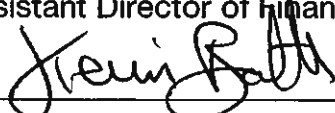




<b>Report for:</b>	Corporate Committee 15 May 2012	<b>Item number</b>	
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<b>Title:</b>	Internal Audit Progress Report – 2011/12 Quarter 4
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<b>Report authorised by :</b>	Assistant Director of Finance 
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<b>Lead Officer:</b>	Anne Woods, Head of Audit and Risk Management Tel: 020 8489 5973 Email: anne.woods@haringey.gov.uk
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<b>Ward(s) affected: ALL</b>	<b>Report for: Non-Key Decision</b>
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### 1. Describe the issue under consideration

1.1 The Corporate Committee is responsible for monitoring the completion of the annual internal audit plan and the implementation of agreed recommendations as part of its Terms of Reference. In order to facilitate this, progress reports are provided on a quarterly basis for review and consideration by the Corporate Committee on the work undertaken by the Internal Audit Service in completing the 2011/12 annual audit plan, together with the responsive pro-active fraud investigation work, and housing benefit fraud investigation work. Where further action is required or recommended, this is highlighted in the report and appendices and included in the recommendations for the Corporate Committee.

1.2 In addition, the report provides details of the work the Council's Human Resources business unit has undertaken in supporting disciplinary action taken across all departments by respective Council managers.

### 2. Cabinet Member Introduction

2.1 Not applicable

### 3. Recommendations



3.1 The Corporate Committee is recommended to note the audit coverage and counter-fraud work completed during the fourth quarter, 2011/12.

3.2 That the Corporate Committee reviews the management responses received for those audit recommendations not fully implemented; and confirms that the managers' actions taken during the fourth quarter to address the outstanding recommendations are appropriate.

#### **4. Other options considered**

4.1 Not applicable.

#### **5. Background information**

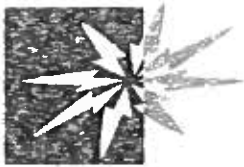
5.1 The internal audit service and counter-fraud teams make a significant contribution to ensuring the adequacy and effectiveness of internal control throughout the Council. This report looks at the work undertaken in the quarter ending 31 March 2012 and focuses on:

- Progress by Deloitte and Touche on internal audit coverage relative to the approved internal audit plan, including the number of audit reports issued and finalised;
- Progress in implementing outstanding internal audit recommendations with particular attention given to priority 1 recommendations;
- Details of pro-active and reactive investigative work undertaken relating to fraud and/or irregularities, including those within the remit of the Corporate Anti-Fraud and Housing Benefit Fraud Investigation Teams; and
- Information in respect of disciplinary action taken by managers across all departments of the Council during the quarter.

5.2 The information in this report has been compiled from information held within the Audit & Risk Management business unit and from records held by Deloitte and Touche and the Council's corporate Human Resources business unit.

#### **6. Comments of the Chief Financial Officer and Financial Implications**

6.1 There are no direct financial implications arising from this report. The work completed by Deloitte and Touche is part of the five year contract which was awarded following a competitive tendering exercise in compliance with EU regulations from 1 April 2007. The costs of this contract are contained and managed within the Audit and Risk Management revenue budget.



## **Haringey Council**

- 6.2 The annual recovery target for benefit overpayments for the HB Fraud Team is £250k. At the end of the fourth quarter, the benefit overpayments recovered exceeded the overall annual target of £250k.
- 6.3 The financial benefits to the Council of the work completed during the fourth quarter as part of the ongoing tenancy fraud project will be realised as properties are recovered and returned to the Council's portfolio. The Audit Commission estimate that the costs of fraudulent tenancies and unauthorised sub-letting equate to £18k per annum per property, therefore it is pleasing to note that outcomes from the project are beginning to happen with eleven Council properties and two Registered Providers' properties recovered in 2011/12.

## **7. Legal Implications**

- 7.1 The Head of Legal Services has been consulted in the preparation of this report, and advises that there are no direct legal implications which arise out of the report.

