

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
PAYROLL		Authorised Signatories List					
AUGUST 2007	1	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.	<p>HR are currently undergoing a massive recruitment campaign which, when completed, will fill a range of team leader and supervisor vacant posts.</p> <p>Delays and other priorities now mean in the main this should be completed by the end December when HR, in consultation Ads and DRs, will then be in a position to provide an updated list.</p> <p>Process of assimilating this list is approx 2 thirds of the way complete.</p>	<p>Mary Mayes - Head of HR.</p> <p>(End of March 2009).</p>
	2	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.	<p>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 and other partner organisations.</p> <p>A Task Group has been formed, co-ordinated by the Shared Intelligence Team and chaired by the Primary Care Trust.</p> <p>The next meeting is scheduled for 7 April 2009.</p>	<p>Alison Mapp – Company Secretary.</p> <p>(End of May 2009).</p>

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
HOUSING REPAIRS		Policy					
NOVEMBER 2007	3	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 **.	COMPLETE The Recharges Officer in the Leaseholder & Rechargeable Repairs Team now deals with the raising and administration of all void recharges. Processes and the Recharges Procedure has been updated into a comprehensive procedure manual awaiting approval. A protocol between the LRRT, Voids and Allocations and Area Offices has also been established. These will be checked and reviewed by the Senior Quality Officer at NCH to ensure that they meet the required standards of ISO.	Samantha Else - Leaseholder and Rechargeable Repairs Manager (February 2009).
		Revised/Emerging Procedures					
	4a	Establish a system of referral to associated agencies in cases of cancellation due to a social consideration. This approach may help to reduce re-occurrence of such behaviour.	Medium	February 2008	To be incorporated into new procedure as per ** above.	COMPLETE A vulnerable tenant policy statement has been produced within the revised procedure manual. We will also explore the Northgate system as this has the capability to flag up vulnerable tenants.	Samantha Else - Leaseholder and Rechargeable Repairs Manager (February 2009).
	4b	Establish a clear audit trail and control framework that will provide assurance that		February 2008	See ** above. The system is	COMPLETE	(February 2009).

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		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.			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	NCH has now established a framework where authorisation and cancellations are approved dependant on value by the appropriate member of staff.	
	4c	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.	COMPLETE A procedure manual has now been written and implemented.	(February 2009).
	4d	Establish the role of the central debtor's team. Ensure they have adequate resources. Ensure they have robust recovery procedures. Adequate links with Legal section of NCC and the OneWorld team. Reflect any changes in the NCC SLA.		February 2008	See ** above.	COMPLETE The debt is currently managed by NCC. NCH have established close links with the Sundry Income Team including regular reporting of the charges. NCC need to make a decision on whether NCH will take on the management of the debt which is what has been proposed by NCH.	(February 2009).

APPENDIX B – 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)
RISK MANAGEMENT FEBRUARY 2008	5	The Audit Committee should receive risk management awareness training.	High	May 2008	Action agreed. Training timetable for Board to be finalised.	Risk Management training from an external specialist provider has been schedule to take place for all Company Managers and Board Members.	Julie Crook - Director of Finance, ICT and Governance. (End of April 2009).
	6	The risk project plan 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.	Recommendation 6, and the recommendations raised in the February TIAA Risk Management report, are to be addressed in the annual review of the Company's Risk Management Framework – scheduled to be approved by the Audit Committee and Board in May.	Julie Crook - Director of Finance, ICT and Governance. (End of May 2009).
ONEWORLD SECURITY AND PRIVACY FEBRUARY 2008	7	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	PROPOSED TO REMOVE RECOMMENDATION FROM THE AUDIT REGISTER Service delivery and security issues cannot be addressed until the OneWorld system is either updated (schedule for 20010/11) or replaced. As the OneWorld system is owned by the City Council and only accessed by NCH through the	Julie Crook - Director of Finance, ICT and Governance. (N/A).

