

Committee:	Audit Committee	Agenda Item No.:	6.
Date:	21 st May 2013	Status	Open
Subject:	Internal Audit Reports – Directors Updates		
Report by:	Director of Corporate Resources		
Other Officers Involved	Senior Alliance Management Team		
Director	Director of Corporate Resources		
Relevant Portfolio Holder	Councillor E. Watts, Leader of the Council and Portfolio Holder for Finance and Policy		

RELEVANT CORPORATE AIMS

STRATEGIC ORGANISATIONAL DEVELOPMENT – to continually improve the efficiency and effectiveness of all Council Services by maximising the potential use of Council resources.

TARGETS

All.

VALUE FOR MONEY

This report is intended to form part of the process of improving the Council's Internal Control Arrangements. Such arrangements are an essential foundation in securing Value for Money.

Introduction

At its extraordinary meeting of 16th October 2012 the Audit Committee requested the attendance of all Directors to provide an update of progress made in addressing those Audit Reports which had resulted in an assessment of unsatisfactory or marginal being recorded against the area under consideration. The Audit Committee has continued to emphasise the role that the Directors play in ensuring a sound internal control environment and this report is intended to allow all Directors to provide a further update to the Committee in respect of progress in those areas which were previously considered to be marginal or unsatisfactory.

In view of the role and responsibilities of the Directors in securing a sound system of Internal Control the Audit Committee has requested that all Directors attend this meeting of the Audit Committee to provide Members with an update of the progress that has been secured in respect of those audit reports where the overall assessment was one of marginal or below.

Background Information

The process of assessment utilised by Internal Audit is set out in the table below:

Control Level	Definition
Good	A few minor recommendations (if any).
Satisfactory	Minimal risk; a few areas identified where changes would be beneficial.
Marginal	A number of areas have been identified for improvement.
Unsatisfactory	Unacceptable risks identified, changes should be made.
Unsound	Major risks identified; fundamental improvements are required.

It is first of all useful to note that the Council has not had any areas categorised as unsound which is most critical assessment. Where an area is evaluated as either good or satisfactory then no further corporate work is considered to be necessary. In these areas it seems appropriate that the service manager be allowed to resolve any outstanding issues. In these cases progress will be verified at the next internal audit review of that service. By contrast where an area is judged either marginal or unsatisfactory then further reports are brought back to the Audit Committee. It should, however, be noted that the marginal assessment is given where a number of areas have been identified for improvement. Such an assessment does not therefore imply that systems are fundamentally unsound or unsafe. If a situation were to arise where an area was considered unsound then it is envisaged that an Action Plan together with the associated formal reporting requirements would need to be agreed and implemented. Progress in implementing that Action Plan would be monitored by the Audit Committee.

Appendix 1 to this report sets out the position concerning those reports which were judged to be either unsatisfactory or marginal in respect of 2011/12 and provides an update as to the progress made in respect of each of those areas.

- Of the 4 areas which were considered to be unsatisfactory three which have been reassessed as marginal while in the area of Gas Servicing the assessment remains one of unsatisfactory. While the Internal Audit did find significant improvement in the gas servicing arrangements from the previous audit there remain serious grounds for concern regarding the Council's performance in this area of work. "Management take the finding of "unsatisfactory" extremely seriously. Prior to the audit systems had been introduced to address previous audit concerns including the scheduling of gas safety inspections within the required 12 months period. Unfortunately although by the year end all properties had a valid safety certificate, during the year some inspections were not carried out within the 12 months. We recognise the practice of giving 10 days notice of a service was causing a problem, as if the engineer was unable to gain access on this first appointment it was likely that the 12 month deadline would not be met. We are in the process of introducing a new system where the tenant is contacted 28 days before the anniversary, to make an appointment around 14 days before the anniversary. If this is not possible, or the tenant does not allow initial access this allows sufficient time to either make another appointment or to escalate. This system will be subject to regular testing and reporting to management

and Members via the Housing Stock Management Group. In addition we have requested that Internal Audit carry out a follow –up report after 3 months to ensure that the new system is robust and operating effectively.”