## **8. Equalities and Community Cohesion Comments**

- 8.1 This report deals with how risks to service delivery are managed across all areas of the council, which have an impact on various parts of the community. The report also contains details of how fraud investigation work is undertaken and pro-active fraud projects are managed. Improvements in managing risks and controls will therefore improve services the Council provides to all sections of the community.

## **9. Head of Procurement Comments**

- 9.1 Not applicable.

## **10. Policy Implications**

- 10.1 There are no direct implications for the Council's existing policies, priorities and strategies. However, reducing the opportunity for fraud to take place in the first place, and taking appropriate action to detect and investigate identified fraud will assist the Council to use its available resources more effectively.

## **11. Use of Appendices**

- 11.1 Appendix A – Deloitte and Touche Progress report  
Appendix B – In-house Team – investigations into financial irregularities  
Appendix C – Council-wide disciplinary information



## 12. Performance Management Information

12.1 Although there are no national or Best Value Performance Indicators, key local performance targets have been agreed for Audit and Risk Management. These form part of Corporate Resources' reporting processes, but are detailed below for information. Table 1 below shows the targets for each key area monitored in 2011/12 and gives a breakdown between the quarterly and cumulative performance.

**Table 1**

PI Ref.	Performance Indicator	4 <sup>th</sup> Quarter	Year to date	Target
1	Audit work – Days Completed vs. Planned programme	76%	84%	95%
2	Priority 1 recommendations implemented at follow up	100%	93%	95%
3	Benefit fraud cases completed and accepted for prosecution	12	45	50
4	Benefit overpayments recovered (including POCA and confiscation awards)	£65.4k	£265.8k	£250k

## 13. Internal Audit work – Deloitte and Touche contract

13.1 The activity of Deloitte and Touche for the fourth quarter of 2011/12 to date is detailed at Appendix A. Deloitte and Touche planned to deliver 250 days of the 2011/12 annual audit plan (1000 days) during the fourth quarter. Deloitte and Touche actually delivered 190.5 days audit work during the quarter, which is 76% of the planned work. To date, 84% (842 days) of the annual planned programme of 1000 days has been completed as at 31 March 2012. This is below the planned target of 95%, as a result of some projects being deferred to late in the fourth quarter and therefore the projects could not be finalised during the financial year. Deloitte and Touche are only paid on the completion of each project and it is expected that the remaining days will be delivered and projects finalised during April and May 2012. Ongoing monthly contract monitoring reviews ensure that performance levels are kept under review.

13.2 Members of the Corporate Committee receive detailed summaries of all projects for which a final report has been issued on a monthly basis to allow for any issues to be considered in a timely manner. Appendix A provides a list of all final reports which have been issued during the quarter, together with detailed summaries of the findings and recommendations of those reports which received a 'limited' assurance rating.

13.3 Appendix A also provides detailed summaries of all recommendations which were previously recorded as outstanding at the time of the follow up audit work. Members have been monitoring the progress and implementation of these at the previous Audit Committee meetings to ensure that managers were



## **Haringey Council**

taking appropriate action to address outstanding recommendations. Only two recommendations from prior years remain outstanding, both are priority two recommendations and no high priority recommendations remain outstanding: 2009/10 – two Priority 2 recommendations remain partly implemented. Work is ongoing to address these and internal audit is satisfied that managers' actions are appropriate to manage these lower priority risks facing the Council. Internal Audit will continue to monitor implementation of recommendations to ensure appropriate actions are taken to mitigate identified risks. 2005/06 – one Priority 2 recommendation has been reported as implemented by service management, although internal audit have not yet been able to confirm this by testing. This will be completed and reported to the Corporate Committee in 2012/13.

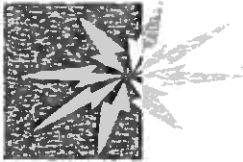
13.4 A summary of all follow up audit projects for 2010/11 work which have been undertaken is also included in Appendix A (pages 9-11). We have followed up on 111 recommendations to date and found that 95 have been implemented, 7 are no longer applicable, two are in progress, and five recommendations had not reached their due date. Overall, a compliance rate of 93% has been achieved for the third quarter and 100% in relation to Priority 1 recommendations. One Priority 1 recommendation followed up to date, where the deadline for implementation has passed, remained partly implemented and details of this are contained in Appendix A (page 13).

