

## INTERNAL AUDIT REPORT

**FROM:** Audit and Risk Manager  
**TO:** Head of Health and Community Protection  
Environmental Sustainability Manager  
Safer Communities Manager  
**CC:** Chief Executive  
Head of Finance

**SUBJECT:** Environmental Protection Functions

**DATE:** 30 January 2015

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### 1 Introduction

- 1.1. In accordance with the Audit Plan for 2014/15, an examination of the above subject area has been completed recently and this report presents the findings and conclusions for information and action where appropriate.
- 1.2. Wherever possible, results obtained have been discussed with the staff involved in the various procedures examined and their views are incorporated, where appropriate, in any recommendations made. My thanks are extended to all concerned for the help and co-operation received during the audit.

### 2 Scope and Objectives of Audit

- 2.1. The purpose of the audit examination was to report a level of assurance on the adequacy of systems in place to secure economic, efficient and effective discharge of the relevant functions in accordance with statutory requirements, national standards and corporate objectives.
- 2.2. The examination comprised an evidential risk-based evaluation of management systems in place supporting a cross-section of functions within Health and Community Protection not specifically covered under other assignments within the spectrum of the Internal Audit Plan. The areas examined were:
- § local air quality
  - § contaminated land
  - § noise nuisance
  - § Local Air Pollution Prevention and Control (LAPPC) regime
  - § pest control
  - § dog warden services.
- 2.3. The evaluation considered controls in place in the context of the following themes as appropriate:
- § strategies and policies
  - § roles and responsibilities
  - § processes and procedures
  - § monitoring and review
  - § information assurance.

## 2.4 The audit process comprised:

- § overview examination of management systems and processes for discharging the applicable functions based on available documentation, discussions with relevant staff and demonstrations of processes;
- § review and analysis of service and financial data;
- § sample testing on a cross-section of service request cases drawn at random.

## 2.5 The primary purpose of the sample testing was to verify from the available information that actions taken were:

- § consistent with the provisions of the Enforcement Policy (an indicative test only at this stage given that the Policy was only recently adopted) ;
- § in accordance with prescribed procedures where applicable.

## 3 Findings

### 3.1 Recommendations from previous audit

#### 3.1.1 There were four recommendations from the last audit report on this subject issued in March 2012 (all low risk) as follows:

Recommendation	Management Response	Current Status
1 The monthly performance information on service requests should include the figures for the number of requests remaining open.	This will be implemented from the start of the 2012/13 financial year.	The examination shows a continuing issue with a significant level of unclosed cases going back long periods (up to six years in some cases). Considered further under Section 6.3 (Monitoring and Review) below.
2 Officers should be reminded of the need to enter all of the required information relating to service requests.	Regular monitoring and discussions at monthly team meetings. Performance measure to be included in appraisals.	Data analysis and testing show that the issues leading to these recommendations still prevail. Considered further under Section 6.3 (Monitoring and Review) below.
3 All outstanding service requests should be reviewed and closed on the system where appropriate.	On-going task which has already been started and follows Recommendation 2 above.	
4 Officers should ensure that VAT is deducted from all charges for the treatment of rodents and other pests.	Already investigated – income system parameters amended to automatically deduct correct VAT deducted.	Review of financial transactions confirmed that VAT is being separated correctly in all cases.