- Of the nine reports which were classed as marginal four have already been subject to a further audit with two remaining at a marginal level, one being assessed as satisfactory and one being assessed as good.

Appendix 2 sets out the position in respect of audits undertaken to date in the current financial year 2012/13. The position as compared to that in respect of 2011/12 may be summarised as follows:

	Unsatisfactory	Marginal	Satisfactory	Good	Total Audits Undertaken
2011/12	4	9	9	6	28
2011/12 %	14%	32%	32%	22%	
2012/13	1	10	5	6	22
2012/13 %	5%	45%	23%	27%	100%

While the position is clearly not a good one with some 50% of audits in the lower two categories (excluding unsound), there are indications of a small underlying improvement in that the number of unsatisfactory assessments has been reduced to one, while the overall sense of a detailed reading of internal audit reports is that progress is being made in securing improvements in the Council’s internal control arrangements. Likewise, a consideration of the detailed responses as set out in Appendix 3 does indicate that Management is of the view that the recommendations have – in the majority of cases – been addressed, or are work in progress. This would suggest that the majority of these areas should record a satisfactory rather than a marginal at the time of the next audit review. It is crucial, however, that the improving trend that has started to establish itself during 2012/13 is maintained and that the Council is able to eliminate unsatisfactory assessments in critical areas of its operations and that it is able to reduce the number of marginal assessments significantly.

It is, however, clearly unsatisfactory that a key area remains unsatisfactory and that over half of the audits have identified a number of areas that are in need of improvement. The position outlined within this report strongly supports the view that the Council needs to undertake a co-ordinated drive to improve its internal control arrangements during the coming financial year. Given that the Audit Committee is responsible for the financial governance arrangements of the Council it would seem appropriate that it gives further consideration as to what steps are necessary to improve the Council’s arrangements for Internal Control. The Committee may wish to consider whether the following options are appropriate in the current situation:

- Given the corporate importance of the weaknesses identified in internal control the Audit Committee needs to give consideration as to whether to include this as a risk within the Strategic Risk Register.
- That Directors be requested to attend the Audit Committee on a more regular basis. While the appropriate meeting for the next update would possibly be at the September 2013 meeting Committee may wish to give some consideration that where a marginal or unsatisfactory outcome is recorded that the Director be required to attend the next meeting of the Audit Committee in order to explain the actions that have been taken.

- That Directors be requested review existing managerial arrangements to ensure that maintaining sound systems of internal control is treated as a managerial priority including use of SAMT, Employee Appraisals and the Quarterly Finance, Performance and Risk meetings.
- That a further report be brought back to the next meeting of this Committee in order to consider those audits previously assessed as marginal where no further audit work has yet been undertaken, together with those areas where the controls have been assessed as satisfactory or good. This will help ensure that all Audit Reports are being appropriately followed up and recommendations are being implemented in a timely fashion.

Issues/Options for Consideration

These are as detailed in the report.

Financial Implications:

These are as detailed in the report.

Legal, Human Resources, Environmental, Crime and Disorder, Design and Community Safety:

These are as detailed in the report.

Reason for Recommendations

To ensure that the Audit Committee are kept informed of information relating to the Council's internal control arrangements.

RECOMMENDATION(S) that;

1) Audit Committee note the report and consider what further action is required to address the identified weaknesses in internal control.

2) Audit Committee requests that further reports be brought back to future meetings of the Committee detailing progress in addressing the full range of internal control weaknesses that have been identified by the work programme of Internal Audit.