13.5 As previously requested, Appendix A also includes details of the follow up work completed at individual schools. During the fourth quarter, one school was visited and the outcomes contained at Appendix A. Internal Audit were satisfied with the school's action plan to fully address those recommendations which were already in progress and this will be monitored to ensure completion during 2012/13.

### **14. In-house Team – Fraud investigation/Pro-active work**

14.1 In accordance with the Council's Constitution, Internal Audit investigates all cases that fall outside the remit of the Housing Benefit Fraud Investigation Team and the Council's Information Security Policy. Appendix B details the individual cases that were completed by the In-house Team in 2011/12 and any which were brought forward from 2010/11, relating to Council employees. The listing at Appendix B also includes any referrals made using the Council's whistle blowing policy which were investigated by Internal Audit. During the fourth quarter, no whistle blowing referrals were made.

14.2 Within the fourth quarter, five cases were referred to Internal Audit for investigation relating to permanent and temporary employees. Three cases were completed during the quarter involving Council employees. Internal Audit work closely with officers from personnel and the service involved to ensure that the investigation is completed as quickly as possible.



## Haringey Council

14.3 The section has been working with Homes for Haringey and the Strategic and Community Housing Service to develop an approach to target and investigate housing and tenancy fraud during 2011/12. The Audit Commission estimate that each fraudulent tenancy costs councils an estimated £18k in temporary accommodation and other associated costs. Since April 2011, the team has completed fraud awareness training for Council and Homes for Haringey staff and put an agreed referral and investigation process in place. This has also been extended to six of the Council's key Registered Providers of social housing.

14.4 As at 31 March 2012, 108 referrals of suspected tenancy fraud have been received (68 received to 31 December 2012) and Table 2 below summarises the source of these referrals:

**Table 2**

<b>Referrals Received From:</b>	<b>Number</b>
Tenancy Management Officer	58
Fraudcall (free phone referral number)	14
Registered Providers	7
Member of the Public	6
Joint investigation with Housing Benefit Fraud	5
Education Welfare Service	4
National Fraud Initiative	4
Police	3
Other Local Authority	3
Haringey Councillor	1
Legal Services	1
Haringey Staff	1
Customer Services Centre Staff	1
<b>Total</b>	<b>108</b>

14.5 Eleven Haringey properties, including two fraudulent tenancy succession applications, have been recovered and the keys returned, so the tenancies can be allocated to tenants in accordance with the Council's lettings policy. In addition, two Registered Providers' properties have also been recovered. Advice on succession applications has been given in four cases and recommendations for further action have been made by the Corporate Anti-Fraud Team to the Tenancy Management Teams in nine further cases.

14.6 Investigations are ongoing in 54 cases; and 28 cases which have been referred to the team in 2011/12 resulted in no further action being taken. Feedback on the outcomes of cases is provided to housing and Homes for Haringey staff to show the positive outcomes resulting from their referrals.



## **Haringey Council**

### **15. Housing Benefit Fraud Investigation**

- 15.1 During the fourth quarter, the HB Fraud team completed investigations on twelve benefit fraud cases and submitted these for prosecution at crown court. Three of these were submitted via Legal Services and nine were submitted as joint prosecutions with the DWP. In the year to date, the team has submitted 45 cases for prosecution and has had 33 cases heard, all decisions made in favour of the Council. Of the twelve cases still to be heard, five have court dates already booked for 2012/13, one is awaiting a court date, four have outstanding Bench Warrants, and two cases are awaiting information from other agencies. The team had an annual target of 50 prosecution cases and the total submitted for prosecution fell just short of this. However, the number is significantly higher than the total prosecutions achieved in 2010/11 (21 cases).
- 15.2 In the fourth quarter, twelve cases were heard at crown court, including three prosecuted via Legal Services. All twelve prosecution cases found in favour of the Council. All cases identified that an overpayment had been fraudulently obtained by the claimants. The total overpayment identified for the twelve cases was £150.3k, of which £65.4k (44%) has already been recovered.
- 15.3 Overpayment plans are in place to recover the remaining amounts and to date £265.8k of overpaid benefits have been recovered, which represents 34% of the total amount of fraud (£783.4k) identified in the prosecution cases and exceeds the target of £250k for 2011/12. The team will be working with the HB recovery team and Legal Services going forward to ensure that all options for recovery are considered when fraud has been proven.

