

## INTERNAL AUDIT REPORTS ISSUED IN 2011/12

## Quarter 1

1. The following reports were finalised in Q1

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Treasury Management  Assurance rating = <b>Green</b>	14.04.11	Overall 90% of the expected controls were found to be in place and operating effectively, 4% were substantially in place with a further 6% partially in place. A total of 5 recommendations have been agreed for implementation. For the remaining recommendation an alternative action has been agreed which relates to retaining reconciliations electronically. This is a low risk and the alternative action agreed mitigates the residual risk.
Housing Benefit Quality, Overpayments & Write Offs  Assurance rating = <b>Red</b>  (Follow-up issued Q2 <b>Green</b> assurance)	14.04.11	Overall 58% of the expected controls were found to be in place and operating effectively, 2% were substantially operating, 34% were partially in place with a further 6% not operating. Although these percentages indicate a red/amber assurance rating, there are a significant number of high risk recommendations therefore this has been assessed as a red report. A total of 18 recommendations have been agreed for implementation, 1 recommendation (paragraph 24) has been partially agreed for implementation which relates to scanning all decision notices onto Civica. Management have stated that due to the large number of decision notices they would be unable to implement this. However decision notices are scanned onto Civica for overpayments and all notices are held on Northgate therefore the residual risk is low. The remaining recommendation (paragraph 12) has not been agreed, which relates to having specific job descriptions for recovery officers; however management have stated that generic job descriptions are required to meet the demands of the service and as procedures are in place this partially mitigates the residual risk.

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Leaseholder Electricity Charges  Assurance rating = <b>red</b>  (Follow-up issued Q3 <b>Red/Amber</b> assurance)	10.06.11	Overall 9% of the expected controls were found to be in place and operating effectively, 27% were partially in place with a further 64% not operating. A total of 20 recommendations have been agreed for implementation. 1 recommendation is no longer applicable; a further 2 recommendations have been partially agreed for implementation which relate to the Energy Team notifying Housing of the costs per unit, as the price is confirmed within a six month period Housing can only be notified at this point, which partially mitigates the risk and therefore a residual risk remains that the authority could be charged incorrectly. The other recommendation relates to electronic billing of invoices, this has not been possible as it is not within the current contract, however this will be included as part of future contracts, therefore there is a residual risk that payments may be missed. The remaining 2 recommendations have not been agreed for implementation, these both relate to actual meter readings across the sites. Management decided that the estimates were not unreasonable, however there is a risk that sites may not have had a meter reading for several years as the energy companies are only legally obliged to read meters every 2 years. Some of the sites bills were estimates when Eon were the energy supplier and NPower have not yet read some of the meters, therefore some may have gone up to 4 years without being read

2. In addition the following follow-ups were issued in Q1

REPORT	DATE OF FOLLOW-UP MEMO	CONCLUSION
Decent Homes Self Referral	12.04.11	It was established that 6 actions were no longer applicable as the self referral scheme has been terminated. The action agreed to address the remaining 5 recommendations has been fully implemented.
Connexions Missing Money – follow up	12.04.11	The action agreed to address all recommendations has been fully implemented. However from inspection of the evidence it was established that a payment of £500 was given in petty cash which included a payment of £297.51 to Costco which was not authorised in accordance with Financial Regulations.

