

USE OF RESOURCES – NEXT STEP DOCUMENT

Use of Resources 2006 Summary

The table below sets out my assessment of our current standing against the new Use of Resources criteria for 2007 in the light of our 2006 judgement. I have checked my assessment with the District Auditor and have confirmed with him that the approach to improvement suggested in this document is an appropriate way forward.

KLOE (Key Lines of Enquiry)	Assessment	Target Score 2007	Actual Score 2006
Financial reporting	Our 2006 score represents a comfortable 3 for financial reporting.	3	3
1.1 The Council produces annual accounts in accordance with relevant standards and timetables, supported by comprehensive working papers	To get closer to the top of a 3, we need to ensure total consistency in approach from all areas in feeding in to the final accounts process.	3	3
1.2 The Council promotes external accountability	To achieve a 4, we need to: <ul style="list-style-type: none"> • ‘wow’ the auditor on our accounts closure procedures – closing very early, with no errors and excellent working papers.; and • embed the improvements on public accountability. <p>Given the change in timing of the Use of Resources assessment in 2007, achieving a 4 on both aspects of this KLOE is unlikely.</p>	4	3
Financial management	Our 2006 score for financial management is not a strong 3 score.	3	3
2.1 The Council’s medium-term financial strategy, budgets and capital programme are soundly based and designed to deliver its strategic priorities.	The improvements made over the last 12 months have been recognised but they need to embed to strengthen the current score. Given the change in timing of the Use of Resources assessment, insufficient time may be available to show that the cultural change in financial management has taken hold. A significant number of the criteria for KLOEs 2.1 and 2.2 have become ‘must haves’ for 2007 so they are likely to be examined in greater depth.	3	3
2.2 The Council manages performance against budgets.		3	3
2.3 The Council manages its asset base.	Whilst we have most of the expected building blocks in place for managing our asset base, my assessment is that we need to link asset planning into corporate and service planning processes in the same way that we have for cash resources. A dip in our current score could occur before we can consolidate our position.	2	3

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Financial standing	Our current score for financial standing is a strong 2.	3	2
3.1 The Council manages its spending within the available resources.	Improvement to a 3 in the 2007 assessment is possible with some further work on reserves and balances and improved accuracy of forecasting both over and under spending. This KLOE and that on financial management are linked.	3	2
Internal control	Our current score for internal control is a marginal 2.	3	2
4.1 The Council manages its significant business risks.	The weakest element of this KLOE is 4.3 with the District Auditor's particular concern being the extent to which we promote our policies for detecting and dealing with fraud and corruption.	3	2
4.2 The Council has arrangements in place to maintain a sound system of internal control.		3	2
4.3 the Council has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business.		3	2
Value for money	Overall our 2006 score is a comfortable 3	3	3
5.1 The Council achieves good value for money.	However, we are stronger on achieving the outcome than we are on process despite the significant dip in some of our BVPIs in 2005/06 (e.g. benefits). The fact that these BVPIs are improving in 2006/07 will help strengthen next year's assessment but there is much work to do to ensure a consistent approach to efficiency review.	3	3
5.2 The Council manages and improves value for money.		3	3
OVERALL SCORE	Improving our overall Use of Resources score will require corporate effort to stand still given the change in timing of the judgement and a further tightening of the criteria. It is unlikely to result in an overall improvement in our 2007 score.	3	3

1. FINANCIAL REPORTING		
How good are the council's financial accounting and reporting arrangements?		
Key line of enquiry		
1.1 The council produces annual accounts in accordance with relevant standards and timetables, supported by comprehensive working papers		
Audit Focus		
Evidence that:		
<ul style="list-style-type: none"> the council's accounts are compiled in accordance with statutory and professional reporting standards the council's accounts are supported by comprehensive working papers the accounts and supporting working papers are prepared and approved in accordance with relevant timetables 		
Level 2 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
* The council's accounts were prepared in accordance with statutory requirements, statutory/regulatory timetables, relevant accounting and reporting standards, and the council's agreed accounting policies.	None.	
* The auditor received auditable accounts, including a complete set of financial statements, disclosures and notes, in accordance with the timetable agreed with the audited body.	None.	
*The accounts submitted for audit presented fairly, but contained several non-trivial errors.	None.	
* Comprehensive working papers supporting the accounts were provided at the start of the audit to the standard specified by the auditor.	None.	
* Guidance made available to staff on final accounts closedown procedures, including relevant timetables agreed with the auditor and allocation of tasks to individual members of staff, were adhered to.	None.	

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* The council ensured that appropriate, knowledgeable and skilled staff were available to deal with external auditors' queries, to substantiate assertions, and to explain items of account.	None.	
* The auditor gave an unqualified opinion.	None.	
Level 3 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
* The accounts submitted for audit presented fairly and contained only a small number of non-trivial errors.	None.	Head of Financial Services and his team of accountancy managers will need to ensure that all the auditor's requests for information are dealt with promptly. A record of all such requests will be kept.
* All additional requests from the auditor were responded to promptly in accordance with any agreed deadlines. (now bold)	Although this is being achieved we need to note that this is now a 'must have' criteria.	
* The accounts submitted to the council/committee meeting at which they were approved were accompanied by an explanatory paper providing interpretation of the accounts and highlighting key issues for the benefit of members.	None.	
* The accounts were subject to robust member scrutiny prior to approval.	None.	
Level 4 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
The accounts submitted for audit presented fairly and contained only errors considered 'clearly trivial'.	None.	Head of Financial Services to review closing timetable for 2006/07 to ensure he has the opportunity to exercise quality control over all working papers submitted by the accountants.
The quality of the working papers provided was	Improve the quality of working papers from the	Head of Financial Services to review closing

