

Value for money

Self-assessment proforma

Authority	Gedling Borough Council
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The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local and national services for the public. Our remit covers more than 12,000 bodies which between them spend nearly £100 billion of public money every year. Our work covers local government, housing, health, community safety and fire and rescue services.

As an independent watchdog, we provide important information on the quality of public services. As a driving force for improvement in those services, we provide practical recommendations and spread best practice. As an independent auditor, we monitor spending to ensure public services are good value for money.

Contents

Guidance

4

Value for money key lines of enquiry

6

Contextual information

28

Guidance

- 1 You are asked to complete the self-assessment pro-forma and return it, along with referenced supporting evidence, to your local appointed auditor. This will be reviewed along with any supporting evidence prior to the fieldwork. The key lines of enquiry, which are the basis of this assessment, along with further *Guidance for Councils*, can be found www.audit-commission.gov.uk. The Guidance covers the whole use of resources assessment and includes interpretation and expectations of good performance in relation to value for money. The key lines of enquiry (KLOE) include descriptions of typical performance equivalent to scores of 2, 3 and 4 (see Guidance - Introduction for an explanation of the scores). **You should read and understand these before you complete this self-assessment.**
- 2 The self-assessment pro-forma is for you to complete to show how well the council manages and uses its financial resources and achieves value for money. Cost data is also required to support your assessments – please make use of the ‘VfM Profiles’ report and web-based tool that we are providing for this. The VfM Profiles tool can be found at www.audit-commission.gov.uk from 17 June 2005.
- 3 In addition, please append your backward looking Efficiency Statement covering 2004/05.
- 4 The questionnaire has been designed to invite the council to assess its current performance in achieving and delivering value for money by answering a series of questions and providing brief supporting details. Fieldwork on site will follow up on areas identified within the self-assessment.
- 5 Significant emphasis will be placed on evidence of outcomes in the assessment and this should be clearly reflected in the self-assessment. The pro-forma also includes a series of sub-questions that relate to the key questions to enable you to tailor your response. Use column 2 to reference key supporting documentation or provide links to the documentation. Please do not provide hard copy documents – a reference to the document/information/electronic copy will be best. Hard copy documentation should only be provided where this is the only available source. Providing these references will assist auditors and should make the audit process less onerous on the council.
- 6 Your self-assessment (excluding Efficiency Statement and references, but including contextual information) should not exceed 5,000 words. We will be placing examples of suitably completed self-assessments on our web-site at the end of June 2005.
- 7 There is a final section to allow you to make reference to any contextual or other information you feel may be of assistance in the assessment.

- 8 We want this to be your self-assessment. Your relationship manager and auditor will provide advice should you need help in understanding the assessment approach. They will not however, be able to directly support you in contributing to the self-assessment, for example by reviewing content or acting as a critical friend.
- 9 Please put the name of the person responsible for completing this self-assessment in the box provided on the front cover.
- 10 We would like to take this opportunity to thank you in advance for your assistance. For single tier authorities and counties please return the completed pro-forma to your appointed auditor by 31 July 2005. For district councils please return the completed pro-forma to your appointed auditor by 30 September 2005.

Value for money key lines of enquiry

5.1 The council currently achieves good value for money

What is the purpose of this section of the self-assessment?

This section provides the authority with an opportunity to demonstrate how it achieves good value for money including how current costs compare with others. Local fieldwork will focus on the extent to which the authority understands, compares and reviews its costs in relation to both performance and priority. This section will draw significantly on the evidence provided in the standardised VFM Profiles report.

Completing the self-assessment

Please provide short statements using the pro-forma which address the key line of enquiry and each of the key sub-questions:

- 5.1 How well does the council currently achieve good value for money?
- 5.1.1 How well do the council's overall and service costs compare with others?
- 5.1.2 How do external factors affect costs and how do adjusted costs compare?
- 5.1.3 To what extent are costs commensurate with service delivery, performance and the outcomes achieved?
- 5.1.4 To what extent do costs reflect policy decisions?

