



Report of: **Director of Finance**

Meeting of	Date	Agenda Item	Ward(s)
Corporate Services Committee STANDARDS COMMITTEE	4 June 2007 19 JUNE 2007		
Delete as appropriate		Non-exempt	

Subject: PROGRESS AGAINST INTERNAL AUDIT PLAN 2006/07

1. Synopsis

- 1.1 The provision of a continuous internal audit service assists the Council in providing assurance on the control environment that supports the delivery of the Council's One Islington Strategy.
- 1.2 Internal Audit has reported all the control issues found during the year to management and has received action plans from departments to remedy the issues raised.

2. Recommendation

- 2.1 To note the content of this report and the information provided in the appendices.

3. Background

- 3.1 The Internal Audit Programme (Annual Plan) was approved by this Committee on 9 March 2006. This report shows the progress made in delivering the Plan and is presented in the same format as previous reports on the Annual Plan.
- 3.2 Attached at Appendix A is the Annual Internal Audit Report for 2006/07.
- 3.3 Appendix B summarises the status of individual projects contained in the 2006/07 Annual Plan.
- 3.4 Appendix C explains the definitions for the Audit Assurance Ratings.

- 3.5 Appendix D shows the management response to audit requests, made between April 2006 and March 2007, to confirm that agreed recommendations had been implemented within 3 months of target date.

4. Implications

4.1 Financial Implications

- 4.1.1 The programme of audit work was met from within the existing Internal Audit revenue budget.

4.2 Legal Implications

- 4.2.1 The Council has a duty to maintain an adequate and effective system of internal audit in accordance with proper internal audit practices (regulation 6 Accounts and Audit Regulations 2003). Due regard must be had by the Council to the CIPFA code of practice for internal audit. Any officer or member must supply necessary documents and other records and provide any necessary information and explanation required in the course of an internal audit.

4.3 Equalities Implications

- 4.3.1 Client satisfaction survey forms are issued with each piece of completed audit work and contain a section where the client can indicate if any equality issues were, or needed to be, addressed. This procedure has been in place for the past four years and no survey has ever indicated that an equality issue required addressing.

1. Conclusion and reasons for recommendations

This report indicates the level of work being undertaken by Internal Audit to provide assurance that the Council's control environment is being regularly reviewed.

Background papers:

Risk Registers, Internal Audit Reports

Final Report Clearance

Signed by

Director of Finance

Date

Received by

Head of Democratic Services

Date

Report author: Jim Hodges
Tel: 0207 527 2744
Fax: 0207 527 2146
E-mail: jim.hodges@islington.gov.uk

APPENDIX A

Annual Report of the Internal Audit Service for 2006/07

1. Introduction

- 1.1 Corporate Services Committee received and approved the Internal Audit Programme 2006/07 (Annual Plan) on 9 March 2006. The Annual Plan was designed to assist in ensuring that Islington conducts its business in accordance with proper standards of corporate governance and to give assurance as to the level that the internal control environment supports and promotes the achievement of the One Islington objectives.
- 1.2 This has been the second full year of the joint working partnership between the in-house audit team and PricewaterhouseCoopers (PWC), who have successfully delivered a total of 825 and 820 audit days respectively, thus achieving the planned total of 1645 days.
- 1.3 This, in turn, has meant that we have been able to achieve 93% of the planned work within the year with the remainder of projects at finalisation stage.
- 1.4 The planning process was carried out in accordance with recommended best practice as laid down by the CIPFA Code of Practice for Internal Audit.

2. Delivery of the 2006/07 Audit Plan

- 2.1 The "planned time" totals have been amended from the totals in the Annual Plan to accurately reflect the service areas the projects took place in. The summary of time spent within each service area at the end of March 2007 is:

Service Area	No. of days	
	Planned	Actual
Adult Social Services	132	123
Childrens Services	220	180
Corporate Projects	310	310
Corporate Resources	15	20
Customer Focus	155	160
Environment and Regeneration	20	7
Finance/Fundamental Systems	190	200
Homes for Islington	250	280
Housing, Performance & Property Services	105	95
Forensics	248	270
Total	1645	1645

