
USE OF RESOURCES JUDGEMENT 2006/07

1 SUMMARY

- 1.1 The Annual Audit and Inspection Letter, reported as a separate item to this meeting, provided a summary of the Use of Resources (UoR) Judgement for 2006/07.
- 1.2 This report summarises the main issues arising from the Key Lines of Enquiry UoR Judgement for 2006/07, carried out by the Council's external auditors, PKF, and sets out how the action plan arising from the assessment will be implemented and monitored. PKF's Executive Summary of the UoR Judgement is attached as an appendix.

2 INTRODUCTION

- 2.1 In previous years the UoR judgement has been based on calendar years, so the last judgement (January 2007 Judgement) was for the period 1 January 2006 to 31 December 2007. The Audit Commission then brought the assessment period into line with the audit of the financial accounts. This Judgement (2006/07) covers the period 1 April 2006 to 31 March 2007. The 2007 Judgement was published in February 2007 so Officers only had 6 weeks in order to make any changes to influence the 2006/07 Judgement. The 2006/07 Judgement also covered the audit of the accounts for 2006/07, the findings of which were considered in detail by the Audit Committee in September 2007.
- 2.2 The UoR Judgment evaluates how well the Authority manages and uses its resources by scoring performance against 5 main themes:-
- Financial Reporting (including the preparation of the accounts of the Council and the way these are presented to the public).
 - Financial management (including how the financial management is integrated with strategy to support the Council's priorities).
 - Financial Standing (including the strength of the Council's financial position).
 - Internal Control (including how effectively the Council maintains proper stewardship and control of its finances).
 - Value for money (including an assessment of how well the Council balances the costs and quality of its services).
- 2.3 For each of these themes, there are a number of Key Lines of Enquiry (KLOE) with descriptions of expected performance at levels 2, 3 and 4. The performance level that we can prove we match provides the score for that KLOE.

2.4 The KLOEs are made up of detailed criteria, some of which are bold, which means that they have to be complied with in order to achieve that level. For this assessment additional criteria were embolded, ie made compulsory, and officers focused on these for the short period that was available following the 2007 Judgement.

3 JUDGEMENT 2006/07

3.1 PKF reported that the overall UoR assessment of Level 2 ('performing adequately') is consistent with the previous year but represents a net improvement in overall arrangements because the criteria applied this year are harder than applied previously. The Council has been assessed as performing adequately for achieving value for money and had begun to compare the quality and cost of services.

3.2 The performance against each level is shown in the following chart with comparison to the previous years' scores. Highlighted cells indicate changes to previous year's assessment

Theme and Key Line of Enquiry	2005	January 2007	2006/07
Covering period	1/1/05 to 31/12/05	1/1/06 to 31/12/06	1/4/06 to 31/4/07
1.1 Annual accounts	2	3	1
1.2 Promotion of external accountability	2	3	2
1 Financial Reporting	2	3	1
2.1 Medium term financial strategy, budgets and capital programme	2	2	2
2.2 Managing performance against budgets	1	2	2
2.3 Managing the asset base	2	2	2
2 Financial Management	2	2	2
3.1 Managing spending within available resources	2	2	2
3 Financial Standing	2	2	2
4.1 Managing significant business risks	1	2	2
4.2 Maintaining a sound system of internal control	1	2	2
4.2 Arrangements to promote and secure probity and propriety	2	2	2

4 Internal Control	1	2	2
5.1 Current achievement of good value for money	2	2	2
5.2 Managing and improving value for money	1	2	2
5 Value for Money	2	2	2
Overall	2	2	2

3.3 The score is determined against the following scale:-

3.4 Level Performance

- 1 inadequate performance
- 2 adequate performance
- 3 performing well
- 4 performing strongly

4 DISCUSSION OF RESULTS

4.1 The Financial Reporting score has fallen due to the challenging experience of the 2006/07 Accounts, which were based on a considerably changed Statement of Recommended Practice. The issues with the Accounts were considered in detail by the Audit Committee in September 2007. PKF highlight in their report that, the Council needs to recognise that the 2006/07 Key Lines of Enquiry (KLOE) assessment criteria were changed and made more difficult to achieve, whilst simultaneously the timeline was accelerated, so that this review was based on evidence up to 31 March 2007 – i.e. only two months after the cut-off point for the previous assessment. PKF acknowledge that “it would be difficult to implement and embed arrangements not already in place as at January 2007 by the time of this new assessment, so maintaining other scores is to be commended”.

