

INTERNAL CONTROL ISSUES AUDIT REGISTER							
INTERNAL AUDIT RECOMMENDATIONS							
Audit & Date of Issue	REF	Recommendations	Prior-ity	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
STOCK AUDIT MAY 2007	1	Stores management need to review the transparency of stock codes, to minimise the confusion.	Medium	August 2007.	Ongoing. Will be undertaken by the Perpetual Stock Keeper.	COMPLETE The New ROCC system has been successfully implemented. C.6,000 codes have been streamlined down to c.2,500. Manual entry errors have been eliminated as all stores data entry is via hand held scanning at time of extraction, in real time.	Simon Martin - Senior Finance Manager (Property Services). (End of July 2008)
	2	NCH Finance should ensure that where there are stock items in store valued at the old cost price, all new purchases of the item should be valued at the old price until all of the old items have been consumed.	Medium	August 2007.	A system review in regards to the valuation of stock will be undertaken and where possible system changes will be made to meet finance requirements.	COMPLETE The new ROCC system allows a manual cost price to be set for each stock item. This is commonly the Tender price associated with the formal agreement between NCH & the Supplier. Stock price is manually set and thus can be kept constant or increased/decreased depending on circumstances	Simon Martin - Senior Finance Manager (Property Services). (End of July 2008)
VACANT PROPERTY MANAGEMENT AUGUST 2007		Hard to Let Properties					
	3	Strategies need to be developed to make Hard to Let properties easier to let.	Medium	October 2007.	The first review of the Low Demand Register and systems is to be undertaken, this will include actions identified to tackle those properties defined as low demand.	NCH Low Demand Strategy is now complete. Overarching corporate disposal strategy, incorporating properties in low demand areas, being developed by NCC	Bernadette Lawley - City Lettings Manager. (Previously Sue Lomax - Allocations Co-ordinator). (End of September 2008).
	4	Long-term options appraisal for stock which is consistently hard-to-let or not fit for purpose should be	Medium	March 2008.	A decommissioning review is to take place with recommendations made to NCC.	Long term voids and decommissioning properties reviewed jointly with the City. New proposals received from the City for	Bernadette Lawley - City Lettings Manager.

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		undertaken and consideration should be given to decommissioning property that is not fit for purpose.			A Sheltered Housing Strategy is currently being drafted and this will include sheltered voids that have no demand or are not deemed to be fit for purpose.	a Disposal Strategy. NCH Asset Mgt Strategy to consider impact of Disposal Strategy and identify long term options for properties. Low demand procedure is now in place and strategy completed awaiting final sign off A report is complete recommending to the City that 3 identified under occupied sheltered blocks be decommissioned.	(End of September 2008).
PAYROLL		Non Productive Time					
AUGUST 2007	5	Management and the Trades Union should consider streamlining and unifying the bonus schemes with a view to creating a more level playing field and a clearer management audit trail. Down Time Classification needs to be reviewed by NCH management.	Medium	December 2007.	This is being looked at as part of the review of costs for inclusion in the tender. Weekly reports of downtime claims to be submitted to depot managers to identify trends.	Delayed due to existing software incompatibility. New software has been procured to enable Down Time to be automatically reported upon. Manual methods are currently employed to inform managers of downtime. One Schedule of Rates is now used across all areas of Property Services and is being reviewed with the Trade Unions to remove local agreements ensuring fairness of pay across the work types.	Mark Johnson - Acting Director of Property Services. (End of October 2008).
	6	A monitoring report should be developed to enable the review of hours worked to ensure that all operatives exceeding the average of 48 hours within a 17-week period have signed to opt out of the working time directive.	Medium	December 2007.	Being reviewed as part of the tender process.	COMPLETE All employees that are currently exceeding the average of 48 hours in a 17 week period have signed an opt-out of the working time agreement which is retained in their personnel file managed by Human Resources. A full review is now undertaken quarterly.	Mark Johnson - Acting Director of Property Services. (September 2008).
	7	The reporting facility on	Medium	December	As part of the overall	Delayed due to existing software	Mark Johnson -

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		ROCC should be enhanced to enable more reports that would improve the monitoring of claims made.		2007.	process review, consideration is being given to upgrading the ROCC system across board to tailor it more to the organisation's requirements.	incompatibility. New software has been procured to enable reports to be automatically produced on all claims made. Manual methods are currently employed to inform managers of downtime.	Acting Director of Property Services. (End of October 2008).
		OneWorld Access to Payroll Data					
	8	The operation of the inter-company account should be reviewed to establish confidentiality of NCH payroll data.	Medium	December 2007.	Review is in progress as regards upgrading the 1-World system and Workshops to obtain the input of users have been planned for January 2007. During the review, the user consultation and ultimately the selection of the 1-World upgrade consideration will be given to how the confidentiality of NCH payroll data can be assured.	Continued use of the One World application is due to be assessed against NCH's future requirements, which will become clearer in the longer term. This process will include consideration of the risks associated with service delivery and ongoing data privacy issues. Consideration is being given to amending the data transferred from the payroll system to the ledger to improve confidentiality.	Julie Crook - Director of Finance, ICT and Governance. (January 2009).
		Authorised Signatories List					
	9	An authorised signatories list covering payroll should be made available to appropriate staff in Nottingham City Homes and the Council.	Medium	November 2007.	Current list of signatories to be provided. This will then be reviewed and updated following implementation of Organisational Development restructuring.	HR are currently undergoing a massive recruitment campaign which, when completed, will fill a range of team leader and supervisor vacant posts. In the main this should be completed by the end September when HR then be in a position to provide an updated list.	Mary Mayes - Head of HR. (End of September 2008).

