

Audit Action Plan

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Social Services Budgetary Control

Wirral MBC

Audit 2005/06

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Action Plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
Social Services Budgetary Control						
10	R1 Strengthen procedures for reporting significant year-end budget variances to Members. (DASS)	2	Director DASS	Yes	In 2006-07, in addition to corporate budget reporting requirements to Scrutiny Committees, Cabinet Lead and Party Spokes have received monthly budget update reports highlighting significant budget variances.	Completed
11	R2 Ensure rigorous budget monitoring and control procedures are effectively applied to avoid a further budget overspend in 2006/07.(DASS)	3	Director DASS	Yes	Advanced budget management training; Performance Surgeries focus on activity and commitments. Variance Analysis reports and signed Statements of Financial Accountability in place.	Completed
12	R3 Review the effectiveness of the revised reporting arrangements and ensure the DASS MTFP is effectively linked to the Council's corporate medium term financial plan and revised corporate plan, due in 2007. (DASS / DoF)	3	Directors DASS, DF	Yes	DASS Medium Term Financial Plan feeds into corporate MTFs. Agree a review of budget reporting and planning with Internal Audit Plan 2007-08.	July 2007
15	R4 Monitor the effectiveness of the new procedures for budget monitoring and accountability to ensure the DASS succeeds in managing its budget within its available resources in 2006/07 and subsequent years. (DASS)	3	Directors DASS	Partly	Achieving a balanced budget is not considered the only measure of the effectiveness of the new procedures. Accurate identification of budget variances and forecasts within the MTFP are the key success criteria. The controllable budget overspend (excl. Central Departments recharge was £0.27m)	Ongoing

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16	R5 Continue to develop more sophisticated budget profiles, particularly making use of the information to be available from SWIFT financial modules. (DASS / DoF)	2	Director DASS	Yes	Apply budget profiles to the Department's delegated Budget using historical trends, demand forecasts, and SWIFT information. These are being agreed with Budget managers during July and August.	July 2007
16	R6 Ensure the LAC database is regularly reconciled with the financial information logged in SWIFT and the regular reconciliation between the commitments information held in the LAC database and the general ledger is kept up to date on a regular basis. (DCYP)	3	Director DCYP	Yes	LAC database reconciles to the ledger on a monthly basis. More work is required to fully integrate with SWIFT	October 2007
17	R7 Ensure budget monitoring reports to Members are sufficiently detailed to allow them to effectively monitor and challenge the achievement and realism of savings targets. Ensure reported savings can be adequately supported. (DASS)	3	Director DASS	Yes	DASS will ensure monitoring reports including the achievement of savings will be more specific from 2007-08.	Ongoing
23	R8 Confirm the legal status of arrears in respect of the health share of the costs for care provided prior to 31/8/05 and ensure prompt and appropriate recovery action. (DASS / HoLS)	3	Director DAS HOLS	Yes	Legal status has been confirmed and shared with Wirral PCT and SHA. Instruction issued to HOLS in February 2007 to proceed with debt collection and discussions ongoing. Wirral PCT have accepted liability for 3 of the 6 individuals.	August 2007
23	R9 Resolve any outstanding financial disputes with PCTs and ensure clear funding agreements are established when future joint work with partners is commissioned. These should clearly set out the respective funding responsibilities of partner organisations and the payment	3	Director DASS	Yes	Most resolutions confirmed. Clear Joint Funding arrangements are in now in place and the basis for all new arrangements are clearly defined and audited.	August 2007

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	terms. (DASS)					
23	R10 Strengthen debt collection arrangements through the implementation of Internal Audit recommendations. (DASS)	3	Director DASS	Yes	Debt Management Group re-established. FSS reorganisation adds capacity for debt management. New post agreed by E&A Committee (recruitment commences July 2007)	September 2007
23	R11 Implement agreed action to ensure 2006/07 accounts appropriately reflect all amounts due to and from external agencies including PCTs.(DASS / DoF).	3	Directors DASS DoF	Yes	Usual closedown procedures were applied to all liabilities that were accepted as proper and agreed by both parties.	Completed