- 2.2 The reasons for the variance between planned days and actual, for each service area is:

Adult Social Services - 1 project deferred to 2007/08, as priority was given to the managed audit process

Childrens Services - resources allocated to higher priority projects following consultation with clients, three projects deferred for operational issues/priority given to the managed audit process

Corporate Resources - 1 project deferred to 2007/08, 1 unplanned project undertaken

Homes for Islington - unplanned TMO enquiry

Housing, Performance & Property - 1 project deferred to 2007/08 as priority was given to the managed audit process

Forensics - more pro-active work undertaken

3. Risk Ratings

3.1 As part of the project, Internal Audit provides management with an overall assessment as to the general level of compliance with internal controls, best practice and council policy. There are four categories of rating "Substantial", "Reasonable", "Limited" and "No Assurance" (see Appendix C for definitions).

3.2 The overall position for the 2006/07 Annual Plan is:

Service Area	Substantial	Reasonable	Limited	No Assurance	Total
Adult Social Services	1	4	5	1	11
Childrens Services	4	30	2		36
Corporate Projects	1	5	1		7
Corporate Resources	1		2		3
Customer Focus	5	4	3		12
Environment & Regeneration				1	1
Finance	1	5	3	1	10
Homes for Islington	1	11	2	1	15
Housing, Performance & Property		5	2		7
Total	14	64	20	4	102

3.3 In 2006/07, 76% of audit reviews were rated as providing a substantial or reasonable assurance as to the efficacy of the internal control environment.

4. Main control issues per service area

4.1 All issues raised have been the subject of Internal Audit reports, to which management have responded with action plans.

4.2 Adult Social Services – 5 limited ratings/1 no assurance rating

- Home Care Service – inadequate documentation to support overtime payments and confusion over the interpretation and inconsistencies in the calculation of Performance Indicators.

- Transport follow-up – 17 from 32 recommendations (53%) from the previous report had not been implemented. This included six recommendations rated as "high risk".
- ABACUS Security review – password security did not conform with good practice and an absence of a formally documented change management procedure.
- Client Bank Accounts follow-up – limited action had been taken to clear debit/credit balances on dead/discharged client bank accounts.
- 53 Leigh Road - inadequate controls were noted in the receipt for goods and services, overtime payments, disposal of assets. It was also found that client charges bills were not raised promptly.
- Client Care Payments (ABACUS and SWIFT) - Insufficient evidence within client files to support many of the care package payments reviewed. As this project was rated as "no assurance", a meeting was arranged with management to agree an action plan and a follow-up project has been programmed for 2007/08.

Childrens Services – 2 limited ratings

- Play and Youth Projects Expenditure follow up – progress was noted (this area was rated as providing "no assurance in 2005/06) but weaknesses were identified in the administration and control of expenditure and the need for more comprehensive guidelines.
- Hargrave Park Primary – a net budget deficit was identified.

Corporate Projects – 1 no assurance rating

- Purchase Cards - lack of supporting documentation for purchases and limited evidence that payments had been checked prior to on-line authorisation. As this project was rated as "no assurance", a meeting was arranged with management to agree an action plan and a follow-up project has been programmed for 2007/08.

Corporate Resources – 2 limited ratings

- Comensura follow-up - progress was noted, however, the level of auto-approval needed to be addressed further.
- BVPI 174/175 – Islington's Racial Harassment Reporting Guidelines were not being used consistently in the service areas reviewed.

Customer Focus - 3 limited ratings

- Symology – the system administrator/privileged user functions required regular monitoring and the need for an exception report to identify trends that may alert management to any circumvention of the authority controls designed into the system.
- Insurance Claims Imprest Fund Reconciliation –there was no overall reconciliation of claims processed to the amounts reimbursed by the insurance company as shown on the imprest account bank statement.
- Cashiers and Contact Islington – it was noted that cash deliveries were only checked by one officer, inadequate segregation of duties in the management and reconciliation of the main and sub-floats and that suspense account entries were not cleared in a timely manner.

Environment and Regeneration –1 no assurance rating

- Finsbury Square Contract –non-compliance with Islington’s Financial Regulations. As this project was rated as "no assurance", a follow-up project has been programmed for 2007/08.

