

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

**Customer & Shared Services/ ACE – Resources**

**Main Accounting System 2011/12 Phase 1**

<p><b>Recommendation R1:</b> Bank Reconciliations should be carried out in accordance with CBC policies and procedures.</p>
<p><b>Rationale for Recommendation:</b></p> <p>There are 2 rationales:</p> <p>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.</p> <p>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.</p>
<p><b>Target Dates:</b> 31<sup>st</sup> January 2012. 30<sup>th</sup> June 2012 (Revised)</p>
<p><b>Current Position and Explanation for Slippage:</b></p> <p>1) Implemented.</p> <p>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 is 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>

## Sustainable Communities

### Monitoring Section 106 Agreements

**Recommendation R2 :**

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).

August 2012 (Revised)

**Current Position and Explanation for Slippage:**

A reconciliation of Acolaid records and finance records is being regularly 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 were reported to the last Audit Committee. These differences are being investigated and currently stand at £8k. This 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.