

Key lines of enquiry for Use of resources

To be used in conjunction with *Use of Resources Guidance for Councils*

June 2005

Use of Resources

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 standardsthe council's accounts are supported by comprehensive working papersthe accounts and supporting working papers are prepared and approved in accordance with relevant timetables		
Criteria for Judgement		
Level 2	Level 3	Level 4
<ul style="list-style-type: none">* 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.* 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.* The accounts presented for audit were free from material errors and misstatements.* Comprehensive working papers supporting the accounts were provided at the start of the audit to the standard specified by the auditor.* 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.	<p>All additional requests from the auditor were responded to promptly in accordance with any agreed deadlines.</p> <ul style="list-style-type: none">* 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.* The accounts were subject to robust member scrutiny/discussion either at the formal approval meeting or at another appropriate forum prior to approval.* The council is aware of future earlier accounts deadlines that will be required for the Whole of Government Accounts process and is proactively developing arrangements and procedures that will enable those future deadlines to be met, including any re-engineering of processes to enable earlier closure.	<p>The accounts presented for audit contained only 'trifling' errors and misstatements which did not require reporting to those charged with governance or adjustment.</p> <p>The quality of the working papers provided was exemplary.</p>

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<p>* 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.</p> <p>* The auditor gave an unqualified opinion.</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 requirementsthe council publishes summary accounts/annual report in a way that is accessible to the public		
Criteria for Judgement		
Level 2	Level 3	Level 4
<ul style="list-style-type: none">* 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.* The council publishes the annual audit letter in accordance with the requirements of the Accounts & Audit Regulations 2003.* 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.	<ul style="list-style-type: none">* A process of consultation has been carried out with a range of stakeholders to establish their requirements in respect of the publication of summary accounts or an annual report. <p>The council publishes summary accounts that are intelligible and accessible to members of the public.</p> <ul style="list-style-type: none">* The most recent published accounts, in either full or summary format, are available on the council's website.* The most recent published annual audit letter is available on the council's website.	<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> <p>The annual report is available in a wide variety of formats to meet local user needs (for example different languages, large print, speaking version).</p>

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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	Level 3	Level 4
<ul style="list-style-type: none">* 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.* The medium term financial strategy models income and expenditure over a minimum of 3 years and is reviewed and updated at least annually.* A comprehensive and balanced revenue budget has been set, based on realistic projections about pay, inflation, and known service and capital development plans.* The financing of expenditure is transparently explained in budget summaries and reports.* 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.* An affordable capital programme has been	<ul style="list-style-type: none">* Business planning is integrated with financial planning.* The corporate business plan drives the medium-term financial strategy and internal resource allocation, with changes in allocations determined in accordance with policies and priorities. <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. <ul style="list-style-type: none">* The council's medium-term financial strategy is linked to other internal strategies/plans as appropriate, such as human resources, IT.	<p>The medium-term financial strategy describes in financial terms joint plans agreed with partners and other stakeholders.</p> <p>The medium-term financial strategy models balance sheets and cash-flows over a minimum of 3 years.</p> <p>The council identifies future developments that may impact on its financial management arrangements and proactively manages them.</p> <p>The council monitors and can demonstrate how its financial plans and strategies have contributed to the achievement of its corporate objectives.</p>

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<p>agreed and the current and future funding of this is built into revenue planning.</p> <ul style="list-style-type: none">* Budget holders are involved in the budget setting process.* Budgets are subject to review by senior officers and members.* Each capital and revenue budget is assigned to the individual manager best able to use and control it. <p>The council prepares cash-flow forecasts on a regular basis throughout the year.</p> <ul style="list-style-type: none">* 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.* Prudential indicators are applied in assessing the affordability of capital projects.	<p>The council's medium-term financial strategy is communicated to staff and stakeholders.</p> <ul style="list-style-type: none">* Budgets are linked to:<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'.</p> <ul style="list-style-type: none">* There are project appraisals, business plans and affordability tests for new policy and capital developments.	
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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 membersthe council's financial information systems meet users' needs		
Criteria for Judgement		
Level 2	Level 3	Level 4
<ul style="list-style-type: none">* Profiled budgets are input to the main accounting system on a timely basis, at an appropriate level of detail.* There is a formal scheme of budget delegation.* 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.* Budgets are approved before the start of the year and monitored regularly throughout the year.* Action plans are developed when a material variance arises or a deficit is forecast.* 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.	<p>The council's financial information systems have flexible reporting tools to enable specialist reports to be designed.</p> <p>The council produces accurate profiled financial monitoring reports for all budget holders within ten working days of the month end.</p> <p>There is a regular training programme providing training on financial issues for members and non-finance staff.</p> <ul style="list-style-type: none">* Relevant non-financial and financial information, in addition to the budget, is reported to members and acted upon.* The council uses agreed processes to adjust and approve budgets in year if major programmes are varied by more than pre-set tolerances.* The council's budget monitoring is:<ul style="list-style-type: none">• predictive rather than backward looking• focused on large, high risk or volatile budgets	<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>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>The Executive receives fully accrued financial monitoring reports on a quarterly basis including appropriate revenue account and balance sheet items.</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>Savings and efficiency gains are profiled over the year and there is monitoring throughout the period by members to ensure their achievement.</p>

