Background to review	Key findings	Audit opinion (1)	Recommendations for improvement (Priority) (2)
On 23 September 2014 the Cabinet approved the decision to commission a new Community Youth Work Service (CYWS) to support the Council's strategic goal of employability for young people. The Cabinet also approved the Outcomes Framework which is used as a tool to measure outputs in relation to achieving the strategic goal of employability. The change was effective 1 April 2015 and responded to an overall funding reduction of 11% for Services for Young People.	The Quality Mark is an assessment tool used to measure the quality of youth work delivered at the youth centres. In the 2014/15 year under the managing agent arrangements three youth centres achieved a level 3 Quality Mark assessment. Since being brought in-house on 1 April 2015 a new Quality Mark assessment tool has been devised. At the date of audit (May 2016) - over 1 year and 1 month later - these assessments have not yet taken place. The Annual Report for Young People 2014/15 contains information on Centre Based Youth Work including data on attendance, hours of youth work delivered, average hours per youth and a narrative on performance, lessons learnt and recommendations. The Auditor scrutinised the backing data for accuracy and validity and found at least 368 (6.2%) records appeared to be duplicated, which means that the number of contacts reported is too high and performance is overstated.	Some Improvement Needed - (for governance and strategic arrangements) Unsatisfactory - (for business and management support arrangements)	The Annual Report for Young People could include a report of progress which aligns the delivery outputs at youth centres to the Outcomes Framework. **(M)** Youth centre session evaluation forms should include the Outcomes Framework as a minimum to ensure consistency over reporting on outcomes. **(M)** Delivery plans should link to the Quality Mark Framework and be seen to be contributing to the Outcomes Framework. **(M)** The service should make effective use of the available data through its data bank tools to maintain data integrity and eliminate duplicate data on attendance. **(M)** Financial information reported by the service should be validated for accuracy. Where a report includes financial information it is recommended the Finance Lead for Children and Young People should validate the data before it is presented to Local Committees. **(H)**

Background to review	Key findings	Audit opinion (1)	Recommendations for improvement (Priority) (2)
On 23 September 2014 the Cabinet approved the decision to commission a new Community Youth Work Service (CYWS) to support the Council's strategic goal of employability for young people.

The Cabinet also approved the Outcomes Framework which is used as a tool to measure outputs in relation to achieving the strategic goal of employability.

The change was effective from 1 April 2015 and responded to an overall funding reduction of 11% for Services for Young People. | A web based application to record attendance data at youth centres was developed in 2012 which was intended to work on a tablet style device called a BB playbook. Due to technical issues the BB playbooks were replaced within 2 years by 56 mini Ipads. 57 of the decommissioned BB playbooks were not returned to IMT so there was no opportunity to recover any associated monetary value.

Senior Practitioners and Youth Workers at Youth Centres were of the opinion that they did not receive sufficiently timely or detailed information to enable effective budget monitoring.

The Auditor was concerned that there were not up to date inventories of assets held. This was particularly surprising in view of the service having been brought back in-house on 1 April 2015. Furthermore valuable assets had not been tagged as owned by the council.

The Auditor's queries in relation to cash handling resulted in the discovery of significant irregular practices. As a result the Auditor is unable to provide assurance on the completeness of cash generated through youth centre activities. | Some Improvement Needed - (for governance and strategic arrangements)

Unsatisfactory - (for business and management support arrangements) | Assets belonging to the Authority should be clearly identified and when no longer in use, should be returned to the Authority. **(H)**

The service should present adequate information to budget holders to enable them to effectively monitor individual centre budgets. This should include income and expenditure transactions for each centre. **(H)**

Compile an inventory of assets owned by the Community Youth Work Service. **(H)**

Ensure assets are appropriately tagged and watermarked. **(H)**

 The service should approve cash handling procedures and Business Support to ensure that guidelines are understood and applied in practice. **(H)**

Regular management overview for cash handling to be implemented to ensure accountability over cash received at youth centres. **(H)** |

Background to review	Key findings	Audit opinion (1)	Recommendations for improvement (Priority) (2)
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The Cabinet also approved the Outcomes Framework which is used as a tool to measure outputs in relation to achieving the strategic goal of employability.

