

Part I Release to Press

Meeting: AUDIT COMMITTEE Agenda Item:

Date: 17 March 2008

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AUDIT COMMISSION ANNUAL GOVERNANCE REPORT - UPDATE ON ACTION PLAN

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1 PURPOSE

To present the latest update on the Action Plan following the approval of the Audit Commission Annual Governance Report by the Audit Committee on 27 September 2007.

2 RECOMMENDATIONS

That progress in implementing the Action Plan be noted.

3 BACKGROUND

- 3.1 The Audit Commission submitted their Annual Governance Report to the Audit Committee in September 2007. This detailed the review of the Council's financial statements and whether proper arrangements had been made by the Council to secure economy, efficiency and effectiveness in the use of resources. The external auditors had raised issues including the quality of working papers, capital accounting arrangements together with the completeness and accuracy of the fixed asset register.
- 3.2 Attached is the approved Action Plan covering all the recommendations included in the September Annual Governance Report. The final column shows progress up to 29 February 2008. Progress is being made on all the recommendations.
- 3.3 It was intended to submit a comprehensive update progress report to this Committee. However the Audit Commission has recently issued their draft Post Statements Report. This has a much more detailed action plan to complete and largely supersedes the previous Governance Report. The recently appointed Head of Finance is currently co-ordinating the completion of this action plan before the 14 March deadline. The points needing action will be incorporated into the 2007/08 Statement of Accounts closedown procedures and checklists.

4 REASONS FOR RECOMMENDED COURSE OF ACTIONS AND OTHER OPTIONS

The Audit Commission's Annual Governance Report is a statutory document and the Council has an obligation to consider and subsequently implement the agreed recommendations included in the report.

5 IMPLICATIONS

5.1 Financial Implications

This report and attached Action Plan are financial in nature and the implications are contained therein.

BACKGROUND PAPERS

Audit Commission Annual Governance Report September 2007.

APPENDICES

Appendix 1 - Action Plan