

Bolton Council

Report to: The ~~The~~ Executive

Date: 14th April ~~3rd March~~ 2008

Report of: ~~Sean Harriss,~~ Steve Arnfield,
Director of Corporate Resources-
Chief Executive

Report No:

Contact Officer: ~~Nicola Bamford,~~ Andrew
Donaldson
Head of -Policy and Improvement-
Team

Tele No: ~~Ext. 1913~~
01204 331341

Report Title: Outline Corporate Assessment Review Value for Money Programme
-Year 1 Review Strategy 2008/11

~~Purpose:~~

Purpose:

~~To update the Executive on progress made in developing a revised Value for Money Strategy for the Council, which will deliver 3% savings over the next three years. To ask the Executive to agree the Council's outline VFM Strategy for 2008/11. To update the Executive on the key messages and recommendations from the Council's Corporate Assessment inspection.~~

~~Recommendations:~~

Recommendation:

~~Comment and agree on outline proposals for the 2008-11 Value for Money Strategy. The Executive is asked to agree the outline VFM strategy and to receive a more detailed report in the next cycle which will include an update on the current VFM programme and a more detailed VFM strategy for 2008/11.~~

- ~~• Review and comment on the report~~

~~Endorse the recommendations for improvement and receive regular updates on progress.~~

1. Background

- 1.1 Bolton Council has a strong track record of delivering value for money in the delivery of local services. Successive management letters from the Audit Commission have consistently concluded this. The Corporate Assessment Report from December 2007 and the more recent Annual Audit and Inspection Letter in March 2008 both concluded that the council provides good value for money and has a strong drive for efficiency as part of a wider programme of modernisation.
~~The Council continues to combine high quality services with good value for money as part of its ongoing commitment to transforming and improving services. In September 2007, Bolton Council was subject to a corporate assessment from the Audit Commission, an inspection of corporate governance which takes place once every four years. The corporate assessment is one element in an overall assessment that leads to a CPA (Comprehensive Performance Assessment) score and category.~~

~~The assessment deemed the Council to be performing wellstrongly Nicola, this is a bit misleading, when we have DOT judgements that are improving strongly. and subsequently awarded an overall score of '4', the highest achievable rating. The outcome of the inspection was published formally on 21 December 2007, and the Council's overall star rating of '4' was announced on 11 February 2008.~~

~~The full report from the Audit Commission is attached as Appendix 1.~~

- 1.2 ~~The corporate assessment inspection process is designed to measure how effectively the council is working corporately, and with its partners, to improve services and deliver improved outcomes for local people. It seeks to answer three headline questions which are underpinned by five specific themes.~~

- ~~1. What is the Council, together with its partners, trying to achieve?~~
 - ~~• Ambition~~
 - ~~• Prioritisation~~
- ~~2. What is the capacity of the Council, including its work with partners, to deliver what it is trying to achieve?~~
 - ~~• Capacity~~
 - ~~• Performance Management~~
- ~~3. What has been achieved?~~
 - ~~• Achievement~~

~~Alongside the corporate assessment a joint area review of service for children and young people (JAR) also took place, the outcome of which was considered as part of the 'achievement' section in the report. A separate action plan response is required of the local authority in relation to the specific outcomes of the JAR, this will be presented to the Executive for consideration in the near future. April 2008. Is this right?~~

- 1.2 Confirmation of a 'four' in the recent corporate assessment and retention of four star status, is the latest in a long line of council accolades to recognise our high performing services.
The recent Audit and Inspection Letter also concluded that the

Council has the capacity to deliver its main aims and priorities. These main aims – shared with the Bolton Vision Partnership – provide a real focus for activity for the next 3, 5 and 10 years.

Our main aims are to deliver **economic prosperity** whilst ensuring the maximum local benefit whilst at the same time **narrowing the gap** across six priority themes:

- Healthy
- Achieving
- Prosperous
- Safe
- Cleaner and Greener
- Strong and confident

1.3 This long term and enduring focus on narrowing the gap and delivering better outcomes for local people is supplemented by a focus on delivering better services and even greater value for money.

This focus, equally, enduring, is captured in the Council's third main aim – transforming services which provides a focus for activity around service improvement, business planning and performance management, capacity building, transformation and value for money. As the Corporate Assessment report concludes, this holistic and integrated approach to organisational improvement has delivered impressive results.

1.43 An integral part of this approach is an acute understanding of the relationship and balance between economy, efficiency and effectiveness – value for money. This concept lies at the heart of the corporate business planning process which for many years has fully integrated financial and strategic planning ensuring the council is making informed judgements around priorities and value for money.

