













## Results of Internal Audit Work

## Appendix A

Internal Audit Report		Latest Update		No of updates reported to Audit Committee	Internal Audit's opinion and recommendation
Job No & Title	Assurance Level and Date	Current Assurance Level	Comments (provided by)		
07/0708 - Income Management (Housing Rents Direct Debit Payments)	 Limited 30/04/08	 Limited	At its meeting on 20 January 2010, the committee resolved: <i>"That Audit Committee request the Head of Council Housing Services to attend the next meeting of the committee to provide a further update and assurance on Income Management (Housing Rents Direct Debit Payments)"</i> .  An update on developments since the last meeting is appended at page 4 of this appendix	6	The Head of Council Housing Services has been requested to attend the meeting to report on the latest position.  <b>Recommendation:</b> that Audit Committee consider what action they would wish to be taken regarding the outstanding issues from the audit.
07/0701 - Procurement and Contract Management	 Limited 01/10/08	 Limited	At its meeting on 20 January 2010, the committee resolved: <i>"That if the assurance level for 'Procurement and Contract Management' has not reached 'reasonable' by the time of the internal audit follow up review, the Head of Financial Services be asked to attend the next meeting of the committee to report on the position."</i>	4	The audit follow-up was completed in early June and will be reported to members of the committee in the near future.  No further action necessary at this stage.
08/0753 - Williamson Park - Audit of Financial procedures	 Limited 26/11/08	 Limited	The process of returning the Park to council control is currently underway and an officer working group with representatives from various services, including Legal and Finance, is overseeing the transfer. All new financial and operational systems introduced following the audit have been successful and the Park is now operating within budget. Cabinet is due to receive an update on the Park's operational position and further information will be reported to Cabinet as appropriate.  (Update provided by management)	3	A further audit review will be carried out during 2010/11 to assess the effectiveness of the new arrangements.  <b>Recommendation:</b> there is no further recommendation at this stage.



## Results of Internal Audit Work

## Appendix A

Internal Audit Report		Latest Update		No of updates reported to Audit Committee	Internal Audit's opinion and recommendation
Job No & Title	Assurance Level and Date	Current Assurance Level	Comments (provided by)		
07/0709 - Payroll	 Limited 04/12/08	 Limited	<p>The achievement of a 'reasonable' level of assurance is dependent upon the implementation of a replacement Payroll/HR system and a major review of recruitment policies and procedures.</p> <p>At its meeting on 20 January 2010, the committee resolved: <i>"That Audit Committee request a progress report on both the Payroll/HR system project, and the review of the recruitment policy and procedures, to be presented to the next committee meeting and the Human Resources Manager be invited to attend to present the report."</i></p>	4	<p>The HR Manager has been invited to attend the meeting to report on the Payroll/HR system project and on the review of the recruitment policy and procedures.</p> <p><b>Recommendation:</b> that Audit Committee consider whether they would wish any further action to be taken regarding the outstanding issues from the audit.</p>
08/0733 - Planning for Floods	 Limited 25/02/09	 Limited	<p>At its meeting on 20 January 2010, the committee resolved: <i>"That, if the assurance level for 'Planning for Floods' has not reached 'reasonable' by the time of the internal audit follow-up review, Audit Committee should seek a further report and assurances from the Head of Planning Services."</i></p>	3	<p>The audit follow-up is nearing completion and will be reported to members of the committee in the near future</p> <p>No further action necessary at this stage.</p>
07/0679 - Markets	 Limited 09/02/09	 Limited	<p>At its meeting on 20 January 2010, the committee resolved <i>"That Audit Committee wishes to increase the amount of non cash payments in the Charter Market, the Festival market and the Assembly Rooms, and that a report be presented to the next Audit Committee as to the progress on this policy and the areas in which it can be applied."</i></p>	3	<p>The Head of Financial Services will provide a verbal update on developments and a full report will be presented to the next meeting of the committee on 22 September 2010.</p>

## Results of Internal Audit Work

## Appendix A

Internal Audit Report		Latest Update		No of updates reported to Audit Committee	Internal Audit's opinion and recommendation
Job No & Title	Assurance Level and Date	Current Assurance Level	Comments (provided by)		
08/0723 - Arts Development	 Limited 12/06/09	 Limited	The council's focus on arts development has changed significantly since the audit was undertaken and the arts strategy is primarily being taken forward by the LDLSP. It is now necessary to revisit the objectives and conclusions of the audit and consider whether and in what ways the action plan should be taken forward.	2	The Internal Audit Manager will be consulting the Head of Community Engagement to determine what further action to take with the audit and action plan. Any developments will be reported to Audit Committee.  <b>Recommendation:</b> There is no further recommendation to Audit Committee at this stage.

## Results of Internal Audit Work

### 07/0708 - Income Management (Housing Rents Direct Debit Payments)

As background, the supplier of the housing management system operated by the Council Housing Service (CHS) also supplies its own branded "primary housing solution". In May 2009, the supplier had notified users of their intention to withdraw support from the product used by CHS and to 'migrate' users to their other solution.

Developments since the last update to committee in January 2010, are as follows:

By December 2009, the software suppliers had withdrawn their intention to remove support from the system currently being used by the CHS. This meant that CHS would not be forced to migrate to the supplier's other solution and provided the opportunity to introduce the most recent release of the existing software, which includes the direct debits functionality.

This implementation was, however, delayed following approval of funding for a Choice Based Lettings system. The suppliers had already offered a "like for like" migration to their other software solution and an officer assessment on suitability of the choice based lettings system was commenced.

In April 2010, a further release of the existing software was made available to customers, offering increased direct debit functionality. There is an additional licence fee payable to be able to use this enhancement.

A detailed assessment of the supplier's choice based lettings systems, completed in May 2010 concluded that it fell short of the council's requirements, and compared unfavourably with other solutions on the market. This, together with an assessment of the existing systems, including the resources needed to deliver projects, concluded in a decision in early June 2010 not to migrate to the supplier's other solution. The current proposal is therefore to upgrade the current software and set the procurement process in motion to procure an alternative choice based lettings system.

Officers are currently assessing whether or not to introduce the latest software release immediately, or wait for the next release which is due in October 2010. This decision will depend on the time taken to confirm that the upgraded software is fit for purpose, an assessment of resources and existing commitments within both CHS and Information Services and the identification of funding for costs (estimated at £8,400 in 2010/11 and £7,200 p.a. thereafter) to implement the new release of the existing software.