KLOE 5.1 How well does the council currently achieve good value for money?	Reference to evidence source
<p>Please provide brief details and evidence to support your assessment with focus on:</p> <ul style="list-style-type: none"> • how the council challenges value for money through services and corporately; and • the relationship between local taxation, overall expenditure and costs; and the level and performance of services provided, taking account of local priorities. <p><i>To “secure value-for-money through efficiency and effectiveness, delivering continuous improvement” is one of the Council’s key values(1). Value-for-money has been a priority for the Council throughout its 31-year existence.</i></p> <p><i>The Council challenges value-for-money in various ways. Best Value reviews include comparison of costs and service quality with all authorities providing the service and with similar “family” authorities (2). Action Plans developed for all Best Value reviews and improvement tasks are incorporated in the Council’s corporate performance management system, recognised by the Audit Commission as a model of good practice (3). This allows for progress to be managed by members and Senior Management Team on a quarterly basis. Scrutiny Committees play an important role in Best Value, leading reviews and also carrying out wider service reviews incorporating Best Value principles (4)</i></p> <p><i>Best Value principles are incorporated in all the Council’s key activities, comparing costs and quality of service with a range of similar service providers and acting on results. Examples include use of comparative data from the Association of Public Service Excellence used in Leisure Services and Direct Services, and use of CIPFA comparative data in Finance as part of a CIPFA Benchmarking Club. (5) This data is used to set targets for future service improvements and inform decisions on service changes, such as recently introduced changes to opening times at one of the Borough’s Leisure Centres, and introduction of additional capacity to support capital accountancy and benefits work.</i></p> <p><i>The performance management system allows for efficient and effective monitoring of performance against all relevant national and local performance indicators, quarterly at a corporate strategic level through Senior Management Team and Cabinet, and more frequently locally in departments. Performance and financial monitoring have been integrated in a single system (6), making it easier to assess value-for-money issues earlier. Exception reports are presented to Senior Management Team to focus attention on areas for improvement (7), while full digests are presented to Cabinet and copied to all members to give a rounded view of overall performance (8).</i></p>	<p>1 = Gedling BC Strategic Corporate Plan 2005/08</p> <p>2 = Planning Best Value Review Scope is an exemplar</p> <p>3 = Gedling BC Performance Management Framework – as set out in Strategic Corporate Plan</p> <p>4 = Cross Scrutiny Budget review scope as an example</p> <p>5 = Leisure Services APSE comparative data 2003/04 - <i>also needs Direct Services and Finance examples.</i></p> <p>6 = See Introduction to Quarterly Performance Digest reports 2004/05</p> <p><i>7 = Example performance management exception report to Senior Management team.</i></p> <p>8 = Quarterly Performance digest – 1st ¼ 2005/06 (example)</p>

<p><i>Costs are challenged thoroughly as part of the budget-setting process. The budget and service planning process are now fully integrated. Many budgets are cash-limited, with no allowance made for inflation, while proposed new revenue and capital developments are assessed against a scoring matrix designed to ensure that new investment is consistent with the Council's priorities (9).</i></p> <p><i>The VfM Profile considerably overstates the Borough Council's Council Tax level, through inclusion of Nottinghamshire County Council precept. The actual average Band D Borough Council tax level, excluding the county council precept, is the lowest in Nottinghamshire (2004/05).</i></p> <p><i>The Council's services compare well with other authorities – 63% of national performance indicator results for 2003/04 were in the 1st or 2nd quartile, with 55% showing improved year-on-year performance (10). Further improvements are evident in unaudited results for 2004/05, with a further significant positive direction of travel evident, 34 out of 52 indicators having improved (11). Performance is generally showing most improvement in services reflective of the council's priorities.</i></p>	<p>9 = Revenue and Capital development bid scoring matrix</p> <p>10 = Report to Cabinet 3 March 2005</p> <p>11 = Report to Cabinet 2 June 2005 – see also Strategic Corporate Plan 2005/08</p>
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<p>5.1.1 How well do the council's overall and service costs compare with others?</p>	<p>Reference to evidence source</p>
<p>Please provide brief details and evidence to support your assessment – please attach the VFM Profiles summary report provided. Key areas of focus:</p> <ul style="list-style-type: none"> • current level of overall costs and costs for key services; • planned spending in relation to others; and • level of overheads and how they are accounted for. <p><i>The Value-for-Money profile (12) shows the Council to be a low spending but high performing authority, reflecting how well the Council secures value-for-money.</i></p> <p><i>Overall spending is low – when compared with all other councils, Gedling is in the lower quartile for spend, while compared with “nearest neighbours”, Gedling is just outside the lower quartile.</i></p> <p><i>Spending on the Environment, Planning and Transport block, the largest single determinant at district council level, is at lower quartile levels compared with “all authorities” and with “nearest</i></p>	<p>12 = Gedling BC Value-for-Money profile – Audit Commission 2005</p>

neighbours”.

Within that block, the Council spends at a comparatively high level in the “other Environmental Services” category – this is where the Council’s highly regarded Neighbourhood Wardens are costed, a commitment made in line with the Council’s prioritisation of community safety and in response to public concerns.

The other comparatively high level of spend is in the “Transport” category. This reflects: -

- A policy decision to support a generous concessionary fares scheme (see 5.1.2 and 5.1.4 below), an issue reviewed recently by one of the Council’s Scrutiny Committees (13), and now likely to be revisited in the context of recent national changes, announced in the Chancellor’s 2005 budget.*
- Current policy to offer free car parking for the first 3 hours use of council-owned car parks in the Borough’s shopping centres. A decision has now been taken to introduce charging (14), for implementation from 1 January 2007. This will lead to an improvement in absolute and comparative spending levels in this area in future.*

Community housing spending is in the lowest 20% for all authorities and the third lowest amongst “nearest neighbours”. The Council is continuing to seek out further efficiencies here, by working in partnership with neighbouring authorities to deliver new homelessness responsibilities (15).

The highest comparative level of expenditure is in the Culture block, though even here, spending levels are below average for all authorities. Comparative benchmarking figures for the Council’s Leisure Centres (a significant element in this spend) shows performance levels and comparative costs to be good, when compared with similar facilities (16). For the one centre where performance is less good, the Council has recently taken steps to reduce those costs by adjusting opening hours and making related savings, including changes to management structure. (17).

