

TEMPORARY ACCOMMODATION HHC23_1

1. Executive Summary

Directorate: Housing, Health and Communities
Audit Owner: Principal Policy & Reviews Officer, Housing Options Team Leader.

Distribution List: Interim Strategic Director of Housing, Health & Communities, Interim Director of Property, Strategic Director of Finance, Commercialisation & Corporate Services, Section151 Officer, Chief Executive

Overall Opinion

LIMITED ASSURANCE ●

Number of issues relating to Control Design

- 0 Critical
- 0 High
- 0 Medium
- 0 Low

Number of issues relating to Controls Operating in Practice

- 0 Critical
- 4 High
- 1 Medium
- 0 Low

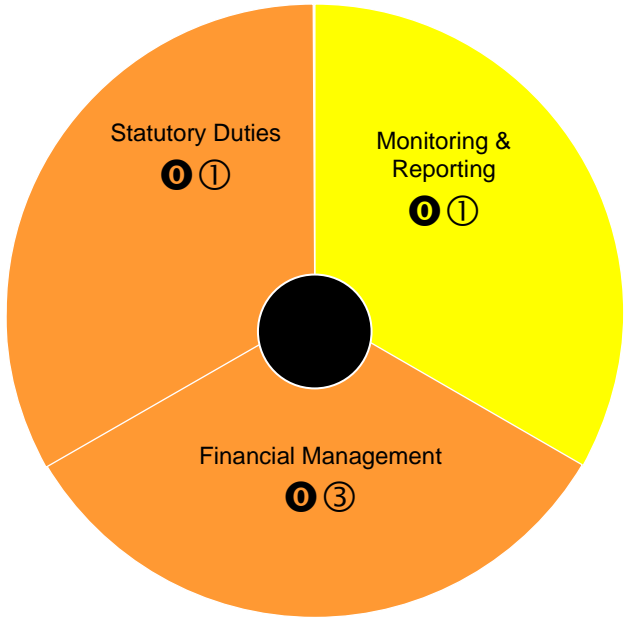
Scope of the Review/ Limitations:

The scope of this audit is to review the Council's arrangements for Temporary Accommodation, including procurement and monitoring of providers

Overview
 Uttlesford District Council, like other local authorities faces a high demand for temporary accommodation, exacerbated by high interest rates, shortages of suitable housing, rising rents, etc. These have impacted on the Council's resource capacity and its process management. The recommendations made are aimed at strategic considerations to manage their resources.

Critical and High Priority Findings
 [4] High - priority findings were identified relating to the provision of temporary accommodation and compliance with the Council's financial regulation.




Areas of good practice identified
 Officers have been putting in a lot of effort to manage the demand for the service and are continuously looking for ways to change procedures, if at all possible, to keep up with the demand. One high-priority recommendations on financial control and resource management have been implemented before the conclusion of the audit.



Each of the objectives for this review are shown as segments of the wheel. The key to the colours on the wheel are as follows:

- No / Low priority issues identified
- Medium priority issues identified
- High priority issues identified
- Critical priority issues identified

Auditor: Meng-Chee Leong Fieldwork commenced: May 2024 Fieldwork completed: June 2024 Draft report issued: July 2024 Management comments: August 2024 Final report issued: August 2024 Signed: Philip Honeybone, Audit Manager	Risk Register Updates: It is recommended that management consider including the unregistered risks identified below in the service's risk register.							
	Issues raised and officers responsible for implementation							
	Officer	Critical	High	Medium	Low	Total	Agreed	Latest Implementation Date
	Interim Strategic Director of Housing, Health & Communities	0	1	0	0	1	Agreed	October 2024
Principal Policy & Reviews Officer	0	3	1	0	4	Agreed	October 2024	

Risks Reviewed (as per agreed Terms of Reference)		
Risk Ref	Risk	Finding Risk Rating
1	Statutory duty	
	Non-compliance with the Housing Act 1996 (Relief Duty) may result in: <ul style="list-style-type: none"> Inaccurate assessment of need leads to failure to protect the vulnerable Inaccurate assessment of need leads to housing someone who does not meet the criteria. Fraudulent claims for assistance may be made. Families remain in Bed & Breakfast accommodation for more than 6 weeks. 	 High
2	Financial Management	
	<ul style="list-style-type: none"> Financial regulations or contract procedure rules are not followed when procuring accommodation for homeless applicants and may not provide value for money. Inadequate controls are in place for the monitoring and management of temporary accommodation and may result in overpayments to third-party providers (hotels/private sector/bed & breakfast establishments). The Council may not maximise the temporary accommodation costs it can recover from Housing Benefit if claims are late or inaccurate. The Council is not pro-active in moving households from bed & breakfast to more cost-effective temporary accommodation. 	 High
3	Monitoring and Reporting	
	Performance reporting and monitoring may not provide a holistic view of service delivery.	 Medium

2. Detailed Findings, Recommendations and Action Plan

Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response and agreed actions																									
	Statutory Duty																													
1	<p>Under Section 188 of the Housing Act 1996 if the local authority has reason to believe that an applicant may be homeless, eligible for assistance and have a priority need, they must ensure that accommodation is available for the applicant's occupation.</p> <p>The service has been unable to meet the target on average length of stay in Bed and Breakfast (B&B) accommodation for families and children under 18. This is due to staff long term absences and the increased number of people presenting as homeless.</p> <p><u>Service mitigation Control:</u> Senior Officers and Officers are jointly working on case management, including operating duty from offices.</p> <p>The performance indicator outcome confirmed that the number of families placed in B&B had exceeded the target in the last three quarters. It should be noted that the target has increased from 10 to 18 days for 2023/24 and 42 days in 2024/25.</p> <table border="1"> <thead> <tr> <th>2023/24</th> <th>No: of families in B&B</th> <th>Nights</th> <th>Average length of stay</th> <th>Target - Average length of stay</th> </tr> </thead> <tbody> <tr> <td>Q4</td> <td>13</td> <td>760</td> <td>58</td> <td>10</td> </tr> <tr> <td>Q3</td> <td>14</td> <td>625</td> <td>45</td> <td>10</td> </tr> <tr> <td>Q2</td> <td>7</td> <td>396</td> <td>57</td> <td>10</td> </tr> <tr> <td>Q1</td> <td>8</td> <td>325</td> <td>41</td> <td>10</td> </tr> </tbody> </table> <p>The Council like other local authorities, is under mounting pressure to find suitable homes, including hotels and B&B for an <i>ever-increasing number of people at a significant cost.</i></p>	2023/24	No: of families in B&B	Nights	Average length of stay	Target - Average length of stay	Q4	13	760	58	10	Q3	14	625	45	10	Q2	7	396	57	10	Q1	8	325	41	10	<p>Families remain in Bed & Breakfast accommodation for more than 6 weeks, leading increased costs for the Council.</p>	<p>The Council should consider strategic joint working with partners to seek alternative options such as private leasing or applying for a local authority housing fund to acquire new properties to manage this challenge.</p>	<p>● High</p>	<p>Recommendation agreed? Yes</p> <p>Responsible Officer: Interim Strategic Director of Housing, Health & Communities</p> <p>Target Date: Agree options and begin implementation, October 2024</p>
2023/24	No: of families in B&B	Nights	Average length of stay	Target - Average length of stay																										
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Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response and agreed actions
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Four records confirmed the high cost spent on temporary accommodation.