~~In value for money terms, the corporate assessment report confirms that the council provides good value for money as part of a wider programme of modernisation of the council's services, and maintains strong budgetary control~~

2 Bolton Council Corporate Assessment September 2007

1.5 However, with ever increasing demands on local services and greater pressure on local authority budgets, the Council recognised that it needed to strengthen its already strong approach to value for money. Therefore, at its meeting on the 3 September 2007, the Executive agreed a three year programme of value for money reviews.

1.64 The programme was developed based upon a corporate framework that challenged departments to identify services for review based upon twelve scored judgements including comparable cost, performance, customer satisfaction etc. Following a corporate challenge from the corporate Policy and Improvement Team, Deputy Chief Executive and Chief Executive, the overall programme was put forward to the Executive for approval.

~~Equally, the 2007 Direction of Travel statement and the recent Annual Audit Letter concur that value for money is an integral part of council decision making, and that the council is well placed to manage its resources, with the necessary capacity to~~

~~deliver its aims and priorities.~~

- 1.7 Year 1 of the programme is nearing completion and good progress has been made – the outcomes will be brought forward to the Executive as part of a further report in the next cycle.

2 Value for Money Programme 2007-2010

- ~~2.1 The outcome of the assessment places the Council in the elite of local government, currently one of only eleven authorities nationwide to secure the top score on corporate assessment. Combined with a strong set of service scores, gives the Council a robust platform from which to make further improvements.~~

- ~~2.1 In 2007, to build on and strengthen the council's approach to value for money, a three year programme of service reviews was established. The purpose of the programme was to bring together and align service reviews against a common set of criteria, in order to challenge and assess the quality, cost and performance of services.~~

- ~~2.2 Following completion of a self assessment checklist, comprising twelve scored aspects of; performance, customer service and use of resources; the following services areas were identified for review;~~

- ~~• Young People's Services~~
- ~~• Sport, Health and Inclusion~~
- ~~• Schools Catering~~
- ~~• Building Cleaning~~
- ~~• Markets~~
- ~~• Corporate Property~~
- ~~• Support Services: Human Resources and non specialist admin support~~

- ~~2.2 The quality of both the inspection team and final report were of a very high quality, and the opportunity for external challenge has proved extremely valuable in helping the organisation to focus on areas for further improvement.~~

~~Following publication of the corporate assessment score a series of communication events and activities have taken place to inform chief officers, senior managers, Members, staff and the public. In addition a series of departmental thank you events for staff took place in early January led by Directors.~~

~~Notwithstanding the opportunity to celebrate the outcome of the inspection, there is now a focus on delivering improvements in the key areas identified, a clear focus of the Council moving forward. and a real appetite amongst the Executive, EMT and chief officers to drive forward and deliver the main aims and priority themes of the community strategy and Bolton Plan.~~

323 Developing our Outline Value for Money Strategy 2008/-2011 Key messages

- 2.1 As the Council moved forward in the corporate business planning process during the winter of 2007/08, it became clear that a further review and strengthening of the

Council's approach to value for money was needed. First of all, a clear drive by the Executive to deliver even greater value for money for local people in the delivery of local services.

2.2 Secondly, the reality of needing to ensure the Council and its partners continue to have the capacity to deliver their ambitions over the next ten years coupled with need to deliver challenging efficiency targets set out in the Comprehensive Spending Review 2007.

2.3 Therefore, over the last couple of months, the Management Team has been working hard to develop a strengthened value for money strategy for the next three years. The high level strategy is set out below but a more detailed strategy – including the outcomes of the current year 1 VFM programme will be brought back to the Executive for approval as part of the next cycle.

2.4 The following objectives are proposed for the strategy for the next three years:

- To achieve even greater value for money in the delivery of council services
- To deliver – as a minimum – the 3% efficiency targets required as part of CSR07
- To make a significant contribution to the Council's strategy around environmental sustainability
- To develop a greater understanding of costs related to performance, and a more explicit culture of value for money amongst managers
- To further embed understanding of whole life costing in spending decisions, including social and environmental costs.

2.5 In terms of how this will be delivered, the strategy will have a number of strands – the detail of which are currently being developed:

3.1

- A strengthened programme of value for money reviews for the next three years
- Achieving greater efficiencies from modern procurement techniques
- Rationalisation of accommodation and the property portfolio
- Optimisation of existing shared service centres and delivery of new ones
- Minimising expenditure on 'day to day' costs, such as paper, energy, mobile phones etc.

In terms of the work around energy and buildings, the Council will be working with the Carbon Trust (a government sponsored charitable trust) who will help us to reduce the CO2 emission from the council's buildings and assets and contribute to the council's overall value for money.

