

AUDIT SERVICES MONITORING REPORT: THIRD QUARTER 2008/09

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1.0 AUDIT WORK IN THE THIRD QUARTER 2008/09

1.1 Final reports issued

- ICT Security Healthcheck 2008/09
- Training Expenses 2008/09

1.2 Issues arising

The key recommendations are given in Appendix A.

The main issues related to:

ICT SECURITY HEALTHCHECK 2008/09

This audit had been built into the audit plan to meet the CIPFA computer audit guidelines. It was carried out by an external specialized computer auditor, funded from previous underspends arising from audit staffing vacancies. The audit also helped to confirm progress towards ensuring compliance with the Government Code of Connection, which will be required in order for the Benefits section to continue accessing the Department of Work and Pensions systems in 2009/10. Arrangements were found to be satisfactory, with the following main areas still to be addressed:-

- Introduction of encryption for devices linked to the network and for passwords supporting web based systems;
- Use of dual factor authentication as protection against unauthorized remote access to the network;
- Implementation of Information security incident reporting procedures;
- Ensuring that the network is not placed at risk through unauthorized access by use of hand held and laptop devices.

TRAINING EXPENSES 2008/09

The main issues related to data protection training, information classification and clear desk policies. These issues all tie in with the requirements of the Government Code of Connection, which covers all data security – not simply data held on computer systems. These issues need to be addressed corporately and the intention is for the ICT Manager to give corporate presentations on the requirements to raise awareness with Members and all staff.

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1.3 Follow-up audits

A running progress report is kept of all Priority 1 and 2 recommendations outstanding. All outstanding audit recommendations, including all recommendations made in reports issued in this quarter, are now input on to the Covalent System performance software. This will streamline the monitoring process. All those key recommendations still outstanding, with a target date up to 31 December 2008, are detailed at Appendix B. These were also considered by Corporate Team on 12 January 2009.

1.4 Issues arising from outstanding recommendations

- Managers are now completing their own progress on the Covalent System, with audit carrying out “reality checks”, particularly on the main systems which are audited on an annual basis.
- Eighteen long-standing recommendations have been implemented since we reported last quarter. Progress has been made on a further eleven recommendations. However, there has been little progress on the Finance department recommendations, as priority has been given to work on closure of the Accounts and to preparation of the 2009/10 budget.
- Corporate Team reviewed progress on the outstanding recommendations at their meeting on 12 January. It was pointed out that most of the outstanding recommendations should have been implemented from 2007/08 onwards. This coincided with a time when there were large numbers of vacant posts throughout the Council. Heads of Service will now prioritise the implementation.

2.0 EXTERNAL AUDIT

2.1 There have been no external audit reports issued in this quarter.

3.0 INTERNAL AUDIT PERFORMANCE AGAINST AUDIT PLAN

3.1 We achieved 43% of planned audit work as at 31 December 2008, compared to the target of 90%. A summary of the audit performance measures for the first quarter is attached at Appendix C. The significant slippage against plan has been caused by the Audit Manager acting up as Head of Finance for the whole of the 2nd quarter and by the remaining audit staff carrying out detailed testing relating to the closure of the 2007/08 Accounts. Work on the Final Accounts continued in the third quarter to the beginning of November and subsequently while the Accounts were subject to external audit.

3.2 The Audit Manager will ensure that any transactions she has authorized as acting Head of Finance will be audited by another auditor. The work of the other auditors will not compromise audit independence, as their work on the

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final accounts related to 2007/08 transactions. Future systems work will be on the 2008/09 transactions.

4.0 STAFFING ISSUES

4.1 The Audit Manager was back in post as from 13 October and all other audit posts are filled. The Audit Technical Officer recruited this year began studying for the Association of Accounting Technicians (AAT) qualification and took the first exam in December. This will be a 3 year course.

5.0 OTHER AUDIT WORK

5.1 Work has also been undertaken on:

- Beacon – Cash & Banking
- Cash Receipting
- Council Tax
- Benefits
- Non-Domestic Rates

5.2 Reports on the above audits will be issued in the final quarter.

6.0 CONCLUSION AND RECOMMENDATION

6.1 There has been significant slippage against the audit plan due to problems with closing the 2006/07 and 2007/08 Accounts and the Accountancy staff vacancies. Work has started on the main financial systems and these will be given priority for the rest of the financial year. It is expected that this will overrun to the end of April 2009.

6.2 It is recommended that Members note this report.

List of Appendices: Appendix A – Key Findings
Appendix B – Outstanding Key Recommendations
Appendix C – Performance Indicators

Background papers: None

Consultees: Corporate Team
Management Group [on Appendix B]

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[**Bold text in brackets shows the management response**]

P1 & P2 AUDIT RECOMMENDATIONS ONLY

INFORMATION & COMMUNICATIONS TECHNOLOGY (ICT)
SECURITY HEALTHCHECK 2008/09

- (P2) That the ICT Department locate the Network Access and Control Policy, and supporting risk assessment documentation, and file them in an appropriate folder in the Council's Sharepoint electronic library system.
[**ICT have created an Electronic Document Management System (EDMS) and all supporting documents, procedures and policy are being transferred to the EDMS.**]
- (P2) That ICT and HR agree a process whereby ICT are informed of new starters, and their access requirements, and of leavers in advance so that suitable timely access can be provided and redundant access promptly removed.
[**ICT Helpdesk changed to notify ICT on end of contract, new policy in place to capture end of contract date for short term staff. There is no formal policy for HR to be notified of new starters in departments where, e.g., these are agency staff. Where IT are requested by managers to set up new users who are agency or contract staff, they will notify HR.**]
- (P2) That ICT remind remote users to save information on the storage areas allocated to them on the G:drive and not to save onto the Terminal Services Server; guidance on this should be included as part of a user best practice document.
[**Group Policy to re direct "my documents" to shared G drives. Ongoing updates to remote access include 2008 terminal services removing the ability to store files on terminal services server. Application rights and local rights have been audited. The need to run Academy application necessitates raised local security to terminal services server. ICT to create a best practice guidebook for end user education.**]
- (P2) That as part of ICT planning to meet the Code of Connection (COCO) requirements, an exercise be established to check whether local administration rights are required to run each application. If the exercise determines that systems cannot be run without local administrator rights, then a business case should be produced explaining this requirement.
[**ICT have audited all applications and identified those that will not run with restricted local security rights on pc's and laptops. IT are investigating solutions and work arounds.**]
- (P2) That ICT, the Head of Customer Services and Capita agree a protocol to enable Capita to access the network via the Council's SLL VPN solution. If this is not possible, then the ICT Manager should assess what action is required to ensure compliance with the Code of Connection requirements.

