

<b>USE OF RESOURCES 2007</b>				
<b>OPPORTUNITIES FOR IMPROVEMENT IDENTIFIED BY THE EXTERNAL AUDITOR</b>				
<b>THEME 1 - FINANCIAL REPORTING</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
1.1 Continue to improve working papers to avoid unnecessary questions from the auditor.	<p>The external auditor's Use of Resources assessment 2007 noted that:</p> <ul style="list-style-type: none"> <li>• The Council produced good annual accounts for 2006/07 that were supported by a comprehensive set of working papers.</li> <li>• There were improvements in the working papers supporting the 2006/07 annual accounts.</li> <li>• There was scope for further improvement.</li> </ul> <p>The Financial Services team was under-resourced during the annual accounts process for 2006/07 and performed well given the level of agency staff and vacancies being managed at that time whilst a new structure was being implemented. The new staffing arrangements are in place and the task for the 2007/008 annual accounts process is to ensure consistency in good practice in all working papers.</p>	<p>Review working papers for the 2006/07 annual accounts with the external auditor and agree areas for improvement. The external auditor has attended a Corporate Finance Group to outline expectations.</p> <p>Ensure formal briefing on working paper preparation is incorporated into the annual accounts timetable for 2007/08 and that written guidance is issued to the annual accounts team. Working papers should 'stand alone' and not require further analysis from the external auditor. Emphasis will be placed on areas for improvement agreed with the external auditor.</p> <p>Ensure time is allocated within the annual accounts timetable for 2007/08 for the Head of Financial Services or his nominated representative to review all working papers prior to the draft accounts being submitted to the external auditor.</p>	Head of Financial Services.	February 2008.

<b>THEME 1 - FINANCIAL REPORTING</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
1.2 At least two members of staff should have a working knowledge of each entry within the accounts due to possible illnesses or leave.	The comments in 1.1 relating to staff vacancies within the Financial Services team at the time last year's annual accounts were being audited are also pertinent to this opportunity for improvement.	<p>Ensure that the guidance on working papers issued to annual accounts team:</p> <ul style="list-style-type: none"> <li>• Identifies the lead officer responsible for each working paper.</li> <li>• Identifies a nominated representative for each working paper lead officer.</li> <li>• Requires the working paper lead officers to brief their nominated representative so that both are able to deal promptly with external auditor questions.</li> </ul>	Head of Financial Services.	February 2008.
1.3 The Council should review all figures within the accounts for reasonableness prior to presentation to external audit.	<p>The external auditor's Use of Resources assessment 2007 noted that there were three non-trifling errors in the annual accounts for 2006/07.</p> <p>It is accepted that more thorough review of working papers and greater analysis of changes compared to the previous year would help identify errors prior to submission of the draft accounts.</p>	<p>Ensure that guidance on working papers issued to the annual accounts team includes the requirement to explain significant year-on-year variations.</p> <p>Ensure that the Head of Financial Services / nominated representative review of all working papers checks that significant variances have been fully explained.</p>	Head of Financial Services.	February 2008.

<b>THEME 1 - FINANCIAL REPORTING</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
1.4 The Council should consider completing an annual report.	<p>The external auditor's Use of Resources assessment 2007 noted that the Council produced a good summary report that had been improved upon in the last year.</p> <p>The new format proposed for the next Corporate Plan will provide a good basis for producing an annual report.</p> <p>The communications team should lead on the production of the annual accounts with content provided by the Policy &amp; Performance and Financial Services teams.</p>	Produce an annual report covering the 2007/08 year in conjunction with the Head of Policy & Performance and the Head of Financial Services.	Head of Communications.	August 2008.

<b>THEME 2 - FINANCIAL MANAGEMENT</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
2.1 The Council's Medium Term Financial Management Strategy needs to have clear links to other key strategy documents for example the Human Resources Plan.	The external auditor's Use of Resources assessment 2007 noted that the Council has a good medium term financial strategy that is linked to the key strategic objectives outlined in the Corporate Plan for the same period.	<p>Ensure that the medium term financial strategy for 2008 – 2011 describes how the links to other key strategies will be created and developed as they evolve. The other corporate resourcing strategies also need</p> <p>The Interim Head of HR provided commentary that has been included in the financial strategy 2008 – 2011. This needs further development in consultation with the Interim Head of HR.</p>	Head of Financial Services.	March 2008.
2.2 An assurance statement from the Director of Resources regarding estimates used for the purpose of budget calculations should be made in the annual budget book.	Nothing further to add.	Ensure that the budget book for 2008/09 includes a positive assurance statement from the Director of Resources regarding estimates used for the purpose of budget calculations.	Director of Resources.	March 2008.