- ~~Since establishing a three year programme in 2007, there has been a shift in the national context and significant changes made to policy in this area, most notably the publication of the Comprehensive Spending Review (CSR07). In view of these changes, and to ensure delivery of the new 3% efficiency target over the next three years, the council now proposes to review and refresh its three year programme, producing a strengthened value for money strategy for 2008-2011.~~

3.2 ~~Building on the outcomes of the reviews to date an outline value for money strategy for 2008-11 has now been proposed by the Executive Management Team. The strategy is based upon an updated programme of value for money service reviews within departments and a series of other cross cutting initiatives, including;~~

- ~~• Reduction in expenditure of 'day to day costs' such as paper, energy, use of mobile phones etc~~
- ~~• Greater efficiencies from procurement~~
- ~~• Rationalisation of office accommodation and property portfolio~~
- ~~• Optimisation of existing shared service centres, and delivery of new initiatives~~
- ~~• Improvements in processes and services~~
- ~~• Consideration of outsourcing options where appropriate~~
- ~~•~~

5.3 ~~The basic objectives of the revised strategy are;~~

- ~~• To achieve value for money in the delivery of council services~~
- ~~• To deliver the 3% efficiency savings target~~
- ~~• To develop a greater understanding of costs related to performance, and a more explicit culture of value for money amongst managers~~
- ~~• To further embed understanding of whole life costing in spending decisions, including social and environmental costs~~

2.6
5.2 ~~In terms of the proposed~~ A proposed programme of reviews, whilst work continues on the overall scope and outcomes, then provisional programme is set out below, in no particular order at this stage:

- ~~•~~ -HR
- ~~•~~ Property
- ~~•~~ ICT
- ~~•~~ Revenues and Benefits
- ~~•~~ Accounting
- ~~•~~ Planning and Building Control
- ~~•~~ Housing front office
- ~~•~~ Licensing
- ~~•~~ Registrars
- ~~•~~ Social Care
- ~~•~~ Libraries
- ~~•~~ Youth Review
- ~~•~~ Extended Services
- ~~•~~ Behaviour Support
- ~~•~~ Markets
- ~~•~~ Building Cleaning
- ~~•~~ Catering

~~is now being scoped in more detail and will include; basic rationale for review, i.e. high cost, poor service or low satisfaction, broad milestones for delivery, capacity and skills requirements and indicative outcomes.~~

~~The report paints an overwhelmingly positive picture of the work of the Council and its partners in delivering better outcomes for local people. The Council performed strongly in most all areas and demonstrated exemplar practice in many.~~

The key messages from the report are as follows;

- The Council and its partners have a compelling vision for Bolton and ambitious plans to deliver economic growth and reduce inequalities
- Community leadership and partnership working is amongst the best in the country, “delivering improvements which local people notice.” (CA Report December 07)
- Priorities are based on a sound understanding of local community needs and the diversity of the borough is at the heart of service design and delivery.
- Member and officer leadership is strong and effective
- The quality of our people and our culture underpins improvement at all levels
- There is a clear focus on priorities and strong business planning and delivery arrangements
- Comprehensive performance management arrangements are in place underpinned by robust systems and processes.
- In terms of better outcomes for local people, much has been achieved, but many challenges remain (e.g. health inequalities, attainment and skills).

5.3 The provisional programme of reviews identified by the management team so far are;

- HR
- Property
- ICT
- Revenues and Benefits
- Accounting
- Planning and Building Control
- Housing front office
- Licensing
- Registrars
- Social Care
- Libraries
- Youth Review
- Extended Services
- Behaviour Support
- Markets
- Building Cleaning
- Catering
-

2.7 Whilst the detailed programme will be brought forward to the Executive as part of
5.3 the next cycle, work will continue led by the Chief Executive and Deputy Chief Executive to develop the programme and the broader strategy over the next couple months, including a series of ‘star chamber’ discussions with Directors to provide a corporate challenge to the developing programme. ~~A more detailed version of the~~

strategy with supporting action plan will be discussed by the Executive Management Team on the 1 May, and considered by the Executive in June, including judgements on the overall programme, expected benefits and capacity implications.

~~5.4~~
2.8 Following this a series of joint meetings will take place between the Chief Executive, Deputy Chief Executive and each Director to provide corporate challenge, review the 2008-11 programme as a whole, and each department's strategy for delivering the agreed 3% savings target. This work will inform the corporate and service big issues papers and the financial context report to the Executive in June/July. In addition to coming back to the Executive, this work will then integrate with the big issues process as part of the corporate business planning process. In view of the increased importance of value for money, the council will need to consider how strong Member leadership is provided within the Executive in the new municipal year.

