

Finance and Management Performance Action Plan - Quarter 2, 2017/18

Appendix C



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An unqualified
Value for
Money opinion
in the annual
audit letter

Target - 1

Theme – Outcomes

Action – An unqualified Value for Money opinion in the Annual Audit Letter.

Target vs performance – As reported to the Council on November 2, the Council's Value for Money opinion was given an 'except for' qualification.

Background – This qualification arose due to issues arising from procurement practice and contract management in the Housing and Environmental Services Directorate.

Key actions underway – The issues have been substantially dealt with, as reported to the Audit Sub-Committee. This Committee is continuing to monitor progress against the recommendations. A subsequent report from Internal Audit identified some wider procurement matters, which are currently being addressed to strengthen the procurement function. A separate report has been presented to the Finance and Management Committee on November 30, with proposals to change the service delivery model.

Opportunities/risks - The main risks identified were a potential lack of transparency in managing some contracts, with wider issues regarding contract monitoring and the maintenance of the main Contracts Register. A proposal to change the service delivery model and enter an established Shared Services Arrangement, it is considered, would help to strengthen the procurement function, together with providing greater consistency and resilience in service provision.

There is one action for Finance and Management