This low comparative level of spend does not result in lower levels of performance - comparative performance consistently outstrips comparative expenditure in many service areas. For example, in Housing, in spite of very low spend levels, performance is at or around the 50th percentile level, while in Leisure, there are many examples of quality service provision delivering good value-for-money (see 5.1.3; 5.2.2 and 5.2.3 for examples). Comparative performance across the board is good, with further improvement evident in 2004/05, as evidenced in 5.1.1 above

Unapportioned overheads are quoted in the VfM Profile at around £3 per head, slightly above median levels but well below upper quartile levels for both nearest neighbour and all authorities.

13 = Report of Chair of Resources and Management Scrutiny Committee’s Concessionary Fares Working Group – Oct 2004

14 = See Cabinet minutes 15/12/03 (min 110); 6/5/04 (min 165), 7/10/04 (76) and 18/8/05 (min 64) Also presentation to Cabinet 18/8/05.

15 = Report to meeting of Rushcliffe and Gedling BC Cabinet members – 8 Sept 05

16 = As 4 above – Leisure APSE cost comparisons

17 = Report to Cabinet 28 April 05 re Calverton Leisure Centre

However, the Council's own calculations put these overheads at £2 per head, below median levels.

5.1.2 How do external factors affect costs and how do adjusted costs compare?	Reference to evidence source
<p>Please provide brief details and evidence to support your assessment:</p> <ul style="list-style-type: none"> external local contextual factors that influence costs (such as deprivation, geography, demography); and demand and supply levels. <p><i>The Council has recently developed "Community Profiles" (18) which bring together a range of contextual and performance measures. The Profiles: -</i></p> <ul style="list-style-type: none"> <i>Assess the overall "State of the Borough"</i> <i>Help determine priorities and targets</i> <i>Measure progress against priorities.</i> <p><i>The Profiles have already been used to inform a decision on where targeted neighbourhood regeneration work would be introduced under the Gedling Partnership's "Area-Based Initiatives" programme (19). It is intended they become a key driver to inform decisions about resource allocations in future.</i></p> <p><i>The Borough Council's awareness and understanding of local contextual factors and their effects on service delivery and costs significantly pre-dates development of the profiles.</i></p> <p><i>Key characteristics that influence costs include: -</i></p> <ul style="list-style-type: none"> <i>Overall affluence masks areas of deprivation - The Borough is seen to be relatively affluent overall, but has pockets of significant deprivation, often at sub-ward level. In the past, the overall affluence has made it difficult for the Borough to secure large-scale external funding to support local regeneration, though in recent years it has been more successful. (SRB</i> 	<p>18 = Report to Senior Management Team – January 2005 and Project Plan 2005/06 – May 2005</p> <p>19 = Report to Gedling BC Cabinet – April 2005 (includes report to Gedling Partnership March 2005)</p>

funds were secured for Newstead Village in 1997 and Netherfield in 2000, and various smaller-scale projects have been funded in other areas of the Borough, often in partnership settings.)

- *A very high proportion of home ownership - At 81%, the Borough's owner-occupier rate is the highest in Nottinghamshire. This impacts on aspects of the Housing service, in that limited amounts of council housing coupled with low numbers of affordable private rented dwellings places increasing pressure on homeless provision. It also impacts on the Housing Benefit service, generating a disproportionately high level of more complex private sector benefit applicants.*
- *High levels of recorded crime and fear of crime – Both recorded crime and fear of crime are high compared with similar authorities. The Council has therefore prioritised improvements to community safety over many years, targeting investment and increasing capacity to address the issues, and working constructively in partnership settings. The Borough's Crime and Disorder Reduction Partnership is highly regarded externally, and initiatives it has led have secured national recognition. This investment is now beginning to show positive results. (20)*
- *Proximity to the City of Nottingham - The Borough shares a boundary with the city and its urban areas are part of the Nottingham conurbation and is very much part of the wider Greater Nottingham economy, providing a significant part of the conurbation workforce. The Council has therefore concentrated its recent economic development activity on supporting partnership approaches within the conurbation (it is an active supporter of the Greater Nottingham Partnership), rather than delivering its own economic development programme.*

(20) = Include examples here re ODPM Good Practice award; any GOEM recognition of CDRP; latest crime figures showing downward trend