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SX3 HOUSING MODULES NOVEMBER 2007	10	A data retention policy should be put in place to ensure that personal data is not kept longer than is necessary.	Medium	June 2008	Agreed. This will be part of a wider review of data sharing and data retention across the company by the Governance Team.	COMPLETE The retention policy has been drafted and is currently with the Company Secretary prior to being presented at EMT and subsequent implementation.	Jan Locker - Senior Governance Officer. (September 2008).
	11	A data sharing agreement covering the operation of HomeLink should be put in place and signed up to by all the partners.	High	January 2008	Agreed. This will also be part of the wider review of data sharing and retention across the company by the Governance Team. Specific HomeLink responsibility rests with the Allocations Manager.	Decision taken that as NCH are agents of NCC, the NCC Information Governance team is to lead on arranging all protocols. Work is progressing on these data sharing protocols with the City Council.	Jan Locker - Senior Governance Officer. (TBC 2008).
HOUSING REPAIRS NOVEMBER 2007		Policy					
	12	Ensure the revised procedures enable the policies to be consistently and effectively applied to cases of tenant damage.	High	February 08	New Company wide rechargeable repair procedure to be developed in conjunction with stakeholders **.	New procedures can only be completed once clear direction of new IT system is agreed. Rechargeable repair raised for every void and part of pre termination visit. IT functionality to automate the raising and control of recharges on SX3 in progress. Court action now being taken in several cases, recent appointment of Rechargeable Repairs Officer has accelerated progress in this area.	Ben Chilvers - Leaseholder and Rechargeable Repairs Manager (End of November 2008).
		Revised/Emerging Procedures					
	13a	Establish a system of referral to associated agencies in	Medium	February 2008	To be incorporated into new procedure as per	To be agreed as part of new IT system.	Ben Chilvers - Leaseholder and

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		cases of cancellation due to a social consideration. This approach may help to reduce re-occurrence of such behaviour.			** above.		Rechargeable Repairs Manager (End of November 2008)
	13b	Establish a clear audit trail and control framework that will provide assurance that all recharges raised by the void inspection process progress through to the raising of a debtor invoice or an authorised cancellation. Allocate responsibility for administering this framework and establish a chasing process.		February 2008	See ** above. The system is currently being reviewed to expand the recharge functionality in conjunction with NCC IT, Property Services, Rechargeable Repair Manager and the Technical Project Officer. Project plan to be developed for implementation of new system	New IT system will establish clear audit trail.	As above (End of November 2008)
	13c	Devise procedures for raising recharges in cases of abandonment and eviction. These are the cases where a pre-termination visit is unlikely to take place.		February 2008	See ** above.	Staffing shortages on the Recharges Team have stalled progress on policy developments in this area.	As above (End of November 2008)
	13d	Establish the role of the central debtor's team. Ensure they have adequate resources. Ensure they have robust recovery procedures. Adequate links with Legal		February 2008	See ** above.	SLA under review, Central Debtors Team (SI) will not be responsible for collecting recharges in future.	As above (End of November 2008)

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		section of NCC and the OneWorld team. Reflect any changes in the NCC SLA.					
RISK MANAGEMENT FEBRUARY 2008	14	The Audit Committee should receive risk management awareness training.	High	May 2008	Action agreed. Training timetable for Board to be finalised.	Training to be completed during the next Company Board Away-Day.	Julie Crook - Director of Finance, ICT and Governance. (End of October 2008).
	15	The corporate and business area risk registers should be reviewed and updated to reflect current risks, ratings and mitigations.	High	May 2008	Action agreed.	COMPLETE. The Corporate Risk Register has been drafted in line with the objectives, risks and management actions outlined in the Company's Delivery Plan as well as giving consideration to other off-plan risks – approved at May Board. All Business Risk Registers have been established, reviewed and updated in line with the requirements of the Company's Risk Management Framework.	Julie Crook - Director of Finance, ICT and Governance. (End of July 2008).
	16	All departmental risk registers should be completed to include: <ul style="list-style-type: none"> • A description of the impact; • The owner of each risk (an owner should be an individual; not a group or team); • A residual (target) risk 	High	May 2008	Action agreed.	COMPLETE. Risk registers have been established within each Service Area across the Company and responsible officers assigned. Corporate Risk Register is updated by the Company Secretary (Corporate Risk Officer). All risk registers are based on a template format which has been updated to include all elements of	Julie Crook - Director of Finance, ICT and Governance. Supported by all Directors. (End of September 2008).

