

Report to the Audit and Governance Committee



Report Reference: AGC-005-2011/12
Date of meeting: 23 June 2011

**Epping Forest
District Council**

Portfolio: Finance and Economic Development

Subject: Internal Audit Monitoring Report - January - March 2011

Responsible Officer: Brian Bassington (01992 564446).

Democratic Services Officer: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

1. The Committee is requested to note the following issues arising from the Internal Audit Team's fourth quarter monitoring report for 2010/11:
 - (a) The reports issued between January and March 2011 and significant findings (Appendix 1);
 - (b) The Outstanding Priority 1 Actions Status Report (Appendix 2);
 - (c) The Limited Assurance Audits follow up status report (Appendix 3);
 - (d) Risk Management and Insurance audit report (Appendix 4).

Executive Summary:

This report provides a summary of the work undertaken by the Internal Audit Unit between January and March 2011, and details the overall performance to date against the Audit Plan for 2010/11. The report also contains a status report on previous priority 1 audit recommendations.

Reasons for Proposed Decision:

Monitoring report as required by the Audit and Governance Committee Terms of Reference.

Other Options for Action:

No other options.

Report:

Work carried out in the Period

1. The audit reports issued in the fourth quarter are listed in paragraph 5 below.
2. A number of systems audits were carried out in the fourth quarter in which testing was substantially completed as at 31st March. Seven reports were at draft stage but were yet to be discussed with relevant Management.
3. The Audit Team have continued to provide advice and guidance on a range of subjects to management on the application of Contract Standing Orders and Financial Regulations.

4. The Chief Internal Auditor and Senior Auditor have continued to attend a number of Corporate officer groups including Corporate Governance, Risk Management, Data Management, Freedom of Information, Green Corporate Working Party and the Contract Standing Orders and Financial Regulations Working Party. Supervision and management time has included quality assurance of audit reports and working files, the administration of the outsourced element of the audit plan and liaison and support for the external auditors (PKF).

Reports Issued

5. The following audit reports were issued, or work substantially completed in the fourth quarter:

(a) Full Assurance:

- Housing Rent Collection and Arrears;
- Cash receipting and Income Control;
- Pest Control Contract (follow up audit); and
- Verification of Cash Floats.

(b) Substantial Assurance:

- Risk Management and Insurance;
- Bank Reconciliation;
- Creditors;
- Treasury Management;
- Budgetary Control;
- General Ledger;
- Cash Receipting ICT System;
- ICT Procurement;
- Asset Management;
- National Non Domestic Rates;
- Network Operating System Security;
- Car Parking;
- Housing Lettings; and
- Recruitment and Selection.

(c) Limited Assurance:

- Housing Maintenance Stores Stock Take (31 March 2011).

(d) No Assurance:

- None.

(e) At Draft Report Stage:

- Payroll;
- Corporate Procurement;
- Housing Benefits;
- Building Control;
- North Weald Airfield;
- Housing Maintenance Depot; and
- Waste Management and Recycling.

6. The externalised portion of the audit plan staffed by Deloitte and Touche Public Sector Internal Audit Limited included six financial audits, two ICT audits and a Corporate Procurement audit, of which eight audits had been completed by 31 March and one, the Procurement audit was being reviewed by the Deloitte quality control process before issue of the draft report.

Outstanding Priority 1 Actions Status Report (Appendix 2)

7. This report is now monitored by the Corporate Governance Group on a monthly basis and Directors asked to report on action planned and taken to address the recommendations.

Follow Up of Previous Limited Assurance Audits (Appendix 3)

8. Attached at Appendix 3 is a summary schedule of previous limited assurance audits to ensure follow up both by Internal Audit and Service Management. The table shows the situation as at 31 March 2011.

Audit Plan 2010/11

9. The status of the 2010/11 Audit Plan is attached to the Internal Audit Annual Report elsewhere on this agenda.

Risk Management and Insurance Audit Report (Appendix 4)

10. The full report on the Risk Management and Insurance audit as requested at the Audit and Governance Committee on 4 April 2011 is attached.