### **16. Council-wide disciplinary statistics**

- 16.1 Appendix C details the number of disciplinary suspensions and/or action taken in the fourth quarter of 2011/12. The data is taken from SAP and the information has been provided by the Council's Human Resources business unit in line with Council statistics reported elsewhere.
- 16.2 During the quarter, the number of disciplinary cases investigated was 39, with 21 remaining 'open' at the end of the quarter. The average length of time taken to resolve disciplinary cases in quarter four was 55 days, which represents a decrease of 7 days compared to the third quarter of 2011/12, and is the lowest average over the previous four quarters.





**Internal Audit  
Quarter 4 Internal Audit Report  
2011/2012  
London Borough of Haringey**

**Deloitte & Touche Public Sector Internal Audit Ltd.  
April 2012**

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## Executive Summary

### Introduction

This is our fourth quarter report to the Corporate Committee for the 2011/12 financial year including details of all reports which are now at final stage. The report provides information on those areas which have achieved full or substantial assurance and gives an indication of the direction of travel for key systems work which will provide Members with information on how risks are being managed over time. The format of this report is also designed to highlight the key risks facing individual departments and the Council which have been identified during the course of our internal audits. A more detailed summary of the limited assurance audit findings is included for information. The report draws together the summary information which is provided on a monthly basis to Members of the Corporate Committee. Members of the Committee will also be provided with full copies of our audit reports upon request.

All recommendations are agreed with Council officers, and any disputes are discussed prior to the final report being issued. All recommendations to address any control weaknesses highlighted within this report have been agreed. Officers' actions to address the recommendations, including the responsible officer and the deadline for completion, are fully detailed in the individual final audit reports.

The attached tables reflect the status of the systems at the time of the audit, and recommendations may already have been implemented by Council officers by the time the final report is issued and reported to the Corporate Committee.

As a reminder, our recommendations are prioritised according to the following categories:

- |                   |   |   |
|-------------------|---|---|
| <i>Priority 1</i> | - | major issues for the attention of senior management |
| <i>Priority 2</i> | - | other recommendations for local management action   |
| <i>Priority 3</i> | - | minor matters and/or best practice recommendations  |

### Key Highlights/Summary of Quarter 4 2011/12 – Final Reports issued:

- Noel park Children Centre 2011/12;
- Accounts Payable (Creditors) 2011/12;
- School Admissions and Place Planning 2011/12;
- Houses in Multiple Occupation Licensing Arrangements 2011/12;
- Use of Petty Cash (CYPS) 2011/12;
- Treasury Management 2011/12;
- NNDR 2011/12;
- Corporate Savings & Efficiency Programme 2011/12;

- Section 106 Income & Resources 2011/12
- Stonecroft Children Centre 2011/12;
- Pension Fund Investment 2011/12;
- Leisure Services Income 2011/12;
- Public Realm Contract – Finance & Reconciliation 2011/12;
- Equality Impact Assessment and Compliance with Equality Act 2010 2011/12; and
- Server Virtualisation 2011/12.

### **Delivery of 2011/12 Internal Audit Plan**

As part of the 2011/12 Internal Audit Plan, we have continued our planning work with regards to agreeing the scope and start date for individual audits. Draft reports have been issued for the following audits:

- Strategic Financial Management and Budgetary Control;
- Accounting & General Ledger;
- Public Realm Contract – Contract Management;
- Parking Services – Financial;
- South Grove Children Centre;
- Payroll; and
- Value for Money.

The above list does not include schools which have been visited in Quarter 4.