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<p>exemplary.</p>	<p>capital team by providing full explanations in the working papers rather than references that say 'see capital accountant'.</p> <p>Improve the quality of analytical review undertaken by the Children & Young Peoples finance team to reduce the need for the auditor to undertake follow-up work.</p>	<p>timetable for 2006/07 to ensure he has the opportunity to exercise quality control over all working papers submitted by the accountants.</p> <p>Head of Financial Services to review closing timetable for 2006/07 to ensure he has the opportunity to exercise quality control over all working papers submitted by the accountants.</p>
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1. FINANCIAL REPORTING		
How good are the council's financial accounting and reporting arrangements?		
Key line of enquiry		
1.2 The council promotes external accountability		
Audit Focus		
Evidence that:		
<ul style="list-style-type: none"> the council publishes its accounts in accordance with statutory requirements the council publishes summary accounts/annual report in a way that is accessible to the public 		
Level 2 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
* The council publishes its accounts and publicises how local electors can exercise their rights, in accordance with the requirements of the Accounts & Audit Regulations 2003.	None.	
* The council publishes the annual audit letter in accordance with the requirements of the Accounts & Audit Regulations 2003.	None.	
* The agenda, reports and minutes for meetings of full council, committees and scrutiny panels are made available to the public (for example on the council's website) on a timely basis.	None.	
Level 3 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
* The council can demonstrate that it is considering the views of a range of stakeholders in making its decision whether to publish an annual report. (now bold)	Need to ensure that we consult stakeholders on the preferred format of the annual report. This is now a 'must have'.	Discuss with Head of Communications – need to write to key stakeholders with a copy of the current summary leaflet asking for comments / enclosing a questionnaire. This will back-up the invitation to comment already included in the document – only positive comment received.

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<p>* The council publishes summary financial information that meets the needs of a range of stakeholders. (now bold)</p>	None.	
<p>* The most recent published accounts, in either full or summary format, are available on the council's website.</p>	None.	
<p>* The most recent published annual audit letter is available on the council's website.</p>	None.	
<p>Level 4 Criteria for Judgement</p>	<p>Improvement opportunity in Use of Resources report 2006</p>	<p>Next Steps</p>
<p>The council publishes an annual report or similar document which includes summary accounts and an explanation of key financial information/technical terms designed to be understandable by members of the public.</p>	None.	
<p>The annual report or similar document is available in a wide variety of formats to meet local user needs (for example different languages, large print, speaking version).</p>	None.	

2. FINANCIAL MANAGEMENT		
How well does the council plan and manage its finances?		
Key line of enquiry		
2.1 The council's medium-term financial strategy, budgets and capital programme are soundly based and designed to deliver its strategic priorities		
Audit Focus		
Evidence that:		
<ul style="list-style-type: none"> the council's corporate business plan (that sets out its aims and objectives) is linked to its financial planning and management the council's budgets and capital programme are based on robust medium-term financial projections and risk assessments 		
Criteria for Judgement		
Level 2 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
* The council has put in place a medium-term (three year) financial strategy which is linked to its key strategic objectives, and takes account of both local improvement priorities and national priorities.	None.	
* The medium-term financial strategy models' income and expenditure over a minimum of three years and is reviewed and updated at least annually.	None.	
* A comprehensive and balanced revenue budget has been set, based on realistic projections about pay, inflation, and known service and capital development plans.	None.	
* The financing of expenditure is transparently explained in budget summaries and reports.	None.	
* Budgets are revised annually in light of the reasons for and consequences of the previous year's outturn and are linked to the medium-term financial strategy.	None.	
* An affordable capital programme has been	None.	

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<p>agreed and the current and future funding of this is built into revenue planning.</p> <p>* Budget holders are involved in the budget setting process.</p> <p>* Budgets are subject to review by senior officers and members.</p> <p>* Each capital and revenue budget is assigned to the individual manager best able to use and control it.</p> <p>* The council undertakes cash-flow monitoring which is used to inform short- and long-term investment decisions. (now bold)</p> <p>* The budget reported to members includes a positive assurance statement from the chief finance officer about the robustness of estimates made for the purposes of the budget calculations, in accordance with the requirements of section 25 of the LG Act 2003.</p> <p>* Prudential indicators are applied in assessing the affordability of capital projects.</p>	<p>None.</p> <p>None.</p> <p>None.</p> <p>None but need to note that this is now a 'must have'.</p> <p>None.</p> <p>None.</p>	<p>Head of Financial Services to review current arrangements to ensure they are in line with best practice and are feeding through to both budget setting and budget monitoring for the Financing Transactions budget page.</p>
<p>Level 3 Criteria for Judgement</p>	<p>Improvement opportunity in Use of Resources report 2006</p>	<p>Next Steps</p>
<p>* Business planning is integrated with financial planning.</p> <p>* The corporate business plan drives the medium-term financial strategy and internal resource allocation, with changes in</p>	<p>Need to ensure innovations during last financial year are embedded into the Council's culture.</p> <p>None.</p>	<p>Director of Resources / Head of Financial Services to maintain progress and close working relationship with Corporate & Customer Services / Policy & Performance Team.</p>

<p>allocations determined in accordance with policies and priorities.</p> <p>The corporate business plan projects forward at least three years and takes account of each of the following:</p> <ul style="list-style-type: none"> • stakeholder and partner consultation • external drivers, including funding variations and requirements to improve efficiency • capital investment plans and their revenue implications • risk assessments and financial contingency planning • sensitivity analysis • expected developments in services. <p>* The council's medium-term financial strategy is linked to other internal strategies/plans as appropriate, such as human resources, IT.</p> <p>* The key messages from the council's medium-term financial strategy are communicated to staff and stakeholders as appropriate. (now bold)</p> <p>* Budgets are linked to:</p> <ul style="list-style-type: none"> • the medium-term financial strategy and high level budgets for future years within this • business and activity plans • risk assessments of material items of revenue and capital income and expenditure, incorporating lessons learned from previous years <p>The council regularly reviews financial management arrangements to ensure that they remain 'fit for purpose', and keeps the financial services function under review to consider</p>	<p>Need to include a sensitivity analysis in the next update of the MTFMS.</p>	<p>Director of Resources / Head of Financial Services to update MTFMS for March Council to set Council Tax so this improvement is captured in the 2006/07 financial year.</p>
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<p>capacity, resourcing and training needs.</p> <p>* There are project appraisals, business plans and affordability tests for new policy and capital developments.</p>	<p>The new system for revenue budget options on the Invest to Save / Invest to Mitigate theme needs to embed.</p>	
Level 4 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>The medium-term financial strategy describes in financial terms joint plans agreed with partners and other stakeholders.</p>	<p>Not yet assessed by the auditor.</p>	<p>Need to include in the next update of the MTFMS – areas for consideration include LAA, Section 31 Agreements. Director of Resources / Head of Financial Services to update MTFMS for March Council to set Council Tax so this improvement is captured in the 2006/07 financial year.</p>
<p>The medium-term financial strategy models balances and resource requirements over a minimum of three years.</p>	<p>Not yet assessed by the auditor.</p>	<p>Need to set minima and maxima for reserves and balances in the next update of the MTFMS. Director of Resources / Head of Financial Services to update MTFMS for March Council to set Council Tax so this improvement is captured in the 2006/07 financial year.</p>
<p>The council identifies future developments that may impact on its financial management arrangements and proactively manages them.</p>	<p>Not yet assessed by the auditor.</p>	<p>Need to ensure that the list of future developments that may impact on financial management arrangements included in the MTFMS is reviewed when during the next update - e.g. PST. Director of Resources / Head of Financial Services to update MTFMS for March Council to set Council Tax so this improvement is captured in the 2006/07 financial year.</p>
<p>The council monitors and can demonstrate how its financial plans and strategies have contributed to the achievement of its corporate objectives.</p>	<p>Not yet assessed by the auditor.</p>	<p>Need to ensure that the effectiveness of the current MTFMS is reviewed as it is next updated. Director of Resources / Head of Financial Services to update MTFMS for March Council to set Council Tax so this improvement is captured in the 2006/07 financial year.</p>