Finance – 3 limited/1 no assurance rating

- Income Bank Account - failure to activate the automatic interface when the bank account opened resulted in income being posted to a suspense account which was then transferred to an incorrect account, temporarily mis-stating figures. The position was reviewed by management and appropriate procedural changes made. As this project was rated as "no assurance", a follow-up project has been programmed for 2007/08.
- Client's Payment Review - a payment was incorrectly processed due to an interface software problem, which was immediately rectified.
- Council Tax – ongoing initiatives to improve operational effectiveness were noted. The impact of the migration from the old VME system to the new fully integrated system, however, required a re-allocation of resources.
- Treasury Management - unclear segregation between back office and front office functions.

Homes for Islington – 2 limited/1 no assurance rating

- Stafford Cripps TMO follow up –seven from 12 (58%) recommendations from the previous report had not been implemented. This included 3 recommendations rated as "high risk".
- Creditors – issues were noted concerning segregation of duties and inconsistencies in purchase order procedures.
- Blackstock TMO – a lack of documentation to support financial transactions and limited evidence of financial review were noted. As this project was rated as "no assurance", a meeting was arranged with management to agree an action plan and a follow-up project has been programmed for 2007/08.

Housing, Performance and Property - 2 limited ratings

- ICSL phase 1 and ICSL phase 2 – in both reviews ICSL billing errors had resulted in overpayments by Islington, which have since been rectified.

5. Other points of information from 2006/07 Audit Activity

5.1 Financial Management Standard in Schools (FMSiS)

FMSiS, which was introduced by the DFES in 2003 and updated in 2005, consolidates existing sources of best practice from the DFES, OFSTED and the Audit Commission.

The Government determined that all secondary schools should meet FMSiS by 31st March 2007. Internal Audit and the Schools Finance team in CEA provided training and additional support to the secondary schools and undertook pre-accreditation assessments to help them in their preparations to meet the standard by the required timescale.

All nine secondary schools were successful and one primary school also achieved FMSiS by this date, a year ahead of the Government's specified target date for primary schools.

Audit Quality Surveys received from schools following their FMSiS assessment visits commented favourably on the advice and support provided by Internal Audit during the FMSiS process.

5.2 Audit Commission and Managed Audits

Each year Internal Audit carries out reviews of the council's fundamental financial systems, working in accordance with the Managed Audit process agreed with the Audit Commission.

This process allows the Audit Commission to place reliance on the work performed by Internal Audit to provide the council with the necessary assurance that key financial controls in the fundamental systems are operating satisfactorily and support a robust internal control environment.

All planned Managed Audit projects for 2006/07 have been successfully completed. At this point in time, a number of reports and audit working paper files have been substantively reviewed by the Audit Commission and positive feedback provided to Internal Audit regarding the quality of the work performed.

The Managed Audit process enables the council to limit Audit Commission fees spent on reviewing Islington's activities.

5.3 Forensics

During the year, Internal Audit ran ten workshops for Council staff entitled "Managing Avoidable Loss" to help underpin Islington's anti fraud stance. More than 120 officers attended these workshops and the feedback was so positive that we will be running some more in 2007/08.

Once again, this year, Islington is fully participating in the National Fraud Initiative. This is a bi-annual data matching exercise, organised by the Audit Commission, that cross-matched data of participating organisations (including some government departments) to identify inaccuracies or potential fraud.

Internal Audit have taken the lead in administering this activity on Islington's behalf and

- ensured that all data sets were submitted on time,
- arranged a training session by the Audit Commission for all staff involved,
- ensured investigators were given access to the relevant matches, and
- continue to monitor progress on a fortnightly basis.

5.4 Client Surveys

As part of Internal Audit's commitment to Customer Focus and to gauge client response to projects, clients are asked to complete an Audit Quality Survey. The survey is sent out with the draft report and any reminders that are issued.

Clients are asked to rate various aspects of each project including consultation on the audit, quality and value of project/report and the communication skills and professionalism of the auditor. There are also sections where clients may comment on areas that would benefit from a future project and whether equality issues have been addressed. Clients may also add general comments/observations to their response.