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

ICT should request a copy of the signed Acceptable Usage Policy from HR or departments and, if this is not available, send a copy to the relevant contractor/external suppliers with a copy of the Information Security Policy and ask each to complete and sign.

[Capita state they do not want to use SSL-VPN solution as per their support contract. IT manager will review contract.

Requested a copy of policy, signed by external supplier, from Head of Service (Sept 08). Reminder to be sent. Will then follow up direct to supplier, if necessary.]

- (P2) That dual factor authentication be introduced as mandatory for all remote users, including external service suppliers.

[To Meet COCO requirements, all remote access will require dual factor authentication. This will be mandatory.]

- (P2) That arrangements be finalised for the commissioning of suitably qualified external penetration testers. All testing records and subsequent changes to the firewall should be formally documented and retained within an appropriate folder within Sharepoint.

[ICT have requested quotes from a number of CIS compliant companies to provide penetration testing.]

- (P2) That the current remote access to the network via Blackberry equipment should be discontinued unless suitable strong authentication of users can be applied. Should this requirement be met, there should be a formal procedure for authorising Blackberry use and allocating to staff and Members, including guidance on secure use.

[Not possible to discontinue the use of Blackberry's.

ICT have followed the guide lines in "CESG Security Procedures Blackberry Enterprise Solution Administrators Version 1.4" and "CESG Security Procedure Blackberry Enterprise Solution Users Issue 1.3" to meet and exceed COCO (Government Security requirements). Draft security policy created with sections for mobile phone and Blackberry security and acceptable use.

ICT to create a best practice guidebook for end user education.]

- (P2) That the Council agree and issue Information Security Incident Reporting and Management Procedures.

[COCO requirement new security policy addresses this. Procedure created and will also be written into the best practice guide book. Council to adopt formal reporting of security incidents to GovCert.]

- (P2) That the threats and control requirements associated with encryption of data be subject to risk assessment and current or proposed controls recorded in the ICT Risk Assessment and the Network Access and Control Document.

[ICT will undertake a risk assessment, document controls and store in ICT EDM.]

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

- (P2) That, as proposed by the ICT Manager and to ensure compliance with the Code of Connection requirements, software should be introduced to encrypt information on devices linked to the network and to manage and audit the use of these devices. Suitable procedures should be produced to support the use of this software.
[ICT have requested quotes for Safeend endpoint security management software. ICT will purchase and install Safeend security to audit, encrypt and secure all removable storage devices. Safeend has now been installed and both the Fraud section and Customer Services department will use it from 2nd January 2009. The new security policy addresses this requirement.]
- (P2) That to enable users to identify information requirements for secure transmission and ensure that the correct processes are followed, the following be provided:
- Information Classification Policy, which should include reference to requirements for electronic communications;
 - Classification by Data Owners of information under their control in line with policy;
 - Policy/procedures associated with a secure email service.
- [COCO requirement that all information must be subject to classification marking once it's removed from native systems/applications. A Council wide Policy is required.]**
- (P2) That the role of Information Security Manager should be formally recognized and appropriate resources be made available. The role should include reviewing logs associated with privileged and sensitive activities.
[An Information Officer should be a council-wide requirement. No such post currently exists within the Council. It covers manual, as well as IT, information. There is no provision in the 2009/10 budget build for this post.]

TRAINING EXPENSES 2008/09

- (P2) That employees that have not received data protection training attend the next available course, run in-house, by the Head of Legal & Democratic Services.
[As recommendation, employees to attend next available course in 2009.]
- (P2) That all employees are made aware of data retention, information classification and clear desk policies.
[As recommendation, information emailed to staff.]
- (P2) That the authorised signatory list is kept up to date by Heads of Service to comply with the Financial Regulations of the organisation.

KEY RECOMMENDATIONS FROM REPORTS ISSUED
[Bold text in brackets shows the management response]

[Email circulated by Audit Services to Heads of Service.]

- (P2)** That, to help detect errors such as the underpayment found, a spot check of data input to the SAGE system should be carried out periodically, by an officer independent of the inputting officer. **[Checks to be made quarterly.]**


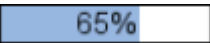
Audit Recommendations - Overdue



Report Author: Audit1 Officer
 Report Type: Action Report
 Generated on: 22 January 2009





Parent Code & Title: **AR-C Corporate**

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-C_06 There needs to be full compliance with the revised Complaints Procedure issued in October 2005. Further training to be given on this		Head of Customer Services		30/04/2007	Statement on Internal control	<p>18/12/2008 It is planned to purchase the new Covalent complaints system to go live prior to the new year. Any associated training will happen as part of the implementation</p> <p>07/10/2008 It has been established that the new CRM will not provide a full solution. Other IT solutions being pursued.</p> <p>03/01/2008 It has now been decided to hold on developing the internal complaints system to evaluate the functionality of the new CRM</p>

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-C_07 Quarterly performance discussions held with the Service Heads and Directors should be formally documented and available for review.		Head of Policy & Performance		30/06/2007	Statement on Internal Control	<p>09/01/2009 Reminders sent to managers of how to attach relevant documents to Covalent as record of quarterly performance meetings.</p> <p>13/10/2008 Further reminders sent to managers about using Covalent for recording quarterly performance discussions.</p> <p>02/04/2008 Some notes are now lodged on Covalent. Further reminders needed particularly with managers new to Council.</p> <p>13/07/2007 Revised guidance issued 3 & 10 July 2007. Reminder email sent 13 July.</p>


