

Report of: Finance Scrutiny Committee

To: Executive Board

Date: 13th. August

Item No:

Title of Report: Programme to improve the value for money score within the Use of Resources Assessment

Summary and Recommendations

Purpose of report: To report the recommendations of the Finance Scrutiny Committee arising from their initial discussions on the proposals and current plans for improving the Council's value for money score within the Use of Resources Assessment

Key decision: No

Portfolio Holder: Councillor Jim Campbell

Scrutiny Responsibility: Finance Scrutiny Committee

Ward(s) affected: All

Report Approved by:

Cllr. Price – Chair Of Finance Scrutiny Committee

Sarah Fogden – Finance & Asset Management

Jeremy Thomas – Legal & democratic Services

Policy Framework: No

Recommendation(s): The committee recommendations are those detailed in section 2 below. The Executive Board is asked to respond to the Scrutiny Committee:

- 1. If it agrees or disagrees with the recommendations outlined.**
- 2. If it agrees, when will the recommendations be implemented, and who**

will take the lead.

3. If it disagrees, why.

4. If more information is required from other officers when that will be considered

1. Background

As part of its planned work programme Finance Scrutiny Committee has considered the following points:

- 1 The current Value for Money score contained within the Audit Commission's Use of Resources Assessment;
- 2 The implications of this score;
- 3 How that score could be improved;
- 4 What activities or projects that are underway or planned will contribute to this improvement;
- 5 How and why these were chosen; and
- 6 What are the prospects for improvement in the score at the next assessment?

It was reported by officers that a number of approaches to improvement had been taken; these included:

- 1 Value for Money reviews within the internal audit programme;
- 2 Audit Commission reviews;
- 3 Day-to-day interventions by managers;
- 4 Best Value Reviews;
- 5 Procurement and tendering exercises;
- 6 Lean thinking projects; and
- 7 Continued cost comparison and benchmarking

The various initiatives had all been conducted independently and it was possible that the current activities overlapped.

The Use of Resources Assessment (which again includes an assessment of our VfM) is underway and due to be completed in September, it will be reported later in the financial year.

2. Recommendations to the Executive Board

The Executive Board is recommended to:

- a) Agree that a VfM score of 1 within the Use of Resources

Assessment is not acceptable and will have significant consequences for the Council within its external assessments.

- b) Produce a planned set of proposals and projects, based on evidence and clear outcomes, which will deliver improvements in this area and the current scoring
- c) When producing these actions to: take stock of what has been achieved in those high cost services areas identified by the cost comparison tables; consider where focus is best placed and to what end; remove overlap and duplication within actions and to take account of value for money improvements suggested in the budget plans for 08/09.

3. Strategic Director & Portfolio Holder Comments

We agree and accept the recommendations of the Committee. We will be developing a paper that addresses the issues detailed in this report and will submit this to the next Executive Board Meeting, 10th September.

Name and contact details of author:

**Pat Jones on behalf of Councillor Price
Chair of Finance Scrutiny Committee**

Background papers: None