### **Follow Up of Prior Years' Recommendations**

The results of our follow-up work are as follows:

#### **2005/06**

Management have confirmed the actions taken to address the issue identified in the recommendation. Although we have marked this recommendation as implemented, we will undertake appropriate testing in April or May (depending on the relevant officers' availability) to confirm completion of the action before closing the recommendation.

#### **2009/10**

Two Priority 2 recommendations remain outstanding; work is ongoing to address these.

**2010/11**

To date we have followed up 111 recommendations raised in 2010/11 and the results of our work are as follows:

- Implemented – 95 (85.9 %);
- Partly implemented – 2 (1.8%);
- Not due for completion – 5 (4.5%);
- No longer applicable – 7 (6%); and
- Not implemented – 2 (1.8%).

We have followed up on the 11 recommendations raised in our probity audit report issued in September 2010 to Chestnuts Primary School. It was found that two recommendations have been implemented, eight recommendations have been partly implemented and one recommendation has not been implemented.

## DELOITTE INTERNAL AUDIT - QUARTERLY AUDIT REPORT 2011/12

## APPENDIX A

### Audit Progress and Detailed Summaries

The following table sets out the audits finalised in Quarter Four of 2011/12 financial year, and the status of the systems at the time of the audit. It must be noted that the recommendations may already have been implemented by Council officers by the time the final report is issued and reported to the Corporate Committee.

Detailed summaries of all audits which do not receive 'Full' or 'Substantial' assurance ratings are also provided for Members' information.

2011/12	Audit Title	Date of audit	Date of Final Report	Assurance Level	Direction of Travel	Number of Recommendations (Priority)		
						1	2	3
	Noel Park Children Centre	November 2011	21/12/11	Substantial	N/A	0	2	0
	Accounts Payable (Creditors)	October 2011	28/12/11	Substantial	↔	0	2	0
	School Admissions & Place Planning	August 2011	28/12/11	Substantial	N/A	0	1	1
	Houses in Multiple Occupation Licensing Arrangements	October 2011	04/01/12	Substantial	N/A	0	0	1
	Use of Petty Cash (Children & Young People Service)	October 2011	05/01/12	Substantial	N/A	0	2	0
	Treasury Management	November 2011	08/02/12	Substantial	↔	0	1	1
	NNDR	December 2011	22/02/12	Substantial	↔	0	0	2
	Corporate Savings & Efficiency Programme	September 2011	29/02/12	Substantial	N/A	0	0	0
	Section 106 Income & Resources	December 2011	29/02/12	Substantial	N/A	0	1	0
	Stonecroft Children Centre	January 2012	29/02/12	Substantial	N/A	1	3	0
	Pension Fund Investment	January 2012	09/03/12	Substantial	←	0	2	1
	Leisure Services Income	October 2011	09/03/12	Substantial	N/A	1	2	1
	Public Realm Contract – Finance and Reconciliation	October 2011	16/03/12	Substantial	N/A	0	1	0

**DELOITTE INTERNAL AUDIT - QUARTERLY AUDIT REPORT 2011/12**

**APPENDIX A**

Audit Title	Date of audit	Date of Final Report	Assurance Level	Direction of Travel	Number of Recommendations (Priority)		
					1	2	3
Equality Impact assessment and Compliance with Equality Act 2010	October 2011	20/03/12	Substantial	N/A	0	1	0
Server Virtualisation	February 2012	27/03/12	Substantial	N/A	0	2	1

As part of the 2011/12 Internal Audit plan we have visited the following schools in Quarter 4 and completed a probity audit, for which a final report has been issued.

School	Audit	Report Date	Assurance Level	Number of Recommendations (Priority)		
				1	2	3
The Willow (previously Broadwater Farm) Primary School	November 2011	10/02/12	Limited	1	9	1
South Harringay Junior School	November 2011	23/02/12	Limited	6	9	3
Muswell Hill Primary School	November 2011	02/03/12	Limited	3	9	1

