

STATEMENT OF ACCOUNTS ACTION PLAN 2014/15

Issue Raised in WAO Report	Flintshire's Response	Actions
<p>Non-current assets are not sufficiently detailed within the Council's asset register to allow the identification of individual assets across all asset categories.</p>	<p>Accepted.</p> <p>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.</p> <p>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.</p>	<p>Data from 2014/15 onwards will be entered onto the register in a manner that identifies individual assets sufficiently.</p> <p>During 2014/15 work will be undertaken to restate prior years information relating to assets in the classes below so that information on individual assets can be identified:</p> <ul style="list-style-type: none"> • Vehicles, Plant, Furniture and Equipment • Community Assets <p>Work will also begin on assets classed as Council Dwellings and Infrastructure, however due to the size of these portfolios this work won't be completed until 2015/16 financial year.</p>
<p>A number of transactions were identified which have been accounted for in the wrong financial year, despite the finance department issuing clear instructions to the Council</p>	<p>Accepted.</p>	<p>The finance department will strengthen the 2014/15 year end procedures by introducing a more robust review of transactions and which year they are being accounted for. Further, Corporate Finance will work with budget holders to strengthen their understanding of year end</p>

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departments.		procedures.
<p>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)</p>	<p>Accepted.</p> <p>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.</p>	<p>A full review of each deposit and associated legal agreement will be undertaken during 2014/15 to determine the appropriate accounting treatment going forward.</p>
<p>The Council does not have a clear protocol that sets out the arrangements for the establishment, discharge and review of reserves to support the Council's financial strategy and plan.</p>	<p>Accepted.</p> <p>All reserves are subject to a thorough review during the budget setting process. At the financial year end the creation of earmarked reserves from carry forwards / service balances is appropriately scrutinised. These arrangements are not documented however.</p>	<p>A full review of all reserves held has been undertaken during 2015/16 budget setting process to establish that the level of each reserve is appropriate.</p> <p>A reserves protocol is being developed for use by 1st April 2015.</p>

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<p>Clwyd Pension Fund</p> <p>The Council needs to strengthen its arrangements to ensure that it identifies all retirements (and deaths) up to 31 March in order to accrue for the liability in the correct financial period.</p>	<p>Accepted.</p> <p>Consideration will be given on how to strengthen the process for estimating the accrual for the lump sum and death benefit liabilities.</p>	<p>Discussions will be held with the Altair software provider, Heywoods, to examine appropriate ways to extract acceptable information.</p>
<p>FCC & Clwyd Pension Fund</p> <p>The administering authority's (Clwyd Pension Fund) membership records are up to date and accurately record data for active, deferred and pensioner records. Both the employer body (via its payroll team) and the administering authority need to work together to ensure that membership records are kept up to date.</p>	<p>Accepted</p> <p>Consideration will be given on improving the process for the flow of member information from employers to the administering authority.</p>	<p>Regular meetings are held with Flintshire County Council to identify and rectify issues. Regular contact is made with Denbighshire CC and Wrexham CBC. The introduction of iConnect will ensure the accuracy of transfer of data between the Pension Fund and the Employers. Denbighshire CC and Flintshire CC have already contracted to participate.</p>