5 2007/08 JUDGEMENT

- 5.1 The next assessment will cover the period 1 April 2007 to 31 March 2008 and will include the audit of the 2007/08 Accounts. This assessment is again based on a revised set of criteria, including an increase in the number of bold criteria in order to achieve Level 2.
- 5.2 PKF and officers have agreed a number of actions. However the focus for this year is on restoring the Level 3 for Financial Reporting and ensuring that we meet the bold criteria in order to maintain our Level 2 assessment overall.

Appendix 2 of the attached report details the changes for the 2007/08 assessment.

5.3 The key actions which were the focus for the UoR for 2007/08 are summarised below:-

Theme – 2007/08 Target	Actions taken or planned for 2007/08
Financial Reporting – Target – Improve to Level 3	<ul style="list-style-type: none"> • Production of accurate financial statements supported by a comprehensive set of working papers – officers have had early discussions with PKF on what changes they would like to see for this year. Additional resource and checks have been allocated to the closure of accounts process. • A comprehensive consultation exercise is underway to determine whether stakeholders would like the Council to publish an Annual Report and if so what information it should contain.
Financial Management – Maintain Level 2	<ul style="list-style-type: none"> • Undertake equalities impact assessments. • Improvements to the information contained within Budget monitoring reports. • Improving the prioritisation of the capital programme based on a formal, objective approval process.
Financial Standing – Maintain Level 2	<ul style="list-style-type: none"> • Introduction of a soundly based policy on the level and nature of reserves and balances, which was agreed by Members as part of the Budget Process.
Internal Control – Maintain Level 2	<ul style="list-style-type: none"> • Continue to embed the risk management culture with regular reviews of the Corporate and Divisional Risk Registers. • Complete the partnership reviews to ensure agreements are in place for all “significant” partnerships.

Theme – 2007/08 Target	Actions taken or planned for 2007/08
Value for Money – Maintain Level 2	<ul style="list-style-type: none"> • Using the Audit Commission's Value for Money toolkit to identify areas of higher spend and start benchmarking and understanding reasons. • Revised Procurement Strategy • Including high-level approach to VFM in the Medium Term Financial Strategy to develop and embed the VFM culture.

6 FUTURE ASSESSMENTS

6.1 The Audit Commission have not yet published the KLOE for the 2008/09. However, as the UoR assessment will be used in the future Comprehensive Area Assessments, the Audit Commission are revising the UoR . They have consulted on a revised approach that is radically different to the current KLOE, with replacement of the 5 themes mentioned above with 3 themes as outlined below:

New Theme	Covering
Managing Money	<p>Replaces Financial Reporting, Financial Management and Financial Standing , but places more emphasis on how well organisations understand their costs and achievement of value for money.</p> <p>It assesses how well costs compare with similar organisations, how they link to performance and how they have changed over time. The theme will assess how organisations use this information to support their decision making and to identify and secure efficiencies. It will also assess how effectively those affected by spending decisions are given the opportunity to understand and influence those decisions.</p>
Managing the Business	<p>This will assess the quality of leadership in setting clear priorities and arrangements for their effective delivery.</p> <p>It will incorporate aspects of internal control, risk management and counter fraud and will place new emphasis on current national priorities such as those stated by <i>Strong and Prosperous</i></p>

New Theme	Covering
	<p><i>Communities</i> including commissioning and procurement and working effectively with partners.</p> <p>Good organisations focus on how best to commission and design services that meet the needs of local people, while involving local people and providers in their commissioning processes. A well developed understanding of the supplier market helps organisations to utilise a broad range of providers and partners, best suited to providing particular services in an efficient way.</p>
<p>Managing other Resources</p>	<p>This will assess how organisations are using their natural, physical and human resources to support delivery of their priorities and to achieve value for money in a sustainable way.</p> <p>It will assess the strategic approach to minimising their impact on the environment, and how well they are tackling climate change.</p> <p>Asset management will have a stronger strategic focus than currently and reflect best practice on managing assets strategically and optimise their use for the community.</p> <p>It will also assess how local government bodies are responding to their local communities when those communities make a case to take over the management or ownership of assets in order to deliver greater community benefit.</p> <p>Effective workforce planning is a proposed new area for the assessment but is seen as essential to ensuring efficiency and effectiveness in delivering services.</p>

- 6.2 Each of the themes will have a detailed KLOE and the Audit Commission is intending that these will be generic enough to be used across local government, police, fire and primary care trusts
- 6.3 The KLOEs for 2007/08 assessment were not published until August 2007. The Audit Commission consultation said that the 2008/09 KLOEs would be published in April 2008 but they have not yet appeared. To comply with a criteria, the Audit Commission expect the process to be embedded, which

means that it needs to have been in place for a period of time (not usually defined).