REPORT	DATE OF FOLLOW-UP MEMO	CONCLUSION
Salvatorian College May 2011 Follow-up	14.06.11	<p>Final follow up (as in May 2011) of a Suspected Financial Irregularity (SFI) report originally issued to Salvatorian College in November 2008. The SFI report has been followed up twice in February 2010 and February 2011 and at each of these points additional control issues were raised and recommendations made.</p> <p>Of the outstanding issues from the SFI report at February 2011 just 27% had been implemented, 55% partially implemented and 18% not implemented at that time. The current follow up has found that this has now improved to 64% implemented and 36% partially implemented.</p> <p>Additional issues were identified as part of the SFI follow up in February 2010. Of these additional issues 86% have now been implemented and 14% partially implemented.</p> <p>Further areas of investigation were requested by Governors as part of the February 2011 report in relation to the specific areas of petty cash, German Trips and Science Status expenditure. Of the recommendations made in relation to these - 7 have been fully implemented, 4 substantially implemented and 3 partially implemented to date.</p>
<p>Asbestos Management in relation to Housing Stock – Follow up in May 2011</p> <p>Original assurance rating = Red/amber</p> <p>Re-assessed assurance rating = amber/green</p>	14.06.11	<p>The final report issued in November 2010 was based on the follow up of the action plan and reflected the recommendations made, agreed actions and the position of implementation. At that stage 29% of the expected controls were found to be in place and operating effectively, 29% were substantially operating with 42% partially operating (i.e. a red/amber assurance rating).</p> <p>At the start of the May 2011 follow up 26 actions remained outstanding. At the conclusion of the follow up 12 have been fully implemented, 9 substantially implemented and 5 partially implemented. These primarily relate to the full implementation of the database and the completion of asbestos surveys of all properties that meet the current survey standards.</p> <p>Follow up has established that the report has progressed from a red/amber report to currently being an amber/green report which reflects the 84% of controls either operating or substantially operating and the fact that some key high and medium risk recommendations have still yet to be fully implemented.</p>

REPORT	DATE OF FOLLOW-UP MEMO	CONCLUSION
<p>Libraries – Follow up</p> <p>Original assurance rating = <b>Red</b></p> <p>Re-assessed assurance rating = <b>Red/amber</b></p>	28.06.11	<p>It was established that the action agreed to address 5 of the 16 recommendations made has been fully implemented and evidence was obtained to support this. It was further identified that 9 of the agreed actions are in the process of being implemented. This is due to a restructure of the library services taking place so therefore processes will change which will result in some recommendations no longer being applicable.</p> <p>Follow up has established that it is now a Red/Amber report with 50% of expected controls now operating effectively, 6% substantially operating, with a further 32% partially operating. (It has been assumed that the controls that were originally operating are still operating effectively during follow up and these have not been re-tested).</p>
<p>Stock Control Libraries – Follow up</p> <p>Original assurance rating = <b>Amber/green</b></p> <p>Re-assessed assurance rating = <b>Green</b></p>	28.06.11	<p>The action agreed to address 6 of the 7 recommendations has been fully implemented and evidence was obtained to support this. 1 of the remaining 7 agreed actions is planned for implementation, this relates to an additional field being added to the libraries system to record what documentation has been provided as proof of ID/address by library members.</p> <p>Follow up has established that it is now a Green report with 94% of expected controls operating effectively and a further 6% partially in place (it has been assumed that the controls that were originally operating are still operating effectively during follow up and these have not been re-tested).</p>
<p>Camrose Primary School</p> <p>Original assurance rating = <b>Amber</b></p> <p>Re-assessed assurance rating = <b>Amber/green</b></p>	29.06.11	<p>The action agreed to address 7 of the 9 recommendations has been fully implemented. It was identified that the remaining 2 agreed actions have been partially implemented. These relate to the authorisation of payments and the separation of duties between the ordering of goods and the authorisation of payments. Of the 6 purchase orders and invoices provided, It was established that 1 invoice had not been authorised for payment and it was further established that 4 of the purchase orders and invoices did not have a separation of duties between ordering and the authorisation of payment.</p> <p>Follow up has established that this is now an Amber/Green report with 90% of expected controls operating effectively and a further 3% partially in place. Although these percentages indicate a Green assurance rating, 2 high risk recommendations have not been fully implemented therefore follow up is an Amber/Green assurance rating (it has been assumed that the controls that were originally operating are still operating effectively during follow up and these have not been re-tested).</p>