**UPDATE ON AREAS CONSIDERED
UNSATISFACTORY OR MARGINAL IN 2011/12**

Area /Assessment	Current Position
Unsatisfactory	
Creswell Leisure Centre audited in June 2011 resulted in 7 High priority and 2 Medium priority Items.	Audited in July 2012 assessed as marginal with 4 high priority and 2 medium priority items
Laptops and Removal Media audited in January 2012 resulted in 4 High. 5 Medium and 2 low priority items.	Audited in January 2013 assessed as marginal with 1 high and 3 medium
Gas Servicing audited in March 2012 resulted in 4 high and 1 low.	Audit which was concluded in May 2013 resulted in an assessment of unsatisfactory with 2 high and 1 medium recommendation.
Housing Repairs in May 2012 resulted in 4 high, 1 medium and 2 low.	Audit undertaken in March 2013 gave an assessment of marginal with 3 High, 2 Medium and 1 low recommendation.
Marginal	
Corporate Targets audited in July 2011 resulted in 4 High and 2 medium priority items	Audited in July 2012 assessed as marginal with 3 high and 1 medium.
Housing Rents in January 2012 resulted in 7 high, 4 medium and 3 low.	Housing Rents completed January 2013 assessed as satisfactory with 1H 1M 1L
Stores in February 2012 resulted in 4 High and 1 medium recommendation.	Housing Stores completed January 2013 assessed as marginal with 3H 3M.
Creditors in February resulted 2012 in 2 high and 2 medium	Audit scheduled for Autumn 2013.
Time Management System and Flexi Time resulted in 6 medium and 1 low.	Audit scheduled for 2014/15.
Capital Accounting in March 2012 resulted in 2 high and 1 low.	Outstanding issues resolved as part of the preparation of Council's accounts for 2011/12. Future audits in this area are linked to the requirements of external audit.
Budgetary Control in March 2012 resulted in 3 high and 4 medium	Audit currently taking place.
Grounds Maintenance resulted in April 2012 resulted in 3 high and 2 medium	Audit scheduled for 2014/15
Procurement Follow up in May 2012 resulted in 3 high, 2 medium and 2 low.	A further audit scheduled for 2013/14.

APPENDIX 2

Summary of Internal Audit Reports Issued 2012/13 Plan to 22nd February 2013 (NB Excludes any Audits outlined in Appendix 1)

Area	Date	Assessment	Recommendations
Procurement / Consultancy services	June 2012	Marginal	2H, 3M, 2 L
Partnerships	June 2012	Marginal	3H, 1M, 1L
Members Allowances	July 2012	Satisfactory	1H, 2M, 1L
Non Domestic Rates	July 2012	Good	0
Cresswell Leisure Centre	August 2012	Marginal	4H, 2 M
Performance Indicators	August 2012	Marginal	3H, 1 M
ICT Service Desk	August 2012	Good	1M, 2L
Transport, Fuel, Vehicle Security	October 2012	Marginal	3H, 2 M
Section 106	October 2012	Marginal	4H,2M
Pleasley Outdoor Centre	December 2012	Good	1M,1L
Treasury Management	December 2012	Good	0
Housing Rents	December 2012	Satisfactory	1H,1M, 1L
Laptops and Removable Media	January 2013	Marginal	1H, 3M
Stores	January 2013	Marginal	3H, 3M
Rechargeable Works	March 2013	Marginal	1H, 2M, 1 L
Housing Repairs	March 2013	Marginal	1H, 2M, 1 L
Commercial Waste	March 2013	Satisfactory	2H,1M
Housing Benefits	March 2013	Satisfactory	1H
VAT	April 2013	Satisfactory	1M
Main Accounting	April 2013	Good	1M
Capital Accounting	April 2013	Good	0
Gas Servicing	May 2013	Unsatisfactory	2H, 1 M

With respect to the more recent Audits issued during March 2013 not all Management responses to Internal Audit have been provided at this stage.

Summary of Internal Audit Reports 2012/13 – Considered Marginal.