- 6.4 Analysis of the proposed KLOE for 2008/09 by SOLACE has identified that a number of them appear to incorporate themes imported from the Comprehensive Performance Assessment KLOEs.
- 6.5 Once the KLOE is published, Officers will need to consider the implications and actions required. To avoid duplication with any action plans arising from the Council's June Comprehensive Performance Assessment, it is proposed that detailed action planning for the 2008/09 UoR will start following the publication of the 2008/09 KLOEs by the Audit Commission and the results of the CPA.

7 RISK IMPLICATIONS

- 7.1 If the Authority does not implement the actions arising from the UoR, there is a risk that not only will we not improve on our score, but scores in areas where we have been given the benefit of the doubt, may fall. The UoR Judgement will be taken into account in the Comprehensive Performance Assessment and also any future Comprehensive Area Assessments.
- 7.2 In their report, PKF acknowledge that, given the limited resources and corporate capacity of the Authority, it is sensible for the action plans to be carefully prioritised against what can realistically be achieved. Priority will be given to the actions that ensure that existing scores are retained.

8 RESOURCE IMPLICATIONS

- 8.1 There are significant resource implications in officer time for the Authority in implementing detailed Action Plans and the benefits need to be monitored.

9 RECOMMENDATION

- 9.1 It is proposed that the Committee **RESOLVES**
 - (1) To note the approach to the 2007/08 UoR as outlined in this report.
 - (2) That the KLOE for the 2008/09 Use of Resources be reported to Audit Committee together with an action plan for improving the Use of Resources Judgement.

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Background Papers:-

None

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**Use of Resources Key Lines of
Enquiry 2006/07**

March 2008

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Status of our report

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission contains an explanation of the respective responsibilities of auditors and of the audited body. Reports and letters prepared by appointed auditors are addressed to members or officers. They are prepared for the sole use of the audited body and no responsibility is taken by auditors to any Member or officer in their individual capacity or to any third party.

1 Executive summary

Introduction

- 1.1 The Use of Resources judgements focus on the importance of having sound and strategic financial management to ensure that resources are available to support the Council's priorities and improve services.

Summary of scores

- 1.2 The Council has achieved an overall Use of Resources score of **2** or “**adequate performance**”. This is consistent with the overall assessment for the previous year.
- 1.3 The table below shows the movement in the five key theme scores since our previous assessment. The 2006/07 scores reported below are based on the arrangements the Council had in place as at 31 March 2007 and therefore represent an update on the previous assessment which took into account arrangements in place at January 2007.

2006/07	1	2	2	2	2
January 2007	3	2	2	2	2

- 1.4 The detailed scored assessment against each criteria is included in Appendix A. To put Rochford's achievement into a regional context, the analysis prepared at Appendix C shows the East of England District Councils position.

Overall conclusions

- 1.5 The Council has achieved a sound overall Level 2 score for Use of Resources, based on an average of the separable theme scores shown above.
- 1.6 The Financial Reporting score has fallen, primarily due to the score reflecting the challenging experience of the 2006/07 Accounts which were based on a considerably changed Statement of Recommended Practice (as reported in September 2007) as against the previous assessment being based on the 2005/06 Accounts. However, the Council needs to recognise that the 2006/07 Key Lines of Enquiry (KLOE) assessment criteria were changed and made more difficult to achieve, whilst simultaneously the timeline was accelerated, so that this review was based on evidence up to 31 March 2007 – i.e. only two months after the cut-off point for the previous assessment. It would be difficult to implement and embed arrangements not already in place as at January 2007 by the time of this new assessment, so maintaining other scores is to be commended.
- 1.7 An Action Plan for reinforcing and improving arrangements will be prepared and provided to officers. Recommendations will be made to reinforce the Level achieved or for the next Level only.

Changes introduced for the next assessment

- 1.8 A summary of the key changes in the criteria to be applied for the 2007/08 assessment is included as Appendix B.

