



# Kent County Council

Internal Audit Progress Report December 2012

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# 1. Introduction

## 1.1 Purpose of this report

Internal Audit is an assurance function that provides an independent and objective opinion on the adequacy of the Council's control environment.

This report summarises the work that the Council's Internal Audit service has undertaken in 2012/13 to date. It also highlights any key issues with respect to internal control, risk and governance arising from that work.

## 1.2 Overview of work done

The Internal Audit Plan for 2012/13 includes a total of 65 projects at December 2012. We communicate closely with senior management throughout the year, to ensure that the projects actually undertaken continue to represent the best use of our resources in the light of new and ongoing developments in the Council.

As a result of this liaison, changes to the Plan may be made during the year. Details of the changes to the Audit Plan are reported to the Governance and Audit Committee throughout the year.

The following additions/deletions are proposed:

### **Additions**

Special Educational Needs Transport – at the request of the Corporate Director of Education, Learning and Skills following the SEN audit

Carbon Reduction Commitment - requirement for annual internal audit to support the submission returned to the Department of Energy

and Climate Change

### **Deletions**

Fixed Assets – Initial planning established that in-year testing would be of limited value as this is predominantly a year-end process that is reviewed by external audit.

Paper and card – Due to the separate Internal Audit Programme established for Kent Commercial Services.

The East Kent Payroll audit - Shown as a separate piece of work on the original Plan, this will now be incorporated into the main Payroll audit.

### **Deferral**

Complaints, comments and compliments – Due to work in progress to centralise the process and develop one system for authority-wide use this audit will now be undertaken in quarter one of 2013/14.

The following work has been undertaken since the September Governance and Audit Committee:

- 16 final reports/assurance/advisory work completed
- 18 draft reports issued or in the process of being finalised
- Fieldwork has commenced on a further 16 audits

Summaries of all final reports issued since the last Committee meeting can be found at Appendix A.

Overall progress on the 2012/13 Plan can be found at Appendix B.

### **1.3 Objectives**

The majority of reviews internal audit undertake are designed to provide assurance to management on the operation of the Council's internal control environment. At the end of an audit we provide recommendations and agree actions with management that will, if implemented, further enhance the environment of the controls in practice. These are followed up as they fall due and implementation progress is reported in Appendix E.

Other work undertaken includes the provision of specific advice and support to management, attendance at key working groups, internal audit of parishes, internal audit of Kent Fire and Rescue and the certification of grant claims. Details are provided in Appendix C.

## 2. Internal Audit Performance

Internal Audit's performance against our targets at November 2012 is shown below:

Performance Indicator	Target	Actual
<b>Effectiveness</b>		
% of recommendations accepted	98%	99%
<b>Efficiency</b>		
% of plan delivered (Note 1)	90% (60% prorated)	61%
% of available time spent on direct audit work	85%	86%
% of draft reports completed within 10 days of finishing fieldwork (Note 2)	90%	74%
Preparation of annual plan	By April	Met
Periodic reports on progress	G&A Cttee meetings	Met
Preparation of annual report	Prior to AGS	Met
<b>Quality of Service</b>		
Average Client satisfaction score (Note 3)	90%	78%

### Note 1

Internal Audit's progress against plan has improved due to more targeted chasing of responses from auditees and a new protocol agreed by CMT to improve the process for finalising reports.

### Note 2

For 2011/12 we achieved a rate of 50% against this target. Performance compared to 11/12 has improved through focusing more effort on this target, identifying where problems may be occurring and implementing corrective action wherever appropriate. It should be noted that all draft reports relating to the 2012/13 Plan have been issued within the 10 day target.

### Note 3

The issue of several limited assurance opinions in recent months has impacted on this metric. This is unavoidable for a service which by its very nature relies on feedback from the teams it has to review and challenge. No performance concerns have been highlighted from the client feedback responses.

# Appendix A

## Summary of individual Internal Audits issued since September 2012

### Consultation

#### Scope

The overall objective of the audit was to provide an assurance that the Council's system of consultation is adequate, effective and minimises the risk of judicial review to the Council.

#### Overall assessment - Adequate

The Council's core Consultation Team provide advice and guidance to staff as well as administering the Consultation Database on Kent.gov.uk. The team was established in its current form in September 2011 and have created a new consultation process, which they are currently implementing throughout the Council.