The above categories may be rated as very good, good, satisfactory and poor. Details of clients' responses are logged on a database and any adverse comments are followed up by the Audit Manager and actions taken are similarly recorded on the database.

In 2006/07, 100% of clients rated the audit project as useful.

5.5 Managements' response to implementing audit recommendations

It is a CIPFA recommended Performance Indicator (PI) for Internal Audit that 90% of agreed Internal Audit recommendations are implemented within 3 months of the target date. This is also a Corporate Health Suite PI and is reported to Members' Performance Group (MPG) quarterly.

In the 2005/06 Annual Report it was noted that, following the introduction of more robust procedures, there had been a significant improvement in the level of responses from departments to Internal Audit requests for information on how recommendations were being progressed.

In 2004/05 the per-centage of replies to Internal Audit requests each quarter, ranged from 39% to 88%, in 2005/06 it improved to between 94% and 100%. In 2006/07 there was a complete 100% response in each quarter.

There has also been an improvement in the per-centage of recommendations implemented by departments over the same period. (The target is 90%):

	2004/05	2005/06	2006/07
Quarter 1	31%	99%	97%
Quarter 2	72%	95%	100%
Quarter 3	73%	96%	88%
Quarter 4	86%	93%	99%

The anomaly in the third quarter in 2006/07 was due to there being no Head of Service in post at the time to ensure recommendations were implemented as agreed. The consequent delay caused by the recruitment process. Internal Audit received a revised action plan, following an appointment, which confirmed that all actions had been completed.

6. Conclusions

- 6.1 All audit projects have been the subject of reports to management, where action plans have been agreed to meet the recommendations made.

- 6.2 As previously stated, 76% of the areas audited were rated as providing reasonable or substantial assurance on the internal control environment and management have agreed to complete action plans to address weaker control areas throughout the year.
- 6.3 The implementation of audit recommendations continues to be a key indicator in supporting a strong internal control environment and it is worth noting the high per centage figures achieved during 2006/07.
- 6.4 On the basis of the 2006/07 Internal Audit work, Islington is continuing to make progress in sustaining and embedding its control environment, which is indicative of its determination for continuous improvement.

Jim Hodges
Chief Internal Auditor
15 May 2007

Internal Audit Annual Plan 2006/07 - status of projects

project	quarter	status	rating	draft report issued	response	comments
Adult Social Services						
Home Care Service BUCR	2	project completed	limited	16.08.06	07.09.06	
Transport follow-up	2	project completed	limited	04.07.06	07.08.06	
ABACUS Security Review	2	project completed	limited	04.08.06	24.08.06	
Client Bank Accounts follow-up	2	project completed	limited	08.09.06	10.01.07	
Direct Payments	3	project completed	reasonable	10.11.06	13.12.06	
53 Leigh Road	3	project completed	limited	22.01.07	04.05.07	
NRPF	4	reminder(s) sent	reasonable	24.04.07		
Agency/CRB Review	4	deferred				meeting with client to confirm action plan
Eithorne CCC	4	project completed	substantial	22.02.07	05.04.07	Managed Audit projects prioritised
43 Ashley Road	4	project completed	reasonable	31.01.07	23.02.07	
Calshot CCC	4	project completed	reasonable	22.02.07	22.03.07	
Client Care Payments (Abacus & Swift)	4	draft report issued	no assurance	17.05.07		meeting with client to confirm action plan
Total: 11						
Childrens Services						
St. Luke's Primary School	1	project completed	substantial	30.06.06	03.08.06	
St. Peter & St. Paul's	1	project completed	reasonable	30.06.06	13.07.06	
Samuel Rhodes Primary School	2	project completed	reasonable	18.07.06	09.10.06	
St. Joseph's Primary School	2	project completed	reasonable	25.08.06	22.09.06	
New North School	2	project completed	substantial	17.08.06	03.10.06	
St. Jude & St. Paul's Primary School	2	project completed	reasonable	21.08.06	04.10.06	
William Tyndale	2	project completed	reasonable	11.09.06	18.09.06	
Mount Carmel College	2	project completed	reasonable	18.07.06	04.10.06	
St. Aloysius College	2	project completed	reasonable	23.08.06	04.10.06	
Recoupment	2	project completed	reasonable	13.10.06	21.11.06	
YPS expenditure follow-up	2	project completed	limited	16.08.06	23.08.06	
Andover EYC	2	project completed	reasonable	27.09.06	19.10.06	
80 Highbury New Park	3	project completed	reasonable	30.11.06	02.01.07	
Winton School	3	project completed	substantial	09.11.06	15.12.06	