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		rating; • An "in operation" (target) date for risk responses.				the recommendation.	
	17	The project plan (referred to above) should recognise the need to introduce formal risk management into project management, partnerships and large contracts, aligned to the principles adopted for business risk management where it is appropriate to do so. It is recognised that this objective may have to be deferred until business risk management has taken a foothold.	Low	August 2008	Action agreed.	Project plan to be updated post consultation with Procurement and other related NCH stakeholders. Still outstanding due to delays in the completion of Service Area and Directorate Risk Registers.	Julie Crook - Director of Finance, ICT and Governance. (End of November 2008).
ONeworld SECURITY AND PRIVACY FEBRUARY 2008	18	NCH should produce a medium to long term strategy, in conjunction Nottingham City Council, to ensure that the risks associated with service delivery and data privacy are addressed.	High	June 2008.	NCH is well aware of the risks highlighted. Strategy to be developed with the Council, with a preliminary timescale of agreeing the principles June 2008, subject to Council acceptance of the timescale. This will determine whether the solution is OneWorld upgrade or another option.	Continued use of the One World application is due to be assessed against NCH's future requirements, which will become clearer in the longer term. This process will include consideration of the risks associated with service delivery and ongoing data privacy issues.	Julie Crook - Director of Finance, ICT and Governance. (January 2009).
	19	In the short-term the NCH should liaise with City Council in order that a Data Sharing agreement can be drawn up.	High	May 2008	Action agreed.	To be incorporated into Application Hosting SLAs for shared applications. Target date re-scheduled due to	Robert Allen - Head of ICT (March 2009).

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						ongoing IT commitments.	
ALLOCATIONS AND LETTINGS FEBRUARY 2008	20	a) The Housing Registration & Allocations Manager should liaise with the City Council to ensure that any priority they request for applicants is within the Policy.	High	March 2008	a) Policy amendment to be proposed to the City.	COMPLETE The City Council is leading on this Policy change. Consultation has taken place with NCH and policy amendment proposed.	Sue Lomax - Allocations Co-ordinator. (End of May 2008).
		b) City Councillors should be given the opportunity to consider whether and what priority should be given to owner occupiers selling their property as part of a regeneration scheme, and amend the Allocations Policy if necessary.			b) The City to be asked to co-ordinate and respond to this recommendation (through Sue Lomax).	This action has been incorporated into a wider review of the allocations procedure and policy, which is currently being examined by NCC and NCH. The allocations Policy is to be re-drafted in line with Regeneration requirements across the City.	Pat Greenwell (NCC Officer) (End of January 2009).
		c) The Housing Registration & Allocations Manager should ensure that Central Allocations Officers are trained in the policy.			c) Once policy confirmed, all staff to be trained and IT procedures / policy updated.	Once the policy is approved training will take place for appropriate NCH Officers. Implementation cannot be progressed further until NCC have made amendments to the policy (see b) above).	Sue Lomax - Allocations Co-ordinator. (End of January 2009)
		d) All 50 manual offers in respect of clearance schemes should be reviewed.			d) To be part of report provided to City in a) above.	COMPLETE Manual offers reviewed and 3 of these relate to owner occupiers. No further moves for owner occupiers will be arranged until the City confirm the approved policy change.	Sue Lomax - Allocations Co-ordinator. (End of March 2008).
	21	An effective change programme should be set up to remove the counter-	High	March 2008	A tenancy file audit is to take place and the results of this will be	COMPLETE Tenancy file audits are undertaken on a rolling programme. A recent	Kim De Vergori – Assistant Director TEM.

Deleted: amendments to the policy.

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		culture existing within the company which results in failure to place appropriate documentation on file, loss of documentation from files, misfiling, and loss of files.			<p>reviewed and actions implemented, taking into account the outstanding missing file issue.</p> <p>Allocations filing systems are to be reviewed and action taken to identify missing files</p>	<p>audit and report has been submitted to the AD. Further work has been identified in improving quality of files and actions are in progress to address quality.</p> <p>A fundamental review of the housing waiting list is underway. This will include a file check of every application and any missing documentation, such as application form, will be re-requested and filed. The review commenced during April but IT and continuing resource problems have caused delays and made cause the target date to slip further.</p> <p>COMPLETE A file tracking system has been implemented for allocations files at HomeLink that indicates when the file was removed, by who and date. If documents are sent out of the office then the notepad on SX3 is updated too.</p>	<p>(End of May 2008).</p> <p>Sue Lomax - Allocations Co-ordinator.</p> <p>(End of September 2008).</p> <p>Angie Knight – Homelink Team Leader.</p> <p>(End of March 2008).</p>
	22	NCH should introduce a document imaging system to ensure adequate security of documentary evidence. (Recommendation 23 restated from 2006 audit report, 5.3.09 from 2004 audit report).	High	June 2008	The EDRM system budget (£130k Capital) has been approved (from Development Bid fund) and the IS Strategy, that we have awaited to help guide such large investment decisions will be involved with EDRMS,	IS Strategy is now complete. Document imaging system project will commence following EMT approval and confirmation of the associated IT budget.	Robert Allen - Head of ICT (November 2008).