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
					option.	<p>terms of an SLA, further progress is unlikely to be made with the recommendation until 2010/11.</p> <p>Replacing the system would not currently provide VFM and doing so is deemed to be a 'high risk' to the Company.</p> <p>For these reasons it is proposed that the recommendation is removed from the Audit Register.</p>	
	8	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.	Robert Allen - Head of ICT (End of March 2009).
ALLOCATIONS AND LETTINGS FEBRUARY 2008	9	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. 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.	High	March 2008	Policy amendment to be proposed to the City. The City to be asked to co-ordinate and respond to this recommendation (through Sue Lomax).	COMPLETE The City Council is leading on this Policy change. Consultation has taken place with NCH and policy amendment proposed. This action has been incorporated into a wider review of the allocations procedure and policy, which is currently being examined by NCC and NCH. Owner occupiers are being considered within the proposed regeneration list, if approved, in the Allocations policy. Consultation is	Sue Lomax - Allocations Co-ordinator. (End of May 2008). Pat Greenwell (NCC Officer) (End of May 2009).

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		<p>c) The Housing Registration & Allocations Manager should ensure that Central Allocations Officers are trained in the policy.</p> <p>d) All 50 manual offers in respect of clearance schemes should be reviewed.</p>			<p>Once policy confirmed, all staff to be trained and IT procedures / policy updated.</p> <p>To be part of report provided to City in a) above.</p>	<p>underway and there is an EIA arranged for Friday 27th February 2009. Strategic CBL meeting to be held on 6th March. Revised Allocations policy to be submitted to NCC's Executive Board 19th May for formal approval.</p> <p>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). Policy review progressing, however target date has been amended to reflect NCC's completion of Allocation Policy review.</p> <p>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.</p>	<p>Sue Lomax - Allocations Co-ordinator.</p> <p>(End of May 2009)</p> <p>Sue Lomax - Allocations Co-ordinator.</p> <p>(End of March 2008).</p>
	10	An effective change programme should be set up to remove the counter-culture existing within the company which results in	High	March 2008	A tenancy file audit is to take place and the results of this will be reviewed and actions implemented, taking	COMPLETE Tenancy file audits are undertaken on a rolling programme. A recent audit and report has been submitted to the AD. Further work	<p>Kim De Vergori – Assistant Director TEM.</p> <p>(End of May 2008).</p>

Deleted: amendments to the policy.

Deleted: amendments to the policy.

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		report, 5.3.09 from 2004 audit report).			such large investment decisions will be involved with EDRMS, 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.	to commence in first quarter of 2009/10 financial year.	
	12	NCH should consider removing this inconsistency and process all application changes within the Homelink office.	Low	June 2008	<p>The restructure currently being implemented will increase resources at Homelink. A phased handover of changes of circumstances by Homelink will be implemented.</p> <p>Training is to be provided to teams with a new revision and change of circumstances checklist to be implemented.</p>	<p>COMPLETE</p> <p>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.</p> <p>Delays have been incurred in relation to the completion of the review.</p> <p>Changes in circumstance, as regards applicants on the Housing Register, are now completed within the Homelink team.</p>	<p>Sue Lomax - Allocations Co-ordinator.</p> <p>(End of January 2009).</p>
	13a)	When NCH staff create a new waiting list application they have previously been advised by Housing ICT that	Medium	March 2008	An internal test of this has taken place and it is suggested changes to the IT system are	Full centralisation of the allocations service will result in a phased improvement in reducing missing application numbers.	Sue Lomax - Allocations Co-ordinator.

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		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 ensure that no duplicate applications are created, and that tenancy history is not obscured. (Updated recommendation from 2004 audit report).			made to support the potential error. A change control request will be made.	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. CBL reimplementation project group set up and hence target for completion amended in line with Allocations Policy Review. CBL project ongoing.	(End of March 2009).
	13b)	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	COMPLETE 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. Delays have been incurred in relation to the completion of the overall review, however IT implementation is in progress.	Elaine Crofts . HomeLink Team Leader (End of January 2009).

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
USE OF LAGAN FRONTLINE FEBRUARY 2008	14	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.	COMPLETE LAGGAN system s used only minimally by NCH and only for functions already carried out perfectly well by other existing systems. Therefore Laggan will be decommissioned on NCH equipment. Decision to remove Laggan system entirely from NCH equipment has already been taken.	Robert Allen – Head of ICT (NCH). (February 2009).
	15	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.	Superseded by response to 14 above.	Robert Allen – Head of ICT (NCH). (February 2009).
	16	A technical security evaluation of the ICT infrastructure should be undertaken to ensure that Lagan Frontline is operating in an appropriately secure environment.	Medium	June 2008	Will obtain assurances from NCC that this is part of the project.	Superseded by response to 14 above	Robert Allen – Head of ICT (NCH). (February 2009).
	17	Staff undertaking support functions should be trained in the technical platforms that they support, furthermore, a	Medium	June 2008	Will include support staff capability as part of SLA	Superseded by response to 14 above	Robert Allen – Head of ICT (NCH).