Performance Management

11. The Internal Audit Team has local performance indicator targets to meet in 2010/11, as set out below:

	Actual 2007/08	Actual 2008/09	Actual 2009/10	Target 2010/11	Actual 2010/11 Quarter 4	Outturn 2010/11
% Planned audits completed	89%	95%	87%	90%	82%	82%
% chargeable "fee" staff time	68%	71%	69%	72%	69%	66%
Average cost per audit day	£307	£309	£300	£320	£333	£307
% User satisfaction	81%	85%	94%	85%	80%	86%

12. The indicators are calculated as follows:

(a) % Planned audits completed - a cumulative calculation is made each quarter based on the approved plan as amended for additional work (e.g. investigations) during the year.

(b) % Chargeable fee time - a calculation is made each quarter based on reports produced from Internal Audit's time recording system.

(c) Average cost per audit day - the calculation is based on the costs for each quarter divided by the number of fee earning days extracted from the time recording system.

(d) % User satisfaction - a calculation is made each quarter based on returned client surveys for each audit giving a score on a five point scale 0 (poor) – 5 (excellent). The score is backed up by the client's comments on a range of issues related to the audit.

13. The fourth quarter has seen a shortfall in the planned audits completed and an increase

in the average cost per productive day, principally due to the unavailability of a member of staff who has been on long term sickness as from the last week of January. This sickness is being monitored through the Absence Management Policy with guidance from Occupational Health.

Resource Implications:

Within the report.

Legal and Governance Implications:

Within the report.

Safer, Cleaner and Greener Implications:

No specific implications.

Consultation Undertaken:

Corporate Governance Group.

Background Papers:

Audit files and working papers.

Impact Assessments:

Risk Management

Internal Audit has a primary objective to provide an independent and objective opinion on the adequacy of the Council's control environment, including its governance and risk management arrangements. The audit reports referred to in this monitoring report will assist managers to determine the adequacy and effectiveness of the arrangements in place in their services.

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? No

What equality implications were identified through the Equality Impact Assessment process?
There are no specific equalities impacts.

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?
There are no specific equalities impacts.

Audit Assurance Levels and Priority Ratings

Priority Ratings

Each audit finding will generate an audit recommendation. These recommendations will be prioritised in accordance with the following criteria:

Priority 1 – Observations refer to issues that are fundamental to the system of internal control. We believe that these issues have caused or will cause a system objective not to be met and therefore require management action as a matter of urgency to avoid risk of major error, loss, fraud or damage to reputation. Failure to apply a Financial Regulation or Contract standing Order will normally be in this category.

Priority 2 – Observations refer mainly to issues that have an important effect on the system of internal control but do not require immediate management action. System objectives are unlikely to be breached as a consequence of these issues, although Internal audit suggested improvement to system design and / or more effective operation of controls would minimise the risk of system failure in this area.

Priority 3 – Observations refer to issues that would if corrected, improve internal control in general and ensure good practice, but are not vital to the overall system of internal control.

Assurance levels:

The level of assurance to be applied will be based on the auditor's assessment of the extent to which system objectives are met, with the agreement of the Chief Internal Auditor. As a guide, the following triggers will be used, taking into account the level of risk of error, loss, fraud or damage to reputation.

Overall assignment rating	Level of assurance and definition Trigger (number of individual audit recommendations)
1 Full Assurance –	There is a sound system of control designed to achieve system objectives, and the controls are being consistently applied. Priority 3s or no audit recommendations.
2 Substantial Assurance –	There is a sound system of control designed to achieve system objectives, and the controls are generally being consistently applied. However, there are some minor weaknesses in control, and/or evidence of non-compliance, which are placing some system objectives at risk. Priority 2s and 1 Priority 1 (if assessed as a low risk).
3 Limited Assurance –	There is a system of control in place designed to achieve system objectives. However, there are significant weaknesses in the application of control in a number of areas, and / or evidence of significant non-compliance, which are placing some system objectives at risk. Between 1 and four 1s and (usually) several Priority 2s.
4 No Assurance –	The system of control is weak, and / or there is evidence of significant non-compliance, which exposes the system to the risk of significant error or unauthorised activity. Five or more Priority 1s.

