



**Comhairle nan Eilean Siar
Internal Audit Follow Up Review
Homelessness
Final Report – FU08-23/24**

5 June 2024

**COMHAIRLE NAN EILEAN SIAR
INTERNAL AUDIT FOLLOW UP REPORT
HOMELESSNESS**

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SECTION 1: EXECUTIVE SUMMARY

Introduction

- 1.1 The Report has been prepared for the Comhairle's Audit and Scrutiny Committee. The original report advised of 6 recommendations made in the Homelessness report which was issued on 22 September 2023. The follow up review was undertaken in accordance with the operational annual internal audit plan for 2023/24.

Internal Audit Objective

- 1.2 Following up internal audit reports and assessing the level of compliance with recommendations made is an important part of the internal audit function.
- 1.3 In accordance with the remit detailed in the operational annual internal audit plan for 2023/24, our internal audit work was designed to obtain assurance that the original recommendations have been implemented. We obtained this assurance through internal audit testing and undertaking discussions with key personnel.
- 1.4 The main recommendations in the original report were all low grade recommendations which were to be addressed to conform to best practice standards and process improvement opportunities.

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Detailed Findings

1.5 The current status of progress against the original recommendations can be summarised as follows:

Key to Status



Fully implemented;



Partly implemented, although further work is required to meet the objective of the recommendation; or



Insufficient progress to date

Recommendations	Action to Date	Status
Management to ensure that all cash received must be posted to the service user accounts at the end of each month and a reconciliation undertaken to identify any discrepancies that may not have been identified.	Partly Implemented	
The Homeless Manager to reiterate to staff who obtain purchases for the homeless unit that personal reward scheme cards are prohibited for these transactions.	Fully Implemented	
The Homeless Manager should ensure that for each property a reconciliation is undertaken between the utility amounts due and the actual amounts received. A spreadsheet must be set up to identify the transactions and recording of information must be undertaken monthly.	Fully Implemented	
The Homeless Manager to reiterate to the petty cash imprest holders that any large purchases must be undertaken using the purchase order system in place.	Fully Implemented	
The Homeless Manager to proceed to follow up the issue of the emergency lighting that has been outstanding over a number of years and ensure that it is resolved.	Partly Implemented	
Where possible it would be advisable that staff resource is made available for checking properties prior to the service user leaving in order that any damages are rectified and to have an awareness for any future tenancy agreements for the individuals.	Fully Implemented.	

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Concluding Remarks

- 1.6 From our follow up testing, we note that out of the 6 follow up recommendations made in the original 4 appear to have been fully implemented, and management have confirmed that the remaining recommendations will be implemented.
- 1.7 For Comhairle Nan Eilean Siar Internal Audit Section

Internal Audit
Comhairle Nan Eilean Siar
Sandwick Road
Stornoway
Isle of Lewis
HS1 2BW

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SECTION 2 - DETAILED FINDINGS AND RECOMMENDATIONS

Action Recommended	Action By	Progress to Date	Action Outstanding
2.1			
Management to ensure that all cash received must be posted to the service user accounts at the end of each month and a reconciliation undertaken to identify any discrepancies that may not have been identified.	Homeless Manager	This action was initiated but has been hampered by a lack of debtor information since the cyber-attack. It will be resumed once systems are restored.	Ongoing

Action Recommended	Action By	Progress to Date	Action Outstanding
2.2			
The Homeless Manager to reiterate to staff who obtain purchases for the homeless unit that personal reward scheme cards are prohibited for these transactions.	Homeless Manager	All staff advised by email on 11/09/23	None

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Action Recommended	Action By	Progress to Date	Action Outstanding
2.3			
The Homeless Manager should ensure that for each property a reconciliation is undertaken between the utility amounts due and the actual amounts received. A spreadsheet must be set up to identify the transactions and recording of information must be undertaken monthly.	Homeless Manager	Spreadsheet devised and monthly reconciliations are now being undertaken.	None

Action Recommended	Action By	Progress to Date	Action Outstanding
2.4			
The Homeless Manager to reiterate to the petty cash imprest holders that any large purchases must be undertaken using the purchase order system in place.	Homeless Manager	Staff reminded and reissued with petty cash procedures on 27/09/23.	None

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Action Recommended	Action By	Progress to Date	Action Outstanding
2.5			
The Homeless Manager to proceed to follow up the issue of the emergency lighting that has been outstanding over a number of years and ensure that it is resolved.	Homeless Manager	This issue has been followed up with Assets & Infrastructure team on a number of occasions but remains unresolved.	Ongoing until a resolution is found

Action Recommended	Action By	Progress to Date	Action Outstanding
2.6			
Where possible it would be advisable that staff resource is made available for checking properties prior to the service user leaving in order that any damages are rectified and to have an awareness for any future tenancy agreements for the individuals.	Homeless Manager	This is undertaken where possible but some tenants return the keys prior to staff visiting.	None

RESPECTIVE RESPONSIBILITIES OF MANAGEMENT AND INTERNAL AUDIT

Responsibility in Relation to Internal Controls

It is the responsibility of the Comhairle's management to maintain adequate and effective financial systems and to arrange for a system of internal controls. Our responsibility as internal auditors is to evaluate the financial systems and associated internal controls. In practice, we cannot examine every financial implication and accounting procedure within an activity, and we cannot substitute for management's responsibility to maintain adequate systems of internal controls over financial systems. We therefore may not identify all weaknesses that exist in this regard.

Responsibilities in Relation to Fraud and Corruption

The prime responsibility for the prevention and detection of fraud and irregularities rests with management. They also have a duty to take reasonable steps to limit the opportunity for corrupt practices. It is our responsibility to review the adequacy of these arrangements, but our work does not remove the possibility that fraud, corruption or irregularity may have occurred and remained undetected.

We nevertheless endeavour to plan our internal audit work so that we have reasonable expectation of detecting material fraud, but our examination should not be relied upon to disclose all such material frauds that may exist.