

ABERDEEN CITY COUNCIL

COMMITTEE	Audit, Risk and Scrutiny Committee
DATE	29 September 2021
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Internal Audit Report AC2117 – Housing Waiting Lists
REPORT NUMBER	IA/AC2117
DIRECTOR	N/A
REPORT AUTHOR	Colin Harvey
TERMS OF REFERENCE	2.2

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to present the planned Internal Audit report on Housing Waiting Lists.

2. RECOMMENDATION

- 2.1 It is recommended that the Committee review, discuss and comment on the issues raised within this report and the attached appendix.

3. BACKGROUND / MAIN ISSUES

- 3.1 Internal Audit has completed the attached report which relates to an audit of Housing Waiting Lists.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from the recommendations of this report.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

- 6.1 The Internal Audit process considers risks involved in the areas subject to review. Any risk implications identified through the Internal Audit process are as detailed in the attached appendix.

7. OUTCOMES

- 7.1 There are no direct impacts, as a result of this report, in relation to the Council Delivery Plan, or the Local Outcome Improvement Plan Themes of Prosperous Economy, People or Place.
- 7.2 However, Internal Audit plays a key role in providing assurance over, and helping to improve, the Council's framework of governance, risk management and control. These arrangements, put in place by the Council, help ensure that the Council achieves its strategic objectives in a well-managed and controlled environment.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	An assessment is not required because the reason for this report is for Committee to review, discuss and comment on the outcome of an internal audit. As a result, there will be no differential impact, as a result of the proposals in this report, on people with protected characteristics.
Privacy Impact Assessment	Not required

9. APPENDICES

- 9.1 Internal Audit report AC2117 – Housing Waiting Lists.

10. REPORT AUTHOR DETAILS

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Internal Audit Report

Customer

Housing Waiting List and Allocations

Issued to:

Andy MacDonald, Director of Customer Services

Derek McGowan, Chief Officer – Early Intervention and Community Empowerment

Fraser Bell, Chief Officer – Governance

Jonathan Belford, Chief Officer – Finance

Kay Diack, Housing Access and Support Manager

Michael Murray, Case Officer

David Bryce, System Development Officer

External Audit

EXECUTIVE SUMMARY

Background

The allocation of social housing in Scotland is governed by the Housing (Scotland) Acts 1987, 2001 and 2014. The Council's Housing Allocation policy has been prepared in accordance with this legislation. Under the policy, Council housing applicants are assessed and prioritised in terms of their housing needs and applicant choices, including letting area(s) and property size selected. Persons must be aged 16 or over to be eligible to apply for Council housing, with preference given to applicants with urgent housing needs.

The Council maintains four Housing Lists on the Council's Housing System as follows: Urgent Housing Needs List (persons who are homeless or threatened with homelessness, persons who are living in unsatisfactory housing conditions, applicants with "extreme medical needs", persons living in "under-occupied" social landlord housing, young persons looked after by Aberdeen City Council); Housing with Support List (Amenity / Sheltered / Very Sheltered / High Support); Transfers List (existing Council tenants looking to move properties); and Waiting List (all other housing applicants). Approximately 350 housing applications are processed by the Council each month.

The Council has approximately 22,000 properties of various sizes and types, including cottages, flats, multi-storey blocks, and sheltered complexes. As at 31 March 2021, there were 6,035 households on the Council's Housing lists (Urgent Housing Needs List 694; Housing with Support List 1,258; Transfers List 1,348; Waiting List 2,735). In the year to 31 March 2021, 1,648 applicants were housed.

Objective

The objective of this audit was to provide assurance that the Housing Waiting List is maintained efficiently, and allocations are made in accordance with policy.

Assurance

In general, the Council's Housing Lists are being maintained efficiently and allocations are being made in accordance with policy. Housing applications reviewed had been transferred accurately to the Council's housing system, the respective applicants were ranked appropriately on the correct Council Housing List based on application responses, and a sample of new Council tenants had been allocated housing correctly in line with the Council's housing policy.

Recommendations were made to improve: supporting documentation for rejected housing applications; the issue of housing decision letters; and quality assurance processes for ensuring the accuracy of Council Housing Lists and appropriateness of allocation decisions.