The 'Adequate' assurance is based on sample testing which showed that in most cases consultation is conducted when required with the correct target audience. All consultations tested had been analysed when appropriate and contributed to the decision making process.

However the audit highlighted several areas where improvements in control are suggested in order to reduce the risk of challenge and to assist the Council's defence in the event of any challenge.

Key areas where recommendations were made included prioritising ongoing briefing / awareness sessions for staff and Members; improving the level of information provided to consultees to ensure they understand the scope for influence; publishing up to date guidance to ensure that Directorates are aware of the Council's requirements in relation to consultations and including costings for proposed changes within consultations.

Ten recommendations were made, two of which are high priority.

### Case file audit

#### Scope

The overall objective of the audit was to provide assurance that adequate and effective controls are operating over the children's case file audit process to ensure it meets its objectives of improved outcomes for children and young people, and the implementation of Ofsted recommendations with regard to performance management.

#### Overall assessment – Limited

The online case file audit is a new process managed by the Safeguarding Unit which has been developed over the last 12 months and is still subject to ongoing development and review. It was recognised at the commencement of the audit that due to the infancy of the process, some controls would not be embedded and therefore the audit provides an assessment of the current control environment with recommendations to assist the team in developing processes further.

The 'Limited' assurance is based on improvements required in relation to follow-up of cases rated inadequate and below by operational managers, data quality limitations, errors and inconsistencies in the moderation process and evidence of follow-up action by senior management to issues identified in reports.

However the Safeguarding Unit are continually reviewing the process and some improvements were implemented during the course of the audit. The majority of staff interviewed were supportive of the audit tool used to support the process and those that had attended training found this useful.

Eight recommendations were made of which seven are high priority.

## LASER Follow up review

### Scope

The overall objective of the audit was to provide follow up assurance on whether all recommendations from the independent report issued in April 2011 (or alternative actions) had been implemented. In addition the audit provided assurance over the effectiveness of tendering, evaluation and contract monitoring controls in relation to the energy procurement flexible and fixed contracts 2012-2016.

### Overall assessment - Adequate

The 'Adequate' assurance is based on interviews with key officers and review of relevant documentation in which we were able to verify that recommendations from the independent report, or alternative actions, had been implemented.

Based on the above and reliance on the work of other Kent County Council (KCC) departments, we were also able to verify the effectiveness of controls in relation to the energy procurement flexible and fixed contracts 2012-2016.

Six further recommendations were made, none of which are high priority.

The key recommendations are in relation to:

- A clear Risk Policy covering Kent Commercial Services;
- For future transitions, ensuring robust handover arrangements are in place;
- All project timetable dates and tender evaluation award criteria should be independently checked prior to publication; and
- All tender evaluations should be checked by someone independent of the preparer and be certified as such.

## Network Security and Infrastructure (LAN)

### Scope

The overall scope of this work was to provide assurance that the Corporate ICT Network Infrastructure provides the fundamental platform to support the delivery of the primary business application and communication systems, that the Council's ICT network infrastructure management control framework applies adequate and appropriate controls to address corporate ICT risks and regulatory obligations.

### Overall assessment - substantial

The 'Substantial' assurance is based on the controls implemented on the Network Security and Infrastructure which were deemed to be adequately managed.

Controls include network alerts for performance management and monitoring at pre-defined levels on network bandwidth and devices, a sound network topology in place which is monitored and provides resilience, and a defined change management process and clear decision making process.

Fifteen recommendations were made, none of which are high priority.

The key areas for focus are in relation to:

- User account management;
- Policies and standards;
- Updating the operating system for Cisco devices which is reaching the end of its life; and
- The establishment of a well defined "Technical Skills Strategy".

## Special Educational Needs

### Scope

The overall objective of the audit, which was requested by the Corporate Director of Education, Learning and Skills, was to provide assurance over the controls in place to identify available Special Educational Needs (SEN) funding, allocate funding appropriately and ensure achievement of value for money.

### Overall assessment – Limited

The key objectives of the SEN service are to enable Kent County Council (KCC) to carry out its statutory duty to identify, assess and make provision for children's special educational needs.

The 'Limited' assurance is based on the audit confirming necessary improvements in a number of areas including independent monitoring to confirm that delegated funding has been spent and is being managed effectively on SEN provision for children for whom it was intended and to achieve the desired outcomes.

The structure and arrangements for the Joint Resources Allocation Panel (JRAP) need to be reviewed as all present identifiable and estimated future years' costs of out-of-county or independent provision are not always provided and therefore decisions on placements are being deferred until future meetings.

