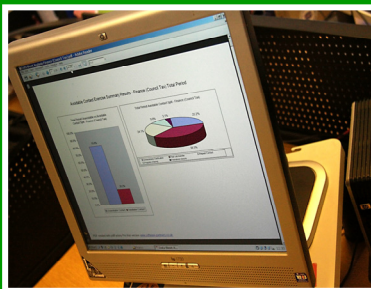
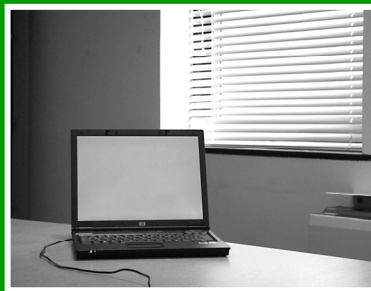




Epping Forest
District Council

2010/11 - 2012/13

Value For Money Strategy



Week 1		% +/-
2009	2010	
570	446	-21.8%
558	530	-5.0%



Making our district a great place to live, work, study & do business

Contents



2



1. Introduction	3
2. Why Is Value For Money Important?	3
3. What Is Value For Money?	4
4. Objectives Of The Value For Money Strategy	6
5. The Council's Value For Money Methodologies	7
6. The Council's Value For Money Achievements	8
7. The Council's Value For Money Responsibilities	12
8. Monitoring And Review Of The Value For Money Strategy	15
Appendix 1 - Value For Money Strategy Action Plan	16
Appendix 2 - Key Performance Indicators 2010/11 - National Indicators	22
Appendix 3 - Key Performance Indicators 2010/11 - Local Indicators	24
Appendix 4 - Links Between Value For Money Strategy and Other Corporate Strategies	27
Appendix 5 - Value For Money Glossary	28

1. Introduction

- 1.1 Epping Forest District Council is committed to delivering excellent services that meet the needs of its residents and customers. The Council must be able to show that its costs compare well with others, reflect priorities and policy decisions and that they are commensurate with service delivery, performance and the outcomes achieved.
- 1.2 The vision of the Council and its partners for the Epping Forest District is to make the district a great place to live, work, study and do business. Achieving this vision, against an increasingly difficult financial and economic backdrop, means that greater emphasis is being placed on changing the way the authority works to deliver better services and improve Value For Money. This means redesigning services to make better use of resources and, in essence, 'doing more with less'. This will be particularly important in the light of the Government's Comprehensive Spending Review in October 2010, and this Strategy therefore sets out the Council's corporate arrangements for ensuring the provision of Value for Money, over the three years from 2010/11 to 2013/14.

3

2. Why Is Value For Money Important?

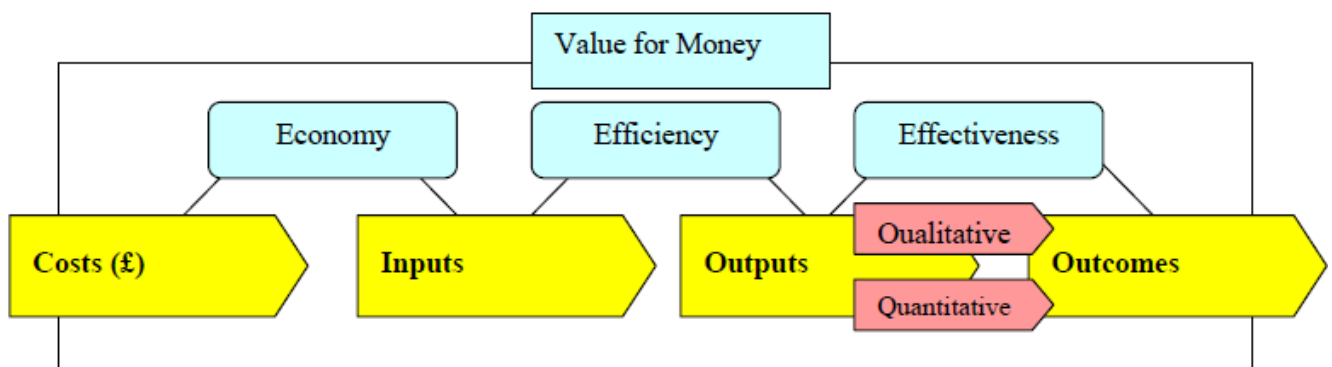
- 2.1 Value for Money is assuming an ever increasing importance both on the central and local government agenda. The Audit Commission has previously undertaken an annual assessment of how well councils manage and use their financial resources, which has provided the basis for the Council's actions to improve its performance in relation to value for money. Local authorities are required to be mindful of economy, efficiency and effectiveness in their actions, which is monitored in a number of ways, and the Council's external auditors are required to give an annual conclusion as to whether the authority has put in place proper arrangements to secure Value for Money.
- 2.2 Whilst demand for services is increasing, resources are limited and the Council seeks to ensure that money is spent carefully, wisely and as efficiently as possible, in line with the views of local communities. As a result of the global economic downturn, over the next three years the financial position of the public sector is set to become even more challenging, and this Value For Money Strategy is designed to ensure that the Council makes the best possible use of its resources by providing a clear, strategic approach to improving Value For Money over the next three years.

