







## 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	<p>At its meeting on 30 June 2010, the committee resolved: <i>“That the Audit Committee request Internal Audit to track progress with systems implementations relating to the ‘Income Management (Housing Rents Direct Debit Payment)’ audit and that this be reported to the next meeting of the committee.</i></p> <p>At the last update, action was being taken to test and implement a new release of the Anite Housing Rents software (release 45). Due to there being errors identified during testing, a decision has been taken to move to a later release (no 47). It is planned that successful implementation will enable the direct debits module to be operational in time for the 2012/13 financial year.</p>	9	The update indicates a further delay in resolving the control issues identified in the original audit in April 2008.  <b>Recommendation:</b> that the Internal Audit Manager continues to track and report on progress to the committee.
07/0709 - Payroll	 Limited 04/12/08	 Limited	<p>At its meeting on 30 June 2010, the committee resolved: <i>“That the Audit Committee request Internal Audit to track progress with the Payroll/HR system project and that this be reported to a future meeting of the committee.”</i></p> <p>Officers have been evaluating options for procuring a payroll and HR solution through the strategic partnership being implemented by Lancashire County Council. There are no definite conclusions to report at this stage but a verbal update will be given at the meeting.</p>	5	<b>Recommendation:</b> that the Internal Audit Manager continues to track and report on progress to the committee.

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07/0679 - Markets	 Limited 09/02/09	 Substantial	<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> <p>The latest position, with effect from 1<sup>st</sup> June 2011 is:</p> <p><b>Morecambe Market</b></p> <ol style="list-style-type: none"> <li>1 New monthly invoicing arrangements have been introduced and invoicing will be quarterly from October 1st.</li> <li>2 Chip &amp; Pin has been installed, enabling card payments to be taken for invoices.</li> <li>3 Cash &amp; cheque payments will be made at Post Offices etc by stall holders and not to the Market Office.</li> <li>4 Securicor arrangements have been cancelled.</li> </ol> <p><b>Lancaster Markets</b></p> <ol style="list-style-type: none"> <li>1 Invoicing arrangements are unchanged at present.</li> <li>2 Mobile pdq has been provided to collect card payments for rents from the Charter Market and Assembly Rooms.</li> <li>3 Securicor arrangements have been cancelled and cash collected is now banked at the post office.</li> </ol>	4	<p>Invoicing and payment collection arrangements introduced from 1<sup>st</sup> June 2011 have gone a long way to meeting the committee's resolution and the council's income collection policy expectations, though continued effort is needed if the Council is to increase the proportion of rents collected by card from the Charter Market.</p> <p>It is Internal Audit's view that these developments are sufficient to raise the assurance level to "substantial".</p> <p><b>Recommendation:</b> That the progress is noted and that no further updates to Committee are required.</p>

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09/0750 – Academy/Civica Interfaces	 Limited 25/06/10	 Limited	<p>The assurance opinion issued in June 2010 was “limited” because of problems being experienced with feeder systems from the Council Tax and NNDR systems to the General Ledger (GL). The feeders populate the GL control accounts, which help prove the year end figures.</p> <p>Whilst the problems do not in themselves affect the accurate completion of the accounting records, they do remain a technical issue and operational inefficiency.</p>	2	<b>Recommendation:</b> That the Internal Audit Manager continues to monitor and report on progress with resolving the system issues identified.
07/0764 – Council Housing Repair & Maintenance Section	 Minimal 22/01/10	 Limited 10/12/10	A further follow-up review is due to be undertaken following completion of an audit currently considering a Council partnering contract for delivery of the RMS external refurbishment capital programme.	2	The results of the further follow-up review will be reported to Audit Committee in the normal way.