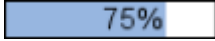
Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-C_08 Statement of Accounts 2006/07 not signed off / published, due to an objection.	1	Head of Finance & Management Information Systems		30/06/2008	Corporate Governance 2007/08	<p>03/12/2008 A letter was received from the Audit Commission on 30/10/08 to say that provisional views have been formed but the objection has not yet been decided. The 2006/07 amended Accounts are currently being audited.</p> <p>12/05/2008 The Audit Commission is still considering the objection. Once this has been finalised and the Accounts signed off, they will be approved and published.</p>

Parent Code & Title: **AR-CS Customer Services**


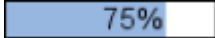
Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-CS_26 That additional training sessions should be held, once the Sundry Debtors Handbook has been updated, for all employees involved in the Sundry Debtors process to ensure that they are all aware of their roles and responsibilities.		Head of Customer Services		30/09/2007	Sundry Debtors	<p>13/01/2009 We have a meeting arranged for 22 Jan with Finance to organise required training</p> <p>18/12/2008 Still waiting for legal to agree the amended handbook and accountancy to deliver some joint training</p> <p>09/10/2008 --enter new status update--</p> <p>09/10/2008 The system is to be upgraded 14/15 Oct and then Accountancy are to do some more training. The revised handbook is to be supplied at that training.</p> <p>07/10/2008 Joint meeting between Recovery and Legal planned for 8 October to move this closer to completion.</p> <p>25/06/2008 Recovery Sections of Handbook have been completed passed to Legal Section for them to update their area of the work</p> <p>04/04/2008</p>

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
							Training has been completed. Progress is being made on the handbook.


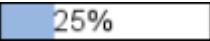
Parent Code & Title: **AR-F&MIS Finance & Management Information**



Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_001 That performance reports link performance / outputs with financial budgets / expenditure.		Head of Finance & Management Information Systems		30/09/2004	Corporate Governance 04/05	<p>01/12/2008 Accountancy Services Manager will be in post on 15 December 2008, along with the Financial Accountant. Priorities will then be reviewed.</p> <p>02/10/2008 No further work on this pending closure of accounts and filling of vacant posts (2 Accountants)</p> <p>11/04/2008 Management Accounting Working Group met 19/3/08 to determine basis identifying cost drivers to be used for measuring performance. Initial meeting held with Policy to agree piloting of cremations, penalty notices, car parking penalty notices and dog fouling. Once agreed, basis will roll out to all other service plan objectives and corporate plan objectives. This will be a continuous</p>

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							<p>drivers for performance monitoring purposes.</p> <p>03/10/2007 Financial Planning Guidance has been issued as part of a new process for the 2008/09 budget build, based on corporate priorities and outputs. New budget monitoring procedures from end of Sept. 2007 include expenditure projections to year end. Further developments to continue.</p> <p>22/06/2007 Service Plans for 2007/08 now include resource planning.</p>


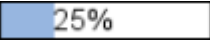
Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_003 That formal training sessions should be given on the Security Policy		IT Manager		30/12/07	IT Network controls	<p>21/01/2009 ICT Policy to go before Corporate Team, training sessions will be rolled out on implementation of this new policy. Revised completion date for action 27/02/09</p> <hr/> <p>05/01/2009 IT Manager has produced COCO (GCSX) compliant security and acceptable use policy with an accompanying good practice guide for all security aspects. Head of MIS to present to Corporate Team the updated Security Policy.</p> <hr/> <p>01/12/2008 A full ICT Policy has been submitted to the Head of Service.</p> <hr/> <p>03/11/2008 COCO secure connect will require a rewrite of the ICT and council wide security policy and the addition of a best practice users guide for ICT security. New Policy is now in draft.</p> <hr/> <p>10/10/2008 access has been obtained to a range of software assurance training packages. Education strategy is required to roll out a staff training package to all users covering best practice in the use of I.T.</p> <hr/> <p>02/10/2008 Security Policy rejected by Members & Corporate Management because of wording issues.</p>


Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
							<p>08/07/2008 The amended Security Policy is still with the finance management team before presenting to Corporate Team for approval.</p> <hr/> <p>20/05/2008 The Security Policy has been further amended to cover the security of Data Storage devices, such as memory sticks. The amended document has been forwarded to Finance management team for approval before being presented to the Corporate Team for Final Approval. Once this has been gained the revised policy will be released. The relevant training/awareness can only be given after this final approval.</p> <hr/> <p>21/01/2008 Propose presentation to Management Group by 31/3/08 and to include an item in Team Talk. Will also do a Members' awareness session.</p>



Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_010 That the IT Technical Team Leader, should undertake a full risk assessment of the Council's network, resulting in the production of a Network Access and Control Document.		IT Manager		31/12/2007	IT Network Controls	<p>01/12/2008 The risk assessment is in place.</p> <p>10/10/2008 Original documents not found and a new risk assessment was produced during audit visit 09/10/08, new network access and control document should be produced, these should be seen as corporate documents and approved by senior management and kept in a central filing system</p> <p>02/10/2008 External Computer Auditor in to check controls week beginning 06/10/08</p> <p>08/07/2008 The draft of this document is complete and is now to be checked prior to authorisation.</p> <p>20/05/2008 The draft Network Access and Control document is scheduled for completion by 13/06/2008.</p> <p>21/01/2008 Generic risk assessment done. Further work to be undertaken.</p> <p>03/08/2007 Work in progress</p>





Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_017 TM Manual is finalized by incorporating the missing elements: - inclusion of requirement for committee reports e.g. to include Treasury Management Policy, TM Strategy, Prudential Indicators, designated Money Laundering Reporting Officer & deputy.		Accountancy Services Manager		30/06/2007	Loans and Investments	<p>01/12/2008 The 2 posts will be filled on 15/12/08. The workload will then have to be prioritised.</p> <p>02/10/2008 No further work on this pending closure of accounts and filling of vacant posts (2 Accountants)</p> <p>27/09/2007 TM Manual was revised March 2007 and now includes the requirement for committee reports and the prudential indicators. Still needs to include the TM Policy Statement and the name of the designated Money Laundering Reporting Officer and the deputy. Still in draft, needs to be formally approved by the Head of Finance & Business Development. This is one part of the TM Manual, which will be completed in its entirety by 31/7/08. Ann Fisher to lead on this.</p> <p>02/10/2008 No further work on this pending closure of accounts and filling of vacant posts (2Accountants)</p> <p>02/10/2008 No further work on this pending closure of accounts and filling of vacant posts</p>


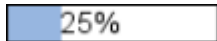


Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
							<p>(2Accountants)</p> <p>18/01/2008 The Manual is yet to be finalised and the Register will then be completed. This is one part of the TM Manual, which will be completed in its entirety by 31/7/08. Ann Fisher to lead on this.</p> <p>02/10/2008 No further work on this pending closure of accounts and filling of vacant posts (2 Accountants)</p> <p>27/09/2007 Latest revision of the manual (March 07) includes the requirement to monitor interest rates on a daily basis at Appendix C2 at para. 1.1.1. However, this appendix now needs to be updated re Authorised Officers at para. 1.2.1.</p>


Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	<p>AR-F&MIS_023 Reconciliations should be performed & reviewed in a timely manner e.g. reconciliation should be performed by say the 20th of the following month of the month end that the reconciliation period covers & the review should take place, within 2 wks of that date</p>		<p>Accountancy Services Manager</p>		<p>30/06/2007</p>	<p>Loans and Investments</p>	<p>22/01/09 Control accounts a priority for Qtr 4 to ensure integrity of Final Accounts. Aim - to reconcile to end of Feb 09 by end of March 09.</p> <hr/> <p>03/12/2008 2 posts to be filled 15/12/08</p> <hr/> <p>01/12/2008 The 2007/08 reconciliations were done for Final Accounts but the reconciliation of 2008/09 transactions has lapsed.</p> <hr/> <p>02/10/2008 No further work on this pending closure of accounts and filling of vacant posts (2 Accountants)</p> <hr/> <p>18/01/2008 2007/08 reconciliations will be completed by end of April, in line with final accounts timetable. 2008/09 reconciliations will continue to be carried out in accordance with recommendations, with ad hoc reviews taking place throughout the year.</p>


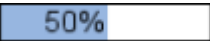
Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_030 That staff who have not attended a Data Protection course, should attend one of the in-house sessions being run in 2007/08.	2	Accountancy Services Manager	<div style="border: 1px solid black; padding: 2px;">0%</div>	31/07/2007	Creditors System 2006/07	<p>01/12/2008 Requested that Accountancy be notified when the next training sessions are run.</p> <p>02/10/2008 Unable to attend 2008 sessions to date.</p> <p>02/10/2008 to be addressed with appointment of new Head of Finance.</p> <p>09/07/2008 New SLA drawn up - withheld at request of Head of P & P - draft service specification issued - impossible to reallocate charges to other service units as opportunity not given in budget build process - will have to wait until such time as council policy dictates.</p> <p>14/01/2008 New target date of 31/01/08</p> <p>30/07/2007 Systems Service Level Agreements to be recalculated for October 2007. Submitted to Chief Executive by December 2007.</p>


Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_041	1	IT Manager		31/12/2007	Financial Systems Interim Report 2007	<p>21/01/2009 new revised due date 31/03/09.</p> <p>05/01/09 Re-organisation for ICT team to duplicate skills and roles. ICT manager to set up full auditing of ICT staff activity to comply with COCO requirements (SEPT 2009)</p> <p>01/12/2008 Mini re-organisation of ICT. Start to be multi-skilled and specialize in one area i.e. server / networks / comms.</p> <p>02/10/2008 To be addressed with appointment of new Head of Finance.</p> <p>09/07/2008 recommend this is reviewed – to avoid reliance on single officer skills. ICT currently has system of duplicating knowledge to provide back up and also promoting multiskilling.</p> <p>11/09/2007 Internal audit, as part of audit testing, already carry out spot checks. ICT responsibilities and experience have been reviewed and training has been put in place to ensure task can be covered and segregated as necessary.</p>


Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_043 The Council needs to ensure that reconciliations between the main accounting system and the housing benefit system are carried out on a regular basis.	2	Accountancy Services Manager		31/07/2007	Financial Systems Interim Report 2007	<p>21/01/2009 Control accounts a priority for Qtr 4 to ensure integrity of Final Accounts. Aim - to reconcile to end of Feb 09 by end of March 09.</p> <p>01/12/2008 No reconciliations for 2008/09 had been carried out as at 1/12/08.</p> <p>02/10/2008 All reconciliations carried out for final accounts 07/08.</p> <p>11/09/2007 Internal Audit confirmed that reconciliations had been promptly carried out as at August 2007.</p>
	AR-F&MIS_049 That an officer, independent of the dealer, should check the written confirmation of investments, to ensure that the principal amount and the calculation of interest is correct and that these match the treasury management records.	2	Accountancy Services Manager		30/11/2007	Loans & Investments 2007/08	<p>01/12/2008 Independent reconciliation of the Treasury Management Records was outstanding as at 1/12/08, due to other duties being given priority.</p> <p>02/10/2008 No progress pending closure of accounts.</p> <p>05/11/2007 This will be done by the officer responsible for cashflow monitoring with effect from 1/11/07.</p>

