

# Annual Audit Letter

Shropshire County Council

Audit 2008/09

December 2009



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## Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/ members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
  - any third party.
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# Key messages

**This report summarises the findings from our 2008/09 audit. It includes messages arising from the audit of your financial statements and the results of the work I have undertaken to assess your arrangements to secure value for money in your use of resources.**

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## Overview

- 1 This is our final audit letter in respect of our work on Shropshire County Council following the coming into being of the new unitary council on 1 April 2009. The project plans put in place resulted in a smooth transition from the previous two tier system to the present single tier system. All of the County Council's services continue within the new unitary framework and in 2008/09 the Council delivered improved outcomes for most people in areas that it considered as its priorities. The Council manages its money well, including the setting of the budget for the Shropshire Unitary Council which resulted in efficiencies close to £14m being made which are being reinvested in key services.
- 2 Over recent years the County Council has been one of the strongest performing councils of its type. School exam results are generally high, crime is falling in most parts of the county and the quality of care and services for vulnerable and older people continues to improve. Public transport is also improving with people able to access their local towns more easily and the County Council enabling residents to recycle more of their waste. Councillors and officers work well together and there are strong arrangements for partnership working between the Council and other organisations in the county.
- 3 However, key challenges remain for the Council and its partners in areas such as reducing child obesity and smoking, helping vulnerable people to find affordable homes and continuing to lessen the impact of the recession. The new unitary Council also needs to ensure that services run in the past by the district councils like planning and licensing are delivered at a consistently high level across the county.

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## Value for money

- 4 This is the first year of the Audit Commission's more demanding and more outcome focussed approach to assessing your use of resources. Overall for 2008/09 I have assessed you as performing well in your arrangements for Managing Finance, Governing the Business and Managing Resources. The Council is the only one of the five 'continuing county councils' following local government reorganisation to be assessed as performing well and, on a simple arithmetic basis, one of the top ten performing single tier and county councils in England.

- 5 This performance is a reflection of the hard work and dedication of staff and members to make the transition to the unitary council successful and seamless for the residents of Shropshire. I am required to use this work to help me conclude whether you put in place proper arrangements for securing economy, efficiency and effectiveness in your use of resources. This is known as the value for money conclusion. I issued an unqualified opinion stating that you had adequate arrangements to secure economy, efficiency and effectiveness in the use of resources.
- 6 As this is the first year of the new assessment no comparisons can be made with previous years scores. In the forthcoming year the assessment will again be new as the new unitary delivers the combined county and district services. Some learning from this years assessment that can be brought into the new unitary council is:
  - building upon the good practice operating in many areas of the council so that there is a Council wide, consistent approach to demonstrating that policies and plans result in outcomes to all the population and can demonstrate value for money;
  - continuing to take action to reduce the impact of Council activity on the environment and be able to demonstrate it; and
  - as the Council continues to look to make the best use of its asset base clearly show the link between the use of these assets and service performance.

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### Financial statements

- 7 I issued an audit report including an unqualified opinion on the financial statements on 30 September 2009. I have not been able to issue you a letter to close the audit of the accounts as we are still dealing with a member of the public who has made an objection to expenditure in the accounts. I have also issued unqualified opinions for the Pension Fund and Shropshire Waste Partnership.
- 8 The accounts were prepared to a high standard and supported by good quality working papers within the closedown timetable and agreed dates.

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### Actions

- 9 I have highlighted areas for improvement where you may wish to ensure that implementation plans are put in place to address the matters raised.

# Value for money and use of resources

**I considered how well the Shropshire County Council is managing and using its resources to deliver value for money and better and sustainable outcomes for local people, and gave a scored use of resources judgement.**

**I also assessed whether the Shropshire County Council put in place adequate corporate arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money (VFM) conclusion.**

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## Organisational assessment and managing performance