## Quarter 2

3. The following reports were finalised in Q2

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Pinner Park Infant and Nursery School - Application of Contract Procedure Rules in Schools  Assurance rating = <b>Green</b>	06.07.11	Overall 71% of the expected controls were found to be operating effectively with a further 29% substantially operating. Both of the recommendations have been agreed for action.
Core Financial Systems Key Control Review NDR 2010/11  Assurance rating = <b>Green</b>	14.07.11	Overall, 92% of the elements of the controls were operating effectively, with a further 4% substantially operating and 4% partially operating. Each of the 11 key controls is made up of a number of individual elements that were each tested. Therefore 10 key controls are fully in place and 1 key control is partially in place. All 3 recommendations have been agreed for implementation. The one recommendation made has been agreed for implementation.
Parking Enforcement  Assurance rating = <b>Green</b>	25.07.11	Overall 84% of the expected controls were found to be in place and operating effectively, 14% were partially in place with a further 2% not operating. All 5 recommendations have been agreed for implementation.
Kenmore Park Infant and Nursery School - Application of Contract Procedure Rules in Schools  Assurance rating = <b>Green</b>	22.08.11	Overall 71% of the expected controls were found to be operating effectively with a further 29% substantially operating. Both of the recommendations have been agreed for action.
Marlborough Primary School - Application of Contract Procedure Rules in Schools  Assurance rating = <b>Green</b>	22.08.11	Overall 57% of the expected controls were found to be operating effectively with a further 43% substantially operating. Both of the recommendations have been agreed for action.
Roxeth Primary School - Application of Contract Procedure Rules in Schools  Assurance rating = <b>Green</b>	22.08.11	Overall 71% of the expected controls were found to be operating effectively with a further 29% substantially operating. Both of the recommendations have been agreed for action.

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Contract Management – Highways Contract  Assurance rating = Amber/green	09.09.11	Overall 67% of the expected controls were found to be in place and operating effectively, 12% were substantially operating, 14% were partially in place with a further 7% not operating. Of the 12 recommendations made, 11 have been agreed for implementation. The remaining recommendation will no longer be applicable to the new contract arrangements, i.e. the requirement to provide regular management information as this applied to the partnership with Enterprisemouchel but under the new highways contract only performance information will be required to be provided as it not a partnership and this is covered in other recommendations.
Pinner Park Junior School - Application of Contract Procedure Rules in Schools  Assurance rating = Green	12.09.11	Overall 60% of the expected controls were found to be operating effectively with a further 40% substantially operating. Both of the recommendations have been agreed for action
St Anselm's Catholic Primary School - Application of Contract Procedure Rules in Schools  Assurance rating = Green	21.09.11	Overall 71% of the expected controls were found to be operating effectively with a further 29% substantially operating. The recommendation made has been agreed for action.
Core Financial Systems Key Control Review Housing Benefits 2010/11  Amber/green assurance  (Follow-up issued Q3 Green assurance)	22.09.11	Overall, 80% of the elements of the controls were operating effectively, with a further 3% substantially operating and 17% partially operating. Although this percentage indicates a green report as there is 1 high risk recommendation it has been re-rated as an amber/green report. Each of the 8 key controls is made up of a number of individual elements that were each tested. Therefore 4 key controls are fully in place, 3 key controls are substantially in place and 1 key control is partially in place. All three recommendations have been agreed for implementation.

## 4. In addition the following follow-ups were issued in Q2

REPORT	DATE OF FOLLOW-UP MEMO	CONCLUSION
<p>Sickness Absence – Follow up</p> <p>Original assurance rating = Red/amber</p> <p>Re-assessed assurance rating = Amber</p>	22.09.11	<p>A follow up was undertaken in December 2010 to establish if the action agreed to address the recommendations made had been implemented. It was identified that 7 recommendations had been fully implemented, 8 recommendations had been part implemented/in progress, 4 were planned for implementation and 1 had not been implemented.</p> <p>As the original follow up showed a low level of implementation a review was carried out to establish whether the position had improved, therefore the outstanding 13 recommendations were followed up in June 2011.</p> <p>It was established that the action agreed to address 2 of the 13 recommendations has been fully implemented and evidence was obtained to support this. One of the remaining 11 agreed actions has been partially implemented. This relates to the best practice notes of the capability procedure not including the minimum criteria for an effective monitoring tool that managers should use for sickness. The remaining 10 recommendations are still in the process of being implemented, these relate to:</p> <ul style="list-style-type: none"> <li>• The roll out of Manager Self Service (MSS) and Employee Self Service (ESS)</li> <li>• Compulsory attendance for managers to workshops for Occupational Health.</li> <li>• A formal feedback process for Occupational Health.</li> <li>• The review of the Occupational Health referral form.</li> <li>• Occupational Health exploring the possibility of using an online function to make referrals. Detailed guidance has not been given to managers on when an employee should be referred to Occupational Health</li> <li>• MSS being rolled out to the Central Depot to remedy the issues with the depot sickness return form.</li> </ul> <p>The report issued on the 7 April 2010 was a Red/Amber report with 55% of expected controls operating effectively, 4% substantially operating, 24% partially in place with a further 17% not operating. The first follow up established that a low level of recommendations had been implemented. This second follow up has established that this is now an Amber report with 40% implementation.</p>



