

Self Assessment Proforma

June 2005



ITEM 6

Value for money

Self-assessment proforma

Value for money key lines of enquiry

5.1 The council currently achieves good value for money

What is the purpose of this section of the self-assessment?

This section provides the authority with an opportunity to demonstrate how it achieves good value for money including how current costs compare with others. Local fieldwork will focus on the extent to which the authority understands, compares and reviews its costs in relation to both performance and priority. This section will draw significantly on the evidence provided in the standardised VFM Profiles report.

Completing the self-assessment

Please provide short statements using the pro-forma which address the key line of enquiry and each of the key sub-questions:

- 5.1 How well does the council currently achieve good value for money?
- 5.1.1 How well do the council's overall and service costs compare with others?
- 5.1.2 How do external factors affect costs and how do adjusted costs compare?
- 5.1.3 To what extent are costs commensurate with service delivery, performance and the outcomes achieved?
- 5.1.4 To what extent do costs reflect policy decisions?

KLOE 5.1 How well does the council currently achieve good value for money?	Evidence
<p>How the council challenges value for money through services and corporately;</p> <p>The Council has a long track record of challenging costs and value for money and achieving budget reductions. Since 2002/3 it has made £1.6m from savings and increased income.</p> <p>In delivering the Community Strategy and developing its Corporate Plan in 2005/7 (1) the Council prioritised the theme “A Quality Council Delivering Quality Services” which includes the Priority “Achieve greater efficiencies for the people of Copeland” with a number of key actions. Among the tools the Council has used to challenge value for money are Best Value Reviews (2), benchmarking through APSE (3), annual budget reduction savings exercises (5).</p> <p>In 2005/6 the Council’s corporate restructure (6) freed up £100,000 savings in salary costs while shaping the organisation to be more fit for purpose. These savings have been reinvested in the first year, predominantly in the formation of a process improvement team to drive improvements throughout the organisation Over the past few years the Council has carried out fundamental service reviews (7), which have resulted in reduction in costs and improvement in quality for example in valuation resulting in partnership working and a cost saving and in payroll by moving all pay to a monthly cycle from a mix.</p> <p>We routinely monitor Performance Indicators, both national and local, to maintain a view of the Council’s performance over time, and to be able to benchmark effectively. We report to our Executive (8) on the Council’s performance and Corporate Team monitors PIs. Recently it has identified some for particular attention because of their importance or poor performance and actions to improve them are under way.</p>	<p>(1) Corporate Plan 2005/7 (2) BVR’s, (3) APSE, (5) Quartile review and analysis, (29) Budget setting process (6) Restructure report (7) Fundamental Services Review’s (8) Example of PI report to Executive (9) Corporate Team PI monitoring report</p>

KLOE 5.1 How well does the council currently achieve good value for money?	Evidence
<p>The relationship between local taxation, overall expenditure and costs; and the level and performance of services provided, taking account of local priorities.</p> <p>The Council has used the SIMALTO format (10) to consult local stakeholders on their preferences for proposed budget savings and investment. This has ensured that the Council's budget reflects the priorities identified as locally important within the framework of prudent financial management. In 2006/7 further budget consultation has included speaking to neighbourhood forums. The level of the Council Tax payable in Copeland has compared well with other similar councils, including the other Cumbrian districts (11).</p> <p>Savings accruing from the budget exercise in 2004/5 have been made available to meet local priorities for example beach safety, (12), investment in recycling, waste collection and to minimise increase in car park charges in rural areas to support local economies.</p> <p>The Council is concerned about the sustainability of its communities, which are sparsely populated and spread over a wide geographical area with poor transport links. It has decided to invest time and budgets into lobbying to achieve the best possible outcomes. The Council has listened to local views on proposed changes to major infrastructure: the possible move of the acute hospital, detrunking of the A595 and nuclear decommissioning.</p> <p>The cost to the council of having Sellafield within its boundaries should not be underestimated as substantial amounts of officer and member time are taken up with attempting to mitigate the impact of nuclear issues on the community.</p> <p>The Council's OCSs have been active in reviewing local priorities and making recommendations for improvements. Examples include the work on public conveniences.</p>	<p>(10) Simalto results</p> <p>(11) Management letter comparing council tax levels</p> <p>(12) Savings to fund beach safety</p>