Approved by the Audit and Governance Committee 15th November 2010

**Summary of Audits completed during Quarter 4
January - March 2011**

Appendix 1

Title	Service	Assurance Rating/Audit Opinion	Main Conclusions/Comments
Housing Rent Collection and Arrears	Housing Services	<p>Full Assurance There is a sound system of control designed to achieve the systems objectives and based on the samples reviewed, the controls are being consistently applied.</p>	The sample tested did not identify any evidence of non compliance of internal controls within the Housing Directorate systems and therefore it is considered that risks have been minimised.
Cash Receipting and Income Control	Finance and ICT	<p>Full Assurance Based on an evaluation of the system of key controls in place designed to achieve the objectives relating to the cash receipting and income control function within Finance & ICT; and the verification, through sample testing from April 2010 to January 2011, of the consistent application of these controls, this audit has been given 'full assurance'</p>	The systems and controls surrounding cash receipting and income control are operating effectively. Only one priority 3 recommendation has been raised.
Pest Control Contract (follow up audit)	Environment and Street Scene	<p>Full Assurance Based on an evaluation of the system of key controls in place designed to achieve the objectives relating to the recording and reconciliation of the income due under the pest control contract; and the verification, through sample testing from April 2010 to January 2011, of the consistent application of these controls, this audit has been given 'full assurance'.</p>	The systems and controls surrounding the recording and reconciling of income due to the Authority under the Pest Control contract are operating effectively.
Verification of Cash Floats	Finance and ICT	<p>Full Assurance Satisfactory controls are in place for the control of cash, cheque and debit card payments</p>	The petty cash balances and cash floats held at the locations included in this audit were verified as correct. All cash is held securely.

Title	Service	Assurance Rating/Audit Opinion	Main Conclusions/Comments
Risk Management and Insurance	Finance and ICT	<p>Substantial Assurance Risk management is fully embedded and championed both at Directorate level and at a corporate level. The process is proactive in identifying risk and is efficient in ensuring the risk register remains current. Insurance policies are monitored and claims recorded accurately.</p>	<p>It is clear to see Risk Management is well embedded into the corporate structure and at a management level, the importance of this is clearly understood. There is value in evaluating, communicating and educating risk awareness more widely, within the Authority, to ensure all staff are aware of the importance of risk management and the role everyone can play.</p> <p>This high level of working practice needs to be maintained and it is important that risk awareness remains high on the priorities of management, to protect against the pitfalls that could potentially have negative impact on the Authority and its objectives.</p>
Cash Receipting ICT System	Finance and ICT	<p>Substantial Assurance While there is a basically sound system, there are weaknesses that put some of the system's objectives at risk.</p>	<p>Control weaknesses have been identified and therefore we have raised two Priority 2 recommendations to address these issues.</p>
Creditors	Finance and ICT	<p>Substantial Assurance The Creditors function from audit's review demonstrated an excellent understanding of the role it plays within the authority, processes are tight and understanding of the functions responsibility in averting potential fraud is encouraging. A clear segregation of duties, where appropriate, is evident. Authorised staff are committing the organisation to expenditure and a value for money mindset is shown by clear compliance to Contract Standing Orders.</p>	<p>Official orders are raised generally in accordance with policy, although audit has highlighted occasions where the invoice pre-dating the order. There is evidence of the need to remind authorisers to ensure full completion of approval slips, budget holders to only commit expenditure within and where a budget exists and directorates to maintain good administration of invoice approval processes. Authorised signatory lists are still in the process of being updated to reflect the current authority structure and ensure not outdated and would benefit from an added prompt.</p>

Title	Service	Assurance Rating/Audit Opinion	Main Conclusions/Comments
Treasury Management	Finance and ICT	<p>Substantial Assurance While there is a basically sound system, there are weaknesses that put some of the system's objectives at risk</p>	<p>A small number of control weaknesses were identified in the following areas: Policies and Procedures; Investment Transactions and Repayments and Interest Payments. As a result we have raised two Priority 2 recommendations and one Priority 3 recommendation to further improve control in these areas.</p> <p>In addition we also identified one instance of over control in the following area: Investment Transactions. One Priority 3 recommendation has been raised.</p>
Budgetary Control (Capital and Revenue)	Finance and ICT	<p>Substantial Assurance There is a basically sound system, but there are weaknesses that put some of the system's objectives at risk.</p>	<p>The Financial Regulations set out clear policies and procedure notes, which must be complied with in respect of financial planning and budgetary control. While there is a general adherence to the Council's Financial Regulations, we have identified two issues. We found that the procedure notes in the Financial Regulations relevant to budget planning require updating to reflect current practice (this was raised in our previous report and is due to be implemented by February 2011 so no further action is recommended here). In addition, we found that forecasts to year-end are not included in quarterly budget monitoring reports. We have raised one priority 2 recommendation to further improve control.</p>
General Ledger	Finance and ICT	<p>Substantial Assurance While there is a basically sound system, there are weaknesses that put some of the system's objectives at risk.</p>	<p>A small number of control weaknesses were identified in the following areas: Policies and Procedures; and Completeness and Accuracy of records. We have raised two priority 2 recommendations to further improve control in these areas.</p>

