

# Auditor's Annual Report to Somerset Council (Key Recommendations)

Generated on: 13 August 2024




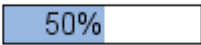

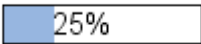

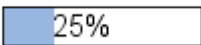

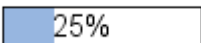
## KR1a) Financial Sustainability Developing and delivering mitigating actions to manage demand and costs in relation to Adults Services

Status	Action Code & Title	Progress Bar	Due Date	Assigned To	Managed By
	KR1a - 1 Embed and deliver the Adults Services transformation programme		31-Mar-2025	Deputy Director - Adults Transformation	Executive Director - Adult Services
	KR1a - 2 Continue to model and challenge demand and cost data to ensure budgets are based on accurate projections		31-Mar-2025	Service Director - ASC Commissioning; Service Director - ASC Operations	Executive Director - Adult Services




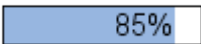


## KR1b) Financial Sustainability Developing and delivering mitigating actions to manage demand and costs in relation to Children's Services




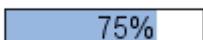
Status	Action Code & Title	Progress Bar	Due Date	Assigned To	Managed By
	KR1b - 1 Embed and deliver the Children's Services transformation programme		31-Mar-2025	Service Director - Commissioning & Performance	Executive Director - Children, Families & Education
	KR1b - 2 Continue to model and challenge demand and cost data to ensure budgets are based on accurate projections		31-Mar-2025	Service Director - Commissioning & Performance	Executive Director - Children, Families & Education

**KR2) Financial Sustainability Implementing the transformation programme at scale and pace in order to address the significant structural budget deficit**


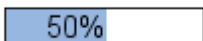

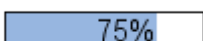


Status	Action Code & Title	Progress Bar	Due Date	Assigned To	Managed By
	KR2 - 1 Embed the emerging governance arrangements for the transformation programme		30-Sep-2024	Service Director - Strategy & Performance	Executive Director - Strategy, Workforce & Localities
	KR2 - 2 Develop detailed business cases for Member and officer scrutiny and approval		30-Nov-2024	Service Director - Strategy & Performance	Executive Director - Strategy, Workforce & Localities
	KR2 - 3 Foster a culture of financial stewardship where the cost and levels of service are routinely and consistently challenged		31-Mar-2025	Service Director - Finance & Procurement	Executive Director - Strategy, Workforce & Localities
	KR2 - 4 Clearly determine the scope and interrelationship of transformational and transitional savings		31-Mar-2025	Service Director - Strategy & Performance	Executive Director - Strategy, Workforce & Localities

**KR3) Financial Sustainability Ensuring proper governance arrangements are in place to oversee the disposal of commercial investment property portfolio following decision by SC to dispose of these investments**


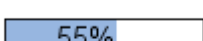
Status	Action Code & Title	Progress Bar	Due Date	Assigned To	Managed By
	KR3 - 1 An exit strategy is developed that ensures best value is obtained as assets are disposed of		31-Mar-2025	Service Director - Strategic Asset Management	Executive Director - Resources & Corporate Service
	KR3 - 2 The income and financing risks associated with the commercial investment property portfolio are managed in the interim		31-Mar-2025	Head of Commercial Investment	Executive Director - Resources & Corporate Service
	KR3 - 3 There is monitoring of income, direct and indirect costs (including financing charges), with a comparison to the original business case for each asset		31-Mar-2025	Service Director - Strategic Asset Management	Executive Director - Resources & Corporate Service

Status	Action Code & Title	Progress Bar	Due Date	Assigned To	Managed By
	KR3 - 4 Landlord responsibilities are discharged		31-Mar-2025	Head of Commercial Investment	Executive Director - Resources & Corporate Service
	KR3 - 5 Financial performance is reported to Members regularly to allow appropriate scrutiny and challenge		31-Mar-2025	Head of Commercial Investment	Executive Director - Resources & Corporate Service





#### **KR4) Financial Sustainability Ensuring that General Fund and Earmarked Reserves are maintained at prudent levels in order to provide financial resilience**