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		mechanism should be in place to ensure that system documentation is kept up to date and reflects current working practices.					(February 2009).
PERFORMANCE INDICATORS AND MANAGEMENT INFORMATION SYSTEMS FEBRUARY 2008	18	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.	COMPLETE New ART definition now on Housemark. All ALMOs in the Benchmarking club to work from same definition from April 09.	Bernadette Lawley - City Lettings Manager. (End of December 2008).
	19	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.	The issues have been discussed with the ALMO Benchmarking club and Housemark are consulting on the issue. Feedback from the consultation exercise is pending. However, the BID team has carried out a review of the ART calculation and impact on the PI out turn and have noted that the re- calculation mooted by HQN will only make a marginal impact in improving the current out turn. The Performance Management Review will conclude the matter in tandem with all the definitions currently used to calculate PIs.	Connie Hall – Interim Head of Performance and Business Improvement. (Reassigned in June 2008) (Formerly Bernadette Lawley - City Lettings Manager). (End of March 2009).
APPRAISAL REVIEW OF ANTI-SOCIAL BEHAVIOUR	20	The use of diversionary projects for youths, such as football clubs or IT drop-in	3	30 th September	Identified as a gap at KLOE self assessment workshops to be	Diversionary project – Included in SIP –TEM 2.4.	Kathy Mason – ASB Co-ordinator and Kim De

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
ARRANGEMENTS JULY 2008		centres and reward schemes for tenants with a record of a well conducted tenancy be considered.		2008	considered as part of TEM SIP.	Reward Scheme – included in Customer Care SIP. NCH is exploring feasibility of establishing a diversionary scheme in partnership with RSL's.	Vergori – AD TEM (End of March 2009)
	21	Consideration be given to including the following costs within ASB budget: 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. On target to complete – collation of service costs to commence April 2009.	Kathy Mason – ASB Co-ordinator and Kim De Vergori – AD TEM (End of April 2009)
APPRAISAL REVIEW OF TENANT PARTICIPATION ARRANGEMENTS JULY 2008	22	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.	Consultation to be arranged to confirm how information will be publicised and subsequently confirmed at next Chairs and Vice Chairs meeting on 4 th March 2009. In progress to meet revised target date.	Jenny Dickenson – Acting Tenant and Leaseholder Involvement Manager. (End of March 2009)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
	23	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	TLC have advised that they want a full days consultation event to be held to review all constitutions, terms of reference and codes of conduct. These will then be checked via Governance team and signed off at TLC in May.	Jenny Dickenson – Acting Tenant and Leaseholder Involvement Manager. (End of May 2009)
REVIEW OF THE RENT ARREARS ARRANGEMENTS JULY 2008	24	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).	COMPLETE The Company's internal auditors TIAA have completed an audit review of cash handling arrangements at the Company's cash collection sites. The subsequent report will be presented to Audit Committee in due course. Management actions (including timescales and responsible officers) agreed in response to the recommendations included in the report will be monitored through their inclusion in the audit register.	Kim De Vergori – Assistant Director TEM. (End of February 2009)
	25	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	COMPLETE Listings now being received from NCC Benefits on a weekly basis & passed to local Rents Teams for action.	Mark Lawson – Rents. (End of December 2008)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
HIGH LEVEL REVIEW OF THE PAYMENTS, PAYROLL & INCOME ARRANGEMENTS AUGUST 2008	26a)	The operation of the inter-company account be reviewed to establish confidentiality of NCH payroll data.	1	2010/11	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, but will be dependent on the timetable of actions associated with the implementation of the City Council's IT Strategy.	PROPOSED TO REMOVE RECOMMENDATION FROM THE AUDIT REGISTER See recommendation 7 and related current status above.	Julie Crook – Director of Finance, ICT and Governance (N/A)
	26b)		1	End of September 2008	Consideration to be given to the possibility of amending the data transferred from the payroll system to the ledger to improve confidentiality.	COMPLETE Inclusion of employee names on payroll to ledger data transfer is vital for efficient and effective monitoring of payroll costs and for subsequent monitoring of individual member of staff expense claims in the future – see Ref 54 below.	As above.
	27	Documented procedures be amended to make reference to: - - Periodic reconciliation of employees held on the HR	2	End of December 2008	The Company is currently reviewing and updating its financial policy and procedure documents. Existing or	Agreed management actions are on course to be implemented within 3 months of the original target date.	Mary Mayes – Head of Human Resources