REPORT	DATE OF FOLLOW-UP MEMO	CONCLUSION
<p>Housing Benefit Quality, Overpayments &amp; Write Offs – Follow-up</p> <p>Original assurance rating = <b>Red</b></p> <p>Re-assessed assurance rating = <b>Amber/green</b></p>	28.09.11	<p>It was established that the action agreed to address 17 of the 19 recommendations has been fully implemented and evidence was obtained to support this. It was further established that the 2 remaining agreed actions have been partially implemented. These relate to the completion of an overpayment record sheet for all overpayments, (where testing identified that from a sample of 8 overpayments, an overpayment record sheet was not completed for 2) and the referral of relevant overpayments to the Corporate Anti Fraud Team (testing identified that from a sample of 8, 1 case has not been referred). Although 17 of the recommendations have been implemented, one has not achieved the aim to improve the wording of letters and still needs further work.</p> <p>Follow up has established that although implementation indicates a green report with 90% of expected controls now operating effectively and a further 5% partially in place, as there are still outstanding issues with quality checking Civica letters (indicating a high risk of error therefore) an assurance rating of amber/green has been given. (It has been assumed that the controls that were originally operating are still operating effectively during follow up and these have not been re-tested). The 5% of controls partially operating reflects the 2 recommendations yet to be fully implemented.</p>

### Quarter 3

5. The following reports were finalised in Q3

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
<p>CCTV in Schools – Belmont School</p> <p>Assurance rating = <b>Green</b></p>	4.10.11	<p>Overall 92% of the expected controls were found to be in place and operating effectively and a further 8% were substantially operating. Both recommendations made have been agreed for action.</p>
<p>CCTV in Schools – Cannon Lane Junior School</p> <p>Assurance rating = <b>Amber/green</b></p>	18.10.11	<p>Overall 62% of the expected controls were found to be in place and operating effectively, 15% were substantially operating, 15% were partially in place with a further 8% not operating. All six recommendations have been agreed for action.</p>



REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Kenmore Park Junior School - Application of Contract Procedure Rules in Schools	18.10.11	Overall 57% of the expected controls were found to be operating effectively with a further 29% substantially operating. All 3 recommendations have been agreed for action.
Whitchurch Junior School – Application of Contract Procedure Rules in Schools	18.10.11	Overall 73% of the expected controls were found to be operating effectively with a further 9% substantially operating. All three recommendations were agreed for action.
Moriah Jewish School Day School – IT Data Security in Schools  Assurance rating = Amber/green	19.10.11	Overall 81% of the expected controls were found to be in place and operating effectively, 12% were substantially operating and further 7% were partially operating. Although these percentages indicate a green assurance rating there is a high risk recommendation therefore this has been assessed as an amber/green report. All four recommendations have been agreed for action.
Priestmead Primary School – IT Data Security in Schools  Assurance rating = Green	21.10.11	Overall 68% of the expected controls were found to be in place and operating effectively, 15% were substantially operating with a further 17% partially operating. All 7 recommendations have been agreed for action.
Stag Lane Infant & Nursery School – CCTV in Schools  Assurance rating = Green	21.10.11	Overall 92% of the expected controls were found to be in place and operating effectively and a further 8% were substantially operating. Both recommendations have been agreed for action.
Heathland School – CCTV in Schools  Assurance rating = red/amber  (Follow-up issued Q4 Green assurance)	1.11.11	Overall 23% of the expected controls were found to be in place and operating effectively, 31% were substantially operating, 12% were partially in place with a further 34% not operating. All eight recommendations have been agreed for action.
Glebe Primary School – IT Data Security in Schools  Assurance rating = Green	1.11.11	Overall 74% of the expected controls were found to be in place and operating effectively, 19% were substantially operating with a further 7% partially operating. All 9 recommendations have been agreed for action.