5.1.1 How well do the council's overall and service costs compare with others?	Evidence
<p>Please provide brief details and evidence to support your assessment – please attach the VFM Profiles summary report provided. Key areas of focus:</p> <p>The Council's spend on core services varies from top quartile to lower quartile compared both with all England and the Nearest Neighbour Groups (13). The particular circumstances of the Council's geographical, economic and social environment (see comments in 5.1.2 below) means that it is difficult in some services to operate as efficiently as some other Councils, particularly those in a more urban setting.</p> <p>For both the Council's swimming pool and Sports Centre in Whitehaven APSE benchmarking shows that the Council's subsidies and staff costs were much lower than average and despite a higher than average operational recovery ratio the net costs per head and per household were above average because of the low population. On the cost of street cleaning per household for 2003/4 we were about average for our family group at around £23. However, our cost per kilometre of road swept per annum at £1000 is second lowest in our group with an average of £2258 in the range £836 – 5,237. The cost of refuse collection per household for the same period was lower than the group average by approximately £5 per household.</p> <p>current level of overall costs and costs for key services;</p> <p>The Planning service costs are low, and this is an area into which we are looking to invest Planning Delivery Grant (we gained the second highest PDG in Cumbria) to achieve higher performance (17). Targets for delivering and consulting upon the Local Plan continue to be met and processing planning applications is only under target because of a number of vacant posts, which are now being filled.</p> <p>The Council's spend on culture is in the upper quartile, and it is important locally that the Council is able to support cultural activities in order to improve the quality of life for residents, particularly where the market is not active. Having said this there is interest in involving other sectors in service provision (18) and our investigations into this are expected to produce benefits over the next two years. We have advertised for persons interested in a not for profit leisure trust, and one of the benefits from this will be to free up budget to reinvest in outreach activities, working with the community to enhance</p>	<p>(13) VFM Profiles</p> <p>(5) Quartile review and analysis</p> <p>(14) Draft Community Strategy</p> <p>(15) List of discretionary services</p> <p>(1) Corporate Plan</p> <p>(16) Economic Regeneration Strategy</p> <p>(17) PDG report to Executive</p> <p>(18) Annual Efficiency Statement (Forward Look 2005/6)</p> <p>(19) IEG programme</p>

<p>cultural opportunities in localities across the Borough. The Community Development team is working to bring existing organisations together to work in partnerships to create a sustainable framework of provision.</p>	
<p>planned spending in relation to others; and</p> <p>The Council's spend in housing homeless families was comparatively low in 2003/4, although the spend over the past five years has increased in real terms year on year (49). In spite of this the number of households in bed and breakfast accommodation has been high. The numbers of homeless people has increased recently due to extending the eligibility of 16-17 year olds to housing.</p> <p>The change to the Council's structure resulting from the transfer of housing stock has meant that new strategies and approaches to the strategic housing function are needed and are planned (1) over the next year.</p> <p>The Council spend on concessionary fares is high due to recognition that in our rural area with limited buses, the statutory scheme is not enough. A local scheme is also in place to provide residents alternative subsidised travel (44)</p>	<p>(49) Homeless Report to Executive September 2005</p> <p>(1) Corporate Plan</p> <p>(44) Concessionary fares</p>

5.1.1 How well do the council's overall and service costs compare with others?	Evidence
<p>Level of overheads and how they are accounted for.</p> <p>The Council uses the CIPFA BVACOP standards. Our accounting practice has received generally favourable comment over the past two years in the External Auditor's annual letter. (20)</p> <p>Spend on Copeland Borough Council's Central Services falls into the top quartile. Corporate and democratic core fall into the median area, nationally, compared with nearest neighbours and in Cumbria. However the cost of administration of the Benefits services has been recognised as high. Please see comments below on the costs of administering Benefits service, level of performance achieved and plans for its improvement. The costs shown for 2003/4 were higher than usual due to exceptional costs being incurred prior to stock transfer.</p> <p>The support service and corporate costs are rigorously challenged as part of the budget process along with all other costs of the Council.</p>	<p>(20) Auditors' Annual Letter 2003/04</p>
5.1.2 How do external factors affect costs and how do adjusted costs compare?	Evidence
<p>External local contextual factors that influence costs (such as deprivation, geography, demography); and</p> <p>The West Cumbrian authority of Copeland Borough Council is among a group of authorities where the already small population is declining, particularly from younger age groups. Copeland has followed national trends with declining birth rates for the last 10 years. But there has also been outward migration in the 18 -30 age group, caused partly by the lack of higher education facilities and also by the loss of accessible local employment, due to factory relocations and the reduction in traditional industries such as manufacturing. This has resulted in over 3,200 fewer people in this group, a reduction of 33% (51). Outside the main town there are numbers of villages and small towns with basic amenities, and there are also settlements with very small dispersed</p>	<p>(14) Draft Community Strategy (21) CRED Report for NDA (51) Population chart from census</p>

populations remote from service centres. (14)

The area of Cumbria is very large with a small population. The geography of much of Copeland Borough is well-known in the form of lakes and mountains in the Lake District National Park, and transport links, both public transport and road networks, are poor.

