

Appendix B – Action Plan Management Response

Recommendation	Response
<p>We recommend that the Council looks at its process of identifying internal recharges and the manner by which these are adjusted for in producing the Comprehensive Income and Expenditure Statement, to ensure it correctly reflects and eliminates recharges in subsequent years.</p>	<p>Agreed. The Council is working on a revised Chart of Accounts as part of the implementation of Business World which will improve the process of identifying internal recharges.</p>
<p>We recommend that the Council considers the results of desktop valuations early and where it identifies material differences engages valuation of assets promptly.</p>	<p>Agreed. This will be built into the timetable.</p>
<p>We recommend that the Council improves its process in regards to the reporting of bulk transfers out of the pension scheme, to ensure the correct updated data is sent to the actuary.</p>	<p>Agreed. The process for reporting the transfers out of the pension scheme for academy conversions will be reviewed.</p>
<p>A review of configuration of all responsibilities in use within Oracle EBS should be undertaken. This review should be driven by the business with IT support. We have provided the Oracle system administrator with the detailed outputs of our work to facilitate this. Responsibilities should be redesigned to reduce the number of segregation of duties conflicts within the system (Inherent conflicts).</p> <ul style="list-style-type: none"> •Where management have decided to accept the risk of the segregation of duties conflicts, this should be formally documented. •From last year's audit results we have seen an improvement in the reduction of users with conflicts. 	<p>Agreed. The Council is working on user responsibilities as part of the implementation of Business World.</p>
<p>More formal recognition should be obtained from the Pensions Fund that it accepts the full retention of actuarial and investment risk by the Council regarding the employees of the Council's various companies.</p>	<p>This has been noted and will be given further consideration.</p>

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