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Middlesbrough Council

Report to the Audit and Governance Committee

December 2012

Final Report

December 2012

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1. Introduction

On the 20 September 2012 we presented the results of our financial audit to the Audit and Governance Committee and within the September report we noted that we would bring a report to the December meeting which would document the findings of our value for money audit and the control recommendations that had arisen from our work.

We issued an unqualified audit opinion on the Statement of Accounts and the value for money conclusion on 28 September 2012. We did not identify any material weaknesses in the financial reporting systems and the control observations noted in this report are considered to be minor.

The Whole of Government Accounts return was presented for audit by the deadline set by HM Treasury. We issued an unqualified opinion on the Whole of Government Accounts return on 5 October 2012.

At the point of writing this report we are still to issue our opinion on the Teesside Pension Fund Annual Report. We are required to issue our report by 1 December 2012. We will issue our audit certificate of completion following the completion of our work on the Teesside Pension Fund Annual Report.

We would like to take this opportunity to thank the management team for their assistance and co-operation during the course of our audit work.

2. Control recommendations

This section of the report summarises the key control recommendations that we have raised during the audit, together with management's responses.

We have not identified any significant control weaknesses from our audit in the current year however we have noted some areas for potential improvement to the control environment, and these out are outlined below.

Asset valuation	
Background	As part of the statutory reporting process, the Council undertakes a 5 year rolling programme to revalue all the land and buildings. In the prior year, Drivers Jonas Deloitte (DJD), who are our in-house property team reviewed the valuations undertaken by the Council's valuation team and raised recommendations stating that the Council should review the methodology used by the valuers; the impact of componentisation on the value of the asset and corresponding depreciation; and also the level of documentation provided to the Council to support and explain the valuations. It was clear from the work DJD undertook in the current year, that all recommendations had been acted upon and there had been specific exercises undertaken by the valuers to address the first two points in relation to methodology and componentisation. However, whilst there had been some improvements in the valuation documentation, the level of detail to explain the key assumptions was still not sufficient. Furthermore, we would have expected the Council's valuation team to have communicated more with the Council's finance team during the valuation process. For example, we would have expected the valuers to have communicated the results of the valuation exercise with management and explain any significant movements in the valuations to ensure management have a clear understanding of what the key drivers and assumptions are that underpin these movements so that they can both confirm and challenge these, as ultimately the Council are accountable for the value of the assets within the statutory accounts. Similarly, it would be good practice for the valuation team to have a planning meeting with the finance team to understand any changes across the Council that may impact on the value of property, such as decreasing car park revenue streams, to ensure these factors are considered by the valuers. The lack of communication could lead to inaccurate valuations being produced due to important information not being shared. In addition, the audit team had to request further narrative and explanation of underlying assumptions used in valuations when testing the values of property, plant and equipment (PPE). This resulted in significant delays in the audit process.

2. Control recommendations (continued)

Asset valuation (continued)

Recommendations

- The relevant members of both the Council's valuation and finance teams should arrange a planning meeting prior to the starting the valuation work and a final meeting to discuss the results of the valuation exercise. Further, if any significant changes in valuation are noted during the work, these should be brought to the attention of the Council's finance team, so any wider impact of this change can be considered.

- The valuation reports should be accompanied by further narrative to explain, the underlying assumptions used in relation to valuation methodology, commentary on depreciation and useful economic life, and explanations of any significant changes and impairments are noted by the valuation team. The explanation provided should justify the reasons for the change in value and also provide the underlying assumptions used to reach the final valuation. Ultimately, the valuation documentation should include enough information to be understood by a third party.

Management Response

1. A planning meeting has taken place between Strategic Resources and the Valuation staff. The following schedules have been provided:

    - List of assets on the 5 year rolling programme

    - List of assets to be review for componentisation

2. Valuers will provide valuations on a monthly basis from November to February, for all the assets included in the schedules. The valuations will come complete with all appropriate documentation.

3. When the valuation results in significant change in the value of an asset then more detailed explanations/documentation will be provided by the Valuers.

4. All valuations from the rolling programme/componentisation are planned to be complete by the end of February 2013.

5. Regular meetings will be arranged with the Valuers and Accountancy to discuss any issues from the valuations received and also to highlight/discuss any impairment triggers that may have been set off.

6. Each month once the valuations have been received, Middlesbrough Council (Strategic Resources) will forward the valuations with full documentation to Deloitte, to enable any queries to be raised in good time before the audit is due to take place. This will enable the auditors to highlight any issues which can be rectified immediately and thus reducing the year end workload.