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Roxbourne Infant School – CCTV in Schools  Assurance rating = <b>Green</b>	15.11.11	Overall 73% of the expected controls were found to be in place and operating effectively, 12% were substantially operating with a further 15% were partially in place. All six recommendations have been agreed for action.
Roxbourne Junior School – CCTV in Schools  Assurance rating = <b>Amber/green</b>	15.11.11	Overall 65% of the expected controls were found to be in place and operating effectively, 12% were substantially operating with a further 23% partially in place. All seven recommendations have been agreed for action.
Caretakers Housing – Final Briefing Note	15.11.11	During the course of the work undertaken it has become apparent that there is a lack of ownership surrounding the caretakers properties and that actions are based around those made historically. Due to the lack of ownership, tenancies have been allowed to lapse which has resulted in a number becoming secure tenancies. It has also been identified that rents have not been reviewed for the non HRA properties and many of them are so low that they are below rents charged for HRA properties and considerably lower than commercial rents. The authority has not been acting as one council and each department are treating the process of dealing with properties differently. Also there is no corporate overview of all properties and there are issues surrounding the accounting for rents e.g. incorrect budgets being charged. All 12 recommendations have been agreed for implementation.
CCTV in Schools – Aylward Primary School  Assurance rating = <b>Amber</b>	18.11.11	Amber report. Overall 46% of the expected controls were found to be in place and operating effectively, 15% were substantially operating, 12% were partially in place with a further 27% not operating. However this is in the context of a new CCTV system having very recently been introduced. All six recommendations have agreed for action.
Whitchurch First School & Nursery – Application of Contract Procedure Rules in Schools	20.11.11	Overall 64% of the expected controls were found to be operating effectively with a further 18% substantially operating. All 4 of the recommendations have been agreed for action.
Krishna Avanti Primary School – Financial Controls Assurance  Assurance rating = <b>Amber</b>	21.11.11	Overall 59% of the expected controls were found to be in place and operating effectively, 13% were substantially operating and 27% were partially operating. All 14 recommendations have been agreed for action.

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Krishna Avanti Primary School – SFI Report  Assurance rating = <b>red</b>  (Follow-up issued Q4 <b>green</b> assurance)	21.11.11	See Appendix B.
The Sacred Heart Language College – CCTV in Schools  Assurance rating = <b>red</b>  (Follow-up issued Q1 of 12/13 <b>green</b> assurance)	28.11.11	Overall 23% of the expected controls were found to be in place and operating effectively, 27% were substantially operating, 15% were partially in place with a further 35% not operating. All eight recommendations have been agreed for action.
St. Joseph's Catholic Primary School – IT Data Security in Schools  Assurance rating = <b>Green</b>	9.12.11	Overall 88% of the expected controls were found to be in place and operating effectively, 5% were substantially operating with a further 7% partially operating. All five recommendations have been agreed for action.

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Weald Junior School Financial Controls Review  Assurance rating = <b>Amber</b>	9.12.11	Overall 54% of the expected controls were found to be in place and operating effectively, 16% were substantially operating, 22% were partially in place with a further 8% not operating. All 30 recommendations have been agreed for action.
Schools Financial Services  Assurance rating = <b>Amber</b>	19.12.11	Overall 54% of the expected controls were found to be in place and operating effectively, 14% were substantially operating, 28% were partially in place with a further 4% not operating. All 10 recommendations have been agreed for action.

6. In addition the following draft reports were issued in Q3

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Earlsmead Primary School – Petty Cash  Assurance rating = <b>Amber</b>	9.12.11	Overall 59% of the expected controls were found to be in place and operating effectively, 12% were substantially operating with a further 29% operating. Although this indicates an Amber/Green ranking, an assurance rating of amber has been given as a high risk recommendation has been made. Four recommendations have been made to address the weaknesses identified, 2 was rated as high risk, 1 was rated as medium risk and 1 was rated as low risk.
West Lodge Primary School – Petty Cash  Assurance rating = <b>Green</b>	10.12.11	Overall 65% of the expected controls were found to be in place and operating effectively, 29% were substantially operating with a further 6% partially operating. Four recommendations have been made to address the weaknesses identified, these were all rated as medium risk.