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		system to the payroll system. - All amendments to standing payroll master file information are authorised. - The association's payroll procedures and computer systems programs do not permit payment to any employee unless an authorised post is recorded. - The salaries and wages payroll tabulations are approved by an authorised member of staff for all employees in receipt of an amendment to their basic gross pay resulting from agreed bonus awards and national pay award settlements.			newly established documents will be updated to address the current weaknesses identified by recommendation 16.1.		(End of March 2009)
	28	Ongoing monitoring be carried out by the Finance Department to identify any significant changes in individual member of staff claims.	3	End of March 2009	The City Council is in the process of introducing the payment of all staff expenses through the payroll system. NCH is hoping to adopt a similar system which will facilitate the review of staff expenses by individual employees and enable finance to monitor significant changes.	NCH has drafted a new Employee Expenses policy and had discussions with NCC about processing all expenses through the payroll system which will enable monitoring of individual member of staff claims. Implementation will be completed post consultation with the Unions and in line with the agreed target date.	Darren Phillips – Head of Finance (Company) (End of March 2009)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
	29	Emergency payroll procedures be documented.	3	End of December 2008	The Company is currently reviewing and updating its financial policy and procedure documents. Existing or newly established documents will be updated to address the current weaknesses identified by recommendation 16.1.	Agreed management actions are on course to be implemented within 3 months of the original target date.	Mary Mayes – Head of Human Resources (End of March 2009)
REVIEW OF THE ALLOCATIONS AND LETTINGS ARRANGEMENTS SEPTEMBER 2008	30	Consideration be given to applying reasonable segregation of duties with regards to the maintenance of the waiting list and the allocation of the garages.	3	TBC	Although it is recognised that the recommendation is best practice, owing to staffing resource levels in Area Housing Offices responsible for garage management, coupled with the surplus of garage stock available to let in most areas, this recommendation is not considered feasible at this time. Agreed date outstanding. Consideration given to recommendation but no further action taken at this time.	Currently under consideration due to reassignment of responsibility.	Kim De Vergori – Assistant Director TEM (Reassigned November 2008) (Formerly Bernadette Lawley – City Lettings Manager) (TBC)
APPRAISAL REVIEW	31	The draft Anti Fraud policy	2	End of	An Anti-Fraud Policy	COMPLETE	Darren Phillips –