APPENDIX B

Internal Audit Annual Plan 2006/07 - status of projects

project	quarter	status	rating	draft report issued	response	comments
Childrens Services continued						
Turnell Park School	3	project completed	reasonable	31.10.06	15.12.06	
Robert Blair	3	project completed	reasonable	16.10.06	08.12.06	
Richard Cloudesley	3	project completed	reasonable	22.12.06	23.01.07	
Copenhagen School	3	project completed	reasonable	06.11.06	04.01.07	
Christ the King	3	project completed	reasonable	14.11.06	04.12.06	
Elizabeth Garrett Anderson	3	project completed	reasonable	30.11.06	02.01.07	
Islington Arts & Media School	3	project completed	reasonable	22.12.06	02.02.07	
Ambler School Budget Review	3	cancelled				resources allocated to other projects
Highbury Quadrant	3	cancelled				resources allocated to other projects
Hanover	3	cancelled				resources allocated to other projects
Case File Management	3	deferred				operational/service issues
Laycock Street	3	project completed	reasonable	13.12.06	19.12.06	
Holloway School for Boys	3	project completed	reasonable	15.12.06	26.01.07	
Islington Green	3	project completed	reasonable	15.12.06	03.01.07	
Willow EYC	3	project completed	reasonable	04.01.07	30.01.07	
Highbury Fields	4	project completed	reasonable	14.02.07	07.03.07	
Central Foundation	4	project completed	reasonable	14.02.07	15.03.07	
Highbury Grove	4	project completed	reasonable	14.02.07	05.03.07	
Childrens Play Centres/After School Clubs	4	deferred				operational/service issues
Sure Start Grant Schemes	4	deferred				Managed Audits projects prioritised
Asylum Seekers	4	draft report issued	reasonable	18.05.07		
Children & Families petty cash	4	project completed	reasonable	22.03.07	16.04.07	
69 Lough Road short break unit	4	project completed	reasonable	22.02.07	13.04.07	
11/12 Highbury Crescent	4	project completed	reasonable	29.03.07	04.05.07	
St. Lukes Primary School	4	project completed	substantial	29.03.07	29.03.07	
Hargrave Park Primary	4	draft report issued	limited	03.05.07		reminder dated 29.05.07
Family Group Conference	4	project completed	reasonable	30.03.07	19.04.07	
Gillespie School	4	draft report issued	reasonable	11.05.07		
Total: 36 projects						

Internal Audit Annual Plan 2006/07 - status of projects

project	quarter	status	rating	draft report issued	response	comments
Corporate Projects						
Corporate Debt Review	1	project completed	reasonable	01.09.06	16.10.06	
Budget Monitoring and Control Review	3	project completed	reasonable	18.12.06	27.02.07	
Procurement - Purchase Cards	4	reminder(s) sent	limited	30.04.07		reminder dated 25.05.07
Fixed Assets Register	4	project completed	reasonable	26.03.07	26.04.07	
Capital Programme	4	project completed	reasonable	19.02.07	19.02.07	
BVPIs/LAAs Stretch Targets	4	draft report issued	reasonable	25.05.07		
Regeneration & Partnerships	4	project completed	substantial	27.02.07	27.02.07	
Total: 7 projects						
Corporate Resources						
Members' Allowances	2	project completed	substantial	05.09.06	04.10.06	
Comensura Auto Approvals	2	project completed	limited	25.09.06	13.11.06	reminders dated 16.04.07 & 04.05.07
BVPI 174/175	4	reminder(s) sent	limited	20.03.07		low risk/priority
Training Partners Contract	4	deferred				
Total: 3 projects						
Customer Focus						
North Library	2	project completed	substantial	25.08.06	25.08.06	
Mildmay Library	2	project completed	substantial	30.08.06	26.09.06	
Lewis Carroll Library	2	project completed	substantial	30.08.06	06.09.06	
Central Library	2	project completed	substantial	27.09.06	13.10.06	
N4 Library	2	project completed	substantial	27.09.06	27.09.06	
HR Review/Payroll	3	project completed	reasonable	22.12.06	08.02.07	
Symology	3	project completed	limited	11.01.07	11.01.07	
Insurance Claims Imprest Fund Reconciliation	4	reminder(s) sent	limited	12.04.07		reminders dated 04.05.07 & 25.05.07
Cashiers and Contact Islington	4	reminder(s) sent	limited	30.04.07		reminder dated 25.05.07
Commissioning, Tendering and Procurement	4	project completed	reasonable	27.03.07	27.03.07	
PARIS Implementation	4	deferred				delays in system implementation
Cedar Financials	4	project completed	reasonable	20.02.07		reminder dated 10.05.07

