Item 9(h)

23rd March 2022

GLASGOW CITY COUNCIL INTERNAL AUDIT SECTION

COMMITTEE SUMMARY

Title of the Audit: Neighbourhoods, Regeneration and Sustainability and Financial Services – Bulky Waste Collection

1. Introduction

1.1 As part of the audit plan we have carried out a review of the the arrangements within Neighbourhoods, Regeneration and Sustainability (NRS) in relation to the revised bulky waste collection process. Financial Services (FS) involvement includes the implementation of the new online payment form and handling telephone requests made through the Council's contact centre.

1.2 As part of the Council's 2020/21 budget, charges were due to commence being applied to householders requesting domestic bulk waste collection by NRS, which had previously been free of charge. The service was suspended for most of 2020/21 due to Covid restrictions, and a decision was taken to delay the implementation of the charges, which then came into effect from July 2021. The service was also temporarily suspended during the period when the city hosted COP26.

1.3 The decision was made to align the Council with many other Scottish local authorities, who apply charges for uplifting bulky items. Applying a charge for the collection of large items is also intended to support the Council's Resource and Recycling Strategy 2020-30 objective of "empowering Glasgow to become a zero-waste city". The bulky uplift service will be subject to monitoring and review by NRS management following the implementation of the charges. The introduction of charging was expected to lead to a reduction in demand, and while no profit would be generated from this, anticipated savings are estimated.

1.4 The purpose of the audit was to gain assurance that there are adequate processes and controls in place covering the revised bulky waste collection process. The scope of the audit included reviewing:

- Documented procedures covering the revised process, and the roles and responsibilities of all key parties involved;
- A walk-through of the process;
- The arrangements for recording bulk uplift bookings, applying charges and the receipt of income received;
- Discounts, refunds and cancellations of charges;
- Methods of payments accepted;
- Controls to ensure that payments are received for all booked uplifts, and that uplifts then take place as expected;
- Budget monitoring and the process for reconciling income received with expected charges;
- The published charging policy; and
- Arrangements to monitor and review the effectiveness of the new process in achieving desired objectives, and make improvements where appropriate.

2. Audit Opinion

2.1 Based on the audit work carried out, assurance can be taken that the control environment is satisfactory.

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3. Main Findings

3.1 We are pleased to report that key controls are in place and are operating effectively. We conducted sample testing of 20 online and 10 telephone bulky uplift requests and were satisfied with the arrangements, which allowed us to conclude that:

- NRS and FS officers involved in the new charging process are aware of their roles and responsibilities and these have been appropriately documented in procedural documentation.
- Available methods of payment (online and telephone) have been clearly publicised, with details adequately published on the Council's website.
- The Book of Charges was correctly updated to include the approved bulky uplift collection charges.
- All relevant financial systems and ledgers were updated to account for the bulky waste income.
- There are adequate controls (both system and manual) in place to ensure that the details of payments made are recorded against bookings and that the correct charge is generated and paid.
- An adequate refund and cancellation process in place.
- There are adequate reconciliation and budget monitoring processes in place and that these are conducted at appropriate intervals.

3.2 We identified the opportunity for a service improvement while conducting sample testing, in respect of the recording of job details on the Remedy system. This was agreed with officers during the audit fieldwork with the relevant procedures promptly updated and details communicated to staff.

3.3 Through discussion with NRS officers across different departments within the Service, we were satisfied that there are adequate arrangements and other initiatives in place to monitor the impact of the new collection charge on achieving intended sustainability and efficiency benefits, as well as identifying and taking action against any increase in fly tipping which may emerge. NRS reported to the Environment, Sustainability and Carbon Reduction City Policy Committee in October 2021 that since the implementation of bulk charging, there has been no noticeable impact on fly-tipping to date and there has been an overall trend of a decrease in fly-tipping reports received. A further update is scheduled to be reported to that Committee in 12 months' time.

3.4 The audit has been undertaken in accordance with the Public Sector Internal Audit Standards.

3.5 We would like to thank officers involved in this audit for their cooperation and assistance.