<b>THEME 2 - FINANCIAL MANAGEMENT</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
2.3 The assignation list for revenue and capital budgets needs updating.	Directors are responsible for identifying budget holders and notifying changes to the Director of Resources / Head of Financial Services as and when they occur.	<p>Ensure that the list of budget holders is up to date by writing to all members of the Corporate Management Board asking them to confirm delegations to budget holders.</p> <p>Include a requirement to confirm that changes in budget holder arrangements have been notified promptly in the quarterly assurance statement all Key Managers must certify.</p>	<p>Head of Financial Services.</p> <p>Chief Internal Auditor.</p>	<p>March 2008.</p> <p>June 2008 and quarterly thereafter.</p>

<b>THEME 2 - FINANCIAL MANAGEMENT</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
2.4 The Corporate Business plan needs to include sensitivity analysis (same improvement requirement noted last year).	<p>We have confirmed with the external auditor that this reference relates to the Council's Medium Term Financial Management Strategy 2007 – 2010.</p> <p>The financial strategy 2007 – 2010 contained a brief reference to the impact a change in planning assumptions within the financial resource model would have on the Council's financial capacity to deliver its spending plans.</p>	Provide a more thorough assessment of the impact of changes in the key assumptions underpinning the financial resource model within the financial strategy for 2008 – 2011, linking this to the policy on general reserves.	Head of Financial Services.	March 2008.
2.5 Reported Performance Indicators within the IPR should be correctly stated.	The external auditor has been asked to provide specific examples of misstatement.	All Directors are responsible for ensuring that performance management information is accurate.	Directors.	Ongoing.

<b>THEME 2 - FINANCIAL MANAGEMENT</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
2.6 All budgets have to be carefully monitored to ensure that overspends and under spends are managed (ICT).	The external auditor's Use of Resources assessment 2007 noted that the Integrated Performance Report (IPR) has continued to embed into the culture of the council and that the financial information is up to date.	Ensure that routine capital and revenue budget monitoring procedures continue to be rigorous in identifying and reporting potential issues in ICT and all other areas of Council activity.	Head of Financial Services.	Ongoing.
	The external auditor has linked this opportunity for improvement to ICT given the circumstances leading up to the Crookall Review last year but it is relevant to all areas of activity.	All Directors to continue to monitor their budgets in line with the Financial Procedure Rules.	Directors.	Ongoing.
	ICT and Financial Services have worked together closely since summer 2007. The ICT finance team has transferred to Financial Services. There is now a much better understanding of the financial position for ICT services as reported to Cabinet in the bimonthly Integrated Performance Reports for 2007/08. The draft financial strategy for 2008 – 2011 is awaiting approval. ICT infrastructure investment and operational costs have been flagged as a potential risk.	The Head of Financial Services and Acting Head of ICT Services continue to meet on a fortnightly basis.	Acting Head of ICT Services.	Ongoing.

<b>THEME 2 - FINANCIAL MANAGEMENT</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
2.7 Financial information produced should be accurate and meet the needs of members and senior officers (ICT).	The external auditor has linked this opportunity for improvement to ICT given the circumstances leading up to the Crookall Review in November 2007 but it is relevant to all areas of activity.	Ensure that strong professional leadership is provided to the Council's financial management staff.	Director of Resources / Head of Financial Services.	Ongoing.
	All finance teams have now transferred to Financial Services to ensure robust professional support to all staff providing financial management advice to the Council.	Ensure that all members of the financial services team have the appropriate professional qualifications, skills and training to fulfil their responsibilities (Staff Review & Development).	Head of Financial Services.	Ongoing.
	All Directors have been reminded of their responsibility to seek advice and guidance from the Director of Resources / Head of Financial Services on all reports requiring a formal decision.	Ensure all Directors consult with the Director of Resources or Head of Financial Services as required on formal decisions.	Chief Executive.	Ongoing.
	The Director of Corporate & Customer Services has reported progress on specific concerns within ICT to the Audit & Corporate Governance Committee.			