- 10 For the first time in 2008/09, local public services will be held collectively to account for their impact on better local outcomes through a new comprehensive area assessment (CAA). A new output of the area assessment process is an Organisational Assessment which draws upon a Managing Performance element and the findings of auditors from their work on Use of Resources (UoR) and elsewhere. The Use of Resources and Managing Performance assessments are combined to give an overall organisational assessment judgement for the Council. Because Shropshire Council only became a unitary council from April 2009 we have not scored the Council this year for managing performance. This means there is no overall Organisational Assessment scored judgement this year.
- 11 However, we have completed the work that informs the managing performance assessment. We have concluded that the Council is delivering improved outcomes for most people in areas that they consider as priorities. School exam results are generally high, crime is falling in most parts of the county and the quality of care and services for vulnerable and older people continues to improve. Vulnerable children are better cared for than before and the Council works well with partners to help young people find training, educational opportunities or jobs. Public transport is improving with people able to access their local towns more easily and the Council is enabling residents to recycle more of their waste.
- 12 The Council manages its money well, including the setting of the budget for the Shropshire Unitary Council which resulted in efficiencies being made which are being reinvested in key services. Key challenges still remain for the Council and its partners in a number of areas, for instance:
  - reducing childhood obesity and smoking;
  - helping vulnerable people find affordable housing;
  - continue to lessen the effect of the economic recession; and
  - ensuring that former district council services, eg planning and licensing, are delivered at a consistently high level across the County.

- 13 Ofsted has rated the Council's children's services as performing well. Exam results in Shropshire schools are generally high compared with other similar counties with GCSE results particularly strong. However, the unconfirmed 2009 results for Maths at key stage 2 worsened more than other councils. Vulnerable children are better cared for than before and the Council works well with its partners to help young people find training, educational opportunities or jobs. The quality of school meals in Shropshire is good and is helping to address the number of obese primary school aged children, although this figure is still quite high.
- 14 The Care Quality Commission has rated the Council's adult social care as performing well. The Council has worked well with its partners to improve the quality of care provided to older and vulnerable people in Shropshire. Many people are being helped to remain in their own homes and for those who move to residential accommodation, the quality is improving while the costs are being well managed. Also many more people on low income and people with disabilities are being helped to claim benefits compared to other Counties. A key challenge in this area for the Council is the provision of suitable homes for vulnerable adults.

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### Use of resources judgements

- 15 This is the first year of the new Use of Resources (UoR) Key Lines of Enquiry (KLOE). These are more broadly based than previously and embrace wider resource issues such as asset management and the use of natural resources. The KLOEs are now focussed around three themes; managing finances, governing the business and managing resources. They focus more on value for money achievements, outputs and outcomes rather than on processes, and are therefore more strategic and less criteria driven.
- 16 In coming to my scored use of resources judgements, we have used the methodology set out in the use of resources framework. Judgements have been made for each key line of enquiry (KLOE) using the Audit Commission's current four point scale from 1 to 4, with 4 being the highest. Level 1 represents a failure to meet the minimum requirements at level 2.
- 17 We have also taken into account, where appropriate, findings from previous use of resources assessments (updating these for any changes or improvements) and any other relevant audit work. The Council's use of resources theme scores are shown in Table 1 below. The sub-theme scores for the underlying KLOEs, are summarised in Appendix 1.

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**Table 1** Use of resources theme scores

Use of resources theme	Scored judgement
Managing finances (performing well)	3
Governing the business (performing well)	3
Managing resources (performing well)	3

### Overview

- 18 Overall for 2008/09 I have assessed you as performing well in your arrangements for Managing Finance, Governing the Business and Managing Resources. I have also assessed your specific arrangements for understanding your costs & delivering efficiencies and the way you procure services as excellent (Appendix 1). The Council is the only one of the five 'continuing county councils' following local government reorganisation to be assessed as performing well and, on a simple arithmetic basis, one of the top ten performing single tier and county councils in England.
- 19 This performance is a reflection of the hard work and dedication of staff and members to make the transition to the unitary council successful and seamless for the residents of Shropshire. The Council has a good overall approach to managing its money and has made savings by improving the way it runs services. Some of the money saved has been used to improve, frontline services such as services for vulnerable adults and looked after children. It is good at getting value for money for the goods and services it buys. Local people are more satisfied that the Council gives value for money than residents of other similar areas.
- 20 Performance is well managed and the Council is working well to improve services, such as audit social care and services for younger people. The Council works well with other organisations, including voluntary and charity organisations, to make best use of shared resources. However, it needs to do more to ensure that the way in which it manages its money and other resources results in a more consistent approach to improved value for money across all services.