The coastal fringe outside the National Park currently hosts 4 international nuclear industry sites. Sellafield, which will be decommissioned over the next ten years with the potential loss of 8,000 highly paid jobs by 2021, (47% of the workforce in Copeland). This will add to the economic challenges of the Council and its partners, not least through its knock-on effect on the supply chain.

All of these factors tend to increase the costs to the Council of providing services.

There is a mixed picture of affluence. Copeland ranks at 84th overall in England in the Index of Multiple Deprivation (1 is the most deprived) (21). A few of Copeland's wards are among the most deprived 10% of wards in England, and a few are in the least deprived.

Health in the coastal fringe wards is worse than the rest of the Borough and ranks among the worst 20% in England and in the South Whitehaven wards is much worse than the rest of the Borough and ranks among the worst 5% in England. Educational attainment in Copeland is lower than average, and there are significant skills gaps among the workforce. The unemployment rate for Copeland was 2.8% at July 2005. Although at its lowest level since the 1960's, it is the second worst in Cumbria and well above the Regional and National rates.

60% of the Borough's properties fall in Band A of Council Tax valuation, which has a significant gearing effect: for every 1% increase in Council Tax, only £25,000 is raised.

5.1.2 How do external factors affect costs and how do adjusted costs compare?	Evidence
<p>Demand and supply levels.</p> <p>The Borough's population is weighted towards the older age group. This plus the levels of unemployment and long-term limiting illness in some parts of the Borough cause high demands for some services, such as Benefits and Concessionary Travel.</p> <p>The Council is not always able to obtain a good choice of contractors for projects (22), due to the skills gap in West Cumbria. (21). Recruitment to some Council posts has been difficult, for example recruitment exercises in June- July 2005 for planning and accountancy staff have not led to appointments. Partners in other employment sectors report similar recruitment difficulties for some jobs.</p> <p>The centralising tendency of public services, for example health services, police and courts, has greater impact in Cumbria than in other parts of England, as the distances between settlements are greater and more difficult to negotiate.</p>	<p>(22) Planned Maintenance: Report to Executive July 2005</p> <p>(21) CRED Report for NDA</p>

5.1.3 To what extent are costs commensurate with service delivery, performance and the outcomes achieved?	Evidence
<p>Quality and standards achieved, including targeted investment to improve poorer services and quality of life;</p> <p>The Council's performance monitoring and reviews of services over the years have identified some poor performance and high costs. Action plans have been put in place to address issues and deliver improvements (23).</p> <p>The Council's Benefits services have been a source of concern with regard to performance and in 2004/5 decisions were taken to restructure and invest in new systems to improve the service (24). An action plan was developed and regular monitoring has been carried out both by the Council and by the BFI and DWP.</p>	<p>(23) Revenue and Benefits action plans: monitored by BFI & DWP</p> <p>(24) Benefits improvement plan</p> <p>(25) Coalfields report to Executive January 2005</p> <p>(27) Customer First Improvement Plan</p> <p>(28) Budget book 2005/6</p> <p>(29) Budget process for 2006/7</p>

Consequently the costs of the service have increased. We are currently working with the BFI Performance Development Team to secure improved performance.

Through investment of IEG monies and its own capital the Council is also actively pursuing the IEG targets and plans to improve accessibility and efficiency for customers, including Benefits claimants, by its programme of automation. At mid-July 2005 the Council had achieved 92% of BVPI 157.

The Council's street and environmental cleanliness performance in 2003/4 was performing in the lowest quartile and its costs in the upper quartile. Public satisfaction with this service in 2003/4 was 52%. The area of the Borough plus a long stretch of coastline increases the Council's costs to maintain standards compared with other local environments receiving fewer visitors. In 2004/5 the Council benefited from investment from the Coalfields Programme (25), and has used the funding to improve the standard of street cleaning. More recently the Council has heard that it has received funding under the Safer, Greener, Cleaner stream of the Neighbourhood Renewal programme. The opportunity to improve the environment will be carefully planned.

