

**EXTERNAL AUDITOR'S REPORTS:
USE OF RESOURCES 2009 AND ANNUAL AUDIT LETTER 2008/09
(Report by the Head of People, Performance and Partnerships)**

1. INTRODUCTION

- 1.1 The Comprehensive Area Assessment for Cambridgeshire is informed by Organisational assessments for the public bodies in the County. The Organisational assessment is made up of two individual assessments, Use of Resources (U of R) and Managing Performance. Both assessments are scored, individually (on a scale of 1 to 4 where 1 is inadequate performance and 4 is exceptional) and then brought together for an overall Organisation score. The Organisational assessment score for Huntingdonshire District Council is level 3, performing well.
- 1.2 Grant Thornton, the Council's appointed external auditors have undertaken the Council's U of R assessment. This involved an assessment of three themes; Managing Finances, Governing the business and Managing resources.
- 1.3 Grant Thornton produces an Annual Audit Letter which summarises the key issues from their 2008/09 audit work on the final accounts, U of R assessment and grant claims

2. CONTENT

- 2.1 The Use of Resources assessment has identified key action to be addressed and key areas of strength, please refer to sections 1 to 6 in the attached report.
- 2.2 Overall each theme has been assessed at a level 2; performs adequately – "arrangements consistent with established professional practice and guidance meet statutory requirements and operate effectively".
- 2.3 The U of R assessments has been undertaken since 2005, however, the focus of the assessment has changed to align with the new CAA framework. Previously the focus of the U of R assessment was on the systems and processes used to deliver our services, now the focus is on the outcomes these systems and processes are delivering for local people. Consequently, a new assessment evaluation criteria has been introduced and therefore direct comparison with previous years assessments is not comparable.
- 2.4 Recommendations from the review are set out in Annex A of the report in the form of an action plan including the Councils (Management) response, agreed between the relevant Heads of Service and Directors. Further annex include Annex B - introduces the CAA and new Use of Resources framework, Annex C the scoring and criteria and Annex D the KLOE specified for 2009/2010.
- 2.5 Grant Thornton will present the Use of Resources report to the Corporate Governance Panel on the 9th December.

3. ANNUAL AUDIT LETTER

- 3.1 The Annual Audit Letter brings together the key issues from the audit work undertaken for 2008/09. It covers the audit of the final accounts, the Auditor's assessment of the Council's arrangements for securing economy, efficiency and effectiveness in the U of R, and the certification of grant claims

- 3.2 Grant Thornton will present the Annual Audit Letter to the Corporate Governance Panel on the 9th December.

4. RECOMMENDATIONS

- 4.1 The Panel are asked to:
- a) endorse the Use of Resources report and recommendations in Annex A
 - b) note the Annual Audit Letter

BACKGROUND INFORMATION

Use of Resources 2009
Annual Audit Letter 2008/2009

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