



GENERAL LICENSING COMMITTEE
5 July 2012

ITEM 5

Report of the Strategic Director of
Neighbourhoods

LICENSING AUDIT REPORT APRIL 2012

SUMMARY

- 1.1 The Central Midlands Audit Partnership has undertaken an audit to identify the appropriateness and adequacy of the controls in place in relation to functions undertaken by the Licensing Team.
- 1.2 Control assurance was identified as reasonable, with most areas reviewed being adequately controlled, with risks generally managed.

RECOMMENDATION

- 2.1 To note the report.

REASONS FOR RECOMMENDATION

- 3.1 To provide assurances to the General Licensing Committee that the licensing function within Environment and Regulatory Services does not raise any significant or critical risks to the authority.

SUPPORTING INFORMATION

- 4.1 An audit of the Licensing Team was undertaken by a member of the Central Midlands Audit Partnership. The purpose of the audit was to identify the appropriateness and adequacy of the controls in place in relation to functions undertaken by the team.
- 4.2 Control assurance was identified as reasonable and the procedures to issue licences as robust with most areas reviewed being adequately controlled, with risks generally managed.
- 4.3 Of the nine areas identified for improvement, eight were considered as low risk and one as moderate risk. None were identified as a significant or critical risk level.
- 4.4 All control issues identified were accepted and positive actions have or will be taken to address the concerns raised.

- 4.5 A summary of the issues identified and actions are attached at Appendix 2 for information.

OTHER OPTIONS CONSIDERED

- 5.1 Not Applicable

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Service Director(s) Other(s)	Olu Idowu n/a n/a John Tomlinson n/a
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For more information contact: Background papers: List of appendices:	Sandra Mansell, 01332 641931, e-mail sandra.mansell@derby.gov.uk Derby City Council Licensing Audit Report Appendix 1 – Implications Appendix 2 – Derby City Council Licensing Audit Summary
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IMPLICATIONS

Financial

1.1 None.

Legal

2.1 As set out in the report.

Personnel

3.1 None.

Equalities Impact

4.1 None.

Health and Safety

5.1 None.

Carbon commitment

6.1 None.

Value for money

7.1 None.

Corporate objectives and priorities for change

8.1 The proposal supports the corporate priority to ensure the people in Derby will enjoy **good quality services that meet local needs.**

Appendix 2

Summary of issues and actions	
Issue	Action
APP system did not produce unique, sequential licence numbers – Low Risk	App system cannot produce sequential numbers. Reports are run to ensure no duplicate numbers have been allocated
Premise licence debts are not monitored by the Licensing Team, which might result in delays in pursuing the debt – Low Risk	Until April of this year there was no statutory provision for the Licensing team to take any action in relation to unpaid fees. This changed from April 25 2012 and the Licensing Team are now using their powers to suspend Premises Licences when fees are unpaid
Cashbook receipt numbers were not transferred to the APP system – Low Risk	This system is no longer used all receipts are issued through the APP system
Liquor licensing income was not reconciled with cashbook and APP – Moderate Risk	This system is no longer used all receipts are issued through the APP system
Cash was not reconciled on the day it was received – Low Risk	The cash taken is reconciled at the end of each day
The system for identifying drivers who had received two suspension in a 12 month rolling period was manual – Low Risk	The second suspension is identified by APP. The report is prepared by the licensing Enforcement Officers to be approved and present at committee
There was no comprehensive performance management framework, which recognised the sections achievements and how it was contributing to the council's vision and priorities. – Low Risk	The business objectives and performance indicators are set out in the Environmental and Regulatory Services Business Plan. Work is also directed by the Taxi Licensing and Appeals Committee and the General Licensing Committee. Reports are presented at the relevant committee which includes linkages to the councils overall vision and priorities.
No single officer could be accountable for the contents of the safe. – Low Risk	Only one key is now available to the safe.
The council did not appear to be obtaining value for money in respect of spot checks on licensed vehicles – Low Risk	A new tender has been negotiated and approved. Monitoring is part of the auditing process. Allocation of spot checks is now on a rolling programme, if the local authority is paying for that check. All costs are fixed as per their tender.