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_059 That the induction process for new employees should include an awareness of Financial Regulations and the relevant written procedures, where appropriate.	2	Accountancy Services Manager		31/01/2008	Creditors 2007/08	<p>01/12/2008 Financial Regulations documents have been printed for the 2 new Accountancy post holders. This needs to be extended to new starters in all departments, with regular training sessions. Training is in the pipeline for February / March 2009.</p> <p>02/10/2008 No new appointments to date</p> <p>02/10/2008 No progress pending closure of accounts and filling of vacant posts (2 Accountants)</p> <p>30/01/2008 Programme for implementation is still to be agreed, with the introduction of the Marketplace purchasing module.</p>
	AR-F&MIS_066 That the Admin Support Officers mark returned cheques as cancelled when the post is opened, before passing them to the Admin Support Officer who inputs the cancellation on to the Creditors system.	2	Accountancy Services Manager		09/11/2007	Creditors 2007/08	<p>01/12/2008 Separation of duties will need to be considered as part of any restructure or the risk of misappropriation of returned cheques be evaluated and accepted.</p> <p>02/10/2008 Current staffing does not allow separation of duties.</p>


Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_070 That time is taken to review the workload and assign priorities.	2	Accountancy Services Manager	<div style="border: 1px solid black; padding: 2px;">0%</div>	30/03/2008	Creditors 2007/07	<p>01/12/2008 Accountancy Services Manager and Financial Accountant will be in post 15/15/08.</p> <p>02/10/2008 No further action pending closure of accounts and filling of vacant posts (2 Accountants)</p> <p>02/10/2008 No further action pending closure of accounts and filling of vacant posts (2 Accountants)</p>



Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_077 That a supervisory spot check of write offs and cancellations of debt.	2	Accountancy Services Manager		29/02/2008	Sundry Debtors 2007/08	<p>15/10/2008 The Recovery section sends the Accountancy Services Manager monthly reports to review the write-offs. A cancellation report needs to be forwarded for review as from 1/1/09.</p> <p>30/04/2008 Paul Robson to receive write-offs and cancellation report at period end, and check the transactions on system. All write-offs over £1000 to be checked, then one in ten.</p> <p>30/04/2008 Design electronic spreadsheet for completion by Accountancy staff when working on LAA grant administration.</p> <p>02/10/2008 No progress due to closure of accounts.</p> <p>30/04/2008 Accountancy Officer to provide training on how to access TASK for financial information purposes. In the interim, will supply paper based copies.</p>


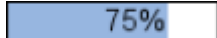


Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_085 That the Acting Accountancy Services Manager resumes use of the spreadsheet scheduling grant claims/returns and checks progress to ensure that deadlines are met.	2	Accountancy Services Manager	<div style="border: 1px solid black; padding: 2px;">0%</div>	31/05/2008	Local Area Agreement Administration Of Grants 2007/08	<p>01/12/2008 Accountancy Services Manager in post 15/12/08. This will need to be a priority to ensure that grant funding requirements are met.</p> <p>02/10/2008 No further progress pending closure of accounts and filling vacant posts (2 Accountants)</p> <p>30/04/2008 Will update and train relevant officers and circulate electronic monitoring statement.</p>



Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_086 That performance is reviewed to ensure that control accounts can be regularly reconciled throughout the year and that the use of the Control Accounts Timetable spreadsheet is reintroduced to facilitate progress monitoring.	2	Accountancy Services Manager	<div style="border: 1px solid black; width: 100px; height: 15px; display: flex; align-items: center; justify-content: center;">0%</div>	30/04/2008	Main Accounting System 2007/08	<p>21/01/2009 Control Accounts a priority for Qtr 4 to ensure integrity of Final Accounts. Aim - reconciled to end of Feb 09 by end of March 09.</p> <p>01/12/2008 Acting Accountancy Services Manager to circulate an e.mail to all Accountancy staff, instructing them to update the Control Account spreadsheet with progress to date. Progress monitoring will then be picked up by the new Accountancy Services Manager as from 15/12/08.</p> <p>02/10/2008 No further progress pending closure of accounts and filling vacant post (2 Accountants)</p> <p>30/04/2008 Timetable to be updated for responsibilities and dates.</p> <p>02/10/2008 No further progress pending closure of accounts and filling vacant posts (2 Accountants)</p> <p>02/10/2008 No progress due to closure of accounts</p> <p>30/04/2008 Helpdesk call has been logged with Consilium on</p>

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
							<p>26/03/08. This will require an amendment to the system. In the short term, Crystal report to be run to identify all journals over £30k so that these can be checked by Senior Accountancy Officer.</p>



Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_090 That all journal transaction types for journals over £30,000 require an independent check and authorization by a senior accountancy officer. [If system cannot enforce this authorization stage, then run a monthly report to verify these transactions].	2	Accountancy Services Manager	<div style="border: 1px solid black; background-color: #4f81bd; width: 50%; padding: 2px;">50%</div>	30/04/2008	Main Accounting System 2007/08	<p>01/12/2008 Not fully implemented to date. However, manual checks are being carried out. Report to be set up and used from 2/01/09.</p> <p>08/10/2008 Reminder email sent to all accountancy staff re the documentation of Journals over 30K, the use of the correct journal i.d JAUD, supporting documentation and authorisation by a senior member of staff.</p> <p>02/10/2008 No progress due to closure of accounts and staff vacancies.</p> <p>30/04/2008 Helpdesk call has been logged with Consilium on 26/03/08. This will require an amendment to the system. In the short term, Crystal report to be run to identify all journals over £30k so that these can be checked by Senior Accountancy Officer.</p>



Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_094 That a business continuity plan is drawn up to manage the risk of loss of skilled staff.	2	Accountancy Services Manager	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: white; display: flex; align-items: center; justify-content: center;">0%</div>	31/07/2008	Main Accounting System 2007/08	<p>01/12/2008 Accountancy Services Manager and Financial Accountant in post 15/12/08. Workload priorities will then be reviewed.</p> <p>02/10/2008 No further progress pending closure of accounts and vacant posts (2 Accountants)</p> <p>30/04/2008 Loss of premises and back up for IT systems are covered. Further work to be undertaken in relation to loss of skilled staff. Staff appraisal results and review of staffing structure will feed into this.</p>
	AR-F&MIS_096 Ensure the Council's progress on having clear info on costs and comparative info is used in a comprehensive manner to review value for money within services and corporately, especially in regards to exp of users and communities in rel to service effectiveness.	2	Accountancy Services Manager	<div style="border: 1px solid black; width: 100px; height: 15px; background-color: #4f81bd; display: flex; align-items: center; justify-content: center;">10%</div>	30/09/2008	Annual Audit and Inspection Letter March 2008	<p>01/12/2008 Accountancy Services Manager and Financial Accountant will be in post from 15/12/08. A meeting will be set up early in 2009 to progress unit costing.</p> <p>02/10/2008 No further progress pending closure of accounts and filling of vacant posts (2 Accountants)</p> <p>21/05/2008 A Task Group has been set up to identify unit costs and to establish best practice to assist in reviewing value for money in service delivery.</p>





Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_097 Ensure that the accounts presented for audit are free from material and non-trivial errors and that robust internal quality assurance procedures are in place to improve the quality and timeliness of the financial statements and associated working papers.	1	Head of Finance & Management Information Systems		30/06/2008	Annual Audit and Inspection Letter March 2008	<p>03/12/2008 External Audit are currently reviewing the Accounts and regular meetings are being held to address any issues.</p> <p>02/10/2008 Deloitte's appointed to oversee closure of Accounts, following failure to produce adequate working papers by the audit deadline</p> <p>21/05/2008 Bought in dedicated Accountancy expertise at year end. Planned meetings with the external auditor to review requirements. Detailed timetable in place and regular update meetings.</p>
	AR-F&MIS_098 Improve arrangements to identify and mitigate potential risks associated with partnership working.	1	Head of Finance & Management Information Systems		31/07/2008	Annual Audit and Inspection Letter March 2008	<p>03/12/2008 The two posts will be filled on 15/12/08.</p> <p>02/10/2008 No further progress pending closure of accounts and filling of vacant posts (2 Accountants)</p> <p>21/05/2008 Setting up a register of partnerships, including accountable body status, and financial governance procedures - including risk management.</p>

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-F&MIS_102 That the Business Continuity Plan 'Priority Systems' be updated to reflect the findings of the consolidated documents. The final list should include all systems, key databases and file store on which the user will rely. Expand the Business Impact Analysis	2	IT Manager	<div style="border: 1px solid black; background-color: #4f81bd; color: white; padding: 2px; display: inline-block;">20%</div>	30/09/2008	IT Arrangements for Business Continuity 2008/09	<p>01/12/2008 The ICT Disaster Recovery / Business Continuity arrangements form part of the ICT policy. Corporately, arrangements are still to be completed.</p> <p>09/10/2008 Council wide business continuity team has been set up. Team will address council priorities and business impact.</p> <p>09/10/2008 All DR/BC documentation and risk assessments to follow standard template (BS25999 standard).</p>
	AR-F&MIS_121 That the ICT Department locate the Network Access and Control Policy, and supporting risk assessment documentation, and file them in an appropriate folder in the Council's Sharepoint electronic library system.	2	IT Manager	<div style="border: 1px solid black; background-color: #4f81bd; color: white; padding: 2px; display: inline-block;">0%</div>	31/12/2008	Health Check on IT Security 2008/09	<p>08/12/2008 ICT have created an Electronic Document Management System (EDMS) and all supporting documents, procedures and policy are being transferred to the EDMS.</p>

Parent Code & Title: **AR-LD Legal & Democratic**

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-LD_02 Outstanding work re Records Management should be identified & resources identified to implement the requirements. This should include a review of document structure to facilitate compliance with the publication of information.		Head of Legal & Democratic Services		31/03/2007	Freedom of Information Act	<p>09/10/2008 The T-Enabling Blueprint v0.2 has picked up this issue. Recommend that responsibility be transferred to the T-Enabling group</p> <p>28/09/2007 The T-enabling Project may identify resources to enable this work to be taken up and progressed.</p> <p>18/07/2007 Currently we have no resources to carry out further work on this topic.</p>

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-LD_08 that the Sundry Debtors Handbook is updated to reflect the new responsibilities for recovery of the debts. This should include direct guidance as to what the individuals within the departments should be doing		Legal Services Manager		30/09/2007	Sundry Debtors	<p>23/12/2008 Revised handbook received from Revenues. After final check for legal accuracy handbook will be published on the 05/01/09.</p> <p>10/10/2008 Legal Services Manager has met with Revenues staff to approve the final amendments to the Handbook and set a deadline for publication of 31/10/08.</p> <p>01/07/2008 Legal Services are waiting on Revenues staff to consider amendments made by Legal Services and to specify their own amendments. Review 31/08/08</p> <p>26/06/2008 Recovery part of manual updated now with Legal Section for them to update their chapters</p> <p>11/04/2008 Further system training undertaken January 2008. Revised manual to be completed by 30/4/08.</p>


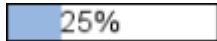
Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-LD_10 That all staff involved in the raising and recovery of Sundry Debts are given a copy of the Sundry Debtors Handbook.		Legal Services Manager		30/10/2007	Sundry Debtors	<p>23/12/2008 Due to be completed on the 05/01/09.</p> <p>10/10/2008 To be completed by 07/11/08.</p> <p>01/07/2008 Dependant on completion of updated handbook</p> <p>26/06/2008 revised handbook not yet completed</p> <p>11/04/2008 Revised handbook to be issued by 31/5/08.</p>
	AR-LD_16 The storage of leases, contracts and deeds should be reviewed with regard to security and being water/fire/smoke proof. Action should be taken to ensure that this risk is reduced to an acceptable level.	2	Legal Services Manager		31/01/2008	Public Buildings Maintenance Contracts 2007/08	<p>23/12/2008 Leases and miscellaneous documents can be scanned electronically for added security. Contracts cannot be scanned in due to bulk and require further thought. In respect of deeds discussions have taken place with the Land Registry and registration could be achieved at a small cost, approximately £3,000-£4,000, such cost possibly being borne by the land management budget on the</p>



Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
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							<p>verifying documents, etc and from Regeneration in preparing plans. Action plan to be created in New Year setting out timescale for registration during 2009. Will be a long process with completion not likely to be achieved before late 2009. % progress readjusted back to 0% to reflect work required and completed. Progress will be monitored by % of applications ready to be submitted of the total applications needed/leases and miscellaneous documents requiring electronic archiving. Task needs to be carried forward to 2009/10.</p> <p>10/10/2008 Property Services Manager checking specification. Given the reduced volume of work at the Land Registry an approach is being made to see if they can undertake the Council's registration at low cost.</p> <p>01/07/2008 Original specification for building construction being checked to ensure strong room constructed in accordance with specification. If compliant consideration will be given to document scanning and land</p>
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Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
							<div data-bbox="1751 268 2125 341"> <p>registration, the latter possibly having a cost.</p> </div> <div data-bbox="1751 341 2125 533"> <p>11/09/2007 Actions not taken to date because of staffing resources and cost implications. Options to be determined by end of January 2008.</p> </div>

Parent Code & Title: **AR-PP Policy & Performance**


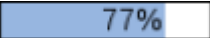
Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-PP_01 Develop and agree a workforce strategy.		HR Manager		30/03/2008	Annual Audit Letter March 2007	<p>09/01/2009 Good practice sought out and first meeting planned for project group.</p> <p>09/10/2008 Likely to start later in Qtr 3 when most of Pay and Grading Review has been completed.</p> <p>18/07/2008 HR Manager's personal objectives based on this work starting "later in 2008"</p> <p>09/07/2008 Revised date for Copeland Workforce Strategy. Results of IIP show need for action in some parts of the organisation.</p> <p>24/09/2007 Cumbria People Strategy agreed and in place, to which Copeland has signed up. It is being monitored by countywide officer group.</p>



Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-PP_09 Access to the PWA system should be reviewed to maintain separation of duties between payroll and personnel officers.	2	HR Manager		30/04/2008	Payroll System 2007/08	18/07/2008 Administrative support arrangements in HR Section, including Payroll, are under review. The review includes the design of jobs and working arrangements, and will take account of issues related to separation of duties.


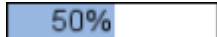


Parent Code & Title: **AR-R Regeneration**





Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-R_01 Planning quality of service		Development Services Manager		30/09/2006	Performance against the planning quality of service checklist is in the worst quartile in 2004/05.	<p>13/01/2009 In the process of appointing consultants to provide comprehensive conservation and urban design advice. Initially for a period of 3 years. Whitehaven Conservation Area Appraisal, Management Plan and Design guidance final document about to be provided.</p> <p>06/10/2008 Work on the Appraisal and Management Plan still ongoing.</p> <p>07/07/2008 Conservation consultants now appointed and working on Appraisal and Management Plan for Whitehaven Town Centre, together with design guidance for harbourside sites.</p> <p>23/04/2008 We are currently out to tender to commission specialist consultants to prepare a conservation appraisal for Whitehaven. We are also considering creating</p>











Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
							<p>a Conservation Officer post to enable us to have the in house expertise.</p> <p>15/01/2008 Officer interviews by Addisons on behalf of PAS carried out in December awaiting final report. For consideration by the DC improvement group.</p> <p>10/10/2007 Progressing well. Service improvements identified and implemented with assistance from PIT. Awaiting audit from PAS.</p> <p>17/05/2007 Officer and member performance improvement group established, led by the Director Economic Prosperity and Sustainability. Process improvement work on minor and other application types restarted and new work begun on majors.</p>





Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-R_03 That written procedures should be updated in line with current practice and revised legislation. The updated procedures should include the payment process.		Housing Services Manager		30/09/2006	Disabled Facilities Grants	<p>10/10/2008 Private sector procedures to be revised in light of new assistance policy by 31/3/09. Some housing options & homelessness procedures written and in use by Dec 08 and others to be revised by end January 09.</p> <p>03/04/2008 Interim Housing Manager confirmed that new procedures have been produced for the enquiry stage, application process and for approvals. The payment procedure is being worked on.</p> <p>14/01/2008 Anchor Housing Association are now handling applications on behalf of the Council.</p>

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-R_09 Pre & post inspections are rotated between 2 different officers or, if only 1 Technical Officer is in post, that the line manager carries out 10% check of post inspections to ensure the approved works have been carried out & were appropriate for funding.		Housing Services Manager		30/09/2007	Disabled Facilities Grants	<p>10/10/2008 One Tech officer now in post. Inspections being undertaken. 2nd Tech officer takes up post on 20/10/08.</p> <p>25/06/2008 Interviews for Technical inspectors to be held in 2 weeks time</p> <p>03/04/2008 Interim Housing Manager confirmed that a Service Level Agreement is to be formalised with Anchor Housing Association. Currently submitting a request for approval to appoint 2 Technical Inspectors in-house.</p>

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-R_11 There should be a nominated Grants Co-ordinator to identify new funding. Alternatively, the department could subscribe to a specialist grant-finders organisation.	2	Economic Development Manager		30/03/2008	Economic Devt. Projects / Administration of Grant Claims 2007/08	<p>15/07/2008 The condition remains unchanged. However, the interim Economic Development and his staff are providing advise and sign posting enquiries as necessary.</p> <p>02/08/2007 The Economic Development Manager is to be identified as the Grants Co-ordinator, once they are in post, as an interim arrangement. However, with the priority on using the funding already directed at us I do not intend that the activity will be given any time because of resource constraints. As such progress will remain at 50% until the resource situation changes. It should be noted that if we are asked for funding advice we refer people to the CVS.</p>
	AR-R_12 Grants Co-ordinator could also maintain a register of grant schemes, monitoring deadlines, ensuring key terms & conditions are identified and complied with, maintaining written procedures, training staff and carry out quality checks on claim documentation	2	Economic Development Manager		31/03/2008	Economic Devt. Projects / Administration of Grant Claims 07/08	<p>15/07/2008 The interim Economic Development Manager and staff maintain an on-going register of all economic development grants.</p> <p>07/08/2007 Economic Development Manager post currently vacant. Co-ordinator role will be the responsibility of the EDM when recruited.</p>