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					is nearing completion. Project is scheduled to be implemented this year (2008) once appropriate partner resource has been secured to project manage, procure and deliver the project.		
	23	NCH should consider removing this inconsistency and process all application changes within the Homelink office.	Low	June 2008	The restructure currently being implemented will increase resources at HomeLink. A phased handover of changes of circumstances by Homelink will be implemented. Training is to be provided to teams with a new revision and change of circumstances checklist to be implemented.	Implementation to coincide with completion of the Allocations filing systems review. This target has been amended due to staffing shortages within allocations causing delays in completing the related work and reviews.	Sue Lomax - Allocations Co-ordinator. (End of November 2008 – subject to review).
	24a)	When NCH staff create a new waiting list application they have previously been advised by Housing ICT that they must undertake a person search of the system prior to commencing the registration process. This would solve the issue of missing application numbers from the sequence, and	Medium	March 2008	An internal test of this has taken place and it is suggested changes to the IT system are made to support the potential error. A change control request will be made.	Full centralisation of the allocations service will result in a phased improvement in reducing missing application numbers. Support has been requested from NCC IT to design a prompt solution. A full solution within Northgate re-implementation has been requested but yet to be received. Target has been realigned with completion of IT re-implementation.	Sue Lomax - Allocations Co-ordinator. (End of January 2009).

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		ensure that no duplicate applications are created, and that tenancy history is not obscured. (Updated recommendation from 2004 audit report).					
	25b)	b) NCH should review access to the Housing System against current job roles and arrange for access to create applications to be restricted to those who create applications as part of their role. This may involve creation of a new security profile and amendment of the existing HSG_REREG profile.	Medium	March 2008	Testing found that the person search was being used. The IT system requires access control to avoid the impact on sequential numbering. A Change Control Request to be submitted	Request made for change to the system. Amendments have still to be actioned by IT and further system development may be needed which will be incorporated with the wider Business Process Review of HomeLink and Allocations. Removal of Authority cannot be from present users to create applications has been delayed due to resource issues within TEM and Voids and Allocations	Angie Knight – Homelink Team Leader. (End of September 2008).
	26	The Company should attempt to identify learning points from refusals. Rejection codes and free text description should be available for this. Any issues arising from mismatch should be used to help improve the coding of future rejection.	Medium	April 2008	Refusals will be monitored monthly and patterns and reasons for refusals acted upon. Actions will be monitored to determine impact on refusal rates and lessons learnt incorporated into service improvements.	COMPLETE Refusal reasons currently being reviewed and agreed with RSL Partners. New Refusal reasons agreed and rejection codes and free text description reports now available Refusal reasons are now monitored in the monthly Allocations Reporting meetings. Reports to be regularly submitted/ circulated to EDMT , advising of refusal reasons and recommending service improvements where appropriate.	Bernadette Lawley - City Lettings Manager. (End of June 2008).
	27	A formalised system is suggested whilst	Low	April 2008	To meet with Tom Welch and establish a	COMPLETE Complaints reviewed monthly with	Sue Lomax - Allocations Co-

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		acknowledging existing good practice.			formal and regular review process	team and service improvements identified.	ordinator. (End of June 2008).
USE OF LAGAN FRONTLINE FEBRUARY 2008	28	In order to enforce segregation of duties the transfer of User Management to the IT Helpdesk is recommended. However, authorisation and certification of access should remain the responsibility of the relevant NCH service manager and authorisation compliance reviews need to be an integral part of the process	High	June 2008	Will agree effective process with NCC.	Currently, authorisation for additions and changes to user accounts comes from NCH Central Rents Team Manager or in his absence the Rents & Leaseholders Service Manager and Rents Admin Team Leader. The account changes are carried out by a member of the NCC Customer Services Team (NCC CST). NCH is seeking to have the process authorised by NCH as per current method; with changes being managed via the NCC ICT Service Desk as is the case for most other ICT systems (NCC CST may still actually administer the account changes). This will be embedded in the new SLA for Lagan system support.	Rob Haque – Central Rents Team Manager supported by Robert Allen – Head of ICT (NCH). (End of October 2008).
	29	User Accounts should be reviewed on regular basis to ensure that dormant accounts are removed or locked from the system	High	April 2008	Will work through list of accounts with NCC to remove inappropriate accounts.	COMPLETE NCH already advise NCC to remove inappropriate accounts. A monthly leavers list is provided by NCH HR and sent to NCC for the users to be deleted. A separate list covering agency staff leavers will be provided by HR from September 2008.	Rob Haque - Central Rents Team Manager supported by Robert Allen – Head of ICT (NCH). (End of June 2008).
	30	The extent, type and level of auditing, should to be	Medium	June 2008	Will agree effective process with NCC	COMPLETE The Laggan system holds a full audit	Rob Haque - Central Rents