- 2.3 It is important that the Council has a good understanding of the relationship between its performance and its costs, and that it uses this information to make sound strategic and policy decisions. The money spent by the Council can be linked to its overall aims and objectives.
- 2.4 In order to illustrate its commitment to securing Value for Money, the Council undertook a detailed corporate Value For Money Review in 2008, in order to explore the facts that influenced the Audit Commission's views on the provision of Value for Money by the Council, and to reach an overall conclusion on the Council's provision of Value for Money at that time. The Value For Money Strategy was first developed from the findings of the Value For Money Review, and was last reviewed in 2009. This new version of the strategy sets out the Council's approach to ensuring that it obtains value for money and will be reviewed in 2013/14.

4

3. What Is Value For Money?

- 3.1 Value for Money is a term used to assess whether or not the Council has obtained the maximum benefit from the goods and services it both acquires and provides, within the resources available to it. The concept of value for money not only measures the cost of goods and services, but it also takes account of the mix of quality, cost, resource use, fitness for purpose, timeliness, and convenience to judge whether or not, together, they constitute good value.
- 3.2 Value for Money has long been defined as the relationship between economy, efficiency and effectiveness, and is about obtaining the maximum benefit over time with the resources available, so that the Council delivers the best services at the lowest possible costs to residents. Value for Money can be illustrated by the following diagram:



Economy – ‘Spending less’

The price paid for what goes into providing a service. This is about delivering services at optimum cost, through minimising the cost of resources.

Efficiency – ‘Spending well’

A measure of productivity and performance i.e., how much is got out in relation to what is put in.

Effectiveness – ‘Spending wisely’

A measure of the impact that has been achieved, which can be either quantitative or qualitative. This is about outcomes for customers that should be equitable across communities.

- 3.3 Value for Money is therefore about achieving the right local balance between economy, efficiency and effectiveness or, spending less, spending well and spending wisely to achieve local priorities for services. Value for Money is high when there is an optimum balance between all three elements, when costs are relatively low, productivity is high and successful outcomes have been achieved.
- 3.4 Value for Money can be achieved in different ways and is also specific to different contexts, and a key component in assessing effectiveness is relevance to and impact on local priorities. What is Value for Money for one local authority or locality, may not be the same for another. The concept of value for money is not about reducing the level of service delivery or providing lower quality services. Whilst it is intended to maximise outputs and outcomes from the application of resources, Value for Money is also intended to increase the opportunity to provide resources for new investment and the development of services to meet the Council’s priorities.

4. Objectives Of The Value For Money Strategy

- 6
- 4.1 The objectives of this Value for Money Strategy are to ensure that the Council has in place a framework to help it to make decisions on what to spend its money on, and the necessary activities and monitoring and review processes, that enable Value For Money to be delivered across all of its services. This means not only having the necessary foundations upon which Value For Money can be built, such as sound financial management procurement procedures, budgetary control, performance management etc., but also having appropriate monitoring, review and management processes, using information on what things cost, benchmarking, cost comparisons and outcome measurement etc., so that effective decisions can be made.
- 4.2 The Council recognises its responsibilities as a custodian of public funds, and strives to achieve Value For Money in the delivery of services. The Council seeks to achieve and where possible improve Value For Money by ensuring that:
- services meet the needs of local communities through the most economic, efficient and effective means;
 - all employees recognise the need to secure Value for Money as an integral part of their work;
 - costs compare well with other local authorities, and where appropriate other sectors, allowing for external factors;
 - costs are commensurate with service delivery, performance and outcomes achieved;
 - costs reflect policy decisions;
 - performance in relation to Value For Money is monitored and reviewed;
 - efficiency gains are achieved and savings reallocated against other priorities;
 - full long-term costs are taken into account when making procurement and other spending decisions; and
 - external funding and partnership opportunities are sought in order to enhance funding for the Council.
- 4.3 The Council's progress against the Value For Money Strategy will be kept under regular review. Annual outturn performance against the action plan contained in Appendix 1 of the Strategy will be reported to the Finance and performance Management Cabinet Committee, and the action plan will be reviewed and revised as necessary each year.

5. The Council's Value For Money Methodologies

5.1 The concept of Value For Money can be difficult to measure in qualitative terms. However, the Council operates a sound, well-established approach to the achievement of Value for Money, and uses a number of differing methodologies and structures for promoting and delivering its achievement. These include:

- Value For Money has been identified as a key priority, and the Council's approach to ensuring the provision of value for money services is led by the authority's Management Board;
- through the use of an interactive 'Value For Money Comparison Tool' an annual Cost and Performance Benchmarking Analysis is developed to allow the Council to compare and consider its costs and performance, and to identify opportunities for action in areas of unreasonably high cost or underperformance;
- Value For Money, including benchmarking with other appropriate local authorities, is a key element of the Council's annual business planning process;
- service reviews of specific services and functions ensure that unit costs and performance are compared, scrutinised and improved where appropriate and include full consideration of value for money issues;
- a corporate level approach has been adopted for separating ongoing General Fund expenditure (the Continuing Services Budget (CSB)), from expenditure on one-off projects (the District Development Fund (DDF)).
- the identification of DDF/CSB budget growth and savings as part of the annual budget setting process;
- a Procurement Strategy has been adopted to support the delivery of high-quality services, and the Council participates in shared procurement services with other Essex local authorities;
- the annual Internal Audit Plan ensures that a variety of Value For Money related issues are addressed, and all Internal Audit studies incorporate a Value For Money element where appropriate;
- cost overheads are allocated to individual service budgets as fully as possible, and guidance is produced to assist in the allocation of overheads within service budgets;
- the capture and reporting of annual efficiency gains as part of the requirements of National Indicator 179;
- a range of 'Key' Performance Indicators is adopted each year reflecting the Council's corporate priorities and objectives
- a set of 'Tenant Selected Indicators' is adopted each year to reflect the housing service priorities of the Epping Forest Tenants and Leaseholders Federation.