Title	Service	Assurance Rating/Audit Opinion	Main Conclusions/Comments
ICT Procurement	Finance and ICT	<p>Substantial Assurance While there is a basically sound system, there are weaknesses that put some of the system's objectives at risk.</p>	Control weaknesses have been identified and therefore we have raised two Priority 2 recommendations to address these issues.
Asset management	Corporate Support Services	<p>Substantial Assurance The controls surrounding the recording and strategic management of assets are operating effectively. Full implementation of the new asset register should ensure compliance with IFRS.</p>	<p>The Authority has an Asset Management Plan, setting out the Corporate Asset Policy, which is reviewed regularly by the Asset Management Coordination Group.</p> <p>The Asset Management Coordination Group continues to meet regularly, providing a corporate review of the Authority's key sites.</p> <p>The new asset register database, AssetManager.net holds data in the format required by IFRS. However, the excel spreadsheets are also still being used as the new system has not yet been closed down for 2009/10 or 2010/11 due to resource issues.</p> <p>The Land Terrier system is currently being updated to provide a complete and accurate record of the Authority's land and buildings.</p>

Title	Service	Assurance Rating/Audit Opinion	Main Conclusions/Comments
Network Operating System Security	Finance and ICT	<p>Substantial Assurance While there is a basically sound system, there are weaknesses that put some of the system's objectives at risk.</p>	<p>As a result of our work we can provide management with assurance regarding the system of internal control over the corporate active directory, backup and recovery and physical and environmental controls at the two data centres. A number of control weaknesses have been identified and therefore we have raised sixteen Priority 2 and two Priority 3 recommendations to address these issues.</p>
Car Parking	Environment and Street Scene	<p>Substantial Assurance The controls surrounding the verification and reconciliation of car parking income are operating effectively. However, these will be improved by checking internet and telephone payments to SiDem, and by the EFDC parking team (rather than Vinci) processing PCN and permit refunds, thereby ensuring that income due to the Authority is accurately recorded.</p>	<p>All parking enforcement income due to the Authority is identified, collected and paid into the Authority's account promptly, with the exception of the pay and display income, which is now transferred monthly to the Authority's bank account. Although there is a delay in EFDC receiving the income under this new arrangement, any banking discrepancies can now be investigated by Vinci.</p> <p>There is adequate separation of duties between cash collection, banking and income reconciliations, which has been improved by the introduction of regular spot checks of income by the Parking Manager.</p> <p>The monthly contract payments to Vinci Park Services UK Ltd are authorised and in accordance with the contract.</p>

Title	Service	Assurance Rating/Audit Opinion	Main Conclusions/Comments
Housing Lettings	Housing Services	<p>Substantial Assurance</p> <p>There are good controls in place for processing Housing Applications and the allocation of Social Housing within the Epping Forest District, although improvement areas have been identified. The implementation of a policy for investigation and identification of tenancy fraud will support the good practices in place for the management of the Council's housing stock and minimise the risk of fraud.</p>	<p>The audit concludes that there are sound processes in place for tenancy allocations. The following areas of good practice were identified: Procedures are in place for tenancy allocations and lettings, Adequate documentary evidence is retained to support all applications and lettings, Tenancy allocation and letting of properties is legitimate and appropriate, Property records are complete and up to date for all tenancies.</p> <p>The following recommendations have been made :</p> <p>A tenancy fraud prevention strategy should be implemented to promote awareness to residents that the Council will not tolerate tenancy fraud. Application verification processes should be consistent.</p> <p>The declarations register should be completed by all officers in future.</p>