2. Control recommendations (continued)

Impairment review

Background	During the audit it was noted that the Council had not explicitly considered the impact of economic factors, of which officers were aware, from other areas of the business on the value of its property, plant and equipment. For example, officers were aware that car park income had substantially dropped in the period, but had not considered the impact that this could potentially have on the value of the car parks. Failing to consider all relevant factors could result in misstatement in the valuation figures and may not appropriately reflect the nature of the asset e.g. a car park's value is fundamentally dependent upon its ability to generate revenue. It should be noted that following discussions with Deloitte, the finance team undertook an exercise to consider indicators of impairment. Additional valuations were also undertaken to reflect any additional impairments within the Statutory Accounts.
Recommendation	The Council should ensure there is a robust, annual process in place to consider whether there are any factors that may indicate that an impairment review is needed across its asset base or a class of assets. This exercise should be formally documented and communicated to the valuers.
Management Recommendation	Agreed – The Council will ensure there is a robust impairment review of any assets classes, where economic factors or 'triggers' may have an impact on valuations.

Insurance

Background	From our work on Heritage Assets we noted that the 'Bottle o' notes' asset is not insured by the Council. From a cost benefit perspective this may be appropriate, however it was not evident that this had been formally considered. We understand that there also may be other heritage assets that are not insured.
Recommendation	Management should seek to identify which heritage assets are not included in the insurance schedules. A cost benefit assessment of obtaining additional insurance for any significant uninsured assets should be undertaken and documented.
Management Recommendation	Agreed – An extract from the Asset Register on Heritage assets has been provided to the Insurance Officer to commence the work.

2. Control recommendations (continued)

Implementation of accounts payable controls

Background

In response to fraud perpetrated on the Council in the year additional control procedures were implemented in relation to requests from suppliers to change their payment details, From our testing we noted three instances where the new controls had not been carried out in full. Two of these related to internal requests and there was a specific rationale for the way in which these requests were dealt with, however the third was with an external supplier.

Recommendation

Management should ensure:

1) The new controls are understood by all staff within the Accounts Payable team.
2) Where is has been agreed that the new controls are not appropriate, this should be documented within the financial procedure notes together with any additional controls that are in place to mitigate risk in this area.

Management Response

1. All staff within the Accounts Payable section have been instructed by the manager that they must follow the new changes to vender detail controls.

2. The controls have been updated to incorporate situations when the new standard procedure is not followed i.e. Bank detail request changes received from Social Service's staff relating to clients.

Related party transactions

Background

During our testing of the related party note we noted that confirmation letters were obtained from all councillors, however these were not compared to the register of members' interests. Our review identified differences between the confirmation letters and the register of interests. There is a risk that the related parties and the transactions with related parties may not be identified and disclosed correctly within the annual accounts.

Recommendation

The register of members' interests and the returns from councillors should be compared and any differences should be investigated to ensure the list of related party transactions is complete.

Management Recommendation

Agreed. The related party replies from members will be checked against the Members register of interests. The closure task list will be updated to include this check.

2. Control recommendations (continued)

Budgeting process

Background

We understand the Council has made improvements to the budget process that came into operation for the 2012/13 budgets. This includes using a standardised template and significantly decreasing the number of material codes on SAP to make the financial information more comparable. We will review these new controls as part of our 2012/13 audit.

As we noted in the prior year, across several directorates there were a number of examples where the budget setting is performed on a top-down basis; with the prior year budget being rolled forward taking into account high level factors such as inflation and staffing without due consideration of whether this was still an appropriate base. Examples of where there are significant year on year pressures are Car Parking within Environment and Safeguarding within children, family and learning (CFL).

There has been an exercise during the year to identify and correct budgets which did not accurately reflect the costs going through them, particularly in relation to more accurately reflecting the split between income and expenditure.

However, although work has been undertaken to improve the budget process, the impact of the public sector spending cuts and economic climate has meant that there is an increased risk, that as the Council's cost base has changed, budgets have not remained appropriately aligned. This risk could be exacerbated with the announcement of the significant restructuring of the Departments.

In a time where there is significant demand for the Council to make significant budgetary savings each year, applying a process to rebase the budgets would assist the council in identifying efficiency savings and allow the quarterly reporting of budget versus actuals to be more meaningful.

