

SUBJECT:	Internal Audit: Status of Work
MEETING:	Audit Committee
DATE OF MEETING:	24 June 2009
REPORT OF:	Chief Internal Auditor (Acting)
REPORT DATE:	15 May 2009

1 Internal audit report opinion definitions:

Opinion	Framework of governance, risk management and management control	Risk to achievement of management's objectives
Substantial assurance [G]	Basically a sound framework in place that is operating effectively however some non-critical weaknesses or immaterial evidence of inconsistent application of the framework may have been identified.	Some risk beyond accepted parameters that all objectives may not be fully achieved.
Limited assurance [A]	Critical weakness(es) identified within the framework or significant evidence of inconsistent application.	Risks may not be clearly defined and/or may fall outside accepted parameters. One or more important objectives are unlikely to be achieved.
No assurance [R]	Fundamental weaknesses have been identified or the framework is ineffective or absent.	Failure to recognise and manage risks effectively. A real and substantial risk of failure to achieve management's objectives.
Closed [X]	Management has confirmed that all identified framework weaknesses have been appropriately addressed.	Management considers risks to achievement of stated objectives to fall within accepted parameters.

2 Status of 'live' reports:

Audit title	Report date	Audit Sponsor	Directorate	Opinion								Original actions	Actions outstanding	
				Aug 2007	Dec 2007	Feb 2008	May 2008	Aug 2008	Nov 2008	Feb 2009	May 2009			(of which are 'high' priority)
Client Money Service	04/05/07	Executive Director Communities Health and Care	Communities Health and Care	A	A	G	G	G	G	G	G	X	12 (10)	0 (0)
Debtors	29/05/07	Head of Transactions	Resources	G	G	G	G	G	G	G	G	G	14 (0)	3 (0)
Ensuring System Security	06/07/07	Head of IT	Resources	A	A	A	A	A	G	G	X	33 (11)	0 (0)	
Decent Homes Transformational Programme	25/01/08	Head of Decent Homes	Neighbourhoods			A	A	A	G	G	G	20 (7)	1 (0)	
Strategic Services Partnership	28/02/08	Executive Director of Resources	Resources			G	G	G	G	G	G	3 (1)	1 (1)	
Compliance with Health and Safety Legislation	12/03/08	Executive Director of Resources	Resources				G	G	G	G	G	9 (0)	1 (0)	
Payroll	17/03/08	Executive Director of Resources	Resources				G	G	G	G	G	6 (1)	4 (1)	

Audit title	Report date	Audit Sponsor	Directorate	Opinion							Original actions	Actions outstanding	
				Aug 2007	Dec 2007	Feb 2008	May 2008	Aug 2008	Nov 2008	Feb 2009			May 2009
School Admissions	17/03/08	Executive Director Children's Services and Learning	Children's Services and Learning				G	G	G	G	G	5 (2)	2 (2)
Fleet Transport	08/04/08	Executive Director of Environment	Environment				G	G	G	G	G	11 (0)	6 (0)
Data Management - Child Protection Records	15/04/08	Executive Director Children's Services and Learning	Children's Services and Learning				A	A	G	G	G	8 (6)	1 (1)
Licensing	16/04/08	Chief Executive	Legal and Democratic Services				A	G	G	G	G	13 (3)	1(0)
Parking: Off and On Street	16/04/08	Executive Director of Environment	Environment				G	G	G	G	G	15 (4)	1 (0)
Receipt Management and Banking	07/05/08	Executive Director of Resources	Resources				G	G	G	G	G	5 (0)	2 (0)
Internet and Email	16/05/08	Executive Director of Resources	Resources				A	A	A	A	A	10 (3)	3 (3)

Audit title	Report date	Audit Sponsor	Directorate	Opinion								Original actions	Actions outstanding
				Aug 2007	Dec 2007	Feb 2008	May 2008	Aug 2008	Nov 2008	Feb 2009	May 2009		
Local Taxation Services	06/06/08	Executive Director of Resources	Resources					G	G	G	G	6 (0)	1 (0)
Responsive Repairs	09/06/08	Executive Director of Neighbourhoods	Neighbourhoods					R	R	G	X	38 (38)	0 (0)
Application and Software Management	10/06/08	Executive Director of Resources	Resources					A	G	G	G	10 (3)	1 (1)
Network Management	10/06/08	Executive Director of Resources	Resources					A	G	G	G	19 (0)	5 (0)
Across Schools Thematic Reviews – Security	16/06/08	Executive Director Children's Services and Learning	Children's Services and Learning					A	A	A	G	8 (4)	2 (1)
Direct Payments	19/06/08	Executive Director Communities Health and Care	Communities Health and Care					R	A	A	X	24 (24)	0 (0)
Risk Management	01/07/08	Executive Director of Resources	Resources					G	G	G	X	2 (2)	0 (0)

Audit title	Report date	Audit Sponsor	Directorate	Opinion								Original actions	Actions outstanding
				Aug 2007	Dec 2007	Feb 2008	May 2008	Aug 2008	Nov 2008	Feb 2009	May 2009		
Code of Conduct and Disciplinary Rules	24/07/08	Executive Director of Resources	Resources					A	A	A	A	17 (13)	5 (3)
Housing Needs	24/07/08	Executive Director of Neighbourhoods	Neighbourhoods					A	A	A	G	7 (6)	1 (0)
Affordable Housing	14/08/08	Executive Director of Neighbourhoods	Neighbourhoods					A	G	G	G	12 (4)	1 (0)
Workforce planning	04/09/08	Executive Director of Resources	Resources					G	G	G	G	8 (0)	2 (0)
Town Depot Stores	05/09/08	Executive Director of Neighbourhoods	Neighbourhoods						A	A	G	11 (3)	4 (0)
Itchen Bridge	16/09/08	Executive Director of Resources and Executive Director of Environment	Resources/Environment						A	G	G	4 (0)	1 (0)
Capital Programme and Major Projects	01/12/08	Executive Director of Resources	Cross-cutting						A	A	A	7(0)	7(0)

Audit title	Report date	Audit Sponsor	Directorate	Opinion								Original actions	Actions outstanding	
				Aug 2007	Dec 2007	Feb 2008	May 2008	Aug 2008	Nov 2008	Feb 2009	May 2009			(of which are 'high' priority)
VAT	19/12/08	Executive Director of Resources	Resources								G	G	4(0)	2(0)
Procurement	15/12/08	Executive Director of Resources	Resources								A	G	21(8)	6 (1)
Section 106 Agreements	26/01/09	Executive Director of Environment.	Environment								R	R	7(6)	3 (3)
Concessionary Travel	03/02/09	Executive Director of Environment. Executive Director of Resources	Environment								A	X	4(2)	0 (0)
Public Transport	04/02/09	Executive Director of Environment. Executive Director of Resources	Environment								A	G	5(2)	2(0)
Holy Family RC Primary School	27/02/09	Executive Director of Children Services and Learning	Children Services and Learning									R→X	37(37)	0 (0)

