

cw audit services

Hinckley & Bosworth Borough Council

Internal Audit
Summary Report 2012/13

June 2013



1. Introduction

This report summarises the work of Internal Audit for 2012/2013 which has yet to be reported to this Committee. It complements the Annual Audit Report provided separately on this agenda.

2. Progress summary

The amended internal audit plan for the 2012/13 year (agreed in June 2012) totalled 286 days, including additional work agreed during the year. Section 5 provides details of all the audit assignments included in the 2012/13 year, together with details of the quarter in which the assignments were delivered. We have delivered 270 days of work against the plan and management has requested we delay 2 reviews (Tenant Scrutiny and Sheltered Housing) into 2013/14 (a total of 16 planned days).

3. Summary of reviews completed

The following reviews have been completed and final reports agreed with management since the last meeting of this Committee (this includes reviews which were due to be reported to the cancelled January Committee). The tables below set out summaries of the outcomes and any high or medium risk issues raised, and agreed actions to address them.

Review	Summary	Level of assurance				
Council Tax	This audit examined the overall control framework in place regarding Council Tax operated by the Leicestershire Revenues & Benefits Partnership on behalf of HBBC (as well as other partners). A Significant Assurance Opinion was provided, with 1 medium level and 7 low level recommendations made. The individual level of assurance for each system control objective reviewed is provided below.	Significant				
System control objective	Level of Assurance					
	Full	Significant	Moderate	Limited	No	
1. Suitable, authorised policies and procedures are in place covering Council Tax processing, and staff are aware of these and that they need to comply with them.		√				
2. Relevant property records are accurately, comprehensively and efficiently maintained and updated.		√				
3. Council Tax liability is determined efficiently and in line with statutory requirements for all properties.		√				
4. Billing procedures are in accordance with statutory regulations and amounts due in respect of each chargeable property have been correctly calculated and promptly demanded from the person or persons liable.	√					
5. The application of discounts/exemptions is authorised in accordance with statute, the authority's policy and is supported by documentary evidence.		√				
6. Secure and efficient arrangements are made for all collections, and all collections are promptly posted to the correct tax payers' accounts.	√					
7. Collection rates and other key performance indicators are regularly monitored.	√					
8. Refunds are in accordance with regulations and the Council's Standing Orders and Financial Regulations and all refunds are valid and authorised.	√					
9. Recovery and enforcement procedures are managed efficiently and in accordance with statutory requirements.	√					
10. Non-recoverable debts are written-off in accordance with policy and with suitable authorisation.		√				
11. There is a routine reconciliation between the main accounting system, the Council Tax system and the Cash Receiving system.	√					

The 1 medium level risk issue and management's response are set out below:

System Control Objective 1: Suitable, authorised policies and procedures are in place covering Council Tax processing, and staff are aware of these and that they need to comply with them.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
1.1 Policies and Procedures	As recommended during the previous audit, standard procedure notes should be developed to ensure that a consistent approach to CT processing is undertaken across all three councils within the partnership. This is included on the Partnership's Service Improvement Plan for 2012/13 which is monitored on a monthly basis. The expected completion date is March 2013.	Inconsistencies	3	Every effort should be given to ensuring that the completion date of March 2013 for the standardised procedure notes is achieved.	Our plan is that processes and procedures are harmonised by 31 st March 2013. Where processes relate to implementation of Capita products in 2013/14 processes will be reviewed accordingly	Sue Williams-Lee	31 st March 2013

Review	Summary	Level of assurance				
Business Rates	This audit examined the overall control framework in place regarding Business Rates operated by the Leicestershire Revenues & Benefits Partnership on behalf of HBBC (as well as other partners). A Significant Assurance Opinion was provided, with 1 medium level and 6 low level recommendations made. The individual level of assurance for each system control objective reviewed is provided below.	Significant				
System control objective	Level of Assurance					
	Full	Significant	Moderate	Limited	No	
1. Suitable, authorised policies and procedures are in place covering Business Rates processing, and staff are aware of these and that they need to comply with them.		√				
2. Relevant property records are accurately, comprehensively and efficiently maintained and updated.		√				
3. Business Rates liability is determined efficiently and in line with statutory requirements for all properties.	√					
4. Billing procedures are in accordance with statutory regulations and amounts due in	√					

