

Internal Audit Annual Report

2007/08

S.106 Planning Obligations - Systems Audit

Title	Date of Report	Comments / Findings	Scale of Service	Assurance Level
S. 106 Planning Obligations Systems Audit	March 2008	<p>This audit examined the systems in place for controlling and managing financial and non-financial planning obligations resulting from S.106 planning agreements. Currently S.106 Obligations are managed between a combination of teams within Development and Renewal Directorate, all of which are accountable to the working body called the Planning Contributions Overview Panel (PCOP) chaired by the Corporate Director. The importance of the planning obligation funding is cross-Directorate which increases the need to manage and utilise the funding strategically for the benefit of residents of the borough.</p> <p>We can report that since the last Audit in 2001/02, there have been improvements in the management, control and administration of planning obligations. However, our review has also reported some key issues still to be addressed. For example, the audit trail between pre-application negotiations and the final S.106 agreements needed strengthening. Governance for the PCOP required strengthening in a number of areas to uphold transparency. Reports submitted to PCOP did not clarify the full impact of the development. The system for instigating and receiving financial obligations and the related income also needed to be strengthened.</p>	<p>Extensive ***</p>	<p>Limited **</p>

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S. 106 Planning Obligations Systems Audit (cont)		<p>All findings and recommendations were agreed with the then Corporate Director of Development and Renewal.</p> <p>Management comment - Even before the Audit had started D&R's own operational assessments (practical testing) had revealed areas of the process and procedure that could and should be improved. As the Audit mentions, these were already being actioned during the Audit;</p> <p>- All of the Recommendations, save where further consideration of their implications is required, are now being actioned and amendments are being made, proposed or more detailed consideration planned in accordance with the audit priority rating.</p>	Extensive ***	Limited **