

ANNUAL GOVERNANCE REPORT 2009/10 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
10	R1. Ensure that all working papers used by the Council to prepare the accounts are presented at the start of the audit and queries are responded to promptly.	2	Jenny Spick Finance	Yes (ongoing)	Improvements to working papers and responses to audit are made each year eg by greater use of electronic files. Arrangements for the 2010/11 audit have yet to be specified by the Commission. When known, the Council will where practical and feasible aim to meet requirements.	Audit runs from 1 July to 30 September 2011
10	R2. Strengthen quality assurance of the accounts to ensure that errors are minimised.	2	Jenny Spick Finance	Yes (ongoing)	The arrangements for quality assurance are reviewed and improved annually. For 2010/11 this approach will continue with further quality assurance checks.	June 2011
12	R3. Improve and evidence internal controls around fixed assets - within departments, in finance and with the Valuer <ul style="list-style-type: none"> clarify and formally agree respective roles and responsibilities between 	3	Reg Huyton Finance and Sam Hird Asset Management	Yes (ongoing)	Discussions continue between all departments regarding the recording, monitoring and management of fixed assets. As part of the requirements in	Ongoing

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	<p>departments, finance and the Valuer</p> <ul style="list-style-type: none"> ● review and enhance capital accounting processes and procedures to ensure that all key controls are in place including to prove existence, ownership and valuation for all classes of assets ● ensure that key controls operate effectively throughout the year - for example, ensure all appropriate reconciliations are completed ● improve and evidence management supervision and review of capital accounting entries to ensure accuracy and reasonableness, for example, depreciation, revaluations, changes in classification and reconciliations ● ensure processes maximise the assurance received from the Valuer and consider what assurance management requires in respect of expenditure capitalised during the year that is not currently on the Valuer's certificate 				<p>respect of assets, and to incorporate system changes, the processes and procedures will be further documented to reduce the potential for variances / omissions in the records. Accordingly these will be reviewed in readiness for the production of the Council's Statement of Accounts for 2010/11.</p>	
12	<p>R4. Complete the input of information onto the new asset register:</p> <ul style="list-style-type: none"> ● vehicles, plant and equipment: ensure all 	2	Reg Huyton Finance	Yes (ongoing)	The new Asset Accounting Register was implemented in Spring 2010 with the intention	December 2010

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	<p>assets can be identified individually and relevant information is recorded, for example, information on location of the asset to ensure that existence can be tested and disposals identified and accounted for appropriately in the accounts</p> <ul style="list-style-type: none"> land and buildings: ensure the information in the asset register is complete, including for PFI assets recognised on the balance sheet in 2009/10 and that it satisfies the developing requirements of financial reporting standards, for example in respect of component accounting <p>community assets: complete the cataloguing of community assets held in museums and art galleries and ensure that the asset register is subsequently updated</p>				that this would be enhanced / developed so it was always intended that further work would be carried out to enhance and refine the information it contains.	
12	R5. Ensure that the proposed new Highways Asset Management System satisfies the developing requirements of financial reporting standards	2	Mark Smith Technical Serv Gavin Shaw Finance	Yes (ongoing)	The Departments continue to work together on the procurement of a new System. Potential suppliers are developing systems and Wirral's specification includes details of the requirements	During 2010/1 and 2011/2

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					under Financial Reporting Standards. The assessment of bidders will determine the extent to which these requirements are fulfilled through the System.	
19	<p>R6. Review the governance issues arising in the year and consider amending the Annual Governance Statement to:</p> <ul style="list-style-type: none"> • acknowledge any significant issues, provide a plan to address weaknesses and ensure continuous improvement of the system is in place • ensure that arrangements for the governance framework included in the AGS are relevant to the year of account. • include an opinion on whether the governance arrangements (with the exception of any key areas identified) have been operating effectively during the year 	3	David Taylor-Smith Finance	Yes (in part)	The Council continues to adopt the guidance issued by CIPFA / SOLACE and the statement reflects this. Opportunities for potential improvements to the Annual Statement, including looking at other authority Statements, are kept under review and are considered as part of the annual process for its production.	March 2011
19	R7. Review how the accounts are produced from the ledger to minimise the need for off ledger and other manual adjustments	1	Reg Huyton Finance	Yes (ongoing)	The process for producing the Statement of Accounts is reviewed annually and changes incorporated in the	June 2011

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					following year. There will always be the need for manual adjustments and the Council will examine this specific recommendation and look to further minimise off ledger adjustments where practical.	
19	R8. Review the allocation basis of overheads to ensure that costs are more accurately apportioned in the I&E account	1	Reg Huyton Finance	Yes (ongoing)	Overheads are allocated in the departmental accounts to reflect the departmental reporting structure of the Council. This re-allocation reflects the headings required in the statutory I&E Account and a review of how overheads are used in the production of the Statement of Accounts will be undertaken.	June 2011