## 3.2 General Matters

- 3.2.1 The scope of this audit assignment was established in the audit planning process based on a management structure where all of the service functions covered were the responsibility of a single division in Environmental Health (specifically Environmental Protection). This changed following the restructure leading to the establishment of the Health and Community Protection Service Area.
- 3.2.2 The result has been a distribution of the functions between two divisions, namely Environmental Sustainability and Safer Communities. This will be taken into account in the future audit planning process.
- 3.2.3 For assurance purposes, it is important to emphasise certain features common to all the functions covered here:
- § They are all subject to extensive policy and technical guidance produced by the Department for Environment, Food and Rural Affairs (DEFRA) and by the Chartered Institute of Environmental Health (CIEH).
  - § The responsive aspects are processed through a well-proven PARSOL<sup>1</sup> business application system (APP Civica, previously known as Flare).
- 3.2.4 Key features embedded in the APP Civica system, and clearly utilised, include:
- § workflow aids including pre-populated lists of typical actions for respective areas covered and case history trails logging all actions taken identifying investigating officers with dates;
  - § auto-generation of standard documentation including routine letters, acknowledgements, statutory notices, etc. from pre-populated text templates;
  - § reporting tools supporting workflow management, performance review, etc.
- 3.2.5 Other areas of commonality between some of the functions covered include:
- § the legislative framework centred around the Environmental Protection Act 1990 (most noticeably the statutory nuisance regime under Part III);
  - § scrutiny by DEFRA over the Council's management of air quality and processes under the LAPPC regime.
- 3.2.6 In the following paragraphs, the report considers general findings under the evaluation themes followed by findings specific to the functions covered.

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<sup>1</sup> Planning and Regulatory Service On-Line

### 3.3 Strategies and Policies

- 3.3.1 The way that Councils discharge the functions covered is extensively governed by legislation and related guidance. This includes the provisions for a strategic approach to areas such as air quality and land contamination.
- 3.3.2 The Council adopted a generic Enforcement Policy in September 2014. As part of that adoption, there was a resolution that Service Heads should 'review and publish their respective service standards to support the .....policy'). The Environmental Sustainability Division has produced a service standards document linked to the current year's Team Operational Plan. The Safer Communities Division's approach is to review and expand on existing operational protocols, a process ongoing at the time of the audit.

### 3.4 Roles and Responsibilities

- 3.4.1 The Council's powers and duties relating for the functions in question are enshrined in legislation.
- 3.4.2 The framework documentation establishing officer powers and duties (in particular the Scheme of Delegation and job descriptions for most of the relevant posts) had still at the time of the audit to be updated in line with the current structure. The Risk Register for Health and Community Protection was found to be sufficiently up to date as a source of reference for this examination.
- 3.4.3 In the context of the functions in question, the provisions in the Scheme of Delegation can be taken as vesting the Council's powers and duties in the Head of Health and Community Protection and officers appointed by him.
- 3.4.4 At divisional level, the general picture is that the LAPPC, pest control and dog warden functions sit squarely within Safer Communities while contaminated land falls within Environmental Sustainability along with the proactive elements of air quality management. Response services for air pollution and noise related complaints have become distributed between the two divisions with Environmental Sustainability dealing with those instances emanating from industrial and commercial premises while the 'domestic' cases are followed up by Safer Communities.
- 3.4.5 For the latter category the role has been subsumed, along with the pest control and dog warden services, into a wider community wellbeing remit vested in the Place and Projects Team.

### 3.5 Processes and Procedures

- 3.5.1 The processing of service requests through APP Civica is the only noticeable area of commonality between the functions in this context. An analysis of data from APP Civica shows an approximate turnover of 3,000 service requests for the functions covered over the twelve months prior to the audit.

### 3.6 Monitoring and Review

- 3.6.1 A monthly performance monitoring process is in place based on customer measures reported under the Service Delivery Plan, much of it from outturn data produced from the APP Civica system.
- 3.6.2 Across the functions covered, the common measures reported are percentages of service requests responded to and completed within their target times (the target durations are parameterised in the APP Civica system dependent on request category). Two separate measures on average resolution times are reported, one on noise and the other for other nuisance combined with pest and dog control.
- 3.6.3 The only other relevant measure relates to air quality at the monitoring sites for which the supporting data is sources from local monitoring installations.
- 3.6.4 It is evident that the process does not appear to have embraced unclosed service requests in line with the previous audit recommendation (it was advised that the organisational restructure and staff resource issues have constrained progress on this).
- 3.6.5 An extract of unclosed service requests relating to the functions covered show a total of close to 900 cases, of which over 250 date back more than two years (some as far back as 2008). While the cases have been referred to the applicable teams for investigation and action, the finding confirms that some form periodic monitoring of unclosed cases is warranted.
- 3.6.6 It is advised that this is should be considered across the whole spectrum of services supported by the APP Civica service request module and not just those functions examined within this audit.

