

Recommendations

| Area of review | Recommendations | Responsibility | Timescale | Comment |
|-----------------------------|---|---------------------------------|---------------|--|
| Financial Governance | The Council should address the issues raised by the independent assessment of the IT strategy in place across both Three Rivers DC and Watford BC. | Head of ICT | 12-18 months | The ICT Service has planned a roadmap of changes to be implemented over 12 weeks during which time non-essential changes have been frozen. In tandem with this, work has been done to explore options of alternative delivery models for the service, approval has been granted to producing a detailed requirements specification of the service and proceeding with obtaining detailed costs of outsourcing the service to the private sector. |
| | The presentation of income charges could be improved with the further analysis of other income streams such as property and commercial income included within the monthly budget reporting pack the 'Finance Digest'. | Head of Strategic Finance | By April 2012 | Work is at an advanced stage to produce a monthly detailed analysis of all income streams—and in particular commercial rents. |
| | A complete set of draft accounts with accompanying notes should be provided to audit by the national deadline. | Head of Finance Shared Services | By June 2012 | The Division is in a far better position to produce a complete set of accounts by the end of June 2012. |
| Key Indicators | The Council should consider their current absence management procedures in the light of the 2010/11 staff absence levels. | Head of HR Shared Services | By April 2012 | Leadership Team regularly review absence statistics and it is anticipated further improved procedures will be in place by April 2012. |

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| Financial Control | The Council should consider providing a detailed analysis of the progress of internal audit recommendations to the audit committee on a bi-annual basis. | Head of Strategic Finance | By April 2012 | This has been reviewed by the HOSF and Audit Manager and revised detailed procedures were approved by Leadership Team at its meeting on 13 th December 2011. |
| | Efforts should be made within the finance team to find additional capacity to meet deadlines. | Head of Finance Shared Services | By June 2012 | The detailed timetable for Closing the Accounts for 2011/ 2012 will identify at an early stage where insufficient capacity exists both within Finance and other Shared Service areas. Action will be taken at an early stage to plug any gaps. |
| | The Council should consider adopting a purchaser provider relationship with the finance function and ensuring that no slippage in deadlines occurs and all products and reconciliations are carried out on a regular basis by agreed deadlines. | Head of Strategic Finance | Not to be adopted | •There would appear to be two aspects to this. The first relates to the fact that you only pay for the services you receive. Non performance would incur financial penalties. Whilst this is good in theory, any losses incurred by Shared Services would need to be financed by the constituent authorities. The second aspect appears to relate to having separate Providers of Shared Services which are independent of the constituent bodies. This is considered too expensive for district councils the size of Watford and Three Rivers. |