

Details on those recommendations outstanding since April Audit Committee Status – All Amber – Ongoing with target missed.

Customer & Shared Services/ ACE – Resources

Accounts Payable 2010/11 Phase 1

<p>Recommendation R1: The Financial Scheme of Delegation should be updated and maintained in a timely and appropriate manner.</p>
<p>Rationale for Recommendation:</p> <p>The Financial Scheme of Delegation available to staff was not up to date. Additionally, the financial limits relevant to the Purchasing Cards are not set out, the approval limits set out were not in line with those within SRM and two different versions of the Financial Scheme of Management were identified during the audit as being in circulation.</p> <p>The July 2009 version on the Intranet was found to be considerably out of date, whilst the Income Manager held a different version which had not been formally adopted or shared with CBC staff. This was understood to have been agreed by the former Assistant Director – Financial Services.</p>
<p>Target Dates: April 2011. September 2011(revised). March 2012 (revised). June 2012 (revised).</p>
<p>Current Position and Explanation for Slippage:</p> <p>The current position is that there are a number of Financial Procedures currently under review as a result of the normal schedule of reviewing, audit recommendations, changes in operating procedures and other factors. Some of these have an impact on the Financial Scheme of Delegation. Financial Control are communicating any changes on an ad-hoc basis to those who may be affected and will be updating the version on the intranet once all of the changes are understood and agreed. The reason for slippage is the need to consult and gain agreement in certain areas, particularly where arrangements are changing (c.f. Capital procedures, review of the Constitution, CBC reorganisation, etc).</p> <p>The revised target date is June 2012. By then the updated intranet version will be published with the known agreed changes.</p>

Main Accounting System 2011/12 Phase 1

Recommendation R2:

Bank Reconciliations should be carried out in accordance with CBC policies and procedures.

Rationale for Recommendation:

There are 2 rationales:

- 1) The Payment Bank Accounts reconciliation was prepared 24 working days after the month end instead of the 15 days deadline for September 2011. Following discussions with the Senior Financial Advisor - Treasury, it was understood that the officer in charge was on annual leave and that there is an ongoing procedure to ensure bank reconciliations are prepared in a timely manner.
- 2) The quarterly reconciliations were also not presented for the Chief Finance Officer's review. It was noted that due to the recent restructure, the Chief Finance Officer has agreed that the independent check of the reconciliation should be undertaken by the Head of Financial Control and that the procedure will be reviewed to reflect this.

Target Dates:

31st January 2012.

30th June 2012 (Revised)

Current Position and Explanation for Slippage:

1) This is a work in progress. Annual leave commitments and need for cover means procedures have not been finalised.

2) The current position is that there are a number of Financial Procedures currently under review as a result of the normal schedule of reviewing, audit recommendations, changes in operating procedures and other factors. Some of these have an impact on the Financial Scheme of Delegation. Financial Control are communicating any changes on an ad-hoc basis to those who may be affected and will be updating the version on the intranet once all of the changes are understood and agreed. The reason for slippage is the need to consult and gain agreement in certain areas, particularly where arrangements are changing (c.f. Capital procedures, review of the Constitution, CBC reorganisation, etc).

The revised target date is June 2012. By then the updated intranet version will be published with the known agreed changes.

Sustainable Communities

Monitoring Section 106 Agreements

Recommendation R3 :

It should be ensured that Acolaid, SAP and the published quarterly reports are reconciled.

Rationale for Recommendation:

Differences were noted in comparing the 3 sets of financial balances held on the Planning system (Acolaid), the Financial System (SAP) and the Section 106 quarterly reports available on the Council's website.

Financial balances were close in value in only 2 out of the 20 instances tested. The discrepancies are due to the incomplete records inherited from the legacy councils.

Target Dates:

January 2012

April 2012 (Revised).

Current Position and Explanation for Slippage:

A reconciliation of Acolaid records and finance records is being carried out by finance and planning staff as a result of the audit. The reconciliation is an integral part of the monitoring process. Differences of £81k between the Acolaid and finance systems have been shown up by the reconciliation exercise and are being investigated. That level of difference needs to be seen in the context of some £19.48m of unapplied capital receipts in relation to Section 106 agreements at the present time.