

Portfolio: Housing and Community

URN / Priority	Control Issue	Agreed Action / Recommendation (R)	Due Date	Revised Due Date	Service Update to Governance and Audit Committee
3140	21/22 Maes Gwern Contractual Arrangement- Overage sum calculation not being monitored as per the development agreement	A process to be introduced to monitor the overage sum in line with the agreed calculation stated in the overarching agreement.	29-Oct-21	31-Jul-23	<p>GAC 22 November 2023 The review group of housing, finance and QS reviewed the development framework and recognised that the overage agreement specified in the documents was not the key focus, and that reliance in the sales receipt records between forecast and actual sales data was being relied upon incorrectly.</p> <p>Useful as this data was, the overage calculation formula was the proper focus of attention. It was also recognised that this calculation could only be completed at the end of the process. We still await that final data from the developer.</p> <p>GAC – 24 January 2024 Team still awaiting data from Wates to complete the analysis based on the formula set out in the contract. The nature of the formula makes it unlikely that overage will be applicable.</p>
3159	21/22 Maes Gwern Contractual Arrangements- Changes to unit type have an impact on capital receipts	A process and a process owner to be devised and introduced to identify any discrepancies in changes to property type and chase any remaining funds and interest due to the Council since the completion date. Any risks to the achievement of the agreed capital receipts should be considered and escalated to Chief Officer.	29-Oct-21	30-Jun-23	<p>GAC 22 November 2023 A group from Finance, QS services and housing was set up, chaired by the SHARP project manager. A process was set up to monitor overseen by the SHARP project manager to identify any changes to the property types by cross referencing the property schedule of property types recorded in the original planning documents to the schedule of property types recoding sales receipts. One house type was identified as having changed its internal layout following a non-material alteration approved by planning. No discrepancies in house types have been identified.</p> <p>Completed</p> <p>GAC 24 January 2024</p>

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					<p>Documentation provided to Internal Audit on 16.01.2024 as part of this report has not been examined.</p> <p>Data Process Checking owner Paul Calland 3159</p> <p>Cross referenced schedules from the Wates / Finance and the original planning approval house types and GIFA were provided. This cross referencing demonstrates all house types and GIFA remain the same, except 13 plot types approved as a non-material planning change, and two plots swapped location to accommodate a badger set.</p> <p>Late payment claims - process owner Chris Taylor</p> <p>Documentation provided to IA on 16.01.2024 shows</p> <ol style="list-style-type: none"> 1) the outstanding funding to the Council based on when a plot was sold, against when funding was actually received. This gives a daily balance broken down by each plot based on the data in the payment schedule spreadsheet. 2) the average daily interest rate for each day. 3) brings both together to give a total of interest due each day from the first plot sold to final payment being received, totalling £8,594.
3174	<p>21/22 Maes Gwern Contractual Arrangements- The finance process in place to monitor capital receipts is not adequate.</p>	<p>A review to be complete of all current processes and these be aligned with the requirements stipulated in the Development Agreement.</p> <p>Management information to be reviewed at established governance routines to ensure programme deliverables are on track in line with Development Agreement. Identified changes to capital receipts should be escalated to the Chief Officer of Housing and Assets.</p>	29-Oct-21	31-Jul-23	<p>GAC 22 November 2023</p> <p>The review group ensured that the recording of sales receipts was refined in line with the terms of the development agreement. Finance identified various minor discrepancies to receipts and a process was developed for recording and checking outstanding amounts due with the contractor. This included recording the date of the sale and the date of the receipt of the payments due. This in turn enabled a claim to be formulated using criterion from the agreement to calculate interest due to FCC for late payment.</p> <p>As previously reported the risk to not receiving the full amount due seemed unlikely, so escalation to the Chief Officer was not necessary.</p>

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					<p>All properties for private sale have been sold, and all receipts due received by FCC and the £2.85 million receipts achieved. A small sum of over- payment has been identified and a forthcoming meeting with Wates set up to correct this error.</p> <p>Completed</p> <p>GAC 24 January 2024 Documentation provided to Internal Audit on 16.01.2024 as part of this report has not been examined.</p> <p>Payment schedule attached / process owner Chris Taylor & Paul Calland</p> <p>Documentation provided compares the plot values paid by Wates, along with the completion dates of each plot and dates the funding was received, against the expected capital receipt due for the scheme.</p> <p>The document shows the funding received from Wates for plot value paid, against plot values in Wates's report. This reconciled to the report with no significant variances. However, for transparency, it looks like we have received £380.05 more than expected. This is over 3 plots and look like transposition errors when paid to FCC.</p> <p>The document also compares funding received against the expected capital receipt from the development agreement. This shows an overpayment of £17,622. There was a £12 discrepancy between the capital receipts expected in the development agreement to the actual amount expected, which reduces the overpayment to £17,610. This is the amount Wates are stating is for late interest payments.</p>

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3137	21/22 Maes Gwern Contractual arrangements- The Abnormal costs being tracked for the development are not in line with the development agreement.	Abnormal costs to be tracked in line with the figure stated in the Development Agreement. Impact to be assessed whether abnormal costs will be met.	29-Oct-21	31-Jul-23	<p>GAC 22 November 2023 The review group has continued to monitor the build-up of 'abnormal' costs as this could in theory affect the land valuation figure. The figure used to do this is the £2.4 million drawn from the development agreement.</p> <p>Completed</p> <p>As reported previously a final claim for abnormal cost was received earlier this year. Verification data from the contractor is still awaited to vet and analyse. Meeting due 17th November.</p> <p>GAC 24 January 2024 Documentation and figures provided to Internal Audit on 16.01.2024 as part of this report have not been examined.</p> <p>Process Owner 3137 Howard Parsonage / Paul Calland</p> <p>Re: abnormal costs affecting land value - as discussed and outstanding substantiation awaited</p>
3160	21/22 Maes Gwern Contractual arrangements- roles and responsibilities have not been fully defined	A full review to be completed by the newly appointed SHARP Project Manager to ensure contractual requirements are being met and roles and responsibilities have been defined	29-Oct-21	31-Jul-23	<p>GAC 22 November 2023 A full review has been delayed awaiting the final completion of the sales data (now complete), the overage calculation (data from the contractor) and the abnormal cost.</p> <p>The completion of the highways adoption and play area remain outstanding but should be finished soon.</p> <p>GAC 24 January 2024 Revised report February / March 2024</p>