Audit title	Report date	Audit Sponsor	Directorate	Opinion							Original actions	Actions outstanding	
				Aug 2007	Dec 2007	Feb 2008	May 2008	Aug 2008	Nov 2008	Feb 2009			May 2009
Mental Health and Substance Misuse	23/03/09	Executive Director Communities Health and Care	Communities Health and Care								A	6 (3)	5 (3)
Woodmill	26/03/09	Executive Director of Neighbourhoods and Executive Director of Resources	Neighbourhoods and Resources								R	9 (8)	6 (5)
School Thematic Review	09/04/09	Executive Director of Children Services and Learning	Children Services and Learning								A→X	5 (5)	0 (0)
Customer Services	28/04/09	Executive Director of Resources	Resources								A	3 (1)	3 (1)
Private Sector Housing	12/05/09	Executive Director of Neighbourhoods	Neighbourhoods								A	19 (8)	19 (8)

3 Executive summaries of new reports published where critical weaknesses or unacceptable levels of risk were identified:

Audit title: Holy Family RC Primary School (27/02/09)

Original published audit opinion: No Assurance [R]

Current audit opinion: Substantial Assurance [G]

Executive summary:

Concerns were raised with Internal Audit regarding the financial procedures followed at Holy Family RC Primary School, primarily related to the accounting practices followed for the collection and recording of income at the school.

Subsequent investigation identified controls and procedures relating to official and unofficial income were found to be inadequate and in contravention of Southampton City Council's 'Financial Procedure Rules' including:

- delays in banking monies (D.32);
- income not banked in tact (D.32);
- delays in reconciling source records with money received (D.32);
- delays in recording banking on Agresso (D.32);
- failure to perform any checks of income shown on Agresso (D.32);
- failure to ensure that an annual independent audit is performed on the unofficial account by a suitably qualified individual (Schools Finance Manual Chapter 32).

Further controls and procedures relating to the imprest account were found to be inadequate and in contravention of Southampton City Council's 'Financial Procedure Rules' and 'Schools Manual of Financial Practice and Procedure' including

- inadequate segregation of duties in allowing the administrator of the account (during 2007/08) to be a signatory to the account (Schools Manual of Financial Practice and Procedure Chapter 11);
- receipts and invoices are not crossed through when paid and therefore the possibility exists that payments can be processed twice;(Schools

Manual of Financial Practice and Procedure Chapter 11)

- delays in recording transactions on Agresso resulting in inaccurate reconciliations (Finance Procedure Rules D.66)
- signatory procedures for cheques (Schools Manual of Financial Practice and Procedure Chapter 11).

Due to the lack of controls, weak procedures and incomplete records retained at the school, a full reconstruction of the accounts could not be completed

Management actions and update since last report:

Official Account

Financial policy and procedures have been reviewed and CSL finance are supporting the school to ensure they are compliant. Such requirements of the policies have been communicated to all staff. Income received is now recorded on Tucasi and manual records are kept to a minimum. Income is reconciled to Agresso.

Meals Money

All meals money is reconciled to Agresso and recorded on Tucasi. Paying in slips are now recording actual income received and are being independently checked for completeness and accuracy.

Breakfast club/Afterschool club

Banking is now performed on a timely basis, checked for accuracy and reconciled to supporting documentation. Any transfers between the accounts are authorised by an independent officer. All income is receipted through Tucasi and any identified errors have to be checked by an independent officer to ensure that the correcting entries are made. This also refers to any refunds that are required.

Imprest Accounts

All signatories have been updated. All vouchers are updated onto Agresso on a regular basis, CSL are currently providing support where needed to ensure that the school remain up to date. Reconciliations are now performed monthly for reimbursement to ensure that the account is not overdrawn. Receipts and invoices are crossed through for completeness.

Unofficial Account

To be audited under the advice of CSL Finance. Finance procedures are now adhered to and the account is reconciled on a regular basis. All income is receipted through Tucasi and banked in the form received. The school are currently looking at the transactions within the account to ensure that they have been correctly accounted for.

Audit title: Mental Health and Substance Misuse (23/03/09)

Original published audit opinion: Limited Assurance [A]

Current audit opinion: Limited Assurance [A]

Executive summary:

Various boards and groups work together to oversee and collect evidence to ensure services are appropriately delivered. Details of the groups had yet to be fully documented or approved. Evidence of service performance delivery by the partners and stakeholders was not published in accordance with the terms of reference.

Extensions have been awarded at the cessation of key contracts contravening the Councils Contract Procedure Rules. Until this is ratified assurance cannot be provided that appropriate service providers have been commissioned correctly to deliver service objectives.

Management actions and update since report issued:

Terms of Reference for the Strategic Commissioning Group for Adult Mental Health, Substance Misuse and Learning Disability now approved.

High priority actions overdue:

Formal confirmation to be obtained from the Council's Legal Section to ratify contract requirements (Mar 09)

A new Mental Health integrated contract to be completed to amalgamate service requirements (Mar 09)

N.B. This is in final draft currently with solicitors. Completion date assessed as June 2009 but dependent on legal advice.

Audit title: Woodmill (26/03/09)

Original published audit opinion: No Assurance [R]

Current audit opinion: No Assurance [R]

Executive summary:

No policies or procedures were available for processes at the Canoe Shop. A draft procedure document had been prepared but contained sections that were incomplete, absent or not appropriately tailored. Fundamental weaknesses were identified in the MRM+2 computer system used to run the shop tills and booking system including absence of logical access controls, duplicate log-ins and retention of generic passwords.

There was a lack of control over all aspects of the cashing up and banking process including segregation, reconciliation and management check. The system for booking the fishing pool provided no accurate record of income received or outstanding.

Reconciliations were not carried out at any level. No assurance could be provided that income detailed on the main accounting system, Agresso, reflected that received by the Woodmill Canoe shop.

There was no reliable record of stock held at the Canoe Shop. A stock take undertaken 28 – 29th September 2008 did not produce a reliable record of the goods held or their value. There were a number of issues around the stock take including failure to identify stock to be written down, failure to record the location of stock to avoid double counting, and poor quality recording_

Management actions and update since report issued:

An interim shop manager has been appointed.

Access levels have been adjusted for all employees to reflect suitable levels relevant to the positions held and access required.