The change was effective from 1 April 2015 and responded to an overall funding reduction of 11% for Services for Young People. | The Auditor performed searches online to determine the existence of any social media sites and websites related to Surrey's youth centres. Various websites and Facebook sites linked to the youth centres were found which were not set up in line with Surrey's guidance. These sites also included images of the young people.

Appropriate signage advising of CCTV surveillance inside/outside the youth centres was not in place in all cases.

During the 2015/16 financial year full time youth workers were issued with purchase cards to facilitate purchases related to centre based activities. Review of a sample of 20 transactions, found that VAT was not being correctly accounted for. The Authority was claiming VAT on non VAT-able purchases resulting in poor accounting practices. | Some Improvement Needed - (for governance and strategic arrangements)

Unsatisfactory - (for business and management support arrangements) | The service should provide clear procedure notes in relation to when consent should be obtained in relation to images of young people. **(H)**

Necessary measures should be implemented to ensure the closedown of all youth services-related websites and social media sites that do not comply with SCC guidelines. **(H)**

Review the use of CCTV at relevant sites to ensure compliance with the Data Protection Act and Information Commissioner's Office guidance. **(H)**

VAT should be correctly treated in relation to purchase card expenditure. VAT cannot be claimed without a valid tax invoice. **(H)** |

Background to review	Key findings	Audit opinion (1)	Recommendations for improvement (Priority) (2)
On 23 September 2014 the Cabinet approved the decision to commission a new Community Youth Work Service (CYWS) to support the Council's strategic goal of employability for young people. The Cabinet also approved the Outcomes Framework which is used as a tool to measure outputs in relation to achieving the strategic goal of employability. The change was effective 1 April 2015 and responded to an overall funding reduction of 11% for Services for Young People.	Purchase cards were being used to pay for travel and subsistence expenditure by management contrary to the Rules and Guidance for the use of purchase cards. The Auditor is of the view that this could be avoided through correct use of the Portal for claiming such expenses. From a review of the organisational structure it was apparent that in some instances the responsible officer was not at a level to challenge expenditure of this nature incurred by more senior colleagues. The Auditor also noted that fuel costs for a vehicle were being paid for using a purchase card. In addition items ordered using an SCC purchase card were being delivered to personal addresses. A sample of 25, procure to pay items was randomly selected for by the Auditor for testing. Two invoices for £293.97 and £200 were queried as they appeared to be duplicates. It was found that a credit note has since been passed for the £293.97 and £200 had been paid to the wrong bank account as the bank details originally provided by the service were incorrect. To date the money has not been reclaimed.	Some Improvement Needed - (for governance and strategic arrangements) Unsatisfactory - (for business and management support arrangements)	Expenditure using purchase cards should be approved by officers who have the authority to challenge such expenditure appropriately. **(H)** Banking information provided by new suppliers should always be shared with the payments team on the suppliers headed paper. **(H)**

[1] **Audit Opinions**

Effective	Controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.
Some Improvement Needed	A few specific control weaknesses were noted; generally however, controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.
Significant Improvement Needed	Numerous specific control weaknesses were noted. Controls evaluated are unlikely to provide reasonable assurance that risks are being managed and objectives should be met.
Unsatisfactory	Controls evaluated are not adequate, appropriate, or effective to provide reasonable assurance that risks are being managed and objectives should be met.

[2] **Audit Recommendations**

Priority High (H) - major control weakness requiring immediate implementation of recommendation
Priority Medium (M) - existing procedures have a negative impact on internal control or the efficient use of resources
Priority Low (L) - recommendation represents good practice but its implementation is not fundamental to internal control

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