2. FINANCIAL MANAGEMENT		
How well does the council plan and manage its finances?		
Key line of enquiry		
2.2 The council manages performance against budgets		
Audit Focus		
Evidence that:		
<ul style="list-style-type: none"> the council has arrangements in place for monitoring performance against budgets, taking corrective action where appropriate, and reporting the results to senior officers and members the council's financial information systems meet users' needs 		
Level 2 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
* Budgets are input to the main accounting system on a timely basis, at an appropriate level of detail.	None.	
* There is a formal scheme of budget delegation.	None.	
* There is guidance available to budget holders which includes a description of their responsibilities, an outline of the budget process, and a budget process timetable.	None.	
* Budgets are approved before the start of the year and monitored regularly throughout the year.	None.	
* Next Steps are developed when a material variance arises or a deficit is forecast.	None.	
* The appropriate member committee receives budget monitoring information that is accurate, relevant, understandable and consistent with underlying records, and data is as up to date as possible when reported.	None.	

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<p>* Relevant non-financial and financial information, in addition to the budget, is reported to and used by senior officers.</p>	<p>None.</p>	
<p>* There is a line of professional accountability between those with principal functional responsibility for finance within business groups and the chief finance officer, to ensure compliance with professional standards and objectivity of advice on financial matters.</p>	<p>None.</p>	<p>Implementing the new model for Financial Services across the whole Council will strengthen lines of professional responsibility. Director of Resources / Head of Financial Services to continue the discussion about the line management arrangements for the Children & Young People Directorate with the new Director.</p>
<p>* The budget shows the resources allocated to major spending activities and programmes, with user-friendly summaries, and separate identification of revenue and capital items to ensure focus on use of resources.</p>	<p>None.</p>	
<p>* The council regularly tests its financial systems to ensure that their processes are secure.</p>	<p>None.</p>	
<p>* Where any significant departmental overspends have occurred they have been managed with no adverse impact on service delivery.</p>	<p>None.</p>	
<p>* The financial performance of significant partnerships is regularly reviewed, linked to outputs, and the results shared with partners and acted upon. (now bold)</p>	<p>None – although this is now a ‘must have’.</p>	<p>Head of Financial Services to review budget monitoring reports included in the bi-monthly IPR to see how / how often financial performance of key partners can be included. Most of this will be there by inference – may just be a case of being more explicit. Head of Financial Services to engage with PCT about greater information sharing.</p>

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Level 3 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>The council's financial information systems have flexible reporting tools to enable specialist reports to be designed.</p> <p>* The council produces accurate and meaningful profiled financial monitoring reports for all budget holders within ten working days of the month end. (now bold)</p> <p>* There is a regular training programme providing training on financial issues for members and relevant non-finance staff. (now bold)</p> <p>* Relevant non-financial and financial information, in addition to the budget, is reported to members and acted upon.</p> <p>* The council uses agreed processes to adjust and approve budgets in year if major programmes are varied by more than pre-set tolerances.</p> <p>* The council's budget monitoring is:</p> <ul style="list-style-type: none"> • predictive rather than backward looking • focused on large, high risk or volatile budgets • related to operational activity indicators that are lead indicators of spend • informed by a risk assessment. <p>* Progress in achieving planned savings and</p>	<p>None.</p> <p>None – although this is now a 'must have'.</p> <p>Need to develop a training programme for members and deliver the training programme for officers that is currently being developed. This is now a 'must have'.</p> <p>None.</p> <p>None.</p> <p>None.</p> <p>None.</p>	<p>Head of Financial Services to check that the local performance indicators in the Financial Services Service Delivery Plan meet this standard and are achieved.</p> <p>Head of Financial Services to develop and implement training plan. Scrutiny Development Day in October 2006 refers. Build on post election opportunities for further member training. Need to link to internal control training provided by Audit Services Manager.</p>

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<p>efficiency gains is regularly reported to senior management with developed Next Steps.</p> <p>* No significant departmental overspends/under spends have occurred that were not identified as a risk which was taken into account in developing the council's reserves strategy, and the associated underlying budgetary pressures are being managed effectively over time.</p>	<p>Need to embed improvements in this area to ensure the accuracy of predicted under or over spends continues to improve.</p>	<p>Director of Resources / Head of Financial Services to discuss opportunities for Resources to take on line management of finance staff in line with the agreed principles underpinning the Directorate restructure to ensure appropriate professional support is provided to finance teams to secure further improvements in the quality of financial management services.</p>
Level 4 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>The council ensures through regular testing of its financial systems that the report outputs are timely, accurate, reliable, clear, in a convenient format (hard copy and online, in summary and in detail, as appropriate) and readily understood by their recipients.</p>	<p>Not yet assessed by the auditor.</p>	<p>Head of Financial Services to review what we currently do and identify improvements necessary to demonstrate regular testing is carried out. Liaise with internal audit as their testing may be of assistance.</p>
<p>The Executive has reviewed its effectiveness and the leadership it provides with regard to financial management, and is taking appropriate action to address areas of weakness.</p>	<p>Not yet assessed by the auditor.</p>	<p>Director of Resources / Head of Financial Services to implement Resources Directorate restructure in consultation with CMB. Leader of the Council is responsible for strategic financial management whilst the Cabinet Member (Resources) is responsible for the performance of the Resources Directorate.</p>
<p>There is a 'traffic light' system (or similar) in place to focus the Executive on key variances, and there is evidence that these are acted upon.</p>	<p>Not yet assessed by the auditor.</p>	<p>Head of Financial Services to review approach and bring forward proposals by April 2007.</p>
<p>The Executive receives accrued financial monitoring reports at appropriate key points during</p>	<p>Not yet assessed by the auditor.</p>	