In addition we recommended more specific analysis of non-delegated expenditure to identify how the SEN budget is being spent at a more detailed level including analysis of spend on suppliers of SEN services. This analysis of spend will ensure compliance with regulations and aid decisions to be taken to ensure value for money is obtained from current SEN service providers.

We have made ten recommendations, two of which are high priority.

## Kent Connexions

### Scope

The overall objective of the review was to provide advice over procurement and contract management practices in relation to the Kent Connexions Contract within Education, Learning and Skills and was requested by ELS management.

### Overall Assessment – N/A (Advisory only)

The contract with Connexions is due to finish in March 2013. The contract appears to have been managed reasonably well and an examination of the service's quarterly contract review process has not identified any major performance issues.

The audit confirmed that improvements could have been made in relation to the wording within the contract specification, and the sealing of the contract and any variations. Advisory recommendations have been made to address these issues.

In addition advice was provided on future contracts to ensure appropriate involvement of the Procurement and Legal teams and clear tender specifications, and to advise that "Not less than" clauses are not good practice for contracts of this type and should not be used.



## Household Waste and Recycling Centres

### Scope

The Contract Compliance Audit was limited to the Household Waste and Recycling Centres within E & E Directorate. The objectives of the review were to provide assurance that sound contract management practices existed and were effective, that Value for Money had been secured where possible and relevant and to provide assurances on proposed operational policies due to be implemented in September 2012

### Overall assessment - Adequate

There is a network of 19 Household Waste and Recycling Centres (HWRCs) contracts with an annual value of approx £8.6m generating an income of £1.5m. The network manages 27% of Kent's Waste and recycles 70%. 17 sites are managed by contractors ranging from SMEs to larger national companies and the other 2 are managed by Kent Commercial Services ("KCS"). At the end of July/August 2013, the contracts with the existing service provider are due to expire and the findings from this review were used to inform Waste Management for their procurement exercise.

The 'adequate' assurance level reflects that the contracts are being managed reasonably well. However there are some improvements that would enhance management arrangements and operations. In particular easy access to key contract documentation is essential in the overall management of these contracts; at the moment this not working effectively.

Other recommendations included supporting Waste Management's approach to phasing out arrangements to forfeit rights to metal income for a small fee, maintaining plant items (such as containers and compactors) and scheduling a programme of maintenance and asset refurbishment, clarifying the inspection systems, checks of transfer notes and improvements to contract site visit checks.

We made twelve recommendations, two of which are high priority.

## Foster Care Payments System

### Scope

The overall objective of the audit was to provide assurance that risks are being managed adequately and effectively in order to meet the objectives of the Foster Payments System (FPS). In particular the audit reviewed the key financial controls in place for Foster Care Payments to ensure the accuracy, appropriateness and completeness of payments made.

### Overall assessment – Limited

It is acknowledged that there have been changes to the Foster Payments team in both staffing and location following the Finance restructure and that the team are relatively new to their roles and may have therefore inherited gaps in controls in relation to the FPS. Hence the findings from this review can be used by the new team as a benchmark position to help inform planned changes.

The 'Limited' assurance is based on weaknesses in certain areas where controls could be tightened further, which include authorisation and set up of a Carer, input verification of annual rates and the day to day input by Foster Payment Officers (FPOs). Also controls surrounding changes to placements and security of personal data.

There are processes in place for setting up and updating Foster Carers' records, generating the pay run regularly, and facilitating recovery of overpayments. However there are weaknesses within these processes.

Eleven recommendations have been made, six of which are high priority.

## Authority Wide Compliance with Blue Book - Managing Sickness Absence

### Scope

The overall objective of the audit was to provide assurance that adequate and effective controls are operating to ensure that sickness absence is being managed in accordance with the Blue Book.

### Overall assessment – Substantial

The Blue Book sets out the terms and conditions of employment and applies to all employees on the Kent Scheme, non schools. Section K-Managing Attendance, details the terms and conditions relating to sickness absence and sick pay provisions, also detailing reporting requirements and what is required at the different stages of sickness and entitlements.

The 'Substantial' assurance is based on the audit confirming that there are guidelines in place for managing and reporting sickness and that there is reasonable assurance that sickness is being captured and reported accurately due to the awareness training that is provided by HR.