Report Title: Lap Tops and Removable Media

Report Date: January 2013

Recommendations		Priority (High, Medium, Low)	Update
R1	Where resources allow, the ICT policies installed on the Council intranet at both BDC and NEDDC should be reviewed and consolidated to provide a consistent and common basis for the guidance of Members and staff for all aspects of the ICT service provision including the secure usage and maintenance of laptop and removable media devices.	M	The agreed date for completion of this work is September 2013. That date will, however, need to be reviewed in the light of the Council's priorities in respect of ICT. Work in Progress.
R2	To support the Device Transfer Form completion procedure, the ICT Service Desk Manager should also review the circulated leavers form. This is already provided to a designated member of staff of the ICT Service Desk. This could be used for confirmation to Support Works of allocated laptops and removable media devices issued in order that data protection requirements are complied with and the relevant Service Manager formally requested to ensure all assets are returned or otherwise accounted for.	M	The ICT leaver's procedure has been amended to require ICT to notify Service Managers of any laptops or usb sticks that have not been returned. Action Completed.
R3	Following completion of the annual inventory checks and visual audits or where sample checks of the Support Works details are specifically undertaken, the results should be reviewed by the ICT Service Desk Manager and any anomalies identified should be investigated and corrected as a priority.	M	The ICT Management Team are of the view that Visual audits are too resource intensive to undertake on an annual basis. Instead ICT will seek the confirmation of service managers that information is correct and focus on anomalies and those that have not been seen in the last 12 months. Action Completed.

Recommendations		Priority (High, Medium, Low)	Update
R4	ICT Service Desk staff should be further reminded that the Device Transfer Form procedure should be consistently completed where there are changes to the allocation of laptops and removable media as this forms a primary record of the management trail of information to substantiate changes to entries in Support Works.	H	This was put in place following a team meeting in January 2013. Action Completed.

Summary of Internal Audit Reports 2012/13 – Considered Marginal

Report Title: Creswell Leisure Centre

Report Date: June 2012 (Marginal)

Recommendations		Priority (High, Medium, Low)	Update
R1	The level of fees and charges levied for activities at Creswell Leisure Centre should be consistent with that approved by Members.	H	This management of Fees and Charges has been reviewed which will ensure a more robust policy together with a consistent implementation of that policy. Action Completed.
R2	Management should take a proactive role in monitoring discrepancies in income levels.	H	A new operating principle (OP22) has been introduced into the centre's Comprehensive Operating Guide (COG) to cover this issue. Action Completed.
R3	Leisure Services management should review security controls and access to the centre itself, alarm and safe.	M	This has been undertaken and the number of key holders reduced to the minimum possible consistent with effective working. Action Completed.
R4	Existing procedures should be reviewed to ensure services are unavailable to users with cancelled/invalid memberships.	M	In place. Arrangements needed revising following transfer of Kissinggate Leisure Centre. Action Completed.
R5	Regular reconciliation between items of lost property in the safe and on the lost property register should be undertaken and evidenced by a senior member of staff.	H	Officers are of the view that a robust procedure is in place which has been externally accredited. Action Completed.
R6	Officers must ensure invoices are authorised within delegated limits.	H	Procedures have been reviewed. Action Completed.

Summary of Internal Audit Reports 2012/13 – Considered Unsatisfactory or Marginal.

Report Title: Stores

Report Date: February 2013

Recommendations		Priority (High, Medium, Low)	Update
R1	<p>Following the receipt of agreement from the representatives of Travis Perkins relating to outstanding issues, the draft lease for the premises should be duly completed and signed by both parties.</p> <p>This recommendation is the responsibility of Legal Services</p>	M	<p>Comments from legal - Although the lease is not yet signed, the issue to be resolved is with Travis Perkins. The original problem was over the plan showing the correct area of the lease. A suitable plan was sent to Travis Perkins but has not been confirmed as being correct. Once this is confirmed, it is an administrative task to complete the lease.</p> <p>Work in Progress.</p>
R2	The Housing Voids and Welfare Manager should issue an instruction that all problems with stock should be recorded in the Stores Issue book in order that these can be discussed and documented for evaluation with the TP Stores Manager at the monthly Stores Meeting.	M	<p>Instruction issued Jan2013 to put this procedure in place.</p> <p>Action Completed.</p>
R3	The Voids and Welfare Manager should request that HR/Payroll add him to the circulation list of Payroll leaver notifications. This will ensure that the purchase cards of staff members who leave the employment of the Council can be de-activated promptly.	M	<p>This is now in place. The information was requested from Payroll during Nov 12 - prior to finalisation of this report.</p> <p>Action Completed.</p>
R4	The checks completed by the Housing Voids and Welfare Manager in relation to monthly purchases by user should be further documented as evidence of the process, the documentation should include highlighting entries reviewed and signing off records as being checked.	H	<p>The checks concerned have been established procedure for some time. Following on from the audit they will now be formally signed off.</p> <p>Action Completed.</p>

