

**Report to Finance and Performance
Management Cabinet Committee**



**Epping Forest
District Council**

**Report Reference: FPM-009-2010/11.
Date of Meeting: 27 September 2010.**

**Portfolio: Finance and Economic Development.
Performance Management.**

Subject: Value For Money and Data Quality Strategies 2010-2013

Responsible Officer: Steve Tautz (01992 564180)

Democratic Services: Gary Woodhall (01992 564470)

Recommendations/Decisions Required:

(1) That, subject to the views of the Finance and Performance Management Scrutiny Panel, the Council's draft Value For Money and Data Quality Strategies for 2010/11 to 2012/13, be agreed.

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 revised versions of the Strategies build upon work undertaken over the last two years, seek to address issues arising from recent Use of Resources judgements, 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. as a result of which improvements were made to existing arrangements for the annual scrutiny of the Council's value for money performance. A further review of the Value For Money Strategy has recently been undertaken.

3. Scrutiny of the Council's Value For Money performance is undertaken by the Finance and Performance Management Scrutiny Panel, through the development of an annual Cost and Performance Benchmarking Analysis. The purpose of the analysis is 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.

4. A revised Value For Money Strategy covering the three-year period from 2010/11 to 2012/13 is attached as Appendix 1 to this report, and sets out the Council's overall approach to ensuring the provision of value for money services over the next three years. The revised version of the Strategy builds upon the work undertaken as part of the corporate Value For Money Review of 2008, and seeks to address issues arising from recent Use of Resources judgements and highlight areas of best practice .

5. As part of the development of its new Corporate Plan for 2010/11 to 2012/13, the Council is seeking to ensure that its key objectives for each year, are aligned with its medium-term aims for the four-year period, and with the budget and other relevant corporate strategies. In demonstrating Value For Money it will be important to show that the authority is only spending in line with the stated aims of the Council.

6. The revised Strategy assigns responsibility for Value For Money across the Council, and incorporates an action plan, progress against which it is intended will be monitored by the Corporate Executive Forum and the Finance and Performance Management Cabinet Committee on an annual basis. The action plan will be updated annually for each year of the Strategy, although it should be noted that some actions for 2010/11 have already been completed in accordance with timescales set for the first half of the year. The Strategy also contains details of the Council's Key Performance Indicators for each year, which will also be updated on an annual basis. The Strategy itself will next be reviewed in 2012/13.

7. The draft Value For Money Strategy for 2010/11 to 2012/13 has recently been considered by the Finance and Performance Management Scrutiny Panel, in view of the Panel's important role in monitoring the Council's Value For Money performance, and the views of the Scrutiny Panel in respect of the draft Strategy will be reported to the Cabinet Committee.

Data Quality Strategy

8. As the first stage of the annual performance indicator audit, the Council's external auditors undertake an assessment of the overall management arrangements of the authority to secure data quality. Although part of this assessment relates to the quality of performance information, the audit also looks in detail at corporate data quality arrangements, and is therefore a much wider issue than the than simply a performance indicator audit.

9. 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 is increasingly being 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 has recently been undertaken.

10. Scrutiny of the Council's Data Quality performance is led by the Finance and Performance Management Scrutiny Panel, in terms of the production of performance and financial data

11. A revised Data Quality Strategy covering the three-year period from 2010/11 to 2012/13 is attached as Appendix 2 to this report, and sets out the Council's overall approach to the formalisation of its management arrangements for Data Quality over the next three years. The revised version of the Strategy seeks to address issues arising from recent Use of Resources judgements and Internal Audit reports, and to highlight areas of best practice.

12. The revised Strategy assigns responsibility for Data Quality across the Council, and incorporates an action plan, progress against which will be monitored by the Corporate Executive Forum and the Finance and Performance Management Cabinet Committee on an annual basis. The action plan will be updated annually for each year of the Strategy, although it should be noted that some actions for 2010/11 have already been completed in accordance with timescales set for the first half of the year. The Strategy itself will next be reviewed in 2012/13.

13. The draft Data Quality Strategy for 2010/11 to 2012/13 has recently been considered by the Finance and Performance Management Scrutiny Panel, in view of the Panel's role in monitoring the Council's Data Quality 'performance' in terms of its Key Performance Indicators, and the views of the Scrutiny Panel in respect of the draft Strategy will be reported to the Cabinet Committee.

14. Subject to consideration of the views of the Finance and Performance Management Scrutiny Panel, the Cabinet Committee is requested to agree the Council's Value For Money and Data Quality Strategies for 2010/11 to 2012/13.

Resource Implications:

The review of 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 the Value For Money and Data Quality Strategies has been considered by Management Board, and was also considered by the Finance and Performance Management Scrutiny Panel on 9 September 2010. 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