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<ul style="list-style-type: none">* Relevant non-financial and financial information, in addition to the budget, is reported to and used by senior officers.* 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.* 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.* The council regularly tests its financial systems to ensure that their processes are secure.* Where any significant departmental overspends have occurred they have been managed with no adverse impact on service delivery. <p>The financial performance of significant partnerships is regularly reviewed, linked to outputs, and the results shared with partners and acted upon.</p>	<ul style="list-style-type: none">• related to operational activity indicators that are lead indicators of spend and• informed by a risk assessment. <ul style="list-style-type: none">* Progress in achieving planned savings and efficiency gains is regularly reported to senior management with developed action plans.* No significant departmental overspends/under-spends have occurred.	
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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 planthe council reports to members on asset management		
Criteria for Judgement		
Level 2	Level 3	Level 4
<ul style="list-style-type: none">* The council has an up to date corporate capital strategy linked to its corporate objectives and medium-term financial strategy.* 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.* The council maintains an up to date asset register.* The council has a designated corporate property function.* 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.* The council has an annual programme of planned maintenance based on a rolling programme of property surveys.* The council has assessed the level of	<p>A member has been allocated portfolio responsibility for the council's fixed assets.</p> <ul style="list-style-type: none">* There is a plan in place to reduce the level of backlog maintenance and this has been approved by members. <p>The council has developed a set of local performance measures in relation to assets that link asset use to corporate objectives.</p> <ul style="list-style-type: none">* The council makes investment and disposal decisions based on thorough option appraisal and whole life costing.	<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>The council has developed an approach for the co-ordination of asset management information and its integration with relevant organisational financial information.</p>

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backlog maintenance.

* The council's capital programme gives priority to potential capital projects based on a formal, objective approval process.

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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		
Criteria for Judgement		
Level 2	Level 3	Level 4
<ul style="list-style-type: none">* The council sets a balanced budget that takes account of cost pressures and the impact on council tax and housing rents.* The council maintains its overall spending within budget.* 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.* The council monitors and maintains its levels of reserves and balances within the range determined by its agreed policy.* 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.* The council has a treasury management		
<ul style="list-style-type: none">* The council consistently maintains its spending within its overall budget and without significant unexpected overspends or underspends.* The council has identified target levels for reserves and balances that are based on a thorough understanding of its needs and risks, including its treasury management strategy and is meeting these targets.* Monitoring information is available that evaluates the effectiveness of debt recovery actions, associated costs, and the cost of not recovering debt promptly.		
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 monitors the opportunity costs of maintaining its levels of reserves and balances and compares these to the benefits it accrues.		

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strategy that reflects the requirements of the CIPFA Code of Practice for Treasury Management in the Public Services.

*** 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.**

The council sets and monitors targets for income collection and recovery of arrears, based on age profile of debt.