7

Value For Money Strategy

- as part of the Staff Suggestion Scheme, employees are encouraged to think of ways to introduce efficiency savings in their areas of work, with the best ideas being rewarded.

5.2 The Council's performance management framework ensures that its Key Performance Indicators (KPIs) (Appendix 2) and targets illustrate how the authority is performing in terms of achieving its strategic objectives. The aim of the KPIs is to focus improvement on key areas and to achieve comparable performance with that of the top performing local authorities (where appropriate). Annual Improvement Plans are produced for each of the Council's Key Performance Indicators which contain details of service costs wherever possible and feed into the development of annual Service Business Plans. Many of these KPIs relate to Value For Money, either directly, through monitoring of costs or key business indicators, or indirectly through measuring outputs. The performance management framework ensures that corporate targets are cascaded throughout the authority, through the annual Business Plans to individual staff performance appraisals.

8

6. The Council's Value For Money Achievements

6.1 To achieve its vision for the Epping Forest District, the Council recognises that it must make the best use of resources, both financial and human, to achieve the best outcomes for residents and customers. At the strategic level, the Council has increased its focus on Value For Money in recent years, and has implemented key initiatives to ensure that it delivers improved cost and quality, including the use of modern procurement methods and a thorough understand of current costs and performance. Examples of some of the Council's Value For Money achievements over the last three years include:

- the Council has adopted a Procurement Strategy to support its aims and objectives, and to assist the delivery of high-quality services that meet the current and future needs of local people. The Council has participated in shared procurement services with the Procurement Agency for Essex since April 2004, which has led to some significant cost reductions in the procurement of goods and services, and the authority joined the Essex Procurement Hub in October 2006 to further extended this shared service approach;
- During 2008/09 Capita were engaged to review and benchmark the Council's existing ICT Service and make recommendations on the strategic direction and future provision of ICT services in the authority. The review helped highlight both strengths and weaknesses of the service, and concluded that the current in-house provision should continue. This conclusion was based on Capita's opinion that out-sourcing would be unlikely to provide either cost or risk savings, as the cost of the ICT Service was already below the district council average for costs per user and costs per 1,000 population. Against the industry standard ITIL measures, the ICT Service performed better than other comparable district council's in terms of financial management, service desk and change management.
- The Council has a positive track record on securing efficiency gains, going back to the 2004 Spending Review. Over the life of that spending review, the authority was set a target of achieving cumulative gains of £1.2 million by the end of 2007/08. This target was exceeded by more than £1 million, with actual savings being £2.2 million, of which nearly £2 million were cashable. Further significant savings were made in 2008/09, with the outturn for National Indicator 179 (Efficiency Savings) reported as £1.2 million. The single largest additional saving during this period arose from the implementation of an organisational restructure. Recently published comparative data on efficiency savings as a percentage of expenditure, ranked the Council as the third highest achieving local authority in Essex and fifth amongst a grouping of fifteen similar authorities.

6. The Council's Value For Money Achievements

(Continued)

10

- the Council is a member of Housemark, a national housing benchmarking club. In March 2010, Housemark undertook a benchmarking exercise of cost and quality indicators amongst 38 stock-retaining councils. In its Value For Money Summary for Epping Forest, Housemark reported that, for this Council, 4 out of the 5 cost Key Performance Indicators (KPIs) were within the Top Quartile, that 6 out of the 9 Quality KPIs were within the Top Quartile, and that a further two were within the second quartile.
- between 2004/05 - 2007/08, the Housing Directorate made cumulative efficiency savings of around £1.15m. Significant efficiency savings have also been identified for the period 2009/10 - 2011/12.
- Community and cultural services have continued their success in attracting significant levels of external funding in particular with respect to the health inequalities agenda by securing 155k from Big Lottery and age concern to work with older people and 80k from Harlow Health Centres Trust targeting young peoples health issues in Waltham Abbey.
- Investment delivering increased performance and quality is demonstrated in terms of the Council's website. The temporary 3 year appointment of additional website officer lead to the website being scored by external accreditation body SOCITM as 3* out of 4* and ranking it the 9th best district council website nationally.
- The Council has made a number of investments in and improvements to the waste management service to improve rates of recycling, and the cost of the service now is now lower than it was in 2007/08. This reduction in cost and improvement in performance is anticipated to continue
- The use of a partnered contract which provided for the structured sharing of cost savings, resulted in enhancement works to The Broadway area of Loughton being completed with an overall net saving to the Council of £595,000. This enabled the Council to invest £100,000 in the upgrading of CCTV in and around The Broadway, which might otherwise not have been possible.
- Countrycare's use of volunteers to work on our nature reserves is a further example of work the Council does that saves itself money.

Value For Money Strategy

- The Council's interactive planning website was introduced in April 2008, and has improved public access to information, generated savings from increased speed of work, reduced the costs of printing, post and file storage, and reduced carbon emissions through the use of less paper. The Council has continued to invest in i-Plan, which provides on-line information about live planning applications and historical planning records, enabling customers to access information without officer assistance. Even those customers using the system who do then need help, are likely to provide references or information drawn from i-Plan rather than starting from scratch, which underlines increased use of the Council's web site at costs which are lower than face to face, or written communications.
- For a number of years, the Council has had the aim of remaining a low tax authority as a key objective. More recently, this has been refined to the aim of having the lowest Council Tax in Essex. In 2005/06, the Council had the third lowest charge, being £5.00 more expensive than Tendring District Council and £9.00 more than Uttlesford District Council. For 2010/11, the Council has the second lowest charge in Essex, now being only £1.35 behind Uttlesford. Increases in Council Tax have been low relative to all Essex districts, not just lower than Tendring and Uttlesford, as between 2005/06 and 2010/11 the average charge for Essex districts has increased by 17.8% and for this Council by only 13.6%. Progress on this strategic priority has been delivered whilst securing sound financial health.

