

APPENDIX 'A'

Use of resources 2009 - Local Government

Summary of KLoEs showing areas of focus and existing and new evidence that will support the assessment.

Ref	KLoE and focus	Getting the basics right (level 2) Key areas and reference to prior evidence	Performs well (level 3) Key areas and reference to prior evidence	
1.1	<p>Does the organisation plan its finances effectively to deliver its strategic priorities and secure sound financial health?</p> <p>The organisation:</p>	<p>Partly represents level 2/3 performance on 2008 KLoEs 2.1 and 3.1, with a fair amount of new evidence required.</p>	<p>Partly represents level 3/4 performance on 2008 KLoEs 2.1, 5.2 and 3.1, with a fair amount of new evidence required.</p>	
	<ul style="list-style-type: none"> integrates financial planning with strategic and service planning processes on a medium to long term basis 	<p>Integrates financial and other corporate planning processes, such as risk/asset/capital/income charging/IT/HR. Sets and approves a comprehensive, balanced and realistic budget, supported by achievable savings plans. Risk based policy on reserves and balances, including earmarked and general fund, understood and approved by Members. If not at target reserves, this is set out in the policy, with sound, risk based plans to recover.</p>	<p>Demonstrate that financial planning contributes to improved outcomes in relation to priorities. Demonstrate outcomes of a good financial planning process including timely approval of annual budget with emphasis on medium term service and financial plans, stable financial environment, shifting resources from low to high priorities and achieving improved outcomes, exit strategies for reduced</p>	

		<p>(2008 KLoE 2.1 - level 2/3, 2008 KLoE 3.1 - level 3)</p> <p>Bottom up service and financial planning processes based on good understanding from service managers. Demonstrates effective communication of financial planning process to staff and stakeholders. Treasury management ensures sufficient cash to meet needs (measured in part by meeting tax and prompt payment demands), balancing investment VFM and security. Performance monitored and outcomes in line with treasury management strategy (which considers CoP for TM and Prudential Code).</p> <p>(New)</p>	<p>funds, medium term approach to savings and efficiencies, strategic charging to deliver financial and social priorities, well managed capital programme linked to priorities and supporting improvements.</p> <p>Evidence of ownership of the process by relevant stakeholders.</p> <p>(2008 KLoE 2.1 - level 4, 2008 KLoE 5.2 - level 3, 2008 KLoE 3.1 - level 3 / New)</p>	
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	<ul style="list-style-type: none"> engages local communities and other stakeholders in the financial planning process 	<p>Assesses impact of policies and strategies on diverse communities to comply with equalities legislation. Demonstrate it considers results of equalities impact assessments in decision making, particularly as part of the MTFS.</p> <p>(New)</p>	<p>Involves external stakeholders in the financial planning process to deliver organisational and shared objectives. Consults communities effectively in setting priorities, significant spending decisions and charging policies, e.g. through participatory budgeting. Demonstrates it knows its diverse communities and adopts varied methods to engage appropriately with them.</p>	

			(New)	
	<ul style="list-style-type: none"> manages spending within available resources and is financially sound over the medium term 	<p>Medium term financial planning and annual budgeting underpin strategic objectives, based on clear assumptions. MTFS takes account of local and national priorities and Members are engaged in the planning process. MTFS defines financial resources required to deliver priorities including the financial implications of other strategies e.g. HR/IT/charges/capital/assets, with which the MTFS is consistent.</p> <p>(2008 KLoE 2.1 - level 2/3)</p>	<p>Financial planning process works on a medium to long term basis. Models balances, cash, resource requirements, revenue and expenditure totals using different planning assumptions (eg sensitivity, best/worst/likely scenario) - linked to risk management and service and financial reporting. Processes help challenge of resource use, with partners, to achieve best options for service provision to support efficiency savings, VFM and best outcomes. This uses benchmarking data and is owned by all stakeholders.</p> <p>(2008 KLoE 2.1 - level 3/4)</p> <p>Evidence of financial and risk management processes supporting each other to identify the financial impact of business risks and the business impact of financial risks. Devolves budgets and monitoring to better integrate financial, resource and performance management. Implements best practice in relation to the third sector.</p>	

			(New)	
	<ul style="list-style-type: none"> recognises individual and collective responsibilities for financial management and values and develops financial skills. 	<p>Cabinet and corporate management team understand the financial environment in which the Council operates and exercise collective and individual responsibility for use of resources and financial accountability.</p> <p>Corporate development promotes financial literacy and skills, including outside finance, based on training tailored to address different needs.</p> <p>(New)</p>	<p>Leadership fosters an environment of and financial challenge based on understanding and transparency of the financial position.</p> <p>Members and the corporate management team provide constructive challenge on financial plans, management arrangements and financial performance, holding officers to account and promoting best practice / addressing weakness.</p> <p>Service managers are equipped to and contribute to financial plans.</p> <p>Audit Committee considers external and internal reports, feeding significant issues up to the Executive. Issues are fed into the performance management system and are monitored and implemented.</p> <p>(New)</p>	

