

# WORCESTERSHIRE COUNTY COUNCIL - USE OF RESOURCES SELF ASSESSMENT 2007

## Parts 1 to 4 only

### 1. Approach

Additional evidence is provided where there have been noteworthy improvements or changes since the 2005 and 2006 returns.

The new evidence documents have been recorded on a CD-ROM, which is enclosed with this report, and provided as hardcopy where appropriate. Evidence references are given as links where available or file references to documents on the CD-ROM.

### 2. Improvements/changes

#### THEME 2 – FINANCIAL MANAGEMENT

**KLOE 2.1 Level 3 criterion – the council’s medium-term financial strategy is linked to other internal strategies / plans as appropriate.**

The Council’s medium-term financial strategy was updated for the period 2007-2011. This was reported to Cabinet and included in the 2007-08 Budget book. The Council’s medium term financial strategy was subject to review by PwC, who judged the strategy to be “fit for purpose”.

#### **Evidence:**

Medium Term Financial Plan 2007-2011  
(Link to Deployment of Revenue and Capital Resources 2007-08)  
<http://worcestershire.whub.org.uk/home/wcc-finance-drcr0708.pdf>  
PwC Review of Medium Term Financial Planning  
(kloe 2.1 mtfp report\_draft2\_.pdf)  
Mike’s response to PwC review  
(kloe 2.1 review of medium term financial planning.html)

**KLOE 2.2 Level 2 criterion – the financial performance of significant partnerships is regularly reviewed, linked to outputs and the results shared with partners and acted upon**

Local Area Agreements are now in place and the Council acts as the lead body. All partners have to submit a monthly return and this is reviewed prior to further money being released to the partner.

#### **Evidence:**

Local area agreement monitoring document  
(kloe 2.2 laa monitoring 2006.doc)  
(kloe 2.2 laa return 2007.xls)

**KLOE 2.2 Level 3 criterion – the council produces accurate and meaningful profiled financial monitoring reports for all budget holders within ten working days of the end of the month**

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The Council's on line financial system SAP includes a profile report which is available to all managers.

Profile analysis is supplemented by comprehensive monthly outturn forecasting carried out by directorate finance teams.

### **Evidence:**

Sample SAP report – Accountancy profile monitoring  
(kloe 2.2 accountancy profile monitoring.xls)

### **KLOE 2.2 Level 3 criterion – there is a regular training programme providing training on financial issues for members and relevant non-finance staff**

Corporate Human Resources provide a training course “Finance for Non-Financial Managers”

Directorate finance teams have provided Finance Overview sessions for operational staff.

### **Evidence:**

Finance for the Non Financial Manager – course details  
[Finance for the Non Financial Manager](#)

Example of directorate finance session  
(kloe 2.2 acs finance workshop.pdf)

### **KLOE 2.3 The council manages its asset base**

An annual property audit is undertaken looking at condition, sufficiency and running costs for all service properties. This will provide a clear picture of existing performance and inform decisions on capital investment priorities. Whilst this was undertaken in 2006/07, the final report is expected in September 2007. An example of a property audit spreadsheet is included in the evidence.

There are also property based service challenges delivered which are informed by property audit data and comparative performance analyses from other service providers.

### **Evidence:**

Property Services Library audit – hardcopy enclosed.  
Library service challenge 2007 – hardcopy enclosed.

## **3. Additional information**

### **THEME 1 – FINANCIAL REPORTING**

#### **KLOE 1.1 – The council produces annual accounts in accordance with relevant standards and timetables, supported by comprehensive working papers**

The accounts were closed in accordance with the timetable agreed with PwC and presented to the Audit and Governance Committee on the 22<sup>nd</sup> June 2007.