#### **Risks**

***(1) Progress on responsive services may not be effectively managed.***

***(2) Performance information may be distorted.***

#### **Recommendations**

**(1) Enhanced exception reporting from APP Civica should be explored to comprehensively capture unclosed service request cases.**

**(2) Unclosed APP Civica service requests should be monitored at appropriate intervals to ensure prompt closure action where required.**

- 3.6.7 From the results of analysis and sample testing undertaken, it can be concluded that the applicable provisions of the Enforcement Policy are being universally applied in the functions covered within the scope of this examination. The principle around negotiation, education and support shows through in substantially all cases examined and formal enforcement action has been applied relatively rarely.

- 3.6.8 Generally, the case processes were found to be well recorded and documented, including verbal contact appropriately detailed. There were a small number of exceptions and these are discussed as applicable under the related functions below.
- 3.6.9 One significant observation to come to light from the sample testing is a significant incidence of cases being left open for disproportionate lengths of time after both the target completion and last action dates. While it is acknowledged that normal monitoring processes might have been disrupted to some extent as a result of the restructure, this finding must be viewed as reinforcing further the need for regular monitoring of unclosed service requests.
- 3.6.10 Observations arising from the analysis and testing are discussed in more detail as they arise under the respective functions below.

### 3.7 Information Assurance

- 3.7.1 The information trail for service requests, which dominate much of the work content among the functions covered, is substantially contained within the APP Civica system. The APP Civica system was last subject to application control review in 2010 and since that time some additional functional modules have been rolled out.
- 3.7.2 That said, it is considered that the findings and conclusions from that review can still be drawn upon for reliance purposes to a large degree. Observations made during the examination generally confirm that the key controls to preserve confidentiality, integrity and availability of the data are sound.
- 3.7.3 Where applicable, it has also been confirmed that key secondary electronic information resources (e.g. GIS overlays, documents and spreadsheets in departmental networks) are appropriately protected and restricted.
- 3.7.4 In cases where paper-based records supporting the processes were encountered, they were considered to be appropriately located and not subject to undue risk.

### 3.8 Local Air Quality

- 3.8.1 The policy side here is governed extensively by the Environmental Protection Act 1990 and several subsequent statutes. Three main operating areas emerge under this function:
- § periodic reviews and assessments of air quality supporting the National Air Quality Strategy;
  - § controlling emissions from industrial processes (this relates to the LAPPC regime discussed further under 3.11 below);
  - § the statutory nuisance regime powers to issue abatement notices;

- 3.8.2 In accordance with statutory guidance, the Council adopted a time-based action plan aligned with the National Air Quality Strategy through an Air Quality Strategy section contained in Warwickshire County Council's Local Transport Plan. The currently adopted Warwick District Air Quality Action Plan dates from 2008 and a new Plan is in preparation at the time of the audit to align with the re-launched Local Transport Plan 2011-2026.
- 3.8.3 The supporting monitoring regime is based on a combination of three equipped monitoring stations and an array of nitrogen dioxide diffusion tubes sited in various locations within the six designated air quality monitoring areas in the District.
- 3.8.4 The only service-specific risk in this context deemed significant enough to incorporate in the Health and Community Protection Risk Register relates to failure of the single air quality monitoring station directly maintained by the Council. The key to risk mitigation here lies in service and maintenance by a third party.
- 3.8.5 Interestingly, the third party contract that had been in place from 2012 to maintain that station (recorded in the Contract Register) was in the process being re-tendered at the time of the audit due to the existing contractor having recently gone into liquidation.
- 3.8.6 That aside, the audit examination confirmed that suitably robust processes and procedures are in place to ensure continuity of operation and integrity of data in line with DEFRA requirements. An annual report is produced on the monitoring activity and outputs which has to be endorsed by DEFRA.
- 3.8.7 Turning to the responsive side, the APP Civica data indicates an annual turnover of around 120 service requests on air quality issues. These show an even split between commercial/industrial and domestic and the description narratives indicate localised issued in substantially all cases (e.g. smells, smoke, dust, bonfires, etc.). Only two cases showed descriptions relating to ambient air quality.
- 3.8.8 Issue of abatement notices for air pollution are rare with only one instance in the twelve months prior to the audit.
- 3.8.9 The audit sample selection process extracted only two cases relating to air pollution. In one of those cases the request was not closed until seven months after the last action date and six months after the completion target date.
- 3.9 Contaminated Land
- 3.9.1 This is a highly complex area both legally and technically. In basic terms, it is a duty of local authorities to identify through inspection potentially contaminated land within their areas and, for the sites identified, establish through elaborate risk assessment and inspections the existence and nature (actual or potential) of contamination and whether legal sanctions are called for.