1.2	<p>Does the organisation have a sound understanding of its costs and performance and achieves efficiencies in its activities?</p> <p>The organisation:</p>	<p>Largely represents level 2/3 performance on 2008 KLoEs 5.1 and 5.2, with some evidence from 2008 KLoE 2.3 and some new evidence.</p>	<p>Largely represents level 3/4 performance on 2008 KLoE 5.2 level 3 performance on 2008 KLoE 5.1, with some evidence from 2008 KLoE 2.1 and some new evidence.</p>	
	<ul style="list-style-type: none"> understands its costs, including whole life, transaction and unit costs, the main factors that influence these and how they link to performance 	<p>Working to understand costs vs activity over time. Unit cost analysis for priority/high spend areas and benchmarking. WLC used for assets and services based on clear criteria, eg significant investment or procurement. Social and environmental considerations in options appraisal for major decisions. Cost and performance information used together in service planning. Cost/benefit analysis of changes, improvements and efficiency savings.</p> <p>(2008 KLoE 5.2 - level 2/3, KLoE 2.3 - level 3)</p>	<p>Good understanding of costs and performance across the Council. Systematic analysis, benchmarking and challenge of VFM. Demonstration of improved costs and performance ratio over time. WLC and social and environmental considerations in most investment decisions. Data collected and reported based on drivers of cost. Understanding of total resources at the disposal of significant partnerships. Partnership resources used to support demonstrable outcomes.</p>	

			(2008 KLoE 5.2 - level 3/4)	
	<ul style="list-style-type: none"> takes account of this understanding of its costs and performance in decision making and commissioning 	<p>Costing information to support decision making is of reasonable quality and includes WLC, transaction and unit cost information, social/environmental consideration, comparing cost and quality/level of service, comparative information with others/over time for priority/high spend areas, analysis of costs by type. All new investments , capital or revenue, based on investment appraisal (costs, benefits and risks).</p> <p>(2008 KLoE 5.2 - level 2/3, KLoE 2.3 - level 3)</p> <p>Cost variances analysed and fed back into the financial planning process.</p> <p>(2008 KLoE 2.2 / New)</p>	<p>Good comparative information on costs and performance, routinely used to challenge VFM. Evidence of improved productivity through reduction in unit costs and increase in service levels and efficiency over time. Decisions based on costs, benefits and impact on local community and environment. Extensive use of comparative information to compare performance.</p> <p>(2008 KLoE 5.2 - level 3/4)</p> <p>Effective use of scenario and risk analysis in evaluating options.</p> <p>(2008 KLoE 2.1 - level 4 / New)</p>	
	<ul style="list-style-type: none"> identifies the scope for making efficiencies and is on track to achieve planned efficiencies. 	<p>Regularly reviews costs to ensure commensurate with service range, level, quality and performance. Benchmarking used to assess performance and challenge underperformance.</p>	<p>Overall achieved planned outcomes across a range of services while maintaining relatively low costs (within</p>	

		<p>High costs regularly scrutinised and action taken to ensure best value obtained. Costs for key services not significantly higher than others providing similar standards of service (within local context). Services "fit for purpose" rather than "gold plated." (2008 KLoE 5.1 - level 2)</p> <p>Set challenging efficiency targets and processes in place to realise planned efficiencies, including analysis, corrective action and lessons learned where not achieved. Actively using new ways to deliver efficiencies, such as BPR. Report NI179 and relevant staff understand how to measure it. (2008 KLoE 5.2 - level 2, 2008 KLoE 2.2 - level 3 / New)</p>	<p>local context and allowing for the fact that some outcomes take longer to materialise or may be based on higher initial investment). Extensive use of comparison and benchmarking to improve service efficiencies. Work with partners to evaluate processes costs and outcomes. Costs for key services demonstrate good value compared to others providing similar standards of service (within local context). Relative total and unit costs have reduced over time. (2008 KLoE 5.1 and 5.2 - level 3)</p> <p>Implementing innovative ways of delivering services, changing processes and structures, resulting in more efficient and improved services. Partnerships entered into based on thorough understanding of costs, benefits and risks and are delivering improved outcomes. Stretching efficiency targets,</p>	
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			<p>based on good understanding of costs and drivers, are regularly achieved or exceeded. Securing efficiency gains through effective use of competition and contestability.</p> <p>(New)</p>	
1.3	<p>Is the organisation's financial reporting timely, reliable and does it meet the needs of internal users, stakeholders and local people?</p> <p>The organisation:</p>	<p>Largely represents level 2/3 performance on 2008 KLoEs 1.1, 1.2 and 2.2 plus a small amount of new evidence.</p>	<p>Largely represents level 3/4 performance on 2008 KLoEs 1.1, 1.2 and 2.2 with a reasonable amount of new evidence.</p>	
	<ul style="list-style-type: none"> produces relevant, timely and reliable financial monitoring and forecasting information 	<p>Budget monitoring and forecasting information is reliable, relevant and understandable to support decision making. It is regular and timely, leading to prompt action to address variances or other issues, including significant partnerships. Obtains assurance over system ability to do this.</p> <p>(2008 KLoE 2.2 - level 2)</p> <p>Corporate management team and members are confident that internal and externally reported financial monitoring information is consistent.</p> <p>(New)</p>	<p>Fit for purpose forecast information which analyses and extrapolates trends to show projected impact on final outturn.</p> <p>Forecasting uses unit and activity cost information, risk and sensitivity analysis. Good quality and timely financial information, shows a link between budget, forecast and year end information enabling remedial action and efficient accounts closure.</p>	