Recommendations		Priority (High, Medium, Low)	Update
R5	<p>In order to ascertain a level of assurance that the credits and returns relating to TP Stores are correctly accounted for, the recently instigated process of checking a sample of credit notes to the consolidated invoice should be formally established and completed for each accounting period with evidence of the checks undertaken to be retained with any resulting queries being raised with TP.</p> <p>Finance should be asked to provide feedback whether any issues have been identified as a result of this process.</p>	H	<p>This check was implemented as a result of last year's audit. The procedure in place will in future be supported by improvements in documentation.</p> <p>In addition to the work undertaken within the service Finance now match all credits and returns documents to the TP account each month. These are checked to the account and scanned in with the credit note invoice.</p> <p>Where there are returns notes and no credit notes to match them to, this is taken up with TP</p> <p style="text-align: center;">Action Completed.</p>
R6	<p>It should be ensured that a sample of at least 10 stock items should be checked every month to confirm the validity of the price charged, this process should be documented and signed off by the Housing Voids and Welfare Manager.</p>	H	<p>Agreed and in place.</p> <p style="text-align: center;">Action Completed.</p>

Summary of Internal Audit Reports 2012/13 – Considered Marginal.

Report Title: Section 106 Agreements

Report Date: September 2012

Recommendations		Priority (High, Medium, Low)	Update
R1	Reconciliation should be undertaken between the monitoring spreadsheet and actual S106 agreements to ensure all relevant obligations have been recorded in order to provide increased assurance that the Authority's interests are protected.	High	New spread sheet developed by Finance. This spreadsheet reconciles all relevant obligations meeting the Audit recommendations. New spread sheet and reconciliation will be in place for the new financial year 13/14. Action Completed.
R2	Efforts should be made to advance the introduction of a more robust method of recording and monitoring S106 actions and obligations in order to increase assurance that such records are complete, accurate and up to date	High	Revised financial monitoring arrangements associated with R1 above will enable compliance with this recommendation. Action Completed.
R3	Consideration should be given to the development of a formal S106 policy to improve transparency and clearly outline the Authority's role, methodology and objectives in dealing with S106 issues	Medium	A revised policy on planning obligations will be included within the new Local Plan (Strategy) which is out for public consultation later in 2013. While the underlying work has been completed the action itself will only be completed when the Local Plan is adopted. Work in Progress.
R4	Officers should be reminded of the importance of recording relevant S106 events on the monitoring spreadsheet.	High	This issued was raised at S106 Working Group in Jan 2013 and will continue to be reinforces as a key message at that group. Action Completed.
R5	The S106 working group should convene on a quarterly basis and include compulsory attendees from all relevant departments. Reconciliation of outstanding balances should constitute a standing agenda item.	High	Implemented Action Completed.

Recommendations		Priority (High, Medium, Low)	Update
R6	Periodic reports on the position of S106 issues across the Authority should be produced and presented for Members consideration.	Medium	This will be a standard item on the agenda and will be formally considered as part of the Development Directorate Quarterly meetings on Performance, Finance and Risk. Action Completed.

Summary of Internal Audit Reports 2012/13 – Considered Marginal.