Findings and Recommendations

According to the Housing Allocation Policy, all applicants have the right to appeal a decision made in connection with their housing application. Instances were identified where supporting documentation relevant to rejection of housing applications and decision letters to unsuccessful applicants were absent from the Council's Housing System. If evidence is not retained to support reasons why applications have been unsuccessful and unsuccessful applicants are not notified of their right to appeal in a timely manner, there is an increased risk of reputational damage to the Council should an applicant subsequently successfully appeal their rejected housing application. A recommendation graded Significant within audited area was raised with the Cluster to retain evidence supporting housing decisions and communication of those decisions to housing applicants.

To help ensure personal data is held for no longer than is necessary, in compliance with data protection legislation, the Housing System has been set up to send an email to applicants on any of the Council's Housing Lists after 12 months, to confirm they wish to remain on the respective Housing List. If applicants do not respond to the initial email, a second final email will be sent one month after the first email; if the applicant does not respond to this email, the applicant will be removed from the respective Housing List. Applications can be reinstated if there are mitigating circumstances involved. One applicant reviewed remained on their respective Housing List despite there being no record of a response to the review emails sent. Where applicants are allowed to remain on Housing Lists in the absence of a documented response to review emails, there is an increased risk of personal data being held unnecessarily in breach of data protection legislation and Council policy. A recommendation graded Significant within audited area was raised with the Cluster to record the outcome of application reviews.

Housing Officers have the ability to make changes to housing application responses within the Housing System, which affect the position of housing applicants on their respective Housing List and Housing Officers also have the ability to bypass housing applicants when making housing offers. Despite this, there is no system of review in relation to these manual updates affecting housing outcomes, risking inconsistent treatment of housing applicants and reputational damage to the Council. A recommendation graded Significant within audited area has been raised with the Cluster to establish a system of review for housing applicant positions on Council Housing Lists and for housing applicants bypassed for housing offers.

Once an Allocations Officer has selected an appropriate candidate for a property, they will telephone the applicant and work through an offer questionnaire. The questionnaire covers suitability of age, household make-up, any lodgers if transferring from a Council house, medical conditions, area / house type, suitability for pets, Council Tax band, rental and any service charges, and requirement for a discretionary housing payment application. Instances were identified where property questionnaires were not on file. If property suitability has not been verified at the point of offer there is an increased risk relevant changes of circumstances will not be identified which deem an applicant ineligible for an offer. A recommendation graded Significant within audited area was raised with the Cluster to ensure property suitability and applicant eligibility is reassessed prior to an offer being made.

Management Response

The allocation and letting of Council Housing is a critical part of Aberdeen City Council's landlord function, and this audit identifies some areas where greater assurance can be provided around a small number of areas. The Early Intervention and Community Empowerment cluster has agreed actions in response to the recommendations made to improve: supporting documentation for unsuccessful applicants and housing application review outcomes; quality assurance processes for Council Housing Lists and housing applicant bypass decisions for housing offers; and reassessment of property suitability and applicant eligibility for Council housing at the point of housing allocation.

1. INTRODUCTION

- 1.1 The allocation of social housing in Scotland is governed by the Housing (Scotland) Acts 1987, 2001 and 2014. The Council's Housing Allocation policy has been prepared in accordance with this legislation. Under the policy, Council housing applicants are assessed and prioritised in terms of their housing needs and applicant choices, including letting area(s) and property size selected.
- 1.2 Persons must be aged 16 or over to be eligible to apply for Council housing, with preference given to applicants with urgent housing needs, including:
- persons who are homeless or threatened with homelessness with an unmet housing need;
 - persons living in unsatisfactory housing conditions with an unmet housing need;
 - social landlord tenants considered to be under-occupied;
 - applicants with "extreme medical needs" determined by the Council's Housing Needs Assessment team;
 - young people looked after by Aberdeen City Council;
 - applicants awarded priority by the Operational Delivery Committee or Chief Officer – Early Intervention and Community Empowerment.
- 1.3 The Council maintains four Housing Lists on the Council's Housing System as follows: Urgent Housing Needs List (relates to persons described in paragraph 1.2 above); Housing with Support List (Amenity / Sheltered / Very Sheltered / High Support); Transfers List; and Waiting List. Approximately 350 housing applications are processed by the Council each month.
- 1.4 The Council has approximately 22,000 properties of various sizes and types, including cottages, flats, multi-storey blocks, and sheltered complexes. As at 31 March 2021, there were 6,035 households on the Council's Housing lists (Urgent Housing Needs List 694; Housing with Support List 1,258; Transfers List 1,348; Waiting List 2,735). In the year to 31 March 2021, 1,648 applicants were housed.
- 1.5 The objective of this audit was to provide assurance that the Housing Waiting List is maintained efficiently, and allocations are made in accordance with policy.
- 1.6 The factual accuracy of this report and action to be taken with regard to the recommendations made have been agreed with Derek McGowan, Chief Officer - Early Intervention and Community Empowerment; Kay Diack, Housing Access and Support Manager; Michael Murray, Case Officer; and David Bryce, Systems Development Officer.