			<p>Budget managers confident they are equipped to financially manage based on timely, flexible, good quality information.</p> <p>Challenges budget and reporting cycle to respond to challenges such as faster closure.</p> <p>(New)</p>	
<ul style="list-style-type: none"> uses financial and related performance information to monitor performance during the year produces financial reports that are clear, relevant and concise to support strategic decision making 	<p>Considers financial information alongside related performance information linked to strategic objectives and reports this to the Executive, with written commentary the underlying position explaining, to meet its needs.</p> <p>Integrated approach to collecting and producing financial and non-financial performance data.</p> <p>Action taken to manage potential overspends so there is no impact on service provision and achieving priorities.</p> <p>(2008 KLoE 2.2 - level 2/3)</p>	<p>Financial information systems are accessible and provide for timely tailored and useful information, for example, by allowing live access to the system, flexible reporting tools, profiled monitoring reports soon after month end.</p> <p>Reports carefully written to support the required decisions and suit member requirements, including key financial, performance and risk issues.</p> <p>(2008 KLoE 2.2 - level 3/4, New)</p>		
<ul style="list-style-type: none"> prepares accounts that meet statutory requirements, financial 	<p>Accounts comply with statutory requirements, timetables and standards.</p> <p>Approved by those charged with governance by 30 June and</p>	<p>Overall quality of approved accounts is good and supported by through</p>		

	<p>reporting standards and present fairly</p>	<p>published, with audit opinion, by 30 September. Present fairly and contain non-trivial but not material errors. Good working papers, including analytical review, and rapid responses to audit requests.</p> <p>(2008 KLoE 1.1 - level 2/3)</p>	<p>documentation and analysis. Auditor considers errors to be clearly trivial and issues to be reported to those charged with governance not to be significant. Strong corporate commitment and culture to producing good quality accounts and supporting documentation. Early and efficient approval and publishing . Proactive dealing with issues, new standards and obtaining information from third parties.</p> <p>(2008 KLoE 1.1 - level 3/4)</p>	
	<ul style="list-style-type: none"> publishes reports that provide an objective, balanced and understandable assessment of performance in the year. 	<p>Most recent published accounts and AAL available to the public on the website on a timely basis and in accessible formats. Understands and is complying with equalities legislation when publishing information. Analyses local need, based on community engagement, and addresses barriers.</p> <p>(2008 KLoE 1.2 - level 2/3)</p>	<p>Timely, accessible, external reporting provides a balanced, objective and understandable assessment of the Council's activities, achievements and financial performance in the year. Includes robust environmental footprint and social information. Financial information reflected in a user friendly way based on consultation and known good practice.</p>	

			<p>(2008 KLoE 1.2 - level 3/4)</p> <p>Reporting addresses diversity issues such as who receives services and where money was spent and impact on local communities.</p> <p>(New)</p>	
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Ref	KLoE and focus	Getting the basics right (level 2) Key areas and reference to prior evidence	Performs well (level 3) Key areas and reference to prior evidence	
2.1	<p>Does the organisation commission and procure quality services and supplies, tailored to local needs, to deliver sustainable outcomes and value for money?</p> <p>The organisation:</p>	<p>This largely draws on evidence from level 3 KLoEs on 2.1 and 5.2 with some new evidence required to justify level 2 achievement.</p>	<p>This largely draws on evidence from level 3 and 4 of KLoE 5.2 with a fair amount of new evidence required.</p>	
	<ul style="list-style-type: none"> has a clear vision of intended outcomes for local people which 	<p>Demonstrate an understanding of the inequalities and diversity of the local community and their needs for services - forming the basis of the Council's strategic approach to</p>	<p>Members and staff demonstrate clear understanding of the</p>	