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### Managing finances (performing well)

- 21 The Council has good arrangements to plan its finances to secure sound financial health. There is a good clear process for linking financial planning with strategic service planning and the medium term financial strategy clearly identifies the amounts that are allocated to achieve each of the Council's priorities. There is a good process of consultation with local people over the development of the financial strategy.
- 22 The Council's budget is well managed and is balanced annually. The Council has a very good understanding of its performance and finances and how the two relate in a range of key service areas. Extensive benchmarking is carried out of costs and performance and data is used to make decisions designed to improve services. The Council has an excellent record of achieving efficiencies.
- 23 The Council works well with partners in delivering cost effective services, especially for older and vulnerable people. The Council has good procedures in place to provide good financial monitoring reports. Information is timely, and the variance reports to Cabinet are clear. The Council provides excellent statutory accounts backed by clear and fully referenced working papers. There were two trivial errors in the accounts presented for audit in 2008/09, but the Director of Resources was very pro-active in ensuring the changes were made, once discovered.

- 24 Whilst the Council has good processes in place an improvement area would be making clearer the links between the priorities of the Community Strategy and the Budget. The Council may also wish to consider encouraging greater input from its staff into the budget consultation process in order that they better understand and are more fully aware of how resources are allocated and linked to priorities.

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### Governing the business (performing well)

- 25 The Council has a good record of basing its commissioning and procurement activities on thorough needs analysis. There are good examples to demonstrate how the Council has used local needs to commission services to make the most impact for local people.
- 26 The Council has a strong approach to involving local people, stakeholders and staff in commissioning and procurement decisions. Improvements have been made for customers through the use of IT and redesigning services. There is evidence of good working with local suppliers to manage and improve markets, eg services for older and vulnerable people, school meals.
- 27 The Council has a good record of developing its approach to data quality in a way which has led to improved performance. It has worked well with partners to improve the collection of data and good arrangements ensure that timely and relevant performance information is provided to decision-makers.
- 28 At more strategic level, good performance arrangements within the Local Strategic Partnership (LSP) has enabled close monitoring of the Local Area Agreement/LSP targets, resulting in the LSP being on target to receive substantial level of performance reward grant.
- 29 There is a good approach for promoting good governance. The Council has invested in training for members around governance and ethical standards. It also works well with partners to improve governance arrangements.
- 30 Robust and effective approach to risk management is in place. This has resulted in significant insurance savings but an improvement area would be being able to better assess the return it is getting on its investment across the Council, especially in the service departments. A sound system of internal control is in place led by a strong Audit Committee and effective Internal Audit service. This has led to a strong assurance framework.

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### Managing resources (performing well)

- 31 The Council is generally aware of its use, and the impact it has on the local environment, of natural resources. A draft Sustainable Construction Policy is in place which is leading to the reduction of the environmental impact of the built environment. The Council also expects its contractors to make reductions in their environmental impact.



## Value for money and use of resources

- 32** The Council are using their understanding of the impact on the environment to make improvements in service provision, eg domiciliary and residential care for older people. Despite examples of good processes, there is no overall clear strategic approach developed by the Council, in conjunction with local people to reduce the impact of Council activity on the environment and improve outcomes. Natural resources have not yet been integrated into the overall performance management framework, resulting in the Council being unable to demonstrate how the Council is balancing value for money and reducing environmental impact.
- 33** The Council has a good corporate approach to asset management. Comprehensive condition and performance data is collected and benchmarked. It has a planned maintenance programme and bids for capital expenditure are required to be linked to the Council's priorities. Individual service areas are required to produce Asset Management Plans. As part of the move to Unitary, the Council worked well with the demising District Councils to put in place detailed plans to make better use of the former district assets. The Council also works well with partners to make better use of assets.
- 34** An improvement area would be having better linkages in place to demonstrate how use of assets links to improved performance. It is currently difficult for decision makers to see the impact that different assets have on performance levels across the Council and to what extent assets are assisting in improving value for money for local people.

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### VFM conclusion

- 35** I assessed your arrangements to secure economy, efficiency and effectiveness in your use of resources against criteria specified by the Audit Commission. From 2008/09, the Audit Commission will specify each year, which of the use of resources KLOE are the relevant criteria for the VFM conclusion at each type of audited body.
- 36** I issued an unqualified conclusion stating that the Shropshire County Council had adequate arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

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### Housing Benefits Claim Production

- 37** Before 1 April 2009 when Shropshire became a Unitary Council, each of the five District Councils had their own IT systems for the processing of Housing Benefits and produced their own Housing Benefit Claim.
- 38** As part of the move to a Unitary Council, a new Revenues and Benefit system was introduced to replace the five previous systems. This was an enormous task and the new system (Northgate) was in place and providing Benefit information prior to 1 April.
- 39** The Council made good progress with the implementation of the new system in a short timescale. Our work did identify some small areas of concerns and an Action Plan was produced and the Council has already made steady progress in addressing these issues.

