AUDIT TITLE	AUDITORS OPINION
Housing Rents	The audit opinion reflects continued weaknesses in rent arrears recovery arrangements. It is evident from significantly increased balances for both current and former tenant arrears that continued restructuring and unfilled posts has impacted greatly on the service and the efficiency of recovery actions. Audit recognises that the service has redeveloped its approach towards arrears recovery by establishing a dedicated, specialist income team which has only recently become fully staffed. This should seek to improve future arrangements as should a number of other future planned, pre-emptive arrangements detailed further in this report.
Civica Cash Receipting	No significant findings are reported again for finance key controls. Arrangements in place in respect of reconciliations between SAP debtors and Civica cash receipting, monthly bank reconciliation and also reconciliation between Civica and SAP general ledger are considered appropriate. Whilst assurance can be placed on finance controls reviewed, these all fall later in the scheme of controls operated overall and can only provide assurance in respect of timeliness and completeness of transferred balances between Civica, SAP and bank. A number of recommendations are made in respect of ICT key controls regarding user account administration, policy and procedure governing appropriate and authorised access. Many of these remain outstanding from last year's key control review and this is reflected in the reported audit opinion.
Contract Clauses	From the sample of contracts reviewed, most contained the relevant clauses, however, where these are not present or used inconsistently, this may leave the Council vulnerable to challenge. Incorrect or incomplete Freedom of Information clauses could put the Council at risk of non-compliance with the Information Commissioner's Office. Recommendations have been made to address these weaknesses. During the course of this audit there were a number of areas of concern which relate to contracts in general and recommendations have been made to address these generic issues. The one recommendation given a priority 5 refers to ensuring Legal Services have involvement with contracts over £100,000 and for major contracts this should be ongoing throughout the course of the contract.

AUDIT TITLE	AUDITORS OPINION
Unofficial fund accounting / procedures	Two main issues affect the audit opinion. The first is the external scrutiny regime which has not changed in substance since (at least) 2009 when responsibility for monitoring the return of 'audit certificates' passed from Internal Audit to the Accounting and Budget Support Team. The requirement to have school unofficial funds 'audited' and to provide a certificated opinion about 'truth and fairness' is misleading for those with knowledge of the external auditing profession and inappropriate for a relatively low value and voluntary fund. This together with a lack of guidance as to what is expected of an 'auditor' in this context has resulted in some confusion, resistance and perceived inability to comply with the requirement. I believe a more appropriate external scrutiny framework could be modelled on the Charity Commission's provisions for an 'independent examination'. The second issue influencing my opinion is that many schools do not have clearly stated and approved policies governing the use and administration of their unofficial funds. This has resulted in unnecessary confusion and differences of opinion (for example between teaching staff, administrators and governors) about the appropriate use of such funds and means unofficial funds are not always subject to the same robust financial controls as are applied to the main school budget. I believe these matters would be most effectively addressed by each school developing its own local Finance Policy.
QL Housing Management System (No assurance)	The QL Housing Management system was introduced by the Council in January 2013 and this is the first audit of the IT Key Controls that has been carried out since that date. However, the QL system replaced an obsolete system from the same supplier, which was subject to audit as part of last year's Key Controls work. At that time a number of recommendations were made to improve controls and while some were addressed by the implementation of the new system, others requiring additional actions have not been properly implemented.