STATEMENT OF ACCOUNTS ACTION PLAN – JUNE 2016 UPDATE

	Issue Raised in WAO Report	Flintshire's Response	Actions (including RAG status)
	Ongoing from 2013/14 audit		
1	Non-current assets are not sufficiently detailed within the Council's asset register to allow the identification of individual assets across all asset categories.	Accepted. Asset registers are a cumulative accounting record of all asset related transactions undertaken over many years. FCC asset register has been maintained in the same way since its inception in 1996. Undertaking work to restate the way information is presented is therefore resource intensive and if the information needed is not available due to the length of time passed may not be possible. When FCC was set up in 1996, the Council inherited a share in percentage terms of Clwyd County Council's balance sheet. This means that it won't be possible to link these transactions to an individual asset.	**1.1** Data from 2014/15 onwards will be entered onto the register in a manner that identifies individual assets sufficiently. **(Completed)** **1.2** During 2014/15 work was undertaken to restate prior years information relating to assets in the classes below so that information on individual assets can be identified: • Vehicles, Plant, Furniture and Equipment • Community Assets **(Completed)** **1.3** During 2015/16 financial year assets classed as Council Dwellings and Infrastructure will be reviewed. **(Amber – not feasible to include Council Dwellings in more detail on Asset Register, Infrastructure to be restated during 2016/17)**

STATEMENT OF ACCOUNTS ACTION PLAN – JUNE 2016 UPDATE

	Issue Raised in WAO Report	Flintshire's Response	Actions (including RAG status)
2	The Council needs to undertake an exercise, with reference to the individual agreements, to determine the appropriate accounting treatment of deposits (highways, environmental and s106 deposits etc)	Accepted. The volume of deposits and the length of time that some deposits date back to, mean that the task of reviewing all agreements was too resource intensive to complete during the audit period.	Progress in 2014/15 was delayed due to capacity issues. **2.1** All available legal documents are being scanned so that an electronic copies are readily available. **(Completed)** **2.2** A full review of each deposit and associated legal agreement will be undertaken during 2015/16 to determine the appropriate accounting treatment going forward. **(Amber – majority completed in 2015/16, but work continues in 2016/17)**
	2014/15 audit		
3	Undertake further work to ensure that transactions are correctly mapped as either income or expenditure and ensure that all central charges and agency arrangements are correctly netted out.	Accepted.	**3.1** 2014/15 code map corrected and reviewed by Officers of FCC and WAO. **(Completed)**

STATEMENT OF ACCOUNTS ACTION PLAN – JUNE 2016 UPDATE

	Issue Raised in WAO Report	Flintshire's Response	Actions (including RAG status)
			3.2 2015/16 code map set up earlier in the year and tested before year end to ensure there are no issues. **(Completed)** **3.3** Guidance and training to be delivered to all Finance staff by Officers of FCC and WAO jointly. **(Completed)**
4	To review the basis for the allocation of support services and other overheads to ensure that they comply with the seven principles set out in the Service Reporting Code of Practice (SeRCOP).	Accepted	**4.1** Methods of apportioning support and overheads costs to service headings defined in SeRCOP to be reviewed. **(Completed)**
5	Ensure that all internal transactions are coded correctly within income and expenditure so as to allow them to be correctly excluded from the Comprehensive Income and Expenditure Statement.	Accepted	**5.1** A review will be undertaken to determine the different kinds of internal charging across the Council and agree standard processing for the different kinds of charging. **(Completed)** **5.2** Guidance and training will be provided to all Finance staff. **(Completed)**

STATEMENT OF ACCOUNTS ACTION PLAN – JUNE 2016 UPDATE

	Issue Raised in WAO Report	Flintshire's Response	Actions (including RAG status)
			5.3 A system of in year monitoring will be introduce to avoid any year end issues. **(Completed)**
6	Ensure that the bank reconciliation is correctly prepared and that all transactions are fully reconciled.	Accepted	**6.1** The year-end bank reconciliation in future will reconcile to the cash book. **(Completed)** **6.2** A Council wide procedure for accounting for any un-reconciled cash receipting balance arising in the future will be developed. **(Amber – there are a number of different methods of cash receipting in use across the Council which has meant that developing a standard procedure is more complex than initially estimated, work continues into 2016/17)**
7	Ensure that the detailed internal audit report recommendations are implemented. Ensure that employee salaries and any other payments are supported by relevant employment contracts.	Accepted	**7.1** Many of the recommendations contained within the Internal Audit report issued in August 2015 have been fully implemented. Internal Audit have conducted a further interim audit of the November 2015 payroll in order to

STATEMENT OF ACCOUNTS ACTION PLAN – JUNE 2016 UPDATE

	Issue Raised in WAO Report	Flintshire's Response	Actions (including RAG status)
			review and report upon the changes that have been made to internal controls and to monitor those actions that are still in progress. **(Completed – Recent Internal Audits concluded 'Substantial Assurance')**
8	Ensure that the financial statements, and underlying transactions are subject to a quality review and that all significant variances in transactions and balances are understood and supported by evidence and explanation.	Accepted	**8.1** Additional processes will be built into the closedown programme for reviewing significant variances in transactions and balances in 2015/16. **(Completed)**
9	Ensure that all relevant departments are clear about their respective roles and responsibilities in the accounts and audit process.	Accepted	**9.1** Officers from the Council and the WAO will jointly present in year seminars to Chief / Senior Officers of the Council to raise awareness of the Accounts preparation and audit processes, and their role / responsibility in relation to the Accounts. **(Completed)** **9.2** A Governance Group of Senior Officers will be set up to oversee the accounts preparation and audit processes at a strategic level. The

STATEMENT OF ACCOUNTS ACTION PLAN – JUNE 2016 UPDATE

	Issue Raised in WAO Report	**Flintshire's Response**	**Actions (including RAG status)**
			group will monitor this action plan, and in future escalate any material / significant issues or resource requirements at an earlier stage in the process. **(Completed)**
	Clwyd Pension Fund		
10	Records in financial ledger and pensions administration system need to be reconciled regularly with differences corrected in the relevant system to ensure transactions are accurate and complete.	Accepted	**10.1** Work is underway to ensure that details are corrected in the Altair (pensions administration) system when various variances are identified. **(Completed)**
11	It would be beneficial to have a separate and specific closedown plan for the Clwyd Pension Fund.	Accepted	**11.1** A separate and detailed closedown plan for the Clwyd Pension Fund is being developed and will be in place for the 2015/16 year end. **(Completed)**