

Use of Resources – Self Assessment Exception Report

Key Line of Enquiry	Financial Management
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Level 2	Key Line of Enquiry Descriptor	Pass/Fail	Comments	Action Plan
2	2.3.5 The Council's arrangements for reporting to Members are sufficient to ensure that they fulfil their responsibility in relation to the council's land and buildings portfolio at both a strategic and service level	Fail	Not at present.	Assets Management Group established – new system to be implemented as part of the spatial project Reporting to members to be initiated by new group in 2007/08
2	2.3.6 The Council has an annual programme of planned maintenance based on a rolling programme of property surveys	Fail	Not at present	Assets Management Group established – will address issue of planned maintenance
2	2.3.7 The council has assessed the level of backlog maintenance	Fail	Not at present	Assets Management Group established – will address issue of maintenance

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Level 3	Key Line of Enquiry Descriptor	Pass/Fail	Comments	Action Plan
3	2.3.10 There is a plan in place to reduce the level of backlog maintenance and this has been approved by members	Fail		Assets Management Group established – will address issue of planned maintenance
3	2.3.11 The council has developed a set of local performance measures in relation to assets that link asset use to corporate objectives	Fail		Assets Management Group established – will address issue of performance measures
3	2.3.12 The council makes investment and disposal decisions based on thorough option appraisal and whole life costing	Fail	Yes for investment, but poor on disposal.	Assets Management Group established – will address issue of disposals

Level 4	Key Line of Enquiry Descriptor	Pass/Fail	Comments	Action Plan
4	2.3.13 Performance measures and benchmarking are being used to describe and	Fail		Will be addressed through asset management group

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	evaluate how the council's asset base contributes to the achievement of corporate and service objectives, including improvement priorities			
4	2.3.14 The results of performance measurement and benchmarking are communicated to stakeholders where relevant	Fail		Will be addressed through asset management group
4	2.3.15 The council has developed an approach for the co-ordination of asset management information and its integration with relevant organisational financial information	Fail		Will be addressed through asset management group

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Key Line of Enquiry	Financial Reporting
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Level 4	Key Line of Enquiry Descriptor	Pass/Fail	Comments	Action Plan
4	1.2.8 The council publishes an annual report or similar document which includes summary accounts and an explanation of key financial information and technical terms designed to be understandable by members of the public	Fail	Not published for 2005/06 Annual report to include performance and summary accounts published separately in 2006/07 for public and on website	Annual report and summary accounts to be merged into one document for 2007/08

Key Line of Enquiry	Financial Standing
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Level 2	Key Line of Enquiry Descriptor	Pass/Fail	Comments	Action Plan
2	3.1.8 The council sets and monitors targets for income collection and recovery of arrears, based on age profile of debt	Fail	During 2005/06 HOS were sent monthly updates of debts outstanding for action within the department. A target of 15% of debt over 35 days was set for 2006/07 as part of the financial services business plan – this is monitored on a monthly basis	To continue to monitor monthly

Level 3	Key Line of Enquiry Descriptor	Pass/Fail	Comments	Action Plan
3	3.1.9 The council consistently maintains its spending within its overall budget and without significant unexpected overspends or under-spends	Fail	The councils budget overall for 2005/06 was significant and did not meet the expectation of the budget setting for the financial year. The variations for 2006/07 had been expected and actions	Regular financial monitoring will improve the variations to spend

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			had been put in place to manage the overspends to budget.	
3	3.1.10 The council has identified target levels for reserves and balances that are based on a thorough understanding of its needs and risks, including its treasury management strategy and is meeting these targets	Fail	The levels of balances and reserves are not in line with reviews of treasury strategy, but do include an assessment of financial risk associated with the councils finances	Further work needed
3	3.1.11 Monitoring information is available that evaluates the effectiveness of recovery actions, associated costs, and the cost of not recovering debt promptly	Fail	Not produced by the Council	Further work needed

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Level 4	Key Line of Enquiry Descriptor	Pass/Fail	Comments	Action Plan
4	3.1.12 Members monitor key financial health indicators and set challenging targets, e.g. income collection, levels of variances from budget, prudential framework indicators, capital programme management	Fail	Integrated financial and performance reports are presented to members on a quarterly basis however there is a little challenge and discussion on these reports.	Further work needed to include member training on financial awareness
4	3.1.13 The council monitors the opportunity costs of maintaining its levels of reserves and balances and compares these to the benefits it accrues	Fail	Not performed by the council	Further work needed

Key Line of Enquiry	Internal Control
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Level 3	Key Line of Enquiry Descriptor	Pass/Fail	Comments	Action Plan
3	4.2.16 The procedure notes/manuals for those systems identified by the council as being business-critical are reviewed and updated at least annually	Fail	Procedure rules for business-critical systems have been written, but require annual review	
3	4.2.17 The standing orders, standing financial instructions and scheme of delegation are reviewed at least annually	Fail	Financial Regulations and Contract Procedure Rules have been adopted. A Scheme of Delegation is in place. All documents require annual review	
3	4.2.18 Compliance with standing orders, standing financial instructions and the scheme of delegation is monitored by management, and any breaches identified and appropriate action taken	Fail	Financial Regulations, Contract Procedure Rules and the Scheme of Delegation require embedding and monitoring	

Key Line of Enquiry	Value for Money
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Please see Appendix 3.