### Local Joint Committees

- 40 In 2007/08, the Council set up five Local Joint Committees (LJCs) and further LJCs have now been set up. Across the County are there are now 28 LJCs. The aim of the LJCs is to encourage and enable local people to take part in decision making and provide the opportunity to scrutinise Council services in the local areas.
- 41 We have reviewed the role of the LJCs and their place within local government within Shropshire County. We have produced a draft report which is currently being discussed with officers.
- 42 Our report focuses on:
- the role of the committees;
  - the structure of the committees;
  - the constitution of the committees;
  - the budgets and budget monitoring; and
  - the governance arrangements for the committees.
- 43 The Council are currently assessing the effect the LJCs have on local democracy. As part of this assessment, the Council should ensure that the:
- LJCs meet the objectives initially agreed;
  - are effective; and that
  - training requirements for members are identified and delivered.

# Financial statements and annual governance statement

The Shropshire County Council's financial statements and annual governance statement are an important means by which the Council accounts for its stewardship of public funds.

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## Audit opinions

### Shropshire County Council

- 44 I issued an unqualified opinion on your financial statements on 30th September. In my opinion:
- the accounts presented fairly the Council's financial position and its income and expenditure for the year.
- 45 I have not been able to issue you a letter to close the audit of the accounts as I am still dealing with a member of the public who has made an objection to expenditure in the accounts.

### Shropshire County Pension Fund

- 46 This was the first year that I have been required to give an opinion on the Pension Fund accounts, separately from the Shropshire County Council opinion. I issued an unqualified opinion on the Pension Fund.
- 47 As part of my audit work on the Pension Fund I am required to provide the Auditors of other bodies who contribute to the Pension Fund with assurance that the figures in the other bodies accounts in respect of the pension fund are fairly stated. I was able to give such assurance.

### Shropshire Waste Partnership

- 48 The Shropshire Waste Partnership is a joint committee originally set up by Shropshire County Council, Oswestry BC, South Shropshire DC, North Shropshire DC and Bridgnorth BC. The contract for the management of the partnership was awarded to Veolia ES Shropshire Limited. This started on 1 October 2007. Shrewsbury and Atcham BC did not join the partnership until 1 October 2008.
- 49 We have not identified any accounting issues in our audit work and an unqualified opinion was given. As the Unitary Council came into being on 1 April 2009, the Waste Partnership becomes part of the unitary services and therefore no longer exists as a separate body. A separate opinion will therefore not be given next year.

### Whole of Government Accounts

- 50 The Whole of Government Accounts (WGA) cover approximately 1,300 separate bodies. They aim to provide commercial-style accounts for the public sector and are prepared by the Treasury.
- 51 To support these accounts, I am required to submit a consolidation pack which summarises the Council's financial statements in a consistent way with all other Local Government bodies.
- 52 I submitted this consolidation pack with a statement confirming that it was consistent with the Council's audited financial statements on 30 September 2009.

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### Significant issues arising from the audits

- 53 There were no significant issues arising from the 2008-09 audits. The draft financial statements were given to us on the date agreed and were supported by very good working papers.
- 54 Amendments were required to the Financial Statements to reflect the correct classification of long term loans which should have been correctly classified as short term liabilities and to reflect the impairment of government grants deferred. These amendments, whilst having no overall effect on the accounts, resulted in a large number of minor amendments to the statements and the supporting notes. These were corrected by the Director of Resources and her staff during the course of the audit.
- 55 Minor typographical changes were also required to disclosure notes in respect of leasing, publicity expenditure on local government reorganisation and the value of assets under construction. These were corrected by the Director of Resources and her staff during the course of the audit.
- 56 There was one trivial item in relation to part payment for the building of a demountable unit at Baschurch Village Hall for an amount of £100,000. This is currently shown as revenue expenditure when it should be capital. This has been acknowledged by officers and will be corrected in 2009/10

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### Looking forward

- 57 Looking towards 2010/11, in line with other areas of the public sector the basis of the Council's financial statements will change from being on UK GAAP ( Generally Accepted Accounting Principles) to IFRS (International Financial Reporting Standards).
- 58 We have monitored your progress on this and are satisfied that you are on track to meet these challenges. You have set up a project team and have a clear timeline and have conducted a risk assessment. We will continue to work alongside you to ensure a successful transition.

