

**Report to: Finance and Performance
Management Scrutiny Panel**

Date of Meeting: 19 June 2007



Portfolio: Finance, Performance Management and Corporate Support Services

Subject: Value For Money Analysis 2005/06 – Value For Money Sub-Group

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Committee Secretary: A. Hendry (Ext 4246)

Recommendations:

That the recommendations of the Value For Money Sub-Group established by the Scrutiny Panel to undertake detailed consideration of the Council's Value For Money analysis for 2005/06, be endorsed.

Report:

Background

1. (Head of Human Resources and Performance Management) As members will be aware, at its meeting on 14 November 2006 the Scrutiny Panel agreed that a Sub-Group comprising Councillors Hart, Jacobs and J. M. Whitehouse be established to consider in detail the Value For Money (VFM) analysis produced for 2005/06.
2. At that meeting, members were advised of the importance of the Council having information on its costs, knowing how these compared to other organisations, and how they related to the quality of its services and were linked with performance and the Council's overall objectives, and that these issues were central themes of the Audit Commission's annual VFM assessment. The VFM analysis had therefore been developed as part of an on-going process to better understand the Council's unit costs for services.
3. The Sub-Group met on 8 March 2007, supported by the Head of Housing Services and the Head of Human Resources and Performance Management, and considered the VFM analysis in detail. At that time, members thoroughly reviewed the cost and performance information available for each service area, and identified that some service areas were able to provide comprehensive information on costs, whilst the level of detail available for other services was more limited. For each service area, the Sub-Group considered whether, based on the results of the VFM analysis, further information was required from the respective Head of Service or whether a more detailed 'service review' type of analysis should be undertaken through a member level task and finish panel.
4. In order not to delay the progress of actions arising from the Sub-Group's consideration of the VFM analysis, its recommendations were implemented without further recourse to the Scrutiny Panel. The Sub-Group recommended as follows:

- (a) That a report be made to the Finance and Performance Management Scrutiny Panel with regard to the achievement of VFM within Leisure Services, following the first year of operation of the leisure management contract with SLM Limited; and
- (b) That the establishment of a task and finish panel be proposed for 2007/08, to consider in detail the provision of VFM within the Council's Development Control function.

5. A report of the Head of Leisure Services on the achievement of VFM following the first year of operation of the external leisure management contract, is to be found elsewhere on this agenda for this meeting of the Scrutiny Panel. A bid for the establishment of a Task and Finish Panel to consider the provision of VFM within Development Control was agreed by the Overview and Scrutiny Committee on 5 April 2007, and terms of reference and membership for the task and finish panel were due to be established by the Committee at its meeting on 14 June 2007.

6. The Scrutiny Panel is requested to endorse the recommendations of the Sub-Group.

Reason for decision:

7. To enable the Council to demonstrate its commitment the achievement VFM in its services, and to further embed a VFM culture across the authority.

Options Considered and Rejected:

8. None. The establishment of the VFM Sub-Group was agreed by the Scrutiny Panel as a means of progressing the achievement of VFM in priority service areas

Consultation Undertaken:

9. All Heads of Service contributed to the development and content of the VFM analysis for 2005/06.

Resource implications:

Budget Provision: None

Personnel: None

Land: Nil

Council Plan/BVPP Reference: Council Plan Section 8 – 'How We Measure Our Achievements'.

Relevant Statutory Powers: Local Government Act 1999

Background Papers: None

Environmental/Human Rights Act/Crime and Disorder Act Implications: Nil