Review	Summary					Level of assurance
	respect of each chargeable property have been correctly calculated and promptly demanded from the person or persons liable.					
5.	The application of reliefs and exemptions is authorised in accordance with statute, the authority's policy and is supported by documentary evidence.		√			
6.	Secure and efficient arrangements are made for all collections, and all collections are promptly posted to the correct tax payers' accounts.	√				
7.	Collection rates and other key performance indicators are regularly monitored.	√				
8.	Refunds are in accordance with regulations and the Council's Standing Orders and Financial Regulations and all refunds are valid and authorised.	√				
9.	Recovery and enforcement procedures are managed efficiently and in accordance with statutory requirements.	√				
10.	Non-recoverable debts are written-off in accordance with policy and with suitable authorisation.		√			
11.	There is a routine reconciliation between the main accounting system, the Business Rates system and the Cash Receipting system.	√				

The 1 medium level risk issue and management's response are set out below:

System Control Objective 1: Suitable, authorised policies and procedures are in place covering Business Rates processing, and staff are aware of these and that they need to comply with them.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
1.1 Policies and Procedures	As recommended during the previous audit, standard procedure notes should be developed to ensure that a consistent approach to business rates processing is undertaken across all three councils within the partnership. This is included on the Partnership's Service Improvement Plan for 2012/13 which is monitored on a monthly basis. The expected completion date is March 2013.	Unintended inconsistencies in processing	3	Every effort should be given to ensuring that the completion date of March 2013 for the standardised procedure notes is achieved.	Our plan is that processes and procedures are harmonised by 31 st March 2013. Where processes relate to implementation of Capita products in 2013/14 processes will be reviewed accordingly	Sue Williams-Lee	31 st March 2013 Ongoing

Review	Summary	Level of assurance				
Benefits	This audit examined the overall control framework in place regarding Housing & Council Tax Benefits operated by the Leicestershire Revenues & Benefits Partnership on behalf of HBBC (as well as other partners). A Significant Assurance Opinion was provided, with 4 medium level recommendations made. The individual level of assurance for each system control objective reviewed is provided below.	Significant				
System control objective	Level of Assurance					
	Full	Significant	Moderate	Limited	No	
1 Suitable, authorised policies and procedures are in place covering Benefits processing, overpayments and counter fraud, and staff are aware of these and that they need to comply with them.		√				
2 Processes are in place to ensure all benefit claims are processed and payments made in accordance with regulations and relevant policies, and are legitimate and appropriate.		√				
3 All relevant records and accounts are accurately updated in a timely manner to record all benefits transactions (including reconciliations to feeder and other systems).	√					
4 All payments and associated output are timely, recorded securely and data protected against unauthorised access.		√				
5 Overpayments of benefit are identified and accounted for in accordance with legislation/regulations, the organisation's policy, standing orders and financial regulations, and recovery (and where non-recoverable, write off) arrangements are efficient and effective.	√					
6 Fraud investigation is in accordance with statute, professional guidelines and the organisation's Standing Orders, Financial Regulations and relevant policies.	√					
7 Processing times, accuracy, overpayment levels, fraud case outcomes and other key performance indicators are regularly monitored.	√					

The 4 medium level risk issues and management's response are set out below:

System Control Objective 1: Suitable, authorised policies and procedures are in place covering Benefits processing, overpayments and counter fraud, and staff are aware of these and that they need to comply with them.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
<u>1.1 Policies and Procedures</u>	As recommended during the previous audit, standard procedure notes should be developed to ensure that a consistent approach to benefits processing is undertaken across all three councils within the Partnership. This is included on the Partnership's Service Improvement Plan for 2012/13 which is monitored on a monthly basis. The expected completion date is March 2013.	Unintended inconsistencies in processing	3	Every effort should be made to ensure that the completion date of March 2013 for the standardised procedure notes is achieved.	Our plan is that processes and procedures are harmonised by 31 st March 2013. Where processes relate to implementation of Capita products in 2013/14 processes will be reviewed accordingly	Leigh Butler	31 st March 2013 Ongoing

