

Report to: **Audit Committee**  
Date: **12<sup>th</sup> March 2009**  
Report of: **Director of Finance and Corporate Services**  
Subject: **Use of Resources Auditor Judgements 2007/8– Feedback**  
Ward: **All**

## **1. Purpose of the Report**

- 1.1 To inform members of the feedback from the Audit Commission on the Use of Resources Assessment for 2007/8.

## **2. Consultation**

- 2.1 The report was prepared in consultation with the Council's Financial Management Unit and the Asset and Property Manager. The report has been circulated to Management Team.

## **3. Use of Resources Feedback 2007/8 - Easington**

- 3.1 On the 5<sup>th</sup> March 2009 the Council considered its Annual Audit Letter from the Audit Commission and it included the scores for 'Use of Resources.' Our overall score was 3 from 4 showing that we are working above minimum requirements and performing well in most areas.
- 3.2 The assessment evaluates how well councils manage and use their financial resources and focuses on the importance of having sound strategic financial management to ensure resources are available to support the Council's priorities and improve services.

### *Use of Resources – Audit Commission report*

- 3.3 Attached is the full report from the Audit commission entitled 'Use of Resources Auditor Judgments'- Audit 2007/8.
- 3.4 Members will note from the summary of scores in Table 2 (page 4) that we have achieved a score of 3 on each of the Key Lines of Enquiry (KLOE) which demonstrates further improvement when compared to the 2007 score. Theme summaries are set out in paragraph 8 (page 6) and are noted.
- 3.5 The new arrangements for 2008/9 are set out on page 12 and will come into effect under the Comprehensive Area Assessment process. This Council will not be separately assessed in 2008/9 however our performance and arrangements will be taken into account when assessing the new authority.
- 3.6 The Council's approach has been to improve year on year ensuring that systems and procedures are embedded and the report concludes that the Council has maintained its performance in the majority of areas despite the additional pressures and uncertainties created by the local government restructuring (LGR) process. It goes on to say that in two areas, management of the asset base and current achievement of good value for money, the Council has consolidated improvement leading to scores increasing from 2 to 3 on each category.

## 4. National, Regional and County-wide comparisons

4.1 Usually I'm able to provide the above comparisons on Use of Resources scores however the information is sourced from the Audit Commission web-site and unfortunately at the time of writing the report the national and regional data was not available.

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4.2 The following table shows the position in County Durham. .

**Table 1 – Durham**

Authority	2004-5 Score	2005-6 Score	2006-7 Score	2007-8 Score
<b>Durham</b>				
Chester le Street	2	2	3	<b>2</b>
Derwentside	2	3	2	<b>2</b>
Durham City	2	3	3	<b>3</b>
Easington	3	3	3	<b>3</b>
Sedgefield	3	3	3	<b>3</b>
Teesdale	1	2	2	<b>2</b>
Wear Valley	2	3	3	<b>2</b>
Durham County	3	3	3	<b>3</b>

## 5 Implications

### 5.1 Financial

None.

### 5.2 Legal

None

### 5.3 Policy

None

### 5.4 Local Government Review

The performance of the Districts for 2008/9 will be taken account of in the Use of Resources Assessment for the new Unitary Council.

### 5.5 Risk

None the report is for information.

### 5.6 Communications

The report will be placed on the Council's Web Site.

### 5.7 Corporate Plan and Priorities

The continued improvement in managing our resources has contributed towards the Council achieving its objectives and keeping council tax increases to a minimum.

### 5.8 Equality and Diversity

None

### 5.9 E Government

None

5.10 **Procurement**  
None.

## **6. Recommendations**

6.1 The Committee is recommended to note the information contained in the report.

### **Background Papers**

Report to Extraordinary Report to Council- 5<sup>th</sup> March 2009 – Audit and Inspection  
Letter 2007/8.

Use of Resources Auditor Judgements – 2007/8 (Audit Commission)

12<sup>th</sup> February 2009.

THB/Use of resources feedback 2007/8.-audit committee