Separate imprest accounts for the shop and centre have been set up and there are currently processes being implemented to source a new card payment machine.

A new booking system has been introduced.

High priority actions overdue:

The problem outlined regarding MRM is relevant to all centres and these issues will be raised for the attention of Senior Sport and Recreation Management (Apr 09)

Enter into discussion with IT to seek a replacement dedicated retail system to meet business needs (Apr 09)

N.B. Discussions are being entered into with IT and a proposal is planned to be presented to Resources Board during May 2009 for a new EPOS solution which will fulfil the requirements of a retail function.

Complete final separation of the centre and shop functions (Apr 09)

N.B. Agresso training to take place during May 2009 and once complete all finance systems will transfer from the centre to the shop

Audit title: School Thematic Review (09/04/09)

Original published audit opinion: Limited Assurance [A]

Current audit opinion: Substantial Assurance [G]

Executive summary:

Satisfactory controls were in place for the procurement of low value transactions, however, in all but one school visited there was no robust management trail maintained to substantiate that intermediate and high value transactions comply with the Council's Contract Procedure Rules.

In all schools visited the following risk were observed:

- Headteachers, staff and governors with financial responsibilities were not aware of, the Council's Contract Procedure Rules (May 2008);
- Schools did not maintain a Contracts register for contracts under £100,000 as stipulated in the Council's Contract Procedure Rules;
- Contracts sampled did not completely define the service provided in terms of its nature, quality standards, information, monitoring requirements and contract review procedures;

- A Gifts and Hospitality register was not maintained as stipulated in the Council's policy on Gifts and Hospitality; and
- The 'Buyers Guide' published by the Head of Procurement on the Procurement Intranet site for identifying existing contract or framework agreements was not utilised

In all schools, income was entered onto Agresso on a regular and frequent basis, however 65% of schools visited were observed as:

- not recording and receipting income received;
- lacked segregation of duties with regard to local income;
- provided insufficient controls with regard to the security of cash during the cashing up process and during transportation to the bank;
- invoices for lettings and hire of facilities not raised on Agresso not containing sufficient information; and
- failing to return the annual audit certificate for the unofficial account to Children's Services and Learning for two years or more.

The review found that generally schools correctly identified VAT on expenditure (input tax) when processing invoices on Agresso.

VAT for sports lettings is standard rated unless the hirer meets certain criteria. An exemption form must be completed by the hirer as a declaration of meeting these criteria. In 75% of schools who let out their sports facilities this process was found to be inadequate.

Management actions and update since report issued:

The finance presentation included in the Governor Induction Training day has been amended to include specific reference to the recent thematic review. The first session was held last Friday, 1st May. Management actions are also to be included within other governor training as appropriate but particularly in the training offered in November on the subject of "Finance – the Governors Role".

Training for head teachers is normally held in the Autumn term so this will also be updated to reflect the observations of the Review.

The Finance bulletin which was sent out in April includes full detail of the issues identified.

Audit observations have been discussed with the individual schools by the Finance Support team officers during their visits to the schools.

A letter has been sent to all Headteachers detailing internal audit observations, following the thematic review of income and procurement within

schools.

High priority actions overdue:

None

Audit title: Customer Services (28/04/09)

Original published audit opinion: Limited Assurance [A]

Current audit opinion: Limited Assurance [A]

Executive summary:

All monthly key performance indicators are routinely reported. Service experts have raised concern that CS01 ‘% of calls answered in 30 seconds’ measures quantity with no regard to quality. National economic developments have created a rise in the number of enquiries about housing benefit and council tax by telephone and at Gateway. The expansion of services and the economic downturn presents a risk to the relevance of current indicators.

All calls are recorded and stored for 3 months. When this was agreed no business case was made for calls to be recorded and stored for that amount of time. There is a risk that this could breach the Data Protection Act 1998.

Prior to the phased transfer of customer services to the SSP, work was carried out to ensure a seamless transition. Call centre staff spent time with the service areas for which they were to be taking calls and good channels of communication were established. In each service area a "Service Expert" has been nominated and is the first point of contact with the Capita team leader for their service. Error logs were retained by some services for discussion at meetings. While it was generally accepted that work is undertaken to eradicate error, the cost and severity of error was not considered

Management actions and update since report issued:

An appropriate action plan has been agreed with management.

Audit title: Private Sector Housing (12/05/09)

Original published audit opinion: Limited Assurance [A]

Current audit opinion: Limited Assurance [A]

Executive summary:

There are inconsistencies between the written procedures and those followed by the team resulting in inaccuracies of managing individual loans. Inappropriate information was issued by the Home Improvement Agency (HIA) which was impacting on the budget and scheduled work forecasts performed by the team. There were also a number of key processes which did not have a corresponding procedure for the team to follow to ensure continuity was maintained and the Council safeguarded.

The contract specification between the Council and the HIA was to be reviewed by Legal Services and amendments made to reflect actual roles and responsibilities. Such variations to contract were to be discussed with the HIA before they were finalised. Invoices to the builders were also to be reviewed by Legal Services to include a disclaimer stating that payment made direct to the builder does not form part of a contract between the Council and them. Such issues were being addressed as a matter of priority by Legal Services and the Private Sector Housing Team.

Contract management issues between the Council and the HIA were being addressed by the Head of Housing Solutions. The returns received from the agency to show work planned, in progress and completed was not in accordance with the agreed contract between the Council and the HIA "In Touch". Work was ongoing to address issues with the agency and resulted in a member of the Private Sector Housing Team being seconded to the HIA in an attempt to improve procedures. The Private Sector Housing Manager was reviewing contingencies and other back up services that could potentially support the Council if the contract with the HIA fails. Consequently no assurance could be given.

Revised risk assessments were being completed to ensure that they identified the risks associated with the current economic climate. The valuation of properties to assess equity will be reviewed under the guidance of the new risk assessments.

Management actions and update since last report:

An appropriate action plan has been agreed with management.

4 Update on previously published reports where critical weaknesses or unacceptable levels of risk identified:

Audit title: Strategic Services Partnership (28/02/08)

Original published audit opinion: Substantial Assurance [G]

Current audit opinion: Substantial Assurance [G]

Executive summary:

Overall a sound governance and client structure had been established to support the Partnership Agreement and the process of monitoring Service delivery.

A clear and consistent approach had been followed to the identification and specification of in-scope Services supported by a system of quality control and period of due diligence.

A mechanism (Performance Payment Mechanism (PPM)) had been introduced to enable a consistent methodology to the payment of services rendered with a clear framework for escalation in the event of non-compliance. The PPM was reliant on a robust performance and data collection methodology, however 19% of KPIs across in-scope services had no defined effective date, which temporarily exposed the Council to financial and performance risk.

