











Internal Audit - Assurance Opinion Monitoring as at 02 September 2009

Date of Assessment	Source	Level of Assurance Provided	Comments
06/0642 - Building Control			
29-Jul-07	Internal Audit - Final Report	 N/A	Audit report pre-dates the provision of assurance opinions
25-Feb-09	Internal Audit - Follow-Up Review	 Limited	Building Control arrangements are currently under review and procedures may be subject to change. This review will include implementation of the agreed actions relating to the management of the building control account; introduction of procedures to support chargeable and non-chargeable work and monitoring of the partnership agreement with Lancashire County Council, at which point a 'Reasonable' level of assurance will be achieved.
21-Aug-09	Management - Post Audit Review	 Limited	<p>Progress has been made through the introduction of a time recording system and the regular monitoring of fee income to assess trends, which will place the Service in a good position to deal with expected Government proposals to introduce a new means of charging for Building Control work. The Service still finds itself in a difficult position however due to the downturn in the building industry which continues to significantly reduce fee income. The Head of Planning, together with the Building Control Manager are considering various revisions to the current staff structure aimed at providing a solution to the current situation whilst being aware of the potential problems that will be caused by an eventual up turn in work load and income.</p> <p>The Building Control Model has yet to be fully revised as it has not proven possible to update on a monthly basis, this is currently being reviewed by finance. Fee income is regularly monitored to assess trends, government propose to introduce a new means of charging for Building Control in conjunction with new CIPFA guidance on the management of Building Control accounts.</p> <p>A time recording system is now in place and 24 weeks of data have been collected. The current results show that time split is different to the current 80/20</p>

Date of Assessment	Source	Level of Assurance Provided	Comments
07/0679 - Markets			
09-Feb-09	Internal Audit - Final Report	 Limited	Given that income collection arrangements are currently under review, and procedures are subject to change, Internal Audit are only able to provide limited assurance at this time. A formal follow up will be carried out in August '09 to establish developments in terms of income collection arrangements, and progress made with the action plan.
27-Aug-09	Management - Post Audit Review	 Limited	There has been little change in income management arrangements at the Markets with the majority of tenants continuing to pay rent by cash rather than by more cost efficient methods. This is likely to remain unchanged until such time as the future of Lancaster Market has been determined, although plans are being made to introduce a debit/credit card payment facility at the Festival Market by the end of September. The follow-up review currently underway will specify what further action is needed to raise the assurance opinion to 'Reasonable'
07/0701 - Procurement and Contract Management 2007/08			
01-Oct-08	Internal Audit - Final Report	 Limited	The opinion relates to the areas covered which were selected for review on the basis that they are areas where more work is required. It does not provide an opinion on corporate achievements relating to procurement. Clearly stated corporate procurement aims and objectives, corporate engagement and an effective means to monitor performance and progress are needed to raise the opinion to 'reasonable'.
24-Mar-09	Management - Post Audit Review	 Limited	The 'Limited' assurance opinion reflects aspects of the wide agenda for procurement that still needed to be addressed at the time of the audit. Some progress has been made to implement the agreed actions, specifically the workshop involving contract managers which is informing the way forward on a number of corporate procurement aims and objectives. Outstanding actions are expected to be implemented by the summer, at which point the level of assurance should be raised to 'Reasonable'
19-Aug-09	Management - Post Audit Review	 Limited	A revised Procurement Strategy has been drafted, taking into account the agreed actions arising from the audit, and will soon be published. Feedback from the workshop with contract managers is being used effectively to improve/revise contract documentation and to develop a new contract register. Work is ongoing to establish contract management, monitoring and reporting arrangements in line with LAMP, and the review and update of the Constitution has yet to commence. Completion of the outstanding work and publication of the revised Procurement Strategy will result in a 'Reasonable' level of assurance.

Date of Assessment	Source	Level of Assurance Provided	Comments
07/0708 - Income Management (Housing Rents Direct Debit Payments)			
30-Apr-08	Internal Audit - Final Report	 Limited	Reasonable assurance could be achieved through implementation of the Electronic Documentation Management System (EDMS) and the Anite Direct Debit Module.
23-Sep-08	Management - Post Audit Review	 Limited	Actions relating to the EDMS implementation within Council Housing Services have been completed, although some operational procedures need to be reviewed following its implementation. The key action required to raise the assurance opinion to "reasonable" is the implementation of the Anite Direct Debit module, which is now expected to be during Summer 2009. A formal follow-up review will be undertaken at that time.
12-Dec-08	Management - Post Audit Review	 Limited	Progress has been limited due to other work commitments and operational issues around the EDMS implementation. Assurance opinion will remain at 'limited' until such time as the Anite Direct Debit Module is fully tested and implemented
20-Mar-09	Management - Post Audit Review	 Limited	Little progress has been made due to other work commitments and a delay in the next Release of the Housing Rents system by Northgate OHMS (formerly Anite Housing). A 'Reasonable' assurance opinion will be achieved through improvements provided by the new Release and the introduction of automated direct debit payments for Housing Rents. A Post Audit Review is due at the end of April.
05-Aug-09	Internal Audit - Follow-Up Review	 Limited	Achieving a 'Reasonable' level of assurance level was reliant on the introduction of automated direct debit payments for Housing Rents. It now seems unlikely that the Anite Direct Debit Module will be available to the Authority as expected as the new system providers have signalled their intention to withdraw support for the product. As a result, reasonable assurance is now reliant on implementation of an alternative action which seeks to minimise the risk of error until such time as an automated system is implemented by Council Housing Services.