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-R_14 That project officers review the basic project management guidelines on the intranet. [Found under Finance & Business Devt / Business Devt / Procurement/ How to manage a project.	2	Economic Development Manager		30/09/2007	Economic Devt. Projects / Administration of Grant Claims 07/08	<p>15/07/2008 The process of managing projects remains unchanged from last update</p> <p>09/10/2007 Officers have access to the guidance but still using own best endeavours re real world project management issues. P Meadows working with Legal and Finance to better risk manage econ regen projects from inception stage.</p>
	AR-R_15 That management consider employees' need for project management training as part of the induction or employee development process.	2	Head of Development Strategy		31/12/2007	Economic Devt. Projects / Admin. of Grant Claims 07/08	<p>20/01/2009 A number of staff across the authority have attended a Prince 2 intensive week training. The project management review being undertaken will identify specific training modules to underpin a revised project management framework which will be rolled out to staff.</p> <p>15/07/2008 One member of staff still on MSC course</p> <p>15/07/2008 --enter new status update--</p> <p>10/10/2007 One member of staff attending MSC Environmental Planning.</p>

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-R_16 That officers involved in the admin. of grants should record the time spent against each grant project, as a basis for the calculation of the admin. fee.	2	Economic Development Manager		31/10/2007	Economic Devt. Projects / Admin. of Grant Claims 07/08.	30/07/2007 Same recommendation made to Accountancy staff.
	AR-R_17 That supporting evidence of the admin. fee should be kept on the project file, alongside the claim.	2	Economic Development Manager		31/10/2007	Economic Devt. Projects / Admin of Grant Claims 07/08	
	AR-R_19 That the Regeneration Project Officer either obtains evidence of the tender process for the Copeland Academy of Sport or written confirmation that the documentation has been retained and is available for audit if necessary.	2	Economic Development Manager		30/09/2007	Economic Devt Projects / Admin of Grant Claims 07/08	30/07/2007 As at 27/7/07, request has been made and a further reminder sent.
	AR-R_20 That monitoring of expenditure and agreed outputs is undertaken monthly, to ensure that the need for corrective action can be highlighted at an early stage - with a request for reprofiling if necessary.	2	Economic Development Manager		30/09/2007	Economic Devt Projects / Admin of Grant Claims 07/08	30/07/2007 The Coalfields Programme Guidance Notes show some examples of monitoring spreadsheets in the Appendices.
	AR-R_21 That the risk of funding being clawed back should be included in the departmental operational risk register.	2	Head of Development Strategy		30/09/2007	Economic Devt Projects / Admin of Grant Claims 07/08	19/12/2008 The work to refresh and update our project and programme management framework across the council is in process and this will lead to a review and revision of our operational risk register.

Status Icon	Action Code & Title	Priority	Managed By	Progress Bar	Due Date	Description	All Notes
	AR-R_22 That Project Officers ensure information is provided by third parties, at an early stage, to confirm compliance with the terms and conditions of the offer letter e.g. correct split of expenditure in line with the agreed budget.	2	Head of Development Strategy		30/09/2007	Economic Devt. Projects / Grant Claims 07/08	<p>20/01/2009 Currently this is undertaken as part of the development checklist with projects. The review of programme and project management systems and tools will tighten the monitoring and consistency of this action as part of our ongoing monthly financial monitoring. It is anticipated that this will be fully in operation by April 2009.</p> <p>30/07/2007 --enter new status update--</p>
	AR-R_27 That regular reconciliations are carried out to ensure that all income received is posted to the individual debtor's accounts.	2	Building Control Manager		30/06/2008	Building Control 2007/08	<p>04/12/2008 Due to workload in the Accountancy section, the relevant training of Building Control Staff has been detailed.</p> <p>05/06/2008 Relevant staff to be setup on TASK to access enquiries and reports.</p>

AUDIT PERFORMANCE INDICATORS – 1 APRIL TO 31 DECEMBER 2008

Indicator Audit Services:	2007/08		2008/09 Target	Key Objective Ref.	2008/09 Actual to Date
	Target	Actual			DECEMBER
% of monthly audit plan completed	90%	68%	90%	AFP 1	43% *****
Direct audit time as a % of total time	68%	64%	68%		50% ****
% of 12 fundamental systems audited against plan [Plus 4 b/fwd from 06/07]	100%	94%	100% by 31/3/09		23% *
% of other systems audited against plan	70%	41%	70%		65% **
% of follow ups issued against plan	90%	93%	90%		75% ***

* 8 fundamental system audits were due to be completed by the end of December. The 3 areas completed related to 2007/08 [Main Accounting System, detailed tests on Capital Accounting and the Final Accounts 2007/08.] Work has also been undertaken on 2008/09 transactions relating to Council Tax, Cash Collection and Benefits but reports have not yet been issued. Work on National Non Domestic Rates and Loans & Investments is still outstanding.

** 17 systems were due to be audited by the end of December. 11 of the 17 were completed. Work has been undertaken on the Beacon cash & banking but the report has not yet been issued. Outstanding audits relate to Leased Transport, ICT Strategy, Economic Development Projects, Evaluating Business Risk and Business Continuity Arrangements. [Implementation of the new Purchasing system has been delayed to 1 April 2009.]

*** Follow ups are now undertaken quarterly on the Covalent system and checked as part of the annual audits of the main financial systems.

**** Direct audit time was down in the first quarter, due to training, study leave and exams. The Audit Manager was then acting up as Head of Finance for the whole of the second quarter and the audit team have assisted with providing information for the external auditor re the Accounts in the third quarter. Assistance was also given to input salary details for preparation of the 2009/10 budget.

***** Significant slippage against plan due to some audits over-running the estimated time in the first quarter and, in the second quarter, as audit time was largely spent on detailed testing on capital accounting (the Fixed Asset Register), Reserves, Debtors, Accruals and Prepayments – to underpin the work being undertaken to close the 2007/08 Statement of Accounts. Work to support the audit of the Accounts continued in the third quarter.

22/12/08