Contract negotiations had established targets and thresholds of both quantitative and qualitative performance measures. A sound framework for measuring and monitoring performance had been established with procedures to escalate under performance to an appropriate forum.

Targets had been set to achieve acceptable and often aspirational levels of performance. Generally thresholds had been set against baseline data, however this had not always been possible and in the absence of any tangible methodology professional judgement had been applied. Provision had been made within the Partnership Agreement in respect of going concern, escrow and security arrangements.

Management actions and update:

Final areas outstanding in respect of management actions are in HR and Procurement. For HR, targets have been documented and agreed by the Council and Capita and these are currently going through commercial / contractual checks, to be signed off.

In the case of Procurement a pilot exercise is being undertaken and the final key performance indicator is scheduled to be measured from July 09 (first reported at end of quarter).

High priority actions overdue:

Arrangements are now largely in place to handle the baselining and setting of honeymoon periods where these are not already defined. A progress reporting template has been agreed at the Partnership Operations Group and this is monitored monthly. (Oct 08)

Audit title: Payroll (17/03/08)

Original published audit opinion: Substantial Assurance [G]

Current audit opinion: Substantial Assurance [G]

Executive summary:

The day to day management of the payroll processes were found to be satisfactory and working well.

Inconsistencies were identified, however, relating to the profile of officers authorisation on ResourceLink. The profiling was not regularly reviewed to ensure that access to confidential and sensitive information was appropriate. It is essential that such accesses be reviewed on a regular basis to ensure that only current employees have access to the information.

Management actions and update:

The provider service ensures that new employees understand the Council's policies etc.

Employees are reminded of their responsibility to keep personal information up to date. The provider undertakes to ensure to update information in a timely way for those without PC access.

High priority actions overdue:

The Profile file will be regularly reviewed to ensure access to Resourcelink is appropriate and up to date. A review of such accesses will also be performed to ensure they remain appropriate (March 08) – *Completion by June 09*

Audit title: School Admissions (17/03/08)**Original published audit opinion:** Substantial Assurance [G]**Current audit opinion:** Substantial Assurance [G]**Executive summary:**

A small, but experienced admissions team, aided by the Tracking Officer, The Choice Advisor, and the SEN (Special Educational Needs) team ensured that the admissions process was correctly administered and applied. The team had recently undergone a restructure and the Admission Manager's post was vacant.

The Tracking Officer was proactive in identifying children moving into and out of the area, and liaised with all interested parties to ensure identification and placement of children in schools. Inevitably some were missed, however with the current controls in place the risk is minimised.

Primary schools administered their own in year admissions. Secondary schools partially administered in year admissions, however where schools administered their own waiting lists and in year admissions there were no controls in place to ensure schools management was in accordance with the admissions policy and legislative requirements. This was of concern as the Interim Admissions Manager was not satisfied that schools fully understood admissions legislation and its principles, especially with regard to the equal preference system. Incorrect information could subsequently have been disseminated to parents/carers. The detail within the guidance notes issued to schools did not contain key information; e.g. the admissions policy.

The Council is responsible for ensuring that all schools' admissions policies within its authority are meeting legislative requirements. This also includes schools which are their own admissions authority; academies, and foundation status schools. Appropriate controls are therefore essential to monitor that the admissions policy is adhered to.

The appeals process was labour intensive; a proposed timetable and requirements had been outlined to ensure efficient planning and resourcing. This had not been implemented as the Admissions Manager's post was vacant.

Management actions and update:

New Choice Advisor appointed April 2009.

The New Code for admissions came in to force on the 10 February 2009 and changes the constitution of the Forum. Admissions Manager has written to Legal Services for advice.

The Tracking Officer has been placed within the Safeguarding division to enable a “greater speed” in tracking “no applications”.

IYFA protocol has been rewritten in light of the New Code and is included within discussions with the Behaviour and Attendance partnerships.

High priority actions overdue:

The Admissions Forum Review of Admission Forum constitution took place on 22 January 2008 including a discussion of membership and numbers needed for a quorate meeting. To be followed up with Legal. (AP1 (Jan 08))

All secondary schools to be on B2B (Business2Business) as soon as possible giving access to vital “real time” data such as the number of pupils on roll, leavers, pupils taken on etc. This will allow for up to date information to be available on school places and accurately communicated to parents/carers when applying for a mid year place. (AP2 (Apr 08))

Audit title: Data Management - Child Protection Records (15/04/08)

Original published audit opinion: Limited Assurance [A]

Current audit opinion: Substantial Assurance [G]

Executive summary:

The Children and Families Division, as part of the Children’s Services and Learning Directorate, are responsible for the management of the Child Protection Register. Changes introduced nationally signify the cessation of the register in April 2008 and replacement with Child Protection Plans.

The management of data pertaining to entries on the register was sound with management aware of divisional weaknesses and clear evidence that they are working to rectify them.

The Paris system is used to store data for all social service activities for children and adults. Protocols existed allowing system access for new users but it was found these were not consistently applied.

The deadline for the change from the Child Protection Register to Child Protection Plans (1 April 2008) would not be met as the software

required would not be available until March 2008. The new software would require testing and could not be added to Paris at the end of the financial year due to the potential affect on close down and financial information stored within the system.

Management actions and update:

The module of the Integrated Children's System that is required to achieve electronic child protection planning recording has been delayed but remains on course to be delivered from June 2009.

N.B. Robust and effective manual systems are in place in delivering the functions that the ICS module will cover

High priority actions overdue:

Implementation of software to allow progression from the Child Protection Register to the Child Protection Plan (Jun 08)

Audit title: Internet and Email (16/05/08)

Original published audit opinion: Limited Assurance [A]

Current audit opinion: Limited Assurance [A]

Executive summary:

On-going initiatives were in place to enhance the controls over the Internet and Email such as the recent IronMail health check and actions taken as a result, and a recent Exchange Server health check undertaken by Microsoft.

NETconsent is due to be implemented as a pilot during June 2008. If successful the software will be fully implemented in December 2008. This software will provide assurance that recipients have received, understood, and agreed to comply with any Council policy requirements.

Key risks to the achievement of managements objectives were identified as:

- the Council's outgoing email is not scanned for inappropriate wording or attachments;
- different versions of the standards appear in different sections on the Intranet;
- the Council's Internet and Email Policy is not sufficiently robust in certain areas;

- the rules set for the Internet content filtering software could be enhanced; and

Management actions and update:

Work is ongoing to address the management actions raised within the report. The actions are currently partially complete.

High priority actions overdue:

To assess the cost effectiveness of scanning all outgoing emails (July 08).