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
OF THE GOVERNANCE ANTI-FRAUD ARRANGMENTS SEPTEMBER 2008		be completed and approved by the Board.		December 2008	has been drafted and will be presented to the Board pending review.	Anti-Fraud and Corruption Framework was considered by the Audit Committee in December and approved by the Board in January.	Head of Finance (Company) (January 2009)
	32	The a Whistle Blowing policy be amended to include reference to: - <ul style="list-style-type: none"> • Staff having access to confidential advice from an independent body, • Providing for a confidential hot-line for persons to use to report concerns • Contacting a person who is independent of the Company. 	2	End of December 2008	The recommendations are noted however staff to be advised to raise any issues with the Company Secretary and/or the Chief Executive in the first instance. If the issue is serious then there are appropriate external agencies which staff can contact e.g. police	Currently being reviewed. Reporting lines may need to be re-considered so as to ensure no conflict between Company Secretary and Company Solicitor role.	Alison Mapp – Company Secretary (End of March 2009)
	33	The disciplinary policy be amended to make reference to: <ul style="list-style-type: none"> • Actions that will be taken when a member of staff is suspended (e.g. return all keys, return property held off site, not to enter premises or talk to staff other than the designated person), • That the contents of desk and files (manual and computer) may be 	2	End of October 2008	The disciplinary policy is currently being revised with the trades unions. These recommendations will be Incorporated into the document for final agreement.	The disciplinary procedure will not be reviewed until early 2009 due to other policy priorities such as Capability and Dress & Appearance. There will also have to be a lengthy process to ensure consultation on the disciplinary procedure is performed with the Trade Unions.	Mary Mayes – Head of Human Resources (End of March 2009)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		<p>searched subsequent to the person being suspended,</p> <ul style="list-style-type: none"> • That any breach of the terms of suspension will be treated as a serious act of misconduct, • Action that may be taken to members of staff who are related to a person who is suspended, • Action that may be taken in the event of the person who is subject to disciplinary action being on sick leave. 					
	34	<p>An Anti Fraud Training and Awareness Policy be produced. The following points should be considered for inclusion:</p> <ul style="list-style-type: none"> • The induction process should include the raising of awareness of the anti-fraud policy and associated policies. • Senior Managers should be given training on the action to be taken if they suspect a fraud. • Board members should be given training on their 	2	End of December 2008	<p>Board members training to be organised in accordance with the Board members development training plan.</p> <p>Company awareness and training to be coordinated by the Head of HR (Mary Mayes)</p>	<p>Board Training Programme currently under review with the Organisational Development and Learning Team.</p> <p>Board Away Day scheduled for May 2009 to include:-</p> <ul style="list-style-type: none"> • Management of Risk; • Anti Fraud and Corruption; Framework <p>This training is also scheduled to be delivered to Company Managers at the next Company</p>	Alison Mapp – Company Secretary (End of May 2009)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		<p>role and the opportunities to detect fraud, particularly in relation to asking for additional information and/or advising the Chair.</p> <ul style="list-style-type: none"> • Have staff responsible for co-ordinating complaints been provided with training on how to assess whether the complaint may be alluding to an irregularity/fraud and if so does it include setting out the actions they are to take on the receipt of such a complaint. • The anti-fraud and disciplinary policies are reviewed after each actual or attempted fraud. 				Managers meeting (May 2009) to be disseminated to their staff teams.	
	35	<p>An Access to Records Policy be produced which explicitly explains to staff that the Company reserves the right to monitor all e-mails and computer records that have been created on the Company's computer systems. Additional information, which should be considered for inclusion, is detailed below:</p> <ul style="list-style-type: none"> • That in the event of being 	2	End of December 2008	<p>Recommendations to be reviewed and current procedures to be reviewed and amended as appropriate (Governance Team and HR).</p> <p>To be considered on the review of the disciplinary policy – see 14.6 above).</p>	<p>Agreed management actions are on course to be implemented within 4 months of the original target date.</p>	<p>Alison Mapp – Company Secretary</p> <p>(End of April 2009)</p>

APPENDIX B – 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)
		<p>suspended pending an investigation access will be gained to lockers and work station drawers should the need arise.</p> <ul style="list-style-type: none"> • As a condition of employment, staff consent to the examination of the use and content of all data/information processed and/or stored by the staff member on the Company's systems as required. • All information/data held on the Company's systems is deemed the property of The Company. • That the Company retains the right to access and view all emails sent and received by the Email system. This right is exercised solely through the ICT Department/ICT Services Provider on the instructions of a member of senior management. • That the Company retains the right to 			<p>Also note that all employees are currently notified of monitoring and requirement to comply with Company policies, procedures and legislation on computer usage and property rights. (Acceptance of policies etc is deemed on logging on to system following on-screen reminder).</p>		