<b>THEME 2 - FINANCIAL MANAGEMENT</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
2.8 Training needs to be continued with all relevant staff and members receiving the financial training needed in order for them to carry out their job.	There is an ongoing programme of financial training for staff that includes procurement, risk and audit related issues. From Spring 2008 this will be in three parts with attendees receiving a certificate for financial management. This training is being adapted for councillors.	<p>Establish a rolling programme of financial awareness sessions for councillors based on the training provided to staff.</p> <p>Ensure training is provided to the Audit &amp; Corporate Governance Committee on how to interpret and ask questions on the annual accounts.</p>	<p>Head of Financial Services.</p> <p>Head of Financial Services.</p>	<p>March 2008.</p> <p>May 2008.</p>
2.9 Procedures should be put in place to ensure all figures included within the financial systems of the Council are checked for reasonableness.	This comment relates to an issue identified in the Annual Governance Report for 2007. Information supplied by the Asset Management & Property Services team was not thoroughly reviewed by the Financial Services team.	<p>The agreed action in response to recommendation 2 in the Annual Governance Report for 2007 refers:</p> <p><i>'The Head of Financial Services and Head of Asset Management &amp; Property Services will jointly review the asset register held for accounting purposes to ensure that the values attached to additions, disposals and revaluations are reasonable. This will be established as a new task on the final accounts work programme for 2007/08.'</i></p>	Head of Financial Services and Head of Asset Management & Property Services.	May 2008 and annual thereafter.

<b>THEME 2 - FINANCIAL MANAGEMENT</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
2.10 More robust financial appraisals are required.	<p>The external auditor recognises that the Council generally does make investment decisions on the basis of a thorough appraisal and has linked this comment specifically to the Herefordshire Connects programme. It is, however, relevant to all areas of activity.</p> <p>The new Financial Procedure Rules and Contract Procedure Rules clearly set out the requirement for a full options appraisal on all projects likely to cost more than £140,000 in total that includes a full financial appraisal of each option.</p>	All Directors must ensure that the section on alternative options in the formal report template is completed in full and in consultation with the Director of Resources / Head of Financial Services and the Head of Legal & Democratic Services.	Directors.	Ongoing.

<b>THEME 3 - FINANCIAL STANDING</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
3.1 The MTFS needs to continue to embed into the culture of the Council.	<p>Opportunity for improvement numbered 2.1 refers.</p> <p>The Council approved a medium term financial strategy for the first time in March 2007. This is now being refreshed to cover the next 3-year financial period from April 2008 to March 2011.</p>	<p>Ensure that the refreshed medium term financial strategy is formally approved by Council in March 2008 when the budget and Council Tax for 2008/09 is set.</p> <p>Ensure that the medium term financial strategy is reviewed as part of the Integrated Performance Report process in 2008/09 in order to provide timely advice to Cabinet on any significant changes in the key financial assumptions. The Integrated Performance Report will include a section identifying issues for consideration as the financial strategy is next formally reviewed.</p>	<p>Director of Resources.</p> <p>Head of Financial Services.</p>	<p>March 2008 &amp; ongoing.</p> <p>First budget monitoring report for 2008 and each one thereafter.</p>
3.2 The Budget Book should contain a positive assurance statement from the Director of Resources.	Opportunity for improvement numbered 2.2 refers.	See 2.2.	See 2.2.	See 2.2.

<b>THEME 3 - FINANCIAL STANDING</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
3.3 The management of debt monitoring needs to continue to improve.	<p>Performance in Council Tax and Non-Domestic Rates improved considerably in 2006/07 and is being maintained in the current financial year.</p> <p>Performance in recovering overpaid housing benefit is improving in the current financial year.</p> <p>Better quality aged debt analyses are now being produced. Old irrecoverable debts are being written off and new debts are being managed more proactively as the likelihood of recovery decreases with age.</p>	Ensure debt management strategies and monitoring arrangements are developed as part of planned services improvements in Benefit & Exchequer Services in 2008/09.	Head of Benefit & Exchequer Services.	March 2008/09.
3.4 Links between the IPR an MTFS need to be improved upon.	Opportunity for improvement 3.1 refers.	See 3.1.	See 3.1.	See 3.1.

<b>THEME 4 - INTERNAL CONTROL</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
4.1 Further embed risk into the culture of the Council.	<p>The external auditor's Use of Resources assessment 2007 noted that risk management had improved but that there was scope for further development.</p> <p>Thirteen training sessions for staff have been held in the last month, with a further five planned. The feedback from these training sessions has been very positive. The training session will be adapted for inclusion in the member development programme.</p>	All Directors to provide assurance with evidence as part of their routine performance management arrangements that risk management is embedded within their Directorates.	Directors.	Ongoing.
4.2 Specific terms of reference for the Member Champion in relation to risk management should be drawn up.	Nothing further to add; risk management falls within the remit of the Cabinet Member (Resources).	Ensure that specific terms of reference for the Member Champion for Risk Management (Cabinet Member (Resources)) are drawn up.	Risk & Insurance Manager.	March 2008
4.3 Develop Departmental risk registers which clearly align with the corporate risk register.	Directors are required to review their directorate risk registers on a monthly basis to ensure that information flows in both directions. The corporate risk register is reported to Cabinet on a bimonthly basis as part of the Integrated Performance Report.	All Directors to ensure that their Directorate risk register is regularly reviewed and informs / is informed by the corporate risk register.	Risk & Insurance Manager.	Ongoing from April 2008