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		established, proportionate to the risks being addressed. Incident Management procedures should be set up to deal with the analysis, reporting and handling of audit events that are considered to be a risk.				trail within the database itself – allowing an audit trail down to changes in individual fields by user. Separate system logs are restricted to system troubleshooting use only. For NCC, Laggan provides comprehensive information on which user accessed which Housing Benefits records in Northgate. (For NCH users no such integration has been implemented.)	Team Manager supported by Robert Allen – Head of ICT (NCH). (End of June 2008).
	31	Client audit logs should be subject to normal backup and restoration process.	High	June 2008	No client side logs are used (or available) – hence backup arrangements are not necessary.	COMPLETE Recommendation is not accepted or relevant to the Company's systems and has therefore been marked as completed to remove it from the register.	Rob Haque - Central Rents Team Manager Supported by Robert Allen – Head of ICT (NCH). (June 2008).
	32	Service Level agreements should be established defining the required service levels for backup and recovery, and referring to business continuity plans to manage incidents of prolonged unavailability of IT resources.	Medium	June 2008	Will establish SLA's and define service level required for backup, restore, and disaster recovery.	To be agreed as part of the new IT NCC SLA – delayed due to IT prioritisation of other programmes and work tasks.	Rob Haque - Central Rents Team Manager supported by Robert Allen – Head of ICT (NCH). (End of March 2009).
	33	A technical security evaluation of the ICT infrastructure should be undertaken to ensure that Lagan Frontline is operating in an appropriately secure	Medium	June 2008	Will obtain assurances from NCC that this is part of the project.	NCH Head of ICT will ensure that security environment considerations are included as part of any new SLA for Laggan support. Physical security is by ensuring that access to the client PCs is protected	Rob Haque - Central Rents Team Manager supported by Robert Allen – Head of ICT

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		environment.				by locked doors out of hours and by presence only of known staff during working hours.	(NCH). (End of March 2009).
	34	Staff undertaking support functions should be trained in the technical platforms that they support, furthermore, a mechanism should be in place to ensure that system documentation is kept up to date and reflects current working practices.	Medium	June 2008	Will include support staff capability as part of SLA	NCH Head of ICT will include training requirement as part of any new SLA for Laggan support.	Rob Haque - Central Rents Team Manager supported by Robert Allen – Head of ICT (NCH). (End of March 2009).
PERFORMANCE INDICATORS AND MANAGEMENT INFORMATION SYSTEMS FEBRUARY 2008	35	The time excluded from the void period should only be that applicable to that taken to carry out the works covered by the exemption.	Medium	8 th April 2008	Agreed, however we will be reviewing our methodology for 08/09 following HouseMark's review of housing performance indicators.	NCH are currently working with best value team to bench mark with other ALMOs how ART is calculated. Our IT system at present would not be able to calculate the ART in such a way, hence the need for site visits to other ALMOs. New report has been completed and is currently being tested. Implementation is dependant on the resolution of recommendation 37 in September. Exclusion will be in line with recommendation made after consideration of Option Appraisal by EMT.	Bernadette Lawley - City Lettings Manager. (End of September 2008).
	36	Consideration should be given to holding copies of supporting invoices, job cards etc centrally to support	Low	8 th April 2008	Agreed subject to a viable system being available.	COMPLETE	Bernadette Lawley - City Lettings Manager.

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		the taking of the exemption.					(End of July 2008).
	37	Management review of the recalculated performance should be undertaken. The review should ensure that the adjustments had been applied in accordance with the Audit Commission advice, that the exemptions have been consistently applied by all staff and that the exemptions applied meet the overall test of reasonableness. The management review should also ensure that adequate support is available to demonstrate the work is covered by the exemption and that the number of days being excluded is accurate.	Medium	31 st March 2008	Agreed and being applied to recalculation process.	New report produced to ensure ART is being calculated as per the initial agreed exceptions. EMT report complete with option appraisal and recommendations. NCH representative to attend ALMO Benchmarking club on 16 th September for final clarification.	Janet Glass – Head of Performance and Business Improvement. (Reassigned in June 2008) (Formerly Bernadette Lawley - City Lettings Manager). (End of September 2008).
APPRAISAL REVIEW OF ANTI-SOCIAL BEHAVIOUR ARRANGEMENTS JULY 2008	38	A summary of the statement of policies is produced.	2	30 th September 2008	Work in progress.	Draft revised document completed. On target for completion by initial target date.	Stuart Smith – Policy and Partnership Officer. (End of September 2008)
	39	The confidentiality policy to make reference to whether the Company will seek complainants' permission before disclosing information to the perpetrators, their	2	30 th September 2008	Review of policies to be undertaken.	Included in revised draft document. On target for completion by initial target date.	Stuart Smith – Policy and Partnership Officer. (End of

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		legal representatives and other interested parties.					September 2008)
	40	Reference be made within the Statement of Policies to other relevant policies that specifically relate to ASB e.g. equal opportunities, tenant participation and consultation etc.	2	30 th September 2008	Work in progress.	Included in revised draft document. On target for completion by initial target date.	Stuart Smith – Policy and Partnership Officer. (End of September 2008)
	41	The procedures document be amended to give clear instructions to staff on the actions to be taken when dealing with cases, to make reference to the use of multi-agency partnerships and to give details of how and when professional witness schemes should be used.	2	30 th September 2008	Currently under review.	Review on going. Revised document will incorporate recommendation and will be completed in target.	Kathy Mason – ASB Co-ordinator (End of September 2008)
	42	Reference be made in the procedures to injunctions and exclusion orders under sections 153A, 153B, 153C or 153D of the 1996 and in connection with these injunctions and applications for powers of arrest.	2	30 th September 2008	Currently under review.	Incorporated in revised draft document and will be completed in target.	Kathy Mason – ASB Co-ordinator (End of September 2008)
	43	Information be recorded accurately within the ASB Monitoring Database.	2	Immediately	ASB monitoring panel meets monthly to review cases & weekly spot checks on ASB case files is in place.	COMPLETE See agreed management response.	Kathy Mason – ASB Co-ordinator (July 2008)
	44	ASB be considered within the Company's risk mapping process and to include:	2	30 th August 2008	Risk Management Assessments currently being undertaken corporately. ASB to be	COMPLETE	Kim De Vergori – AD TEM (August 2008)