APPENDIX B

Internal Audit Annual Plan 2006/07 - status of projects

project	quarter	status	rating	draft report issued	response	comments
Customer Focus continued						
ICT Service Delivery	4	project completed	reasonable	27.03.07	27.03.07	
Total: 12 projects						
Environment & Regeneration						
Finsbury Square Contract	2	project completed		12.07.06	08.08.06	
Street Environment Services KPIs	3	deferred	no assurance			activity covered in other projects
Total: 1 project						
Finance						
Income Bank Account	1	project completed	no assurance	26.06.06	28.06.06	
Management Accounting system	3	project completed	reasonable	25.01.07	23.03.07	
Data Migration Review (Council Tax)	3	project completed	substantial	31.10.06	31.10.06	
Client's payment review	3	project completed	limited	28.11.06	28.11.06	
Creditors	3	cancelled				activity covered in other projects
Debtors	3	cancelled				activity covered in other projects
Council Tax	4	reminder(s) sent	limited	16.04.07		activity covered in other projects
NNDR	4	reminder(s) sent	reasonable	16.04.07		reminder dated 16.05.07
Payroll	4	project completed	reasonable	29.03.07		reminder dated 16.05.07
Pensions	4	draft report issued	reasonable	10.05.07		
Treasury Management	4	project completed	limited	20.04.07	09.05.07	
Payroll Reconciliation	4	project completed	reasonable	16.03.07	16.03.07	
Total: 10 projects						
Homes for Islington						
Wenlake TMO	1	project completed	reasonable	29.06.06	20.07.06	
Stafford Cripps TMO	2	project completed	limited	30.08.06	04.10.06	
Bemerton Villages	2	project completed	reasonable	01.09.06	30.11.06	
Spa Green TMO	2	project completed	reasonable	12.10.06	10.11.06	
Taverner Peckett TMO	2	project completed	reasonable	13.10.06	15.12.06	

APPENDIX B

Internal Audit Annual Plan 2006/07 - status of projects

project	quarter	status	rating	draft report issued	response	comments
Homes for Islington continued						
Creditors	3	project completed	limited	26.01.07	16.02.07	
HFI Procurement	3	project completed	reasonable	06.12.06	21.12.06	
Blackstock TMO	3	project completed	no assurance	11.12.06	05.02.07	
Housing Repairs	3	project completed	reasonable	22.12.06	27.02.07	
Debtors	4	project completed	reasonable	20.02.07	01.03.07	
General Ledger	4	project completed	reasonable	09.02.07	20.03.07	
Budget Monitoring and Control	4	project completed	reasonable	09.02.07	20.03.07	
Cash Management	4	project completed	reasonable	09.02.07	20.03.07	
Housing Rents	4	draft report issued	substantial	18.05.07		
Service Charges calculations	4	deferred				
Payroll	4	reminder(s) sent	reasonable	29.03.07		delays in system implementation reminders dated 01.05.07 & 16.05.07
Total: 15 projects						
Housing, Performance & Property						
Building Solutions Team follow-up	1	project completed	reasonable	05.05.06	27.07.06	
HFI monitoring	1	project completed	reasonable	05.07.06	04.08.06	
Homelessness - Contract Management	2	project completed	reasonable	24.08.06	24.10.06	
ICSL phase 1	2	project completed	limited	08.09.06	08.09.06	
ICSL phase 2	2	project completed	limited	21.09.06	25.01.07	
Housing Benefits	3	project completed	reasonable	30.01.07	20.02.07	
Supporting People Payments follow-up	4	project completed	reasonable	20.02.07	13.03.07	
Property Portfolio Management	4	deferred				Managed Audits projects prioritised
Total: 7 projects						