- 3.9.2 There also a requirement to maintain a public register of legal sanctions instituted in respect of contaminated land. In the case of Warwick District, it was advised that only one site has been subject to such sanctions (former gas works in Kenilworth) and that a paper file of all related documentation constitutes the 'register' available for inspection on request.
- 3.9.3 Statutory guidance provides that each local authority should take a 'strategic approach' to its inspectorial function and set out its approach in a written strategy. The Council has an adopted Contaminated Land Inspection Strategy, originally dating from 2001 and subject to revisions over the years since (the last revision being in 2010).
- 3.9.4 This Strategy comes across as unduly elaborate and backward looking with a significant emphasis on a five-year programme of strategic inspection due to have been completed almost ten years ago (the wording still refers to this programme as a proposed action).
- 3.9.5 The current approach to discharging this function follows an essentially responsive regime linked to the planning process. In addition, some the procedural content is seen as unnecessarily elaborate and certain inaccuracies have been noted.
- 3.9.6 It is viewed that the Strategy can be much shortened by focusing on the current approach and replacing some of the procedural content with links to relevant DEFRA resources (including the Model Procedures).

**Risk**

***The Contaminated Land Inspection Strategy gives a misleading impression about the Council's management approach.***

**Recommendation**

**The Contaminated Land Inspection Strategy should be revised to reflect the current approach to discharging the Council's obligations on contaminated land.**

- 3.9.7 Sites identified from the strategic inspection and new sites identified since are recorded in a prioritisation list (in Excel spreadsheet form) and mapped as an overlay on the Council's GIS system (access to this overlay is restricted).
- 3.9.8 Along with legacy paper documentation, these form the basis of both feedback on planning application consultations and responses to contaminated land searches. From enquiries and walk-through, the relevant processes and procedures are seen as suitably robust.
- 3.9.9 Data analysis indicated a relatively small trickle of service requests, a substantial proportion of which are land searches. Fees can be charged for contaminated land searches on a cost recovery basis (the Council charges at a rate set under the annual Fees and Charges review process).



- 3.9.10 When queried, it was advised by Environmental Sustainability that the rate being charged is viewed as reasonable in the light of officer time required. It was noted, however that the VAT treatment for these fees is at odds with the corporate VAT schedule (i.e. VAT automatically separated at standard rate by the PARIS income system for a service classified as non-business).
- 3.9.11 The sums involved are not great (around £300 per annum) and the anomaly has been raised with Strategic Finance for investigation.
- 3.10 Noise Nuisance
- 3.10.1 The legislative framework for noise control centres mainly around the statutory nuisance regime and abatement notice powers established by the Environmental Protection Act 1990. Local authorities have a duty under this Act to:
- § inspect their areas from time to time to ascertain the existence of statutory nuisance;
  - § take reasonably practical steps to investigate complaints of statutory nuisance.
- 3.10.2 Subsequent legislation has extended further the powers of local authorities for dealing with certain specified types of noise including intruder alarms, loudspeakers in streets and domestic night noise.
- 3.10.3 Central government's policy and strategic approach to managing noise issues is mainly tied in with the principles of sustainable development and looks to the planning system for mitigating the potential for noise nuisance. Noise is one of the principal matters on which Health and Community Protection advises as a consultee on planning applications.
- 3.10.4 Apart from this, the role of Health and Community Protection is primarily as first point contact for enquiries and complaints relating to noise and as the principle investigative resource for noise complaints. All relevant planning consultations, enquiries and complaints are processed as service requests in the APP Civica system.
- 3.10.5 Not surprisingly, noise nuisance is a prolific area among the functions covered, both in terms of volume of service requests (second only to Pest Control) and abatement notices issued. The data indicates an annual turnover of around 800 service requests and 17 abatement notices were issued in the twelve months prior to the audit (relating to 15 properties). The great majority of noise complaints (around 75 per cent) were domestic cases.
- 3.10.6 The sample test on noise complaints was insightful in giving an appreciation of how they are dealt with and factors that influence the speed with which they can be resolved. The only specific observation to stand out was in one case where the first and only recorded action was the issue of an abatement notice (this related to an intruder alarm that had been sounding continuously for two days).