N.B: This change will be broadcast to customers over the next two weeks and is planned to go live over the weekend of 6th and 7th June

If outgoing mail is trapped, then a notification must be provided to the sender to give them the opportunity to reword any offending text that may have been inadvertently included (Jul 08)

N.B. This will be implemented as part of the action above over the weekend of 6th and 7th June

The IT Client will review the impact of scanning external mail, if it is decided to pursue the action, to establish the impact on the email service. (Sep 08)

N.B: This review is dependant on the success of the implementation and will take place jointly between Capita and the IT Client.

Audit title: Application and Software Management (10/06/08)

Original published audit opinion: Limited Assurance [A]

Current audit opinion: Substantial Assurance [G]

Executive summary:

The IT Development Group have carried out project management and systems development, focusing on the major projects and initiatives of the Council, performing detailed data and process engineering to maximise return on investment in new systems.

Areas of good practice identified during the audit included the use of PRINCE2 project management methodology; and the authorisation process for projects through the Council's Resources Board before they can proceed. In addition, licence agreements were in place for all applications reviewed.

Although there have been restores of PARIS (Health and Social Care System) and Agresso (Financial System) from backup media and ad hoc restores when difficulties have been encountered, in general there was a lack of systematic testing of restores of application servers. This did not give confidence that applications could be recovered within an acceptable timescale.

Management actions and update:

None

High priority actions overdue:

The Disaster Recovery service will test system restoration as part of acceptance testing for the projection implementation and thereafter on an annual basis (Sep 08)

N.B: User acceptance testing is currently underway and is due to be completed by May 2009

Audit title: Across Schools Thematic Review - Security (16/06/08)

Original published audit opinion: Limited Assurance [A]

Current audit opinion: Limited Assurance [A]

Executive summary:

Head teachers had introduced controls and procedures to provide for a safe environment. Health and Safety guidelines could be routinely found around each of the schools visited and within documentation available to visitors and staff.

The Council had been working in partnership with local schools and Hampshire police on the Safe Schools Initiative. This initiative provides a methodology for schools to provide effective solutions to crime and disorder in and around schools.

There was no directive or consistency of approach regarding the use of CCTV as a security measure in schools. Some schools were not equipped with CCTV, with others having a varying number of cameras, with varying degrees of sophistication and functionality. Inconsistencies were further evident regarding recording, backup and retention policies.

There was uncertainty and inconsistency with regard requirements for the maintenance of a single central record of recruitment and vetting checks, particularly in relation to existing staff.

Schools did not request to see evidence of CRB checks performed on external contractors working on the school site. Reliance was placed on firms to ensure their staff had been appropriately checked. Such a request should be included within the contract of work for large jobs, however, it was identified that this was not the case for smaller works.

Management actions and update:

Regular liaison with Environment Directorate with regard traffic calming measures and new speed limits. Reflected in Highways Plans

Review of risk assessments within schools reviewed to ensure a consistent approach

Policies and procedures with regard to school access have been relayed to Head Teachers

High priority actions overdue:

As per Children Services and Learning Management team meeting (21st May 2008), policies relating to CCTV within schools is to be reviewed. (Jun 08)

NB: a review has been commissioned on all aspects of CCTV to be completed by May 09

Audit title: Code of Conduct and Disciplinary Rules (24/07/08)

Original published audit opinion: Limited Assurance [A]

Current audit opinion: Limited Assurance [A]

Executive summary:

The Council was reviewing its policy on disciplinary procedures with the aim to being less 'risk adverse'; steps to resolve an issue should be taken early in the process rather than incur costs through long term suspensions.

The document 'Code of Conduct and Disciplinary Rules' was adequate. The Code outlined what conduct is expected of employees of the Council and provides links to Corporate Policies. The Code of Conduct for schools was however in need of updating.

Communication of the Code to staff (new, existing and temporary) was inconsistent. There was no robust system in place for recording acknowledgement of receipt and understanding of the Code by staff.

Management actions and update:

Code of Conduct for schools has been reviewed ensuring it is in chronological order, defines employee obligations and disciplinary steps and that it reflects the professional standards for teachers and safeguarding of children

Reference to the Code of Conduct included in People Management Charter (PMC) guidelines to induction

PMC induction checklist reflects online induction

Induction documentation dated and version controlled

Consistency of documentation ensured by reviewing the pack which is sent out aligning this to policies - guidance on the intranet has been updated and managers made aware via Weekly Bulletin and Team Brief

Letters are sent to all new starters by HR via appropriate manager, clearly stating that the acknowledgement slip is to be returned to HR. The

acknowledgement slip on the letter to new starters includes a return address, and addressee with location. A record is maintained of letters sent to new starters with checks of non returns

Temporary employees made aware of the council's policies, including disciplinary rules and procedures

High priority actions overdue:

Ensure Code of Conduct/Disciplinary Rules are listed on 'Important Things to Know' and Induction Checklist for Managers (Sep 08)

N.B. Induction is currently being reviewed

The temporary employee starter pack to reflect key policies as outlined in the starter letter sent to permanent employees, including the Code of Conduct and Offers of Hospitality and Gifts (Jul 08) – *Due for completion Apr 09*

N.B. Letters being updated

Access to all policies to be streamlined and made more accessible including a review of layout and content of the HR Intranet site.

N.B. Review commenced with the five major policies reviewed, reformatted – these have been through consultation process and will be rolled out July 09

Audit title: Capital Programme and Major Projects (01/12/08)

Original published audit opinion: Limited Assurance [A]

Current audit opinion: Limited Assurance [A]

Executive summary:

Since 2007, the Council has introduced a new approach and framework for programme and project management and a significant investment has been made in providing project management training for key officers.

Capital/ Major Project Boards had been set up within each Directorate (except Resources) and met regularly. Although each had a Terms of Reference there was no specified minimum requirement for their operation, meaning that there were inconsistencies in their operation and reporting frameworks. Due to the significant differences between the nature of Directorate/ Portfolio capital programmes and projects there needed to be some flexibility in the operation of the Boards, but corporate minimum requirements for all Directorates need to be specified to ensure the effectiveness of this key part of the governance framework?

There was a lack of prioritisation of resources dedicated to the programme/project monitoring processes which resulted in time being spent at Directorate Boards discussing matters of detail that could have been more appropriately covered outside of these meetings, had the officers involved had the time and opportunity available to do so. This in turn prevented the Board meetings from covering programme governance matters robustly and sufficiently or occasionally at all. In addition, some Board meetings had been presented with inadequate or no financial information due to conflicting demands on the time of Finance staff.