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		monitor Internet usage by staff. • As a condition of employment all staff consent to the examination of the use and content of their Internet activity as required.					
	36	The chair of the audit committee has not been provided with advice on their role regarding: - • The audit committee has an important role in overseeing the reporting and investigation of suspected or actual fraud or impropriety. • To ensure that all significant losses have been properly investigated and that the Internal and External Auditors are notified.	2	End of December 2008	Training to be provided by the Company.	Target date revised to take account of planned Board Away Day in May 2009.	Alison Mapp – Company Secretary (End of May 2009)
	37	All of the Company's staff be informed of how to view the Policies and Financial Regulations, including intranet access being extended to scheme staff and caretakers.	3	End of January 2009	To be completed following approval of the Anti-Fraud policy by the Board.	COMPLETE The Company's Intranet site has been updated and now includes a new Finance section with links to related policies and the Standing Orders.	Darren Phillips – Head of Finance (Company) (End of January 2009)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
						Existence of the new Finance section of the Intranet, and its key policies/documents has been communicated to staff in the Team Brief.	
	38	The staff member Code of Conduct Policy be amended to make reference to the Nolan Principles.	3	End of December 2008	To be completed following the review of the disciplinary policy by the Head of HR.	Agreed management actions are on course to be implemented within 5 months of the original target date, in conjunction with the Director of Organisational Development.	Alison Mapp – Company Secretary (End of May 2009)
	39	The Code of Conduct Policy be amended to include reference to action that may be taken if a member of staff fails to declare an interest or fails to complete a declaration of interest form.	3	End of December 2008	As above.	Agreed management actions are on course to be implemented within 5 months of the original target date, in conjunction with the Director of Organisational Development.	Alison Mapp – Company Secretary (End of May 2009)
	40	Reference be included within the Code of Conduct to which posts are subject to Criminal Records Bureau (CRB) checks.	3	End of December 2008	As above.	Agreed management actions are on course to be implemented within 4 months of the original target date, in conjunction with the Director of Organisational Development.	Alison Mapp – Company Secretary (End of April 2009)
	41	The code of conduct for suppliers does not provide for a confidential hot line for suppliers to use to report concerns.	3	End of December 2008	The recommendations are noted however suppliers to be advised to raise any issues with the Company Secretary and/or the Chief Executive in the	Agreed management actions are on course to be implemented within 4 months of the original target date, in conjunction with the Director of Organisational Development.	Alison Mapp – Company Secretary (End of April 2009)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
					first instance.		
	42	Consider taking part in the National Fraud Initiative.	3	End of December 2008	Further information will be obtained and brought back to Audit Committee for them to consider.	Further consideration to be given to Fraud implications on the Company post attendance at the Midlands Fraud Forum by Head of Finance (Company) in February.	Julie Crook – Director of Finance, ICT and Governance. (End of March 2009)
	43	<p>The audit committee to carry out a self assessment to confirm that it is satisfied that the following arrangements would occur in the event that the suspected fraud was detected: -</p> <ul style="list-style-type: none"> • The board should ensure that there is a clear and well-communicated policy covering prevention, detection and reporting of fraud, and the recovery of the assets. • Management should report to the board all cases of fraud and attempted fraud, detailing the nature and extent of the fraud and any implications for the Company's internal control system. • Companies should 	3	End of December 2008	Company Secretary in conjunction with the Director of Finance to review procedures and make recommendations.	<p>COMPLETE</p> <p>The Anti Fraud and Corruption Framework prepared by the Head of Finance (Company) was referred to Audit Committee on 8 December 2008 and approved by Board with some amendments on 22 January 2009 i.e. to place employees under a duty to report incidents of fraud.</p> <p>Currently, any allegations of Fraud are reported to the appropriate Manager and referred to the Company Secretary.</p> <p>The Fraud Register is a standing item on the Audit Committee agenda and it is the responsibility of the Company Secretary /Solicitor as part of her role as the Corporate Risk officer to update the Audit committee accordingly.</p>	Alison Mapp – Company Secretary (End of December 2009)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		<p>maintain a record of all incidents of fraud and attempted fraud. The board should regularly review the register</p> <ul style="list-style-type: none"> • Boards should have approved procedures in place, in case fraud or attempted fraud is discovered or fraudulent activity suspected. • When internal or external audit report instances of serious control failure/weakness it is ascertain the extent to which the Company has been exposed to the risk of material fraud. • Losses (over a predetermined financial threshold) arising from theft are reported to the audit committee in the same manner as other instances of fraud. 					
NEW RECOMMENDATIONS ADDED TO THE REGISTER I.E. THOSE INCLUDED IN AUDIT REPORTS PRESENTED AT THE AUDIT COMMITTEE IN DECEMBER 08							
COMPLIANCE REVIEW OF GAS SAFETY ARRANGEMENTS OCTOBER 2008	44	All outstanding overdue gas safety visits be identified and planned in to the schedule.	2	November 2008	All out of date properties have been identified and had appointments for the gas safety check to be completed. As of 13	COMPLETE	Martin Bates – Maintenance Manager Gas. (December 2008)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
					October 2008 there are 60 properties that are out of date. These are now in the NCH no access procedure.		
	45	All completed gas service dates be accurately recorded on the system.	2	October 2008	<p>A review of the current system will be carried out to ensure that all dates are recorded correctly.</p> <p>Additional training to be provided to staff updating systems.</p> <p>A reality check audit will be carried out on a quarterly basis.</p>	COMPLETE	<p>Jim Hartshorn – Project Manager Planned Works.</p> <p>(December 2008)</p>
	46	Landlord certificates be accurately filed.	2	October 2008	<p>By recording correct dates on the system will ensure that all certificates are filed in correct location.</p> <p>A reality check audit will be carried out on a quarterly basis.</p>	COMPLETE	<p>Jim Hartshorn – Project Manager Planned Works.</p> <p>(December 2008)</p>
	47	A record be maintained of the number of independent checks completed by the Gas Quality Control Engineer and the Service Engineer that relate to servicing and the assessment outcome.	3	October 2008	A monthly log sheet of all audit checks undertaken will be completed and held on the annual contract file.	COMPLETE	<p>Paul Wilkinson – Gas Quality Control Officer.</p> <p>(December 2008)</p>