<b>THEME 4 - INTERNAL CONTROL</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
4.4 Ensure policies and procedures are complied with Council wide.	<p>This comment relates to the <i>'serious flaws within the application of internal control arrangements that have been uncovered within ICT by Internal Audit during 2007.'</i></p> <p>The Director of Corporate &amp; Customer Services has taken action to address this issue and has been reporting progress to the Audit &amp; Corporate Governance Committee.</p> <p>The audit services team continue to review the robustness of and level of compliance with agreed policies and procedures in line with the risk-based audit plan. The Chief Internal Auditor provides the Audit &amp; Corporate Governance Committee with regular updates on issues of concern identified during planned and ad-hoc audit reviews.</p>	<p>Ensure implementation of the outstanding recommendations in the Director of Resources' special report and the Crookall Review. These are being drawn together in a single integrated action plan. The Crookall review acknowledged the likelihood this could take up to a year.</p>	Chief Executive.	December 2008.

<b>THEME 4 - INTERNAL CONTROL</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
4.5 Ensure all expenses expenditure is correctly authorised taking into account the Council Constitution.	Opportunity for improvement 4.4 refers.	See 4.4.	Chief Executive.	December 2008
4.6 Produce an action which will address the concerns raised in the Crookall report.	Opportunity for improvement 4.4 refers.	See 4.4.	Chief Executive.	December 2008.
4.7 Introduction of a consolidated Business Continuity Plan.	<p>This is a 'must have' criterion for the 2008 Use of Resources assessment and a plan needs to be in place by 31<sup>st</sup> March 2008..</p> <p>Herefordshire's service level business continuity planning is well advanced compared to other councils in the Local Resilience Forum.</p> <p>Work is in progress to develop a consolidated business continuity plan by 31<sup>st</sup> March 2008 ready for testing in 2008/09.</p>	Director of Corporate & Customer Services to ensure a consolidated business continuity plan is in place for 31 <sup>st</sup> March 2008 for testing in 2008/09.	Director of Corporate & Customer Services.	March 2008.

<b>THEME 4 - INTERNAL CONTROL</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
4.8 Ensure regular reconciliations are carried out of all major feeder systems.	All major feeder systems to the Council's corporate financial ledger should be reconciled at a frequency to be agreed with the Chief Internal Auditor. Normal expectation is that this is a monthly activity.	Directors to consult with the Chief Internal Auditor to agree the frequency of reconciliations for all major feeder systems in their Directorate. Directors are to ensure this is reflected in procedural instructions to employees.  Include a requirement to confirm that reconciliations for all major feeder systems are up to date in the quarterly assurance statement all Key Managers must certify.	Directors  Chief Internal Auditor.	March 2008.  June 2008 and quarterly thereafter.
4.9 Ensure that all Members and officers are aware of the need to complete the gifts and hospitality register where required.	Officers and councillors submit on a regular basis the appropriate forms on Gifts and Hospitality. For officers, these forms are counter-signed by the Directors concerned. For councillors, these forms are overseen by the Monitoring Officer.	Officers and members are aware of the need to register such gifts and hospitality.  The Monitoring Officer receives regular notifications of hospitality.	Head of Legal & Democratic Services.	Ongoing.
4.10 Put in place processes which ensure the register is regularly reviewed to ensure compliance with the Council's own constitution.	The register is reviewed by both internal audit and external audit.	If action is required the Monitoring Officer informs councillors and officers.	Head of Legal & Democratic Services.	Ongoing.



<b>THEME 4 - INTERNAL CONTROL</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
4.11 PRINCE methodology should be used for all procurement projects which should be incorporated within Council constitution.	The Council has redrafted its Contract Procedure Rules (subject to approval by Council on 7 <sup>th</sup> March 2008). The new procedure rules are much more explicit on how the procurement process should be managed and which officers are accountable for each part of the process. A full financial appraisal of all options for procurement exercises valued at more than £140,000 in total shall be required. Full PRINCE methodology will be deployed in support of strategic procurement exercises.	Adapt financial management training to ensure full coverage of the new Contract Procedure Rules	Head of Financial Services / Strategic Procurement Manager.	Training courses to run from April 2008.