2. FINDINGS AND RECOMMENDATIONS

2.1 Written Policies and Procedures

2.1.1 The Council's Housing Allocation Policy has been in place since 2012. The most recent changes to the policy were approved by Operational Delivery Committee on 19 November 2020. The policy is clear and comprehensive, has been prepared in accordance with the requirements of the Housing (Scotland) Act 1987, 2001 and 2014, and describes the basis of prioritisation across all of the Council's Housing Lists.

2.1.2 Training manuals for the use of the Council's Housing System are available via the Council's intranet site; these cover relevant system tasks, including assessing housing applications and processing allocations. However, whilst the manual was clear, screenshots were of a previous version of the system, with some of the system functionality described in the manual (e.g. main menu) having been superseded within the current version of the system, making it more difficult for a system user to interpret the guidance.

Recommendation

System guidance should be reviewed and updated.

Service Response / Action

Agreed. Training manuals will be updated following the update to the Housing system in early August 2021.

Implementation Date

September 2021

Responsible Officer

Development Officer

Grading

Important within audited area

2.1.3 The Council Housing Allocation policy is clear and comprehensive. The Housing System is largely responsible for queuing applicants on the Council's Housing Lists for allocation of Council housing based on application responses, and the Housing System manual describes standalone processes relevant to the maintenance of the Council's housing lists and allocation of Council housing.

2.1.4 However, certain aspects of the Council's Housing Allocation policy require to be applied independently by the Housing Officer, including: eligibility checks and required supporting documentation for admission to the Council's housing lists, and checks required prior to allocation of housing, such as ensuring housing related debts are being appropriately managed. Procedures for managing required tasks and caseload outside of the system were not detailed, presenting a risk to their full, consistent and accurate completion in line with the Council's Housing Allocation Policy.

Recommendation

Housing Officer tasks should be formalised within detailed procedures.

Service Response / Action

Agreed. Procedures will be updated to remove risk of inconsistent application.

Implementation Date

September 2021

Responsible Officer

Housing Advice Team
Leader

Grading

Important within audited area

2.2 Applications

- 2.2.1 The Council's Housing Online portal is used by prospective tenants to apply for Council housing. As at 20 May 2021, 98 housing applications were awaiting processing, with the earliest submission date being 3 May 2021. Following registration, the applicant must submit their chosen Housing Options as part of the application process using the Housing Online "options checker." This covers reasons for applying for a Council house, as well as current housing arrangements and household details. Applicants can alternatively apply by telephone by contacting the Council's Housing Advice Service, but are encouraged to use the portal. Once the application is submitted, it will be received by the Local Area Housing Office associated with the applicant's current address.
- 2.2.2 The Council's Systems Development Officer advised that applications submitted via the Housing Online portal are recorded in the "eServices" module available to Housing staff and the application data is automatically transferred to the Council's Housing System, with applicants allocated the appropriate priority within the relevant Housing List by the Housing System, based on responses to application questions.
- 2.2.3 Internal Audit reviewed a sample of 5 application responses recorded in the housing application 'eServices' system on 14 April 2021; this agreed to the application responses recorded in the applicant records within the Housing System. Furthermore, two applications identified as rejected due to being duplicates within eServices were reviewed; the applicant data in the Housing System agreed to the successfully submitted application within eServices.
- 2.2.4 Housing Officers access the Housing System on a daily basis to identify all new applications. Each new application is reviewed for completeness. Any missing data should be requested from the applicant as well as any required follow up information / supporting documentation, such as: completion of a housing needs assessment form (applicant declaration describing any health or social issues affected by the current property); a homelessness assessment; proof of identity; and proof of recourse to public funds where the applicant is not a British citizen.
- 2.2.5 Currently, changes cannot be made to an application by the applicant once it has been submitted. If an applicant wishes to make a change, they must contact Housing to arrange for updates to be processed. It is also not currently possible to upload documentation in support of housing applications to the Housing Online portal, such as proof of identity and proof of recourse to public funds. However, progress is being made to address these issues.
- 2.2.6 How an applicant is assessed and ranked, is dependent on which of the Council's Housing Lists they are to be placed on:
- Urgent Housing Need list - prioritised by way of an assessment process and ranked in order of the date of priority award;
 - Housing and Support list - prioritised by an assessment process, with applicants categorised (high, medium, low) by house type and queued in order of the date of their priority award;
 - Transfers and Waiting lists - prioritised by points based on current housing circumstances with applicants awarded the same points further prioritised by date of registration on the respective list.
- 2.2.7 When an application has been assessed, a letter is generated from the Housing System which confirms the applicant has been "entered onto the list for housing". Applicants are not advised of their position on the respective List and letters do not provide the applicant