	<p>shapes its commissioning and procurement, and is based on an ongoing analysis and understanding of needs</p>	<p>service planning, commissioning and procurement. A joint strategic needs assessment with relevant partners, formally evaluating the use of joint commissioning for health and social care. Evidence of identifying greater co-operation with statutory partners for joint commissioning in other services.</p> <p>(KLoE 2.1, level 3), (KLoE 5.2, level 3 / New)</p>	<p>commissioning and procurement strategy aligned to the sustainable community strategy. Monitoring and updating of an implementation plan for these strategies. An up to date strategic needs assessment in most services which also looks to the future. Good engagement with local communities to narrow the gap between vulnerable groups and the rest of the community. The needs assessment drives long term commissioning decisions, focussing on the areas of greatest need.</p> <p>(KLoE 5.2, level 3/4 /New)</p>	
	<ul style="list-style-type: none"> involves local people, partners, staff and suppliers in commissioning services 	<p>Engage with stakeholders, including difficult to reach groups, to inform understanding of diverse needs and establish service priorities. Review services in the light of this needs assessment, identifying priority services for review. Involve users of services in their design.</p> <p>(KLoE 5.2, level 3/ New)</p>	<p>Service users involved as appropriate at each stage of the commissioning cycle. Obtain and assess user satisfaction feedback from all sources to inform improvement decisions. Clear and accessible explanation of commissioning and procurement strategy on the website with user-friendly</p>	

			guidance for all stakeholders. (KLoE 5.2, level 4/ New)	
	<ul style="list-style-type: none"> seeks to improve the customer experience, quality and value for money of services through service redesign, making effective use of IT 	<p>Focus on improving the customer experience of services and value for money including the consideration of user access to services.</p> <p>IT strategy aligned to strategic objectives with technology used as an enabler of business change to support priorities.</p> <p>Evaluation and re-design of services to remove inefficiencies and exploit IT driven efficiencies.</p> <p>(KLoE 5.2, level 2/3)</p>	<p>Actively identify and implement new ways of delivering services.</p> <p>Invest time in awareness of IT developments and how these can be used to benefit service delivery.</p> <p>Work with partners to improve customer service experience or secure efficiencies.</p> <p>(KLoE 5.2, level 4/ New)</p>	
	<ul style="list-style-type: none"> understands the supply market and seeks to influence and develop that market 	<p>Commissioning and procurement based on a good understanding of the market.</p> <p>Staff have a good understanding of the network of suppliers and maintain a two-way dialogue with them.</p> <p>Where appropriate, support potential providers to build their capacity to deliver services.</p> <p>Support the third sector in its provider role through long term grant funding arrangements.</p> <p>Clear visibility of 'off-contract' spend with a plan to extend commissioning and procurement contracts to these areas.</p> <p>(KLoE 5.2, level 3/ New)</p>	<p>Have a good and developing understanding of the supply market, engaging with partners and providers to be aware of future needs.</p> <p>Examples of successful implementation of demand management in services.</p> <p>Demonstrate experimenting with models of co-production with service users and communities.</p>	

			(KLoE 5.2, level 4/ New)	
	<ul style="list-style-type: none"> evaluates different options (internal, external and jointly with partners) for procuring services and supplies 	<p>Demonstrate a detailed consideration of procurement options (source, workforce matters, joint purchasing activities, compliance with legal requirements, understanding of costs, option evaluation, performance feedback. Effective contract monitoring for service performance, ensuring compliance with terms and conditions. Well defined contract management process (pre and post contract signing).</p> <p>(KLoE 5.2, level 3/ New)</p>	<p>Pro-actively consider a variety of procurement options to deliver community objectives including a formal appraisal process to choose the most appropriate. Explore and pursue collaborative arrangements with other Councils and partners. Regularly assess the sustainable development implications of policies. All new commissioning decisions take account of long term sustainability and whole life costing. Demonstrate that the Council is on track to deliver key intended outcomes and is working with partners to secure innovation with reflected levels of customer satisfaction.</p> <p>(KLoE 5.2, level 4/ New)</p>	
	<ul style="list-style-type: none"> reviews the 	A programme of service reviews to identify service and VFM	Processes to challenge why and	

