





Appendix 1 - Stevenage Homes Limited Outstanding Audit Actions

Report	Para	Finding	Recommendation	Priority	Risk	Agreed	Action by:	Commentary	Status	Due by:	BRAG	DIRECTOR
Repairs & Maintenance Procurement Follow-up Review 2010/11	R2	The internal requisition form that is currently used by the Investment Team appears to provide the basis for developing a straightforward checklist for officers to record that they have followed the various steps required by procedures. By expanding the form and making it simpler for officers to record the application of exemptions to procedures in particular, we believe that the form would enable SHL to clearly demonstrate that procedures have been duly followed in relation to repairs and maintenance procurement.	SHL should review the internal requisition form currently used by the Investment Team, to ensure that it enables officers to document all of the steps of the procurement process that they are required to follow. The form should be used consistently across both the Investment Team and the Property and Environment Team. The amended internal requisition form will be used through out property services, when added to the procurement procedure.	M	Medium		Paul Smith (Sean Gallagher)	At the last Governance, Audit and Risk Committee it was reported that this recommendation had been delayed as a result of changes to shared Standing Orders. That meeting took place before the transfer decision was confirmed. Post transfer systems will be managed under SBC procedures.	P	January 2012	G	Property
Key Financial Systems 2010/11	4.3.9	Duplicate payment and process inefficiency	It is recommended that Stevenage Homes review their process for submitting overtime claims to the Council's Exchequer Services to avoid the risk of duplicate payment and process inefficiency.	M	Medium	Agreed	Finance Services Support (Management Accountant)	The Divisional Finance Manager will review the payroll control process, along with the Divisional HR Manager, to ensure that all payments are properly authorised and duplication and inefficiency removed. Work priorities have shifted the target date to January 2012	N	January 2012	G	Resources
Key Financial Systems 2010/11	4.4.7	Suspense accounts are not cleared on a timely basis leading to a backlog of errors and the incorrect posting of payments. Incomplete information for decision making.	It is recommended that as proposed by Management, the monthly reviews and clearance of suspense accounts are implemented and the quarterly management quality checks are also undertaken to confirm that Suspense accounts are being cleared on a timely basis. Where exceptions are found appropriate training and support should be provided.	M	Medium	Agreed	Management Accountant (Lou Scales)	The Divisional Finance manager is currently reviewing the weekly and monthly routines in order to confirm that current processes are adequate. It is accepted that suspense accounts that form part of the day to day management process need to be reconciled regularly to a formal timetable. This process will include arrangement for the sign-off of reconciliations as they are completed.	P	January 2012	G	Resources
Key Financial Systems 2010/11	4.5.3	Out-dated working practices.	It is recommended that a formal next review date is set to review the creditors procedure notes.	L	Low	Agreed	Management Accountant (Lou Scales)	Prioritisation of work matters has resulted in a new target for completion.	N	January 2012	G	Resources
Asset management strategic approach review 2010/11 (PKF)	R1	There remain some important risks with the HCA funding award. The final two years (2013/14 and 2014/15) of funding (£13.9 million of a total of £24.6 million) are to be provided in the form of a grant and will be subject to further review and may be dependent upon affordability. If these funds were ultimately not made available to SHL, Stevenage would not meet the Government's revised Decent Homes target, whichever of the potential options (1-4) was selected. Even if (the cheapest) option 1 was selected the works would still be underfunded by over £10 million. Evidently the status of this funding will need to be monitored closely in future years and the contractual arrangements with the appointed works contractors will also need to reflect this uncertainty.	The contracts for Decent Homes works going forward need to reflect the uncertainty regarding Government funding from 2013/14 onwards	M	Medium	Agreed	Divisional Manager, Investment (Sean Gallagher)	The contract will be retendered in time for the 2012/13 programme - so by April 2012 - and will address the uncertainty over funding in future years.	P	April 2012	G	Property
Improvements to Governance Review 2011/12	R1	At the time of our review, the Customer Scrutiny Panel had only just been put into place and it had not therefore had the opportunity to establish its own independent ways of working and to prove its effectiveness in involving residents in the provision of housing services. In accordance with best practice, once it has had time to become more established, we believe that an assessment should be made of the operation of the Customer Scrutiny Panel to ensure that it is meeting its objectives and the expectations of residents.	Once it has had time to become more established, the operation of the Customer Scrutiny Panel should be reviewed to ensure that the objectives for which it was established are indeed being delivered.	L	Low	Agreed	Head of Business Improvement, (James Dean)	The Customer Scrutiny Panel (CSP) identified Leasehold Services as a first pilot review. The CSP will present this report to the SHL Board on 28 November 2011 (formerly arranged for 1 December 2011). It was considered appropriate to provide the Board at at the same meeting with an overview of the operation of the CSP during the course of the first draft pilot review. However changes since the report mean that a review of the panel will be undertaken post-transfer of the housing services. However the Board will be provided with an update on progress in developing the CSP.	P	January 2012	G	Resources
Improvements to Governance Review 2011/12	R2	We noted that it was agreed that once the final conclusions of the Council's Housing Options review are confirmed, the top 4 risks facing SHL and the relevant risk management will be reconsidered. We concur with this approach. However, we suggest that when this work is undertaken the risk management and control activities are set out in more detail than previously so that EMT and the Board can be certain (and can demonstrate) that they have explored the ways in which these important matters are to be managed as thoroughly as possible.	When SHL reconsiders its top 4 risks over the coming months, the risk management actions for each risk should be considered and documented in more detail.	M	Medium	Agreed	Business Manager (Governance and Compliance)	A review of the risk map following the outcome of the Housing Options Review was presented to the Governance, Audit and Risk Committee in October 2011. The management of risk in the housing service going forward has been discussed as part of the transfer project and further work will be undertaken in due course.	P	December 2011	G	Resources

Completed = Blue =  B
 Exceeded due date = Red =  R
 At risk of exceeding due date = Amber =  A
 On target to achieve due date = Green =  G