3.10.7 Also the request remained unclosed for fifteen months after the notice was issued. If it had been closed within the target date, the case would not have been in the sample population.

### 3.11 Local Air Pollution Prevention and Control (LAPPC)

3.11.1 The LAPPC regime was established by the Pollution Prevention and Control Act 1999, superseding the provisions of Part I of the Environmental Protection Act 1990. In essence, however, the local authority process in authorising polluting industrial processes through issue of permits is essentially unchanged.

3.11.2 Extensive DEFRA guidance covers the whole regime including specific guidance on each of the industrial process categories. The charging regime is also prescribed under statute with a scale of fees determined annually by Regulations linked to risk scoring under the prescribed assessment procedures.

3.11.3 The Council's permit and registration process is essentially paper-based with a file maintained with all relevant documentation for each permit issued (currently 37). As public information, the files are made available for inspection on request and a summary list is published on the Council's website, which should be updated annually.

3.11.4 However, the version of the list published at the time of the audit was found to be from 2012 and the Environmental Health Officer dealing with the permit process has been alerted to this.

3.11.5 The Council is required to complete an annual on-line survey for DEFRA which includes information on officer time expended on the process.

3.11.6 Enquiries relating to LAPPC are processed in APP Civica as service requests, although in practice these are rare with only three recorded instances in the twelve months prior to the audit.

### 3.12 Pest Control

3.12.1 Local authority pest control functions are rooted in the Public Health Acts 1936 and 1961 with further provisions specific to rats and mice contained in the Prevention of Damage by Pests Act 1949. With recent pressures to reduce costs, the scope and form of pest control services have come to vary between authorities ranging from comprehensive services that are outsourced or charged for at commercial rates to providing no service at all (i.e. meeting their obligations through enforcement only).

3.12.2 Warwick District has opted for a middle way maintaining a limited treatment service at domestic properties for priority pest types and an advisory service for all other types and for commercial premises. The charging structure is designed to draw a balance between the need to recover costs on the one hand and customers' ability to pay and disincentives that could lead to over-reliance on enforcement on the other.

3.12.3. The pest control operation is substantially responsive, although it was advised that inspections of Council-owned land are also made from time to time. It was advised during discussions that the Places and Projects Team is looking to develop an input on pest management into the planning application process in line with CIEH guidance.

3.12.4 On the responsive side, pest control is clearly the most prolific of the functions covered with an annual turnover of service requests approaching 1,200. A breakdown over the twelve months prior to the audit shows as follows:

Rats	819
Infestations -fleas, bedbugs & cockroaches	104
Mice	94
Infestations – other insects(advisory)	11
Advisory (other various)	<u>134</u>
	<u>1,162</u>

3.12.5 In the same period three statutory notices (relating to two domestic properties) were issued, all under the Prevention of Damage by Pests Act. Interestingly, these were all raised by the Private Sector Housing Team (Housing and Property Services), illustrating a measure of functional cross-over.