Detailed Progress Report – Implementation of Recommendations 2005/06

Ref	Recommendation	Priority	Original Deadline	Progress/Status
<b>ADULTS, CULTURE &amp; COMMUNITY SERVICES (Now Place &amp; Sustainability)</b>				
<b>Torex Leisure Management System</b>				
1	<p>Management should contact the software suppliers with a view to investigating whether and how 'failed logon attempts' can be included in the existing Audit Trail logging, as are successful logons and logouts currently.</p>	2	Ongoing	<p><b>Implemented</b>  <i>Management Update 4 April 2011:</i>                      Version 9.6 of the software has now been released on the market. A project has been set up within the Council to implement it. It is planned that it will be implemented within the next 3-6 months.</p> <p><i>Management Update 5 October 2011</i>                      The status is as before, the project has been delayed and progress is expected within the next few months. Corporate IT are seeking to prioritise resourcing delivery of the scheme before Dec 2011. If this is not feasible, the issue will be picked up in the Leisure Transfer process with the new operator. Related current residual risk is low.</p> <p><i>Management Update 3 January 2012</i>                      This is still in progress and the status is as before. The Leisure Transfer process with the new operator is expected to address the issue highlighted in the recommendation.</p> <p><i>Management Update 19 April 2012</i>                      On 25/01/2012 the system was upgraded to version 9.6, which supports logging of failed login attempts – this logging is now active.</p> <p><b>Internal Audit Comments:</b>                      Although the management update on 19.4.12 indicate that the issue has been addressed, we will complete testing to confirm that failed login attempts are logged before closing the recommendation.</p>



Detailed Progress Report – Outstanding Recommendations 2009/10

Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
<b>CORPORATE RESOURCES</b>				
<b>IT AUDIT - PLANNING &amp; CONTROL APPLICATION</b>				
1	<p>A procedure should be established to reconcile payments received from the Planning Portal and iPlan as well as e-Forms on the Haringey website and iBuild application via the Haringey e-Payments system. This should ensure that all payments received via the Cash Receipting interface are reconciled to the Planning Portal application and e-Forms.</p>	2	31 August 2010	<p><b>Partly Implemented:</b>                      Implementation date is unclear at present due to costs involved, however, in the interim a workaround has been developed whereby before applications are formally completed, SAP is checked for payments received.</p> <p><b>Management Update 5/10/2011</b>                      The status is as reported above. The issue has been reported to the supplier but progress is dependent on the prioritisation by the supplier and this would depend on demand from all their customers, unless the Council was to commission the work specifically.</p> <p><b>Management Update 3 Jan 2012</b>                      The status is as reported above. The Applications Solutions Manager confirmed that this has not been treated as high priority by the supplier and it would not be cost effective for the Council to commission the work independently.</p> <p><b>Management Update 19 April 2012</b>                      The status is as reported above. Progress is still dependant on prioritisation and cost effectiveness. Deadline date review 18 July 2012</p>

DELOITTE INTERNAL AUDIT - QUARTERLY AUDIT REPORT 2011/12

APPENDIX A

Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
2	<p>The current audit trail in place on the iPlan and iBuild application should be reviewed to ensure audit trail functionality specifies the tables required for auditing. This should be completed with management to help ensure that all system activity is recorded for the following areas:</p> <ul style="list-style-type: none"> <li>• Changes to system files or fields;</li> <li>• User access to the system; and</li> <li>• Unauthorised access attempts and user lockouts.</li> </ul>	2	31 August 2010	<p><b>Partly Implemented:</b></p> <p>It has been agreed that this recommendation is not going to be implemented at this time due to the way that the i-LAP is configured. However, as with the input controls above, an enhancement request based upon the recommendation will be submitted.</p> <p><b>Management Update 5/10/2011</b></p> <p>The status is as reported above. The issue has been reported to the supplier but progress is dependent on the prioritisation by the supplier and this would depend on demand from all their customers, unless the Council was to commission the work specifically.</p> <p><b>Management Update 03/01/2012</b></p> <p>The status is as reported above. The Applications Solutions Manager confirmed that this has not been treated as high priority by the supplier and it would not be cost effective for the Council to commission the work independently.</p> <p><b>Management Update 19 April 2012</b></p> <p>The status is as reported above. Progress is still dependant on prioritisation and cost effectiveness. Deadline date review 18 July 2012</p>