Acknowledgement

- 1.9 We would like to thank the Council for the co-operation provided to us in the course of this work.

2 Context

2.1 The Use of Resources judgements focus on the importance of having sound and strategic financial management to ensure that resources are available to support the Council's priorities and improve services. It covers the following key lines of enquiry (KLOE) themes:

- Financial reporting
- Financial Management
- Financial standing
- Internal control
- Value for money

Scoring and self assessment review

2.2 Each judgement area consists of a number of KLOE and areas of audit focus and evidence. For the first four themes above, the criteria includes elements that are indicated as 'must haves' for that level. These have been phased in over the last few assessments where achievement is considered to be more demanding, or requires significant investment, and time for authorities to implement new arrangements. The general requirement is that failure to meet any of these "must have" criteria would prevent that level being achieved for the KLOE.

2.3 The value for money aspect does not use "must have" criteria but is based on "best fit" as this is not underpinned by an equivalent body of professional standards and guidance, making the assessment necessarily more judgemental in nature.

2.4 The Council completed a self assessment of its arrangements for the period, and prepared evidence to support its conclusions.

2.5 We have used the self assessment evidence, supplementary evidence, our knowledge of the Council, enquiries of officers and Members and comparative performance data to score each assessment criteria using the descriptors for different levels of performance to determine which most closely matches the Council's performance. The overall Use of Resources score is based on combining auditors' scores for each of the areas covered on the following scale:

1	below minimum requirements – inadequate performance
2	only at minimum requirements – adequate performance
3	consistently above minimum requirements – performing well
4	well above minimum requirements – performing strongly

2.6 The Audit Commission's "Harder Test" bar has been raised again for 2006/07, with the need to demonstrate and evidence that arrangements are embedded at Level 3 and more criteria becoming "must haves" compared with the prior year (January 2007 assessment). The KLOE scores awarded need to be considered in this context.

Quality assurance and consistency

- 2.7 Draft assessment scores are subject to a number of quality assurance processes to ensure consistency on a local, regional and national basis.
- 2.8 Internally PKF operates a quality assurance forum where individual auditor judgements are compared, contrasted and challenged across the PKF district council portfolio. This is complimented by a pan-Essex consistency forum attended by the appointed auditors of all district councils in Essex to provide another layer of challenge and comparison, with the aim of achieving consistency in approach and assessment across audit suppliers.
- 2.9 Finally, the scores and assessment are reviewed by national Quality Assurance Panels formed by the Audit Commission, providing risk based challenge using indicators such as use of auditor discretion and rapid change.

Appendix A – KLOE scores

1.1 <i>Annual accounts</i>	3	1
1.2 <i>Promotion of external accountability</i>	3	2
1 Financial Reporting	3	1
2.1 <i>Medium term financial strategy, budgets and capital programme</i>	2	2
2.2 <i>Managing performance against budgets</i>	2	2
2.3 <i>Managing the asset base</i>	2	2
2 Financial Management	2	2
3.1 <i>Managing spending within available resources</i>	2	2
3 Financial Standing	2	2
4.1 <i>Managing significant business risks</i>	2	2
4.2 <i>Maintaining a sound system of internal control</i>	2	2
4.2 <i>Arrangements to promote and secure probity and propriety</i>	2	2
4 Internal Control	2	2
5.1 <i>Current achievement of good value for money</i>	2	2
5.2 <i>Managing and improving value for money</i>	2	2
5 Value for Money	2	2

Appendix B - Key changes for the 2007/08 assessment

1. FINANCIAL REPORTING			
1.1 The council produces annual accounts in accordance with relevant, standards and timetables, supported by comprehensive working papers			
Level	KLoE	New	Revised
2	The auditor gave an unqualified opinion in the published statements.		✓
1.2 The council promotes external accountability			
Level	KLoE	New	Revised
2	The agenda, reports and minutes for meetings of full council, committees and scrutiny panels are made available to the public) on a timely basis and in accessible formats appropriate to comply with duties under the equalities legislation.		✓
3	The most recent published accounts, annual audit letter, agenda, reports and minutes for meetings of council, committees and scrutiny panels are made available to the public on the council's website on a timely basis and in accessible formats appropriate to comply with duties under the equalities legislation.		✓
4	The council publishes in accessible formats 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.		✓
4	The annual report or similar document includes information and analysis about the council's environmental footprint	✓	
2. FINANCIAL MANAGEMENT			
2.1 The council's medium-term financial strategy, budgets and capital programme are soundly based and designed to deliver its strategic priorities			
Level	KLoE	New	Revised
2	The council is undertaking equalities impact assessments of its strategies and understands the effect and impact these will have on its diverse population.	✓	
2	The medium-term financial strategy models income and expenditure and resource requirements over a minimum of three years and is reviewed and updated at least annually		✓