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<p>the year, including significant revenue account items and balances.</p>		
<p>The council consults with, advises and trains users so that it develops and provides the financial information systems to meet their needs.</p>	<p>Not yet assessed by the auditor.</p>	
<p>Savings and efficiency gains are profiled over the year and there is monitoring throughout the period by members to ensure their achievement.</p>	<p>Not yet assessed by the auditor.</p>	<p>Head of Financial Services to put in place effective monitoring of efficiency gains.</p>

2. FINANCIAL MANAGEMENT		
How well does the council plan and manage its finances?		
Key line of enquiry 2.3 The council manages its asset base		
Audit Focus		
Evidence that: <ul style="list-style-type: none"> the council has a capital strategy and fixed asset management plan the council reports to members on asset management 		
Level 2 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
* The council has an up-to-date corporate capital strategy linked to its corporate objectives and medium-term financial strategy.	None.	Successful appointment to the Head of Asset Management & Property Services role is key to making progress.
* The council has an up-to-date asset management plan that details existing asset management arrangements and outcomes, and planned action to improve corporate asset use.	None.	
* The council maintains an up-to-date asset register.	None.	
* The council has a designated corporate property function.	None.	
* The council's arrangements for reporting to members are sufficient to ensure that they fulfil their responsibility in relation to the council's land and buildings portfolio at both a strategic and service level.	None.	
* The council has an annual programme of planned maintenance based on a rolling programme of property surveys.	None.	
* The council has assessed the level of	None.	

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<p>backlog maintenance.</p> <p>* The council's capital programme gives priority to potential capital projects based on a formal, objective approval process.</p>	None.	
Level 3 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>* A member has been allocated portfolio responsibility for the council's asset management. (now bold)</p> <p>* Members are aware of the level of backlog maintenance and have approved a plan to address it as appropriate.</p> <p>* The council has developed a set of local performance measures in relation to assets that evaluate asset use in relation to corporate objectives. (now bold)</p> <p>* The council makes investment and disposal decisions based on thorough option appraisal and whole life costing.</p>	<p>None.</p> <p>None.</p> <p>None – though now a 'must have'.</p> <p>None.</p>	<p>Successful appointment to the Head of Asset Management & Property Services role is key to making progress.</p>
Level 4 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>Performance measures and benchmarking are being used to describe and evaluate how the council's asset base contributes to the achievement of corporate and service objectives, including improvement priorities.</p> <p>The results of performance measurement and benchmarking are communicated to stakeholders where relevant.</p>	<p>None – not yet assessed by the auditor?</p> <p>None – not yet assessed by the auditor?</p>	<p>Successful appointment to the Head of Asset Management & Property Services role is key to making progress.</p>

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The council has developed an approach for the coordination of asset management information and its integration with relevant organisational financial information.	None – not yet assessed by the auditor?	
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3. FINANCIAL STANDING		
How well does the council safeguard its financial standing?		
Key line of enquiry		
3.1 The council manages its spending within the available resources		
Audit Focus		
Evidence that:		
<ul style="list-style-type: none"> the council is financially sound the council manages its levels of reserves and balances current spending plans match available resources 		
Level 2 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
* The council sets a balanced budget that takes account of cost pressures and the impact on council tax and housing rents.	None.	Head of Financial Services has already included a new section in the financial monitoring reports produced as part of the Integrated Performance Report (month 6). To be further developed.
* The council maintains its overall spending within budget.	None.	
* The council has a policy on the level and nature of reserves and balances it needs that has been approved by members and reflected in the budget and medium-term financial strategy.	None.	
* The council monitors and maintains its levels of reserves and balances within the range determined by its agreed policy.	Include a new section in the routine financial monitoring reports to Cabinet included in the IPR on the level of revenue & capital reserves.	
* The budget reported to members includes a positive assurance statement from the chief finance officer about the adequacy of the proposed financial reserves, in accordance with the requirements of section 25 of the LG Act 2003.	None.	
* The council has a treasury management	None.	

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<p>strategy that reflects the requirements of the CIPFA Code of Practice for Treasury Management in the Public Services.</p> <p>* The council monitors the budget and underlying assumptions throughout the year and takes appropriate action to deal with any deterioration in the financial position, in accordance with the requirements of section 28 of the LG Act 2003.</p> <p>* The council sets and monitors targets for all material categories of income collection and recovery of arrears, based on age profile of debt. (now bold)</p>	<p>None.</p> <p>The Council must set and monitor targets for all material categories of income collection and recovery of arrears based on age profile of debt – this is now a ‘must have’.</p>	<p>Head of Benefits & Exchequer Services / Revenues Manager to address and incorporate targets into Benefit & Exchequer Services Service Delivery Plan.</p>
<p>Level 3 Criteria for Judgement</p>	<p>Improvement opportunity in Use of Resources report 2006</p>	<p>Next Steps</p>
<p>* The council consistently maintains its spending within its overall budget and without significant unexpected overspends or underspends.</p> <p>* The council’s policy for reserves and balances is based on a thorough understanding of its needs and risks, and is properly and clearly reported to members.</p> <p>* Monitoring information is available that evaluates the effectiveness of debt recovery actions, associated costs, and the cost of not recovering debt promptly for material categories of income.</p>	<p>None.</p> <p>None.</p> <p>None – see Level 2 criterion above.</p>	<p>Head of Benefits & Exchequer Services / Revenues Manager to address and incorporate targets into Benefit & Exchequer Services Service Delivery Plan.</p>

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Level 4 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>Members monitor key financial health indicators and set challenging targets, for example for income collection, levels of variances from budget, prudential framework indicators, capital programme management. The council has a good track record of achieving these targets.</p> <p>Where target levels for reserves and balances are exceeded, the council has identified and reported to members the opportunity costs of maintaining these levels and compared this to the benefits it accrues.</p>	<p>None – not yet assessed by the auditor?</p> <p>None – not yet assessed by the auditor?</p>	<p>Head of Financial Services / Head of Benefit & Exchequer Services to develop and include in bi-monthly financial reports included in the Integrated Performance Report.</p> <p>Head of Financial Services to include in monitoring reports produced as part of the Integrated Performance Report.</p>

