

BROMSGROVE DISTRICT COUNCIL

COUNCIL

14TH DECEMBER 2009

USE OF RESOURCES JUDGEMENT 2008/09

| | |
|------------------------------|----------------------------|
| Responsible Portfolio Holder | Councillor Geoff Denaro |
| Responsible Head of Service | Head of Financial Services |

1. SUMMARY

1.1 This report presents the Audit Commission judgement in relation to the Use of Resources scoring for 2008/09.

2. RECOMMENDATION

2.1 That the Board notes the report presented and the officer responses in relation to the Audit Commission recommendations.

3. BACKGROUND

3.1 The new Use of Resources framework is a fundamental part of the Comprehensive Area Assessment and the 2008/09 judgement is based on the new tests and Key Lines of Enquiry which been assessed as being a tougher test than in previous years.

3.2 The new framework focuses on value for money achievements and further emphasis on commissioning of services, outcomes for local people and partnership working.

3.3 The assessment is structured into three themes:

- managing finances: sound and strategic financial management;
- governing the business: strategic commissioning and good governance
- managing resources: effective management of natural resources,

3.4 The report attached at Appendix 1 presents the draft judgement received from the Audit Commission. The overall score of 2 (out of 4) is the same as the previous year but this is against a harder assessment and is therefore considered to be an improvement on previous assessments and demonstrates

that the Council is becoming more focused on delivery of outcomes rather than processes.

3.4 There are a number of areas where the Audit Commission recommends that the Council looks to improve. These include:

- Improvements to financial statements and supporting evidence on funding arrangements
- Ensure the data quality arrangements for the national indicator set are adequate Improve data quality arrangements and monitoring
- Develop risk management arrangements for projects ensuring they are robust and projects deliver value for money.
- .Monitor the new arrangements for the delivery of the internal audit service and the corporate fraud team.
- To develop and monitor the arrangements for workforce planning.

4. 2009/10 USE OF RESOURCES

4.1 Officers are currently working on the 2009/10 Use of Resources self assessment. This will be discussed in March with the Audit Commission and will focus on the areas identified as being in need of improvement in the 2008/09 judgement.

5. FINANCIAL IMPLICATIONS

5.1 None outside existing budgets.

6. LEGAL IMPLICATIONS

6.1 None as a direct result of this report.

7. COUNCIL OBJECTIVES

7.1 Council Objective 02: Improvement.

8. RISK MANAGEMENT

8.1 The main risks associated with the details included in this report are:

- Ineffective financial management.
- Poor Value for Money culture.
- Lack of an effective internal control environment.

8.2 These risks are being managed as follows:

- Ineffective financial management:
Risk Register: Corporate

Key Objective Ref No: 1
Key Objective: Effective Financial Management

- Poor Value for Money culture:
Risk Register: Financial Services
Key Objective Ref No: 9
Key Objective: Effective VFM culture and compliant procurement best practices.
- Lack of an effective internal control environment:
Risk Register: Financial Services
Key Objective Ref No: 3
Key Objective: Efficient and effective Internal Audit service

9. CUSTOMER IMPLICATIONS

9.1 No customer implications.

10. EQUALITIES AND DIVERSITY IMPLICATIONS

10.1 No equalities and diversity issues.

11. VALUE FOR MONEY IMPLICATIONS

11.1 None.

12. OTHER IMPLICATIONS

| |
|---|
| Procurement Issues: None |
| Personnel Implications:None |
| Governance/Performance Management:Effective governance process. |
| Community Safety including Section 17 of Crime and Disorder Act 1998:None |
| Policy:None |
| Environmental:None |

13. OTHERS CONSULTED ON THE REPORT

| | |
|---|-----|
| Portfolio Holder | Yes |
| Chief Executive | Yes |
| Corporate Director (Services) | No |
| Assistant Chief Executive | No |
| Head of Service | Yes |
| Head of Financial Services | Yes |
| Head of Legal, Equalities & Democratic Services | Yes |
| Head of Organisational Development & HR | Yes |
| Corporate Procurement Team | No |

14. WARDS AFFECTED

14.1 All Wards are affected.

15. APPENDICES

15.1 Appendix A – Draft Use of Resources judgement.

16. BACKGROUND PAPERS

16.1 Use of resources self assessment 2008/9.

CONTACT OFFICER

Jayne Pickering – Head of Financial Services
E Mail: j.pickering@bromsgrove.gov.uk
Tel: (01527) 881207