Audit Assurance Categories

The four categories are:

1. Substantial Assurance

There is a sound system of controls designed to achieve the system's objectives and the controls are being consistently applied.

2. Reasonable Assurance

A basically sound system of internal controls is in place, however, minor weaknesses or non-compliance with best practice was noted which may put some of the control objectives at risk

and/or

there is evidence of non-compliance with one or more of the expected controls or best practice issues that may put some of the system objectives at risk.

3. Limited Assurance

Weaknesses in the system of controls are such as to put key system objectives at risk

and/or

the level of non-compliance with controls puts the system objectives at risk.

4. No Assurance

Control is generally weak leaving the system open to error or abuse,

and/or

significant non-compliance with basic controls leaves the system open to error or abuse.

Internal Audit requests to Management to confirm completion of Action Plans from April 2006 to March 2007

project	assurance rating	self cert request	self cert reply	comments
Adult Social Services				
Learning Disabled Day Centre	reasonable	25.05.06	09.06.06	recommendations implemented during audit (6/6)
Canonbury cc centre	reasonable	02.06.06	12.06.06	
PWAPF	reasonable	N/A	N/A	
Mental Health Crisis Team (South)	limited	N/A	N/A	
Drayton Park CCC	substantial	N/A	N/A	
Home Care Service BUCR	limited	17.11.06	23.11.06	
ABACUS Security Review	limited	17.11.06	21.12.06	
Direct Payments	reasonable	01.03.07	12.04.07	
<i>Total:8</i>				
Childrens Services				
Play & Youth Projects Expenditure	no assurance	25.05.06	12.06.06	recommendations implemented during audit (6/6)
Mount Carmel College	reasonable	15.05.06	18.05.06	
St. Aloysius College	limited	15.05.06	27.06.06	
Bridge School	reasonable	15.05.06	07.06.06	
Highbury Fields	reasonable	02.06.06	29.06.06	
North Islington Nursery	reasonable	25.05.06	09.06.06	
Colgrain	reasonable	25.05.06	25.05.06	
Prior Weston School	reasonable	02.06.06	26.056.06	
St Andrews School	reasonable	02.06.06	06.06.06	
Central Foundation	substantial	N/A	N/A	
Gratton school	reasonable	N/A	N/A	
Sacred Heart	reasonable	01.09.06	13.09.06	
Clerkenwell Parochial school	reasonable	N/A	N/A	
Hungerford School	reasonable	01.09.06	28.09.06	
Vittoria school	reasonable	N/A	N/A	
YPS expenditure follow-up	limited	17.11.06	23.11.06	
St. Joseph's Primary School	reasonable	24.11.06	08.12.06	recommendations implemented during audit (4/4)

self cert request: the data the client was asked to confirm that agreed recommendations have been implemented
self cert reply: the data that Internal Audit received the client's response

Internal Audit requests to Management to confirm completion of Action Plans from April 2006 to March 2007