Report Title: Corporate Targets

Report Date: August 2012

Recommendations		Priority (High, Medium, Low)	Update
R1	Managers should be asked to check that their corporate targets are very clearly defined and not open to misinterpretation.	H	An e mail has been sent to Directors and Assistant Directors concerning the outcome of the audit and the importance of ensuring that targets are clear. Corporate Targets have been reviewed as part of the 'spring clean' exercise and the Qtly Performance, Finance and Risk meetings will facilitate ongoing review. Action Completed.
R2	Managers within Regeneration and Community Safety should be reminded of the need to ensure that all declared figures are fully supported and that this evidence is available for audit.	M	See above. Action Completed.
R3	With reference to those relevant corporate targets where the audited outturn is at variance from the details input to Perform, Senior Alliance Management Team (SAMT) need to agree the variances as detailed in this audit report to enable the Assistant Director of Strategy and Performance to update Perform and subsequent performance plans.	H	Due to the deadline for publication of the Annual Performance Plan the JAD – S&P has agreed variances with individual officers. Action Completed.
R4	That SAMT make a decision as to whether the reduction of Former tenants arrears target is to be measured from the start date of 2011/12 as per other targets or from September 2011 as is currently the case.	H	Due to the deadline for publication of the Annual Performance Plan the JAD – S&P has agreed the measure with the officer. Action Completed.

Summary of Internal Audit Reports 2012/13 – Considered Marginal.

Report Title: Vehicles, fuel and Security at Riverside Depot 2012/13

Report Date: November 2012

Recommendations		Priority (High, Medium, Low)	Update
R1	<p>Strong consideration should be given to improving security measures at the depot at the earliest opportunity by the introduction of:-</p> <ul style="list-style-type: none"> • CCTV • Movement and \ or pressure sensors • Audio warnings • Anti climb paint • Caging around the fuel tanks or other identified security improvements • Removal \ pruning of trees adjacent to the fence line • Low level (un-obtrusive) ambient night lighting • Consideration to parking of RCV (fuel targeted) vehicles in less vulnerable positions with CCTV coverage <p>A budget for the above will need to be agreed by Members.</p>	High	<p>Executive approval obtained and arrangements being made with Council's preferred supplier (TIS) to install CCTV system with PIR movement detectors. However, budget constraints do not extend to funding perimeter fence protection.</p> <p>Agreed Action Completed.</p>
R2	Internal Audit should be notified of all break-ins in future.	High	<p>Agreed</p> <p>Action Completed.</p>
R3	All drivers should be asked to present their driving licence on at least an annual basis. Where licences are not produced, drivers should be formally instructed and where failure to take on board a reasonable instruction arises, management sanctions considered.	High	<p>This is currently undertaken but monitoring procedures regarding compliance need to be reviewed.</p> <p>Work in Progress.</p>

Recommendations		Priority (High, Medium, Low)	Update
R4	Consideration should be given to banking more frequently or utilising the Council's contracted cash collection company to collect the income on a weekly basis from the depot. It may be appropriate to consider this after chip and pin has been operational a few months as the amount of cash taken may fall.	Medium	"Banking" of income takes place once per week using an employee of the Council, rather than employing a cash collection company. Action Completed.
R5	Consideration should be given to contacting finance to establish a small float in order to be able to provide change to customers.	Medium	A float has been established. Action Completed.

Internal Audit Report – Implementation Schedule

Report Title: Rechargeable Works 2012.13

Report Date:

5th March 2013

Response Due By Date:

26th March 2013

Recommendations	Priority (High, Medium, Low)	Agreed	To be Implemented By:		Disagreed	Further Discussion Required	Comments
			Officer	Date			
R1 The draft rechargeable repairs policy should be finalised and presented to Executive for approval at the earliest opportunity.	Medium	Yes	PC	June			To Executive May or June 2013. Work in Progress.
R2 Where pre termination or post termination inspections identify rechargeable works as defined by the policy then there should be a procedure in place to ensure that these invoices are raised. All Officers responsible for raising these invoices should be made aware of the procedure. Any decision made not to raise an invoice should be clearly recorded along with the reasons why not.	High	Yes	IB				Timescale to be determined – note restructure for dept is planned which may change responsibility. Work in Progress.
R3 The Voids and Welfare Manager should give consideration to reviewing a sample of pre termination and post termination	Medium	Yes	IB			Accepted, but there is a proposed restructure	Timescale to be determined, but within 3 months of R2