2023/24	Weeks	Months	HB -Cost
Family of 4	10	2.5	£12,835
Family of 2	11	2.78	£7,885
Single	26	6.5	£11,385
Single	29	7.28	£11,525

The housing benefit subsidy has not provided adequate assistance and is limited to the one-bedroom self-contained Local Housing Allowance (LHA) rate based on the location of the property. We have reviewed the benefit subsidy and found the net cost to the Council has been rising substantially for the past two years.

Year	Expenditure for the year	Amount subsidised by DWP	Net cost to the Council.
2019/20	£76,145	£29,888	£46,257
2020/21	£112,231	£52,484	£59,747
2021/22	£130,719	£61,101	£69,618
2022/23	£227,232	£73,076	£154,156
2023/24	£197,128	£69,685	£127,443

The above statistics have shown that demand and costs for temporary housing have increased significantly over the last two years. The Council should perhaps consider joint working with partners to seek alternative options such as private leasing or applying for a local authority housing fund to acquire new properties to manage this challenge.

Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response and agreed actions
	Financial Management				
2	<p>There should be adequate controls in place for the monitoring and payment of invoices to third-party providers to ensure no duplication of payments and that information on the invoice is complete and that payments are correct.</p> <p>Record-keeping is not as efficient as it should be because the service has inadequate resources to manage the service due to staff long-term absence of more than six months. However, caseloads continue to be managed by the Housing Officers. Efforts have been made to improve the record-keeping and monitoring of the database, but the efficiency process and control weaknesses have not been fully mitigated.</p> <p>Payment</p> <p>We have examined 4 invoices in relation to 10 residents and found that the information on the invoice were <i>incomplete</i> and arithmetic calculations for accuracy cannot be performed without cross referencing to the Locata system to search for the booking letter on nightly rates.</p> <p>Following checks on the booking letter, it was confirmed that the calculation is correct. However, efficiency process will have to be identified for resource management.</p> <div data-bbox="181 1075 902 1241" style="border: 1px solid black; padding: 5px;"> <p>Previous year recommendation: In our 2022/23 audit on Homelessness & Rough Sleeping Strategy, we recommended that - Temporary accommodation records should be accurate, up-to-date and complete and provide a complete and transparent audit trail.</p> </div> <div data-bbox="181 1246 902 1479" style="border: 1px solid black; padding: 5px;"> <p>The Management Action Plan response: Consideration is being given to acquiring a Locata module that has reporting functions and captures the complete length of stay and calculation of total cost. In the interim, changes will be made to improve and monitor the database. The target date for completion was March 2023.</p> </div>	<p>Inadequate controls are in place for the monitoring and management of temporary accommodation and may result in overpayments to third-party providers (hotels/bed & breakfast establishments).</p>	<p>a) The recommendation made in the Homelessness & Rough Sleeping Strategy Audit 2022/23 is re-iterated to ensure invoices received from third party suppliers are checked for accuracy. Arithmetic calculations should be performed, and records maintained should reconcile to the suppliers claim.</p> <p>b) The design of spreadsheets for monitoring records should be reviewed for efficiency process and to improve on payment controls to adhere to the Council's financial regulation and to ensure an audit trail is in place for the recording of potential homeless applicants and the payment to third party suppliers.</p> <p>c) Payment records should be reviewed to ensure goods and services purchased are paid for in the same financial year to avoid accrued payments.</p>	<p>● High</p>	<p>Recommendation agreed? Yes</p> <p>Before the conclusion of the audit, the recommendation had been implemented.</p> <p>Responsible Officer: Principal Policy & Reviews Officer</p> <p>Target Date: Implemented</p>

Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response and agreed actions
	<p>It has been confirmed that the Locata Module has not been acquired as Officers felt that the adjusted procedures are adequate. There is evidence of improvement with the record database, but our testing has confirmed that there is still ongoing weakness in payment controls and efficiency process.</p> <p>Database & Recording Keeping</p> <p>Several spreadsheets are used to keep track of temporary accommodation records, including length of stay and cost. Since some fields were overwritten each time, an invoice is paid, the data may alter, making it difficult to create an audit trail linking paid invoices to the start and end dates.</p> <p>We tested 5 samples using the start and end dates and found 4 with gaps in the invoices they claimed. This could be because suppliers have not yet made any claims and if this is the case, the delay may result in accrued payments from invoices submitted the following year.</p> <p>On occasions, some of the records were missing from the spreadsheets, but internal audit acknowledged that the spreadsheets are work in progress for improvement.</p> <p>The design of the spreadsheet serves as a record for temporary accommodation, but it does not support and identify the individual invoices that make up the running total of the cost, which can change on a weekly basis. Therefore, it is difficult to identify gaps in outstanding invoices or duplications.</p> <p>Officers introduced a new procedure for 2024 by raising blanket purchase orders for the applicant's continuous stay. It is a good effort on the part of Officers, but this methodology is not efficient control and is resource intensive for both finance and housing services.</p> <p>Therefore, the design of the spreadsheets should be reviewed to improve on financial control and resource management.</p>				

Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response and agreed actions
	Contract Procedures				
3	<p>The Council's contract procedure rules for procurement should be adhered to for expenditures above £50,001 to ensure value for money.</p> <p>The contract procedures requirement has not been met and no tender process has been undertaken to procure temporary accommodation for the following reasons: -</p> <ul style="list-style-type: none"> i) There are limited suppliers within the vicinity who are willing to accommodate customers referred to them by Homelessness Services. ii) Limited supply and increasing demand for temporary accommodation. <p>While the above are valid reasons to continue with the current arrangements with suppliers, the service should take into consideration the increasing significant cost to the Council for temporary accommodation.</p>	Financial regulations or contract procedure rules are not followed when procuring accommodation for homeless applicants and may not provide value for money.	It is recommended that the service seek advice from the Council's procurement partner on the viability of a tender process to adhere to the contract procedure rules and to secure competitive rates and value for money when placing homeless applicants in temporary accommodations.	● High	<p>Recommendation agreed? Yes</p> <p>Responsible Officer: Principal Policy & Reviews Officer</p> <p>Target Date: Oct 2024</p>
4	<p>Officers have been working with Legal Services on a draft Service Level Agreement (SLA) to ensure the accommodation provided by suppliers is suitable for homeless people. The SLA is intended to cover aspects of safeguarding, health & safety and all applicable laws to observe the provision of services. However, audit testing noted that the draft SLA did not include all health risks (e.g. damp and mould).</p> <p>In reference to recommendation 3 above, the contract procedures requirement has not been met and no tender process has been undertaken to procure temporary accommodation.</p> <p>Therefore, it is recommended that in the interim the draft SLA should be completed as soon as possible to facilitate agreement to the terms and conditions for the Council and the Supplier. This should enable Officers to carry out the necessary compliance checks</p>	Suppliers/establishment used by the Council to provide temporary accommodation may pose a health risk for homelessness applicants staying in temporary accommodation.	The draft Service Level Agreement should be completed as soon as possible to facilitate agreement to the terms and conditions for the Council and the Supplier and enabling Officers to carry out the necessary compliance checks.	● High	<p>Recommendation agreed? Yes</p> <p>Responsible Officer: Principal Policy & Reviews Officer</p> <p>Target Date: Sept 2024</p>

Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response and agreed actions
	Monitoring & Performance				
5	<p>The provision of temporary accommodation is measured, and its performance is monitored against target and reported in Ideagen (the Council's performance software).</p> <p>The records to ensure reliable reporting are maintained in Locata (the housing software used for administering all Housing Options services) and periodic reports are generated for reporting on Ideagen. Once the data has been reported it is no longer retained and internal audit is unable to ascertain the integrity and accuracy of those data which may change from open to closed cases at the end of each quarter.</p> <p>Further discussion with the officer has also confirmed that due to resourcing issues, there could also be the possibility of delays in updating records in a timely manner.</p>	Data integrity risk and may result in the incorrect reporting of service operations	<p>It is recommended that:</p> <p>a) reports generated from Locata for the purpose of reporting on Ideagen are kept for an audit trail.</p> <p>b) staff are reminded to ensure case records are timely updated for accurate reporting.</p>	<p>● Medium</p>	<p>Recommendation agreed? Yes</p> <p>Responsible Officer: Principal Policy & Reviews Officer</p> <p>Target Date: Oct 2024</p>

3. Basis of our opinion and assurance statement

Key to Risk Ratings for Individual Findings in Reports	
Critical 	<p>Financial: Severe financial loss; Operational: Cessation of core activities</p> <p>People: Life threatening or multiple serious injuries to staff or service users or prolonged work place stress. Severe impact on morale & service performance. Mass strike actions etc</p> <p>Reputational: Critical impact on the reputation of the Council which could threaten its future viability. Intense political and media scrutiny i.e. front-page headlines, TV.</p> <p>Legal and Regulatory: Possible criminal, or high-profile civil action against the Council, members or officers. Statutory intervention triggered impacting the whole Council. Critical breach in laws and regulations that could result in material fines or consequences</p> <p>Projects: Failure of major Projects and/or politically unacceptable increase on project budget/cost. Elected Members required to intervene.</p>
High 	<p>Financial: Major financial loss. Service budgets exceeded; Operational: Major disruption of core activities. Some services compromised. Management Team action required to overcome medium-term difficulties.</p> <p>People: Serious injuries or stressful experience (for staff member or service user) requiring medical attention/ many workdays lost. Major impact on morale and performance of staff.</p> <p>Reputational: Major impact on the reputation of the Council. Unfavourable media coverage. Noticeable impact on public opinion.</p> <p>Legal and Regulatory: Major breach in laws and regulations resulting in significant fines and consequences. Scrutiny required by external agencies</p> <p>Projects: Key targets missed. Major increase on project budget/cost. Major reduction to project scope or quality.</p>
Medium 	<p>Financial: Moderate financial loss. Handled within the team; Operational: Significant short-term disruption of non-core activities. Standing Orders occasionally not complied with, or services do not fully meet needs. Service Manager action will be required.</p> <p>People: Injuries (to staff member or service user) or stress levels requiring some medical treatment, potentially some work days lost. Some impact on morale and performance of staff.</p> <p>Reputational: Moderate impact on the reputation or brand of the organisation. Limited unfavourable media coverage</p> <p>Legal and Regulatory: Moderate breach in laws and regulations resulting in fines and consequences. Scrutiny required by internal committees or internal audit to prevent escalation.</p> <p>Projects: Delays may impact project scope or quality (or overall project must be re-scheduled). Small increase on project budget/cost. Handled within the project team.</p>
Low 	<p>Financial: Minor financial loss; Operational: Minor errors in systems/operations or processes requiring Service Manager or Team Leader action. Little or no impact on service users.</p> <p>People: Minor injuries or stress with no workdays lost or minimal medical treatment. No impact on staff morale.</p> <p>Reputational: Minor impact on the reputation of the organisation.</p> <p>Legal and Regulatory: Minor breach in laws and regulations with limited consequences.</p> <p>Projects: Minor delay without impact on overall schedule. Minimal effect on project budget/cost or quality.</p>
Key to Assurance Levels	
No 	<p>There are fundamental weaknesses in the control environment which jeopardise the achievement of key service objectives and could lead to significant risk of error, fraud, loss or reputational damage being suffered.</p> <p>[Weighted average > 3.5 on the audit scoring]</p>
Limited 	<p>There are a number of significant control weaknesses which could put the achievement of key service objectives at risk and result in error, fraud, loss or reputational damage. There are High recommendations indicating significant failings. Any Critical recommendations would need to be mitigated by significant strengths elsewhere.</p> <p>[Weighted average 2.51-3.5 on the audit scoring]</p>
Moderate 	<p>An adequate control framework is in place but there are weaknesses which may put some service objectives at risk. There are Medium priority recommendations indicating weaknesses, but these do not undermine the system's overall integrity. Any Critical recommendation will prevent this assessment, and any High recommendations would need to be mitigated by significant strengths elsewhere.</p> <p>[Weighted average 1.51-2.5 on the audit scoring]</p>
Substantial 	<p>There is a sound control environment with risks to key service objectives being reasonably managed. Any deficiencies identified are not cause for major concern. Recommendations will normally only be advice and best practice.</p> <p>[Weighted average 1-1.5 on the audit scoring]</p>

4. Limitations and Responsibilities

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems. Internal Audit shall endeavour to plan its work so that there is a reasonable expectation of detecting significant control weaknesses and, if detected, Internal Audit shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, Internal Audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected. Accordingly, the examinations of Internal Audit should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist, unless Internal Audit is requested to carry out a special investigation for such activities in a particular area.