Recommendation

The Council is going through a significant change in which its Departments have been significantly reorganised and therefore the Council needs to undertake a significant exercise to rebase the budgets to reflect the new cost base that is needed to underpin the service/ cost centre to achieve its objectives/ outputs. This process should take into account the financial envelope available and the current cost base, in order to identify where either funding needs reallocating or savings need to be achieved in order to both meet the Council's objectives and its financial targets.

Management Recommendation

Agreed. The Council will carry out a review of budgets and budget codes across all service areas with the aim of:

- Significantly reducing the number of budget codes.
- Reorganising budgets to reflect the Council's structural changes.

2. Control recommendations (continued)

Whole of Government Accounts (WGA)	
Background	Our review of the WGA return, which is a return issued to Central Government, so that Treasury can prepare consolidated accounts across the Whole of Government, we identified several adjustments, which were corrected by management prior to final submission. These mainly related to the completeness and accuracy of the transactions recorded with other public sector bodies. .
Recommendation	Management need to ensure that it has a robust process in place to ensure that the balances with other public sector bodies included within the WGA return are complete and accurate.
Management Response	Agreed. The Closure task list will be updated to ensure the balances with other public bodies are complete and accurate.

3. Value for Money (VFM) conclusion

From 2010/11 the Audit Commission introduced new requirements for local value for money ("VFM") audit work at councils. This year, auditors are again required to give their statutory VFM conclusion based on the following two criteria:

- proper arrangements for securing financial resilience: work to focus on whether the Council has robust systems and processes to manage risks and opportunities effectively, and to secure a stable financial position that enables it to continue to operate for the foreseeable future; and
- proper arrangements for challenging how economy, efficiency and effectiveness are secured: work to focus on whether the Council is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity.

We have planned our local programme of work based on our risk assessment, which is informed by a series of risk factors determined by the Audit Commission. It should be noted that the work carried out was light touch, in line with Audit Commission guidance, focusing on updating our understanding of arrangements and controls in place. As arrangements have previously been assessed as adequate and we are not aware of any changes, we did not carry out detailed testing of the implementation of those controls in the current year.

The key audit risks which we identified as part of our overall audit strategy are:

- financial sustainability;
- asset management and the development of the 'hub' initiative; and
- management of information across the Council.

We issued on an unqualified opinion on 28th September 2012. The detailed results of our testing are documented below:

Delivery of financial targets and the management of reduction in resources	
Financial planning and efficiency plans	In response to the significant financial pressures that the Council is facing over the next few years the Council has put in place efficiency plans to achieve the cost cutting target for 2012/13 and is developing plans for the next two years. However, the severity of the pressures facing the Council means that it will be unable to continue to provide current or historic levels of services (scope or quantum) and in order to respond to this, the Council needs to go beyond cost cutting into a process of service transformation. To date the Council has or is in the process of implementing major cost reduction programmes, which the Members have been involved with. It is also implementing some changes that are needed to achieve financial transformation, such as workforce planning in some areas. However, as we highlighted in the prior year in order to achieve transformation effectively, the Council must be clear about its strategic direction and what the vision for the Council is at the end of the Medium Term Financial Plan period. There should be clear communication to the officers and budget holders so that they are fully aware of the objectives they are working towards to enable transformation.

3. Valuation for Money (VFM) Conclusion (continued)

Delivery of financial targets and the management of reduction in resources

Deloitte response

1) *We have reviewed the financial planning process, including the extent to which tools such as modelling and sensitivity analysis is used to support the process. Progress in updating the medium term financial plan (MTFP) as well as the reasonableness of assumptions built into the budget and MTFP have been considered as part of our work.*

The Council refreshed its MTFP as part of the budget setting process for 2012/13 and followed a similar process to the prior year. Overall there were no significant issues identified with the process.

However as noted in the prior year although the Council uses high level sensitivity analysis we recommend that going forward, the financial modelling needs to be developed within services to meet the more significant financial challenges in future years. This model should have the capacity to sensitise a range of movements across key assumptions and key areas of financial pressure. This would allow for a range of scenarios to be developed so the Authority can ensure it has considered what contingencies it needs to have in place to mitigate against the down-side scenarios.

2) *We selected a sample of 5 budget reduction measures to assess the reasonableness of the quantification of savings to be achieved, and the processes for identifying and addressing any costs of implementation.*

The quantification of savings in the financial year to 31 March 2013 was found to be reasonable and the costs of implementation had been recognised for all five savings initiatives selected for testing.