Title	Service	Assurance Rating/Audit Opinion	Main Conclusions/Comments
Recruitment and Selection	Corporate Support Services	<p>Substantial Assurance Recruitment and selection procedures are operating satisfactorily. All previous audit recommendations have been implemented.</p>	<p>All short listing pro forma's were completed correctly</p> <p>Job descriptions and person specifications were up to date and on file</p> <p>All relevant documentation was retained on file for new starters</p> <p>HR should ensure that pre employment checklists are completed in all cases.</p>
National Non Domestic Rates	Finance and ICT	<p>Substantial Assurance There are effective controls in place for NNDR, from billing to collection and recovery of debts. The agreed actions from the previous audit have been implemented. This audit has identified that the number of accounts with a credit balance has increased since the previous audit, however Management are regularly monitoring these accounts.</p>	<p>This audit has concluded that there are sound procedures in place for the billing and collection of NNDR.</p> <p>Valuation Office amendments are completed correctly, reliefs and allowances claimed by ratepayers are valid, and revised bills are sent promptly.</p> <p>The liability is correctly calculated as the system parameters on Academy have been set up correctly.</p> <p>Payments are posted to the NNDR account in a timely manner and income is reconciled to the general ledger monthly.</p> <p>Arrears and recovery processes are in place for overdue accounts.</p>

Title	Service	Assurance Rating/Audit Opinion	Main Conclusions/Comments
Housing Maintenance Stores Stocktake	Housing Services	Limited Assurance Based on the unreliability of the stock records.	Proper procedures were followed for the year end stocktake, and the accuracy of the stores count could be relied upon. However, there were a significant number of discrepancies between the ledger stock and the physical stock, both under and over, which means that the Authority cannot rely on the system to provide an accurate record of stocks held.

INTERNAL AUDIT
OUTSTANDING PRIORITY 1 ACTIONS 2010/11 – STATUS AS AT May 2011

Appendix 2

Report Title	Agreed Action	Responsible Officer	Target Date	Director's Assurance	Status	Completion Date / Comments
<p>Building Maintenance Unit</p>	<p>Stock Check Regular stock checks will be carried out by Housing Customer Repairs staff throughout the year, to cover all stock lines at least once during the year. Management will review the results of the stock checks and any discrepancies will be investigated.</p>	<p>Assistant Director (Property)</p>	<p>June 2010</p>	<p>Stock control has been included as a "Key Deliverable" as part of the Repairs Management Contractor tender.</p> <p>Marketplace has been introduced during 2010/11, whereby all materials are now procured via that route.</p> <p>The new "Access" database for stores materials has been launched and is now managing the stock control (until RMC contract commences in May 2011)</p> <p>Director's Governance Statement is included in the Corporate Governance Statement elsewhere on this agenda.</p>	<p>In progress</p>	<p>Audit attendance at end of year stocktake.</p> <p>Further Limited Assurance report issued for March 2011 stocktake.</p> <p>Systems audit planned for early 2011/12</p> <p>Use of Marketplace for all orders confirmed by Audit.</p> <p>Access database in use at time of stocktake.</p>

Report Title	Agreed Action	Responsible Officer	Target Date	Director's Assurance	Status	Completion Date / Comments
Reprographics	Value for Money In recognition of the under-utilisation of staff under the current arrangements, Management should review the role of the Print Section and the functions of the staff.	Director of Corporate Support Services	Dec 2009	Reported to Finance and Performance Management Cabinet Committee 17 th January 2011.	Actioned	Completed.
Licensing	Licensing Administration Reconciliations should be carried out in a timely fashion by a Senior Independent Officer.	Assistant Director (Legal)	October 2009	Problems identified with resourcing adequately trained staff plus financial reports need amendment to assist reconciliation.	In progress	To be included in 2010/2011 audit plan, quarter 4
Pest Control	Contract Monitoring Management should review and monitor performance on a regular basis, in line with the agreed contract terms.	Assistant Director of Environment & Street Scene (Environment and Neighbourhoods)	October 2009	Substantial assurance. The systems and controls surrounding the recording and reconciling of income due to the Authority under the Pest Control contract are operating effectively.	Actioned.	Follow up audit completed. Full Assurance given.

Report Title	Agreed Action	Responsible Officer	Target Date	Director's Assurance	Status	Completion Date / Comments
Decorating Allowances	Storage of Cards A stocktake/reconciliation of cards should undertaken on a quarterly basis whereby the cards spreadsheet should be reconciled to the number of cards issued, ensuring that the void property is valid and if not a void property that authorisation to issue a card has been received. A record should be maintained and monitored by management.	Assistant Housing Director (Property)	October 2010	Stock reconciliation taken place. New work instruction in draft form, which will include a separation of card stock from the repairs team who are the authorisers for crediting the cards.	In progress	To be reviewed.
Decorating Allowances	Orders and Invoicing While it was recommended that a blanket official order should be raised at the start of each financial year and an official order for 2010/11 was raised during the audit, Housing Management have proposed raising individual orders for each card activation which increases the level of control by improving separation of duties.	Assistant Housing Director (Property)	September 2010	This has been completed. A blanket order has been raised for the year and then individual orders are now raised for each void where decoration allowances have been allocated.	Actioned	To be reviewed.
Overtime and Committee Allowances	Overtime Authorised Signatories Up to date list to be circulated as agreed action in Car Mileage Audit.	Director of Finance & ICT	October 2010	Action has been implemented.	Actioned	To be reviewed.