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### **Evidence:**

PwC working papers

Audit and Governance Committee agenda item and minutes 22June07

<http://worcestershire.whub.org.uk/home/wcc-cs-lads-minutes-agc-financial-220608.pdf>

<http://worcestershire.whub.org.uk/home/wccindex/wcc-mas/wcc-mas-dsu/wcc-mas-committee-services/wcc-cs-lads-minutes-agc-220607.pdf>

### **KLOE 1.2 – The council promotes external accountability**

Annual Report produced, including summary financial information

### **Evidence:**

Annual Report 2007

<http://worcestershire.whub.org.uk/home/wcc-pep-i-bvpp2007.pdf>

The Council's accounts and related documents are available on the Council's website

### **Evidence:**

Statement of Accounts 2006-07

<http://worcestershire.whub.org.uk/home/wcc-finance-statement-of-accounts-0607.pdf>

Audit and Inspection letter 2005-06

<http://worcestershire.whub.org.uk/home/wcc-finance-annual-audit-and-inspection-letter-0506.pdf>

## **THEME 2 – FINANCIAL MANAGEMENT**

### **KLOE 2.2 – The council manages performance against budget**

The Council outturn position for 2006-07 showed a balanced budget. Underlying issues and pressures and the strategies employed to manage them are reported to Cabinet on a regular basis in the Director of Financial Services' Money Matters items.

### **Evidence:**

Cabinet agendas and minutes 2006/07 and 2007/08

<http://worcestershire.whub.org.uk/home/wccindex/wcc-mas/wcc-mas-dsu/wcc-mas-committee-services/wcc-mas-minutes-committees.htm>

## **THEME 3 – FINANCIAL STANDING**

### **KLOE 3.1 – The council manages its spending within the available resources**

The Council regularly reports on reserves and balances to the Cabinet as part of the Director of Financial Services' Money Matters reports.

### **Evidence:**

Cabinet Money Matters item 30 November 2006

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<http://worcestershire.whub.org.uk/home/wcc-mas-agendas-cab301106-12.pdf>  
Cabinet Money Matters item 18 December 2006  
<http://worcestershire.whub.org.uk/home/wcc-cs-lads-agendas-cab181206-item4app2.pdf>

### **THEME 4 – INTERNAL CONTROL**

#### **KLOE 4.1 – The council manages its significant business risks**

Risk management is embedded within the Council's Corporate Plan and reviews and updates of the Plan are presented to Cabinet

##### **Evidence:**

Corporate Plan "Building on Success" 2005-09

<http://worcestershire.whub.org.uk/home/wccindex/wcc-chief-exec/wcc-chief-exec-corp-plan-2005-09.htm>

Cabinet items:

Risk management update

<http://worcestershire.whub.org.uk/home/wcc-mas-agendas-cab220606-5.pdf>

Corporate plan review and update against measures and risks to September 2006

<http://worcestershire.whub.org.uk/home/wcc-cs-lads-agendas-cab-090207item5.pdf>

#### **KLOE 4.2 The council has arrangements in place to maintain a sound system of internal control**

The Statement on Internal Control for 2006/07 was considered and approved at the Audit and Governance Committee

##### **Evidence:**

Audit and Governance Committee 22<sup>nd</sup> June 2007

<http://worcestershire.whub.org.uk/home/wcc-cs-lads-minutes-agc-statement-220608.pdf>

A review of the Section 31 agreements with Health was presented to the Audit and Governance Committee to provide members with information regarding current agreements, their operation and related possible risks

##### **Evidence:**

Audit and Governance Committee report

<http://worcestershire.whub.org.uk/home/wcc-cs-lads-agc-pooled-budget-120308.pdf>

The Council's internal audit function reports regularly to, and has its work plan agreed by, the Audit and Governance Committee.

##### **Evidence:**

Audit and Governance Committee reports

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[http://worcestershire.whub.org.uk/home/wcc-mas-agendas-  
agcinternalauditplan2006-07.pdf](http://worcestershire.whub.org.uk/home/wcc-mas-agendas-agcinternalauditplan2006-07.pdf)

[http://worcestershire.whub.org.uk/home/wcc-cs-lads-ag-120307-  
annual\\_internal\\_audit.pdf](http://worcestershire.whub.org.uk/home/wcc-cs-lads-ag-120307-annual_internal_audit.pdf)