One of the items selected for testing in the prior year related to the Mouchel contract, for which there was a significant saving target of £0.9m to be achieved by 31 March 2012. We reported that there was no evidence available to support the saving and therefore we concluded it was at risk of not being achieved. As at 31 March 2012 £0.6m of this saving was not achieved. Given the issues noted in the prior year and the subsequent outturn position, 2012/13 saving of £0.7m was selected again within our sample to follow up on the progress made to date. The following has been noted as a result of our review:

- A process has been established between the Council and Mouchel through which efficiency initiatives can be identified in order to achieve the savings targets needed across the next couple of years;
- There is now an overarching plan in place which tracks these initiatives;
- The outturn position for 2012/13 is currently forecast to not achieve the savings target by approx. £0.2m.

3. Valuation for Money (VFM) Conclusion (continued)

Delivery of financial targets and the management of reduction in resources	
Deloitte response	3) *We have followed up on our findings from the prior year's audit to understand how far the Council has moved towards articulating its strategic direction and its vision for what the Council will look like at the end of the Medium Term Financial Plan period.* In the prior year we noted that in order to respond to the significant financial pressure that the Council is facing it needs to go beyond cost cutting into a process of service and finance transformation. At the point of our prior year audit the Council was in the process of implementing major cost reduction programmes, and was implementing some changes that were needed to achieve financial transformation, such as workforce planning in some areas. However we noted that in order to achieve the level of savings needed, the Council needed to be clear about its strategic direction and what the vision for the Council is at the end of the Medium Term Financial Plan period and that this would need to be effectively communicated. In the current year, our work has provided evidence that the Council has started to make significant progress in moving from a focus on cost cutting to service and finance transformation. For example, the Council is developing cost saving initiatives that span the medium term financial period, rather than just focusing on annual targets and considering which services the Council may not deliver in future. Furthermore, the governance and monitoring has been refreshed to bring the various initiatives across the Council together into one over-arching programme. The Council was in the relatively early stages of making these changes at the time of our review, so we will keep a watching brief during our 2012/13 audit. **Conclusion** Whilst we note that there are risks surrounding the achievement of savings plans in 2012/13, there are detailed plans in place and these are being actively managed by the Council to ensure savings are achieved. No issues impacting our vfm conclusion for the 2011/12 audit have been identified.

3. Valuation for Money (VFM) Conclusion (continued)

Asset management strategy

Asset management strategy and review of the 'hub' initiative

At the time of our audit last year, the Council was in the process of reviewing the capital programme for the next 5 years, a process, which whilst considered on an annual basis, is undertaken in detail every 3 years. This process involved reviewing the potential funding streams available from the various sources and prioritising schemes in accordance with the Council's strategy. It was also due to encompass a review of the accommodation strategy, which in turn would shape the plan to address the significant backlog maintenance.

The Council continues to recognise that as financial challenges increase and specific funding streams are no longer available that their financial and capital planning processes must be extremely robust to ensure risks are managed effectively and resources continue to be targeted in priority areas. On this basis specific estates initiatives have been developed as part of the Council's cost reduction plans and one of the key projects is development of 'hubs'.

We will update our understanding of the Council's approach to asset management and consider how the resources are being aligned with strategic priorities. In particular, we will review the 'hubs' initiative, understanding the expected outcome and benefits of this initiative and how these expected benefits will be tracked and monitored.

Deloitte response

We have focused our work in relation to this risk across two main areas: the non-strategic asset review and the hub initiative.

Through discussion with management, we have gained an understanding of the non-strategic asset review, which is underway within the Council. In particular we have considered how this feeds into the overall transformation programme and cost cutting plans, and how the Council has considered value for money in relation to the decisions that have been taken. No concerns in relation to the value for money opinion have arisen from this work.

We have carried out discussions with management and individuals responsible for implementation of the 'hub' initiative to gain further understanding about the expected outcome and benefits of this initiative and how these expected benefits will be tracked and monitored.

During 2011/12, the Council undertook a review of its community centres and how it delivers services in community-based settings. As part of this review some of the major buildings were turned into 'community hubs'. The community hubs bring together under one roof, or at the same site, services previously offered in several different venues, such as children's centres, libraries, community regeneration and leisure and youth services. Each hub would also coordinate a range of activities at other, community venues within its vicinity, called 'satellites'

There is evidence that the Council has carried out appropriate VFM assessment and public consolation prior to the final decision being made by management.

