

ITEM NO. C4

Subject:	Use of Re	sources Action Plan	Status:	For Publication
Report to: Audit Committee			Date:	4 th December 2008
Report of:	Head of Fi	nancial Services		
Portfolio Holder:	Finance &	Resources		
Key Decis	ion: No			
Forward P	lan 📗	General Exception	Special	Urgency

1. PURPOSE OF REPORT

1.1 The purpose of the report is to update Members regarding the Council's Use of Resources action plan in order to achieve a score of 3 by 2010.

2. CORPORATE PRIORITIES

- 2.1 The matters discussed in this report impact directly on the following corporate priorities and associated corporate objective.
 - Delivering Quality Services to Customers (Customers, Improvement)
 - Well Managed Council (Improvement, Community Network)

3. RISK ASSESSMENT IMPLICATIONS

- 3.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:
 - Reputational in that the annual Use of Resources score is an independent and public assessment of how the Council manages its financial affairs.

4. BACKGROUND AND OPTIONS

- 4.1 The latest published score for the Council in relation to Use of Resources is 2. We are due to receive our latest score for the period ended March 2008, sometime during December 2008. Early indications are that we retain our score of 2.
- 4.2 An action plan has therefore been drawn up in order to take a corporate wide approach and collective ownership of the goal of achieving a score of 3 by 2010 (Action Plan attached as Appendix 1)
- 4.3 The Use of Resources "Key Lines of Enquiry" (KLoE) for 2008/09 have further developed the previous assessment areas (Financial Reporting, Management Standing, Internal Control and Value for Money) and consolidated and enhanced them as follows:

Use of Resources 2008/09 Is the organisation in sound financial health? **Managing Money** Does it plan finances effectively to deliver priorities? How effectively does the Sound link of costs to performance and VFM services organisation manage its finances Does financial monitoring & forecasting contribute to to deliver value for money? effective management of financial performance? Financial reporting is timely & meets needs of users? Has strong leadership that fosters partnership working to make better use of available resources? **Managing the Business** Uses performance management to ensure that it delivers How well does the its priorities and intended outcomes? organisation govern itself, Commission and procures quality services, tailored to manage its business and local needs, to deliver sustainable outcomes and commission services to VFM? deliver better outcomes for Has a robust approach to managing its risks and a sound local people? system of internal control? Promotes and demonstrates ethical behaviour and manages risk of fraud, both internally & with partners? Is the orgⁿ making <u>effective use of natural resources</u>? Managing other resources Manage its assets effectively and sustainably to help How well does the organisation deliver its strategic priorities and service needs? manage its natural resources, Forward looking plans to organise & develop its physical assets, people and workforce and IT to support strategic priorities technology, to meet current and future needs and deliver value for money?

4.4 Scoring as a result of the revised KLoEs will demonstrate the following:

Use of Resources 2008/09	Use of Resources 2008/09 Scoring						
level 2 only at minimum requirements – adequate performance Arrangements that are consistent with established professional practice and guidance and meet statutory requirements.	Ievel 3 consistently above minimum requirements – performing well Implemented arrangements are: • more forward looking and proactive • more complex to operate, eg through partnerships; • more sophisticated measuring	level 4 well above minimum requirements – performing strongly Demonstrating innovation and best practice.					
Arrangements sufficient to address the KLOE eg. demonstrating commitment and leadership, risk based strategy and supporting action plans, capacity and skills.	and assessment Outputs and outcomes demonstrate arrangements are effective.	Demonstrating strong outcomes for the community.					
Effective arrangements which achieve minimum levels of performance.	Evidence of performing consistently above adequate performance and achieving value for money	Achieving excellent value for money.					

4.5 Use of resources is the Commission's annual assessment of how well organisations manage their resources and will be one element of the new CAA framework.

COMMENTS FROM STATUTORY OFFICERS:

5. SECTION 151 OFFICER

5.1 Financial matters are dealt with in the body of the report.

6. MONITORING OFFICER

6.1 The Monitoring officer has agreed the action plan. She and her team are taking a proactive role in delivering the plan.

7. HEAD OF PEOPLE AND POLICY (ON BEHALF OF THE HEAD OF PAID SERVICE)

7.1 The Head of People & Policy has agreed the action plan. She and her team are taking a proactive role in delivering the plan.

8. CONCLUSION

8.1 That the action plan is robust and fit for purpose in delivering a future Use of Resources score of 3.

9. RECOMMENDATION(S)

9.1 That Members note and accept the Use of Resources action plan.

10. CONSULTATION CARRIED OUT

- 10.1 Directors and Officers
- 10.2 Internal Audit
- 10.3 External Audit

11. EQUALITY IMPACT ASSESSMENT

Is an Equality Impact Assessment required No
Is an Equality Impact Assessment attached No

12. BIODIVIERSITY IMPACT ASSESSMENT

Is a Biodiversity Impact Assessment required No

Is a Biodiversity Impact Assessment attached No

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Background Papers				
Document	Place of Inspection			
Audit Commission - Use of Resources Reports	Finance			