5.1.3 To what extent are costs commensurate with service delivery, performance and the outcomes achieved?	Reference to evidence source
<p>Please provide brief details and evidence to support your assessment in relation to the key areas of focus – please refer to the VFM Profiles tools for evidence:</p> <ul style="list-style-type: none"> • quality and standards achieved, including targeted investment to improve poorer services and quality of life; • results of service inspections; and • range of discretionary services provided. <p><i>The Council has a strong performance management culture that drives performance improvement and flags up issues early for remedial action. A 2003 IDeA Peer Review observed that performance management is “embedded in the culture and working of the council”(21), a view echoed by the Audit Commission in its CPA Assessment of the Council which also observed that use of performance information was driving improvements. (22)</i></p> <p><i>Since then, the Council has further strengthened these arrangements, moving to a “traffic light” early warning system, introducing more targeted exception reports for senior managers and, perhaps most importantly, merging performance management with budget management in a single co-ordinated system. (23)</i></p> <p><i>Overall, the Council continues to secure high levels of absolute and comparative performance across a range of services, as evidenced by performance indicators (see 5.1.1 above), at relatively and comparatively low costs. User satisfaction levels are high, with overall satisfaction in the upper quartile. Satisfaction levels for the Council overall and for key front-line services (including street cleanliness, waste collection and recycling) exceed levels predicted by the Audit Commission on the basis of the Borough’s deprivation levels (24).</i></p> <p><i>Where performance management identifies area for improvement, the Council takes action to remedy the situation. Difficulties in meeting planning application target times in 2003 (after many years of positive performance in this area) led to targeted investment in the service, with an officer dedicated to major applications which had been the source of</i></p>	<p>21 = Peer Review – IDeA – Gedling Borough Council – March 2003</p> <p>22 = CPA – Gedling Borough Council paras 52-53 – Audit Commission Nov 2003</p> <p><i>(23) = Cabinet report introducing new system – to find – See also Performance Management Framework in Gedling Strategic Corporate Plan 2005/08</i></p> <p>24 = Satisfaction Survey 2003 results, including comparison with Audit Commission “predicted” scores by deprivation</p>

particular difficulties, further additional staffing and use of consultants to clear the backlog. This resulted in significant performance improvements and latest figures (for 2004/05) show performance to be back at upper quartile levels, a level of performance being sustained in 2005/06 (25). Throughout this time, comparative costs have remained low.

Other qualitative improvements are being introduced as part of a Development Control Improvement Plan (26) following a consultants' inspection on behalf of the ODPM (after recent government inspection). A wider Improvement Plan (27) for the whole service is being implemented following a recent Best Value Inspection. Throughout this time, user satisfaction with the Development Control service has been and remains high.

There has also been targeted investment to improve other key services. These include: -

- Street cleaning, where investment has been targeted at more deprived areas drawing on evidence gleaned from satisfaction surveys as well as from performance data (28).*
- Recycling - Major improvements are being introduced through the introduction of twin-bins, without the significant DEFRA external financial support enjoyed by all neighbouring authorities. Latest performance indicators (for 2004/05) show that local targets have been exceeded (29).*
- An innovative and popular Health and Fitness membership scheme, marketed as DNA, which has significantly increased uptake for the service, resulting in health improvements for participants and significant income for the Council (30).*
- "Positive Moves", a jointly funded initiative with Gedling Primary Care Trust to allow General Practitioner referrals use of council leisure facilities, addressing both council and PCT priorities.*
- Effective use of section 106 agreements to provide open and recreational space on new developments, linked to a comprehensive Parks and Open Spaces Strategy (31).*
- Upper quartile performance across a range of property measures including cost of strategic property management; energy efficiency; and condition of assets. (32)*
- Use of ieg funds to develop a One Stop Shop customer interface at the Civic Centre, resulting in high customer satisfaction levels (33)*

25 = Performance figures for 2004/05 in Strategic Corporate Plan. See also Committee report 26.4.05

26 = Development Control Improvement Plan 2004/05

27 = Planning Service Improvement Plan

28 = SMT Report – Satisfaction Survey Area-Based analysis and note to Cabinet members – June 2004-

29 = See Strategic Corporate Plan

30 = DNA usage and investment data – August 2005

31 = Leisure Services s106 contributions to Capital Programme 2004/05 – 2007/08

32 = See Estates and Valuation comparative data

33 = See Report to Cabinet 3 Feb

14 | Use of Resources: Value for money self assessment

Many of these examples are in discretionary service areas.

Other investments to improve quality of life, linked directly to the Council's priorities, include:-

- *Significant investment in community safety, including £130,000 p.a for 3 years paid to Nottinghamshire Police to fund 6 additional Police Community Support Officers (34) for the Borough and complementary investment in Neighbourhood Wardens, working on the "crime and grime" agenda (35). Both have been well received and contributed to improved public reassurance (36). Wardens have issued over XXXX fixed penalty notices and have also secured the national Warden Quality Standard. Latest data shows overall recorded crime in the Borough is falling, an outcome to which these initiatives have contributed (37).*
- *Investment in community leadership capacity through the introduction of new posts in the Cabinet Office (38). This has allowed the Council to progress with neighbourhood focused Area-Based Initiatives, again with an emphasis on community safety concerns.*
- *Provision of an additional £50,000 budget in 2005/06 to support youth and community activities in the Borough, in partnership with statutory and voluntary sector providers.*

2005

34 = *Cabinet report re PCSOs funding*

35 = Report to Personnel and Resources Committee Nov 2003

36 = Gedling 500 report – March 2005 re PCSOs; Evening Post article *date – to add*