## 7. In addition the following follow-ups were issued in Q3

REPORT	DATE OF FOLLOW-UP MEMO	CONCLUSION
<p>Capability Procedure – Follow up</p> <p>Original assurance rating = <b>Amber</b></p> <p>Re-assessed assurance rating = <b>Amber/green</b></p>	5.10.11	<p>It was established that the action agreed to address 5 of the 9 recommendations has been fully implemented and evidence was obtained to support this. It was established that 1 of the remaining 4 agreed actions has been partially implemented. This relates to the roll out of the MSS function to Managers across the Council and that Shared Services are unable to establish whether staff returns are signed by Managers as they no longer operate an authorised signature list. It was further established that 2 recommendations are in the process of being implemented, these relate to Shared Services providing re-training/guidance to Managers on using the MSS functionality on SAP. It was further identified that 1 recommendation is planned for implementation.</p> <p>The report issued on the 15 December 2010 was an Amber report with 71% of expected controls operating effectively, 3% substantially in place with a further 23% partially in place.</p> <p>Follow up has established that although implementation indicates a Green report with 86% of expected controls operating effectively and a further 14% partially in place, as there are still outstanding issues, an assurance rating has been assessed as amber/green. (it has been assumed that the controls that were originally operating are still operating effectively during follow up and these have not been re-tested). The 14% of controls partially operating reflects the 4 recommendations yet to be implemented.</p>
Gordon Avenue Client Finances – Follow up	18.10.11	<p>It was established that the action agreed to address 7 of the 8 recommendations has been fully implemented and evidence was obtained to support this. It was further identified that the remaining recommendation has been partially implemented, this relates to members of staff recording money which is removed from the clients cash tin and any change recorded back in. The level of implementation made to date is acceptable however it should be ensured that the client finance expenditure sheets are properly completed and signed.</p>
Gordon Avenue Petty Cash – Follow up	4.11.11	<p>It was established that the action agreed to address 2 of the 3 recommendations has been fully implemented and evidence was obtained to support this. It was identified that the 1 remaining agreed action has been partially implemented. This relates to a new record book being kept for petty cash. The level of implementation made to date is acceptable, however the petty cash book should be revised to clearly show the incomings and outgoings.</p>

REPORT	DATE OF FOLLOW-UP MEMO	CONCLUSION
<p>Leaseholders Electricity – Follow up</p> <p>Original assurance rating = <b>Red</b></p> <p>Re-assessed assurance rating = <b>Red/amber</b></p>	23.11.11	<p>It was established that the action agreed to address 11 of the 24 recommendations has been fully implemented and evidence was obtained to support this. Eight of the remaining 13 agreed actions have been partially implemented and 1 is planned for implementation. At the time of issuing the final report it was identified that 2 recommendations were not applicable, 2 were not agreed. Follow up has established that it is now a Red/Amber report with 50% of expected controls now operating effectively and a further 41% partially/not in place (it has been assumed that the controls that were originally operating are still operating effectively during follow up and these have not been re-tested). The 41% of controls partially/not operating reflects the 9 recommendations yet to be fully implemented. A further follow up will be undertaken in 3 months to establish progress made with implementation of outstanding recommendations.</p>
<p>NDR Key Control – Follow-up</p> <p>Original assurance rating = <b>Green</b></p> <p>Re-assessed assurance rating remains <b>green</b></p>	25.11.11	<p>It was established that the agreed action has been fully implemented and evidence was obtained to support this.</p>

#### Quarter 4

8. The following reports were finalised in Q4

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
<p>Petty Cash – Pinner Wood School</p> <p>Assurance rating = <b>Green</b></p>	6.01.12	<p>Overall 82% of the expected controls were found to be in place and operating effectively with a further 18% substantially operating. Both recommendations have been agreed for implementation.</p>
<p>Petty Cash – St. Teresa's Catholic Primary School &amp; Nursery</p> <p>Assurance rating = <b>Green</b></p>	10.01.12	<p>Overall 82% of the expected controls were found to be in place and operating effectively, 6% were substantially operating with a further 12% partially in place. Both recommendations have been agreed for implementation.</p>