4. INTERNAL CONTROL		
How well does the council's internal control environment enable it to manage its significant business risks?		
Key line of enquiry		
4.1 The council manages its significant business risks		
Audit Focus		
Evidence that:		
<ul style="list-style-type: none"> the council has a risk management process in place the risk management system covers partnership working 		
Level 2 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
* The council has adopted a risk management strategy/policy that has been approved by members.	None.	
* The risk management strategy/policy requires the council to: <ul style="list-style-type: none"> identify corporate and operational risks assess the risks for likelihood and impact identify mitigating controls allocate responsibility for the mitigating controls. 	None.	
* The council maintains and reviews a register of its corporate business risks linking them to strategic business objectives and assigning ownership for each risk.	None.	
* Member responsibility for corporate risk management is identified in the terms of reference of one or more committees as appropriate.	None.	
* Reports to support strategic policy decisions, and project initiation documents, include a risk assessment.	None.	

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Level 3 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>* The risk management process is reviewed and updated at least annually.</p> <p>* The risk management process specifically considers risks in relation to significant partnerships and provides for assurances to be obtained about the management of those risks.</p> <p>* All appropriate staff are given relevant training and guidance to enable them to take responsibility for managing risk within their own working environment. (now bold)</p> <p>* The members with specific responsibility for risk management have received risk management awareness training.</p> <p>* Members with responsibility for corporate risk management receive reports on a regular basis and take appropriate action to ensure that corporate business risks are being actively managed, including reporting to full council as appropriate.</p>	<p>The risk management process should be reviewed and updated at least annually.</p> <p>None.</p> <p>All appropriate staff should be offered relevant training.</p> <p>None.</p> <p>All significant risks should be included in the corporate risk log. The Council risk register must be clearly aligned to the Council's strategic objectives.</p>	<p>Head of Financial Services – ensure the annual review is carried out in line with the current corporate risk management policy.</p> <p>Head of Financial Services – check this is included in our corporate risk management policy if not include at next review.</p> <p>Head of Financial Services – ensure the training programme for key managers currently in development is delivered.</p> <p>Head of Financial Services – ensure regular refresher training is provided.</p> <p>Head of Financial Services – review procedures to ensure significant risks are captured during routine review of the corporate risk register and ensure format allows links to corporate priorities.</p>
Level 4 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>A senior officer and member jointly champion and take responsibility for embedding risk management throughout the council.</p> <p>The council can demonstrate that it has embedded risk management in its corporate business</p>	<p>None – not yet assessed by the auditor?</p> <p>None – not yet assessed by the auditor?</p>	<p>Cabinet Member (Resources) and Director of Resources are member and officer 'risk champions'.</p> <p>Head of Financial Services – need to embed risk management at key manager level – implement</p>

Use of resources

<p>processes, including:</p> <ul style="list-style-type: none"> • strategic planning • financial planning • policy making and review • performance management. <p>All members receive risk management awareness training.</p> <p>The council considers positive risks (opportunities) as well as negative risks (threats).</p>	<p>None – not yet assessed by the auditor?</p> <p>None – not yet assessed by the auditor?</p>	<p>existing action plan.</p> <p>Head of Financial Services – include training as part of induction process for new members.</p> <p>Head of Financial Services – ensuring this is captured. Examples include Herefordshire Connects & PST?</p>
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4. INTERNAL CONTROL		
How well does the council's internal control environment enable it to manage its significant business risks?		
Key line of enquiry		
4.2 The council has arrangements in place to maintain a sound system of internal control		
Audit Focus		
Evidence that:		
<ul style="list-style-type: none"> the council reviews and reports on its system of internal control the council has an audit committee or equivalent and an internal audit function 		
Level 2 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
* An appropriate member group has responsibility for review and approval of the SIC and considers it separately from the accounts.	None.	
* The council has conducted an annual review of the effectiveness of the system of internal control and reported on this in the SIC.	None.	
* The sources of assurance to support the SIC have been identified and are reviewed by senior officers and members.	None.	
* There are Next Steps in place to address any significant internal control issues reported in the SIC.	None.	
* The core functions of an audit committee, as identified in the CIPFA guidance, are being undertaken by members.	None.	
* The council has an internal audit function that operates in accordance with the CIPFA code of practice for internal audit in local government.	None.	

Use of resources

<p>* There are procedure notes/manuals in place for key financial systems.</p>	None.	
<p>* The council has a business continuity plan in place which is reviewed on a regular basis. (now bold)</p>	None – but note that this is now a ‘must have’.	Seek assurances from Emergency Planning.
<p>* There are standing orders, standing financial instructions and a scheme of delegation in place.</p>	None.	
<p>* The council has arrangements in place to ensure compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.</p>	None.	
<p>* All reports to members have been formally considered for legal issues before presentation.</p>	All reports submitted to Members must be formally considered for legal issues before presentation.	Seek assurances from Monitoring Officer.
<p>* The council has identified its significant partnerships and has appropriate governance arrangements in place for each of them. (now bold)</p>	None – but note that this is now a ‘must have’.	Audit Services Manager to progress partners checklist.
<p>* The council has arrangements in place to ensure that it has a sound system of internal financial control, for example, carrying out regular bank reconciliations and reconciliations of major feeder systems. (now bold)</p>	Regular reconciliations of all significant financial systems should be carried out. Note that this is now a ‘must have’.	Audit Service Manager to work on basis that monthly reconciliation is needed.
Level 3 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>* The council has put in place an assurance framework that maps the council's strategic objectives to risks, controls and assurances.</p>	The assurance framework should ore clearly map the strategic objectives to the risk register, controls and assurances.	Audit Services Manager to review format of information supplied to Audit & Corporate Governance Committee.