Six-monthly financial reports on the overall capital programme were presented to Chief Officers' Management Team, Cabinet and Council, but these did not include details of the progress/ delivery of the programme and individual schemes/ projects. There was no corporate coordination function for the Council, providing oversight, scrutiny and challenge across the Council's capital programme and major projects, therefore no means of ensuring that Directorate Boards were operating effectively and that the Directorate/Portfolio programmes and projects were being properly managed and delivered.

Management actions and update since last report:

The phase one report was approved in January 2009 with the phase two report approved in April 2009. Implementation of the new system and framework has commenced. A target date of July 2009 has been set for system availability and roll out, to be completed by March 2010.

High priority actions overdue:

None

Audit title: Procurement (15/12/08)

Original published audit opinion: Limited Assurance **[A]**

Current audit opinion: Substantial Assurance **[G]**

Executive summary:

Contract Procedure Rules (CPRs) and the improvement and updating of the Intranet and Internet sites had been delivered during the course of the audit review as part of the 'Procurement Development Plan'. Review however identified the following risks:

- Aggregation is not currently monitored against the requirements of the Public Contract Regulation 2006, leaving the authority exposed to the potential of inadvertent or intentional circumvention of regulatory requirements.
- Frameworks Agreements are of clear benefit and integral to future service delivery. Framework agreements are used to establish the terms governing contracts when the value cannot be determined. The official guidance for framework agreements provides discretion for operation to the Council, however, there was no corporate guidance for their establishment or management
- Orders raised on Agresso are used to make a financial commitment, instruct suppliers as to service requirements and issue terms and conditions. It was noted that orders were being issued with little detail and no or nominal value exposing the Council to the risk of non negotiated fees and incorrect budgetary information.

Management actions and update since last report:

Through 'Category Management & Sourcing' Procurement services must identify and deliver sourcing projects (in conjunction with client teams) to establish contracts for the aggregated demand of the Council. Progress is monitored using the Contracted Supplier Coverage KPI.

Prepare properties procurement specification and raise any necessary change controls

Ensure that a consistent approach in respect of procurement and systems is taken where necessary

Delivery of procurement (through property services) by appropriately qualified and experienced staff ensuring compliance with statutory and council regulations

Review strategy i.e. what is to be subject to a framework or ad hoc tendering.

To provide clarification on framework agreements

Review the process for selecting tenders on ad hoc projects e.g. use of Constructionline
Improvement to the PQQ process have been implemented to ensure appropriate and robust de-selection decisions are made
To review the requirement for printing orders with a zero value and to develop a policy/procedure to address identified risks.
Property Services to stop using their own guide and to use the Head of Property and Procurement guide
CPR Guidance awaiting approval by Legal Services before being made available to staff

High priority actions overdue:

Net Consent to be explored as a method of raising management awareness of the Contract Procedure Rules including aggregation (Jan 09)

N.B. Awaiting implementation of Net Consent. Go live scheduled September 2009

Audit title: Section 106 agreements (26/01/09)

Original published audit opinion: No Assurance [R]

Current audit opinion: No Assurance [R]

Executive summary:

Formal debt recovery processes were not followed for the recovery of overdue section 106 contributions and therefore not reflected as a debtor in the Council's annual statement of accounts. At the time of the audit the value of overdue section 106 contributions was estimated at £2.3m in respect of Highways alone. Overdue contributions in respect of other key areas i.e. health, heritage, public realm, transportation, highways, Open Spaces and Affordable Housing had not been established.

There was a backlog of works within Highways and Transport relating to £2.7 million of contributions received, as at 30th June 2008. The Halcrow Group Limited (external consultant) were assessing the additional costs of carrying out agreed works to which contributions related. Of the contributions reviewed by Halcrow it had been assessed that additional financing of £862k would be required to complete the works.

Halcrow had also identified that approximately £885k was still held in relation to previously completed works (where the costs have not been

allocated against the relevant contributions) and / or where works have been completed for less than the relevant contributions received. This money could not, however, be directly utilised to fund the 'shortfall' for other section 106 works in full. The Highways and Transport team was consulting with the Finance and Legal teams to identify an appropriate solution.

Management actions and update since last report:

A project team has been established to determine the priority for delivery of outstanding 700 projects of s106 highways works. This team, in conjunction with Finance, is producing a draft programme which profiles spend in 2009/10, 2010/11 and 2011/12. Detailed costings are being prepared for each of the individual projects. When an accurate deficit and surplus position is confirmed, discussions with finance and legal will determine the most appropriate method of dealing with this issue. It is still proposed that the definitive position will be known and an agreed action plan will be in place before 30/06/09.

High priority actions overdue:

The use of appropriate debt recovery process will be reviewed in conjunction with finance (March 09) – *meeting schedule 02/06/09*

Practice of duplication of section 106 agreements on the Finance spreadsheet has been stopped. Development Control will review the old section 106 agreements to eliminate the duplicated applications (March 09)

5 Internal Audit Performance

- The internal audit action plan to ensure compliance with CIPFA Code of Practice for Internal Audit is now complete, as confirmed in the triennial review undertaken by the Audit Commission during April / May 2009. The triennial review forms a comprehensive review of all aspects of the Code

6 Planning and Resourcing

Sarah Dennis was seconded to the Transformation Team with effect from 1st October 2008 for a period of 6-12 months. Neil Pitman will lead the service in the interim.

Efficiencies within the section have led to a restructure and the reduction of 4.5 FTE's of which vacancies account for 2 FTE's. The revised structure took effect from 1 April 2009.

7 Rolling work programme

Audit title	Audit stage				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
<u>2008/09 Audit Plan</u>					
SIC/ Annual governance statement	✓	✓	✓	✓	10/05/08
Hampshire Camera Partnership	✓	✓	✓	✓	16/06/08
Solent Sea Rescue	✓	✓	✓	✓	12/08/08
Itchen Bridge	✓	✓	✓	✓	19/09/08
Homelessness	✓	✓	✓	✓	14/11/08
Capital Programme Management	✓	✓	✓	✓	01/12/08

Audit title	Audit stage				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
Procurement	✓	✓	✓	✓	15/12/08
VAT Accounting	✓	✓	✓	✓	19/12/08
Section 106 Agreements	✓	✓	✓	✓	26/01/09
NNDR	✓	✓	✓	✓	30/01/09
Concessionary Fares	✓	✓	✓	✓	03/02/09
Public transport	✓	✓	✓	✓	04/02/09
Cash Collection and Banking	✓	✓	✓	✓	04/02/09
Creditors	✓	✓	✓	✓	13/02/09
Local Land Charges	✓	✓	✓	✓	25/02/09
Mental Health and Substance Misuse Services	✓	✓	✓	✓	23/03/09
Holy Family RC Primary School	✓	✓	✓	✓	27/02/09
Woodmill	✓	✓	✓	✓	26/03/09