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Petty Cash – Grimsdyke School  Assurance rating = <b>Green</b>	25.01.12	Overall 88% of the expected controls were found to be in place and operating effectively, 6% were substantially operating with a further 6% partially operating. Both recommendations have been agreed for action.
IT Data Security in Schools – Norbury School  Assurance rating = <b>Amber/green</b>	26.01.12	Overall 72% of the expected controls were found to be in place and operating effectively, 14% were substantially operating and further 14% were partially operating. Although these percentages indicate a green assurance rating there is a high risk recommendation therefore this has been assessed as an amber/green report. All 5 recommendations have been agreed for implementation.
Petty Cash – Welldon Park Junior School  Assurance rating = <b>Green</b>	31.01.12	Overall 65% of the expected controls were found to be in place and operating effectively, 23% were substantially operating with a further 12% partially in place. All 5 recommendations have been agreed for implementation.
Application of Contract Procedure Rules  Assurance rating = <b>Red</b>	31.01.12	It was identified that 9% of explanations given for non compliance with Contract Procedure Rules are reasonable/acceptable and a further 91% of explanations given are not acceptable and that requisitioners/budget holders need further training/guidance to ensure that they fully understand the requirement to raise a purchase order for goods and services and how to achieve this in a timely manner for non standard purchases. A total of 7 recommendations have been made to improve the level of compliance, of these 5 were rated as high risk and 2 were rated as medium risk. All of the recommendations have been agreed for implementation.
Petty Cash – St. Bernadette's Catholic Primary School  Assurance rating = <b>Green</b>	2.02.12	Overall 76% of the expected controls were found to be in place and operating effectively, 12% were substantially operating with a further 12% partially in place. All 3 recommendations have been agreed for implementation.
Framework-I & SAP Integration  Assurance rating = <b>Amber</b>	8.02.12	Overall 75% of the expected controls were found to be in place and operating effectively, 13% were partially in place with a further 12% not operating. Six recommendations have been made to address the weaknesses identified, 2 were rated as high risk and 4 were rated as medium risk. Although these percentages indicate an amber/green report it has been re-assessed as amber due to the 2 high risk recommendations.



<p>Financial Controls Review – Camrose Primary School</p> <p>Assurance rating = Amber/green</p>	20.02.12	<p>Overall 55% of the expected controls were found to be in place and operating effectively, 27% were substantially operating, 16% were partially in place with a further 2% not operating. 21 recommendations have been made to address the weaknesses identified, 1 was rated as high risk, 11 were rated as medium risk and 9 were rated as low risk. The percentage of controls found to be operating effectively and substantially operating would normally mean this would be a green report however because there are a number of recommendations of which one is high risk this has been adjusted to an amber/green report. All 21 recommendations have been agreed for action.</p>
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REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
CCTV in Schools – Stanburn Junior School  Assurance rating = <b>red/amber</b>	22.03.12	Overall 27% of the expected controls were found to be in place and operating effectively, 27% were substantially operating, 12% were partially in place with a further 34% not operating. All 7 recommendations have been agreed for action.
Capital Programme Testing  Assurance rating = <b>Amber</b>	28.03.12	The checking undertaken by all the Finance Teams was sufficient, however they did not all undertake the same level of checking and there was no consistent approach. Also all the teams recorded the information differently and did not always keep evidence of the original source i.e. invoice. There were miscodings identified by Housing Finance, however action was not taken to correct these items before the 2010/11 closure of accounts. For 2011/12 transaction testing will be co-ordinated centrally, however checking for this financial year has not yet commenced. Four recommendations have been made to address the weaknesses identified, which were all rated as high risk.

9. In addition the following draft reports were issued in Q4

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
Petty Cash – Stanburn First School  Assurance rating = <b>Amber</b>	11.1.12	Overall 65% of the expected controls were found to be in place and operating effectively, 12% were substantially operating with a further 23% partially in place. Although this indicates an amber/green ranking, an assurance rating of amber has been given as 2 high recommendations have been made. Five recommendations have been made to address the weaknesses identified, 2 were rated as high risk, 1 were rated as medium risk and 2 were rated as low risk.