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
REVIEW OF THE RENT COLLECTION ARRANGEMENTS NOVEMBER 2008	48	The safe combination at the St Anns area housing office be changed.	1	Immediate	COMPLETE St Anns' safe combination has now been changed.	COMPLETE	Bill Hayward – Area Housing Manager (November 2008)
	49	A full review of the users with access rights to the rents system be undertaken.	1	End of November 2008	A review was undertaken in May 2008. Another review will take place in November 2008 and every six months thereafter.	COMPLETE Access rights & user amendment permissions reviewed in Dec-08 & Jan-09. ICT Team have implemented main changes with further work being undertaken in Feb-09 to consolidate user job roles that overlap.	Mark Lawson - Rents. (January 2008)
	50	The risk of changes in RTB legislation be considered for inclusion in the Company's risk map.	2	End of December 2008	To be incorporated into TEM risk register, reviewed on a quarterly basis, and in the TEM Service Plan.	COMPLETE Changes in RTB legislation are not deemed to impact on how cash is collected by the Company. NCH is currently reviewing its cash collection costs, in particular back office costs and cash payment methods used by tenants. Risk of decreased Company funding caused by an increase in the number of RTBs is included in the Finance Risk Register.	Darren Phillips – Head of Finance (Company) (Formerly Bill Hayward – Area Housing Manager) (December 2008)
	51	The documented procedures be amended to make reference to the requirements about complying with the Data	2	Immediate	COMPLETE Procedure Manual has been updated to incorporate this	COMPLETE	Mark Lawson – Rents. (November 2008)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		Protection Act with regard to holding of personal data.			information. Arrears Manual – version 1.7. section 1.1. All Rents teams to be reminded.		
	52	Sensitive information be held in a secure location to control unauthorised access to sensitive personal data.	2	End of November 2008	A lockable storage cupboard will be obtained to store this information.	COMPLETE	Richard Holland – Interim Rents Manager. (November 2008)
	53	Consideration be given to providing tenants with information about the Company's rent policy and rent levels across the Company's stock and in the relevant local authority area.	2	Immediate	COMPLETE An article has gone out to tenants on this matter in the Tenants Newsletter – see issue 16. page 4 – and this will be publicised annually hereafter.	COMPLETE	Richard Holland – Interim Rents Manager. (November 2008)
	54	All daily cash overs and unders be recorded at area housing offices.	2	Immediate	COMPLETE Overs and unders to the amount of £20 and over are recorded in central log in each housing office (Appendix G of the Banking and Cash Handling Procedures). Copies are sent to AHM, Head of Finance and City Finance.	COMPLETE	Area Housing Managers – Various. (November 2008)
	55	All explanations for cashier	2	Immediate	COMPLETE	COMPLETE	Area Housing

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		reversals be recorded.			Explanations are recorded (Appendix F of the Banking and Cash Handling Procedures) and reversals log sheets are held centrally at each office.		Manager – Various (November 2008)
	56	The rents suspense account be regularly reviewed and signed off by the Team Leader.	2	Immediate	The rents suspense account will now be reviewed monthly.	COMPLETE Rents suspense is now reviewed monthly and sample checked.	Andy Webb - Rents Admin. Team Leader (November 2008)
	57	The Tenancy Attribute Changes report be reviewed and signed off by the Head of Rents (Rents Manager) on a quarterly basis.	2	Immediate	To be completed in future. Consideration to undertake a review on a monthly basis – will however review on a quarterly basis in the meantime.	COMPLETE Review is now completed quarterly and signed-off.	Andy Webb - Rents Admin. Team Leader & Richard Holland – Interim Rents Manager. (November 2008)
	58	Consideration be given to the rotation of cash collecting rounds.	3	End of January 2009	One of the three current Rent Collectors is due to retire in the next 3 months. A review of the rounds including the regular rotation will be considered at this point. NCH have also commissioned a piece of work to review all cash payments, which	COMPLETE A report is being taken to EMT in the next 2 weeks (on or before 12 th March) which considers the future of the whole service.	Richard Holland – Interim Rents Manager. (November 2008).