Audit title	Audit stage				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
European Funding (3 projects)	✓	✓	✓	✓	31/03/09
Housing and Council tax benefits administration	✓	✓	✓	✓	06/04/09
Council tax	✓	✓	✓	✓	07/04/09
Corporate governance framework	✓	✓	✓	✓	07/04/09
School thematic review	✓	✓	✓	✓	09/04/09
Customer Services	✓	✓	✓	✓	28/04/09
Home Improvement Loans	✓	✓	✓	✓	12/05/09
Learning Futures Transformational Programme	✓	✓	✓	✓	14/05/09
Payroll	✓	✓	✓	✓	19/05/09
Main Accounting System	✓	✓	✓	✓	19/05/09
Housing rent collection and debt management	✓	✓	✓	✓	(30/06/06)
Registration Services	✓	✓	✓	✓	(30/06/09)

Audit title	Audit stage				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
Development Control	✓	✓	✓	✓	(30/06/09)
Debtors	✓	✓	✓	✓	(30/06/09)
Schools PFI Contract Management	✓	✓	✓	✓	(30/06/09)
Environmental Health	✓	✓	✓	✓	(30/06/09)
Sports and recreation venues	✓	✓	✓	✓	(30/06/09)
Direct Payments (follow up)	✓	✓	✓	✓	(30/06/09)
Street Cleansing	✓	✓	✓	✓	(30/06/09)
Local and Multi Area Agreement	✓	✓	✓	✓	(30/06/09)
Expenses Management	✓	✓	✓	✓	(30/06/09)
Waste Collection Services	✓	✓	✓	✓	(30/06/09)
Contract Management	✓	✓	✓	✓	(30/06/09)
Private residential care	✓	✓	✓	✓	(30/06/09)

Audit title	Audit stage				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
Housing repairs and adaptations	✓	✓	✓	✓	(30/06/09)
Economic Development	✓	✓	✓		(17/07/09)
Major City Centre Developments	✓	✓	✓		(17/07/09)
North South Spine	✓	✓	✓		(17/07/09)
Leisure venues – alternative management- Transformational Project	✓	✓	✓		(17/07/09)
Corporate complaints	✓	✓	✓		(17/07/09)
Arts and heritage	✓	✓	✓		(17/07/09)
Fraud Thematic Review – Register of interests, gifts and hospitality	✓	✓	✓		(17/07/09)
Libraries	✓	✓			(17/07/09)
Land and property management	✓	✓			(17/07/09)
NHS Act 2006 – Partnership Agreements	✓	✓			(17/07/09)
Decision Making and Accountability	✓	✓			(17/07/09)

Audit title	Audit stage				
	TOR issued	Fieldwork commenced	Fieldwork complete	Draft report issued	Final report issued (proposed)
Financial Management Standards in Schools	28 of 28 complete				
<u>2009/10 Audit Plan</u>					
Annual governance statement	✓	✓	✓	✓	10/05/08
Supporting People	✓	✓			(17/07/09)
Hampshire Camera Partnership	✓	✓			(30/06/09)

8 Status of 'Live' External Audit

Audit title	Report date	Audit Sponsor	Directorate	Original actions	Actions outstanding
				(of which are 'high' priority)	
Opinion Interim Report	June 08	Executive Director of Resources	Resources	5 (2)	2 (1)
Internal Audit Assessment	July 08	Executive Director of Resources	Resources	2 (1)	0 (0)
Review of the Strategic Services Partnership Implementation	Nov 08	Executive Director of Resources	Resources	4(2)	0 (0)
Final Accounts memo	Dec 08	Executive Director of Resources	Resources	5 (1)	3 (0)
Annual Governance report	Dec 08	Cross Directorate	Cross Directorate	1 (1)	0 (0)
Use of Resources	March 09	Executive Director of Resources	Resources	7 (4)	6 (3)
Data quality	March 09	Cross Directorate	Cross Directorate	6 (2)	4 (1)

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date	Progress / Update
Opinion Interim Report (Jun 08)							
Social Services Income							
6	Identify the cause of the failure of the social care billing, and implement changes to the system to ensure that this does not continue into future years.	3	Carolyn Williamson	Agreed	Significant resources are still being employed to manage the current billing situation. A major project to develop a new charging policy and billing system to be introduced for 2009/10 is now underway.	Apr-09	New charging policy has been introduced from April 2009, work is continuing on implementing an upgrade of Paris so that the system side of billing can be improved. This is expected to happen in the autumn.
IT Risk Assessment							
7	Implement changes identified from our risk assessment of IT systems. <ul style="list-style-type: none"> Ensure that IT policies and standards are up to date and revised on a regular and timely basis. Ensure that there is adequate segregation of duties and oversight and that development staff do not have access to live data. 	2	Kevin Foley	Agreed	Need a list of the major risk areas so that this can be completed. Will investigate and put appropriate controls in place.	Phased Programme End July	Most of these items are either complete or are being progressed as part of the IT business plan for 2009/10.

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date	Progress / Update
	<ul style="list-style-type: none"> Ensure that the disaster recovery plan is update on a regular and timely basis. Ensure that BCPs coordinate with ICT. Ensure that regular testing is undertaken on the restoration of data from material systems. 						
Final Account Memo (Dec 08)							
Reconciliation of the housing benefits system to the financial ledger							
-	It should be ensured that the rent allowances and rent rebates per the Academy system are fully reconciled to the financial ledger in 2008/09.	2	Alex Moore	Yes	This work will be carried out by the subsidy officers in Capita's Benefit Services Team. In addition they are supported by Matt Wilson from Capita's central systems team at year end. The subsidy officers will reconcile cells throughout the year so that final year end reconciliation is less onerous than in the past.	Year end	This is ongoing – following on from work carried out by Matt Wilson, Finance staff are working with Capita's subsidy officers to reconcile the rent allowances and rent rebates with the financial ledger.
Registration of assets with the Land Registry							
-	The registration of ownership of Land & Buildings with the Land Registry should be continued until completed.	2	John Spiers	Yes	This work is undertaken by Legal Services who have taken on a temporary contract solicitor to undertake	Ongoing	Ongoing