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		<ul style="list-style-type: none"> • Loss of rental income where ASB causes properties to become difficult to let; • Increased repair and service costs due to abuse and vandalism; • Increased insurance costs; • High legal, mediation, victim support costs; • Increased costs for residents on repairs, damage to personal property and increased insurance costs; • Compensation claims; • Averse reaction from individual residents and corporate customers/partners; • Adverse reaction from individual residents and corporate customers/partners; • Adverse publicity in local, national and specialist media; • Impact on physical and mental well being of residents; • Physical risk and stress to staff and contractors working in the area; • Staff time and other 			included in TEM risk assessment.		

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		resources spent on combating ASB rather than other activities.					
	45	The use of diversionary projects for youths, such as football clubs or IT drop-in centres and reward schemes for tenants with a record of a well conducted tenancy be considered.	3	30 th September 2008	Identified as a gap at KLOE self assessment workshops to be considered as part of TEM SIP.	Diversionary project – Included in SIP –TEM 2.4. Reward Scheme – included in Customer Care SIP.	Kathy Mason – ASB Co-ordinator and Kim De Vergori – AD TEM (End of March 2009)
	46	Consideration be given to including the following costs within ASB budget: <ul style="list-style-type: none"> • Lost of rental income from voids; • Maintenance costs for void and tenanted properties; • Service cost for communal areas; • Compensation payments; • Re-housing costs; • Mediation and support services; • Staff time; • Increased insurance premiums and higher excesses. 	3	30 th September 2008	To be considered as part of TEM SIP and ASB Service Review.	Implementation of service improvement is included in TEM SIP – reference TEM 3.16.	Kathy Mason – ASB Co-ordinator and Kim De Vergori – AD TEM (End of March 2009)
APPRAISAL REVIEW OF TENANT PARTICIPATION ARRANGEMENTS JULY 2008	47	Regular reporting on tenant participation activity be presented to the Board or the Performance and Regulatory Committee.	2	September 2008	This has been discussed with the Governance Team and it has been agreed that the reporting mechanism for tenant participation will be	The reporting will be undertaken through the TLC and Board meetings the next one taking place is in September.	Kim McMullen – Tenant and Leaseholder Involvement Manager. (End of

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					through the meetings of the TLC and Board which take place three times a year.		September 2008)
	48	Information on tenant associations and Company budgets and actual spend with regard to Tenant Participation be provided to tenants via a monthly newsletter.	3	July 2008	This information will be published in the newsletter and on the website.	TP budget information to be presented to the TLC, Forums and Area Panels. Information collated and template set up about the budget. Once consulted upon, similar information will be publicised in the newsletter and on the internet.	Kim McMullen – Tenant and Leaseholder Involvement Manager. (End of September 2008)
	49	Consideration be given to the rotation of the officers of tenant groups to facilitate the introduction of new members.	3	July 2008	The similar membership restrictions as adopted by the Board of NCH to be discussed by the Tenants and Leaseholders Congress. Chairs and vice chairs are elected annually at TLC, Forums, Area Panels and TRAs and AGMs are held. We will include this within the Independent Compact review so that we follow best practice in the sector.	Scheduled for the next TLC agenda - 24 th September 2008.	Kim McMullen – Tenant and Leaseholder Involvement Manager. (End of September 2008)
	50	Reference be made within the Tenant and Leaseholder Congress Constitution to whether attendance of Company staff is by invitation only.	3	July 2008	Amendments to the Constitution to address this will be raised at the next meeting of the Tenants and Leaseholders Congress	Scheduled for the next TLC agenda - 24 th September 2008.	Kim McMullen – Tenant and Leaseholder Involvement Manager.

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							(End of September 2008)
REVIEW OF THE RENT ARREARS ARRANGEMENTS JULY 2008	51	Cash handling, security and safe code access to be reviewed in the regional offices.	1	30 September 2008	Report taken to EMT on risk management in respect of cash collection (3 rd July 2008).	Implementation is ongoing.	Kim De Vergori – Assistant Director TEM. (End of September 2008)
	52	The methods of monitoring controls and management actions to be identified within the risk map.	2	Draft June 2008 To be completed by July 2008	Risk Register being completed in June 2008.	COMPLETE Risk register is now complete for the rents service area.	Mark Lawson – Rents Manager (July 2008)
	53	The risk of an increase in former tenant arrears be considered for inclusion in the Company's risk map.	2	To be completed by 31 July 2008	Risk Register being completed in June 2008.	COMPLETE General "Failure to meet collection targets" risk logged, to include FTA.	Mark Lawson – Rents Manager (July 2008)
	54	The Financial Regulations be amended to make reference to authorising re-payment of credit balances and agreeing instalment arrangements.	2	31 July 2008	AGREED IN PART: To ensure refund of credit balances complies with Financial Regulations. The agreement of instalment arrangements with tenants to pay arrears are not included in Financial Regulations & will remain under current guidelines.	COMPLETE	Mark Lawson – Rents Manager (July 2008)
	55	The rent procedures be amended to include reference to restricting access to personal records in	2	31 July 2008	Will be included in the Arrears Manual.	COMPLETE	Mark Lawson – Rents Manager