Use of resources

<p>* The assurance framework provides members with information to support the SIC.</p> <p>* The council can demonstrate that it is effectively delivering the core functions of an audit committee, as identified in the CIPFA guidance; that it provides challenge to the Executive when required and provides for effective leadership on governance, financial reporting and audit issues. (now bold)</p> <p>* The procedure notes/manuals for key financial systems are reviewed and updated as appropriate. (now bold)</p> <p>* The standing orders, standing financial instructions and scheme of delegation are reviewed and updated as appropriate. (now bold)</p> <p>* Compliance with standing orders, standing financial Instructions and the scheme of delegation is monitored by management, and any breaches identified and appropriate action taken.</p>	<p>None.</p> <p>None – but note that this is now a ‘must have’.</p> <p>None – but note that this is now a ‘must have’.</p> <p>None – but note that this is now a ‘must have’.</p> <p>None.</p>	<p>Audit Services Manager to double check Audit & Corporate Governance Committee arrangements against codes of practice.</p> <p>Audit Services Manager to ensure procedure notes / manuals are checked as part of each fundamental system review.</p> <p>Head of Financial Services / Audit Services Manager to review to ensure compliance with best practice – annually thereafter.</p>
<p>Level 4 Criteria for Judgement</p>	<p>Improvement opportunity in Use of Resources report 2006</p>	<p>Next Steps</p>
<p>The assurance framework is fully embedded in the council’s business processes.</p> <p>The council can demonstrate corporate involvement in/ownership of the process for preparing the SIC.</p>	<p>None – not yet assessed by the auditor?</p> <p>None – not yet assessed by the auditor?</p>	<p>Maintain current progress.</p> <p>Maintain current progress.</p>

Use of resources

<p>An audit committee has been established that is independent of the executive function, with terms of reference that are consistent with CIPFA's guidance. It provides effective challenge across the council and independent assurance on the risk management framework and associated internal control environment to members and the public, and can demonstrate the impact of its work.</p>	<p>None – not yet assessed by the auditor?</p>	<p>Maintain current progress.</p>
<p>The standing orders, standing financial instructions and scheme of delegation make specific reference to partnerships.</p>	<p>None – not yet assessed by the auditor?</p>	<p>Audit Services Manager to review.</p>
<p>Governance arrangements with respect to partnerships are subject to regular review and updating.</p>	<p>None – not yet assessed by the auditor?</p>	<p>Audit Services Manager to review.</p>

4. INTERNAL CONTROL		
How well does the council's internal control environment enable it to manage its significant business risks?		
Key line of enquiry		
4.3 The council has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business		
Audit Focus		
Evidence that:		
<ul style="list-style-type: none"> the council has adopted codes of conduct and monitors compliance the council's arrangements to prevent and detect fraud and corruption are effective 		
Level 2 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>* The council has formally adopted a code of conduct for members that includes the mandatory provisions of the statutory Model Code of Conduct.</p> <p>* All elected and co-opted members have signed up to the code of conduct.</p> <p>* The council has adopted a code of conduct for staff.</p> <p>* The council has put in place arrangements for monitoring compliance with standards of conduct across the council including:</p> <ul style="list-style-type: none"> register of interests register of gifts and hospitality complaints procedure. <p>* The standards committee's membership and functions are in accordance with the requirements of the Local Government Act 2000.</p>	<p>Needs review.</p> <p>None.</p> <p>Needs review.</p> <p>There should be some tightening of the rules around the receipt of gifts and hospitality.</p> <p>None.</p>	<p>Monitoring Officer to review and update.</p> <p>Monitoring Officer needs to ensure all new members post election sign to say they have received, read, understood and are happy to abide by the Members Code of Practice. Include in induction training.</p> <p>Monitoring Officer to review and update and make arrangements for staff training.</p> <p>Monitoring Officer to review in conjunction with Audit Services Manager.</p>

Use of resources

<p>* There is a counter fraud and corruption policy applying to all aspects of the council's business which has been communicated throughout the council.</p> <p>* The council has arrangements in place to receive and investigate allegations of breaches of proper standards of financial conduct, and of fraud and corruption.</p> <p>* There is a whistleblowing policy that has been communicated to staff and those parties contracting with the council.</p> <p>* The council has provided the required data for the National Fraud Initiative (NFI), has notified data subjects of this use of data, and has established a process to follow-up NFI data matches.</p>	<p>Needs review.</p> <p>Needs review.</p> <p>Needs review.</p> <p>None.</p>	<p>Audit Services Manager to review and update as necessary.</p> <p>Audit Services Manager to review and update as necessary.</p> <p>Monitoring Officer to review arrangements for promoting the Council's whistle blowing policy.</p>
<p>Level 3 Criteria for Judgement</p>	<p>Improvement opportunity in Use of Resources report 2006</p>	<p>Next Steps</p>
<p>* The council is proactive in raising the standards of ethical conduct among members and staff, including the provision of ethics training. (now bold)</p> <p>* The council has undertaken an assessment of standards of conduct, including how effectively members are complying with the code of conduct, the number and types of complaints received, and takes action as appropriate.</p> <p>* Members and staff are aware of the need to make appropriate disclosures of gifts, hospitality and pecuniary interests. There is</p>	<p>Needs review. Note this is now a 'must have'.</p> <p>Needs review.</p> <p>There should be some tightening of the rules around the receipt of gifts and hospitality.</p>	<p>Monitoring Officer to review our arrangements and ensure proactive approach to publicising expected standards of conduct.</p> <p>Monitoring Officer to review standards of conduct. Regular reports on the number of complaints are already in hand.</p> <p>Monitoring Officer to review policy and procedures and ensure wide publicity on an ongoing basis.</p>

Use of resources

<p>evidence that members and staff are making appropriate disclosures in the registers and that they are regularly reviewed.</p>		
<p>* A strong counter fraud culture is supported and promoted by members and senior officers.</p>	<p>None.</p>	
<p>* The council undertakes proactive counter fraud and corruption work which is determined by a formal risk assessment.</p>	<p>None.</p>	
<p>* The council can demonstrate that counter fraud and corruption work is adequately resourced. (now bold)</p>	<p>None.</p>	
<p>* Investigations into allegations of fraud and corruption are conducted in accordance with statutory requirements, e.g., Police and Criminal Evidence Act, Regulation of Investigatory Powers Act, Data Protection Act, by appropriately trained staff.</p>	<p>None.</p>	
<p>* The whistle blowing policy is publicised within the council and demonstrates the council's commitment to providing support to whistleblowers.</p>	<p>Needs review.</p>	<p>Monitoring Officer to review and ensure wide publicity within the Council and with partners and suppliers on an ongoing basis.</p>
<p>The council has effectively identified the key NFI data matches for review from all levels of reports (high, medium and low).</p>	<p>None.</p>	
<p>The council works with other bodies such as DWP when following-up data matches from NFI. Risks are followed-up promptly to prevent prolonged exposure.</p>	<p>None.</p>	
<p>Weaknesses revealed by instances of proven fraud and corruption, including NFI data matches,</p>	<p>None.</p>	