### Treasury management

- 59 The economic recession has had a significant effect on the income the Council receives from investments deposited. This has not been helped by the financial difficulties faced by a number of both UK and non-UK banks.
- 60 We have undertaken an overview of the Council's treasury management arrangements. The Council continually reviews and updates its Treasury Management policies in order to ensure this area of activity continues to be kept under close control and to avoid exposure to unacceptable levels of risk. The Council has demonstrated that the treasury management arrangements in place have prevented money being invested with banks in financial trouble as exhibited with the Icelandic Banks, where the Council acted prudently and withdrew any investments in Icelandic Banks in time to avoid financial penalties.

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### Financial standing and the economic downturn

- 61 The last year has seen the country enter a significant economic recession. The consequence locally, is an increasing demand for public services and the likelihood of reduced levels of central government funding. Together, these provide a significant challenge for local councils as they seek to continue to provide services to local residents, whilst maintaining a sound financial position.
- 62 The challenge the Council faces is to deliver key services within financial budget. The County Council has a history of delivering expenditure within budget. The latest budget monitoring reports show that the new unitary Council will have a projected unfavourable variance in the current year. The key budget pressures leading to this have been identified and arrangements are in place to manage the position so that there is no significant impact upon the Council's financial position.
- 63 As a new Unitary Council, this will be the first year that the Council is responsible for collecting income from sources previously the responsibility of the District/Borough Councils. The main areas of income collection are:
- Council Tax;
  - NNDR; and
  - Housing Rents.
- 64 The Council has set collection targets for all sources of income and where actual performance is below the target, arrangements are in place to ensure that income collection rates are maintained.
- 65 The impacts of the recession will continue to present a challenge to the Council in the coming financial year. I will continue to monitor the Council's response and actions in this key area.

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### Certification of grant claims and returns

- 66 We have audited the following claims during this financial year:
- Teachers Pension Return;
  - Sure Start Early Years and Childcare Grant;
  - HRA Subsidy Base Data Return 2010/11;
  - 30 European Regional Development Fund (ERDF) Returns; and
  - 8 Advantage West Midlands (AWM) Returns.
- 67 All claims were submitted for audit by agreed deadlines and were supported with good working papers. We did not give a qualified opinion on any claim or return and very few needed any amendments.

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### Questions and objections from electors

- 68 The appointed auditor has a duty under section 8 of the Audit Commission Act 1998 to consider whether, in the public interest, to report on any matter that comes to their attention in order for it to be brought to the attention of the public. In addition there are other responsibilities under the 1998 Act, including investigating questions or objections from electors on the Council's accounts.
- 69 In 2008/09 I received an objection from a member of the public concerning value for money obtained by the Council in respect of the Demand Response Transport system. This objection is still being investigated and a response sent to the member of the public. This is in line with an objection raised by the same person in 2007/08.
- 70 I also received correspondence from a member of the public concerning the level of members' allowances to be paid in the new Unitary Council. We have investigated and responded to their concerns. I have concluded that no further work is required under my powers or responsibilities as a District Auditor.

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### National fraud initiative

- 71 The national fraud initiative data returns have been submitted in line with expected timescales and the quality of the data submitted was higher than the national average. All areas have been investigated and the results reported to the Audit Committee. The most significant area of concern was the number of blue badges issued and the mismatches against deceased badge holders. Arrangements have now been put in place to ensure that all blue badges are returned upon the death of the badge holder.
- 72 Shropshire Council took responsibility for investigating any outstanding matches arising from the former District/Borough Councils at 1st April. Monies are being recovered as a result of this exercise and records are also being updated, eg concessionary travel passes, to prevent future invalid issues.
- 73 Currently, £3,910 has been recovered as a result of duplicate payments and £14,129 from housing benefits investigations.