11

7. The Council's Value For Money Responsibilities

- 7.1 Responsibility for achieving Value For Money lies with all members and employees of the Council, and is not restricted to just those with resource or budget responsibilities. The Council is required to satisfy itself that Value For Money is being sought and achieved from all areas of the authority.
- 7.2 In terms of general responsibilities, the Leader of the Council, the Finance and Economic Development Portfolio Holder, and the Corporate Executive Forum have executive responsibility to put in place arrangements that will ensure that Value For Money is being sought. The Performance Management Portfolio Holder is responsible for the Council's performance management framework and its Key Performance Indicators. Service managers have a general responsibility to maintain an awareness of good practices in their own area of operation and to ensure that these are followed appropriately, and need to satisfy themselves that Value For Money is being secured in the services and functions that they manage. All members of staff should endeavour to achieve Value For Money in all their activities, and to highlight opportunities for improvement.
- 7.3 A range of specific member level Value For Money responsibilities are also in place:

(a) Executive Functions

The role of the Cabinet in terms of Value For Money, is to set the Council's overall Value For Money framework and influence the culture of efficiency and Value For Money throughout the authority. On an annual basis, the Cabinet (and, as appropriate, Portfolio Holders) will:

- consider the outcomes of the annual consultation exercise of partners and stakeholders when setting spending levels for the budget;
- allocate resources in line with agreed budget priorities, taking into account performance;
- plan actions and allocate resources in the light of agreed priorities, identified community issues, deprivation indices and customer consultation feedback;
- set targets for cost reductions and efficiency gains as measure by National Indicator NI 179; and
- review any savings produced through the Procurement Strategy.

The Cabinet will also review the allocation and use of resources on an on-going basis, especially when making policy decisions, to ensure Value For Money. The Finance and Performance Management Cabinet Committee may also undertake some of these functions, as directed by the Cabinet.

(b) Overview and Scrutiny Functions

The role of Overview and Scrutiny in terms of Value For Money, is to ensure that planned outcomes are being delivered, that processes and procedures support the achievement of Value For Money, and to compare and assess performance and associated costs. The Overview and Scrutiny Committee will:

- establish and monitor an annual programme of service reviews of areas via the Task and Finish Panel framework, with one of the aims of each review being to ensure that unit costs and performance are compared, scrutinised and improved where appropriate; and
- receive reports on the outcome(s) of each service review and make recommendations to the Cabinet as appropriate.

The Finance and Performance Management Scrutiny Panel will undertake the scrutiny of the Council's performance and associated costs, through monitoring of:

- quarterly and annual outturn performance against the Key Performance Indicators for each year;
- annual consideration of local unit cost information (the Cost and Performance Benchmarking Analysis), compared to appropriate benchmarks and links to performance indicators where appropriate; and
- quarterly progress with key capital and revenue projects in terms of both financial and operational issues.

13

7.4 A range of specific officer level Value For Money responsibilities are also in place:

(c) Corporate Executive Forum

The role of the Corporate Executive Forum in terms of Value For Money, is to provide a strategic steer for Members and officers on the development of the Council's priorities and associated Value for Money and performance management considerations, taking into account quality and cost. The Corporate Executive Forum will:

- through Management Board, develop and progress the Council's approach to Value For Money, ensuring that it is a key element throughout the services that the Council provides;
- review performance against the Key Performance Indicators for each year, on both a quarterly and annual outturn basis;
- consider and agree an Improvement Plan for each KPI every year

7. The Council's Value For Money Responsibilities (continued)

- consider quarterly progress against key capital projects, on both a budgetary and operational basis;
- through Management Board, annually review the Council's Value For Money framework by considering key unit cost and performance indicators, and the Council's performance with reference to benchmark groups, surveys etc;
- through the Cabinet Agenda Planning Group, ensure that full and accurate cost information is included in reports to the Cabinet, to ensure the proper alignment of resources with priorities; and
- ensure that appropriate processes are in place to secure high standards of data quality, as required by the Council's Data Quality Strategy.

(d) Service Directors and Chief Officers

The role of Service Directors and Chief Officers in terms of Value For Money, is to ensure that arrangements are in place to meet the requirements of the Value For Money Strategy, and to proactively seek opportunities to improve Value For Money across services. Service Directors and Chief Officers will:

- identify opportunities to improve Value For Money;
- report performance against the Key Performance Indicators for each year to the Corporate Executive Forum and the Finance and Performance Management Scrutiny Panel, on both a quarterly and annual outturn basis, reviewing performance and identifying corrective action as necessary;
- take appropriate action where it appears that performance and/or Value For Money is deteriorating, particularly in relation to any targets set;
- review quarterly budget expenditure, to ensure that resources are prioritised to key areas, and that budgetary performance is understood;
- identify and quantify efficiency gains that have arisen in the previous quarter, and opportunities for future efficiency gains;
- review quarterly progress with capital projects;
- review and update benchmarking data to determine whether services provide Value For Money in terms of unit costs (against the Council's overall approach to value for money and benchmarking) and take any necessary corrective action in the light of this;
- ensure that all opportunities to review cost data on a local, regional and national basis are identified (e.g. by joining relevant benchmarking clubs); and
- review the Audit Commission's cost profiles for the Council, and comparisons with other councils as part of the development of the annual Cost and Performance

Benchmarking Analysis, and investigate further any areas where unit costs appear to be inappropriate or unreasonably high.

(e) Performance Improvement Unit

The role of the Performance Improvement Unit in terms of Value For Money, is to provide corporate support to the Council in achieving the provision of Value For Money. The Performance Improvement Unit will:

- maintain the corporate performance management system, for the collection and reporting of quarterly and outturn performance against the Key Performance Indicators for each year; and
- co-ordinate the annual development and consideration of the Council's Cost and Performance Benchmarking Analysis.

15

8. Monitoring And Review Of The Value For Money Strategy

- 8.1 Progress with the implementation of the Value For Money Strategy will be monitored by the Corporate Executive Forum. A full review of the Strategy will be undertaken on a three-yearly basis.
- 8.2 A Value for Money Strategy action plan is developed for each year of the Strategy, setting out specific and ongoing actions that are planned over the course of the year. Outturn performance against the action plan will be considered by the Finance and Performance Management Cabinet Committee and Scrutiny Panel, on an annual basis.
- 8.3 The Council is currently developing its Corporate Plan for 2010/11 to 2012/13, and money spent over this period will be linked to aims and priorities within the Corporate Plan.

Appendix 1 - Value For Money Strategy Action Plan

16

Key Objective	What actions will we take to achieve this objective?
<p>(1) Complete full review of Value For Money Strategy and establish programme for future review of the Strategy and the Value For Money Action Plan;</p>	<p>(a) Complete Value For Money Strategy review;</p> <p>(b) Consideration of revised Value For Money Strategy by Finance and Performance Management Cabinet Committee and Scrutiny Panel;</p> <p>(c) Publication of revised Value For Money Strategy for 2010/11 to 2012/13;</p>
<p>(2) Value For Money is a central theme in the Council's vision and Corporate Plan;</p>	<p>(a) Review the emerging Corporate Plan for 2010/11 - 2013/14 to ensure that Value For Money is a key component of the Council's aims and objectives for the four year period;</p> <p>(b) Management Board to progress the Council's approach to Value For Money, ensuring that it is a key element throughout the services that the Council provides, through the regular monitoring of performance against the Value For Money Strategy Action Plan for 2010/11;</p>
<p>(3) The Council fully understands its costs and performance;</p>	<p>(a) Rollout interactive 'Value For Money Comparison Tool' for 2010/11;</p> <p>(b) Identification and justification of areas of unreasonably high spend or underperformance;</p> <p>(c) Development of annual Cost and Performance Benchmarking Analysis for 2010/11, including comparisons of costs and performance with other councils;</p> <p>(d) Consideration of annual Cost and Performance Benchmarking Analysis for 2010/11 by the Finance and Performance Management Scrutiny Panel;</p> <p>(e) Review of cost and performance benchmarking data as a routine part of the Council's business planning process for 2011/12;</p>

Value For Money Strategy

Responsibility for Action	Timescale
<p>Performance Improvement Manager</p> <p>Performance Improvement Manager</p> <p>Performance Improvement Manager</p>	<p>31st August 2010</p> <p>30th September 2010</p> <p>31st October 2010</p>
<p>Chief Executive</p> <p>Management Board</p>	<p>30th November 2010 (publication of Council Plan for 2010/11 to 2013/14)</p> <p>Quarterly throughout 2010/11</p>
<p>Performance Improvement Manager</p> <p>Service Directors</p> <p>Performance Improvement Manager</p> <p>Performance Improvement Manager</p> <p>Service Directors</p>	<p>30th June 2010</p> <p>31st July 2010</p> <p>31st August 2010</p> <p>30th September 2010</p> <p>31st March 2011</p>

Value For Money Strategy Action Plan (continued)

18

Key Objective	What actions will we take to achieve this objective?
<p>(4) Value For Money, including benchmarking with other appropriate local authorities, is a key element of the Council's annual business planning process;</p>	<p>(a) Value for Money 'position statement' to be included in all annual Directorate Business Plans for 2011/12;</p> <p>(b) Audit of business plan process for 2011/12 to ensure that a Value For Money position statement is included in all Business Plans;</p>
<p>(5) Performance and cost information is used to routinely assess Value For Money;</p>	<p>Performance information and unit cost data to be considered by Directorate Management Teams (or equivalent) on a regular basis, to inform decision making;</p>
<p>(6) Development of annual suite of Key Performance Indicators</p>	<p>(a) Rollout of interactive 'Business Strategy Tool' for 2010/11;</p> <p>(b) Identification of proposed Key Performance Indicators for 2011/12, for consideration by the Finance and Performance Management Scrutiny Panel and Cabinet Committee;</p>
<p>(7) Services and functions are reviewed to ensure that unit costs and performance are compared, scrutinised and improved where appropriate;</p>	<p>(a) Overview and Scrutiny to establish and monitor an annual programme of service reviews, ensuring that unit costs and performance are compared, scrutinised and improved;</p> <p>(b) Develop a corporate approach to the undertaking of Value For Money Service Reviews;</p>
<p>(8) Achieve required efficiencies in line with the Council's budget strategy;</p>	<p>(a) Review all areas of the budget as part of the setting of revised estimates for 2010/11;</p> <p>(a) Identify budget growth and savings as part of the annual budget setting process for 2010/11;</p> <p>(b) Report performance against National Indicator 179 (Efficiency Savings), in accordance with the requirements of the Department for Communities and Local Government;</p>

Value For Money Strategy

Responsibility for Action	Timescale
Service Directors	31st March 2011
Chief Internal Auditor	31st May 2011
Service Directors	Quarterly throughout 2010/11
Performance Improvement Manager	31st July 2010
Service Directors / Performance Improvement Manager	28th February 2011
Deputy Chief Executive (as lead officer for overview and scrutiny)	30th June 2010
Performance Improvement Manager	31st October 2010
Director of Finance and ICT	30th November 2010
Service Directors / Director of Finance and ICT	31st January 2011
Performance Improvement Manager	30th June 2011

Value For Money Strategy Action Plan (continued)

20

Key Objective	What actions will we take to achieve this objective?
<p>(9) Work jointly and collaboratively with other organisations, to achieve increased Value For Money through economies of scale and optimising outcomes and achievements ;</p>	<p>(a) Explore opportunities for enhanced collaborative and joint working, including joint procurement and shared working arrangements;</p> <p>(b) Review and scrutinise the Council’s key strategic partnerships with regard to Value For Money, to ensure robust partnership arrangements that deliver intended outcomes;</p>
<p>(10) The Procurement Strategy is delivering value for money in the provision of goods and services;</p>	<p>(a) Ensure that Value For Money is a key principle in the Council’s Procurement Strategy</p> <p>(b) Ensure that the requirements of the Procurement Strategy and Contract Standing Orders are followed, and that appropriate procurement training is provided for relevant staff</p> <p>(c) Analyse spending to identify categories of expenditure where savings may be achievable</p> <p>(d) Review and revise the Council’s Procurement Strategy as necessary</p>
<p>(11) Provide guidance to staff on Value For Money techniques and principles</p>	<p>Communicate the requirements of the Value For Money Strategy to all staff, to generate greater understanding of Value For Money techniques and how to apply these for better decision making</p>
<p>(12) Review the Value For Money Strategy</p>	<p>Review and update Value For Money Strategy action plan on an annual basis</p>

Value For Money Strategy

Responsibility for Action	Timescale
Service Directors	31st March 2011
Management Board	31st March 2011
Director of Finance and ICT	31st March 2012
Director of Finance and ICT	31st March 2012
Director of Finance and ICT	31st March 2012
Director of Finance and ICT	31st March 2012
Performance Improvement Manager	31st October 2010
Management Board	31st March 2011

Appendix 2 - Key Performance Indicators 2010/11 - National Indicators

22

Indicator	Description	09/10 Actual	10/11 Target	10/11 Target vs 09/10 Actual
NI 154	Net additional homes provided	176	180	+4
NI 155	Number of affordable homes delivered	63	70	+7
NI 156	Number of households living in temporary accommodation	46	60	+14
NI 157 (a)	Processing of major planning applications as measured against target time	67.86%	81.00%	+13.14
NI 157 (b)	Processing of minor planning applications as measured against target time	79.67%	TBC	TBC
NI 158	Percentage of non-decent council homes	0%	0%	=
NI 159	Supply of ready to develop housing sites	164.76%	100.00%	-64.76
NI 179	Value for Money: total net value of ongoing value for money gains	£311076	£600000	+ £288924
NI 181	Time taken to process Housing & Council Tax Benefit new claims and change events	8.16 days	13.00 days	+4.84 days
NI 182	Satisfaction of businesses with local authority regulation services	69.00%	78.00%	+9.00
NI 185	CO ₂ reduction from local authority (LA) operations	TBC	10.00%	TBC

Value For Money Strategy

Indicator	Description	09/10 Actual	10/11 Target	10/11 Target vs 09/10 Actual
NI 186	Per capita reduction in CO ₂ emissions in the local authority area	TBC	8.00%	TBC
NI 187	People receiving income based benefits living in homes with a low energy efficiency rating	5.60%	TBC	TBC
NI 188	Planning to adapt to climate change	Level 2	Level 2	=
NI 189	Flood and coastal erosion risk management	N/A	80.00%	N/A
NI 191	Residual household waste per household	447kg	500kg	+53kg
NI 192	Percentage of household waste sent for re-use, recycling and composting	51.70%	58.00%	+6.3
NI 194	Percentage reduction in NO _x & primary PM ₁₀ emissions through LA's estate & operations	TBC	TBC	TBC
NI 195 (a)	Improved street & environmental cleanliness: (Litter)	11%	10%	-1
NI 195 (b)	Improved street & environmental cleanliness: (Detritus)	13%	13%	=
NI 196	Improved street & environmental cleanliness: (Fly-tipping)	Grade 3	Grade 2	-1

23

Appendix 3 - Key Performance Indicators 2010/11 - Local Indicators

24

Indicator	Description	09/10 Actual	10/11 Target	10/11 Target vs 09/10 Actual
LPI 01	The level of the Equality Framework for Local Government	Level 1	Level 2	+1
LPI 04	Rent collected as a proportion of rents owed on housing revenue account dwellings	97.74%	97.00%	-0.74%
LPI 05	Average number of days to re-let council dwellings	28 days	30 days	+2 days
LPI 07	Percentage of emergency repairs completed within target time (24 hours)	97.26%	99.00%	+1.74
LPI 08	Percentage of urgent repairs completed within target time (5 working days)	93.03%	95.00%	+1.97
LPI 09	Percentage of routine repairs completed within target time (6 weeks)	95.05%	95.00%	-0.05
LPI 10	Satisfaction with repairs service	98.51%	98.00%	-0.51
LPI 13	Percentage of invoices paid within 30 days of receipt	98%	98%	=
LPI 14	Percentage of Council Tax collected	97.48%	97.80%	+0.32
LPI 15	Percentage of Non-Domestic Rates collected	97.56	98.00	+0.44

Value For Money Strategy

Indicator	Description	09/10 Actual	10/11 Target	10/11 Target vs 09/10 Actual
LPI 16	Average time in days for processing new benefit claims	33.41 days	25.00 days	-8.41 days
LPI 17	Average time for processing notifications of benefit claims changes of circumstances	4.85 days	8.00 days	+3.15 days
LPI 23	Capital projects delivered within target percentage of budgeted cost	N/A	90.00%	N/A
LPI 24 (a)	The number of visits to the Council's website	888,677	870,000	-18677
LPI 24 (b)	The quality of the Council's website	Grade 3	Grade 3	=
LPI 28	Number of working days lost due to sickness absence	8.35	8.00	-0.35
LPI 39	Rent arrears as a percentage of rental income (excluding housing property)	4.30%	3.00%	-1.30
LPI 40	The occupation rate of commercial and industrial property	97.63%	99.00%	+1.37
LPI 41	Rental value of as a percentage yield of the commercial & industrial portfolio asset value	9.90%	9.00%	-0.90
LPI 44	Achievement of milestones within the Local Development Framework	No	Yes	N/A

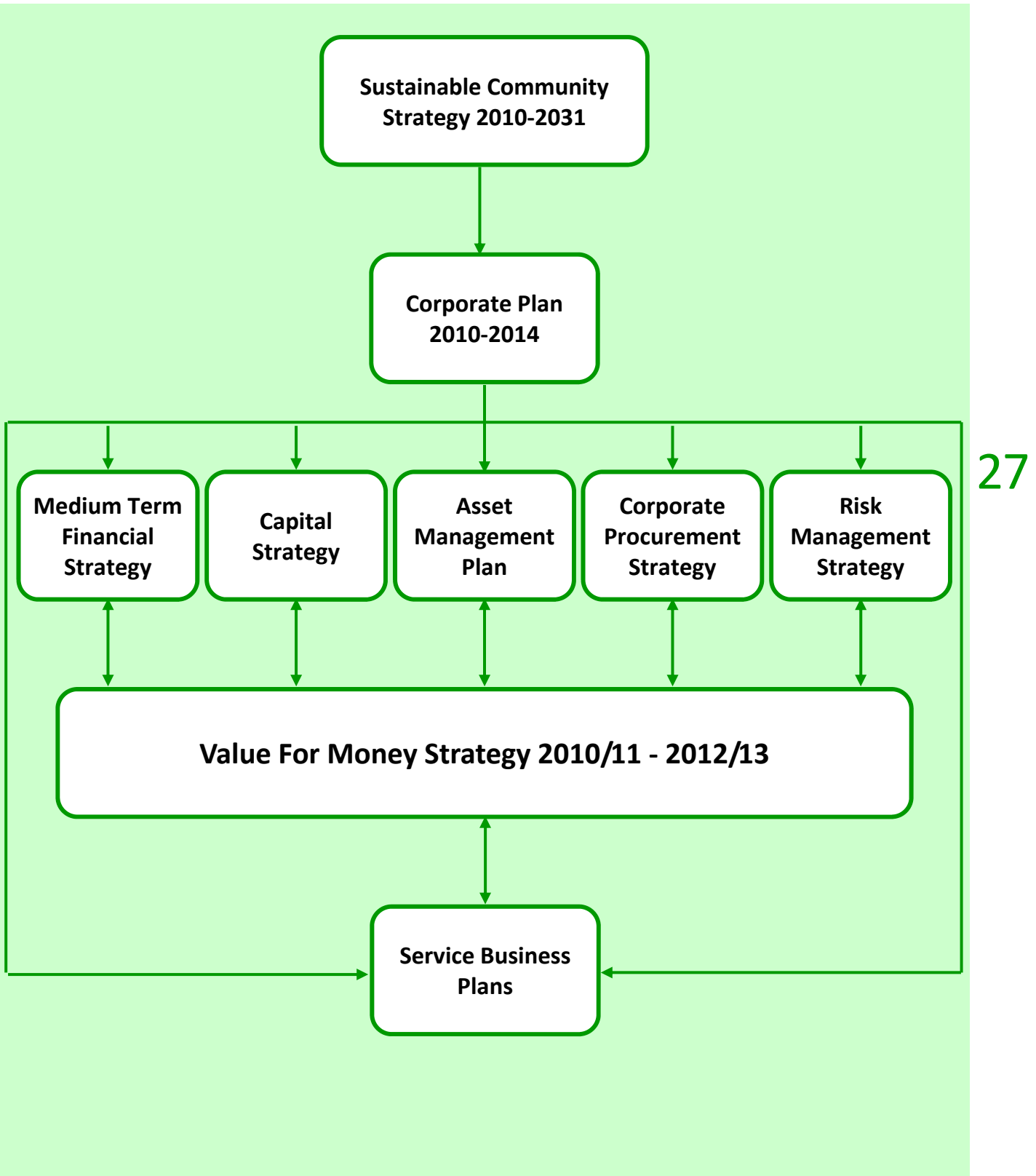
25

Appendix 3 - Key Performance Indicators 2010/11 - Local Indicators (continued)