In responding to the results of the triennial customer satisfaction survey in 2003/4 the Council has undertaken a corporate programme of improvements, known as the Customer First programme, having undertaken further consultation with service users to identify the key areas for action. The improvement plan (27) targets those aspects including sports and leisure and environment, which create most dissatisfaction among our customers. Spend on issues such as recycling sites, and environmental improvements are allowed for in the budget for 2005/6 (28) and bids for further funding in 2006/7 will be considered (29).

Latest performance figures show that when comparing performance for the end of the year 03/04 and end of year 04/05 Copeland demonstrated:

Improved performance in 37% of its BVPI's

<p>Static Performance in 31.6% of its BVPI's Declining performance in 31.6% of its BVPI's</p> <p>When comparing our performance against the national quartiles for 03/04, Copeland had 48% of its BVPI's in the top quartile.</p>	
<p>Results of service inspections; The Council's Best Value reviews (2) have been instrumental in changing the way the Council has provided services and improved value for money. The recent corporate restructure brought about changes which allow major findings from these reviews to be addressed. For example, the Access to Services review was followed by the Improving Services through User Focus and Accessibility review, which led to the creation of a Customer Services department and increasing use of technology to deliver front-facing services. Grounds Maintenance has been turned into an award-winning service.</p> <p>The Council's investment in under-performing services has been supported through obtaining external investment. The strength of the waste management service has been recognised through the granting of £434,000 DEFRA funds, plus ROTATE consultancy which together with £250,000 of Copeland funding, supports the arrangements which deliver hugely increased recycling rates in 2005/6.</p> <p>Partnership arrangements The Council has a number of service delivery partnerships in operation. For example it chose to work with Lex Ltd as a partner for vehicle lease and maintenance, having transferred employees under TUPE and the workshop, which is based within the Council's depot. Building management and estates valuation are carried out under a partnership with Capita. London and Regional is the PFI provider for the Council's HQ and the facilities management in that partnership arrangement is carried out by Kier Managed Services.</p>	<p>(2) Best Value inspections (43) BT/LDL Discovery project</p>

<p>In 2004/5 the Council undertook a programme of efficiency reviews in partnership with BT/LDL under the Discovery project. A large number of potential efficiency gains were identified and work is in progress to implement them.(43)</p> <p>Procurement. The Council is embracing the national agenda. Electronic procurement is carried out wherever possible and work is ongoing for joint e-auctions for car hire and mobile phones.</p>	
<p>Range of discretionary services provided.</p> <p>The Council's range of discretionary services (15) is wide compared with other district councils, due to local circumstances, which are reflected in the contents of its Corporate Plan. The need to regenerate West Cumbria during the anticipated withdrawal of the nuclear industry, which overlays pre-existing industrial decline, has required the Council to work in partnership and on its own to ensure a proactive economic regeneration strategy (16) and plans for action.</p>	<p>(15) List of discretionary services</p> <p>(16) Economic regeneration strategy</p>

5.1.4 To what extent do costs reflect policy decisions?	Evidence
<p>How costs are assessed when decisions are made;</p> <p>The Council's decisions on concessions, fees and charges have reflected local priorities as expressed in some strategic documents. Concerns about the local population's ability to pay additional charges, the gearing effect of Council Tax increases and the potential of developing tourism in Copeland have all been considerations when planning for income within the budget. An example of this was the decision on car parking charges for the 2005/6 budget. A Borough-wide approach was agreed, with limited local variation to take account of the need to support economies.(30)</p> <p>Recovery policies are based on individual circumstances and ability to pay, for example financial hardship, limited means, health and in some instances the cost effectiveness of taking recovery action.</p>	<p>(30) Report to Executive including St Bees parking charges</p> <p>(26) Overpayment policy</p>

The extent to which higher spending is in line with stated priorities;

The Council's policies on regeneration have been decided in order to tackle the particular socio-economic conditions within the Borough and in West Cumbria (described above). The Council's policy framework setting out these priorities includes the Community Strategy (14), Corporate Plan (1), the New Copeland Economic Strategy (16) and Action Plan, and plans for individual localities within the Borough (31).

Ambitions to make a difference through regeneration and associated activities for example cultural services, have been supported by successive decisions of the Council and this is reflected in the proportion of the Council's budget spent on economic development. In addition the Council has a good track record in seeking external sources of funding to gain greater value for its money. An example of this is at The Beacon, a museum and arts venue in Whitehaven, which is subsidised by the Council, but whose long-term development has been possible through grants from external bodies.