System Control Objective 2: Processes are in place to ensure all benefit claims are processed and payments made in accordance with regulations and relevant policies, and are legitimate and appropriate.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
<u>2.1 New claim processing</u>	All new claims tested for all three partners had a completed application form and supporting documentation on file. Of the sample of 75 claims tested (25 for each partner authority) 14 had been processed outside the 23 day turnaround target, although the average processing time for the whole sample was 10.4 days.	Targets not met.	3	Continue to monitor and improve processing deadlines of new benefit claims.	We are aware of performance and will continue to make changes required to improve on this. Benefit Team Leaders have and will continue to improve turnaround times. We are working with the DWP Performance Division to improve processes of Atlas/ETD	Leigh Butler & Benefit Team Leaders	31 st March 2013 and ongoing

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
					data which in turn will assist new claim time		
2.2 <u>Change of circumstance processing</u>	All changes of circumstances had been processed correctly and the claimant had been notified in all cases. Of the sample of 75 claims tested (25 for each partner authority) 10 had been processed outside the 17 day turnaround target, although the average processing time for the whole sample was 6.3 days.	Targets not achieved. Overpayments may be generated.	3	Continue to monitor and improve processing deadlines of changes of circumstances.	We are aware of performance and will continue to make changes required to improve on this. Benefit Team Leaders have and will continue to improve turnaround times. We are working with the DWP Performance Division to improve processes of Atlas/ETD data which in turn will assist new claim time	Leigh Butler & Benefit Team Leaders	31 st March 2013 and ongoing

System Control Objective 4: All payments and associated output are timely, recorded securely and data protected against unauthorised access.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
4.1 <u>Declaration of interests</u>	We confirmed through discussion with the Partnership Manager that a declaration of interests has not been completed for all HBBC and NWL staff; for the HDC staff a declaration has been signed but was completed in 2010. This matter was raised in the previous year's Internal Audit report and agreed to be addressed by January 2012. Management noted in response to the previous audit report that "There is an audit log held within the Capita Academy systems	Employees could access and process claims/ transactions involving family and friends without the Partnership or relevant Council having any knowledge.	3	a) Arrangements should be put in place as soon as practicable to ensure all staff declare any interests they may have.	A response from Unison is due imminently – end of December 2012. Work with HR teams to agree process for this. Also HR will include within their own policies to ensure staff who claim benefit / any claims maintenance will	Leigh Butler & HR Managers	31 st March 2013 (Agreement with HR managers concerning forms and procedures to be adopted)

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
	<p>of who has viewed and updated records. Additionally, a further system control already exists which prevents users from accessing pre-determined accounts. It should be noted that staff are made aware when they commence employment / sign their contract that accessing the system for non work related or fraudulent purposes will lead to disciplinary action, which could result in dismissal." Clearly these are mitigations however the need for a declaration of interests remains.</p> <p>The Partnership Manager advised that the proposal currently is that HDC's declaration of interest form and NWL's declaration statement will be used for all staff within the Partnership. The Partnership Manager is currently discussing the declaration with all 3 council's Human Resource Managers and Unison to agree the contents of and approach to the declaration.</p>			<p>b) Staff should be prevented from working on or accessing any cases in which they have declared an interest.</p> <p>c) In advance of the arrangements for formal declarations being made by all staff, it would be prudent for a reminder to be issued to all staff regarding their contractual obligations regarding accessing the benefits system/data and the possible consequences of a breach.</p>	<p>be undertaken by benefit team leader and must go through that channel.</p> <p>Staff and system users will be informed to include completion of declaration</p> <p>Staff who have declared an interest will not have access to claim records and this is controlled within the benefit application.</p> <p>Staff will be informed before procedure is implemented of the contractual responsibility to inform and advise accordingly. This will be coordinated through HR teams</p>		<p>31st May 2013 (Anticipated)</p> <p>30th April 2013 (Anticipated)</p>