37 = *Latest crime figures – see 20 above*

38 = Report to Cabinet November 2003

5.1.4 To what extent do costs reflect policy decisions?	Reference to evidence source
<p>Please provide brief details and evidence to support your assessment in relation to the key areas of focus:</p> <ul style="list-style-type: none"> • how costs are assessed when decisions are made; • the extent to which higher spending is in line with stated priorities; and • the extent of long term cost considerations with major investments or partnerships. <p><i>The Council's vision is for a Borough that is "Healthy, Green, Safe and Clean". Within this, it has set out three main priorities, which are to: -</i></p> <ul style="list-style-type: none"> • <i>Improve Community Safety</i> • <i>Develop facilities, activities and a safe environment for children and young people</i> • <i>Enhance the physical environment of the Borough</i> <p><i>Within each, there are a range of supporting priority statements, all of which are set out in the Council's Strategic Corporate Plan (39).</i></p> <p><i>The Council has always adopted a strategic approach to revenue and capital programming, based around its priorities. These arrangements were further strengthened in 2004, when annual budget and service planning processes, which had always been closely aligned, were fully merged around a new assessment process based around these priorities (40). A scoring system, already in place for some years for capital developments, was extended to cover revenue developments and reworked to ensure that decisions on all new resource developments (cost-saving as well as developmental) are assessed against the Council's priorities (41).</i></p> <p><i>The process links directly to the Council's Medium Term Financial Strategy (42), which plans spending in detail over a three year timespan and at a high level over five years, and to the three year Capital Programme. Together these processes ensure that costs are fully assessed when decisions are made, and that these decisions reflect priorities.</i></p> <p><i>The priorities have only been in place for just over a year, but there are already concrete examples of how the new process has directed additional spending to areas of high priority,</i></p>	<p>39 = Strategic Corporate Plan (see 1 above)</p> <p><i>40 = Report on merger of budget and service planning, including Capital and Revenue Scoring System</i></p> <p>41 = Capital/revenue proforma</p> <p><i>42 = Medium Term Financial Strategy</i></p>

including for 2005/06 the introduction of a £30,000 Crime Reduction fund and an additional £50,000 to support youth and community activities in the Borough, in partnership with statutory and voluntary sector providers (43).

43 = 2005/06 Budget/Service Plan

The broad themes have featured amongst the Council’s priorities for a number of years and fit with earlier areas of relatively higher spending, as set out in the VfM profiles. This is particularly so for issues around community safety and environmental aesthetics.

Examples of earlier targeted investment towards these priorities include:

- *Investment in Neighbourhood Wardens to improve community safety, as set out in the “Other Environmental Service Block”*
- *Investment in PCSOs, as set out above.*
- *Introduction in 2003 of a free graffiti removal service.*
- *Targeted investment in street cleaning and recycling.*
- *Investment in high quality leisure facilities, with an emphasis on quality play provision for young people such as the revamped facility in Arnot Hill Park completed in 2003 and the highly regarded skateboard park at the same location.*

Action is being taken to address areas of higher spending that no longer fit with the Council’s priorities.

- *The decision to introduce charging for car parking (see 5.1.1 above) will address high spending on transport; as will the decision to withdraw from the Highways Agency Agreement from 1/4/05.*
- *A change in emphasis of spend within the Cultural services block is resulting in a proportionately greater spend on activities for children and young people (the recent introduction of a purpose-built youth gym is an example of this) (44).*

44 = Leisure breakdown of spend on youth related activities and developments, extracted from budget papers

Long-term cost considerations, including “whole-life” costs are already considered in full when making decisions on significant major investments and partnerships. Current examples include:

-
- *Extensive long-term cost modelling on various options for the future of the Council’s housing stock (45)*
- *Cost modelling on the implications for Borough waste collection of a County Council-*

45 = Housing Stock Options appraisal report – Tribal HCH August 2005

-led PFI contract for waste disposal across the county (46).

- A requirement for a full long term and robust Business Plan to be developed for a new community facility in the Honeywood Gardens area, to be run by the community. Progress will not be made until whole-life costs are confirmed and value-for-money is demonstrated.*

46 = Waste management options showing costings over 20+ years (DP)

<p>5.2 The council manages and improves value for money</p>
<p>What is the purpose of this section of the self-assessment?</p> <p>This section provides the authority with an opportunity to demonstrate how it manages and improves value for money including its processes for monitoring and reviewing its costs. Local fieldwork will focus on the extent to which the authority identifies and pursues opportunities to reduce costs or improve quality within existing costs. Please provide evidence of outcomes achieved from any processes described.</p> <p>Completing the self-assessment</p> <p>Please provide short statements using the pro-forma to address the key line of enquiry and each of the key sub-questions:</p> <p>5.2 How well does the council manage and improve value for money?</p> <p>5.2.1 How does the council monitor and review value for money?</p> <p>5.2.2 How well has the council improved value for money and achieved efficiency gains (limited to the last three years)?</p> <p>5.2.3 Do procurement and other spending decisions take account of full long term costs?</p>

KLOE 5.2 How well does the council manage and improve value for money?	Reference to evidence source
<p>Please provide brief details and evidence to support your assessment focusing on:</p> <ul style="list-style-type: none"> • how the council manages its costs, whilst maintaining the quality of services and responding to local needs. <p><i>After setting the annual Budget and Service Plans, the Council closely monitors actual income and expenditure against budgets as the year progresses.</i></p> <ul style="list-style-type: none"> • <i>Monthly budget monitoring reports are generated (47), identifying variances from profiled budgets and seeking explanations, with fuller reports generated quarterly, covering progress against budgets, improvement task milestones and performance indicator targets.</i> • <i>Exception reports are generated for Senior Management Team (48), where corporate consideration is given to variances and, where appropriate, changes to targets and/or</i> 	<p>47 = Example monthly budget monitoring report</p> <p><i>48 = Exception report to SMT – SK to provide – as 7 above</i></p>

additional resources are considered and agreed.