The Council's population is dispersed over 284 square miles, with 40% in Whitehaven. The town of Millom is 34 miles (one hour's drive) away from the Council's HQ and for reasons of geography and improving access to services the Council maintains 3 area offices.

The presence of Sellafield within the Borough boundaries has a beneficial impact on the local economy. However proposed decommissioning of the site is seen as a challenge. Therefore the Council has appointed a team of three officers to try to ensure that the communities affected and the wider area receive appropriate levels of compensation as decisions are made about the long-term future of the site and whatever is left on site from the current operations. DTI has offered a three-year secondment towards the work, and the Council has gained £250,000 for costs involved from private sector partners.

(16) Economic regeneration strategy

(31) Market Town Initiative plans for Millom and Egremont

5.1.4 To what extent do costs reflect policy decisions?	Evidence
<p>The extent of long term cost considerations with major investments or partnerships.</p> <p>Decisions that have been taken about provision of services particularly during 2004/5 were subject to options appraisals which were fully reported to Members before decisions were taken (56) and (57). Examples of this include outsourcing of valuation (58), the PFI project to provide a new Council HQ in Whitehaven included projections of costs over the full term of the scheme, 25 years. Value for money was one of the chief reasons for the Council deciding to go down the route of PFI in order to minimise impact on Council tax.</p> <p>Copeland Borough Council has sought to reduce costs in service provision by a number of means. For example through partnerships, in an agreement with Capita Property Services, by transferring its housing stock and building maintenance to Copeland Homes RSL, securing a PFI to develop a new corporate HQ, and is currently outsourcing its residents' alarm service.</p> <p>The Council's decision to transfer its housing stock to Copeland Homes RSL in June 2004 was taken to ensure that tenants would have long-term access to capital to reach the Decent Homes Standard.</p>	<p>(56) PFI report to Council 2003</p> <p>(57) Stock transfer report to Council March 2004</p> <p>(58) Valuations service- report to Executive</p>

5.2 The council manages and improves value for money

What is the purpose of this section of the self-assessment?

This section provides the authority with an opportunity to demonstrate how it manages and improves value for money including its processes for monitoring and reviewing its costs. Local fieldwork will focus on the extent to which the authority identifies and pursues opportunities to reduce costs or improve quality within existing costs. Please provide evidence of outcomes achieved from any processes described.

Completing the self-assessment

Please provide short statements using the pro-forma to address the key line of enquiry and each of the key sub-questions:

- 5.2 How well does the council manage and improve value for money?
- 5.2.1 How does the council monitor and review value for money?
- 5.2.2 How well has the council improved value for money and achieved efficiency gains (limited to the last three years)?
- 5.2.3 Do procurement and other spending decisions take account of full long term costs?

KLOE 5.2 How well does the council manage and improve value for money?	Evidence
<p>How the council manages its costs, whilst maintaining the quality of services and responding to local needs.</p> <p>Having set the budget for the financial year managers and members closely monitor actual income and expenditure against budgets as the year progresses and take action to investigate variations as required. Quarterly reports to Executive are made (32) and the OSCs also require reporting on the budget when relevant to business on their agendas.</p> <p>Budgets are profiled in order to provide meaningful comparison throughout the year and each budget is assigned to a budget-holder who is responsible for monitoring that budget. Regular reports are made by accountancy staff to managers to assist with monitoring, and discussions take place to find solutions to variations (59).</p> <p>The Capital Programme is monitored and reported to Executive regularly to ensure progress and compliance with the Council's original plans for the capital schemes. (63)</p> <p>As described in 5.1.3 above the Council is able to identify service users' and stakeholders' views through the use of a citizen's panel and other mechanisms for consultation (34). The results of this consultation informs the development of policy. The Council's complaints-handling system and performance has been praised by the Local Government Ombudsman and information from complaints and suggestions are also used to develop quality of services.</p> <p>Proposals are being considered to align service quality and financial reporting better. (60)</p>	<p>(32) Budget monitoring report to Executive</p> <p>(63) Capital report to Executive</p> <p>(34) Consultation</p> <p>(33) Ombudsman's letter</p> <p>(60) Performance Reporting Timetable</p> <p>(59) Management accounts packs</p>

