
REPORT TO:	AUDIT SUB COMMITTEE	AGENDA ITEM: 7
DATE OF MEETING:	28th SEPTEMBER 2011	CATEGORY: RECOMMENDED
REPORT FROM:	CHIEF EXECUTIVE OFFICER	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) CHIEF FINANCE OFFICER Kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/audit committee/sept11/isa covering report
SUBJECT:	A REVIEW OF THE ARRANGEMENTS FOR SECURING VALUE FOR MONEY	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: AS 01

1.0 Recommendations

- 1.1 That the report is considered and approved and any issues arising are referred onto the Finance and Management Committee where appropriate.

2.0 Purpose of Report

- 2.1 For Grant Thornton as the Council's appointed auditors, to present their annual assessment on the Council's arrangements for securing value for money.
- 2.2 Under its terms of reference, the Committee is requested to consider the Report and its recommendations, together with the proposed management responses to those recommendations.

3.0 Detail

- 3.1 Following the abolition of the Use of Resources Assessment in 2010, the Audit Commission introduced a new approach to assessing value for money (VFM) at a local level. As part of Grant Thornton's work in giving an opinion on the Council's accounts and financial statements, they are required to issue a broad conclusion on whether the Council provides VFM.
- 3.2 This report provides a more detailed assessment; it determines whether the Council has proper arrangements in place for securing both financial resilience together with economy, efficiency and effectiveness. This is undertaken against a set of criteria considered to be good practice in the following areas:

- Key Indicators of Performance
- Strategic Financial Planning
- Financial Governance
- Financial Control
- Prioritising Resources
- Improving Efficiencies

- 3.3 Grant Thornton's Report has been circulated under separate cover. Audit Managers of Grant Thornton will attend the meeting and present the report to the Committee.
- 3.4 In all but one area, the report assesses the Council as having adequate arrangements and key characteristics of good practice in place. Financial Control is assessed as having potential risks, although there is evidence that the Council is taking forward areas to strengthen arrangements to overcome these risks.
- 3.5 Following consideration at this Committee, the report will also be presented to the Finance and Management Committee for ratification and publication on 29th September 2010.

4.0 Financial Implications

- 4.1 None directly.

5.0 Corporate Implications

- 5.1 None directly.

6.0 Community Implications

- 6.1 None directly.

7.0 Background Papers

None