- *Full reports are presented to Cabinet for decision on changes, effectively agreeing a revised budget each quarter (49).*
- *The resulting Performance Digests (50) are considered by Scrutiny Committees, as well as being made available publicly on the Council's website.*

All budgets are profiled to provide meaningful comparison throughout the year and each budget is assigned to a budget holder who is responsible for monitoring that budget. All budget holders have online access to the financial management system which provides up to date information on income and expenditure.

There has been a degree of slippage on the Council's Capital Programme recently, with what is considered unacceptable levels of underspend in some areas. As a result, capital monitoring has been tightened further (51), with an increasingly key role to be played by the corporate Property Management Group (52). The Capital programme has been reprioritised recently to better reflect likely available resources, given a recent downturn in capital receipts, and support for the capital management process has been strengthened with the appointment of an additional accountant focusing on capital accounting.

The Council carries out a range of public consultations, using various techniques steered by an overarching Consultation Framework (53). An annual Consultation Plan (54) sets out key consultations to be carried out each year.

Consultation has significantly influenced the setting of corporate priorities and also influences budget considerations and service delivery. Recent examples include: -

- *Unprecedented consultation on the Local Plan review generating over 23,000 responses, which has significantly affected the direction of the Plan (55).*
- *Consultation with residents and stakeholders to inform the identification of key priorities (56).*
- *Consultation with leisure service users, stakeholders and the wider community to inform development of the Leisure Strategy (57).*
- *Consultation with shoppers, businesses and residents on the introduction of car park charging (58).*
- *Consultation with young people and parents on development of services for young*

49 = Example Cabinet report on quarterly performance - MK

50 = As 8 above

51 = SMT minute re Capital Programme – To check out and add - SB

52 = Relevant Property Management Group minutes – SS to provide

53 = Consultation Framework - SB

54 = Report to Cabinet – 2 June 2005

55-61 = Relevant background reports for each example available on request.

20 | Use of Resources: Value for money self assessment

people (59).

- *Consultation with businesses and shoppers on environmental and other improvements to the Borough's main shopping centres. (60)*
- *Consultation across the whole community to inform the review of the Borough Community Safety strategy (61).*

5.2.1 How does the council monitor and review value for money?	Reference to evidence source
<p>Please provide brief details and evidence to support your assessment:</p> <ul style="list-style-type: none"> • current processes for monitoring and reviewing costs, including: <ul style="list-style-type: none"> - consideration of value for money in the annual budget process; - internal reviews (including Best Value reviews); and - cost indicators. <p><i>The Council's commitment to Value-for-Money, as expressed in its values, is clearly demonstrated in its approach to the annual budget and service planning process.</i></p> <p><i>As outlined above, those two processes have recently been merged to deliver an holistic approach to budget and service planning (62). This single process is a key driver in improving value-for-money, requiring demonstrable links between investment and priorities and moving funds between services to deliver that match. Resources follow priorities, as evidenced above, and the Council disinvests in areas no longer consistent with its priorities. An example is the Council's recent decision to withdraw from the Highways Agency agreement with Nottinghamshire County Council (63), to avoid duplication of managerial and supervisory efforts.</i></p> <p><i>Cost considerations are considered throughout the budget process, with many budgets cash-limited without any reduction in service standards.</i></p> <p><i>The combined budget and service planning framework begins in late Summer (64), with proposed new developments captured on a pro-forma (65) which requires demonstrable fit with corporate priorities and a robust business case for each scheme proposed. Developments include proposals to generate savings (especially in non-priority areas) as well as improve services through increased expenditure. Scoring criteria include key value-for-money measures, including the capacity to draw in external funding.</i></p> <p><i>Best Value and other service reviews continue to be used as tools to drive value-for-money improvements and challenge service performance. Best Value reviews are primarily used to review services where performance shows early signs of deterioration and where significant change is expected – the most recent review was of the Planning service where both criteria applied (66). Best Value reviews are very resource intensive for the Council, and it is felt there needs to be a clear</i></p>	<p>62 = See examples 40, 41 above</p> <p>63 = Cabinet Report on Highways Agency – SS/DP</p> <p>64 = Budget/Service Plan guidance notes - MK</p> <p>65 = As 41 above</p> <p>66 = See 25, 26, 27 above</p>

value-for-money benefit to be derived from carrying out the work before embarking on a review. Wider best value principles are embedded in the day-to-day work of departments, with the 4Cs applied on an ongoing basis.

Value-for-Money issues are also reflected in service reviews led by the Council's Scrutiny Committees.