Date of Assessment	Source	Level of Assurance Provided	Comments
07/0709 - Payroll 2007/08			
04-Dec-08	Internal Audit - Final Report	 Limited	Limited assurance can be placed on current payroll arrangements until significant control issues are addressed. Raising the assurance level to reasonable should be achieved through implementation of the agreed action plan though full implementation is expected to take in excess of twelve months.
26-Mar-09	Management - Post Audit Review	 Limited	Good progress has been made to implement agreed actions, although a number of significant issues are still to be addressed, specifically a planned review of recruitment policies and procedures and the procurement of an integrated Human Resources and Payroll system. These are longer term actions (Implementation Target Date 30/09/09), implementation of which will result in a 'Reasonable' level of assurance.
18-Aug-09	Management - Post Audit Review	 Limited	Excellent progress has been made by Exchequer Services to introduce effective segregation of duties within the Section and in relation to the roles and responsibilities of Legal and Human Resources. Achievement of a 'Reasonable' level of assurance is dependent upon completion of a major review of the Council's recruitment policy and procedures and completion of a detailed specification, taking into account the agreed actions, for the proposed integrated Payroll/HR computerised system. This work has been significantly delayed due to the Fair Pay Project and other work commitments within Legal and HR Services.

Date of Assessment	Source	Level of Assurance Provided	Comments
08/0724 - Land Charges			
05-Nov-08	Internal Audit - Final Report	 Limited	Limited assurance can be placed on current arrangements for the provision of local land charge searches until significant control issues are addressed. Raising the assurance level to reasonable should be achieved through implementation of the agreed action plan.
23-Mar-09	Management - Post Audit Review	 Limited	Whilst good progress has been made to strengthen risks relating to income management and reconciliation arrangements, guidance from Central Government to address the most significant risk is still awaited. Implementation of this guidance will enable the Council to demonstrate that the provision of Land Charges search fees are cost effective and identify what costs can be legitimately recovered, at which point a 'Reasonable' level of assurance will be achieved. The position will be reassessed during the follow-up review in June.
18-Aug-09	Internal Audit - Follow-Up Review	 Limited	Excellent progress has been made to strengthen controls relating to income management, accounting and reconciliation arrangements and the risks mitigated. Land Charges have contributed to a recent consultation on the cost of, and charging responsibilities for, personal searches and are currently awaiting further guidance from Central Government to take this forward. Government guidance is in place, however, regarding the costing and charging of 'Full' searches and work now needs to be completed in order to fully comply with the Local Authorities (Charges for Property Searches) Regulations 2008, which came into force on 1st April 2009. Compliance with this legislation will result in a 'Reasonable' level of assurance.
08/0733 - Planning for Floods			
25-Feb-09	Internal Audit - Final Report	 Limited	Until local authority responsibilities have been clarified the Service is unable to effectively respond to the recommendations made by the Pitt Review and provide effective leadership in terms of managing local flood risk.
02-Sep-09	Management - Post Audit Review	 Limited	Many of the agreed actions are reliant on Lancashire County Council fully assessing the implications of the Pitt Review on the effective management of flood risks and informing local authorities and other partners of their responsibilities. This assessment is not yet complete, although a partnership working group is set to commence in September. Further updates on the implications of the new arrangements on the Council are planned to be reported to Cabinet in October and the follow-up audit review will commence in November.

Date of Assessment	Source	Level of Assurance Provided	Comments
08/0753 - Williamson's Park - Audit of Financial procedures			
26-Nov-08	Internal Audit - Final Report	 Limited	A number of significant control issues need to be addressed covering payment of works, goods and services, receipting, collection and banking of income and procurement, budgetary control and security arrangements.
21-Jul-09	Internal Audit - Follow-Up Review	 Limited	Whilst some progress has been made a number of agreed actions have yet to be, or have only partially been implemented. In light of the decision that the management and operation of Williamson Park will come back under the Council's control urgent action needs to be taken to address the payment of works, goods and services and procurement arrangements generally, as well as ongoing security and budgetary control issues