3.12.6 Where fees are chargeable these are collected by the operatives on site and official receipts issued. From examination of financial transactions, the amount of out-of office cash holding on any day is not significant enough to raise officer safety concerns and the overall level of income did not warrant detailed testing of cash procedures.

3.12.7 Examination of the sample requests showed did not reveal any noticeable divergence from the document procedures for pest control. Only one specific observation arose here, again relating to an instance of unclosed request 'drift'. In this case the request remained unclosed for thirteen months after both the target date and last action date.

### 3.13 Dog Warden Services

3.13.1 Several pieces of legislation lay down provisions on the powers and duties of local authorities in respect of dogs. Briefly, the key provisions relate to:

- § seizure of stray dogs;
- § dangerous dogs;
- § Dog Control Orders ;
- § Fixed Penalty Notices;
- § statutory fee for return of stray dogs to their owners.

DEFRA has published guidance on Dog Control Orders and Fixed Penalty Notices.

3.13.2 The Council discharges its obligations under the above by running a dog warden scheme (currently with a directly employed full-time dog warden) and has exercised its powers by making four Dog Control Orders covering fouling, keeping on leads and exclusion areas.

- 3.13.3 The Fixed Penalty charge is set at £50 (typical charges range between £50 and £80 at other authorities). A test visit to selected local dog on lead and exclusion areas confirmed appropriate signage to be in place.
- 3.13.4 Dog warden procedures are enshrined in a protocol document (under review at the time of the audit). The service is a substantially responsive one, although it was advised that patrolling of known 'hotspot' areas of dog fouling is undertaken when time permits. It was advised during discussion that the potential for input from the new Ranger Service into dog control is being explored in consultation with Neighbourhood Services.
- 3.13.5 Service request activity here is fairly prolific with an annual turnover of around 500 requests. A breakdown over the twelve months prior to the audit shows as follows:
- |                |     |
|----------------|-----|
| Stray dogs     | 206 |
| Dog fouling    | 125 |
| Dangerous dogs | 73  |
| Other          | 75  |
- 3.13.6 Financial data indicates around 45 incidents of kennelled strays over the same period. The Council has an arrangement with a kennelling establishment close to the District (recorded on the Contract Register).
- 3.13.7 As with pest control services, fees are collected by the Dog Warden on site when returning dogs and official receipts issued. From examination of financial transactions, the amount of out-of office cash holding on any day is not significant enough to raise officer safety concerns and the overall level of income did not warrant detailed testing of cash procedures.
- 3.13.8 Review of the sample requests showed actions consistent with prescribed procedures with no specific observations arising.

### 3.14 Other Functions

- 3.14.1 Although not strictly within the scope of the audit, the data analysis and sample testing touched on other areas including:
- § planning enquiries
  - § accumulations
  - § radiation (light nuisance)
  - § funerals (request to arrange)
  - § water (private supply and flooding).
- 3.14.2 The only noticeable issue to arise here is an evident predominance of planning enquiry requests among the longer standing unclosed cases with significant instances of these requests containing no action entries. This further reinforces the need for more effective monitoring of unclosed service requests already discussed.

## 4 **Conclusions**

- 4.1 In the context of the environmental functions covered within the scope of this audit, the findings give SUBSTANTIAL assurance that the control environment is suitably robust to deliver the applicable functions economically, efficiently and effectively and to manage the risks arising.
- 4.2 No instances of divergence from the Enforcement Policy since its adoption have been revealed from the examination.
- 4.3 The issues that arise from the examination are of a relatively minor nature, one of them being a cross-cutting one that was raised in the previous audit but still to be effectively addressed – i.e. unclosed service requests in the APP Civica system. The only other issue leading to a recommendation relates to the relevance and value of the Contaminated Land Inspection Strategy in its current form.
- 4.4 It is noted that the air quality management system may have been impacted adversely by the maintenance contractor going into administration. It has been advised that arrangements are in hand to retender the contract, so no recommendation is seen as warranted.

## 5 **Management Action**

- 5.1 Recommendations to address the issues raised are reproduced in the Action Plan together with the management response.

Richard Barr  
Audit and Risk Manager