2. FINANCIAL MANAGEMENT			
2.1 The council's medium-term financial strategy, budgets and capital programme are soundly based and designed to deliver its strategic priorities			
Level	KLoE	New	Revised
3	<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 views • 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. 	✓	
3	<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 • <i>operational activity indicators that are lead indicators of spend</i> • risk assessments of material items of revenue and capital income and expenditure, 	✓	
3	<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 capacity, resourcing and training needs.</p>	✓	
2.2 The council manages performance against budgets			
Level	KLoE	New	Revised
3	<p>The council's financial information systems have flexible reporting tools to enable specialist reports to be designed.</p>	✓	
3	<p>Informative profiled financial monitoring reports are received by all budget holders soon after the month end enabling managers to respond to issues in a timely way.</p>		✓
3	<p>The council's budget monitoring is:</p> <ul style="list-style-type: none"> • related to operational activity indicators that are lead indicators of spend; and • informed by a risk assessment. 		✓

2. FINANCIAL MANAGEMENT					
2.3 The council manages its asset base					
Level	KLoE		New	Now Bold	Revised
3	The council's asset management plan provides clear forward looking strategic goals for its property assets that shows how the council's land and buildings will be used and developed to help deliver corporate priorities and service delivery needs, now and in the future. The plan shows how property assets will be maintained, modernised and rationalised to ensure that they are fit for purpose.		✓		
3	The council maintains a record of all of its land and buildings that contains accurate data on its efficiency, effectiveness, asset value and running costs which can be used to support decision making on investment and disinvestment in property.		✓		
4	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, <i>sustainability objectives and set challenging targets for improvement.</i>				✓
4	The council fully integrates asset management planning with business planning at corporate and service levels. The role and contribution of property is explicit in business plans such as flexible working policies, ICT plans and customer access strategies.		✓		
4	The council uses its property portfolio as an enabler of change. It understands the opportunity cost of its property and exploits this to deliver better value for money and benefits for the local community.		✓		
4	The council integrates the management of its asset base with others for example, third sector and local public agencies to identify opportunities for shared use of property and to deliver seamless cross-sector, cross-agency and community based services to users.		✓		
4	The council challenges whether all its assets are required, are fit for purpose and provide value for money to meet current and future needs by monitoring property performance and undertaking periodic property reviews. The council rationalizes or disposes of under-performing or surplus assets.		✓		

3. FINANCIAL STANDING				
3.1 The council manages its spending within the available resources				
Level	KLoE	New	Now Bold	Revised
2	The council <i>keeps its treasury management strategy under review and monitors performance against it. The strategy reflects the requirements of the CIPFA Code of Practice for Treasury Management in the Public Services.</i>			✓
3	The council's policy for reserves and balances is based on a thorough understanding of its needs and risks, which is properly and clearly reported to and agreed by members. <i>The approved level of balances is adhered to and ensures the council's financial standing is sound and supports the council in the achievement of its long term objectives.</i>			✓
3	The council's targets for income collection and recovery of arrears stretch performance and their achievement is monitored with appropriate corrective action taken during the year to achieve the targets.	✓		
4	The council sets challenging targets for a comprehensive set of financial health indicators, monitors performance and has a good track record of achieving these targets.			✓
4. INTERNAL CONTROL				
4.1 The council manages its significant business risks				
Level	KLoE	New	Now Bold	Revised
2	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. and is <i>complied with.</i> 			✓
2	The council maintains and reviews a register of its corporate business risks linking them to strategic business objectives and <i>assigns named individuals to lead on the actions identified to mitigate each risk.</i>			✓
4	All members receive risk management awareness training <i>appropriate to their needs and responsibilities.</i>			✓
4	Reports to support strategic policy decisions, and initiation documents for all major projects, require a risk assessment including a sustainability impact appraisal.	✓		