	<p>competitiveness of services and achieves value for money, while meeting wider social, economic and environmental objectives</p>	<p>improvements (soft-market testing, benchmarking, procurement consortia). Measure and externally benchmark transaction or unit costs and investigate opportunities to reduce them. Use market mechanisms like competition and contestability to secure better deals for service users.</p> <p>(KLoE 5.1/5.2, level 2/3)</p>	<p>how a service is being provided (compare performance with other sectors). Focus on achieving integrated social, economic and environmental outcomes. Work with statutory partners to identify total resources and evaluate increased efficiency options (shared procurement functions, joint commissioning, e-procurement).</p> <p>(KLoE 5.1/5.2, level 3/4 / New)</p>	
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2.2	<p>Does the organisation produce relevant and reliable data and information to support decision making and</p>	<p>This largely draws on the Data Quality audit KLoEs level 2/3, some consolidation of evidence will be required.</p>	<p>This largely draws on the Data Quality audit KLoEs level 3/4, some consolidation of evidence will be required.</p>
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	<p>manage performance?</p> <p>The organisation:</p>		
	<ul style="list-style-type: none"> produces relevant and reliable data and works with partners to ensure the quality of partnership data 	<p>Use the principle of collect once and use numerous times to underpin data collection and storage.</p> <p>Council clearly defines data requirements, focussed on strategic objectives and service needs.</p> <p>Risk management identifies risks to securing data quality and takes action to manage risks.</p> <p>Demonstrate that data quality improvements are driven from the top of the organisation down but that managers and staff also feed upwards problems and solutions.</p> <p>A set of policies and procedures define the approach to data quality and is communicated and consistently applied.</p> <p>Appropriate training is provided.</p> <p>Sound governance arrangements for data quality in partnerships, including understanding partner data flows and requirements.</p> <p>(KLoE 5.2, level 2/3, New)</p>	<p>A robust, risk-based framework to oversee data quality, covering partnerships and data throughout the year.</p> <p>Robust scrutiny of data quality including formal reporting on the accuracy of data quality.</p> <p>Work closely with partners to ensure data quality is fit for purpose (shared internal audit reviews or desk top reviews, resolving data conflict issues).</p> <p>Good track record of reliable data quality including action plans to address known weaknesses.</p> <p>(KLoE 5.2, level 3/4, New)</p>
	<ul style="list-style-type: none"> understands the needs of its decision makers and provides them with information that is fit-for-purpose and is used to support decision making 	<p>Members receive fit-for-purpose information to support decision making (relevant, good quality, understandable).</p> <p>Suitably summarised, presented and triangulated information to suit decision makers preferences, skills and available time.</p> <p>Using suitable resources to collect and consolidate data accurately and efficiently with limited manual intervention, minimising multiple data sources.</p> <p>Actively use provided data to support the decision making process.</p>	<p>Information for decision making draws on a full range of information.</p> <p>Information is held on diversity and equality issues and is used to support decision making.</p> <p>Information has a comparative element demonstrating approaches in other organisations.</p> <p>Options for the presentation of information are considered and users are consulted to assess how their needs are being met.</p> <p>Providers are clear as to the suitability of their information and whether it was used and valued.</p>

		(Previously DQ KLoE L3/ New)	Quality measures are used to understand strengths and weaknesses in data and the Council demonstrates continual improvement in these measures. (Previously DQ KLoE L4 / New)
<ul style="list-style-type: none"> ensures data security and compliance with relevant statutory requirements 	<p>Council manages data on systems with controlled and secured access and has a business continuity plan that is regularly tested. Up to date security policies are in place and periodically reviewed, which reflect the requirements of national standards. Demonstrate that these policies are consistently applied with senior management receiving and taking action against compliance reviews. A Senior Information Risk Owner is in place and the Council complies with any relevant codes of connection for services it has in place.</p> <p>(Previously DQ KLoE L3 / New)</p>	<p>Good practice standards are incorporated into Council data policies. Demonstration of the reduction of the number and severity of security incidents and lessons learned are incorporated into revised policies.</p> <p>(Previously DQ KLoE L4 / New)</p>	
<ul style="list-style-type: none"> monitors performance against its priorities and targets, and addresses underperformance 	<p>Corporate targets for managing performance, including partnerships, aligned with strategic partnerships are communicated throughout the organisation and partners. Cabinet monitors implementation of major projects and strategies to ensure achievement of planned benefits and outcomes. Fit-for-purpose information underpins performance management and includes customer perception measures, needs analysis, national and local PIs and quality of life indicators, demographic information, financial and efficiency information and external research. Information is used to keep areas of underperformance</p>	<p>Integrated performance management with management of resources. Information is used creatively (identify gaps in service provision, forecast and model future developments etc) and this is reflected in strategic planning. Use focussed PIs to oversee performance against corporate priorities and whether VFM is achieved in the delivery of services. Demonstrate that indicators are used to drive improvement. The Council has a good track record of achieving planned efficiency gains and targets are challenging with performance benchmarked against other organisations.</p>	