with an indication of potential waiting times. The letter does however give general information on the next steps and who to contact if they wish to discuss their application.

- 2.2.8 A sample of 15 applicants on the Council’s Housing Lists were reviewed to confirm the applicant was eligible to be included on the respective Council Housing List, their application was appropriately assessed and prioritised within the respective Housing List, and an acknowledgement letter had been issued in a timely manner to the applicant. All application responses were complete on the Housing System and applicant positions on the respective Housing Lists were supported. Decision letters had been issued in a timely manner except for 2 applicants (application reviewed September 2020 and February 2021 respectively), where a decision letter was not held on file. Failure to inform tenants of the outcome of housing applications in a timely manner could result in reputational damage to the Council.
- 2.2.9 According to the Housing Allocation Policy, all applicants have the right to appeal a decision made in connection with their housing application. Appeals against the processing of an application should be addressed to the Housing Access and Support team within 14 days of the decision, who will aim to respond within 14 days of receipt. Applicants are informed of their right to appeal via the Final Registration letter, Homeless Decision letter or Housing Needs Assessment outcome letter. They state: *“if you do not agree with the Council’s decision you have the right to request a review.”* The letter goes on to advise where written requests for reviews should be sent and contact details for the Housing Access team
- 2.2.10 A sample of five unsuccessful applications was selected to ensure reasons for rejection were clear and in line with Council policy and the applicant was given the option to appeal the decision. There were three instances where supporting documentation relevant to the rejection (e.g. copies of passports / visas) had not been scanned and uploaded to the Housing System despite records in the Housing System notes indicating these had been supplied by the applicant.
- 2.2.11 In four cases (the three instances referred to in paragraph 2.2.10 and an additional application) it was unclear whether applicants had been made aware of their unsuccessful application as decision letters were absent from the Housing System. If evidence is not retained to support reasons why applications have been unsuccessful and unsuccessful applicants are not notified of their right to appeal in a timely manner, there is an increased risk of reputational damage to the Council should an applicant subsequently successfully appeal their rejected housing application.

<u>Recommendation</u>		
Evidence supporting housing decisions and communication to applicants should be retained.		
<u>Service Response / Action</u>		
Agreed. Manuals to be updated as required and training offered to ensure all evidence is recorded and retained.		
<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
September 2021	Housing Advice Team Leader	Significant within audited area

- 2.2.12 Two of the rejected applications had Housing Needs Assessments carried out prior to the Allocations team obtaining required documentation (passport and visa) to demonstrate eligibility for Council housing. In both cases, assessments had taken place and confirmed that the applicants had a housing need. It was not until after the relevant documentation was received by the Allocations team, that the applicants were deemed ineligible for

Council housing, since they did not have recourse to public funds. The Housing Needs Assessment process is time consuming and could be avoided if proof of recourse to public funds was obtained where required prior to a Housing Needs Assessment referral.