The audit highlighted certain areas where controls could be tightened further. These included local records held of sickness to enable monitoring and validation of reported sickness, monitoring by the HR Business team of timed out sickness, monitoring of long term and reoccurring sickness by the HR Advisory team and compliance with the Blue Book by Managers. Also controls surrounding notification of Occupational Health referrals and the ability to report on those employees receiving extended sick pay could be enhanced.

Six recommendations were made, none of which are high priority.

## Accounts Receivable

### Scope

The overall objective of the audit was to provide assurance that risks are being managed adequately and effectively in order to meet the objectives of the Accounts Receivable (AR) system in relation to the accuracy, completeness and timeliness of invoices raised and payments received.

### Overall assessment – Adequate

There have been significant changes in both staffing and location following the Finance restructure with the Assessment and Income Team only being in place since 27<sup>th</sup> June 2012. It was noted during the audit that the team were already putting in place processes to rectify some of the issues identified as part of this audit.

The adequate assurance level reflects that there is a formal process in place for raising invoices and a debt recovery process for chasing overdue invoices. Write offs are made in accordance with the Debt Management Policy and all those sampled had been approved by the appropriate manager and written back to the correct budget code.

However, there are certain area where controls could be further improved including the Human Resource Business Centre should improve the accuracy of notifications of salary overpayments and the extent of background information to aid recovery and it should be ensured that teams responsible for debt recovery outside the Assessment and Income team apply consistent procedures.

We have made eight recommendations, none of which are high priority. In addition two recommendations made as a result of the 2011/12 audit were not due for implementation at the time of the audit and will be addressed subsequent to this audit through the normal follow-up process

## **Establishments**

### **Scope**

A programme of compliance audits began in late June, initially focusing on Children's Centres, but including a day centre for adults. This programme has now been expanded to include Pupil Referral Units. To date fieldwork has been completed at 15 Children's Centres, one Adult Day Care Centre and we have reviewed financial controls in two districts where this activity is centralised. The audits review financial controls, performance management, inspection standards, and safety and security. One final report and 11 draft reports have been issued with a further six due imminently.

### **Summary of findings**

There is no significant change in the themes arising from establishment audits completed since the September Governance and Audit Committee. In general we have continued to find that Centres are able to demonstrate that they are engaging with Centre users and partner organisations, including hard to reach groups, promoting diversity and using evaluation tools positively to identify areas for improvement. Training plans are in place and relate to personal action plans and service priorities.

Recommendations have been made in relation to safety and security policy and procedures to further enhance controls. Areas for improvement include that accident and incident forms are being completed but are often not numbered, not all Centres could evidence recent health and safety inspections and, while fire safety standards were generally good, some Centres had experienced difficulties with other users in shared premises.

In relation to financial controls a number of recommendations have been made. Key areas include enhancing controls in relation to income generation, better use of commitment budgeting, improved controls in relation to purchases and raising awareness of the need for staff to complete declarations of business interests. In addition asset registers were not all up to date and the £200 lower limit for inclusion may increase the risk of loss of attractive portable items.

# Appendix B

## Detailed Analysis of Internal Audit Progress on 2012/2013 Plan

Project	Progress at December 2012	Date to G&A	Overall Assessment	Project	Progress at December 2012	Date to G&A	Overall Assessment
<b>Core Assurance</b>							
Corporate Governance	Phase 1 Complete	Sept 2012	Substantial				
Annual Governance Statement	Complete	Sept 2012	Substantial				
Schemes of Delegation	Planning						
Risk Management	Planning						
Business continuity and resilience planning	Planning						
Performance Management Framework	Planning						
Information Governance	Planning						
Data Quality – Authority wide	Planning						
Procurement	Fieldwork in progress						
Business and Financial Planning	Draft Report						
Partnerships	Fieldwork in progress						
Managing Absence	Complete	December 2012	Substantial				
Learning and Development	Planning						
'Other' Leave	Draft Report						
Leaving the organisation	Complete	Sept 2012	Substantial				
Workforce Planning	Planning						