REPORT / ASSURANCE RATING	ISSUE DATE	SUMMARY OF CONTROL OPERATING
St John Fisher School – Petty Cash  Assurance rating = <b>red</b>	13.01.12	Overall 35% of the expected controls were found to be in place and operating effectively, 12% were substantially operating with a further 53% partially in place. 5 recommendations have been made to address the weaknesses identified, 2 were rated as high risk and 3 were rated as medium risk. The most significant weaknesses relates to the lack of evidence of authorisation for petty cash cheque payments. In addition the lack of use of the recommended petty cash record sheet has contributed to weakening a number of controls.
Energy Bills  Assurance rating = <b>Amber</b>	15.02.12	Five recommendations have been made to address the weaknesses identified, 1 was rated as high risk and 4 were rated as medium risk. From the sample of 198 energy bills inspected there was no evidence that the authority are paying 2 different suppliers for the same sites. 3 duplicate payments (1.5% of the sample) were identified totalling £1,449.88, of which 2 are within Childrens and 1 is within Adults. The cause of the duplications was due to the invoice being paid against 2 suppliers for Southern Electric.
Children's Centres – Income Collection & Banking  Assurance rating = <b>red</b>	19.03.12	Overall 24% of the expected controls were found to be in place and operating effectively, 7% were substantially operating, 59% were partially in place with a further 10% not operating. Eighteen recommendations have been made to address the weaknesses identified, 14 were rated as high risk and 4 were rated as medium risk.

10. In addition the following follow-ups were issued in Q3

REPORT	DATE OF FOLLOW-UP MEMO	CONCLUSION
Housing Benefits Key Control Follow Up  Original assurance rating = <b>Green</b>  Re-assessed assurance rating = <b>Green</b>	9.01.12	It was established that the action agreed to address 2 of the 3 recommendations has been fully implemented and evidence was obtained to support this. It was further established that the remaining agreed action is in the process of being implemented. The report issued on the 22 September 2011 was a Green report and follow up has established that it remains a Green report with 97% of expected controls now operating effectively and a further 3% substantially in place.

REPORT	DATE OF FOLLOW-UP MEMO	CONCLUSION
<p>2<sup>nd</sup> Libraries Follow Up</p> <p>Original assurance rating = <b>Red</b></p> <p>1<sup>st</sup> Re-assessed assurance rating = <b>Red/amber</b></p> <p>2<sup>nd</sup> Re-assessed assurance rating = <b>Green</b></p>	<p>24.01.12</p>	<p>A follow up was undertaken in June 2011 to establish if the action agreed to address the recommendations made had been implemented. It was identified that 5 recommendations had been fully implemented and 9 recommendations were in the process of being implemented.</p> <p>As the original follow up showed a low level of implementation a further review has been carried out to establish whether the position has improved, therefore the outstanding 9 recommendations have been followed up.</p> <p>It was established that the action agreed to address 4 of the 9 recommendations has been fully implemented and evidence was obtained to support this. One of the remaining 4 agreed actions has been partially implemented and 1 recommendation has not been implemented. It was further identified that 3 recommendations are no longer applicable.</p> <p>The report issued on the 9 November 2010 was a Red report and the second follow up has established that it is now a Green report with overall 82% of expected controls now operating effectively, 9% substantially operating, 3% partially in place with a further 6% not operating.</p>
<p>Heathland School CCTV – Follow up</p> <p>Original assurance rating = <b>Red/amber</b></p> <p>Re-assessed assurance rating = <b>Green</b></p>	<p>7.03.12</p>	<p>It was established that the action agreed to address all of the 8 recommendations has been fully implemented. Follow up has established that it is now a green report.</p>
<p>Krishna Avanti School – Suspected Financial Irregularity Follow up</p> <p>Original assurance rating = <b>Red</b></p> <p>Re-assessed assurance rating = <b>Green</b></p>	<p>14.03.12</p>	<p>It was established that the action agreed to address all of the 7 recommendations has been fully implemented and evidence was obtained to support this. Follow up has established that it is now a green report.</p>