Review	Summary	Level of assurance				
Budgetary Control	This audit examined the overall control framework in place regarding budgetary control. A Full Assurance Opinion was provided, with 1 low level recommendation made. The individual level of assurance for each system control objective reviewed is provided below.	Full				
System control objective	Level of Assurance					
	Full	Significant	Moderate	Limited	No	
1 The Authority prepares a Medium Term Financial Strategy (MTFS) which is designed to deliver strategic priorities and contains robust key assumptions.	✓					
2 Budgets are set in a structured, comprehensive and robust manner in accordance with the organisations plans and objectives and the MTFS.	✓					
3 Any changes to the startpoint budget are appropriately authorised, recorded and reported (including virement).	✓					
4 Responsibility for controlling budgets is delegated to trained and clearly defined budget holders who receive appropriate support from the finance department.	✓					
5 Accurate and complete financial information is produced in a timely manner to budget holders and committees for inspection, analysis and control of budget performance.	✓					
6 Budget variations are analysed, investigated, explained and acted upon.	✓					
7 Regular and robust forecasts are undertaken to project outturn against budget.	✓					
8 Any savings plans established to ensure a balanced budget are robust, and are reported upon and monitored at relevant Committee and Council level.	✓					

Customer Services (reception)

This review was the first stage of a 'before and after' advisory assessment of the Council's arrangements to assess and assure itself regarding customer service at its reception point. The second stage of this work will be carried out following the Council's office move to Hinckley Hub. We provided observations at this stage of the review, which related to the services currently being provided at Argents Mead and preparations for the forthcoming move. The overall conclusion reached at this stage of the review is that the Council has been very proactive in planning the move of the reception to the Hinckley Hub and that all possible arrangements are in place to ensure that effective reception services will be delivered at the new site with the minimum

level of disruption. Management have identified a number of key issues and risks that arise from the forthcoming move and are taking action in each case to address these.

Review	Summary	Level of assurance				
Payroll & Expenses	This audit examined the key controls in place regarding payroll and expenses. A Full Assurance Opinion was provided, with 1 low level recommendation made. The individual level of assurance for each system control objective reviewed is provided below.	Full				
System control objective		Level of Assurance				
		Full	Significant	Moderate	Limited	No
1 Permanent payroll data held on the system is accurate, and any amendments to payroll data are valid, accurate, appropriately authorised and timely.		✓				
2 All deductions made from salaries are accurate, timely and authorised.		✓				
3 The payroll is processed in an accurate and timely manner, including any temporary variations to pay.		✓				
4 The security of payroll data is adequately maintained.		✓				

Review	Summary	Level of assurance				
Legal Services (IT audit - case management system)	This audit examined the key controls in place regarding the implementation of the system. A Significant Assurance Opinion was provided, with 3 medium and 2 low level recommendations made. The individual level of assurance for each system control objective reviewed is provided below.	Significant				
System control objective		Level of Assurance				
		Full	Significant	Moderate	Limited	No
1 The design, operation, use, and management of data systems is subject to statutory, regulatory and contractual security requirements.		✓				
2 Access to data, information processing facilities, and business processes should be controlled on the basis of business and security requirements.			✓			
3 System access and usage is appropriately logged and monitored		✓				
4 The objectives of the project, user requirements and level of functionality required are						

Review	Summary					Level of assurance
achieved.			✓			
5 That reports can be generated to gather appropriate management information.			✓			

The 3 medium level risk issues and management's response are set out below:

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
2.1 Contingency	The current Business Continuity Plan for Corporate and Scrutiny Services is dated 2009 and therefore does not include elements specific to the IKEN management system (implemented in November 2012). Further the requirements for the availability of the IKEN system have not been provided to ICT to allow them to ensure that the application is made available when required (through their Disaster Recovery procedures).	Unnecessary delays in recovering critical systems. New systems not included in Disaster Recovery procedures, resulting in non-recovery	3	Legal Services should ensure that the IKEN application is risk assessed and a business impact analysis undertaken to determine Legal's requirements in the event that the system fails or is unavailable for a period of time. Results from the above exercise should then be detailed within the Business Continuity Plan for Corporate and Scrutiny Services. ICT should be informed of the requirements for supporting the IKEN application to ensure that Disaster Recovery plans are in place.	The business continuity plan is being updated currently as part of the Council off ice move in May and June 2013. Legal's requirements for the IKEN system will be taken into account in this review.	Adam Bottomley Senior Solicitor	By end June 2013
2.2 User Identification	There are 6 user accounts that are generic on the IKEN Case Management System. It is accepted that the number of generic ID's may be due to the original implementation of the system, where suppliers will usually include a number of accounts as part of the overall implementation and these have not been removed.	Unauthorised access undetected, lack of accountability.	3	Management should ensure that all staff, IT and Suppliers have individual user ID's that allow their actions on the IKEN system to be individually identified	This matter is being raised with the supplier and we are requesting that they have individually identified logons. We currently await a response.	Adam Bottomley Senior Solicitor	July 2013

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
2.3 Privilege Management	There are three staff within the Legal Section with responsibilities for administrating IKEN, however, a review of user accounts and access levels identified three generic user accounts that also had either "IKEN support - Admin" or "System Administrator".	Unauthorised users obtaining access to sensitive data.	3	Ensure that the number of users with System Administrator access to IKEN is restricted to 2/3 staff within the section and that access to the role is restricted to these staff.	The three accounts noted are all generic accounts set up by the supplier and this is being addressed along with point 2.2 above.	Adam Bottomley Senior Solicitor	July 2013

Review	Summary	Level of assurance				
Housing Rents	This audit examined the key controls in place regarding housing rents. A Significant Assurance Opinion was provided, with 3 medium and 5 low level recommendations made. The individual level of assurance for each system control objective reviewed is provided below.	Significant				
System control objective	Level of Assurance					
	Full	Significant	Moderate	Limited	No	
1 Approved policies and procedures are in place covering all aspects of rent and arrears administration and to ensure compliance with legal requirements.		✓				
2 Rent is charged correctly on all properties in accordance with policy, and with documented calculations of gross and net rent for each property.	✓					
3 Robust arrangements are in place for timely and complete collection of rent payments and crediting these to the correct account.		✓				
4 Arrangements to deal with arrears comply with policy and ensure efficient recovery of outstanding sums.		✓				
5 Access to system functions is restricted to authorised personnel and the security and integrity of the system is maintained.	✓					
6 Performance against targets in collecting rent and arrears is suitably monitored.		✓				

The 3 medium level risk issues and management's response are set out below:

System Control Objective 4: Arrangements to deal with arrears comply with policy and ensure efficient recovery of outstanding sums.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
4.1 Debt Collection Agency	The Authority does not currently use the services of a debt collection agency. It was reported that previous attempts to use an agency had not yielded particularly successful results.	Increasing risk of bad debts due to national changes in benefits payments.	3	The decision not use a debt collection agency should be re-considered in the light of the poor economic climate and the potential impact that reductions in benefits payment may have on rent recovery rates.	Review decision not to use debt collection agency, any review will be balanced with our responsibilities as a landlord to support and assist tenants in difficulty.	Sharon Stacey, Chief Officer – Housing , Community Safety & Partnerships Jo Wykes, Housing Options and Rents Manager	October 2013
4.2 Recovery costs	The Council does not add recovery and court costs to accounts that are in arrears. This decision was taken at least four or five years ago on the basis that adding such costs only increased debt levels where there was little prospect of recovery. It is understood that this decision was not subject to formal discussion and approval at Council level.	Increasing recovery costs being borne solely by the Council.	3	In the light of ongoing reductions in benefits payments to tenants, the council should formally consider whether recovery and court costs should be added, either in full or in part, to rent accounts in arrears.	To review how court costs are dealt with.	Sharon Stacey, Chief Officer – Housing , Community Safety & Partnerships Jo Wykes, Housing Options and Rents Manager	October 2013

System Control Objective 6: Performance against targets in collecting rent and arrears is suitably monitored.