		<p>under review and action is taken to ensure issues of concern do not become issues of priority.</p> <p>(KLoE 3.1 L3), (KLoE 5.2 L2/3, New)</p>	<p>There is a strong culture of using information to support performance improvement and members and officers understand areas of under-performance.</p> <p>There is analyst and other specialist capacity to support performance management.</p> <p>(KLoE 5.2 L3/4, New)</p>
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2.3	Does the organisation promote and demonstrate the principles and values	This largely draws on the old internal control KLoEs (levels 2 and 3) but some new evidence will be required, particularly around partnership evidence.	This largely draws on the old internal control KLoEs (levels 3 and 4) and elements of old VFM KLoEs, but a fair amount of new evidence will be required, particularly around
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	of good governance?		partnership evidence.
	<p>The organisation:</p> <ul style="list-style-type: none"> has adopted, promotes and demonstrates, the principles of good governance 	<p>A published document describing the roles and responsibilities of the leader, individual executive members and other Council members, the scrutiny function, chief executive and other senior officers. A constitution with appropriate scheme of delegation. A constructive working relationship between members, CMT and staff. There are a full range of development opportunities for members and CMT with appropriate training and induction for new roles.</p> <p>(KLoE 4.1/4.2, L2/3/ New)</p>	<p>Demonstrate that members and staff are clear about theirs and each others roles and responsibilities. These are regularly reviewed. to focus on delivering Council priorities. Individual personal development plans for members based on skill gaps with training plans in place and a high take up of training opportunities by members. Evaluation of the effectiveness of training with action taken on the results.</p> <p>(KLoE 4.1/4.2, L3/4/ New)</p>
	<ul style="list-style-type: none"> maintains focus on its purpose and vision 	<p>A robust vision of what the Council wants to achieve for local communities, based on assessment of needs. Engaging with stakeholders including minority and vulnerable groups. The vision translated into clear strategic priorities that drive the business.</p> <p>(KLoE 1.2, L3), KLoE 5.2, L3)</p>	<p>An open and outward facing culture with clear focus on the needs of local communities. A focus on delivering strategic priorities, not distracted by internal disputes. Excellent working relationships between members and senior officers, translated into the effective delivery of priorities for local communities.</p> <p>(KLoE 5.2 L4, New)</p>
	<ul style="list-style-type: none"> demonstrates a strong ethical framework and culture 	<p>Codes of conduct for members (with all members signed) and staff and arrangements to receive and investigate breaches. An effective standards committee for overseeing compliance. Compliance is monitored and reported to the whole Council</p>	<p>Pro-active raising of ethical standards and progress communicated to stakeholders. Well attended ethics training for members. Members and staff have high levels of awareness of whistle blowing arrangements.</p>

		<p>with appropriate action plans. Appropriate and timely reports to the Standards Board. Leadership set and promote a strong ethical culture with advice provided by the Standards Committee. Members declare interests in publicly available gifts and hospitality registers. Whistle blowing and complaints procedures are accessible inside and outside the Council. Appropriate action is taken to deal with complaints and concerns.</p> <p>(KLoE 4.3, L2/3)</p>	<p>Outward facing standards committee ensuring that partners and the public are aware of the local standards framework. Risk assessment of local determination of cases brought against members and plans to manage any consequences.</p> <p>(KLoE 4.3, L3/4)</p>
	<ul style="list-style-type: none"> applies the principles and values of good governance to its partnership working 	<p>Each partnership has an appropriate and formally documented form of governance. Partnership objectives focused on achieving better outcomes for local people. Constructive working relationships with timely sharing of information. Effective arrangements for resolving disputes and demonstration of following these procedures. Effective contribution to the LSP.</p> <p>(KLoE 5.2, L3/ New)</p>	<p>Demonstration that stakeholders and local people have confidence in the local partnerships and their governance arrangements. Regular review of effectiveness of partnerships and demonstration of effective outcomes and value for money. A locality wide agreement governing relationships with voluntary and community organisations with clear assignment of roles and responsibilities to deliver better outcomes for local people.</p> <p>(KLoE 5.2, L4/ New)</p>

2.4	Does the organisation manage its risks and maintain a sound system of internal control?	This largely draws on the old internal control KLoEs (levels 2 and 3) and only a limited amount of new evidence will be required.	This largely draws on the old internal control KLoEs (levels 3 and 4) but some new evidence will be required.
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	The organisation:		
	<ul style="list-style-type: none"> has effective risk management which covers partnership working 	<p>The Cabinet ensures corporate business risks are identified and effectively managed in line with its risk management strategy.</p> <p>Members are responsible for corporate risk management and work closely with the Audit Committee.</p> <p>A register of corporate and service business risks is regularly updated and is linked to strategic objectives, assessing likelihood and impact and assigning responsibility to individuals.</p> <p>Risks relating to significant partnerships are considered and assurances of the management of these risks are obtained.</p> <p>Relevant training and guidance is provided to officers involved in risk management and to new starters.</p> <p>(KLoE 4.1, level 2/3)</p>	<p>Senior management ensure that risk management is embedded in business processes.</p> <p>Risk management awareness training is delivered, suitable to members' needs and responsibilities.</p> <p>Partnerships have risk management arrangements in place as part of setting priorities, policy making, financial planning and performance management.</p> <p>Demonstration of a positive risk culture, sharing of intelligence and improved outcomes within partnership working.</p> <p>Taking and managing significant risks to deliver innovative and challenging projects.</p> <p>(KLoE 4.1, level 4)</p>
	<ul style="list-style-type: none"> has a clear strategy and effective arrangements, including allocation of appropriate resources, to manage the risk of fraud and corruption 	<p>A member approved counter fraud and corruption strategy is available to all staff, linked to strategic objectives with measures to evaluate effectiveness. There is a good track record of monitoring delivery of the strategy.</p> <p>A pro-active risk based programme of counter-fraud work, creating a zero tolerance culture.</p> <p>Arrangements are made clear to partnerships.</p> <p>Non-compliance with policies and procedures is reviewed to identify potential fraud.</p> <p>Prompt and adequately resourced investigation of potential cases of fraud.</p> <p>Arrangements are preventive as well as reactive on a risk assessed basis.</p>	<p>There is a track record of achievement against the outcomes specified in the counter fraud and corruption strategy.</p> <p>Assessing arrangements against guidance and best practice, strengthening procedures in response.</p> <p>Effective working arrangements and shared intelligence with relevant partner organisations.</p> <p>(KLoE 4.3, level 4 /New)</p>