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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 4.1 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 placethe risk management system covers partnership working		
Criteria for Judgement		
Level 2	Level 3	Level 4
<ul style="list-style-type: none">* The council has adopted a risk management strategy/policy that has been approved by members.* The risk management strategy/policy requires the council to:<ul style="list-style-type: none">identify corporate and operational risksassess the risks for likelihood and impactidentify mitigating controlsallocate responsibility for the mitigating controls.* The council maintains and reviews a register of its corporate business risks linking them to strategic business objectives and assigning ownership for each risk.* There is a member committee with specific responsibility included in its terms of reference to consider corporate risk management.* Reports to support strategic policy decisions, and project initiation documents, include a risk assessment.	<ul style="list-style-type: none">* The risk management process is reviewed and updated at least annually.* The risk management process specifically identifies risks in relation to partnerships and provides for assurances to be obtained about the management of those risks.All staff have been given appropriate training and guidance to enable them to take responsibility for managing risk within their own working environment.* The members with specific responsibility for risk management have received risk management awareness training.* The member committee with responsibility for risk management receives reports at least quarterly and takes appropriate action to ensure that corporate business risks are being actively managed, including reporting to full council at least annually.	<p>A senior officer and member jointly champion and take overall responsibility for embedding risk management throughout the council.</p> <p>The council can demonstrate that it has embedded risk management in its corporate business processes, including:</p> <ul style="list-style-type: none">strategic planningfinancial planningpolicy making and reviewperformance management <p>All members have received risk management awareness training.</p> <p>The council considers positive risks (opportunities) as well as negative risks (threats).</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 		
Criteria for Judgement		
Level 2	Level 3	Level 4
<ul style="list-style-type: none"> * An appropriate member group has responsibility for review and approval of the SIC and considers it separately from the accounts. * The council has conducted an annual review of the effectiveness of the system of internal control and reported on this in the SIC. * The sources of assurance to support the SIC have been identified and are reviewed by senior officers and members. * There are action plans in place to address any significant internal control issues reported in the SIC. * There is no audit committee but the core functions of an audit committee have been identified and are being undertaken by a member group. * The council has an internal audit function that operates in accordance with the CIPFA code of practice for internal audit in local government. 	<ul style="list-style-type: none"> * The council has put in place an assurance framework that maps the council's strategic objectives to risks, controls and assurances. * The assurance framework provides members with information to support the SIC. <p>There is a specific member group (such as an audit sub-committee or member panel) which has audit and governance issues as the principal responsibility in its terms of reference.</p> <p>The member group provides effective leadership on audit and governance issues. It is proactive and has a forward looking programme of meetings and agenda items to ensure comprehensive coverage of all responsibilities in relation to the internal control environment.</p> <p>The procedure notes/manuals for those systems identified by the council as being business-critical are reviewed and updated at least annually.</p> <p>The standing orders, standing financial instructions and scheme of delegation are reviewed at least annually.</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>There is an audit committee which is constituted as a full committee of the council and is independent of both the Executive and Scrutiny functions.</p> <p>The council has taken steps to ensure that the audit committee chair either has previous knowledge of, or has received appropriate training on, financial and risk management, accounting concepts and standards, and the regulatory regime.</p> <p>Audit committee members are provided with specific training relevant to their responsibilities.</p> <p>The audit committee has terms of reference which are reviewed on an annual basis, taking into account relevant governance developments and how it integrates with other committees within the</p>

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<ul style="list-style-type: none">* There are procedure notes/manuals in place for those systems identified by the council as being business-critical.* There are standing orders, standing financial instructions and a scheme of delegation in place.* The council has arrangements in place to ensure compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.* All reports to members have been formally considered for legal issues before presentation. <p>There are partnership agreements in place for all the council's significant partnership arrangements.</p>	<ul style="list-style-type: none">* 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>council.</p> <p>The standing orders, standing financial instructions and scheme of delegation make specific reference to partnerships.</p> <p>Partnership agreements are subject to regular review and updating.</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 4.3 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 compliancethe council's arrangements to prevent and detect fraud and corruption are effective		
Criteria for Judgement		
Level 2	Level 3	Level 4
<ul style="list-style-type: none">* The council has formally adopted a code of conduct for members that includes the mandatory provisions of the statutory Model Code of Conduct.* All elected and co-opted members have signed up to the code of conduct.* The council has adopted a code of conduct for staff.* The council has put in place arrangements for monitoring compliance with standards of conduct across the council including:<ul style="list-style-type: none">register of interestsregister of gifts and hospitalitycomplaints procedure* The standards committee's membership and functions are in accordance with the requirements of the Local Government Act 2000.* There is a counter fraud and corruption policy applying to all aspects of the council's business which has been communicated	<p>The council is proactive in raising the standards of ethical conduct amongst members and staff, including the provision of ethics training.</p> <ul style="list-style-type: none">* 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.* Members and staff are aware of the need to make appropriate disclosures of gifts, hospitality and pecuniary interests. There is evidence that members and staff are making appropriate disclosures in the registers and that they are regularly reviewed.* A strong counter fraud culture is supported and promoted by members and senior officers.* The council undertakes proactive counter fraud and corruption work which is determined by a formal risk assessment. <p>The council can demonstrate that counter fraud</p>	<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>Successful cases of proven fraud/corruption are routinely publicised to all staff.</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>