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date	Progress / Update
					the work. The contract will continue as there is still a lot of work to do. The resources portfolio work is now well underway.		
Responses to audit enquiries							
-	Build upon the improvement in time taken to respond to audit enquiries in recent years by ensuring that the few instances where delays had occurred are not repeated, eg in respect whole of government accounts, creditors, and capital commitments.	1	Rob Carr	Yes	<p>The Council's officers will ensure that auditors' queries are responded to in a reasonable time but this also relies to a certain extent on any delays being reported through the escalation channels that have already been set up, which was not the case for all of the instances quoted.</p> <p>To continue the progress made in the working relationship between the Council and the Audit Commission, the Council would also therefore expect that officer's queries to the Audit Manager are also dealt with in a reasonable timescale and we would be happy to agree what this formal response times should be for the future.</p>	Ongoing	Ongoing
Use of Resources (Mar 09)							
Internal Control							
-	Ensure that the revised non-residential social care billing policy and the replacement income billing	3	Carolyn Williamson	Yes	The new policy and charging module are in the process of being delivered per the specific action plan resulting from the	Dec-09	New charging policy has been introduced from April 2009, work is

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date	Progress / Update
	module are implemented.				PWC review.		continuing on implementing an upgrade of Paris so that the system side of billing can be improved. This is expected to happen in the autumn.
-	Fully introduce the IT disaster recovery plan and ensure that it is regularly reviewed and tested.	2	Carolyn Williamson	Yes	IT disaster recovery plan in place during December 2008 per Capita contractual requirements. Regular review and testing is now part of normal business activity.	Dec-08	DR facility is in place and is being tested. Once testing is complete we will communicate to the wider organisation.
-	Complete the planned 'Ethical Governance review' to assess the effectiveness of members' compliance with the code of conduct.	2	Mark Heath	Yes	<p>The Standards and Governance Committee on 21 April 2008 agreed to conduct an Ethical Governance Audit and that the approach to be undertaken should be the 'light touch' as set out in the guidance with assistance being provided from the Improvement and Development Agency (IDeA).</p> <p>The Solicitor to the Council has been in detailed discussions with the IDeA and as a result in partnership with them, has identified a suitable peer team to undertake an Ethical Governance Audit in March 2009.</p>	Apr-09	Audit completed – action plan in production with IDeA to be reported to future S&G

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date	Progress / Update								
-	<p>Sustain improved performance in the following relatively high cost priority services where performance is below the average of other councils:</p> <ul style="list-style-type: none"> • council tax collection • housing benefits 	3	Carolyn Williamson	Yes	<p>The Revenues & Benefits service has been delivering against a three year action plan since 2006/7 and significant improvements have been achieved in both performance and cost terms. The performance improvements are as recorded by the DWP and the service cost reductions are as follows:-</p> <table style="margin-left: 40px;"> <tr> <td></td> <td style="text-align: right;">£000's</td> </tr> <tr> <td>2006/7</td> <td style="text-align: right;">4800</td> </tr> <tr> <td>2007/8</td> <td style="text-align: right;">4389</td> </tr> <tr> <td>2008/9 (est)</td> <td style="text-align: right;">4277</td> </tr> </table> <p>The operational delivery of this service transferred to Capita on 1 October 2007. This has delivered a cost reduction of 7 per cent against the Council's cost of service and determined revised performance standards which are presented as KPI's within the contract and which attract service credits when the performance targets are not delivered.</p> <p>The contract with Capita allows for the annual agreement of performance targets and therefore these will continue to be agreed annually in April focussing upon continuous improvement but also</p>		£000's	2006/7	4800	2007/8	4389	2008/9 (est)	4277		
	£000's														
2006/7	4800														
2007/8	4389														
2008/9 (est)	4277														

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date	Progress / Update
					taking account of value for money. This allows the previous year's actual performance and costs to be considered when setting the targets whilst still meeting the timescales for approval of the Corporate Improvement Plan at the AGM in May of each year.		
	• educational attainment	3	Clive Webster	Yes	Southampton is in the second quartile of unitary authorities on spending on the Dedicated Schools' Grant. The gap in attainment with the national average has narrowed in each of the last three years at GSCE from 9.8 per cent to 5.3 per cent in 2008 and also at the foundation stage (five-year old pupils). However, educational attainment in primary schools remains well below the national average. A new Raising Attainment Plan for 2009-2012 is currently being developed in partnership with head teachers and principals to ensure that this issue is addressed robustly.	Jul-09	
-	Evaluate partnerships' contribution to improving VFM as part of implementing the Council's partnership protocol.	2	Joy Wilmot-Palmer	Yes	Process to be developed by the end of 2009/10 following the agreement and implementation of the new protocol.	Mar-10	
Data Quality (Mar 09)							
Management arrangements							

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date	Progress / Update
6	Rectify weaknesses identified in the quality of housing benefit and housing management performance information.	3	Nick Murphy & Carolyn Williamson	Yes	Action plans are in place to improve the quality of local housing management performance information with progress against these plans being monitored through intensive care meetings chaired by the Chief Executive. A full retraining exercise of housing benefit assessors was carried out in October 2008. The client team were also included in the retraining alongside the assessors. The client and the service quality and accuracy teams have jointly reviewed monitoring processes to include the checking of performance indicator data. This is ongoing and is discussed at regular meetings between the two teams. Following these meetings assessors are briefed of any findings that require additional care when updating the Academy benefit system. Monitoring forms have also been amended to clearly show the assessor, what is being checked and where corrections are needed.	Ongoing Nov 08 Ongoing Jan 09	Series of "Intensive Care" meetings held. Improving performance in relet times and gas safety to achieve year end targets set. Plan in place to improve income collection. Jan 09
7	Agree appropriate data sharing arrangements with the Council's LAA partners.	2	Joy Wilmot-Palmer	Yes	Data Sharing arrangements are already in place to facilitate the operation of key partnerships that underpin the delivery of the LAA. Following on from the approval of the partnership protocol	Mar-10	

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date	Progress / Update
					these arrangements will be reviewed for both existing and new partnerships to determine if they would be more appropriately applied at an individual partner rather than at a partnership level having due regard to all legal obligations as well as other information management requirements.		
7	Consistently apply existing quality checking of externally reported data more effectively, supported by refresher training for staff.	2	Joy Wilmot-Palmer	Yes	The sign off arrangements for externally reported data, including HIP forms, will be reviewed. Updated guidance will be issued and the respective roles of Heads of Service and Policy Co-ordinators within the quality assurance process will be reinforced.	Mar-10	
Spot checks							
11	If the Council are to continue to operate the 'fit for purpose' criteria when assessing the state of disabled crossings, they should actively consult with disabled user groups and be able to demonstrate that they have obtained appropriate feedback that supports their assertion.	2	Lorraine Brown	Yes	The Council will adapt its existing consultation processes to more clearly demonstrate the feedback obtained from disabled user groups to enable the 'fitness for purpose' criteria to continue to be adopted, as appropriate, for all new disabled crossing facilities installed from 2009/10 onwards.	Ongoing	