Limitations inherent to the internal auditor's work

Internal Audit work has been performed subject to the limitations outlined below:

- **Opinion**

The opinion is based solely on the work undertaken as part of the agreed internal audit plan. There might be weaknesses in the system of internal control that Internal Audit are not aware of because they did not form part of our programme of work, were excluded from the scope of individual internal audit assignments or were not brought to our attention. As a consequence, management and the Audit and Standards Committee should be aware that the opinion may have differed if the programme of work or scope for individual reviews was extended or other relevant matters were brought to Internal Audit's attention.
- **Internal control**

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.
- **Future periods**

Historic evaluation of effectiveness may not be relevant to future periods due to the risk that:

 - The design of controls may become inadequate because of changes in operating environment, law, regulation or other; or
 - The degree of compliance with policies and procedures may deteriorate

Internal Audit Final Report 2024/2025

CCTV – 24_25.02

1. Executive Summary

Directorate: Housing, Health & Communities (although elements are Cross-Cutting across the Council)
Audit Owner: Communities, Health and Wellbeing Manager
Distribution List: Community Safety Officer; Strategic Director of Housing, Environment and Communities, and Chief Executive (Final Report only)

Overall Opinion

LIMITED ASSURANCE



Number of issues relating to Control Design

- 0 Critical
- 5 High
- 0 Medium
- 0 Low

Number of issues relating to Controls Operating in Practice

- 0 Critical
- 0 High
- 2 Medium
- 0 Low

Scope of the Review/ Limitations:

The scope of this Audit involved review of the status of the 8 recommendations made by Consultant's in February 2023 and residual areas of weakness reported by Internal Audit in 2022, that were not specifically covered by the Consultant's recommendations.

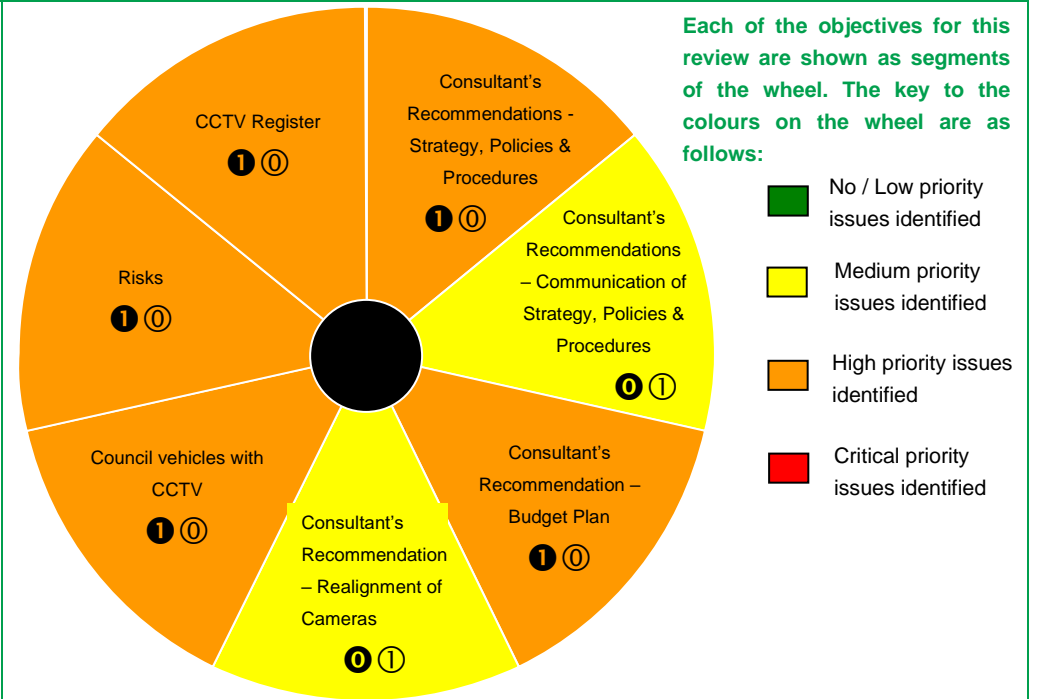
Overview

Internal Audit completed a review of CCTV in April 2022. This work resulted in 4 high priority recommendations being made, which were all agreed, and a Limited Assurance Opinion. Consultants were engaged to review the Council's CCTV and their Report, issued in February 2023, made 8 recommendations that superseded those made by Internal Audit. Shortly after the Consultant's Report was published, the Communities Manager left the Council and this role remained vacant for some considerable time. As a result, progress with the recommendations was significantly delayed until appointment of the new Communities, Health and Wellbeing Manager on 3rd June 2024.




During this review, no critical findings were identified. 5 high priority findings were identified relating to the recommendations made by Consultant's concerning Strategy, Policies and Procedures and production of a Budget Plan, as well as areas not included within the Consultant's Report covering governance relating to Council vehicles with CCTV, identification and management of CCTV Risks and production of a CCTV Register of all systems and cameras in place across the Council. 2 medium priority findings were also identified.

Areas of good practice identified

It should be noted that although the new Communities, Health and Wellbeing Manager has only been in post for a short period of time, work has progressed well on the recommendations.



Auditor: Wendy Lancaster Fieldwork commenced: July 2024 Fieldwork completed: July 2024 Draft report issued: July 2024 Management comments: September 2024 Final report issued: October 2024 Signed: Philip Honeybone, Audit Manager	Risk Register Updates: It is recommended that management consider including the unregistered risks identified below in the service's risk register.							
	Issues raised and officers responsible for implementation							
	Name	Critical	High	Medium	Low	Total	Agreed	Latest Implementation Date
Strategic Director of Housing, Environment and Communities		5	2		7	7	31 December 2024	

Risks Reviewed (as per agreed Terms of Reference)		
Risk Ref	Risk	Finding Risk Rating
1. 23-CR-05 Data Protection 23-CR-06 Information Technology 23-CR-07 Governance Regulatory Compliance	<p><u>Consultant's Recommendations – Strategy, Policies and Procedures</u></p> <p>A CCTV Deployment Strategy and Process may not have been produced leading to a lack of governance and clarity and possible inconsistency in the purpose of CCTV and use, access and storage of data across the Council. This may result in breaches of CCTV Codes of Practice and Guidance, breaches of GDPR and the Data Protection Act, financial loss due to fines and reputational damage.</p> <p>Failure to develop a standard Technology CCTV Specification may lead to inappropriate, failed or inconsistent installations, system configurations, physical protection and / or performance and quality requirements not being met, such as poor quality or unusable images. This may result in reputational damage due to crimes or incidents not being able to be investigated or prosecuted, potential legal proceedings and / or financial loss, possibly due to failed insurance claims or legal actions.</p> <p>The Council may not have a clear, comprehensive and up to date CCTV Code of Practice, that includes all relevant aspects such as Automatic Number Plate Recognition (ANPR) Cameras, and forms its CCTV Strategy and Policy, leading to inconsistency and a lack of governance. This may result in breaches of Legislation, Codes and Guidance and potential financial loss.</p> <p>Clear responsibility and accountability may not have been established or documented leading to a lack of governance and inability to ensure appropriate consultations, deployment, development, operation, transparency and effectiveness of the Council's CCTV System. The lack of a designated individual, or individuals, may result in breaches of Legislation, Codes and Guidance and have a detrimental impact on any investigations instigated by Regulators / Organisations, such as the Information Commissionaire's Office (ICO).</p> <p>Standard Operating Procedures may not have been developed in line with CCTV Codes of Practice / Legislation, operational requirements, third-party access to the Council's CCTV Systems, and / or referenced within its CCTV Code of Practice / Strategy. This may, lead to potential lack of compliance, inconsistencies, and missed checks or requirements, such as inclusion of a system performance review within annual system maintenance. This may result in breaches of Legislation / Codes of Practice, possible legal action causing significant reputational damage and financial loss, and other failings that may have a detrimental impact on Services, such as insufficient evidence being available in the event of an incident, and / or additional unplanned costs.</p>	 High
2. 23-CR-05 Data Protection 23-CR-06 Information Technology Regulatory Compliance	<p><u>Consultant's Recommendations – Communication of Strategy, Policies and Procedures</u></p> <p>Failure to communicate the updated CCTV Code of Practice, CCTV Deployment Strategy and Process and any other CCTV Policies or Guidance may lead to a lack of compliance, inconsistencies and / or incorrect actions being taken by Council Officers. This may lead to breaches of Legislation, Codes of Practice and Guidance, reputational damage and financial loss.</p>	 Medium
3.	<p><u>Consultant's Recommendations – Budget Plan</u></p> <p>Where a budget plan for technology refresh has not been defined as part of the annual running costs associated with the systems, considerations may not be</p>	 High

<p>23-CR-05 Data Protection 23-CR-06 Information Technology Regulatory Compliance</p>	<p>made that ensure systems are fully supported, especially those deemed as essential. This may lead to reputational damage and financial loss due to excess and unwarranted costs being incurred due to missed coverage by extended warranties, increased support packages, or replacements as part of service agreements.</p>	
<p>4. 23-CR-05 Data Protection 23-CR-06 Information Technology Regulatory Compliance</p>	<p><u>Consultant's Recommendations – Realignment of Cameras</u> Cameras at the Council's Depot may not have been realigned and / or checks may not have been undertaken to ensure that all cameras, across the Council's sites, are in optimal position and any that would benefit from a higher density chip have been upgraded. This may lead to poor coverage, poor image quality, increased storage usage and an inability to provide adequate evidence in the event of an incident leading to significant reputational damage and potential financial loss.</p>	<p>● Medium</p>
<p>5. 23-CR-05 Data Protection 23-CR-06 Information Technology Regulatory Compliance</p>	<p><u>Council Vehicles with CCTV</u> Failure to ensure proper governance of the use of CCTV in Street Services Vehicles and inclusion within the Council's CCTV Code of Practice may lead to recordings being obtained and / or accessed improperly. This may result in breaches of Legislation / Codes of Practice, potential financial loss and / or reputational damage.</p>	<p>● High</p>
<p>6. 23-CR-05 Data Protection 23-CR-06 Information Technology Regulatory Compliance</p>	<p><u>Risks</u> A framework for identifying and managing risks associated with CCTV, both operationally and strategically, may not have been established and / or may not be effectively monitored leading to unanticipated problems, possible lack of compliance, and failure of the Council to meet its objectives. This may result in breaches of Codes of Practice and related Legislation and inadequate CCTV coverage/use of resources resulting in a waste of financial resources, reputational damage and potential fines.</p>	<p>● High</p>
<p>7. 23-CR-05 Data Protection 23-CR-06 Information Technology 23-CR-07 Governance Regulatory Compliance</p>	<p><u>CCTV Register</u> A centralised internal register detailing all CCTV camera locations, technical equipment in place across the Council's CCTV Systems and / or a log recording use of this equipment, may not have been produced or may be incomplete. This may lead to the Council not being able to demonstrate due diligence, justification for the installation of a camera or system, and / or failure to provide accurate information. This may result in non-compliance with CCTV Codes of Practice or other Legislation, reputational damage, and potential financial loss. Details of any public CCTV cameras, including ANPR Systems, in use across the District (that are not owned by the Council), may not have been sought and / or recorded. This may lead to a lack of knowledge and transparency internally and failure to be able to advise and publish locations on the Council's Website, resulting in reputational damage.</p>	<p>● High</p>

2. Detailed Findings, Recommendations and Action Plan

Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response provided by Simone Russell, Strategic Director of Housing, Environment and Communities, and agreed actions
1.	<p><u>Consultant's Recommendations – Strategy, Policies and Procedures</u></p> <p>As directed within the Home Office Surveillance Camera Code of Practice, Uttlesford District Council (UDC) must have accurate, comprehensive and up to date Governance documents in place, such as policies, guidance, strategy, codes of practice and Standard Operating Procedures. These should clearly define roles, responsibilities, accountability, processes and the Council's intent and procedures relating to its use and deployment of CCTV Systems, including Automatic Number Plate Recognition (ANPR) cameras.</p> <p>During the Audit, Internal Audit were advised that the Consultant's previously instructed to review the Council's CCTV during 2022-2023 have since been appointed to undertake work on an overarching Corporate CCTV Policy covering all areas across the Council.</p> <p>It is understood that the work currently being undertaken by the Consultant's should include the following, which were all included as recommendations within their original Report:</p> <ul style="list-style-type: none"> • CCTV Deployment Strategy and Process; • Standard Technology CCTV Specification; 	<p>A CCTV Deployment Strategy and Process may not have been produced leading to a lack of governance and clarity and possible inconsistency in the purpose of CCTV and use, access and storage of data across the Council.</p> <p>Failure to develop a standard Technology CCTV Specification may lead to inappropriate, failed or inconsistent installations, system configurations, physical protection and / or performance and quality requirements not being met, such as poor quality or unusable images.</p> <p>The Council may not have a clear, comprehensive and up to date CCTV Code of Practice, that includes all relevant aspects such as Automatic Number Plate Recognition (ANPR) Cameras, and forms its CCTV Strategy and Policy, leading to inconsistency and a lack of governance.</p> <p>Clear responsibility and accountability may not have been established or documented leading to a lack of governance and inability to ensure appropriate consultations, deployment, development, operation, transparency and effectiveness of the Council's CCTV System.</p> <p>Standard Operating Procedures may not have been developed in line with CCTV Codes of Practice / Legislation, operational requirements, third-party access to the Council's CCTV Systems, and / or referenced within its CCTV Code of Practice / Strategy. This may, lead to</p>	<p>Complete ongoing work relating to the production of a clear, accurate and comprehensive overarching Corporate Policy and any ancillary documents, such as:</p> <ul style="list-style-type: none"> • A CCTV Deployment Strategy; • Process, Standard Technology CCTV Specification; • Updated Code of Practice; • Standard Operating Procedures; and • Defined roles, responsibilities, accountability, reporting lines and escalation details. <p>Following completion, ensure all documents are agreed and approved, prior to publication.</p>	<p>● High</p>	<p>Recommendation agreed? Yes</p> <p>Legal are updating the RIPA Policy:</p> <p>UDC's CCTV Policy was approved by Cabinet on the 5th September 2024.</p> <p>We have engaged with Consultative Solutions to complete the following:</p> <ul style="list-style-type: none"> • The CCTV Deployment Strategy • Updated Code of Practice • Process, Standard Technology CCTV Specification • Standard Operating Procedures; and • Defined roles, responsibilities, accountability, reporting lines and escalation details. <p>These documents will align and make reference to UDC's CCTV policy.</p> <p>Responsible Officer: Strategic Director of Housing, Environment and Communities</p> <p>Target Date: 31 December 2024</p>

Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response provided by Simone Russell, Strategic Director of Housing, Environment and Communities, and agreed actions
	<ul style="list-style-type: none"> Updated Code of Practice; and Standard Operating Procedures. <p>Internal Audit were advised that some elements defining and documenting responsibilities and accountability may be included within the documents being produced by the Consultant's, but that internal discussions will be required to agree and define roles, responsibilities, accountability, reporting lines and escalation details across the Council.</p>	<p>potential lack of compliance, inconsistencies, and missed checks or requirements, such as inclusion of a system performance review within annual system maintenance.</p> <p>These may result in:</p> <ul style="list-style-type: none"> Breaches of CCTV Codes of Practice, GDPR and the Data Protection Act, guidance and other legislation; Potential legal proceedings and / or financial loss, possibly due to failed insurance claims, legal actions or fines; Significant reputational damage; Failings that may have a detrimental impact on any investigations instigated by Regulators / Organisations, such as the Information Commissioner's Office (ICO) and on Services, such as insufficient evidence being available in the event of an incident, and / or additional unplanned costs. 			
2.	<p><u>Consultant's Recommendations – Budget Plan</u></p> <p>UDC should have a defined budget for the refresh of technology relating to its CCTV Systems to ensure they remain fully supported and functional.</p> <p>At the time of the Audit, Internal Audit were advised that no work had been undertaken to produce a budget plan.</p> <p>It is understood that this will be discussed with the Consultant's and their assistance</p>	<p>Where a budget plan for technology refresh has not been defined as part of the annual running costs associated with the systems, considerations may not be made that ensure systems are fully supported, especially those deemed as essential. This may lead to reputational damage and financial loss due to excess and unwarranted costs being incurred due to missed coverage by extended warranties, increased support packages, or</p>	<p>A budget plan for the refresh of CCTV technology should be produced as soon as possible and defined as part of the annual running costs of the Council's CCTV systems.</p>	<p>● High</p>	<p>Recommendation agreed? Yes</p> <p>There is currently no corporate budget for CCTV.</p> <p>The Strategic Director of Housing, Environment and Communities, Director of Digital Innovation and Commercialisation, and Interim Director of Finance, Revenues and Benefits, are meeting at the end of October to agree the budget amount. Arrangements will be made the Strategic Director of Housing, Environment and</p>



Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response provided by Simone Russell, Strategic Director of Housing, Environment and Communities, and agreed actions
	sought to produce a forecast for UDC.	replacements as part of service agreements.			<p>Communities and the Communities, Health and Wellbeing Manager, to meet with colleagues whose services use CCTV to agree a management route that will feed into the Communities Team.</p> <p>Responsible Officer: Strategic Director of Housing, Environment and Communities</p> <p>Target Date: 31 October 2024</p>
3.	<p><u>Council Vehicles with CCTV</u></p> <p>As directed within the Surveillance Camera Code of Practice, policies and procedures covering the use of CCTV in vehicles managed by Street Services should be in place and accessible to all relevant parties, to ensure compliance and consistency.</p> <p>At the time of the Audit, it was noted that whilst work had not yet commenced to produce these documents, the requirement to implement Audit Recommendations and ensure management and supervision of CCTV compliance were included as actions within the 2024-2025 Service Plan for Environmental Services (Waste).</p> <p>Internal Audit were advised that this will be discussed with the Consultants.</p>	Failure to ensure proper governance of the use of CCTV in Street Services Vehicles and inclusion within the Council's CCTV Code of Practice may lead to recordings being obtained and / or accessed improperly. This may result in breaches of Legislation / Codes of Practice, potential financial loss and / or reputational damage.	Ensure that clear, comprehensive and accurate policies and procedures, relating to the governance of CCTV within the Council's vehicles, are produced and made available to all relevant officers.	<p>● High</p>	<p>Recommendation agreed? Yes</p> <p>UDC's CCTV Policy was approved by Cabinet 5th September. The remaining documents, to be completed by Consultative Solutions, will make reference to the use of CCTV in vehicles.</p> <p>Responsible Officer: Strategic Director of Housing, Environment and Communities</p> <p>Target Date: 31 December 2024</p>

Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response provided by Simone Russell, Strategic Director of Housing, Environment and Communities, and agreed actions
4.	<p><u>Risks</u></p> <p>In order to assist the Council in meeting its objectives and anticipating problems, UDC should have a framework in place for identifying and managing risks associated with CCTV.</p> <p>At the time of the Audit, no mention of CCTV was identified within any of the risks recorded on the Corporate Risk Register or on the service risk registers recorded on the Council's Risk Management System.</p> <p>In addition, only 1 out of 23 2024-2025 Service Plans reviewed during the Audit included any mention of CCTV, namely Environmental Services (Waste). However, it should be noted that due to the vacant Communities Manager role, that was only recently filled, no Service Plan has yet been produced for Communities.</p> <p>Internal Audit were advised that this will be discussed with the Consultants.</p>	<p>A framework for identifying and managing risks associated with CCTV, both operationally and strategically, may not have been established and / or may not be effectively monitored leading to unanticipated problems, possible lack of compliance, and failure of the Council to meet its objectives. This may result in breaches of Codes of Practice and related Legislation and inadequate CCTV coverage/use of resources resulting in a waste of financial resources, reputational damage and potential fines.</p>	<p>A framework for identifying and managing risks associated with CCTV, both operationally and strategically, needs to be established and maintained in a format that can be accessed and updated by all relevant officers and procedures introduced to ensure frequent monitoring and updating.</p>	<p>● High</p>	<p>Recommendation agreed? Yes</p> <p>A framework for managing the risk relating to CCTV has been agreed on 28.08.2024. The next step is to clearly define the risk and mitigations and provide a risk score.</p> <p>Carla Claydon, Communities, Health and Wellbeing Manager is meeting with Paula Evans, Contract, Performance and Risk Manager, in October 2024 to agree framework service risks and set the score</p> <p>The Service risk will be shared with CMT so they can decide whether it needs to become a strategic risk alone, or can be encompassed with all strategic risks</p> <p>Responsible Officer: Strategic Director of Housing, Environment and Communities</p> <p>Target Date: 31 October 2024</p>
5.	<p><u>CCTV Register</u></p> <p>In order to comply with the Guiding Principles of the Home Office Surveillance Camera Code of Practice, GDPR / Data Protection Act and other legislation, such as the Freedom of Information Act 2000, UDC should have a complete and up to date register of all CCTV camera locations and technical equipment in place across the Council.</p> <p>During the Audit, Internal Audit were advised that the Register had been completed and that evidence confirming this would be</p>	<p>A centralised internal register detailing all CCTV camera locations, technical equipment in place across the Council's CCTV Systems and / or a log recording use of this equipment, may not have been produced or may be incomplete. This may lead to the Council not being able to demonstrate due diligence, justification for the installation of a camera or system, and / or failure to provide accurate information. This may result in non-compliance with CCTV Codes of Practice or other</p>	<p>5.1 A copy of the complete, comprehensive, and accurate Register should be provided.</p> <p>5.2 Once the overarching Corporate CCTV Policy, and any ancillary documents, have been approved and</p>	<p>● High</p>	<p>Recommendation agreed? Yes</p> <p>The register has been completed and is held by the Facilities Manager. A list of locations will be made available on our website as part of the implementation of the new CCTV Policy.</p> <p>Responsible Officer: Strategic Director of Housing, Environment and Communities</p> <p>Target Date: 31 October 2024</p>

Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response provided by Simone Russell, Strategic Director of Housing, Environment and Communities, and agreed actions
	<p>provided.</p> <p>Following review of information contained within the Council's Code of Practice, the UDC Website and the original Report produced by the Consultant's, discrepancies were noted between the locations detailed within the Code of Practice and the other sources. However, it is appreciated that the Code of Practice was published in April 2019.</p> <p>It was noted that whilst the Code of Practice included details of 3 Council Building locations with CCTV Systems, this information was not available on the Council's Website outside of this document. Whereas mention was made on the Website that CCTV was in place within communal areas of the Council's sheltered housing accommodation,</p>	<p>Legislation, reputational damage, and potential financial loss.</p> <p>Details of any public CCTV cameras, including ANPR Systems, in use across the District (that are not owned by the Council), may not have been sought and / or recorded. This may lead to a lack of knowledge and transparency internally and failure to be able to advise and publish locations on the Council's Website, resulting in reputational damage.</p>	<p>published, checks should be made to ensure that any locations with CCTV detailed within the documents correspond to details published elsewhere, such as displayed on the UDC Website.</p>		
6.	<p><u>Consultant's Recommendations – Communication of Strategy, Policies and Procedures</u></p> <p>In order to ensure consistency and compliant actions across the Council. all UDC policies, procedures, guidance, codes of practice, operating procedures, and strategy documents relating to CCTV should be communicated and made available to all relevant parties, including officers, once agreed and approved.</p> <p>As noted in point 1 above, work is currently ongoing in respect of the production of an overarching Corporate CCTV Policy, which will replace the Council's current Code of Practice. As a result, there are currently no</p>	<p>Failure to communicate the updated CCTV Code of Practice, CCTV Deployment Strategy and Process and any other CCTV Policies or Guidance may lead to a lack of compliance, inconsistencies and / or incorrect actions being taken by Council Officers. This may lead to breaches of Legislation, Codes of Practice and Guidance, reputational damage and financial loss.</p>	<p>Ensure that once the overarching Corporate Policy and other ancillary documents, detailed in point 1 above, have been agreed and approved, they are effectively communicated to all relevant parties, including officers, and made available on the Council's Website and / or Intranet as appropriate.</p>	<p>● Medium</p>	<p>Recommendation agreed? Yes</p> <p>All relevant documents will be available on the website and shared with relevant teams once complete.</p> <p>Responsible Officer: Strategic Director of Housing, Environment and Communities</p> <p>Target Date: 31 December 2024</p>