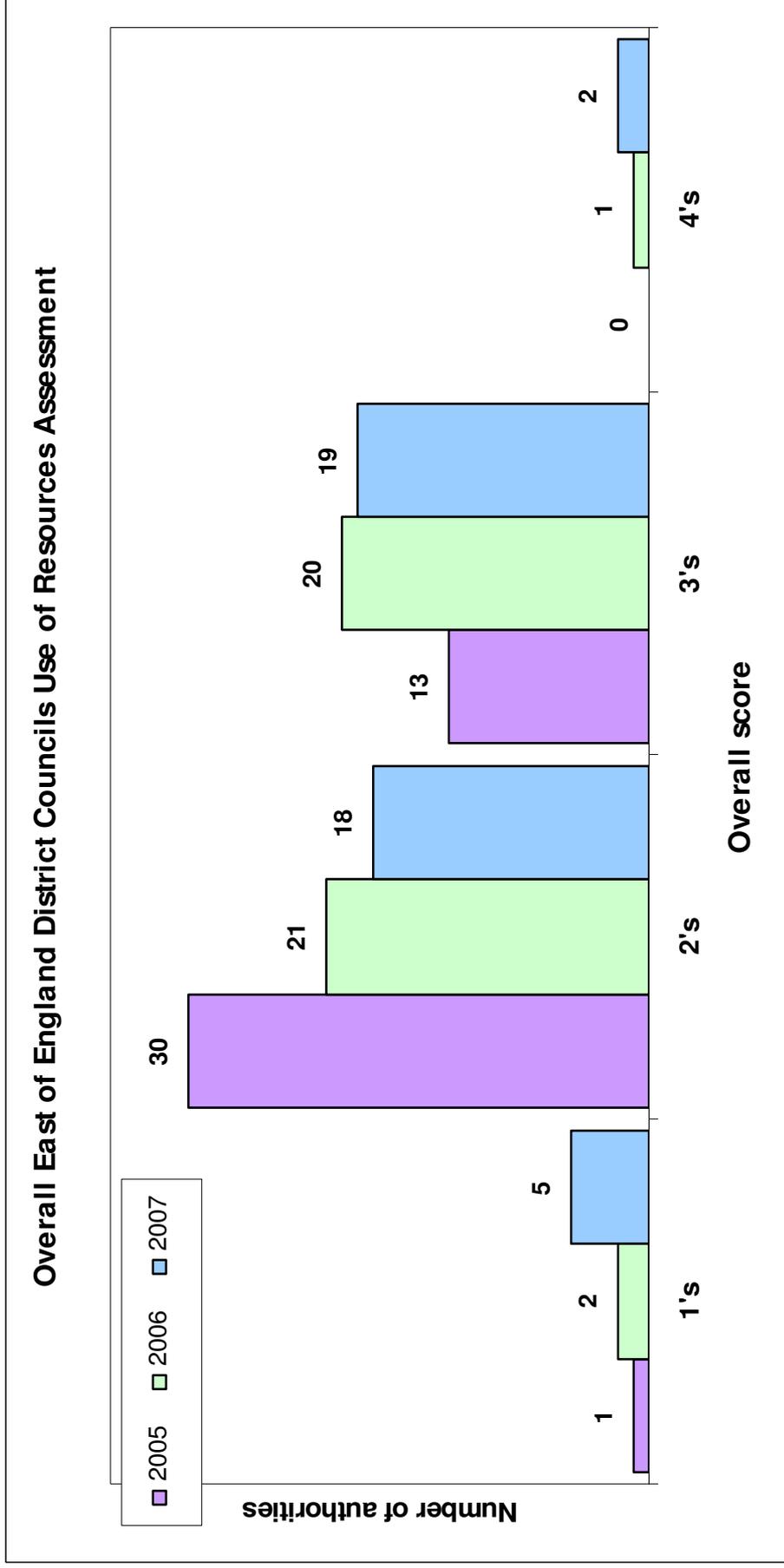
4. INTERNAL CONTROL			
4.2 The council has arrangements in place to maintain a sound system of internal control			
Level	KLoE	New	Revised
ALL	All references to SIC now amended to 'governance statement'		✓
2	There are procedure notes/manuals in place for key financial systems and these are reviewed and updated as appropriate.		✓
2	The council has a business continuity plan in place which is reviewed and tested on a regular basis.		✓
2	There are standing orders, standing financial instructions and a scheme of delegation in place and these are reviewed and updated as appropriate.		✓
3	The council has an effective scrutiny function to ensure constructive challenge and enhance performance overall.	✓	
4	The council obtains assurance on a risk basis of the viability of its significant contractors' / partners business continuity plans.	✓	
4.3 The council has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business			
Level	KLoE	New	Revised
2	The council has put in place arrangements for monitoring compliance with standards of conduct across the council including: <ul style="list-style-type: none"> • codes of conduct • register of interests • register of gifts and hospitality • complaints procedure • use of IT resources 		✓
2	The council can demonstrate that members of the standards committee are preparing for their role in local investigations and determination and there are arrangements in place to support effective local investigations and determinations.	✓	
2	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 comprehensive process to follow-up NFI data matches that covers all match types and all levels of report (i.e. high, medium and same address)		✓
3	The work of the standards committee is communicated openly to a wider public. Where appropriate, the council has taken effective action, learning from issues arising from local investigations and determinations.	✓	