Project	Progress at December 2012	Date to G&A	Overall Assessment	Project	Progress at December 2012	Date to G&A	Overall Assessment
<b>Core Financial Assurance</b>							
General Ledger	Planning			Schools Financial Compliance-advisory	In progress – ongoing		
Accounts Payable	Planning			Schools Financial Compliance	Planning		
Accounts Receivable	Complete	December 2012	Adequate	Local budgetary control reviews	Planning		
iProcurement	Planning			Financial Control Audits	In progress*		
Corporate Purchase Cards	Fieldwork in progress			VAT	Planning		
Capital Programme - Planning and Monitoring	Planning						
Revenue Budget Monitoring	Fieldwork in progress						
Treasury Management and Pension Investments	Planning						
Pension Contributions	Planning						
Fixed Assets	Cancelled	N/a	N/a				
Payroll	Fieldwork in progress						
East Kent Payroll	See above						
Social Care Client Billing	Planning						
Foster Care Payments	Complete	December 2012	Limited				

\* Relates to the annual programme of establishment visits, progress and key themes are summarised on p.8

Project	Progress at December 2012	Date to G&A	Overall Assessment	Project	Progress at December 2012	Date to G&A	Overall Assessment
<b>Risk/Priority Based Audit</b>							
Service Re-design	Draft Report			Kent Connexions	See Contract Compliance		
Locality Boards	Fieldwork in progress		Advisory review	Consultation	Complete	December 2012	Adequate
Regeneration and Economy - RGF	Interim report			No Use Empty Property	Complete	September 2012	Adequate
Property Disposals	Draft Report			Troubled Families	Fieldwork in progress		
Developer Contributions (s106)	Draft Report			Broadband Delivery UK	Fieldwork in progress		
Safeguarding Adults	Fieldwork in progress			Communication Strategy	Planning		
Personal Budgets	Fieldwork in progress			Complaints, comments and compliments	C/f to Q1 2013/14		
Strategic Commissioning	Interim Report			Commercial Services – Laser	Complete	December 2012	Adequate
Case File Audit process	Complete	December 2012	Limited	Carbon Reduction Commitment	Fieldwork in progress		
FSC Data quality	Draft Report			Special Education Needs - Transport	Planning		
Financial Management - FSC	Incorporated into financial control audits						
Management of complaints	Incorporated into Corporate review						
Establishment Visits	In progress*	Update to every G&A					
Public Health responsibilities	Planning						
Special Education Needs	Complete	December 2012	Limited				

\* Relates to the annual programme of establishment visits, progress and key themes are summarised on p.8

Project	Progress at December 2012	Date to G&A	Overall Assessment	Project	Progress at December 2012	Date to G&A	Overall Assessment
<b>Contract Compliance</b>							
ICT Procurement (was Kent Public Service Network)	Planning						
Ashford Gateway Plus	Fieldwork in progress						
Supporting People	Planning						
Longfield Academy	Fieldwork in progress						
Professional and Highway Consultancy contract	Final Report	September 2012	Limited				
Network Management Term Maintenance	Planning						
East Kent Waste Partnership	Draft report						
Biffa Household Waste Recycling Centre	Final Report	December 2012	Adequate				
Paper and card	Cancelled	N/a	N/a				
Kent Connexions	Final Report	December 2012	N/a – advisory only				
Leaving care service	Fieldwork in progress						

# Appendix C

## Other 2012/2013 Work Undertaken by Internal Audit

### Grants

The Internal Audit team is responsible for auditing and signing off grant claims to enable the Council to recover money from a number of sources, in particular Interreg projects. This year to date the total value verified is approximately £1.2m. With a 50% grant recovery rate, this equates to grant income to the Council of approximately £500,000 and £125,000 for other bodies including Visit Kent, Locate in Kent and Kent Fire and Rescue Service. Time spent on verifying and signing off grant claims is chargeable.

### Parishes

Kent County Council Internal Audit currently offers a comprehensive internal audit service for Local Councils and other bodies. We are the appointed auditor for 13 of Kent's parish councils, a role we have fulfilled for some of these councils for over 10 years. In addition we provide internal audit services to the Kent & Essex Inshore Fisheries and Conservation Authority and to the Stag Community Arts Centre.

From April 2012 to November 2012 we have undertaken 30 audits for these bodies, with a further 5 audits scheduled to be completed in the remainder of 2012/13.

### Significant Ad Hoc/Advisory Work and Attendance at Key Working Groups

Internal Audit continues to monitor and act on reported Direct Payment irregularities, which were identified by the Audit Commission as a major area of risk for local authorities; so far 20 such irregularities have been reported in 2012-13.

Other significant ad hoc/advisory work includes ongoing advice and support in relation to Kings Hill disposals, completion of five pieces of advisory work to provide management advice and interim reports with advisory recommendations in relation to the Adult Social Care Transformation Programme and the Regional Growth Fund.