project	assurance rating	self cert request	self cert reply	comments
Childrens Services continued				
St. Luke's Primary School	substantial	27.11.06	04.12.06	recommendations implemented during audit (5/5)
St. Jude & St. Paul's	reasonable	N/A	N/A	
St. Peter & St. Paul's	reasonable	27.11.06	11.12.06	
William Tyndale	reasonable	27.11.06	03.01.07	
New North School	substantial	01.03.07	29.03.07	
Samuel Rhodes Primary School	reasonable	01.03.07	02.03.07	
Tufnell Park School	reasonable	02.03.07	02.03.07	
Winton School	substantial	09.03.07	15.03.07	
Robert Blair	reasonable	09.03.07	23.03.07	
Christ the King	reasonable	09.03.07	28.03.07	
Laycock Street	reasonable	09.03.07	16.03.07	recommendations implemented prior to FMSIS accreditation (12/12)
Mount Carmel College	reasonable	N/A	N/A	
St. Aloysius College	reasonable	N/A	N/A	
Recoupment	reasonable	09.03.07	30.03.07	
Andover EYC	reasonable	N/A	N/A	recommendations implemented during audit (4/4)
Total: 32				
Corporate Projects				
Money Laundering Arrangements	limited	25.05.06	20.07.06	recommendations implemented during audit (4/4)
Budget Monitoring and Control Review	limited	07.06.06	11.07.06	
BVPs 174/175 Racial Harassment	reasonable	25.09.06	09.10.06	
Corporate Debt Review	reasonable	09.03.07	14.03.07	
Total: 4				
Corporate Resources				
Criminal Records Bureau	reasonable	25.05.06	16.06.06	recommendations implemented
Comensura follow-up	limited	09.06.06	29.06.06	
Registrars	substantial	26.09.06	26.09.06	

self cert request: the data the client was asked to confirm that agreed recommendations have been implemented
 self cert reply: the data that Internal Audit received the client's response

Internal Audit requests to Management to confirm completion of Action Plans from April 2006 to March 2007

project	assurance rating	self cert request	self cert reply	comments
Corporate Resources continued				
Members' Allowances	substantial	01.03.07	01.03.07	
Comensura Auto Approvals	limited	15.03.07	13.04.07	
<i>Total: 5</i>				
Customer Focus				
IT Strategy	reasonable	25.05.07	04.07.07	
Mildmay Library	substantial	17.11.06	18.12.06	
Lewis Carroll Library	substantial	N/A	N/A	recommendation implemented during audit (1/1)
Central Library	substantial	01.03.07	12.03.07	
<i>Total: 4</i>				
Environment & Regeneration				
Ecology centre	limited	N/A	N/A	
Flinsbury Square Contract	no assurance	17.11.06	20.11.06	recommendations implemented during audit (4/4)
<i>Total: 2</i>				
Finance				
Creditors	limited	05.06.06	26.06.06	
Debtors	reasonable	05.06.06	13.06.06	
Main Accounting System	reasonable	05.06.06	10.07.06	
Treasury Management	reasonable	17.11.06	18.12.06	
Pension Investments	substantial	28.11.06	18.12.06	
Data Migration Review (Ctax)	substantial	N/A	N/A	no recommendations necessary
Client's payment review	limited	N/A	N/A	software reconfigured immediately to rectify fault in system
<i>Total: 7</i>				

self cert request: the data the client was asked to confirm that agreed recommendations have been implemented
 self cert reply: the data that Internal Audit received the client's response

APPENDIX D

Internal Audit requests to Management to confirm completion of Action Plans from April 2006 to March 2007

project	assurance rating	self cert request	self cert reply	comments
Homes for Islington				
Housing Base Data Return	reasonable	25.05.06	04.07.06	
TMOs phase 2	limited	25.05.06	30.05.06	
Contract Management Review	reasonable	05.06.06	07.06.06	
Housing Rents	substantial	17.11.06	08.12.06	
HFI Procurement	reasonable	02.03.07	23.03.07	
<i>Total: 5</i>				
Housing, Performance & Property				
Asset Disposal	limited	25.05.06	30.06.06	
Commercial Rent Income follow-up	reasonable	25.05.06	30.06.06	
Housing Benefits	reasonable	02.06.06	28.06.06	
Public Service Agreements (PSA) Part 1	reasonable	05.06.06	13.06.06	
PSA Part 2	reasonable	05.06.06	12.06.06	
Building Solutions Team follow-up	reasonable	17.11.06	20.12.06	
HFI monitoring	reasonable	17.11.06	20.12.06	
Homelessness - Contract Management	reasonable	01.03.07	13.04.07	
<i>Total: 8</i>				

self cert request: the data the client was asked to confirm that agreed recommendations have been implemented
 self cert reply: the data that Internal Audit received the client's response