

**FINAL USE OF RESOURCES REPORT**

**Contact Officer:** Nancy Le Roux  
**Telephone:** 01895 250353

**REASON FOR REPORT**

This final report by Paul Hutt, Senior Audit Manager Deloitte, details Deloitte's final assessment of the Council's performance under the new Use of Resources assessment, which forms part of the Comprehensive Area Assessment (CAA). The findings were reported to the Audit Commission on 12 August to be reviewed and to reach a final assessment. The Audit Commission are due to report in October 2009 and it should be noted that the final scores may change. This report follows on from the Interim report brought to Audit Committee in June.

**RECOMMENDATIONS**

The Committee is asked to note the report.

**BACKGROUND**

As explained in detail in the June report, during 2008 the revised Use of Resources assessment, under the new CAA regime was introduced. The assessment is structured into three main themes that focus on the importance of sound and strategic financial management, strategic commissioning and good governance, and the effective management of natural resources, assets and people.

The overall aim is to assess how well organisations are managing and using their resources to deliver value for money and better and sustainable outcomes for local people. In designing the new assessment, one of the aims of the Audit Commission was to make the assessment a harder test in order to rebase all the scores, essentially moving 4 to 3 and 3 to 2.

**FINAL REPORT FINDINGS**

The final scores for the 3 areas are as follows:

Overall Area	KLOE	Interim KLOE score	Final KLOE score	Final Theme score
Managing Finances	1.1 Planning for financial health	3	3	3
	1.2 Understanding costs and achieving efficiencies	2	2	
	1.3 Financial Reporting	2	3	
Governing the business	2.1 Commissioning and procurement	2	2	2
	2.2 Use of information	2	2	
	2.3 Good governance	2	2	
	2.4 Risk management and	2	2	

	control			
Managing resources	3.1 Natural resources	2	2	2
	3.2 Strategic asset management	3	3	

The findings assess the Council as having achieved a strong level 2 performance overall, with a clear visible path to achieve a level 3 in the future. The only change from the interim scores is the score for 1.3 which relied on the outcome of the audit of the accounts and has now been increased to 3, improving the Managing Finances theme score to 3.

## **REPORT RECOMMENDATIONS**

The report provides very clear and detailed guidance on the areas where the Council is performing well and on which areas require further improvement. It makes recommendations against most of the individual key lines of enquiry and the council's response to those recommendations is detailed in Appendix 2 of the attached report. The council has agreed with the majority of the recommendations and is in the process of developing a range of actions to address the findings to improve the assessment for 2009/10.

## **LEGAL IMPLICATIONS**

There are no legal implications arising from this report.

## **BACKGROUND PAPERS**

Audit Commission: Use of Resources 2008/09 – Overall Approach and key lines of enquiry – May 2008