Current and recent review examples include: -

- *A cross-committee review of budgets (67);*
- *Concessionary fares provision; (68),*
- *Hostel provision (69),*
- *The use of section 106 funding for open space provision (70)*
- *A follow-up review of Parks and Open Spaces following an earlier Best Value inspection (71).*

Less formal corporate project groups are increasingly used to explore wider developmental issues, particularly where these issues cross traditional departmental boundaries. A current example is the Working Group looking at Customer Focus, an area with particular future scope for value-for-money improvement.

High level cost indicators for key services are regularly monitored against both targets and in comparison with other authorities. This high-level analysis is backed by more detailed benchmarking in key service areas, including membership of Association of Public Service Excellence (APSE) benchmarking in Leisure Services and Direct Services, and Finance membership of the CIPFA benchmarking club, as outlined in 5.1.1 above (72).

Other benchmarking activity which has driven value-for-money improvement includes:

- *Comparisons of sickness absence and associated costs which has influenced recent improvements, saving almost £27,000 in 2004/05 (73).*
- *"Open-book" sharing of data with Rushcliffe Borough Council, in areas including Treasury Management and Street Services, to inform potential collaborative working (74).*
- *Membership of various professional groups, networking and sharing information.*

67 = Cross Scrutiny Budget review 2005

68 = See 13 above

69 = Scrutiny Review of Balmoral House Hostel – Nov 2004

70 = Scrutiny Review of Section 106 provision – June 2005

71 = Scrutiny Review of Open Spaces – July 2004

72 = See 5 above

73 = See Backward look efficiency statement

74 = See 15 above.

5.2.2 How well has the council improved value for money and achieved efficiency gains over the last three years?	Reference to evidence source
<p>Please provide brief details and evidence to support your assessment. Please append your backward looking Efficiency Statement covering 2004/05:</p> <ul style="list-style-type: none"> • council targets for value for money and efficiency gains; and • the achievement of efficiency gains. <p><i>The Council successfully delivered efficiency gains worth over £309,000 in 2004/05, as set out in its recent "Backward Looking" Efficiency statement (75).</i></p> <p><i>Key areas of efficiency gain included: -</i></p> <ul style="list-style-type: none"> • <i>Promotion of Leisure membership scheme significantly increasing number of paying visitors without additional cost to the Council.</i> • <i>Procurement-based efficiencies stemming from cash-limited budgets for supplies and services.</i> • <i>Increase in productive time derived from reduced sickness absence, achieved through delivery of a positive sickness management policy.</i> • <i>Streamlining of senior management, with a reduction of one Director, two Heads of Service and associated support costs over the past three years. This is reflective of a continual emphasis on minimising central management costs.</i> • <i>Funding new staffing developments in priority areas through redirection of current staff and retraining – examples include retraining of Pest Control operatives to take up new posts as Neighbourhood Wardens (76), and using funds previously used to employ an Economic Development Officer to fund a dedicated Town Centres Manager (77).</i> • <i>Incorporation of Egan principles in construction contracts.</i> <p><i>These high-level gains reflect a wide range of localised improvements in all departments, with an emphasis on practical benefits for the Council and the community. Recent examples include: --</i></p> <ul style="list-style-type: none"> • <i>Introduction of a standardised replacement programme for all equipment and property in all parks and open spaces, stemming from a review of previous practice. This reduced</i> 	<p><i>75 = Backward Look Efficiency Statement 2004/05 – MK</i></p> <p><i>76 = Report to Portfolio Holder – January 2004; Report to Personnel and Resources Committee – February 2003</i></p> <p><i>77 = Report to Personnel and Resources Committee – November 2003 – see also 38 above</i></p>

the number of different styles of street furniture used and led to considerable savings (for example, 3 styles of litter bin are now used, compared with 16 previously.

- *A new replacement policy for play equipment in more vulnerable areas, using metal rather than wood equipment which is harder wearing, attracts less vandalism and lasts longer.*
- *Change in material specification / supplier of security doors in Housing. Previous specification allowed for Manse doors which, though of high standard, still require cyclical paint repairs. New scheduled specification are not only approx £200 per unit cheaper but also do not require cyclical repaint.*
- *Innovative energy saving measures, including use of rainwater collected from council offices for vehicle cleaning and office toilets.*
- *Constant marketing of the Direct Debit payment method for Council Tax payments, resulting in around 70% now paying by this more cost-effective method.*

Cash limited supplies and services budgets have been in place for over seven years, while departments have been required to identify efficiency savings to secure the Best Value target in budget deliberations since 2002/03. Principles of an Innovations Fund, designed to encourage “invest to save” initiatives, have now been built into the budget and service planning process.

For the future, the Council’s Forward-Looking Efficiency Statement proposes savings totalling £546,000 with key contributions in culture and sport and in procurement.