Status	Action Code & Title	Progress Bar	Due Date	Assigned To	Managed By
	KR4 - 1 Urgently mitigate the 2023/24 budget overspend and bridge the 2024/25 and 2025/26 budget gaps in order to reduce their impact on reserves		31-Mar-2025	Service Director - Finance & Procurement	Executive Director - Resources & Corporate Service
	KR4 - 2 Continue to review earmarked reserves to identify resources that can be reallocated to supporting financial resilience		31-Mar-2025	Service Director - Finance & Procurement	Executive Director - Resources & Corporate Service
	KR4 - 3 Determine the minimum prudent level for General Fund Reserves in light of the continuing financial challenges that Somerset Council faces		29-Feb-2024	Service Director - Finance & Procurement	Executive Director - Resources & Corporate Service




#### **KR5) Financial Sustainability Developing a robust DSG Deficit Management Plan**



Status	Action Code & Title	Progress Bar	Due Date	Assigned To	Managed By
	KR5 - 1 Develop a DSG Deficit Management Plan and ensure that sufficient resources are allocated to monitoring and reporting progress against the plan to Members and stakeholders such as the Schools Forum		31-Mar-2025	Service Director - Education	Executive Director - Children, Families & Education






**KR6) Governance Continuing to develop the functionality of the Microsoft Dynamics finance system and resolve outstanding processes at pace to ensure that the system supports efficient and accurate financial reporting**

Status	Action Code & Title	Progress Bar	Due Date	Assigned To	Managed By
	KR6 - 1 Continue to develop financial processes relating to interfaces, invoice payment and data validation to ensure that transactions are promptly and efficiently processed and that the data within the finance system is accurate and complete	<div style="width: 75%;"><div style="background-color: #4F81BD; color: white; padding: 2px;">75%</div></div>	31-Jul-2024	Head of Corporate Finance	Service Director - Finance & Procurement
	KR6 - 2 Develop standardised system generated budget monitoring reports for budget holders to ensure that timely and efficient budget monitoring arrangements are in place	<div style="width: 60%;"><div style="background-color: #4F81BD; color: white; padding: 2px;">60%</div></div>	31-Mar-2025	Head of Corporate Finance	Service Director - Finance & Procurement
	KR6 - 3 Ensure that finance system users are adequately trained and understand their roles and responsibilities	<div style="width: 100%;"><div style="background-color: #4F81BD; color: white; padding: 2px;">100%</div></div>	31-Mar-2025	Head of Corporate Finance	Service Director - Finance & Procurement
	KR6 - 4 Apply the lessons learned from the implementation of Microsoft Dynamics to future system implementations undertaken as part of the transformation programme	<div style="width: 80%;"><div style="background-color: #4F81BD; color: white; padding: 2px;">80%</div></div>	31-Mar-2025	Head of Corporate Finance	Service Director - Finance & Procurement

**KR7) Improving Economy, Efficiency and Effectiveness Implementing robust procurement and contract management arrangements at Somerset Council**

Status	Action Code & Title	Progress Bar	Due Date	Assigned To	Managed By
	KR7 - 1 Consider the strengths and weaknesses identified in each of the predecessor council's arrangements	<div style="width: 100%;"><div style="background-color: #4F81BD; color: white; padding: 2px;">100%</div></div>	31-May-2024	Strategic Manager - Commercial & Procurement	Executive Director - Resources & Corporate Service
	KR7 - 2 Ensure that procurement waivers are regularly reviewed by Audit Committee	<div style="width: 75%;"><div style="background-color: #4F81BD; color: white; padding: 2px;">75%</div></div>	31-Aug-2024	Strategic Manager - Commercial & Procurement	Executive Director - Resources & Corporate Service
	KR7 - 3 Ensure that staff receive appropriate procurement and contract management training	<div style="width: 80%;"><div style="background-color: #4F81BD; color: white; padding: 2px;">80%</div></div>	31-Mar-2025	Strategic Manager - Commercial & Procurement; Strategic Manager - Commercial & Procurement	Executive Director - Resources & Corporate Service

Status	Action Code & Title	Progress Bar	Due Date	Assigned To	Managed By
	KR7 - 4 Address the weaknesses identified at Somerset County Council with regard to contract management and the Athena contract		31-Mar-2025	Strategic Manager - Commercial & Procurement	Executive Director - Resources & Corporate Service

Action Status	
	Cancelled
	Overdue; Neglected
	Unassigned; Check Progress
	Not Started; In Progress; Assigned
	Completed