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<p>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 which 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>and corruption work is adequately resourced.</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>The council ensures that financial redress is sought in appropriate cases of proven fraud/corruption, in accordance with legal advice and the results of a cost/benefit analysis.</p> <p>* The whistleblowing policy is publicised within the council and demonstrates the council's commitment to providing support to whistleblowers.</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>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>Weaknesses revealed by instances of proven fraud and corruption, including NFI data matches, are reviewed to ensure that appropriate action is taken to strengthen internal control arrangements.</p>
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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 		
Criteria for judgement/descriptors		
Level 2	Level 3	Level 4
<p>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 information to review value for money and report to members.</p> <p>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. There is a positive relationship between costs and the range, level and quality of services provided, including overheads and capital costs.</p> <p>Significant unintended high spending is identified and addressed.</p> <p>The council has a well managed capital programme, with projects usually completed on time and on budget.</p> <p>Capital spending decisions are always taken with full information on the revenue implications and financial forecasts of their longer term impact.</p>	<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>Overall costs and unit costs for key services are low compared to other councils providing similar levels and standards of services and allowing for the local context. Unintended high spending is identified and addressed effectively.</p> <p>The council has a well managed capital programme, with most projects completed on time and within budget.</p> <p>Areas of higher spending are in line with stated priorities and the investment results in improved services.</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>The council regularly benchmarks its costs and quality of services achieved currently and over time.</p> <p>Members and managers actively use this information to review and challenge value for money throughout services and corporately. Achieving value for money is an integral part of senior officer's performance appraisal.</p> <p>High performance is achieved across a range of priority services whilst costs remain generally low compared to others. Any high spending is identified and addressed effectively.</p> <p>The council has a well managed capital programme, with projects completed on time and within budget. Areas of higher spending are in line with stated priorities and the investment results in improved services.</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>

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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:		
Criteria for judgement/descriptors		
Level 2	Level 3	Level 4
<p>Members and senior managers identify and pursue opportunities to reduce costs or improve quality within existing costs. Consideration is given to the likely impact on users of changes in spending levels.</p> <p>Areas of high spending are identified, are subject to review and scrutiny, and action to address them results.</p> <p>Sound processes for reviewing and improving value for money are in place and have led to some significant improvements in value for money.</p> <p>Information on costs and the quality of services is collected, regularly reported to members and taken into account when reviewing performance. This includes information on equity across the whole community.</p> <p>Targets are set and applied to improve efficiency and value for money.</p> <p>The council has produced and [from 2006] is delivering on a robust efficiency plan to achieve</p>	<p>There is evidence that members, senior managers and service managers seek to 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 lead to improved value for money.</p> <p>Members and managers routinely and actively use clear information on costs and the quality of services to challenge how these compare to others currently and over time, corporately and for services. Information on equity is actively used to promote access and value for money across the whole community.</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.</p>	<p>There is strong commitment among members, senior managers and service managers to 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>The scope for improving cost-effectiveness is kept under review and scrutiny. Innovative approaches are used where appropriate and have achieved clear improvements in value for money.</p>

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<p>the Efficiency Review targets of 2.5 per cent gains per year 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 poorer services to secure future improvements in value for money. External funding is sought where appropriate to support local priorities.</p>	<p>Targets are used 'intelligently' to reflect potential for improvement.</p> <p>The council has produced and [from 2006] is delivering on a robust efficiency plan to achieve more than the Efficiency Review targets of 2.5 per cent gains per year over a three year period.</p> <p>The council follows good procurement practice, knows where the greatest benefits can be gained and acts on these effectively. It has used 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 on achieving greatest benefit to the public purse, for example securing additional health or environmental benefits and opportunities for joint procurement with partners are actively pursued. 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>External funding is sought strategically to support local priorities and 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>	
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