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		accordance with the provisions of the 1998 Data Protection Act.					(July 2008)
	56	An ongoing training programme for staff involved in allocations (Rents) be introduced to ensure staff keep abreast of the Company's procedures and any changes in legislation.	2	30 September 2008	Deemed "Rents", not "Allocations". Induction & competencies data already in place. Training plan to be devised.	Company Training Plan in place but this is not specific to needs of Rents. Meeting held between Learning and Development Team and lead officers in Housing Operations to prepare the training plan. Specific training plan to be devised following these discussions.	Mark Lawson – Rents Manager and Raj Patel – Head of Change Management and Development. (End of September 2008)
	57	A monthly summary report be presented to the Director of Housing Operations summarising complaints and correspondence received regarding rents management.	2	Commenced June 2008	To be included in the monthly Rents Business Review meeting attended by the Director & Assistant Director.	COMPLETE	Mark Lawson – Rents Manager (June 2008)
	58	Any exceptions to the documented procedures be authorised through the Northgate system.	2	Commenced June 2008	At key action stages such as Notice, Court & Eviction	COMPLETE	Mark Lawson – Rents Manager (June 2008)
	59	Procedures for the action be taken in the event of a default in instalment payments to be documented.	2	In operation	Already in operation through Northgate system escalation policies & Rent Account Manager reviews in accordance with the Arrears Manual	COMPLETE Business Objects report also written for Rent Account Managers to highlight failing arrangements for action.	Mark Lawson – Rents Manager (July 2008)
	60	The write off policy be updated to bring it in line with	2	31 August 2008	Write Off policy to be rewritten in line with	COMPLETE Draft Policy has been completed (5 th)	Mark Lawson – Rents Manager

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		the amended procedures and for the job titles to be updated.			best practice & NCH financial regulations & to be agreed by EMT, Board & NCC	September) & is with the Directors of Housing Services and Finance for approval.	(September 2008)
	61	The list of system users be reviewed and users removed and/or access rights amended where applicable.	2	Complete June 2008	To be undertaken at least annually. Completed in June 2008 & awaiting Housing ICT confirmation.	COMPLETE	Mark Lawson – Rents Manager (June 2008)
	62	Consideration be given to obtaining reporting of rejected housing benefit claims.	3	31 July 2008	To discuss with NCC Benefits. Already get Pending claim details & cancellations	As at July 2008 Benefits reporting systems were not operational. Progress report to be obtained by 5 th September 2008. Rent Account Managers have access to Benefits Systems to identify cases.	Mark Lawson – Rents Manager (End of September 2008)
	63	A vulnerability list be formulated to assist assessments.	3	31 August 2008	New draft Needs Assessment in place & Company definition of vulnerability to be agreed. Vulnerability checks being implemented at key action stages.	COMPLETE New tenancy Needs/ Risk Assessment in place. Vulnerability process map completed and Court & eviction referral forms contain vulnerability assessment that must be completed.	Mark Lawson – Rents Manager (August 2008)
	64	Tenants' income and expenditure assessments be completed for all new tenants and for all arrears cases.	3	On-going	AGREED IN PART: Rent Account Managers instructed to seek completion of IEA's when making arrangements in meetings with tenants See Arrears Manual. Not practical to complete over the	COMPLETE Rent Account Managers completing Income & Expenditure Assessments at Notice stage and as required in personal interviews. Actions are logged on Northgate.	Mark Lawson – Rents Manager (July 2008)

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					telephone & not all arrears cases will want to engage; code set up for refusal.		
	65	Consideration be given to obtaining reporting on arrears cases passed over to Moorcroft including ages of debts and recovery percentages.	3	31 August 2008	Not had collection info for some time. Will raise with Moorcroft.	Reports received detailing numbers of cases, debt owed & collection rate. Work is underway on the ages of debt.	Mark Lawson – Rents Manager (End of September 2008)
	66	A system user manual be obtained for Northgate and Business Objects.	3	31 August 2008	Will seek both from NCC's Housing ICT team. Business Objects manual likely to be generic	Housing ICT do not have a Northgate Rents User Manual. Rents Team have procedure notes that include Northgate instructions, but some updating is required. No Business Objects manual is available & knowledge of data is essential. Consideration being given to writing our own BO manual. Instructions for running Info-view reports have been written & distributed to Rents staff.	Mark Lawson – Rents Manager (December 2008)

