
REPORT TO:	FINANCE & MANAGEMENT	AGENDA ITEM:	9
DATE OF MEETING:	19 TH JULY 2001	CATEGORY:	DELEGATED/
REPORT FROM:	CHIEF FINANCE OFFICER		
MEMBERS' CONTACT POINT:	TERRY NEAVES (5800)	DOC:	
SUBJECT:	BEST VALUE REVIEW – Financial Management & Control	REF:	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:	

1. Recommendations

1.1 Members are asked to approve

- (i) The recommendations set out in Section 7 (Appendix A)
- (ii) The Action Plan set out at Section 8 (Appendix A)

2.0 Purpose of Report

2.1 This report informs members on the outcome of the Best Value Review of Financial Management and Control.

3.0 Best Value Review

Financial Management and Control

3.1 The attached report at Appendix A sets out the results of the Best Value Review for Financial Management and Control.

3.2 The review identified many good practices in managing the Council's finances but equally as with any detailed review, there were clearly areas where improvements could be made.

3.3. Essentially they relate to two key areas

- **Ensuring that financial plans link closely to service plans** – at the moment it is difficult to counter the view that most council planning is finance led. In many ways this is due to the lack of a corporate or service plans which set out a clear direction for the Council as a whole and the individual services that it provides.

The report recommends:-

- a new framework for bringing together service and financial plans (set out at Annex I to the attached report)

- a new framework for producing service plans across the Council (set out at Annex F/G to the attached report)
- **Raising financial awareness** – there is an almost universal feeling that the quality of information available to managers and members to manage and oversee budgets is poor.

The report recommends:-

- The implementation of a new financial information system (annex J)
- A system of regular financial monitoring involving managers and members (annex L)
- Enhanced financial training for members and managers (paragraph 4.5/4.11)
- Using area committees as a forum for public consultation on the Council's budget proposals

3.4 The comprehensive set of financial implications are set out in Section 7 of the attached report with an action plan for implementation included at Section 8.

4. Financial Implications

- 4.1 Most of the key recommendations with the notable exception of a replacement financial information system can be met from within existing resources.
- 4.2 Provision exists within the 2002/3 capital programme for the replacement of a financial information system.

5. Conclusions

- 5.1 The review identifies how the Council can in practical terms best achieve sound financial management.