<b>THEME 5 - VALUE FOR MONEY</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
5.1 Improve the cost versus performance ratio in a number of key service areas including performance in Environment, Planning and Transport.	Value for money is a key theme of the 2008-2011 Environment Plan. Work has already begun on identifying top performing comparable services in other authorities and on bench marking both costs and performance. Each service, as part of the plan, is producing an action plan to deliver both improvements in cost and performance and to be comparable with best in class at the end of the period.	Director of Environment to continue to monitor progress with service improvement plans very closely, reporting progress through the bi-monthly Integrated Performance Reports	Director of Environment.	Ongoing.

<b>THEME 5 - VALUE FOR MONEY</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
5.2 Further embed of improvement needed in Children's and Adults Social Care where investment has been made.	The Children & Young People's Services Directorate, working closely with its partners, has made significant improvement. The recent Annual Performance Assessment (APA) outlined significant progress in early years and extended schools, 14 - 19 and in education standards, particularly at Key Stages 2 - 4. Progress has been made in addressing the issues in social care which were identified in the 2005 Joint Area Review (JAR) against Government Office for the West Midlands (GOWM) targets. This is an area that is closely monitored as recruitment and retention remains a high profile issue. The APA process for 2007 identified areas for improvement which we are now working to address. The improved APA in 2007 led to the end of formal intervention by the Minister.	Director of Children & Young People's Services to continue to monitor progress with service improvement plans very closely, reporting progress through the bi-monthly Integrated Performance Reports.	Director of Children & Young People's Services.	Ongoing.

<b>THEME 5 - VALUE FOR MONEY</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
Continued 5.2 above - further embed of improvement needed in Children's and Adults Social Care where investment has been made.	The Adult Social Care Service continues to focus on improving outcomes for service users and carers. The Council continues to prioritise investment in modernising and improving the service, in particular, to help more people to live independently at home. The Herefordshire Connects Programme has prioritised the implementation of a new Social Care Records System during 2008. Progress has been made in addressing the issues identified in the 2007 learning disabilities inspection and following the 2007 APA progress, a single action plan has been developed to drive further improvement in Adult Social Care.	Director of Adult & Community Services to continue to monitor progress with service improvement plans very closely, reporting progress through the bi-monthly Integrated Performance Reports.	Director of Adult & Community Services.	Ongoing.

<b>THEME 5 - VALUE FOR MONEY</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
5.3 Revise the corporate performance framework to include a systematic review of value for money.	The new Performance Improvement Framework for 2008/09 will ensure that each service plan authors carry out a systematic review of Value for Money for their areas of responsibility.	The new Performance Improvement Cycle requires service managers to set out a plan for reviewing Value for Money.	Service Managers.	Ongoing in 2008/09.
5.4 Implement a consistent corporate approach to benchmarking costs.	Benchmarking data is to be included in the Integrated Performance Reports for 2008/09.	The revised Performance Improvement Cycle requires service managers to include benchmarking information in their service plans along with planned actions for the improvement opportunities they present. Guidance is provided to service managers.	Service Managers.	Service planning in 2008/09.

<b>THEME 5 - VALUE FOR MONEY</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
5.5 Gather cost and performance profiles of services for various user groups across all services.	<p>This will be possible for adult social care services as a result of the needs analysis work that has been undertaken for various user groups.</p> <p>The statutory joint needs assessment with health that is being scopes will provide the basic data for the Comprehensive Area Assessment (CAA).</p> <p>Consideration needs to be given to how cost and performance profiles are developed for user groups not covered by this statutory requirement.</p>	Prepare proposals on how to address this opportunity for improvement for all services.	Head of Policy & Performance.	June 2008.

<b>THEME 5 - VALUE FOR MONEY</b>				
<b>Opportunity for improvement</b>	<b>Commentary</b>	<b>Management Action</b>	<b>Who</b>	<b>When</b>
5.6 Target should be set and applied to improve efficiency and value for money.	<p>The draft medium term financial strategy for 2008 – 2011 incorporates efficiency targets for all Directorates as they are reflected in their cash allocations for the next 3-year period. All Directors are required to manage within the cash allocation for their Directorate. All Directors have confirmed that they can make efficiency savings (and not service cuts) sufficient to balance their budget in 2008/09.</p> <p>The budget for 2008/09 includes efficiency savings of over £2m. These have been allocated to Directorates as budget reductions.</p>	The identified efficiency savings forming part of the 2008/09 budget are being monitored separately by the Benefits Review Group chaired by the Head of Financial Services. Any significant variances will be reported as part of the Integrated Performance Report process.	Head of Financial Services.	Ongoing.

**NOTE:** The text in the 'opportunity for improvement' column is taken from the external auditor's Use of Resources report for 2006/07.