2.9
~~5.5~~ In terms of the issues around culture, VFM is a key priority for communications, organisational and management development over the next 3 years and working is ongoing to develop the OD programme required to deliver this. Again, more detail will be brought back as part of a future report. At the same time the 2008/09 Organisational Development Programme will also be refreshed to support delivery of the revised VFM strategy. Identified as one of the three priority areas of our main aim of transforming services, the OD programme will ensure staff and managers are supported through knowledge and skill development.

364 **Recommendations** ~~Recommendations for improvement~~

3.1 The Executive is asked to agree the outline VFM strategy and to receive a more detailed report in the next cycle which will include an update on the current VFM programme and a more detailed VFM strategy for 2008/11.

- ~~Comment and agree on outline proposals for the 2008-11 Value for Money Strategy~~

~~The Corporate Assessment report presents a strong and positive view, yet recognises the challenges that remain for the Council and its partners. A small number of recommendations for improvement were made by the inspection team, which the council welcomes.~~

~~The key areas identified are as follows;~~

~~4.1~~ Performance management

~~Whilst recognised as a strength for the Council in terms of systems and processes, the corporate assessment report highlighted the need to improve the performance management of strategic aims and priorities, and in particular to increase the role of Members in this process.~~

~~The report also identified the need to improve the accessibility of performance reporting both internally and with the public, and to ensure that all performance management arrangements reflect a focus on diversity across the borough.~~

~~An improvement plan for business planning and performance management is now in place, driven by the Corporate Business Planning Group (CBPP). Already improvements have been made to performance dashboards, ensuring a sharper focus on outcomes and priority themes, and a greater emphasis has been placed on the support provided to Members in their performance management role.~~

~~Whilst recognised as a strength for the Council in terms of systems and processes, the corporate assessment report highlighted the need to improve the performance management of strategic aims and priorities, and in particular to increase the role of Members in this process.~~

~~The report also identified the need to improve the accessibility of performance reporting both internally and with the public, and to ensure that all performance management arrangements reflect a focus on diversity across the borough.~~

~~An improvement plan for business planning and performance management is now in place, driven by the Corporate Business Planning Group (CBPP). Already improvements have been made to performance dashboards, ensuring a sharper focus on outcomes and priority themes, and a greater emphasis has been placed on the support provided to Members in their performance management role.~~

~~Further strengthening of the customer complaints process and use of customer intelligence will further drive improvements in this area.~~

4.2 Health

~~The issue of health inequalities is already recognised as a key priority for improvement by the council and its partners and is identified as one of the priority themes in the community strategy, Bolton: Our Vision 2007-2017, and the Bolton Plan.~~

~~The Council welcomes the recommendation and will use the assessment to increase the pace of improvement in this area.~~

~~A report on strengthening the Council's approach is being considered at this meeting of the Executive.~~

~~The Executive Management Team have considered an outline health action plan at its away day on the 20 June, including health of its workforce, delivery of this plan will be a key priority as part of the 2008 Big Issues.~~

4.3 Environmental sustainability

~~The Council recognises its responsibility to demonstrate stronger leadership of this issue, both in the services it provides and as a role model for the wider borough.~~

~~The council also welcomes the recommendation and is pulling together a report to propose a set of actions that will further strengthen our approach. This will be considered by the Executive Member in the near future for improving performance in environmental services and is working with the Director of Environmental Services to bring about these improvements.~~

A strategy for Environmental Sustainability is currently being developed and is now agreed as a corporate priority for all chief officers.

5 Way forward

In addition to the headline recommendations, there are many other points of learning in the report that will be taken forward as part of the business planning process.

From April 2009, Comprehensive Area Assessment (CAA) will replace Comprehensive Performance Assessment (CPA). This marks a significant change to the current assessment regime. Whilst CPA focused on services provided by local authorities, CAA will focus on how all the partners in an area – public, private and voluntary – are delivering better outcomes and quality of life for local people. look at the public services in an area delivered by councils and their partners including the private and voluntary sectors.

At this stage, the proposal is that separate ‘council’ judgements on use of resources and direction of travel will be retained and the council will be pushing hard to achieve the top rating on these judgements.

are propsoed

In addition a new performance framework will be implemented, including a new set of 198 performance indicators and an annual area risk assessment for the Bolton Vision Partnership. The new assessment will continue to include an annual direction of travel statement and use of resources judgement; however the latter will also be revised to encompass greater elements of people and resource management, and value for money, rather than the current financial management focus alone.

The transition to the new arrangements will be driven by the Assistant Chief Executive and the Corporate Business Planning Group (CBPP), with regular updates to the Executive and the Executive Member for HR, Performance and Diversity.

Overall the Council’s performance in the corporate assessment places the organisation in a strong position moving forward into Comprehensive Area Assessment and the new performance framework arrangements.

6 Recommendations

1. Review and comment on the report
2. Endorse the recommendations for improvement and receive regular updates on progress.