Internal audit have also attended, or are virtual members of, the following groups in an advisory capacity:

- ERP Programme Board
- Business Continuity Management
- Information Governance Cross Directorate Group
- Procurement standard working papers working group
- Social Fund Localisation



# Appendix D

## Internal Audit Assurance Levels

Key	
High	There is a sound system of control operating effectively to achieve service/system objectives. Any issues identified are minor in nature and should not prevent system/service objectives being achieved.
Substantial	The system of control is adequate and controls are generally operating effectively. A few weaknesses in internal control and/or evidence of a level of non-compliance with some controls that may put system/service objectives at risk.
Adequate	The system of control is sufficiently sound to manage key risks. However there were weaknesses in internal control and/or evidence of a level of non compliance with some controls that may put system/service objectives at risk.
Limited	Adequate controls are not in place to meet all the system/service objectives and/or controls are not being consistently applied. Certain weaknesses require immediate management attention as if unresolved they may result in system/service objectives not being achieved.
No assurance	The system of control is inadequate and controls in place are not operating effectively. The system/service is exposed to the risk of abuse, significant of error or loss and/or misappropriation. This means we are unable to form a view as to whether objectives will be achieved.
Not Applicable	Internal audit advice/guidance no overall opinion provided.

# APPENDIX E

## Progress with Implementation of Recommendations

Audit	Recommendations to be implemented by 31 October 2012		Recommendations outstanding as at 31 October 2012		Comments	Revised implementation date
	H	M	H	M		
<b>Authority Wide</b>						
Schemes of Delegation	1	6	1	6	Implementation is currently in progress and will be followed up as part of the 2012/13 audit therefore implementation dates have been revised.	31/03/13
Procurement	0	2	0	0	Recommendations implemented	
Health and Safety at Work	0	2	0	1	One recommendation has been implemented. A revised implementation date has been agreed for the second recommendation as work is in progress with a Statement of Policy due for finalisation in December.	31/12/12
Managing Change	0	2	0	2	These recommendations will be addressed as part of the next scheduled review and update of the Blue Book; hence the implementation date has been revised.	31/01/12
Recruitment and Selection	2	1	0	0	The medium priority recommendation has been implemented. However, testing is required on the two high priority recommendations and this is in progress.	
Leaving the Organisation	0	2	0	2	Revised implementation date as the recommendations are in progress.	31/03/2013
<b>Core Systems</b>						
Oracle – Accounts Receivable	0	2	0	1	One recommendation has been implemented, we are in the process of following-up the remaining recommendation to confirm implementation.	

Audit	Recommendations to be implemented by 31 October 2012		Recommendations outstanding as at 31 October 2012		Comments	Revised implementation date
	H	M	H	M		
Cashiering and Bank reconciliations	0	6	0	0	Recommendations implemented	
Oracle – General Ledger	0	2	0	2	Recommendations have revised implementation dates due to the finance restructure.	31/12/2012
Firewalls and Firewall Management	0	7	0	6	One recommendation completed the other 6 recommendations have revised implementation dates due to the migration from old firewalls to new, which require new procedures..	31/12/2012 – 01/07/2013
Exchange Server and e-mail	0	1	0	0	Recommendation implemented	
IT Support Arrangements	0	1	0	0	Recommendations implemented	
Registrations	0	3	0	3	All recommendations have revised implementation dates due to a change in the responsible officer and ongoing negotiations with the system supplier	01/04/2013
Business Objectives	0	2	0	0	Recommendations implemented	
PC End User Controls	0	2	0	1	One recommendation implemented, one revised implementation date due to ongoing issues with the IT security system.	31/03/2013
Capita One	1	5	1	5	All recommendations have revised implementation dates due to ICT restructure and the potential for a system upgrade next year.	31/12/2012
Direct Payments	2	2	2	1	Follow-up of these recommendations is in progress, we are currently reviewing evidence provided to date.	TBC
<b>Risk Based</b>						
No Use Empty Homes	0	7	0	3	Four recommendations have been implemented. The remaining 3 recommendations are in progress and therefore have a revised implementation date.	31/12/2012

Audit	Recommendations to be implemented by 31 October 2012		Recommendations outstanding as at 31 October 2012		Comments	Revised implementation date
	H	M	H	M		
<b>Total</b>	<b>6</b>	<b>55</b>	<b>4</b>	<b>33</b>		

H = High risk

M = Medium risk