<u>Recommendation</u> Applicant eligibility for Council housing should be established before Housing Need Assessments are carried out.		
<u>Service Response / Action</u> Agreed. Manuals to be updated as required and training offered to ensure all evidence is recorded and retained.		
<u>Implementation Date</u> September 2021	<u>Responsible Officer</u> Housing Advice Team Leader	<u>Grading</u> Important within audited area

2.3 Application Review

- 2.3.1 To help ensure personal data is held for no longer than is necessary, in compliance with data protection legislation, the Housing System has been set up to send an email to applicants on any of the Council's Housing Lists after 12 months, to confirm they wish to remain on the respective Housing List. If the applicant responds and advises that this is the case, the correspondence will be saved in the Housing System and they will remain on the Housing List. If applicants do not respond to the initial email, a second final email will be sent one month after the first email; if the applicant does not respond to this email, the applicant will be removed from the respective Housing List. Applications can be reinstated if there are mitigating circumstances involved.
- 2.3.2 A sample of 5 current applicants, who had been on a Housing List for over 12 months was selected to ensure they were subject to an annual review and where responses had not been obtained, applicants were removed from the respective Housing List. One applicant remained on the relevant Housing List despite not responding to the emails. The Cluster advised that this applicant had asked for their application to be reinstated, however this was not documented within the Housing System.
- 2.3.3 Where applicants are allowed to remain on Housing Lists in the absence of a documented response to reviews, there is an increased risk of personal data being held unnecessarily in breach of data protection legislation and Council policy.

<u>Recommendation</u> The outcome of application reviews should be recorded.		
<u>Service Response / Action</u> Agreed. Policy to be refreshed to ensure compliance.		
<u>Implementation Date</u> September 2021	<u>Responsible Officer</u> Senior Allocations Officer	<u>Grading</u> Significant within audited area

2.4 Allocations

- 2.4.1 The Housing and Support list is managed separately to the mainstream housing lists as specific housing stock is allocated for use by the Housing and Support list. The Urgent Housing Need list must always be cleared first when mainstream housing becomes available, after which voids are allocated alternatively to the Waiting list and Transfer list to ensure a 50% quota of vacant properties is allocated to each. The Cluster advised that

the Housing System automatically ensures this occurs as it has been programmed to comply with the Housing Allocation policy and verified this via a demonstration of the application response points allocation process within the Housing system.

2.4.2 When a property becomes void, this is routinely identified by a Housing Officer for that area by accessing the “voids available to offer” screen within the Housing System. A shortlist of relevant applicants is then created in the Housing System, based on the void property type, area, number of bedrooms and accessibility. The applicant ranked first on the shortlist theoretically should be offered the property. Where this has not occurred, a bypass reason should be recorded in the Housing System e.g. medical reason, not interested in area, housing cost arrears etc.

2.4.3 As explained in paragraph 2.2.5 above, Housing Officers have the ability to make changes to housing application responses within the Housing System, which affect the position of housing applicants on their respective Housing List and as explained in paragraph 2.4.2 above, Housing Officers also have the ability to bypass housing applicants when making housing offers. Despite this, there is no system of review in relation to these manual updates affecting housing outcomes, risking inconsistent treatment of housing applicants and reputational damage to the Council.

Recommendation

A system of review should be established for housing applicant positions on Council Housing Lists and where housing applicants are bypassed for housing offers.

Service Response / Action

Agreed. Procedure to be created for manual review.

Implementation Date

September 2021

Responsible Officer

Housing Advice Team
Leader

Grading

Significant within audited
area

2.4.4 A sample of 15 tenancies agreed in 2020/21 was reviewed to ensure a complete application was in place for all tenants and that the allocation was made in line with the Council’s Housing Allocation policy. Where applicants had been bypassed, reasons were reviewed to ensure the appropriate bypass code had been recorded in the Housing System and the reasons were supported. All tenancies were supported by a complete housing application and bypass reasons were adequately justified and supported on the Housing System.

2.4.5 Once an Allocations Officer has selected an appropriate candidate for a property, they will telephone the applicant and work through an offer questionnaire. The questionnaire covers suitability of age, household make-up, any lodgers if transferring from a Council house, medical conditions, area / house type, suitability for pets, Council Tax band, rental and any service charges, and requirement for a discretionary housing payment application. Once it is confirmed the property is still suitable for the applicant, if the applicant agrees to accept the offer, the Allocations Officer will confirm the offer acceptance on the Housing System.