		<p>Creating a strong deterrent effect by publishing proven fraud cases and information is shared to prevent and detect fraud.</p> <p>(KLoE 4.3, level 3 and elements of level 4)</p>	
	<ul style="list-style-type: none"> has a sound system of internal control including internal audit 	<p>There are sound arrangements for audit committee functions, internal audit, an assurance framework, Standing Orders and SFIs, compliance with laws and regulations and key financial systems controls.</p> <p>The AGS is an open and honest statement documenting actions taken or required to address areas of concern.</p> <p>There is a business continuity plan which is reviewed and regularly tested.</p> <p>Compliance with the Civil Contingencies Act 2004 is demonstrated and exercises are held with partners to test the adequacy of emergency plans.</p> <p>(KLoE 4.2 L2/ New)</p>	<p>An audit committee that is balanced, objective, independent and knowledgeable and can demonstrate a positive impact through its work.</p> <p>Audit Committee demonstrates effective monitoring of progress in areas of significant internal control concern. Demonstration of the awareness of work undertaken by other committees and accounting for significant internal control issues raised.</p> <p>Gathering assurance of the viability of significant contractors' and partners' business continuity plans.</p> <p>(KLoE 4.2 L3/4/New)</p>

3.1	Is the organisation making effective use of	All new	All new
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	<p>natural resources? (ST/CC only in 2009)</p> <p>The organisation:</p>		
	<ul style="list-style-type: none"> understands and quantify its use of natural resources and can identify the main influencing factors 	<p>Developing a strategy to reduce own use of natural resources and impact on the environment, including gathering baseline use information. Strategy based on understanding of carbon emissions, water use and other resource consumption. Evidence of working with others across the area on the strategy and engaging staff to gain commitment. Identified some initiatives to support the strategy and is producing plans to deliver reduced environmental impact.</p> <p>(New)</p>	<p>Information on impact is being used to reduce use of natural resources, including targeting of carbon producing operations. Strategy supported by delivery plans and other corporate plans support delivery. Working effectively with partners to develop and implement plans.</p> <p>(New)</p>
	<ul style="list-style-type: none"> manages performance to reduce its impact on the environment manages the environmental risks it faces, working effectively with partners. 	<p>Establishing processes and targets to manage performance to reduce use of energy, water and raw materials through reducing demand and substituting more efficient approaches/products, reducing waste and recycling resources and managing habitats to increase biodiversity.</p> <p>(New)</p>	<p>Reliable information used to monitor performance in achieving the strategy, communicating this and engaging with stakeholders. Managing progress and reducing its impact in line with targets across the organisation. Identified significant environmental risk that could affect delivery of operations. Sustainability impact appraisals undertaken for all major projects and programmes and action taken to respond to negative impacts. Considers environmental impact of suppliers and uses commissioning and procurement processes to influence them. Using partnerships to minimise impact e.g. using shared buildings.</p> <p>(New)</p>
3.2	Does the organisation manage its assets	This largely draws on the former KLoE 2.3 (levels 2 and 3) and only a limited amount of new evidence will be required.	This largely draws on the former KLoE 2.3 (levels 3 and 4). To demonstrate level 3 a lot of new evidence will be required,

	<p>effectively to help deliver its strategic priorities and service needs?</p> <p>The organisation:</p>		<p>particularly around long term strategic plans involving partner organisations.</p>
	<ul style="list-style-type: none"> has a strategic approach to asset management based on an analysis of need to deliver strategic priorities, service needs and intended outcomes 	<p>Strategic plans that show how the Council will develop assets to meet strategic priorities and operational and service needs. Financial and other plans support the delivery of strategic asset plans and show how any financial gaps will be filled over the long term. Policies and decision making structures underpin the management of assets as a corporate resource. Responsibilities for assets are clearly designated to functions and roles within the Council. Members actively engage in policy development for the asset base.</p> <p>(KLoE 2.3 L2/3)</p>	<p>There is an organisation wide approach to managing assets, rather than being departmentally driven. The asset base is used to help deliver sustainable outcomes for local communities. Asset management planning is fully integrated with corporate and service planning. Strategic asset plans are supported by realistic and robust implementation plans (utilising current assets, reducing current and long term costs, realising the benefits of holding assets, disposing of surplus assets, developing assets to meet service demand).</p> <p>(KLoE 2.3 L3/4)</p>
	<ul style="list-style-type: none"> manages its asset base to ensure that assets are fit for purpose and provide value for money 	<p>Comprehensive and accurate data on the asset base. Manage the performance and VFM of assets through performance indicators (with evidence of targets being met). Effective member scrutiny of the asset portfolio. Council is narrowing the gap between current and acceptable standards of maintenance. Capital investment supports the delivery of corporate priorities and there is a systematic process for appraising competing demands. Significant investment decisions are evaluated using option</p>	<p>Council challenges whether assets are required, fit for purpose and provide VFM. Views of service users inform reviews of the asset base. Comprehensive programme of property reviews. Council compares its performance through benchmarking against other similar asset holding organisations. Council demonstrates that it is improving the overall condition of the asset base, reducing health and safety risks, upgrading facilities, improving access to services, mitigating environmental impacts and protecting heritage.</p>