3. Valuation for Money (VFM) Conclusion (continued)

Asset management strategy	
Deloitte response (continued)	In total the "hub initiative" is expected to generate £1.3m of savings and the first savings will be achieved in 2012/13. We have noted that Management have experienced delays in selling a number of properties and this has resulted in some delays in the project, however there is no indication that this would have an adverse impact on the 2012/13 planned efficiencies. Progress against the savings of the hub initiative at a programme level is not monitored centrally. The savings from this initiative are devolved down into each Directorate's budgeted savings targets and are therefore monitored at this level. We recommend that future programmes should be set up in a way to allow the programme to be monitored as a whole (i.e. to be able to monitor the hub initiative saving as a whole) so that management can measure the success of the programme (the hub initiative in this instance).

3. Valuation for Money (VFM) Conclusion (continued)

Information Management

Management of information across the Council

As part of our risk assessment and from our cumulative audit knowledge and experience we identified a potential risk in relation to the management of information across the Council.

There are a number of different independent sources of information across the Council, both IT based and manual and this can lead to information being siloed and difficult to access, which can impact on the quality and level of data that is available to management on which to base their decisions.

Deloitte response and conclusion

Due to the wide ranging nature of the risk, we focussed our work by performing a case study on the information flows within a specific area of the Council. Safeguarding within the Children, Family and Learning (CFL) Directorate was chosen due to the continued financial pressure in this area.

Further as part of financial sustainability work we considered the level and quality information available to the senior management team in relation to the strategic change agenda which would inform their wider consideration of the Medium Term Financial Plan.

Overall our review within CFL showed that there is a detailed understanding of the Safeguarding Service within the Directorate, and this is supported by comprehensive information which underpins the Directorate's reporting. However, the review also highlighted a number of potential risks and areas for improvement.

The key findings can be split into two main areas: information systems and management reporting and are discussed below.

<u>Information Systems</u>

As discussed above reports are underpinned by comprehensive information, but it was evident that much of the operational and financial analysis is derived outside of the main systems through the use of spreadsheets and manual workarounds. In summary the review provided evidence that:

- sources of information across the service are fragmented, for example the operational system, the Integrated Children's System (ICS), does not interface with the finance system (SAP);
- the various systems do not interface, which means that manual interventions, workarounds and reconciliations are required, which result in some level of duplication, additional man hours and an increased risk of human error. This could lead to incorrect data being used to make decisions or reported within the financial accounts or regulatory returns.

  For example, it was noted that statutory and regulatory reported information is extracted directly from ICS, but this is not necessarily as up to date as the separately maintained placement spreadsheet which is used as the basis of the budget reports;
- whilst SAP is available to most staff, in practice it is not used or understood by a number of non-finance staff and management are reliant on their appointed finance managers to support them providing, analysing and reporting financial information;

3. Valuation for Money (VFM) Conclusion (continued)

Information Management (continued)	
Deloitte response and conclusion (continued)	• some of the key controls and analysis of information that the team are dependent upon are bespoke workarounds and could pose some (operational) risk. In particular, the Placement Control spread sheet is one of the primary controls used by the CFL safeguarding team. It is an in-house developed spread sheet that contains all relevant data relating to placements (much of it duplicated from ICS but without live interfaces) and is used by both the service directorate and finance team. However, this tool is considered to be running at capacity and is inflexible if new fields are required and is also unwieldy to manipulate in order to provide different views and analysis of information. A further example is the Foster Care Payment system which is independent of other operational and financial systems. It is unsupported and the Council has been reliant on the goodwill of the previous employee that developed the system to update it as and when required. An internal audit report published in August 2012 has identified a number of issues and made a number of recommendations in relation to this system, which we have not repeated within this report; and • although we are aware that the Council is developing an IT strategy to streamline the systems used across the Council, there is a perception that systems are diverging rather than converging. For example, ICS currently links to the Northgate "Swift" Social Care system used by Adult Services. However, Adult Services are moving away from Northgate to the "Liquid Logic" health and social care system and it is not evident that CFL plan to follow this change. Whilst this review has focused on one specific area with the Council, from our knowledge of the Council we do not think these issues are isolated to this service and we would recommend that the Council consider these findings, as part of its wider review of the Council's IT and information systems. <u>Management reports</u> Management reports are comprehensive and from discussions with management and our knowledge of the budgeting process from the financial audit it is apparent that they are reviewed in detail and officers are aware of the key issues. The management and executive reporting follows the Councils standard reporting format and layout. Reporting follows a logical flow with a step by step analysis of each category. Overall the reporting is comprehensive, however we have the following observations: • Where comparative data is used, it is generally laid out in a tabular format and from our experience some information may be better presented to provide greater visual impact. An example to illustrate this is shown within Appendix 1.

