



Appendix 2a

South Lakeland District Council

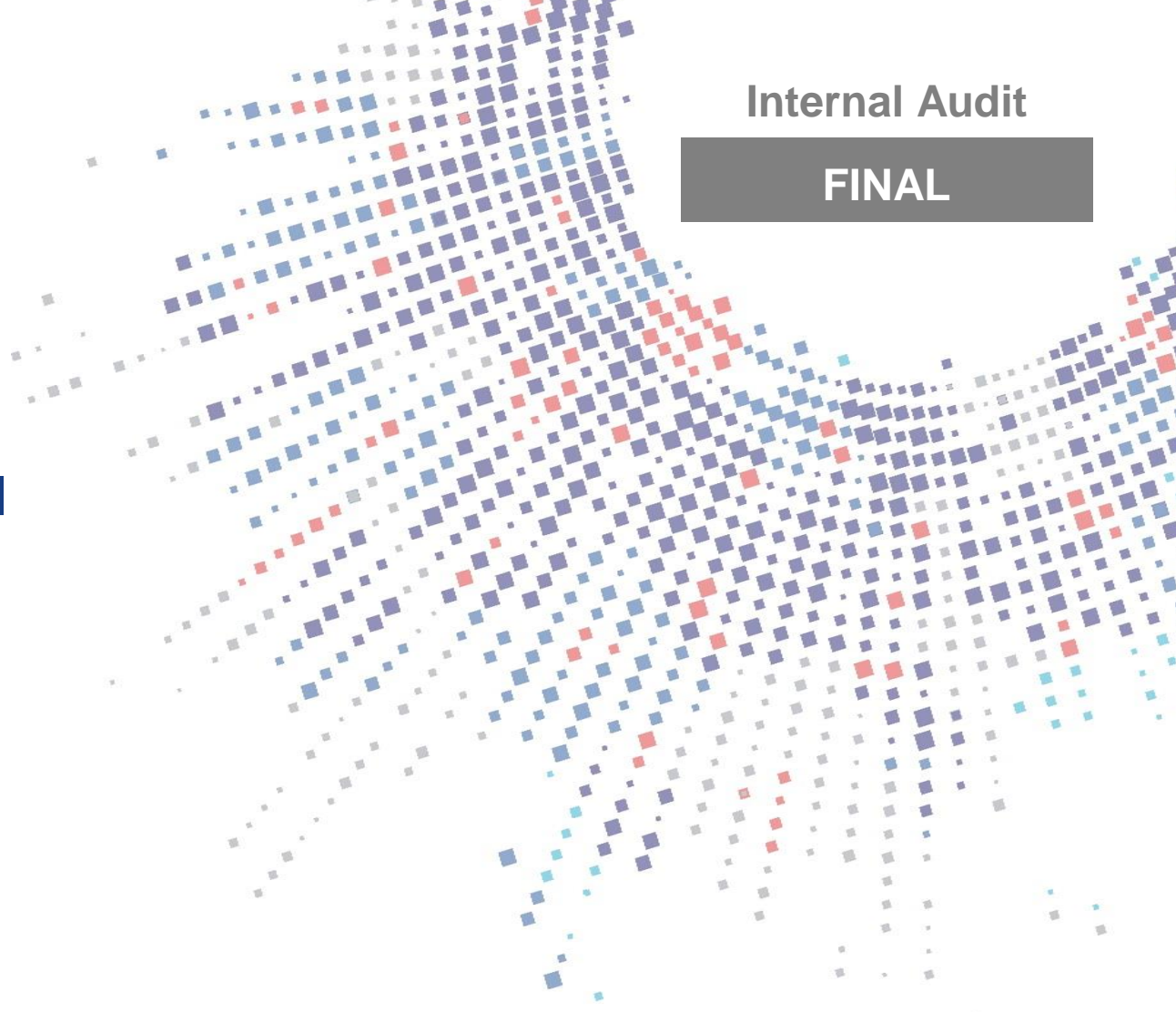
Assurance Review of Empty Homes

2019/20

July 2019

Internal Audit

FINAL



Executive Summary

OVERALL ASSURANCE ASSESSMENT

OVERALL CONCLUSION

In 2015, the Council adopted its first Empty Homes Strategy, covering the years 2015 to 2020.

- The Strategy is reviewed and updated regularly, with targets and actions monitored and reported as appropriate.
- The Empty Homes Officer is active in ensuring best practice and current legislation are followed.
- The Empty Homes Strategy definition of an empty home does not fully align with the more targeted work performed by the Empty Homes Officer.

SCOPE

The review considered the Council's approach to dealing with empty homes including identification, intervention, assistance, performance and budget monitoring.

ACTION POINTS

Urgent	Important	Routine	Operational
0	1	2	0

Management Action Plan - Priority 1, 2 and 3 Recommendations

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Compliance	At the meeting of the South Lakeland Housing Advisory Group on 2 nd October 2018, it was minuted that the Empty Homes Officer deals with properties which have been empty and unfurnished for over six months. The Glossary of the Empty Homes Strategy 2015 to 2020 defines empty homes as being properties that are unoccupied.	The Empty Homes Strategy definition of an empty home be reconsidered to better align with the work performed by the Empty Homes Officer.	2	<i>Definition to be revised on next review of the Strategy.</i>	31/12/20	Principal Housing Strategy Officer
1	Directed	Minutes of the South Lakeland Housing Advisory Group are available on the Council's website. The most recent meeting for which minutes are published is 1 st June 2017.	Minutes of meetings of the South Lakeland Housing Advisory Group since 1 st June 2017 be added to the Council's website.	3	<i>Minutes to be added to website.</i>	30/09/19	Principal Housing Strategy Officer

PRIORITY GRADINGS

1 URGENT Fundamental control issue on which action should be taken immediately.

2 IMPORTANT Control issue on which action should be taken at the earliest opportunity.

3 ROUTINE Control issue on which action should be taken.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Reputational	Two performance measures relating to empty homes are reported on the Council's website: the number of empty homes brought back into use since 2015 and the total number of long-term empty properties. Data from the latter measure is taken from the government website (Table 615 Vacant dwellings by local authority district: England, from 2004). The latest figure for this measure on the government website is 987 for 2018. The latest figure on the Council's website is 973 for 2017. The figures reported on the Council website agree with the figures available on the government website.	The Council's website be updated on a timely basis to report the latest available performance measures for empty homes. In particular for the total number of long-term empty properties.	3	<i>Web-site now updated with the Total number of empty homes for 2018 and as at 31.3.19. To be updated annually.</i>	April 2020	Case Management Officer, Support Services

PRIORITY GRADINGS

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Operational Effectiveness Matters

Ref	Risk Area	Item	Management Comments
No Operational Effectiveness Matters were identified.			

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Detailed Findings

Introduction

1. This review was carried out in June 2019 as part of the planned internal audit work for 2019/20. Based on the work carried out an overall assessment of the overall adequacy of the arrangements to mitigate the key control risk areas is provided in the Executive Summary.

Background

2. One of the Council's housing priorities is to reduce the number of empty homes and to work with owners and housing providers to bring empty homes back into use.

Materiality

3. There are approximately 1,000 empty homes in South Lakeland at any one time, representing around 2% of the number of dwellings on the Valuation Office Agency list. This compares favourably with the national average of just under 3%.

Key Findings & Action Points

4. The key control and operational practice findings that need to be addressed in order to strengthen the control environment are set out in the Management and Operational Effectiveness Action Plans. Recommendations for improvements should be assessed for their full impact before they are implemented.

Scope and Limitations of the Review

5. The review considered the Council's approach to dealing with empty homes including identification, intervention, assistance, performance and budget monitoring.
6. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan.

Disclaimer

7. The matters raised in this report are only those that came to the attention of the auditor during the course of the internal audit review and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Risk Area Assurance Assessments

8. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Audit Contacts

9. For any queries or to discuss the content of this report, please contact either of the following:

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Audit Report Distribution

10. We would like to thank staff for their co-operation and assistance during the course of our work.

For Action:	Julie Jackson, Principal Housing Strategy officer
For Information:	Helen Smith, Finance Lead Specialist and Section 151 Officer

Release of Report

11. The table below sets out the history of this report.

Date draft report issued:	21 st June 2019
Date management responses received:	3 rd July 2019
Date final report issued:	9 th July 2019