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

INTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
					will include the Rent Collector service.		
	59	Consideration be given to moving old items from the rents suspense account.	3	Immediate	<p>COMPLETE</p> <p>This money belongs in Nottingham City Council's I.T. system. NCH has previously acknowledged the need to regularly clear down rents suspense items and has raised the issue with the NCC. NCC Head of Finance (HRA) has again been informed (17/11/08) of the need to clear old items from the rent suspense account and NCH await a response.</p>	COMPLETE	<p>Andy Webb - Rents Admin. Team Leader in consultation with NCC Head of Finance (HRA).</p> <p>(November 2008)</p>
	60	The standard authorisation form be used to request tenancy date and key element amendments.	3	Immediate	<p>COMPLETE</p> <p>A standard form is now in place to address this issue. 'request to extend tenancy commencement date pro-forma'.</p>	COMPLETE	<p>Andy Webb - Rents Admin. Team Leader and Lettings Managers (3).</p> <p>(November 2008)</p>

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

EXTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
GRANT THORNTON AUDIT ISSUES MEMORANDUM JULY 2008	61	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.	Cost centre subsidiary codes have been established and accruals, trade creditors and inter-company balances will be separately identifiable from OneWorld ledger reports.	Darren Phillips - Head of Finance (Company) (January 2008)
	62	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 the City Council are ongoing but implementation has been delayed by the account being overdrawn. Agreement to transfer the management and ownership of the account will be sort after the appropriate reconciliations and inter-company bank transfers have been processed to ensure that the bank account balance is up to date and accurately reflects the Company's true cash position.	Julie Crook – Director of Finance, ICT and Governance. (End of June 2009)

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

EXTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
	63	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 analysis of company expense on the P&L is appropriate to the business and provides meaningful information to users of the financial statements.	To be completed within agreed target date.	Darren Phillips – Head of Finance (Company). (End of April 2009).
	64	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.	The Audit Committee currently comprises a Board member with accountancy experience. The opportunity to recruit Board members with accountancy expertise usually arises from independent Board member vacancies. Two independent Board member vacancies arise this year with recruitment taking place in September 2009. Amongst other criteria, financial experience will be an essential requirement.	Alison Mapp – Company Secretary. (End of September 2009)
	65	NCH should have comprehensive back up	N/A	March 2009	There is a lack of comprehensive	Establishment of SLA definitions re-scheduled due to other IT priorities.	Robert Allen - Head of ICT.

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

EXTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
		<p>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.</p>			<p>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.</p>	<p>Linkage with overall NCH Business Continuity planning which is scheduled to commence in the 3rd quarter of financial year 2009/10.</p>	<p>(End of March 2009 - Establishment of SLA definitions)</p> <p>(TBC – Date of DR procedures in place to be determined according to service criticality)</p>
	66	<p>IT - programming services NCH is reliant on the Council for programming services for software. NCH does not have oversight of this process.</p> <p>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.</p>	N/A	Oct 2008	<p>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</p>	<p>Application support and development services have been brought back in-house (as of 1st 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 therefore properly serving NCH's needs – hence movement in target date.</p> <p>NCC have now indicated a willingness to allow NCH custodianship of key housing ICT systems and NCH are currently working on a protocol.</p>	<p>Robert Allen - Head of ICT.</p> <p>(End of March 2009)</p>
	67	<p>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.</p>	N/A	Dec 2008	<p>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</p>	<p>To be completed post establishment of new (underpinning) SLAs.</p>	<p>Robert Allen - Head of ICT.</p> <p>(SLAs – by end of March 2009)</p>

APPENDIX B – INTERNAL CONTROL ISSUES AUDIT REGISTER

EXTERNAL AUDIT RECOMMENDATIONS

Audit & Date of Issue	REF	Recommendations	Priority	Initial TargetDate	Agreed Mgt Response	Current Status	Officer (Revised Date)
					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.		
	68	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 – revised in line with SLA implementation date. To be included as a required service in the Data Networking service SLA for 2009/10	Robert Allen - Head of ICT. (End of March 2009)