3. Valuation for Money (VFM) Conclusion (continued)

Information Management (continued)	
Deloitte response and conclusion (continued)	• Generally we found that within the reports there is limited use and interpretation of comparative data and trends and of key performance indicators (KPI's) within the financial analysis, and. For example if we consider the use of activity data. Below is a single reference to the total number of looked after children. More detailed, consistent use and interpretation of comparative data and trends would place the overspend pressure in greater context and provide more meaningful information for the senior management team to use when considering the medium term financial plan. In addition the activity related data could be linked to the financial data to provide some KPIs. *Numbers of Looked After Children have continued to rise, increasing by 6% to 367 since the start of 2011/12.* *SOURCE: OVERVIEW & SCRUTINY BOARD – 23RD AUGUST 2011* • The management reports do not generally provide progress against strategic objectives and there is limited strategic information, interpretation or trends. This is not to suggest that the Council is not monitoring progress against its strategic objectives, but highlights that not all performance and financial reporting can be easily mapped to the overarching strategy. This could lead to decisions being made that are not in line with the Council's strategic objectives.

4. Responsibility statement

The Audit Commission published a 'Statement of responsibilities of auditors and of audited bodies' alongside the Code of Audit Practice. The purpose of this statement is to assist auditors and audited bodies by summarising where, in the context of the usual conduct of the audit, the different responsibilities of auditors and of the audited body begin and end, and what is expected of the audited body in certain areas. The statement also highlights the limits on what the auditor can reasonably be expected to do.

Our audit plan has been prepared on the basis of, and our audit work carried out in accordance with the Code and the Statement of Responsibilities, copies of which have been provided to the Authority by the Audit Commission.

The audit may include the performance of national studies developed by the Audit Commission, where the auditors are required to follow the methodologies and use the comparative data provided by the Commission. Responsibilities for the adequacy and appropriateness of these methodologies and the data rests with the Audit Commission.

While our reports may include suggestions for improving accounting procedures, internal controls and other aspects of your business arising out of our audit, we emphasise that our consideration of the Authority's system of internal control was conducted solely for the purpose of our audit having regard to our responsibilities under Auditing Standards and the Code of Audit Practice. We make these suggestions in the context of our audit but they do not in any way modify our audit opinion which relates to the financial statements as a whole. Equally, we would need to perform a more extensive study if you wanted us to make a comprehensive review for weaknesses in existing systems and present detailed recommendations to improve them.

Any conclusion, opinion or comments expressed herein are provided within the context of our opinion on the financial statements and our conclusion on value for money as a whole, which was expressed in our auditors' report.

We view this report as part of our service to you for use as Members of Middlesbrough Council for Corporate Governance purposes and it is to you alone that we owe a responsibility for its contents. We accept no duty, responsibility or liability to any other person as the report has not been prepared, and is not intended, for any other purpose. It should not be made available to any other parties without our prior written consent

If you intend to publish or distribute financial information electronically, or in other documents, you are responsible for ensuring that any such publication properly presents the financial information and any report by us thereon and for controls over, and security of the website. You are also responsible for establishing and controlling the process for electronic distributing accounts and other information.

Deloitte LLP

Chartered Accountants

Newcastle-upon-Tyne, UK
6 December 2012

For your convenience, this document has been made available to you in electronic format. Multiple copies and versions of this document may therefore exist in different media - in the case of any discrepancy the final signed hard copy should be regarded as definitive. Earlier versions are drafts for discussion and review purposes only.

Appendix 1: Example of presentation and visual impact

Selected information is set out in tables but could be presented in easier format with more impact:

Month	*Total Placements at start of month*	*New Placements*	*Ceased Placements*	*Total Placements at the end of the Month*
Apr-11	*108*	*15 (7)*	*9 (4)*	*114 (110)*
May-11	*114*	*6 (6)*	*6 (4)*	*114 (112)*
Jun-11	*114*	*12 (7)*	*5 (7)*	*121 (112)*
SOURCE: BUDGET UPDATE - DATE: 29TH JULY, 2011.				

For example the two graphs below show the same data of the month by month trend of the number of placements: