

Report to the Finance and Performance Management Cabinet Committee



Report reference: FPM-008-2011/12
Date of meeting: 26 September 2011

**Epping Forest
District Council**

Portfolio: Finance and Economic Development

Subject: Value For Money and Data Quality Strategies 2010/11-2012/13

Responsible Officer: Steve Tautz (01992 564ext).

Democratic Services Officer: Rebecca Perrin (01992 564532).

Recommendations/Decisions Required:

That the Cabinet Committee consider progress against the Council's Value For Money and Data Quality Strategies for 2010/11.

Executive Summary:

Pursuant to the Local Government Act 1999, the Council is required to make arrangements to secure continuous improvement in the way in which its functions and services are exercised, having regard to a combination of economy, efficiency and effectiveness. The relationship between economy, efficiency and effectiveness is often defined as 'Value For Money', and the Council's Value For Money Strategy sets out its overall approach to ensuring the provision of value for money services.

As part of the duty to secure continuous improvement, the Council should also ensure that all data and information used to plan and deliver services is accurate, valid, reliable, timely, relevant and complete, in order to inform decision-making in respect of functions and services. Performance information is increasingly being used for the external assessment of local authority performance, and the Council's data Quality Strategy sets out its arrangements for ensuring that the quality of key data meets the highest standards.

Value For Money and Data Quality have traditionally formed essential components of local authority assessment and inspection frameworks.

Reasons for Proposed Decision:

The Value For Money Strategy sets out the Council's overall approach to ensuring the provision of value for money services. The Data Quality Strategy sets out the Council's management arrangements to secure the quality of the data used to manage its functions and services. The Strategies build upon previous work to address issues arising from former assessment and inspection frameworks, and to highlight areas of best practice.

Other Options for Action:

None. The Value For Money and Data Quality Strategies aim to bring together best practice within the Council in terms of the provision of value for money services and securing the quality of data and information used by the Council to plan and deliver functions and services. Failure to identify arrangements for securing and improving Value For Money and Data

Quality could mean that opportunities for improvement were lost, and might adversely affect the reputation of the authority.

Report:

Value For Money Strategy

1. The Council is required, under the provisions of the Local Government Act 1999, to make arrangements to secure continuous improvement in the way in which its functions and services are exercised, having regard to a combination of economy, efficiency and effectiveness. The relationship between economy, efficiency and effectiveness is often defined as 'Value For Money'.

2. The Council's Value For Money Strategy was originally adopted in 2006. The Strategy was first reviewed during 2009, in light of the completion of the detailed corporate 'Value For Money Review' of the Council's costs and performance, that had been undertaken in response to the Audit Commission's concern at the level of costs identified in its Use of Resources judgement for 2006/07. A further review of the Value For Money Strategy was undertaken in 2010, to set out the Council's overall approach to ensuring the provision of value for money services over the three years to 2012/13. The Strategy builds upon the work undertaken as part of the corporate Value For Money Review in 2008, addresses issues arising from the former Use of Resources assessment process and highlights areas of best practice. The Strategy assigns responsibility for Value For Money across the Council, and incorporates an action plan, progress against which is monitored by Management Board and the Finance and Performance Management Cabinet Committee and Scrutiny Panel on an annual basis. The Strategy also contains details of the Council's Key Performance Indicators for each year.

3. Scrutiny of the Council's Value For Money performance has previously been undertaken by the Finance and Performance Management Scrutiny Panel, through the in-house development of an annual Cost and Performance Benchmarking Analysis. The purpose of the analysis has been to provide an initial indicator of the relationship between the Council's service costs and performance, in order to identify areas where further more detailed and targeted analysis or improvement activity may be required. However, in view of previous member and officer concerns in respect of the robustness of the data published by the Audit Commission that was used to develop the Benchmarking Analysis and uncertainty over the future publication of relevant data given the impending demise of the Commission, Management Board has agreed that the analysis not be produced in 2011/12. Whilst alternative Value For Money analysis options are available from third party suppliers, the Board considers that these do not generally provide value for money themselves.

4. The Value For Money Strategy is attached as Appendix 1 to this report, and contains details of current progress against the action plan. The Cabinet Committee is requested to consider progress against the Value For Money Strategy for 2010/11, in view of its important role in monitoring the Council's Value For Money performance. This progress report was also be considered by the Finance and Performance Management Scrutiny Panel at its meeting on 20 September 2011.

5. The majority of actions contained within the Value For Money Strategy were intended to be completed during 2010/11, and it was not anticipated that further actions would be adopted for the remaining two years of the Strategy. It is not currently considered necessary to identify further specific Value For Money actions, although progress against outstanding or ongoing actions will be reported at the end of 2011/12. However, it is possible that additional actions or activities may arise through the work currently being undertaken by PriceWaterhouse Coopers and Ernst and Young, as part of the Improvement East Efficiency

Challenge. The Value For Money Strategy itself will next be reviewed in 2012/13.

Data Quality Strategy

6. As the first stage of the annual performance indicator audit, the Council's external auditors have previously undertaken an assessment of the overall management arrangements of the authority to secure data quality. Although part of this assessment related to the quality of performance information, the audit also looked in detail at corporate data quality arrangements, and was therefore a much wider issue than the than simply a performance indicator audit.

7. As a result of the initial Data Quality assessment undertaken in 2006/7, it was considered important for the Council to develop a Data Quality Strategy, which was originally adopted in 2006. As performance information has increasingly been used for the external assessment of the authority's performance, the Strategy set out a commitment to ensuring that the quality of key data met the highest standards, as consistent, accurate, timely and comprehensive information is vital to support effective decision-making and enhanced service provision. The Data Quality Strategy was first reviewed during 2009, in order to identify opportunities for changes and improvements to also address wider data quality issues and to reinforce the Council's corporate commitment to data quality. A further review of the Strategy was undertaken in 2010, to address issues arising from the former Use of Resources assessment process and Internal Audit reports, and to highlight areas of best practice. The Strategy assigns responsibility for Value For Money across the Council, and incorporates an action plan, progress against which is monitored by Management Board and the Finance and Performance Management Cabinet Committee and Scrutiny Panel on an annual basis. Scrutiny of the Council's Data Quality performance is led by the Finance and Performance Management Cabinet Committee and Scrutiny Panel, in terms of the production of financial and performance data.

8. The Data Quality Strategy is attached as Appendix 2 to this report, and contains details of current progress against the action plan. The Cabinet Committee is requested to consider progress against the Data Quality for 2010/11, in view of it's important role in monitoring the Council's service performance. This progress report was also be considered by the Finance and Performance Management Scrutiny Panel at its meeting on 20 September 2011.

9. As with the Value For Money Strategy, the majority of actions contained within the Data Quality Strategy were intended to be completed during 2010/11, and it was not anticipated that further actions would be adopted for the remaining two years of the Strategy. Similarly, it is not currently considered necessary to identify further specific Data Quality actions, although progress against outstanding or ongoing actions will be reported at the end of 2011/12. However, it is also possible that additional actions or activities may arise through the external consultancy work currently being undertaken as part of the Improvement East Efficiency Challenge. The Data Quality Strategy itself will next be reviewed in 2012/13.

Resource Implications:

The review of progress against the Value For Money and Data Quality Strategies has been met from within existing resources.

Legal and Governance Implications:

There are no legal implications or Human Rights Act issues arising from this report, which seeks to ensure that appropriate arrangements are in place to secure continuous improvement in the way in which the Council's functions and services are exercised.

Safer, Cleaner and Greener Implications:

There are no legal implications arising from this report in respect of the Council's commitment to the Nottingham Declaration for climate change, the corporate Safer, Cleaner and Greener initiative, or any Crime and Disorder issues within the district.

Consultation Undertaken:

The review of progress against the Value For Money and Data Quality Strategies has been considered by Management Board, and will also be considered by the Finance and Performance Management Cabinet Committee on 26 September 2011. This report was made available to the Finance and Economic Development Portfolio Holder and the Performance Management Portfolio Holder, in advance of the preparation of this agenda.

Background Papers:

None.

Impact Assessments:

Risk Management

A failure on the part of the Council to identify arrangements for securing and improving Value For Money and Data Quality, could mean that opportunities for improvement were lost, and might adversely affect the reputation of the authority.

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

However, issues arising from proposals to address the development and coordination of a corporate approach to securing and improving Value For Money and Data Quality, will be identified as necessary, as specific actions are progressed.

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? N/A

What equality implications were identified through the Equality Impact Assessment process?

N/A

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?

N/A