Use of resources

are reviewed to ensure that appropriate action is taken to strengthen internal control arrangements.		
Level 4 Criteria / Descriptors for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>The council can demonstrate that its members and staff exhibit high standards of personal conduct.</p> <p>The council can demonstrate a strong counter fraud culture across all departments. Staff have clearly acknowledged and accepted their responsibility to prevent and detect fraud and corruption.</p> <p>The risk of fraud and corruption is specifically considered in the council's overall risk management process.</p> <p>The use of publicity in successful cases of proven fraud/corruption is routinely considered to raise awareness.</p> <p>The council has a track record for effective action in response to whistleblowing disclosures. There are periodic reviews of the effectiveness of the whistleblowing arrangements, and there are effective arrangements for receiving and acting upon disclosures from members of the public.</p> <p>The council can demonstrate that effective action has been taken to maximise the potential savings available through NFI.</p>	<p>There should be some tightening of the rules around the receipt of gifts and hospitality.</p> <p>None.</p> <p>Needs review.</p> <p>None.</p> <p>Needs review.</p> <p>None.</p>	<p>Monitoring Officer needs to review with support from Audit Services Manager.</p> <p>Head of Financial Services to check that the existing corporate risk management policy and procedures covers the risk of fraud & corruption, including improvements at next annual update of the policy.</p> <p>Audit Services Manager to review arrangements. Need to ensure Monitoring Officer has a process for following up issues that affect his areas of responsibility and that S151 Officer has similar where there are financial considerations. This will allow improvements to be made to the corporate governance framework as necessary.</p>

5. VALUE FOR MONEY		
Key line of enquiry		
5.1 The council currently achieves good value for money		
Audit Focus		
Evidence that:		
<ul style="list-style-type: none"> • costs compare well with others allowing for external factors • costs are commensurate with service delivery, performance and outcomes achieved • costs reflect policy decisions 		
Level 2 Criteria / Descriptors for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
There is a positive relationship between costs and the range, level and quality of services provided, including overheads and capital costs.	None.	Head of Financial Services / Strategic Procurement & Efficiency Review Manager to review current self-assessment.
Overall costs and unit costs for key services are not significantly higher than other councils providing similar levels and standards of services, allowing for the local context.	None.	
Significant unintended high spending is identified and there are plans in place to address it.	None.	
Areas of higher spending are in line with stated priorities.	None.	
The council has a well managed capital programme linked to priorities, with projects usually completed on time and on budget.	None.	
Level 3 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
The council ensures that a range of quality services is delivered appropriate to statutory duties and local needs, while maintaining relatively low overall costs including overheads and capital.	None.	

Use of resources

<p>Overall costs and unit costs for key services demonstrate best value compared to other councils providing similar levels and standards of services and allowing for the local context.</p> <p>Unintended high spending is identified and is being addressed.</p> <p>Areas of higher spending are in line with stated priorities and the investment results in improved services.</p> <p>The council has a well managed capital programme linked to priorities, with most projects completed on time and within budget.</p>	<p>Embed improvement in understanding of cost pressures and medium-term financial planning.</p> <p>Need to ensure significant service overspends are robustly tackled.</p> <p>None.</p> <p>None.</p>	<p>Director of Resources / Head of Financial Services to maintain progress and close working relationship with Corporate & Customer Services / Policy & Performance Team. Work has commenced with Adult Services unit cost for access assessment and care management.</p> <p>Needs analysis for Adult Social Care refers.</p>
<p>Level 4 Criteria for Judgement</p>	<p>Improvement opportunity in Use of Resources report 2006</p>	<p>Next Steps</p>
<p>The council ensures that the range of services delivered effectively addresses statutory duties and local needs, and are delivered to high quality standards. Overall spending, including overheads and capital, consistently demonstrates best value from resources.</p> <p>High performance is achieved across a range of key services while costs demonstrate best value compared to others.</p> <p>The council can demonstrate a track record for effectively addressing areas of unintended high spending and emerging areas of budgetary pressure.</p> <p>There is a sustained track record of investment</p>	<p>None.</p> <p>None.</p> <p>None.</p> <p>None.</p>	<p>Need to demonstrate improvements have embedded.</p> <p>Improving BVPI performance will strengthen our current position.</p> <p>Need time to elapse to demonstrate track record of improved financial management. Links to improving accuracy of financial monitoring reports.</p> <p>New invest to Save / Invest to Mitigate approach to</p>

Use of resources

<p>leading to improved outcomes for users and sustainable efficiency gains. New investment is supported by clear targets and timescales for measuring improvement.</p> <p>The council can demonstrate that it evaluates the outcomes from its capital programme in accordance with objectives. Where capital resources are invested, there are identifiable improvements in service delivery.</p>	<p>None.</p>	<p>budget options will demonstrate this in time.</p> <p>Need to ensure arrangements for post implementation review of major capital projects are adhered to. E.g. Whitecross School.</p>
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5 VALUE FOR MONEY		
Key line of enquiry		
5.2 The council manages and improves value for money		
Audit Focus		
Evidence that:		
<ul style="list-style-type: none"> the council monitors and reviews value for money the council has improved value for money and achieved efficiency gains (limited to the last three years) procurement and other spending decisions take account of full long-term costs 		
Level 2 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
There is some information on costs and how these compare to others and to the quality of services but this is not fully understood. Managers use this information to review value for money and report to members.	None.	Head of Financial Services / Procurement & Efficiency Review Manager to review current self-assessment.
The information on costs and quality of services includes information on equity across the whole community.	None,	
Members and senior managers identify and pursue opportunities to manage and reduce costs or improve quality within existing costs. Consideration is given to the likely impact on users of changes in spending levels.	None.	
Processes for reviewing and improving value for money are in place and have led to some improvements in value for money.	None.	
Targets are set and applied to improve efficiency and value for money.	None.	
The council has produced and is delivering on an	None.	