26

Indicator	Description	09/10 Actual	10/11 Target	10/11 Target vs 09/10 Actual
LPI 45	Percentage of appeals allowed against refusal of planning applications	30.93%	TBC	TBC
LPI 50	Number of elderly people participating in Council physical activity programmes	16,632	14,000	-2,632
LPI 51	Percentage of environmental issues & complaints dealt with in target time (3 days)	96.54%	95.00%	-1.54
LPI 52 (a)	Percentage of flats & communal buildings (CB) surveyed for container recycling facilities	96.06%	95.00%	-1.06
LPI 52 (b)	Percentage of surveyed flats & CB with container recycling facilities implemented	100.00%	100.00%	=
LPI 53	Number of completed fraud investigations carried out by Benefits Investigation Team	285	500	+215
LPI NI 14	Completion of milestones in delivery of work to reduce avoidable contact across the Council	N/A	N/A	N/A

Appendix 4 - Links Between Value For Money Strategy and Other Corporate Strategies



Appendix 5 - Value For Money Glossary

Benchmarking: Comparing costs, performance indicators and processes for a service with those of an equivalent service e.g. the 'Housemark' benchmarking service, which compares across a range of housing management functions.

Business Plans: Business Plans provide details about the authority's key priority objectives as well as each directorate or service's strategic and operational objectives for the year ahead, and how these will be achieved. Business Plans provide a link between corporate objectives at the strategic level and the individual personal action plans of staff.

Comparator Performance/Comparative Costs/ Comparator Groups: The Audit Commission's Value For Money profiles enable local authorities to compare costs and performance with a range of groups or clusters of authorities. The following comparators are considered most useful in comparing the Council's costs:

28

- Nearest Neighbours – those Districts (not London Boroughs) which are deemed to be geographically and demographically similar to the Council, and generally lie just inside or outside the M25;
- Office of National Statistics (ONS) Local Authority Cluster – those District Councils which the ONS considers to be similar to the Council in key ways; and,
- Crime and Disorder Reduction Partnership (CDRP) Family Group – those District Council areas which are considered to have a similar crime profile to the Epping Forest District.

Continuing Services Budget: As part of the Council's prudent approach to financial management, the authority separates General Fund expenditure into two elements. The Continuing Services Budget (CSB) accounts for "ongoing annual costs in the General Fund" (see below for District Development Fund (DDF))

Cost Effectiveness: A form of analysis that combines cost and outcomes – for example, comparing the costs of alternative ways of producing the same outcome for users.

Corporate Plan: The Corporate Plan reflects the Council's medium-term aims and priorities, and the aspirations of the Community Strategy. The Corporate Plan is available from our information centres, and on our website or direct from the Performance Improvement Unit.

Council Vision: The Council's vision for the Epping Forest District is to make the district a great place to live, work, study and do business. This is our vision and strategic aim for the district for 2010/11 to 2013/14.

District Development Fund: As part of the Council's prudent approach to financial management, the authority separates General Fund expenditure into two elements. The District Development Fund accounts for "one-off expenditure in 1-3 years for specific projects" (see above for Continuing Services Budget (CSB))

Economy: the price paid for providing the service (staff, materials, assets etc.) e.g. how much it costs to empty a refuse bin

Effectiveness: the measure of the impact achieved, e.g. how satisfied customers are with the refuse collection service (qualitative) or how many bins were emptied on the correct day with no spillages (quantitative).

Efficiency: how much is got out from what is put in, e.g. how many bins are emptied.

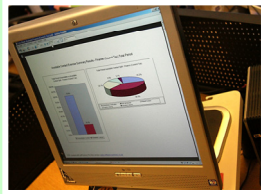
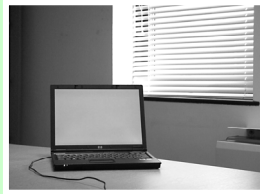
Efficiency Gains: Councils are required to report annual efficiency gains as part of National Indicator 179. Cashable efficiency gains allow resources to be diverted to other front line services whilst maintaining the same output – less inputs for the same outputs. Non-cashable efficiency gains occur through increased productivity – the same inputs for greater outputs.

Key Performance Indicators (KPIs): The KPIs are a measure of the Council's performance in terms of its corporate priorities and core areas of service provision. The aim of the KPIs is to provide focused improvement and achieve comparable performance with that of the best local authorities.

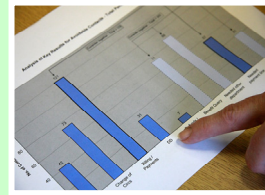
Medium Term Aims: The Council's medium-term aims reflect the core issues that the authority faces in respect of the provision of services over the period from 2010/11 to 2013/14.

Value for Money (VFM): VFM is about obtaining the maximum benefit over time with the resources available. It is about achieving the right local balance between economy, efficiency and effectiveness or, spending less, spending well and spending wisely to achieve local priorities for services. VFM is high when there is an optimum balance between all three elements - when costs are relatively low, productivity is high and successful outcomes have been achieved. (Audit Commission Guidance to Auditors 2008).

Value For Money Strategy



Week 1		% +/-
2009	2010	
570	446	-21.8%
558	530	-5.0%



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Making our district a great place to live, work, study & do business