2.4.6 Where an applicant accepts an offer of accommodation, they must subsequently sign a tenancy agreement, which specifies the terms and conditions of their rental agreement with the Council. Applicants must not move in until they have signed their new tenancy agreement.

2.4.7 A sample of 15 tenants was reviewed to ensure property suitability was evaluated with a relevant questionnaire and a tenancy agreement was signed prior to the tenancy commencing. A tenancy agreement had been signed and dated on the same day each

tenant started their tenancy where applicable. However, questionnaires were not held on file in two cases. If property suitability has not been verified at the point of offer there is an increased risk relevant changes of circumstances will not be identified which deem an applicant ineligible for an offer.

<u>Recommendation</u>		
The Cluster should ensure property suitability and applicant eligibility is reassessed prior to an offer being made.		
<u>Service Response / Action</u>		
Agreed. Training of staff and monthly Quality Assurance to be undertaken to ensure that procedure is being followed.		
<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
September 2021	Development Officer	Significant within audited area

2.5 Arrears

2.5.1 According to the Housing Allocation Policy, all applicants will be advised by the Housing Access and Support Team of any housing related debts that may affect their entitlement to housing and the action they should take to address the debts. Offers will be suspended until the applicant provides evidence that the identified debts have been satisfactorily addressed. If the debt is greater than one month's rent, then a payment arrangement needs to have been in place to clear the debt for three consecutive months.

2.5.2 The Service provided a report detailing all tenancies in arrears and the balance due at the end of their previous tenancy. Internal Audit selected a sample based on this report to ensure all tenants had an arrears payment plan in place prior to being offered a property. All five tenants in the sample had a payment plan in place, however only four had been in place for at least three consecutive months prior to the tenant being offered a new property. The applicant who had a payment plan in place for less than three consecutive months before being offered a property had withheld payment of their rent due to ongoing issues with the previous property, resulting in arrears of over £7,000; the payment plan was set up after reported issues with the property were resolved and the old tenancy ended. However, the housing offer was made in compliance with the Housing Allocation Policy since it was approved by a Senior Housing Officer using delegated powers available to the officer under the policy, which only required a payment arrangement to be in place, and not for at least three consecutive months.

2.6 Refusals

2.6.1 The Housing Allocation Policy states that *“if an applicant refuses an offer of accommodation from the waiting list, the transfer list, or the support list their housing application will be deferred for a period of 12 months. All refusal reasons count towards this deferment. Any exceptional circumstances which are presented at the time of refusal will be considered on a case-by-case basis.”* The policy goes on to state *“Aberdeen City Council recognises that very occasionally an applicant may have exceptional housing circumstances which fall out with the points scheme. In these rare situations applicants may be offered re-housing through powers given to Senior Officers within the Housing Service. Applicants in this section are offered two offers of accommodation.”*

2.6.2 Housing has Refusals Reasons guidance which details refusal reasons deemed exceptional whilst the Housing Allocation Policy describes exceptional circumstances which allow two offers to be made.

2.6.3 Of the 15 tenants reviewed, four had previously refused an offer before being selected for an alternative property. Reasons for refusal were in line with Council Refusals Reasons guidance for three of the tenants in the sample and the one case reviewed with exceptional circumstances was only given two housing offers through Senior Housing Officer delegated powers in accordance with the Housing Allocations Policy.

AUDITORS: C Harvey
A Johnston
C Jamieson

Appendix 1 – Grading of Recommendations

GRADE	DEFINITION
Major at a Corporate Level	The absence of, or failure to comply with, an appropriate internal control which could result in, for example, a material financial loss, or loss of reputation, to the organisation.
Major at a Service Level	<p>The absence of, or failure to comply with, an appropriate internal control which could result in, for example, a material financial loss to the Service/area audited.</p> <p>Financial Regulations have been consistently breached.</p>
Significant within audited area	<p>Addressing this issue will enhance internal controls.</p> <p>An element of control is missing or only partial in nature.</p> <p>The existence of the weakness identified has an impact on a system's adequacy and effectiveness.</p> <p>Financial Regulations have been breached.</p>
Important within audited area	Although the element of internal control is satisfactory, a control weakness was identified, the existence of the weakness, taken independently or with other findings does not impair the overall system of internal control.