk 1 – Health & Safety

Audit has no findings or recommendations to make in relation to this risk area.

5.2 Risk 2 – Work Planning

Online Applications
a) Observation- It was noted that certain streets are cleaned under the litter order, however, it was also noted that there are various other streets throughout the Borough that are cleaned continuously on a rolling basis because they have always been cleaned. These routes have not been reviewed for approximately the past 20 years.
b) Implication- The same streets are cleaned on a regular basis whether clean or unclean resulting in a waste of resources and costs in relation to fuel and wear and tear of sweepers. All routes should be mapped onto the GIS system for efficiency.
c) Priority Rating- 2
d) Recommendation – Management should consider route optimisation as soon as possible.
e) Management Response- Council have procured route optimisation software and will review cleansing routes after refuse collection runs have been optimised.
Responsible Officer & Implementation Date-

5.3 Risk 3 – Management of Staff

Audit has no findings or recommendations to make in relation to this risk area.

5.4 Risk 4 – Equipment and Assets

Audit has no findings or recommendations to make in relation to this risk area.

Appendix I: Definition of Assurance Ratings and Hierarchy of Findings

Satisfactory Assurance

Evaluation opinion: Overall there is a satisfactory system of governance, risk management and control. While there may be some residual risk identified this should not significantly impact on the achievement of system objectives.

Limited Assurance

Evaluation opinion: There are significant weaknesses within the governance, risk management and control framework which, if not addressed, could lead to the system objectives not being achieved.

Unacceptable Assurance

Evaluation opinion: The system of governance, risk management and control has failed or there is a real and substantial risk that the system will fail to meet its objectives.

Hierarchy of Findings

This audit report records only the main findings. As a guide to management and to reflect current thinking on risk management we have categorised our recommendations according to the perceived level of risk. The categories are as follows:

Priority 1: Failure to implement the recommendation is likely to result in a major failure of a key organisational objective, significant damage to the reputation of the organisation or the misuse of public funds.

Priority 2: Failure to implement the recommendation could result in the failure of an important organisational objective or could have some impact on a key organisational objective.

Priority 3: Failure to implement the recommendation could lead to an increased risk exposure.

Appendix II: Summary of Key Controls Reviewed

Risk	Control issues
<p>There may be a lack of risk assessments and inappropriate health and safety within the street cleansing activities which could lead to unsafe practice.</p>	<ul style="list-style-type: none"> • Health and Safety policies and procedures are in place and available to staff • Policies and procedures are reviewed and updated periodically • Risk assessments are undertaken and completed. • Staff are given health and safety training. • Any risks threatening street cleaning are identified and scored and included on a relevant Risk Register and identified risks are not left uncontrolled.
<p>It may be that street cleansing work is not planned appropriately and the work is not prioritised correctly leading to streets being unclean or becoming unsafe, and extra costs being incurred.</p>	<ul style="list-style-type: none"> • Policies and procedures to support work planning and prioritisation are in place. • A task management process or software is used to register, allocate and manage planned street cleaning and ad hoc requests for street cleaning • Prioritisation of street cleaning is carried out in an appropriate manner • Processes are put in place to manage workloads if they become excessive • Budgets are in place and are monitored throughout so as not to be exceeded. • Key performance indicators are in place.
<p>Potentially staff are not managed efficiently leading to streets being unclean or becoming unsafe, extra costs being incurred.</p>	<ul style="list-style-type: none"> • Staff follow work plans that are in place. • Staff are aware of all their responsibilities in regard to street cleaning. • There is an adequate number of staff/resources to complete work timely • There is a process in place monitor activity levels and performance
<p>There may be a lack of control over equipment and assets used for street cleaning which could lead to work being delayed, equipment and assets being lost/stolen, or not being safely maintained in working order</p>	<ul style="list-style-type: none"> • The responsibility for the upkeep of equipment and assets used by street cleaning is clearly understood • A log of all equipment and assets is retained and updated. • Equipment and asset checks are regularly completed and documented • Policy for equipment and assets in place (detailing use and security). • Staff have the appropriate qualifications to operate relevant equipment