Follow Up Table – 2010/11 Audit Work

AUDIT AREA	Assurance Level	Recommendations										Priority 1 Recs. Outstanding											
		Category			Implemented			Not Implemented															
		1	2	3	Total	1	2	3	Total	N/A	Not Imp.		In Progress	Not due									
<b>Corporate Resources</b>																							
Use of Consultants (Procurement audit)	Limited	3	1	0	4	3	1	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management of Out of Hours Telephone Contact Service	Substantial	1	5	0	6	1	5	0	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BLT risk register – testing of key controls	Substantial	0	4	1	5	0	4	1	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Disposals/ sales of properties (Risk Register CR05)	Substantial	0	3	1	4	0	3	1	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Use of corporate purchase/ credit cards	Substantial	1	3	2	6	1	3	2	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Use of waivers	Substantial	1	4	1	6	1	3	1	5	1	0	0	0	0	0	0	0	0	0	0	0	0	0
Accounts Payable (Creditors)	Substantial	1	0	1	2	1	0	1	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accounts Receivable (Debtors)	Substantial	0	1	1	2	0	1	0	1	0	1	0	1	0	1	0	0	0	0	0	0	0	0
National Non Domestic Rates	Substantial	0	2	0	2	0	1	0	1	0	1	0	1	0	0	0	0	0	0	0	0	0	0
Treasury Management	Substantial	0	0	1	1	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0
<b>Corporate Resources - IT</b>																							
Framework-i to SAP Payments Interface	Substantial	0	5	2	7	0	2	1	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Children &amp; Young People's Service</b>																							
Catering Services	Substantial	0	7	2	9	0	5	2	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BSD risk register – testing of key controls	Substantial	2	0	0	2	2	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transport Services – Compliance with Financial Regulations	Substantial	1	5	0	6	1	5	0	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0

DELOITTE INTERNAL AUDIT - QUARTERLY AUDIT REPORT 2011/12

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AUDIT AREA	Assurance Level	Recommendations											Priority 1 ReCs. Outstanding			
		Category			Implemented				Not Imp.							
		1	2	3	Total	1	2	3	Total	N/A	Not Imp.	In Progress		Not due		
Leaving Care Services – Cash handling procedures	Substantial	0	6	1	7	0	6	1	7	0	0	0	0	0	0	0
Commissioning and Placements (No recourse to public funds service – cash handling	Substantial	0	3	1	4	0	3	1	4	0	0	0	0	0	0	0
<b>Adult &amp; Housing Services</b>																
Strategic & Community Housing Services (Risk Register UE06)	Substantial	0	3	0	3	0	2	0	2	0	0	0	0	0	1	0
Framework I Disaster Recovery Exercise	Substantial	0	1	0	1	0	1	0	1	0	0	0	0	0	0	0
Day Centre Transport	Substantial	0	4	2	6	0	4	2	6	0	0	0	0	0	0	0
Safeguarding Adult Services	Substantial	1	2	0	3	1	2	0	3	0	0	0	0	0	0	0
Domiciliary Care Contracts	Substantial	0	2	0	2	0	2	0	2	0	0	0	0	0	0	0
<b>Chief Executives</b>																
Health & Safety	Substantial	1	2	1	4	0	2	1	3	0	0	0	0	1	0	1
Data Quality – National Performance Indicators	Substantial	0	1	1	2	0	1	0	1	1	0	0	0	0	0	0
Employee Expenses (including temporary/ agency staff)	Substantial	0	2	0	2	0	1	0	1	1	0	0	0	0	0	0
Translation and Independent Services	Substantial	1	5	0	6	1	5	0	6	0	0	0	0	0	0	0
<b>Urban Environment</b>																
Certificates of Lawfulness	Substantial	0	6	0	6	0	5	0	5	0	0	0	0	1	0	0
CCTV Community Safety Management and Operation (Risk Register UE08)	Substantial	0	1	0	1	0	1	0	0	0	0	0	0	0	0	0
Compliance with corporate procedures – Absence Management	Substantial	0	2	0	2	0	1	0	1	0	1	0	0	0	0	0