

Finance and Performance Management Scrutiny Panel

Date of Meeting: 20 November 2011



Portfolio: Finance and Technology

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

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Recommendations/Decisions Required:

That the Scrutiny Panel consider progress against the Council's Value For Money and Data Quality Strategies for 2011/12.

Executive Summary:

1. 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
2. As part of the duty to secure continuous improvement, the Council must 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 used for the 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,
3. Value For Money and Data Quality have traditionally formed essential components of local authority assessment and inspection frameworks.

Reasons for Proposed Decision:

4. 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:

5. 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

6. 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'.
7. 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.
8. Scrutiny of the Council's Value For Money performance has previously been undertaken by the 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. 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, the analysis was not produced in 2011/12. A number of alternative Value For Money analysis options available from third party suppliers were subsequently investigated, although it was considered that these did not generally provide value for money themselves, and the completion of an in-house analysis exercise was reinitiated for 2012/13. The latest analysis was considered by the Scrutiny Panel in September 2012.
9. The action plan for the Value For Money Strategy is attached as Appendix 1 to this report, and reflects progress for 2011/12. The Scrutiny Panel is requested to consider progress against the Strategy, in view of its important role in monitoring the Council's Value For Money performance. This progress report will also be considered by the Finance and Performance Management Cabinet Committee at its meeting on 22 November 2012, and the views of the Scrutiny Panel will be reported to the Committee.
10. 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 the current year. The Value For Money Strategy itself will next be reviewed in 2012/13.

Data Quality Strategy

11. 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.
12. 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 Data Quality 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.
13. The action plan for the Data Quality Strategy is attached as Appendix 2 to this report, and reflects progress for 2011/12. The Scrutiny Panel is requested to consider progress against the Strategy, in view of it's important role in monitoring the Council's service performance. This progress report will also be considered by the Finance and Performance Management Cabinet Committee at its meeting on 22 November 2012, and the views of the Scrutiny Panel will be reported to the Committee.
14. 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 2012/13.
15. Work will shortly commence on the revision and update of the Value For Money and Data Quality Strategies to take these forward from 2013/14.

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 the recommendations of this report, which seek 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. Implications arising from specific value for money or data quality actions will be identified by the responsible service director.

Safer, Cleaner, Greener Implications:

There are no implications arising from the recommendations of this report in respect of the Council's commitment to the Climate Local Agreement, the corporate Safer, Cleaner, Greener initiative, or any Crime and Disorder issues within the district. Implications arising from specific value for money or data quality actions will be identified by the responsible service director.

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 22 November 2012. This report was made available to the Chairman of the Scrutiny Panel in advance of the preparation of this agenda.

Background Papers:

None.

Impact Assessments:

Risk Management

Failure to identify arrangements for securing and improving value for money and data quality, and to take corrective action where necessary, could mean that opportunities for improvement were lost, and might adversely affect the reputation of the authority.

Risk management issues arising from specific value for money or data quality actions, or from proposals for corrective action in respect of areas of slippage or below-target performance in relation to individual actions, will be identified by the responsible service director.

Equality:

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?

There are no equality issues arising from the recommendations of this report, which seek 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.. Equality issues arising from specific value for money or data quality actions, or from proposals for corrective action in respect of areas of slippage or below-target performance in relation to individual actions, will be identified by the responsible service director.