# Comprehensive Area assessment

**Comprehensive Area Assessment (CAA) is a new way of assessing local public services in England. It examines how well local government and other public bodies work together to meet the needs of the people they serve. The results of these assessments have been made available from 9 December 2009 on the Audit Commission's OnePlace website <http://oneplace.direct.gov.uk/Audit>.**

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## Comprehensive Area Assessment

- 74** For the first time, local public services will be held collectively to account for their impact on better local outcomes. CAA provides a mechanism to ensure that the needs of the local population are met through agencies working closely together to deliver improved outcomes.
- 75** The area assessment takes the single tier and county council boundary as the starting point and will focus on the prospects for better outcomes (including health outcomes) for the people living in that area. The review draws on a range of sources of evidence and will carry out additional investigation where analysis highlights this is necessary. This could involve any of the partners.
- 76** As part of the approach to CAA new Key Lines of Enquiry (KLOE) have been developed together with a new approach to Use of Resources (UoR) judgements. These judgements are broader than previously and have been applied consistently across all sectors. The full findings are published on the Audit Commission's OnePlace website (<http://oneplace.direct.gov.uk/Audit>).

## Key areas of focus in 2010

- 77** Following this year's area assessment for Shropshire, in the coming year the inspectorate bodies are likely to be focussing particularly on how the issue of inequalities within the county are being tackled. This work will focus particularly on addressing the health inequalities across Shropshire such as reducing child obesity and smoking. We will also continue to closely monitor how the affordable housing needs for vulnerable people are being met, particularly in the light of the recession.

# Closing remarks

## Independence

78 I can confirm that the audit has been carried out in accordance with the Audit Commission's policies on integrity, objectivity and independence.

## Audit fees

79 We expect to deliver our audit to the agreed audit fee. A breakdown of the fee is shown in Table 2 below.

**Table 2**      **Audit fees**

	<b>Actual</b>	<b>Proposed</b>	<b>Variance</b>
Financial statements and annual governance statement	167,699	167,699	nil
Value for money	55,146	55,146	nil
pension fund	33,329	33,329	nil
<b>Total audit fees</b>	256,174	256,174	nil
Non-audit work	nil	nil	nil
<b>Total</b>	256,174	256,174	nil

## Reporting

80 I have discussed and agreed this letter with the Chief Executive and the Director of Resources. I will present this letter at the Audit Committee February 2010 and will ensure copies are provided to all members of the Council.

81 Further detailed findings, conclusions and recommendations in the areas covered by our audit are included in the reports issued to the Council during the year.



## Closing remarks

**Table 3**

<b>Report</b>	<b>Date issued</b>
Audit Plan	May 2008
Housing Benefit Grant Preparation	July 2009
Report to those Charged with governance	September 2009
Opinion on Financial Statements	September 2009
Value for money conclusion	September 2009
Use of Resources: Detailed Feedback	December 2009
Annual Audit Letter	December 2009

- 82 Shropshire County Council has taken a positive and constructive approach to our audit. I wish to thank the Council staff for their support and co-operation during the audit.

Grant Patterson  
District Auditor  
December 2009

# Appendix 1 – Use of resources judgements

**Table 3** Shropshire County Council: 2008/09 Scored judgements against the KLOE

<b>KLOE Criteria</b>	<b>Description</b>	<b>Scored judgement</b>
1.1	Does the organisation plan its finances effectively to deliver its strategic priorities and secure sound financial health?	3
1.2	Does the organisation have a sound understanding of its costs and performance and achieve efficiencies in its activities?	4
1.3	Is the organisation's financial reporting timely, reliable and does it meet the needs of internal users, stakeholders and local people?	3
2.1	Does the organisation commission and procure quality services and supplies, tailored to local needs, to deliver sustainable outcomes and value for money?	4
2.2	Does the organisation produce relevant and reliable data and information to support decision making and manage performance?	3
2.3	Does the organisation promote and demonstrate the principles and values of good governance?	3
2.4	Does the organisation manage its risks and maintain a sound system of internal control?	3
3.1	Is the organisation making effective use of natural resources?	3
3.2	Does the organisation manage its assets effectively to help deliver its strategic priorities and service needs?	3
3.3	Does the organisation plan, organise and develop its workforce effectively to support the achievement of its strategic priorities?	N/A

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# The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.

As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

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Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 0844 798 1212 Fax: 0844 798 2945 Textphone (minicom): 0844 798 2946

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