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GRANT THORNTON AUDIT ISSUES MEMORANDUM JULY 2008	67	At 31 March 2008 the month end creditor balance of approximately £10m per the financial system had to be reanalysed between accruals, trade creditors and inter-company creditors. Work is needed to ensure that the financial systems reflect the accurate status of liabilities.	N/A	N/A	As part of a planned review of the ledger and associated coding structure post implementation of the Repairs Contract, consideration will be given to coding accruals, trade creditors and inter-company creditors separately on the One-World financial system.	Management action to be implemented after finalisation of the Commercial Delivery cost code structure.	Darren Phillips - Head of Finance (Company) (End of December 2008)
	68	NCH continues to operate its nominal ledger within NCC's ledger. As well as the potential for postings between the Council and NCH, the Audit Commission may consider this to be an indicator that NCH is not sufficiently arms length.	N/A	N/A	An investigation as to whether a separate company can be set up on the Council's financial information system is included in NCC's IT Development Plan. The (currently draft version of the) IS Strategy identifies a clear need to review the provision of financial management system services and potentially to replace OneWorld. This will be further developed during 2008/09 at a time to be scheduled according to	COMPLETE Recommendation is duplicated with Recommendation 18 (see above) raised by Internal Audit and has therefore been marked as complete to remove it from the register.	Robert Allen - Head of ICT. (TBC - Full implementation)

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					business priority.		
	69	Nottingham City Homes should consider having control over its bank accounts, in particular having authority over the account.	N/A	Dec 2008	Discussions are ongoing with NCC in relation to transferring the responsibility for completing monthly bank reconciliations (currently performed by NCC as part of the finance Service level agreement) to the company. When agreement over the logistics of transferring responsibility for bank reconciliations has been reached, steps will be taken to ensure the company manages its own bank account and, subsequently, authority over the account will be sort.	Discussions with NCC are still ongoing with the aim of implementation within the agreed target date.	Julie Crook – Director of Finance, ICT and Governance. (December 2008)
	70	It is recommended that the company considers adopts the 'Format 2' profit and loss account. This does not give a cost of sales figure but analyses expenses in a way which is more appropriate to the business.	N/A	April 2009	As part of the 2008/09 year-end closedown and accounts compilation process consideration will be given to amending the format of the profit and loss account. Amendments agreed will ensure that the	To be completed within agreed target date.	Darren Phillips – Head of Finance (Company). (April 2009).

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					analysis of company expense on the P&L is appropriate to the business and provides meaningful information to users of the financial statements.		
	71	It is recommended that the Board satisfy itself that at least one member of the audit committee has recent and relevant financial experience.	N/A	Dec 2008	The Board will review the membership of its committees at its AGM in July 2008 and is looking to strengthen its audit committee. Independent Board Members will also have some vacancies before AGM 2009 and we will look to recruit a Board Member with specific financial skills.	To be completed within agreed target date.	Alison Mapp – Company Secretary. (December 2008)
	72	We understand that consultants are currently drafting an IT strategy. This should be reviewed to ensure it is appropriate to the size of the business and in line with its overall objectives.	N/A	Dec 2008	The Information Systems strategy has been completed and adopted by the Board. This provides the business-led principles, governance arrangements and development roadmap. It covers business process and technology elements and so will drive any amendments necessary to the pre-existing Information Technology (IT)	COMPLETE	Robert Allen - Head of ICT. (August 2008)

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					strategy.		
	73	NCH should have comprehensive back up policies and procedures in place. Linked to this a written and tested Business Continuity Plan or Disaster Recovery Plan should cover all critical systems. Redundant components could also be considered for back up.	N/A	TBC	There is a lack of comprehensive documented DR policies and procedures. Disaster Recovery planning and practice, options for redundant components and risk avoidance are being incorporated in the new ICT SLAs for each service element.	Establishment of SLA definitions re-scheduled due to other IT priorities.	Robert Allen - Head of ICT. (End of March 2008 - Establishment of SLA definitions) (TBC – Date of DR procedures in place to be determined according to service criticality)
	74	IT - programming services NCH is reliant on the Council for programming services for software. NCH does not have oversight of this process. This ties in with the point re IT strategy above which recommends that IT developments should be in line with the overall objectives of NCH.	N/A	Oct 2008	ICT services managing the Housing Management System are being brought back in-house rendering control of development of this new system properly under NCH control	Application support and development services have been brought back in-house (as of 1 st September 2008) – i.e. staff have been transferred from NCC to NCH under TUPE arrangements. Still need to ensure control over key systems development is also transferred and so properly serving NCH's needs.	Robert Allen - Head of ICT. (October 2008)
	75	NCH should develop and implement its own security policy. This should particularly focus on the set up and removal of users, password policies and usage policies.	N/A	Dec 2008	NCH users are bound by security policies currently supplied and maintained by the Council. NCH has now implemented its own User security database system (within the	To be completed within agreed target date.	Robert Allen - Head of ICT. (December 2008 - Implement NCH's own ICT security policies)

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					Council's Active Directory database). This allows NCH to set its own policies and to manage its own NCH user accounts as well as to delegate such work back to the Council under the terms of the renegotiated SLAs.		
	76	NCH should establish an intrusion detection system which will give early warning of any external and unwanted access to systems.	N/A	Dec 2008	Provision has been built into the ICT budget to cater for intrusion testing.	To be completed within agreed target date.	Robert Allen - Head of ICT. (December 2008)