Report Title	Agreed Action	Responsible Officer	Target Date	Director's Assurance	Status	Completion Date / Comments
Car Mileage Claims	Authorised signatories Up to date list must, as a matter of importance be provided, showing current signature specimens and schedules of authorisation levels. This list must be updated annually with any changes to list documented and distributed.	Director of Finance & ICT	October 2010	Action has been implemented. Opportunity also taken to standardise forms and Directors now required to update lists at no more than 6 monthly intervals.	Actioned	To be reviewed.
Grounds Maintenance	Inventories The inventory for equipment, tools and machinery will be reviewed and signed as completed on an annual basis. The office inventory will be revised to include ICT equipment.	General Manager, Grounds Maintenance	March 2011	I can confirm that all Priority 1 recommendations as detailed in your e-mailed list were completed within the agreed time scales.	Actioned	To be reviewed.
Grounds Maintenance	Agency Staff Quotations will be recorded for the use of agency staff in accordance with the thresholds in Contract Standing Orders. The General Manager has agreed to ensure quotations are noted on the day they are obtained to evidence value for money.	General Manager, Grounds Maintenance	October 2010	As above.	Actioned	To be reviewed.

Report Title	Agreed Action	Responsible Officer	Target Date	Director's Assurance	Status	Completion Date / Comments
Licensing Enforcement	Taxi Licensing Higher prioritisation of enforcement, with responsibility given over Licensing enforcement. Minimum service levels to be identified and implemented within working procedures.	Environment & Neighbourhoods Manager	April 2011	Agreed – Identifying minimum service level will assist with confirming the priority for this aspect of enforcement work, provide measurable targets and impetus for pro-active enforcement operations.	Actioned	To be reviewed
Bed and Breakfast Contracts	Invoices for Bed and Breakfast accommodation Management will ensure that, in future, the correct amount is paid to the Park Hotel and will attempt to obtain a refund in respect of the overpayments.	Housing Options Manager	November 2010	Completed. However Park Hotel not willing to pay refund (approx £1,025). Incorrect rate included in official order. Invoiced to order.	Actioned	To be reviewed
Norway House	Petty Cash Claims should be reimbursed monthly. Copies of Petty cash claims will be retained and all transactions will be recorded in future for reconciliation purposes.	Assistant Housing Needs Manager	December 2010	Completed. Monthly claims now being submitted and copies retained.	Actioned	To be reviewed
Norway House	Office hours Management will introduce a daily record of working hours for each officer. Timesheets will be signed off by Management at the end of each four weekly period.	Assistant Housing Needs Manager	January 2011	Completed. All forms will be stored in Housing Admin at end of each 4 weeks.	Actioned	To be reviewed

Report Title	Agreed Action	Responsible Officer	Target Date	Director's Assurance	Status	Completion Date / Comments
Norway House	<p>Cash Summary sheets Income is banked, however cash summaries should be certified by a second officer to ensure income is banked correctly. All documentation should be sent to the civic offices in a timely manner to ensure cash is correctly posted. Management should ensure there is sufficient office coverage on the day of collection and income is collected weekly.</p>	Assistant Housing Needs Manager	December 2010	Completed. As banking now arranged on regular basis requests to put returns on suspense account have reduced.	Actioned	To be reviewed
Norway House	<p>Banking procedures Cash summaries should be certified by a second officer prior to collection to evidence income is banked correctly. Management should ensure there is sufficient office coverage on the day of collection and income is collected weekly. Cash summaries should be sent to the Civic Offices at the earliest opportunity for income reconciliation to the Council's bank account.</p>	Assistant Housing Needs Manager	December 2010	Completed.	Actioned	To be reviewed