Ref	Matters Arising	Potential Risk Implications	Recommendations	Priority	Management Response provided by Simone Russell, Strategic Director of Housing, Environment and Communities, and agreed actions
	new documents for communication to relevant officers and other parties.				
7.	<p><u>Consultant's Recommendations – Realignment of Cameras</u></p> <p>In order to ensure there is evidential value to the images and information being captured, cameras should be located in the best position and the quality of images maximised.</p> <p>Work undertaken by the Consultants identified that cameras at the Council's Depot should be realigned, as per their recommendations. In addition, checks should be made on all other cameras across the Council, with those that would benefit from replacement to higher density chips being identified and replaced.</p> <p>During the Audit, Internal Audit were advised that the cameras at the Depot had been realigned and that evidence confirming this would be provided.</p> <p>It is understood that checks on all other cameras across the Council have not been carried out and that no chips have yet been upgraded to a higher density.</p>	Cameras at the Council's Depot may not have been realigned and / or checks may not have been undertaken to ensure that all cameras, across the Council's sites, are in optimal position and any that would benefit from a higher density chip have been upgraded. This may lead to poor coverage, poor image quality, increased storage usage and an inability to provide adequate evidence in the event of an incident leading to significant reputational damage and potential financial loss.	<p>7.1 Evidence confirming realignment of the cameras at the Council's Depot should be sought and provided.</p> <p>7.2 Checks on all other cameras in place across the Council should be undertaken and recorded to ensure they are in optimum condition and any cameras that would benefit from replacement of higher density chips should be identified and upgraded.</p>	<p>●</p> <p>Medium</p>	<p>Recommendation agreed? Yes</p> <p>All UDC CCTV cameras were inspected on the 19th September 2024.</p> <p>Consultative Solutions have recommended that the Cameras at Little Canfield are re-aligned, Norman Court, Priars Wood Court and The Close.</p> <p>Responsible Officer:</p> <p>Strategic Director of Housing, Environment and Communities</p> <p>Target Date: 31 October 2024</p>

3. Basis of our opinion and assurance statement

Key to Risk Ratings for Individual Findings in Reports	
Critical 	<p>Financial: Severe financial loss; Operational: Cessation of core activities</p> <p>People: Life threatening or multiple serious injuries to staff or service users or prolonged work place stress. Severe impact on morale & service performance. Mass strike actions etc</p> <p>Reputational: Critical impact on the reputation of the Council which could threaten its future viability. Intense political and media scrutiny i.e. front-page headlines, TV.</p> <p>Legal and Regulatory: Possible criminal, or high-profile civil action against the Council, members or officers. Statutory intervention triggered impacting the whole Council. Critical breach in laws and regulations that could result in material fines or consequences</p> <p>Projects: Failure of major Projects and/or politically unacceptable increase on project budget/cost. Elected Members required to intervene.</p>
High 	<p>Financial: Major financial loss. Service budgets exceeded; Operational: Major disruption of core activities. Some services compromised. Management Team action required to overcome medium-term difficulties.</p> <p>People: Serious injuries or stressful experience (for staff member or service user) requiring medical attention/ many workdays lost. Major impact on morale and performance of staff.</p> <p>Reputational: Major impact on the reputation of the Council. Unfavourable media coverage. Noticeable impact on public opinion.</p> <p>Legal and Regulatory: Major breach in laws and regulations resulting in significant fines and consequences. Scrutiny required by external agencies</p> <p>Projects: Key targets missed. Major increase on project budget/cost. Major reduction to project scope or quality.</p>
Medium 	<p>Financial: Moderate financial loss. Handled within the team; Operational: Significant short-term disruption of non-core activities. Standing Orders occasionally not complied with, or services do not fully meet needs. Service Manager action will be required.</p> <p>People: Injuries (to staff member or service user) or stress levels requiring some medical treatment, potentially some work days lost. Some impact on morale and performance or staff.</p> <p>Reputational: Moderate impact on the reputation or brand of the organisation. Limited unfavourable media coverage</p> <p>Legal and Regulatory: Moderate breach in laws and regulations resulting in fines and consequences. Scrutiny required by internal committees or internal audit to prevent escalation.</p> <p>Projects: Delays may impact project scope or quality (or overall project must be re-scheduled). Small increase on project budget/cost. Handled within the project team.</p>
Low 	<p>Financial: Minor financial loss; Operational: Minor errors in systems/operations or processes requiring Service Manager or Team Leader action. Little or no impact on service users.</p> <p>People: Minor injuries or stress with no workdays lost or minimal medical treatment. No impact on staff morale.</p> <p>Reputational: Minor impact on the reputation of the organisation.</p> <p>Legal and Regulatory: Minor breach in laws and regulations with limited consequences.</p> <p>Projects: Minor delay without impact on overall schedule. Minimal effect on project budget/cost or quality.</p>
Key to Assurance Levels	
No 	<p>There are fundamental weaknesses in the control environment which jeopardise the achievement of key service objectives and could lead to significant risk of error, fraud, loss or reputational damage being suffered.</p> <p>[Weighted average > 3.5 on the audit scoring]</p>
Limited 	<p>There are a number of significant control weaknesses which could put the achievement of key service objectives at risk and result in error, fraud, loss or reputational damage. There are High recommendations indicating significant failings. Any Critical recommendations would need to be mitigated by significant strengths elsewhere.</p> <p>[Weighted average 2.51-3.5 on the audit scoring]</p>
Moderate 	<p>An adequate control framework is in place but there are weaknesses which may put some service objectives at risk. There are Medium priority recommendations indicating weaknesses, but these do not undermine the system's overall integrity. Any Critical recommendation will prevent this assessment, and any High recommendations would need to be mitigated by significant strengths elsewhere.</p> <p>[Weighted average 1.51-2.5 on the audit scoring]</p>
Substantial 	<p>There is a sound control environment with risks to key service objectives being reasonably managed. Any deficiencies identified are not cause for major concern. Recommendations will normally only be advice and best practice.</p> <p>[Weighted average 1-1.5 on the audit scoring]</p>

4. Limitations and Responsibilities

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems. Internal Audit shall endeavour to plan its work so that there is a reasonable expectation of detecting significant control weaknesses and, if detected, Internal Audit shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, Internal Audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected. Accordingly, the examinations of Internal Audit should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist, unless Internal Audit is requested to carry out a special investigation for such activities in a particular area.

Limitations inherent to the internal auditor's work

Internal Audit work has been performed subject to the limitations outlined below:

- **Opinion**

The opinion is based solely on the work undertaken as part of the agreed internal audit plan. There might be weaknesses in the system of internal control that Internal Audit are not aware of because they did not form part of our programme of work, were excluded from the scope of individual internal audit assignments or were not brought to our attention. As a consequence, management and the Audit and Standards Committee should be aware that the opinion may have differed if the programme of work or scope for individual reviews was extended or other relevant matters were brought to Internal Audit's attention.

- **Internal control**

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

- **Future periods**

Historic evaluation of effectiveness may not be relevant to future periods due to the risk that:

- The design of controls may become inadequate because of changes in operating environment, law, regulation or other; or
- The degree of compliance with policies and procedures may deteriorate