5.2.3 Do procurement and other spending decisions take account of full long-term costs?	Reference to evidence source
<p>Please provide brief details and evidence to support your assessment:</p> <ul style="list-style-type: none"> • how value for money is built into the council's procurement practice; • the extent to which a 'whole life' approach is taken to spending and procurement decisions; • identifiable savings achieved through procurement; and • use of external funding to deliver council priorities. <p><i>The Council adopted a Corporate Procurement Strategy in July 2004 (78), which incorporates key value-for-money principles. It also ensures that issues beyond cost are assessed when making procurement decisions. The Head of Personnel and Organisational Development is the Council's officer "procurement champion" and there is also a cabinet-level "member champion". A Procurement Officer has recently been appointed, on a shared basis with Rushcliffe Borough Council, itself an example of positive procurement practice.</i></p> <p><i>Joint procurement opportunities have been actively pursued for a number of years and are now being further developed. Examples include: -</i></p> <ul style="list-style-type: none"> • <i>For Building Control, the Council is part of a consortium of all eight Local Authorities in Notts, who are currently working together to investigate the opportunities to provide the Building Control Service jointly.</i> • <i>Positive Moves, the innovative partnering GP Referral Scheme with Gedling Primary Care Trust (see 5.1.3 above), is directed by a steering group comprising of health and leisure professionals, and the staff employed to deliver are funded jointly by the Borough Council and the PCT.</i> • <i>Joint procurement of a Private Sector stock condition survey with a consortium of authorities in Nottinghamshire and Derbyshire, saving at least £11,700.</i> • <i>Procurement of IT equipment through Nottinghamshire County Council, taking advantage of economies of scale.</i> • <i>Sign up to the national Mapping Services Agreement between the Ordnance Survey and</i> 	<p>78 = Procurement Strategy - JB</p>

the Improvement and Development Agency.

The Council is developing particularly close working arrangements with neighbouring Rushcliffe Borough Council (79) and these look set to deliver future efficiency gains in Health and Safety; Housing Policy, vehicle maintenance and other areas.

Innovative partnership arrangements are also being explored with Gedling Primary Care Trust, though these may be jeopardised by the forthcoming review of PCT structures being carried out by the Department of Health.

Other recent positive procurement activities generating value-for-money improvements include (80): -

- *A single contract for stationery supplies, negotiated through a procurement consultancy, with a target saving of £12,500 p.a (23%) across the Council overall. The arrangement also introduces e-procurement to this area, through an on-line ordering system.*
- *Improvements to procurement of mobile telephone services (through OGC contracts) and landline telephone services (through procurement consultancies), resulting in savings of £10,000 (40%) and £8,000 (25 %) respectively.*
- *Creation of smaller contracts for grounds maintenance suitable for local contractors to bid for, such as Housing grounds, park patrolling, miscellaneous works, which in turn allow the Council's fully qualified staff to undertake skilled work, and related partnerships with local contractors, enabling basic maintenance work to be undertaken by contractors working with and under the Council's own employees supervision*
- *Amalgamation of grounds maintenance and street cleansing into Parks and Street Care, to utilise resources and enhance services.*
- *A partnering programme in Housing to improve the management and turnaround of Void properties, generating savings of £9,000 in the first eleven weeks of its operation alone.*
- *Transferring responsibility for the management of some of the Borough's community centres to local voluntary associations, improving value-for-money while also increasing local community involvement.*

Long-term costs are fully taken into account when procurement and other spending decisions are made. Service development proformas (81) used in budget and service planning require costs to be profiled over a five-year period for capital and revenue, as well as an assessment of outcomes

79 = See 15 above

80 = Relevant working/background papers available on request for these examples

81 = See 41 above

linked to the Council's priorities.

Whole life costing has been used to inform a number of ICT developments, including the proposed replacement and a new Financial Management system. (82). Whole life costs are also considered for significant longer-term projects – current examples include the future of the council's Housing Stock (83) and consideration of future waste management arrangements (84).

Whole-life costing is soon to be extended to cover capital projects >£100,000, linked to improvements to capital monitoring highlighted above (85).

External funding is sought in a structured way, with a demonstrable fit with the Council's priorities. Recent successful examples include: (86)

- *£180,000 to install mobile CCTV in the Borough in 2003, through the Gedling Community Safety Partnership.*
- *A further £185,000 for a phased upgrade of the partnership CCTV system during 2005/06 and 2006/07.*
- *£50,000 for the development of a Shop and PubWatch Radio Scheme for the Borough's main shopping centres.*
- *£25,000 towards the cost of consultancy to draw up proposals for a "master plan" for the redevelopment of part of the Borough's main shopping centres, with a view to enhancing the overall vitality of the area.*

The Council works closely with partners to submit external funding bids, and encourages community driven applications for funding, to bring in resources to the Borough that may not be available to the Borough Council but which contribute towards securing Borough Council and Gedling Partnership priorities. Examples include: -

- *Joint work with Gedling PCT and SureStart to redevelop Killisick Community Centre as a base for SureStart in the Borough.*
- *Support for Honeywood Estate Action Team to secure funds for the redevelopment of the estate.*

82 = New Finance system introduction paper, showing whole-life costs

83 = See 45

84 = See 46

85 = Report to demonstrate whole life costing introduction – MK

86 = Relevant working/background papers available on request for these examples

Contextual information

Please provide any other information you feel is relevant.	
Comments	Reference to evidence source