

AUDIT AREA	CONTROLS RATING	CONTROL ISSUES
<b>1. Main Financial Systems</b>		
Review of Key Systems	Adequate	
Treasury Management	Adequate	
HR / Payroll Systems Interface	Adequate	
Non Domestic Rates System	Adequate	
Benefits (Landlords / Customer Services)	Adequate	
<b>2. Other Significant Systems</b>		
Housing Rents	Limited / Adequate	Although no major control issues emerged from the review, a number of non-compliance matters were reported and recommendations were made to improve the procedural guidance issued to staff.
Homelessness Monitoring System (HMS)	Limited	We identified a number of anomalies and errors in the information held on the HMS. The data held on the system is used to complete government returns and calculate a variety of national and local performance indicators. The documented procedures in relation to the system were found to be out-of-date.
Section 106 Agreements	Limited	Such agreements are made with developers to undertake certain works (or make payments) that are in addition to their formal planning requirements (e.g. to provide children's play facilities on a new housing development).  Recommendations were made to introduce a corporate control and oversight mechanism, including a statutory register of S106 activity and corporate standards / administrative procedures.

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Election Fees	Inadequate	<p>At the Chief Executive's request we undertook a review of the fees paid to officers during the 2004 postal voting pilot scheme.</p> <p>Although all the payments made had been formally approved, we identified the need to review the existing tariff of fees and charges (that had been established to cover traditional forms of election).</p> <p>The Head of HR has therefore agreed to undertake a review in order to clarify and formalise the arrangements prior to the next local elections.</p>
<b>3. Corporate Governance</b>		
Statement on Internal Control	Not Applicable	
Review of Regulation of Investigatory Powers Act (RIPA) Procedures	Limited	<p>Under RIPA any covert surveillance activity conducted by councils (e.g. by Environmental Services) must be formally authorised and appropriate internal procedures established (including the maintenance of a central record of authorisations).</p> <p>Recommendations were made to improve staff training and awareness of RIPA requirements and introduce formal, centralised monitoring of authorisations and compliance generally.</p>
National Fraud Initiative 2004	Not Applicable	
Audit Commission Reports Follow-Up	Not Applicable	

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<b>4. Information Technology Audit</b>		
System Access Controls	Limited	<p>A number of control weaknesses were identified in the systems access arrangements throughout the authority, including:</p> <ul style="list-style-type: none"> <li>▪ A lack of corporate standards and controls for authorising new users and changing user permissions.</li> <li>▪ The excessive use of systems administration access levels.</li> <li>▪ Weaknesses in access monitoring and password management.</li> </ul>
Orchard Modules	Limited	Several weaknesses were established in the overall control of the Orchard System, including password management and the control of user accounts, access rights and permissions.
Database Administration	Limited	The lack of enforced standards and documentation has resulted in a number of diverse database systems across the Council. This creates a number of problems for system integration and adds to the problem of providing adequate technical support to the users.
<b>5. Contracts Audit</b>		
Town Hall Improvements	Not Applicable	

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<b>6. Effectiveness / Best Value Audit</b>		
Systems For Best Value PI Generation	Adequate	
Review of the Corporate Training Budget	Limited	<p>We made several recommendations to improve the economic, efficient and effective use of resources in this area, including:</p> <ul style="list-style-type: none"> <li>▪ The need to evaluate central corporate training activity and initiatives to ensure they fully meet the needs of the organisation.</li> <li>▪ Introducing thorough post-training evaluation of both service specific and corporately managed training.</li> <li>▪ Ensuring that all avenues of external funding are fully explored.</li> </ul>
<b>7. Unplanned Reviews</b>		
Housing Repairs On-Call Procedures	Limited	<p>This review was commissioned by the Head of HR (following concerns raised by members) after allegations had been made that there were serious weaknesses in the housing repairs on-call system.</p> <p>Although our review found the overall system to be robust, a number of operational and viability issues were identified, largely due to the small pool of duty officers available (caused by dissatisfaction over rates of pay). Following adjustments to the payment regime by Housing Services, the duty officer pool is now back to full compliment.</p>

## **KEY TO CONTROL RATINGS**

<b>Inadequate</b>	Cannot place sufficient reliance on the controls in place. Substantive control weaknesses exist.
<b>Limited</b>	Can only place limited reliance on the controls in place. Significant control or compliance issues need to be resolved.
<b>Adequate</b>	Can place sufficient reliance on the controls in place. Only minor control weaknesses exist.

### **NOTE**

**The above control ratings relate only to the point in time when the final audit report was issued. They represent a historic rather than a current judgement as managers are charged with implementing corrective action plans to address the control issues raised. This is in turn supported by a programme of follow-up reviews by the Internal Audit Service.**