Recommendations		Priority (High, Medium, Low)	Agreed	To be Implemented By:		Disagreed	Further Discussion Required	Comments
				Officer	Date			
	inspection reports to ensure that invoices are being raised where appropriate.						for department – which may change the roles.	Work in Progress.
R4	The current level of a minimum recharge after a tenant has vacated is £25, consideration should be given as to whether this is still a cost effective figure. Any decision made should be incorporated in to the policy.	Low	Yes	PC				Proposed £50 in revised draft policy. Work in Progress.
R5	Consideration should be given to requesting information from sundry debtors in respect of the status of rechargeable invoices i.e. paid, disputed, written off.	Low	Yes	IB				Requested quarterly information Action Completed.

Internal Audit Report – Implementation Schedule

Report Title: Housing Repairs 2012/13

Report Date:

5th March 2013

Response Due By Date:

26th March 2013

Recommendations	Priority (High, Medium, Low)	Agreed	To be Implemented By:		Disagreed	Further Discussion Required	Comments
			Officer	Date			
R1	M	Yes	MD				System in place to check each month. (copy to be retained) Action Completed.
R2	H	Partial	MD				Annual checks are carried out. (note this process was partially completed at time of audit – but not all responses returned at that time) Action Completed.
R3	H	Yes	MD			Timescale difficult as depending on availability of SPU.	Action plan agreed with SPU to introduce range of contracts for various works. Work in Progress.

Recommendations	Priority (High, Medium, Low)	Agreed	To be Implemented By:		Disagreed	Further Discussion Required	Comments
			Officer	Date			
R4	Where a schedule of rates has been used as the basis for the costing of a job these prices should be able to be tied back to the corresponding invoice.	H	Yes	MD			Note the schedule of rates are being reviewed (see R3) Action Completed.
R5	Once the new version of Optitime is installed, the range of management information available should be fully developed to provide details of the completion time of actual repairs which are at variance with the assigned SMV's as a basis for determining whether further action is required.	L	Yes	MD			Timescale to be determined dependent of software supplier. Work in Progress.
R6	The Head of Housing should ensure that departmental performance information is provided to Executive quarterly in accordance with the intended reporting basis.	M	No	PC			Accept this information should be reported quarterly – however it is available each month to all members. One report was missed due to absence from work. Is it proportionate to include this as a recommendation?

Summary of Internal Audit Reports 2012/13 – Considered Marginal.

Report Title: Partnership Report

Report Date: May 2012

Recommendations		Priority (High, Medium, Low)	Update
R1	Following the abolition of Comprehensive Area Assessment a set of guidelines relating to the performance and assessment of partnerships tailored to the Council's individual requirements should be developed and the Partnership Protocol and Toolkit updated accordingly.	L	Performance and Strategy have undertaken a "spring clean" of Strategies Policies and Plans. As part of this process it has been agreed to remove the current Protocol and Toolkit from use and to develop an alternative approach. Work in Progress.
R2	The partnership evaluation assessment form should be amended to prevent incorrect calculation of the scores.	H	Completed. Work in Progress.
R3	A review of Partnerships should be undertaken at the earliest opportunity with follow ups of review forms not returned undertaken	H	Consideration is being given in line with Recommendation 1 to our approach to managing partnerships in a changed environment. Work in Progress.
R4	Consideration should be given to taking a more proactive approach to the coordination of partnership arrangements and enlisting the assistance of Directors to achieve this.	H	The importance of this has been communicated to Directors and it is intended that we will use the Qtly Performance. Finance and Risk meetings to address this issue. Work in Progress.