

Use of Resources 2006/07 Action Plan

	Key Line of Enquiry	Audit Commission Comments	Action Taken	Action to be taken by	Date Action to be completed
	Financial Reporting				
1.1	The Council produces annual accounts in accordance with relevant standards and timetables, supported by comprehensive working papers	Further improve quality of working papers particularly in relation to capital accounts.	Head of Financial Services to review working papers for 2006/7, however guidance from the Audit Commission is still outstanding	David Powell	April 2007
		Improve the analytical review in relation to the CRA.		David Powell	
1.2	The Council promotes external accountability.	The preferred formats for the annual report could be further developed by incorporating user views.	Head of Financial Services to develop a questionnaire and liaise Martin Heuter- Senior Community Involvement Officer on the best approach.	David Powell	April 2007
	Financial Management				
2.1	The Council's Medium-term Financial Management Strategy (MTFMS), budgets and capital programme are soundly based and designed to deliver its strategic priorities.	There have been a number of innovations during this financial year (see above) which now need embedding into the culture of the Council.	Head of Financial Services to update MTFMS and review format	David Powell	June 2007
		The Corporate Business plan needs to include sensitivity analysis.		Steve Martin	
		A new system for revenue and capital projects including a project appraisal, business plan and affordability test needs to be embedded.	Head of Asset Management and Property Services to re-launch the Capital Board with terms of reference to look at project appraisal, business planning and affordability	Head of Asset Management and Property Services	August 2007

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			affordability		
		Level 4 tests need consideration	Part of service improvement planning in Financial Services	David Powell	July 2007
2.2	The Council manages performance against budgets	Innovations during this financial year (see above) which now need embedding into the culture of the Council	Revised Integrated Performance Report in place	David Powell	August 2007
		Training must be provided to Members and relevant non-financial staff.	Members have received training on Scrutiny form the Head of Financial Services. Further training for Members arranged.	Sonia Rees	July 2007
			Level 1 training for non- Financial Managers in progress and due for completion	David Powell	March 2007
			Level 2 training for non Financial Mangers held on 28 th March 2007	David Powell	March 2007
		Underspends and overspends need to be closely managed with reported variances to Members being a more accurate reflection of the Councils spend to date	Integrated Performance Report format changed to give more clarity to members and management of budgets will form part of the level 2 training to officers	David Powell	March 2007
		Level 4 tests need consideration	Part of service improvement planning in Financial Services	David Powell	July 2007
2.3	The Council manages its asset base.	Innovations during this financial year which now need embedding into the culture of the Council		Head of Asset Management and Property	Date to be agreed

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				Services	
	Financial Standing				
3.1	The Council manages its spending within the available resources.	The Council must ensure that it continues to manage its level of reserves more robustly. This includes regular reports to members on the level of reserves needed.	Head of Financial Service will be reporting to Strategic Monitoring Committee on 30 th March and Cabinet 12 th April 2007	David Powell	April 2007
		The Council must set and monitor targets for all material categories of income collection and recovery of arrears, based on age profile of debt.	Responsibility for debt recovery has now been brought together under one team. All outstanding debt is currently being reviewed and once this is completed age profiles will be created and recovery targets set for all years debts.	Mike Toney	April 2007
	Internal Control	.			
4.1	The Council manages its significant business risks	The risk management process should be reviewed and updated at least annually	Forms part of The Audit Plan for 2006/7	Tony Ford	April 2007
		All significant risks should be included in the corporate risk log.	The Corporate Risk Register has been reviewed.	David Powell	May 2007
		All appropriate staff should be offered relevant training	Risk Management Training for appropriate staff now complete	David Powell	Completed but will be updated
		The Council risk register must be clearly aligned to the Council's strategic objectives	To be part of the Corporate Risk Managers work programme.	David Powell	May 2007
4.2	The Council has arrangements in	The assurance framework should	This will be completed for the	Tony Ford	May 2007

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	place to maintain a sound system of internal control	more clearly map the strategic objectives to the risk register, controls and assurances.	Council's 2007/8 objectives		
		All reports submitted to Members must be formally considered for legal issues before presentation.	The Head of Service sees reports with any legal implication and advises authors accordingly	Alan Mclaughlin	
		Regular reconciliations of all significant financial systems should be carried out.	The Head of Financial Services will be writing to the relevant Heads of Services informing them of the requirement to reconcile on a monthly basis	David Powell	April 2007
4.3	The Council has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business.				
		The Code of Conduct for Members and Officers needs review and there should be some tightening of the rules around the receipt of gifts and hospitality.	Has been issued. New Code of Conduct issued again needs to be reviewed and adopted	Alan Mclaughlin	November 2007
		More emphasis needs to be placed on having stronger arrangements for probity and propriety in place by actively ensuring staff and others involved with the Council are aware of and understand policies and processes (e.g. Whistleblowing)	Whistle-blowing Policy issued on website SMT made aware.	Alan Mclaughlin	
		Whistle blowing processes must	All payment remittance slips sent	Tony Ford	

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		be communicated to all staff and external partners. This can be carried out internally by displaying posters etc	out has a Please note the Council's Whistle-blowing policy and the web link. Display posters on notice boards Reminder in News and Views		June 2007
	Value For Money				
5.1	The Council currently achieves good value for money	The Council's understanding of its cost pressures is improving, with a more robust and rigorous approach to medium term planning. The Council needs to continue to embed this understanding.	Financial Services is supporting Adult Services needs analysis work. The bi-annual 'refresh' of the MTFMS will draw out these issues	David Powell	July 2007
		Significant service overspends need to be robustly tackled	Part of ongoing discussions with Directorates	David Powell	
5.2	The Council manages and improves value for money.				
		Embed the improvements made in planning for and delivering value for money, e.g. Herefordshire Connects.	This will be developed when the partner has been identified.	Herefordshire Connects Project Board	
		Ensure robust approaches to benchmarking in all service areas, and ensure that challenge (e.g. Scrutiny) is robust	The performance improvement network will undertake an assessment of current benchmarking and rectify the major gaps Other benchmarking gaps to be	Head of Performance Management	By April 2008 By April 2009

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			addressed Approval for a new scrutiny development plan		By August 2007
		Ensure that improvements in value for money are accounted for in a straightforward and transparent way, by improving service planning and reporting arrangements	VFM will be demonstrated through information captured and recorded on the Benefit Card system.	Dean Hogan	
		Issue updated guidance to services on measuring efficiencies, and improve the assurance arrangements to ensure that efficiency gains are robustly stated.	Introduction of Benefit Card to capture and log efficiency gains	Dean Hogan	July 2007
		Corporate approaches to procurement are still not well developed	Strategic Procurement Manager now appointed progress to date – review of Postal Charges, and employment of agency staff. Closer involvement with area based activity	Dean Hogan	April 2007 for stated projects and ongoing for Corporate Procurement Improvements