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When
6.1 Arrears Collection Monitoring	Rent collection rates are regularly reported on and monitored through the Council's performance management system. The rate is calculated on the basis of the amount of rent collected to date, which is then extrapolated to take account of however many weeks of the year remain. The value of rent arrears is not however immediately identifiable from these rent collection rates, particularly as pre-paid accounts are included in the collection rate and	Lack of clarity on specific monitoring of arrears recovery performance. Likelihood of increased rent account arrears in current climate.	3	In the light of reductions in benefit payments to council tenants, the monitoring reports produced regularly for senior management review should be strengthened to include specific data on the age profile of rent accounts in arrears and other performance information related to action taken on accounts in	Work underway to increase performance monitoring through Housemark	Sharon Stacey, Chief Officer – Housing , Community Safety & Partnerships Jo Wykes, Housing Options and Rents Manager	July 2013

Expected Control	Audit Finding	Risk	Risk Ranking	Recommendation	Response	Who	When																					
	<p>terminated tenant account debts are not included in the calculation.</p> <p>The system is capable of providing details on aged debt analysis of accounts in arrears, although such reports are not routinely produced. As at 5/2/13 aged debt analysis was as follows:</p> <table border="1"> <thead> <tr> <th>Period o/s</th> <th>No of accounts</th> <th>Value (£)</th> </tr> </thead> <tbody> <tr> <td>5-13 weeks</td> <td>261</td> <td>26,346.71</td> </tr> <tr> <td>14-26 weeks</td> <td>112</td> <td>27,337.00</td> </tr> <tr> <td>27-39 weeks</td> <td>56</td> <td>14,455.68</td> </tr> <tr> <td>40-52 weeks</td> <td>62</td> <td>22,323.93</td> </tr> <tr> <td>>1 year, < 2 years</td> <td>138</td> <td>41,699.98</td> </tr> <tr> <td>> 2 years</td> <td>556</td> <td>116,119.76</td> </tr> </tbody> </table>	Period o/s	No of accounts	Value (£)	5-13 weeks	261	26,346.71	14-26 weeks	112	27,337.00	27-39 weeks	56	14,455.68	40-52 weeks	62	22,323.93	>1 year, < 2 years	138	41,699.98	> 2 years	556	116,119.76			arrears. Targets should be set and monitored for reducing long overdue rent arrears.			
Period o/s	No of accounts	Value (£)																										
5-13 weeks	261	26,346.71																										
14-26 weeks	112	27,337.00																										
27-39 weeks	56	14,455.68																										
40-52 weeks	62	22,323.93																										
>1 year, < 2 years	138	41,699.98																										
> 2 years	556	116,119.76																										

Member Standards of Conduct arrangements

We have completed an advisory review on the arrangements in place regarding member standards of conduct and have reported on this work by letter to the Monitoring Officer. The review did not provide an overall assurance opinion, but raised matters for consideration where considered appropriate. We do not consider there are any significant matters that need to be raised with this Committee.

4. Recommendation tracking

CW Audit Services has implemented a system for tracking the actioning of agreed Internal Audit recommendations, as a management assurance tool for the Council and specifically this Committee. Managers are responsible for updating actions taken and other key information directly on the system. A further update for the Committee is provided below. This refers to all actions agreed and due by 31/3/13 in relation to audit reports issued in the current year up to now, and any remaining legacy actions carried forward from reviews carried out by the previous Internal Audit provider. These latter issues have been referred to specifically in previous reports to this Committee at the end of 2011/12.

The first table below represents the status of agreed actions due to be implemented by 31/3/2013, the second table the age of the outstanding recommendations (based on the original date due for implementation). The status shown is as advised by the relevant manager/Head of Service and does not imply that Internal Audit have verified the status.

Summary	1 Critical	2 High	3 Medium	4 Low	Total
Due by 31/3/2013	-	1	33	29	63
Implemented	-	-	18	18	36
Closed (effectively implemented or system changed)	-	-	-	5	5
In progress but not complete	-	1	10	5	16
Outstanding (not started)	-	-	5	1	6

Time overdue for actions o/s or not complete	1 Critical	2 High	3 Medium	4 Low	Total
Less than 3 months	-	1	12	5	18
3 – 6 months	-	-	1	1	2
Greater than 6 months	-	-	2	-	2
Total	-	1	15	6	22

The 2 issues more than 6 months overdue are as follows:

Review	Recommendation	Risk Rating	Response	Current Status per update
2012/13 Housing Repairs	<p><u>Performance management</u></p> <p>Management should ensure that performance targets are set for the housing repairs function and these are regularly monitored and reported upon.</p> <p>In addition consideration should be given to monitoring and reporting upon the performance of contractors separately.</p>	3	Regular performance management information needs to be widened to cover the major aspects of the service. Currently customer satisfaction information is collected and recorded. The Principal Housing Repairs Officer will ensure regular updating of information on the Council's TEN.	Now being addressed as part of wider Housing Repairs Action Plan. To be implemented by end July 2013.
2012/13 Housing Repairs	<p><u>Housing repairs (contractor)</u></p> <p>a) Management should review the total value of expenditure on contractors to ensure that the council is obtaining value for money in respect of their services.</p> <p>b) Contractor performance should be monitored and reported upon</p> <p>c) Every effort should be made to ensure post inspections are completed in a timely manner.</p>	3	<p>A review of Contractors used, and the associated spend, will take place to ensure value for money.</p> <p>These type of errors will be reduced when the new Direct Works System is introduced. Until then, random checks of data quality will take place.</p>	Now being addressed as part of wider Housing Repairs Action Plan. To be implemented by end July 2013.

2012/13 Internal audit plan

Description of audit	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Current Status	Assurance level
Budgetary Control				✓	Final report issued	Full
Main Accounting			✓		Final report issued	Significant
Capital Accounting				✓	Agreed to be carried out in May- in progress	
Council Tax (see note above re LRBP)			✓		Final report issued	Significant
Business Rates (see note above re LRBP)			✓		Final report issued	Significant
Benefits (see note above re LRBP)			✓		Final report issued	Significant
Benefit Fraud Investigation (joint review with OWBC)			✓		Assurance letter issued	Significant
Creditors			✓		Final report issued	Significant
Debtors			✓		Final report issued	Significant
Treasury Management			✓		Final report issued	Significant
Income Management & Cash Receipting			✓		Final report issued	Significant
Corporate Governance (standards of conduct)				✓	Letter issued (advisory)	N/A

Description of audit	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Current Status	Assurance level
Risk Management		✓			Final report issued	Significant
Customer Services (reception)				✓	Letter issued	N/A
Anti-Fraud & Corruption		✓			Final report issued	Significant
Payroll & Expenses				✓	Final report issued	Full
Legal Services (IT audit - case management system)			✓		Final report issued	Significant
Allocations – Choice Based Lettings	✓				Final report issued	Full
Housing Rents			✓		Final report issued	Significant
Tenant Scrutiny				✓		Requested to postpone into 2013/14 plan
Sheltered Housing				✓		Requested to postpone into 2013/14 plan
Argents Mead				✓	Draft Letter issued	
Town Centre Regeneration				✓		To be carried out in 2013/14
Housing Repairs		✓			Final report issued	Significant

Description of audit		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Current Status	Assurance level
Fuel Controls			✓			Final report issued	Significant
Contract Management (Grounds Maintenance)		✓				Final report issued	Significant
Additional review: Housing Repairs				✓		Complete; report issued	N/A