		appraisal and whole life appraisal techniques. (KLoE 2.3 L3/ New)	(KLoE 2.3 L4/ New)
	<ul style="list-style-type: none"> works with partners and community groups to maximise the use of assets for the benefit of the local community 	<p>Developing a strategic approach to working with other sectors and organisations (e.g. shared use of assets). Some examples of joint working on individual building projects.</p> <p>(New)</p>	<p>Actively working with partners to develop a long term strategic approach for all assets used by public bodies across the area. There are plans aimed at developing opportunities for shared use of assets.</p> <p>Exploring alternative models of sharing, ownership and management of public assets with key partners.</p> <p>(New)</p>

3.3	Does the organisation	All new	All new
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	<p>plan, organise and develop its workforce effectively to support the achievement of its strategic priorities? (DC only in 2009)</p> <p>The organisation:</p>		
<ul style="list-style-type: none"> has a productive and skilled workforce 		<p>Gaps in skills identified with plans to address them. Presenting self as good employer exploiting a range of recruitment channels. Effective performance management for the workforce with examples of actions taken to respond to poor performance. Effective systems for monitoring and managing levels of accident and sickness with action taken to reduce high levels.</p> <p>(New)</p>	<p>Reduced skill and capacity gaps with effective approaches to recruitment, including e-recruitment and targeting underrepresented groups. Talent management approach and effective succession planning. Workforce performance management arrangements have a strong customer and community focus. Examples of recognition and reward of high performers. Evidence of successful wellbeing initiatives which are improving attendance rates. Staff costs in high spend areas benchmarked and reviewed for potential for efficiencies / improved productivity. Demonstrate how workforce is benefiting the community, eg through staff identifying and implementing innovation.</p> <p>(New)</p>
<ul style="list-style-type: none"> knows in the medium to longer term what staff it will need, with what skills and has plans to achieve this 		<p>Workforce and service planning integrated. Workforce plans based on reliable data and information. Plans set out current staff, needs over 3-5 years and plans. Transparent and managed agency staff costs.</p> <p>(New)</p>	<p>Corporate strategic approach to workforce planning that reflects strategic priorities and supports service delivery. Workforce planning designed to improve efficiency, productivity and VFM outcomes against local priorities. Underpinned by fit for purpose information on demand for services, workforce size and profile, views of staff. Joint workforce planning will be delivering benefits such as cost reduction, integrated services and less unproductive competition</p>

			<p>for scarce skills. Taking action to have positive brand in local market.</p> <p>(New)</p>
	<ul style="list-style-type: none"> engages and supports staff in organisational change 	<p>Effectively manage an support organisational change by engaging the workforce, unions and representatives in the process and reporting positively on this. Communications planned to and are effective in ensuring two-way discussions. Monitors staff morale and satisfaction through periods of change and supports through assistance programmes. Post implementation reviews include evaluation of the impact on staff.</p> <p>(New)</p>	<p>Systematic and planned approach to managing workforce implications of change. Fully involves staff in implementation and empowers them to deliver it. Maintains or improves staff morale in periods of change. Trains line managers dealing with change in change management skills. Uses various methods of communication with staff on change management issues and evaluates their effectiveness. Effective partnership working with unions and representatives including joint communications strategies. Post implementation reviews to assess benefits of change against success criteria and learning from results.</p> <p>(New)</p>
	<ul style="list-style-type: none"> has policies which support diversity and good people management. 	<p>Established policies and practices, including diversity practices, to support good people management, and to ensure compliance with equalities legislation. Train and support managers to implement consistently. Working towards building a workforce that is representative of the community, having adopted the LG Equality Standard and improved its assessment against the five levels. Completed local pay review and on track to implement local pay structure.</p>	<p>Achieving level 3 or above on LG Equality Standard and has plans to adopt new Equality Framework from April 2009. Evidence of significant progress in building a representative workforce, including in senior management. Staff report positively on the Council's diversity practices. Service users positive about how they are treated by staff and on diversity practices. High levels of staff satisfaction across different groups and good retention levels, particularly in priority areas/skills shortage areas. Considering total rewards approach to attract, retain and reward</p>

		(New)	staff, including flexible working. (New)
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