Report Title	Agreed Action	Responsible Officer	Target Date	Director's Assurance	Status	Completion Date / Comments
Planning Fees	Income reconciliation Reconciliations between the planning system (M3) and the financial ledger will be completed monthly from April 2011. Reconciliations should be printed and signed as evidence of completion. Details of variances investigated should be recorded. Advice will be required from Finance & ICT regarding the information required from M3 and the general ledger.	Assistant Director (Development)	April 2011	Training agreed and set for end of March 2010. Director reported to Audit and Governance Committee 14th February 2011	In progress and hopefully target date will be achieved.	The Clerical assistant has started reconciling the spreadsheet of monies received to the general ledger. However, a report needs to be produced from M3-Northgate and training is required before this can be produced. Crystal report training is being lined up for the end of March.
Planning Fees	Planning Portal Applications Daily transaction reports (Capita) of online payments will be retained with income records.	Assistant Director (Development)	Actioned during the audit.	Yes Director reported to Audit and Governance Committee 14th February 2011	Operating	Development Control Procedure Note updated in February 2011. Process in place and being carried out by Technical Officer (Registration)

Report Title	Agreed Action	Responsible Officer	Target Date	Director's Assurance	Status	Completion Date / Comments
<p>Freedom of Information Act</p>	<p>The system should be maintained and monitored by the Anite FOI System Monitoring Officer to ensure that all requests are processed within the time scale and that the correct information has been provided. All requests should initially be processed by the Anite FOI System Monitoring Officer who will input the information on to the Anite system then distribute the request accordingly. Status updates and returns should be continue to be processed by the FOI Officers within Directorates. In the event of an exemption, the Directorate will send the return via the Anite FOI System Monitoring Officer to ensure that the information has been checked for appropriateness.</p> <p>This system will be reviewed during the first FOI team meeting to ensure that FOI representatives are updating the Anite effectively and any need for additional training and support on the Anite system can then be identified at this time.</p>	<p>Assistant to the Chief Executive</p>	<p>January 2011</p>	<p>Meeting of FOI representatives held on 17.2.11. The following are being pursued:</p> <p>(a) requirement for all directorates to utilise Anite at Work reporting system for all FOI requests;</p> <p>(b) additional training to be arranged in June 2011 for Anite at Work for all FOI representatives;</p> <p>(c) refresher training in FOI and Data Protection to be provided in June 2011 to FOI representatives;</p> <p>(d) informal guidance to be given on the conduct of FOI reviews within Directorates, where requested;</p> <p>(e) further advice to be given on FOI requests to Councillors and appointment of service representatives on DPA;</p> <p>(f) disclosure log to be progressed;</p>	<p>In progress</p>	<p>A training course was held on 2 June 2011 for FOI deputies on using the Anite monitoring system - as a result the majority of Directorates now have at least one deputy able to use the system in the absence of the Directorate FOI rep.</p> <p>There is a meeting of FOI reps to be held on 24 June 2011 which will include a presentation on FOI generally.</p>

Report Title	Agreed Action	Responsible Officer	Target Date	Director's Assurance	Status	Completion Date / Comments
				(f) disclosure log to be progressed; (g) FOI reps meetings to be held quarterly		

Follow up of Limited Assurance Audits as at 31st March 2011

Appendix 3

Report Title	Directorate	Date Issued	Agreed Actions by priority	Agreed Actions Outstanding	Time of Follow Up	Outstanding Issues / Comments
Commercial Property	Corp. Support	Dec 09	P1. 1 P2. 3	P2. 1	Q1 2011/12	One long term aim, acquisition of the property module – completion by March 2011
Building Maintenance (Works Unit)	Housing	June 10	P1. 1		Q4 2010/11	Subject to major review by Assistant Head of Housing
Waste Management	Environment/ Street Scene	July 2010	P1. 3 P2. 1		Q4 2010/11	Need for written quotes and retention of documentation. Improved stock records.
Grounds Maintenance	Environment/ Street Scene	Sept2010	P1. 3 P2. 2		Q1 2011/12	Retention of contract documentation, annual review of inventories and retention of quotations.
Norway House	Housing	Nov 2010	P1. 4		Q4 2010/11	See Quarter 3 report for details.
Planning Fees	Planning and Economic development	Dec 2010	P1. 2 P2. 2	P1. 1	Q1 2011/12	Reconciliations between the planning system (M3) and the financial ledger will be completed monthly from April 2011. Reconciliations should be printed and signed as evidence of completion.
Freedom of Information Act	Office of the Chief Executive	Dec 2010	P1. 1 P2. 3	P1. 1 P2. 2	Q1 2011/12	See Quarter 3 report for details.