Use of resources

<p>efficiency plan to achieve the cumulative Efficiency Review target of 7.5 per cent gains over a three-year period.</p> <p>The council has effective procurement practices and can demonstrate improvements in value for money from significant procurement exercises. It has explored options for joint procurement and works with the LSP and other partners to improve value.</p> <p>Procurement decisions are not based solely on lowest cost options but reflect the best combination of cost and quality.</p> <p>Internal reviews are carried out (in line with Best Value legislation) and achieve significant improvements in value.</p> <p>Investment is made in underperforming-services to secure future improvements in value for money.</p> <p>External funding is sought where appropriate to support local priorities.</p>	<p>Corporate approaches to procurement are still not well developed.</p> <p>None.</p> <p>None.</p> <p>None.</p> <p>None.</p>	<p>New Procurement & Efficiency Review Manager started in post at the end of November 2006 and will be addressing recommendations in the Audit Commission's review of procurement.</p>
Level 3 Criteria for Judgement	Improvement opportunity in Use of Resources report 2006	Next Steps
<p>There is clear information on costs and how these compare to others and to the quality of services achieved currently and over time. Members and managers routinely use this information to review and challenge value for money throughout services and corporately.</p> <p>The council understands the full short- and long-term costs of its actions and takes account of these when making decisions.</p> <p>Information on equity is actively used to promote</p>	<p>None.</p> <p>None.</p> <p>None.</p>	

Use of resources

<p>access and value for money across the whole community.</p> <p>Achieving and improving value for money is being embedded in the council's culture, for example, through the performance appraisal system.</p> <p>Members, senior managers and service managers manage costs alongside quality of services and responding to local needs. The impact on users is assessed to ensure that costs are not simply cuts without regard to outcomes.</p> <p>The scope for improving cost-effectiveness is kept under review and scrutiny. There are clear policies and effective processes for reviewing and improving value for money. Internal reviews are targeted at high cost services and have led to improved value for money.</p> <p>There is clear evidence that the council sets and achieves ambitious targets to improve efficiency and value for money corporately and in services. Targets are used 'intelligently' to reflect potential for improvement.</p> <p>The council has produced and is delivering on an efficiency plan to achieve at least the cumulative Efficiency Review target of 7.5 per cent gains over a three-year period.</p> <p>The council uses best procurement practice, knows where the greatest benefits can be gained and acts on these effectively. Opportunities for joint procurement with partners are actively pursued and the council works with the LSP and other partners to improve value for money.</p>	<p>Issue updated guidance to services on measuring efficiencies, and improve the assurance arrangement to ensure that efficiency gains are robustly stated.</p> <p>Ensure robust approaches to benchmarking in all service areas, and ensure that challenge (e.g. Scrutiny) is robust.</p> <p>Ensure improvements in value for money are accounted for in a straightforward and transparent way, by improving service planning and reporting arrangements.</p> <p>Embed the improvements made in planning for and delivering value for money, e.g. Herefordshire Connects.</p> <p>None.</p> <p>None.</p>	<p>Head of Financial Services / Procurement & Efficiency Review Manager to develop Next Steps.</p> <p>Head of Financial Services / Procurement & Efficiency Review Manager to develop Next Steps.</p> <p>Head of Financial Services / Procurement & Efficiency Review Manager to develop Next Steps.</p> <p>Head of Financial Services / Procurement & Efficiency Review Manager to develop Next Steps.</p>
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Use of resources

<p>Procurement decisions seek to achieve the greatest benefit to the wider community, for example securing economic, social or environmental benefits.</p> <p>Significant and identifiable savings have been achieved through procurement and internal reviews without unintended loss of quality (or quality increased at no extra cost).</p> <p>Investment is targeted at improving value for money in the longer term. Past investment has resulted in demonstrable improvements in value for money.</p> <p>There is a strategic approach to seeking external funding. The council has a successful track record of securing external funding and using it to deliver required outcomes and increased value for local people.</p>	<p>None.</p> <p>None.</p> <p>None.</p> <p>None.</p>	
<p>Level 4 Criteria for Judgement</p>	<p>Improvement opportunity in Use of Resources report 2006</p>	<p>Next Steps</p>
<p>The council has a track record of using high quality information and benchmarking on costs and quality to actively manage performance, improve value for money and target resources. Members and managers actively use this information to review and challenge value for money throughout services and corporately.</p> <p>The council has detailed information on the full short- and long-term costs of its actions and takes account of these when making decisions. All policy proposals have in built cost analyses.</p>	<p>None – not yet assessed by the auditor.</p> <p>None – not yet assessed by the auditor.</p>	

Use of resources

<p>The council can demonstrate that there is equity in access to services across the community.</p>	<p>None – not yet assessed by the auditor.</p>	
<p>Achieving and improving value for money is integral to the council's performance management arrangements, and this results in high levels of understanding and awareness across the organisation.</p>	<p>None – not yet assessed by the auditor.</p>	
<p>There is a strong track record of managing costs alongside quality of services and responding to local needs. The impact on users is assessed and then tracked to ensure that costs are not simply cuts without regard to outcomes.</p>	<p>None – not yet assessed by the auditor.</p>	
<p>Innovative approaches for improving cost-effectiveness are used where appropriate and have achieved significant improvements in value for money.</p>	<p>None – not yet assessed by the auditor.</p>	
<p>The council has a sustained track record of driving improvements in services and value for money through effective use of targets.</p>	<p>None – not yet assessed by the auditor.</p>	
<p>The council has integrated efficiency review into its performance management and is exceeding its own targets for achieving at least the national cumulative Efficiency Review target of 7.5 per cent over three years.</p>	<p>None – not yet assessed by the auditor.</p>	
<p>The council has successfully used joint procurement to improve value for money and service standards across a range of key services.</p>	<p>None – not yet assessed by the auditor.</p>	
<p>Significant community benefits, eg, economic, social or environmental, have been delivered through joint analysis of local needs, planning and</p>	<p>None – not yet assessed by the auditor.</p>	

Use of resources

<p>procurement with key partners.</p> <p>Systematic reviews have covered all major functions and the findings are acted upon, leading to significant improvements in services and value for money.</p> <p>Significant areas of previous underperformance have been addressed and, where there has been investment, sustained improvements in value for money have been delivered.</p> <p>External funding has been successfully used to address local priorities resulting in sustained improvements and greater long-term value for money.</p>	<p>None – not yet assessed by the auditor.</p> <p>None – not yet assessed by the auditor.</p> <p>None – not yet assessed by the auditor.</p>	
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