4. INTERNAL CONTROL				
4.3 The council has arrangements in place that are designed to promote and ensure probity and propriety in the conduct of its business				
Level	KLoE	New	Now Bold	Revised
3	The council has made effective use of the NFI application functionality to identify data matches for review . These were investigated promptly to prevent prolonged exposure.		✓	✓
3	The council works with other bodies such as DWP when following-up data matches from NFI. Details of proven frauds relating to public sector employees are shared with other bodies as per the NFI Information Exchange Protocol.		✓	✓
3	Weaknesses revealed by instances of proven fraud and corruption, including NFI data matches, or data quality issues (due to capture or extraction) are reviewed to ensure that appropriate action is taken to strengthen internal control arrangements.		✓	✓
4	Successful cases of proven fraud/corruption are routinely publicised to raise awareness.			✓
4	There are effective arrangements for receiving and acting upon fraud and corruption concerns and disclosures from members of the public.			✓
4	The council can demonstrate its staff, and staff within contracting organisations, have confidence in the whistle-blowing arrangements and feel safe to make a disclosure.	✓		
4	All application forms for services and benefits have an appropriate fair processing notification permitting data sharing for prevention and detection of fraud and corruption (both acting as a deterrent to fraudsters and facilitating the extension of NFI into new areas).	✓		

5. VALUE FOR MONEY				
5.1 The council currently achieves good value for money				
Level	KLoE	New	Now Bold	Revised
2	The council has a well managed capital programme linked to priorities and supporting service improvements. Projects are usually completed on time and on budget, <i>and deliver outcomes which are fit for purpose.</i>			✓
3	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, <i>within the council's overall context.</i>			✓
3	The council has a well managed capital programme linked to <i>priorities and supporting service improvements</i> , with projects completed on time, within budget, <i>and delivering outcomes which are fit for purpose.</i>			✓
4	High performance is achieved across a range of key services while costs, <i>including unit costs and transaction costs</i> demonstrate best value compared to others.			✓
4	The council can demonstrate that it uses its <i>capital programme</i> , with partners where appropriate, <i>to challenge existing service models to achieve a transformation in service for users</i>			✓

5. VALUE FOR MONEY			
5.2 The council manages and improves value for money NOTE: Due to the high number of revisions, only new KLoEs highlighted.			
Level	KLoE	New	Revised
2	The council has adequate arrangements to produce reliable data.	✓	
2	The council has some understanding of its long term costs and benefits, including environmental and social. There is some evidence of these being taken into account in decision making.	✓	
2	The council is making some use of partnership working to improve VFM. It has some understanding of the total resources at the disposal of its significant partnerships.	✓	
2	The council makes some use of IT both to improve its own VFM and to improve access to services for users.	✓	
3	The council has good arrangements to produce reliable data.	✓	
3	The council has evaluated its use of partnerships to improve VFM. It has an understanding of total resources at the disposal of its significant partnerships which it is using to support clearly identified outcomes.	✓	
3	The council uses IT to drive and enable business process change to improve both its own VFM and access to services for users.	✓	
4	The council has exemplary arrangements to produce reliable data. It has an agreed approach with partners to produce reliable data.	✓	
4	The council has implemented arrangements for partnership working. It has a clear understanding of the total resources at the disposal of its significant partnerships. It is on track to deliver planned improvement in outcomes.	✓	
4	The council has a strong track record of using IT and can demonstrate examples of significant service improvements, including access to services for users, or efficiency savings through using IT.	✓	

Appendix C – regional context graphs



East of England District Council Theme Scores - 2006 and 2007

