

DEPARTMENT  <b>Communities</b>	AUDIT REVIEW  <b>Homelessness Prevention Grant (18/19)</b>	AUDIT REF  <b>6119021</b>
<p><b>BACKGROUND</b></p> <p>The value of the Homelessness Prevention Grant award for 2018/19 was £170,240. The purpose of the funding is to enable ‘delivery of services that alleviate homelessness and rooflessness in Wales’.</p> <p><b>SCOPE</b></p> <p>The review sought to ensure that grant Terms and Conditions and the Authority’s Financial Procedure Rules and the Project Grants Manual are being fully complied with.</p> <p><b>SUMMARY OF RESULTS</b></p> <p>The internal audit review identified that financial and administrative processes relating to the Homelessness Prevention Grant were not always being undertaken to an acceptable standard.</p> <p>One fundamental weakness was identified during the review, which is detailed in the attached action plan, along with the actions agreed to be implemented by management. The remainder of the issues identified were one ‘<i>Priority 2</i>’ issue and two ‘<i>Priority 3</i>’ issues; summarised details are as follows:</p> <ul style="list-style-type: none"> <li>➤ It was identified that documentation was incomplete for the two landlord incentive agreements tested; there was also inadequate reconciliation of costs incurred to repayment schedules. [Priority 2]</li> <li>➤ The Project Grant File was incomplete and not adequately structured. There was no ‘Documentation Checklist’, as required by the Project Grants Manual and the signed acceptance letter and signed claim form for Quarter 4 were not present on file. [Priority 3]</li> <li>➤ The ordering of goods was not always administered in compliance with the Authority’s Financial Procedure Rules, with sample testing identifying orders not always raised in the appropriate manner. [Priority 3]</li> </ul>		
<b>NUMBER OF RECOMMENDATIONS</b>		<b>OVERALL ASSURANCE</b>
Priority 1 - Fundamental Weaknesses	<b>1</b>	<b>Low</b>
Priority 2 – Strengthen Existing Controls	<b>1</b>	
Priority 3 – Minor Issues	<b>2</b>	

**Internal Audit review of Homelessness Prevention Grant (2018/19)**

**Action Plan relating to 3\* Issue identified**

Ref	Summary of Issue Identified	Recommendation	Planned Action	Responsible officer Target Date for completion of actions
1	<p>There was inadequate documentation to evidence the eligibility of expenditure claimed under the 'Home Ready Furniture Scheme'. Two transactions from the Scheme were selected for testing: The Carpet Shop £8,000 and Let Us Furnish £10,000. Invoices provided did not specify the client name, description of the item(s) purchased, when or where delivery took place. Officers could not provide specific details of the actual goods delivered, per address. In addition, Internal Audit could not verify whether the associated goods were received prior to 31st March 2019 and were therefore eligible to be claimed.</p> <p>There was insufficient evidence to verify that Contract Procedure Rules had been adhered to in selecting companies to supply for the Scheme and no record was provided of the evaluation process and decision to award.</p>	<p>Procedures and documentation should be introduced to ensure that only eligible scheme expenditure is claimed, and this expenditure must be appropriately monitored against repayments from tenants. It must be ensured that adequate records are maintained to allow all expenditure to be traced to actual goods delivered, per address.</p> <p>All spend must be procured in a compliant manner. Full audit trails to support the procurement process must be retained at all times.</p>	<p>Complete overhaul of the process and associated document has been completed.</p> <p>Full audit trails for expenditure are now in place.</p>	<p>Tenancy Support Lead</p> <p>Completed</p>