5.2.1 How does the council monitor and review value for money?	Evidence
<p>Current processes for monitoring and reviewing costs, including consideration of value for money in the annual budget process;</p> <p>The annual budget process (29) includes reviewing and updating the forecast of likely costs for the next three years, forecasting inflation on pay and prices, reviewing the balances of Reserves and Contingencies and carrying out a review of base budgets to identify areas where savings might be made. The process is agreed with Members (48) in the Council's Budget Working Party before it starts, and there are successive opportunities to challenge (35) and make proposals for budget changes before the Council decides its budget.</p> <p>During the budget process for 2006/7, managers are being asked for their suggestions for efficiencies in services (29) as well as savings and opportunities to improve value for money through increasing service quality. Bids are challenged through Resources Steering Group and the OSC P&R has a clear role in challenging the budget process.</p> <p>Part of the budget prioritisation process (61) uses the results of consultation exercises to establish good fit between proposals and local priorities. Corporate objectives are also used to evaluate budget bids.</p>	<p>(29) Annual Budget Process</p> <p>(35) Budget working party mins and agenda</p> <p>(61) Prioritisation scoring matrix</p> <p>(48) Budget process report to Executive? August 2005</p>

5.2.1 How does the council monitor and review value for money?	Evidence
<p>Current processes for monitoring and reviewing costs, including: internal reviews (including Best Value reviews);</p> <p>The Council's processes for service planning offer an annual opportunity for service managers to review the efficiency of services as well as planning for its improvement. The budget process, although not yet fully integrated, run in parallel with service planning and the results of each informs the other. For example having indications on budgetary position early in the timescale allows performance information to be used to influence budgets, and delivery of resulting decisions to be planned.</p> <p>We have continued to use Best Value reviews to challenge service performance and value for money. In the area of car parking a Best Value review has resulted in a change to the parking regime, which has enabled the Council to make the most of the opportunities to produce income (30). Selection of areas for Best Value review has resulted from concerns about high cost of service or performance below what was anticipated.</p> <p>As part of the corporate restructure the Council decided to establish a small team to analyse current processes and recommend improvements. The Process Improvement Team came into being in September 2005 and the output from its work programme of service reviews will contribute to delivering e-services and to seeking savings and efficiencies from the opportunity to examine functions in detail and identify streamlined procedures.</p>	<p>(30) Parking charges and income since the Best Value review</p> <p>(7) Fundamental Services Reviews</p> <p>(39) Resources Steering Group</p>

Current processes for monitoring and reviewing costs, including: cost indicators.

Cost indicators are regularly monitored both against our own internal targets and benchmarked against other councils, for example through APSE. These comparisons produce information that is used to identify services for further review and to map out improvements in service plans.

Across Cumbria there are groups of officers who are used to working jointly to research developments and seek opportunities for shared learning, for example the Cumbrian HR managers' group. We are always interested in working with other authorities to learn from their experience, and with our neighbours Allerdale BC have had opportunities to work jointly to improve service performance at optimum cost. Examples of this are the recycling partnership in West Cumbria and the Cumbrian Housing Strategy Group.

As part of the Council's work on improving efficiency through working with other councils it is working with other authorities in Cumbria under the aegis of the North West Centre of Excellence to progress shared services, in particular for Payroll and Legal Services (40). In addition the Council will be considering how to achieve better service quality and value for money in Building Control (8). Working with other public sector bodies through the Cumbrian Chief Finance Officers' Group is also bringing progress for example to look at a consortium for internal audit.

The Achieving Excellence in Cumbria (ACE) programme funded from the ODPM capacity building scheme has been running for a year with encouraging results. It was based on joint work among Cumbrian authorities to set up learning opportunities and knowledge sharing in a range of themes and service areas. It has been judged to be such a success that an ACE2 programme has just started under the auspices of IDEA as part of the North West Improvement Network using the same methods. (62)

(40) District Chief Executives' minutes 19 August 2005

(8) Report to Executive - Performance Indicators

(62) ACE programme

5.2.2 How well has the council improved value for money and achieved efficiency gains over the last three years?	Evidence
<p>Please append your backward looking Efficiency Statement covering 2004/05:</p> <p>Council targets for value for money and efficiency gains</p> <p>In seeking to meet its targets of £310,000 efficiency gains in each of the next three years Council has been able to respond through the existing Resources Steering Group of managers. It established a short-life Members' group to oversee and contribute to the developing work on responding to the Gershon report. Both groups have been involved in monitoring progress with achieving the targets set.</p> <p>Over the past three years the Resources Steering Group has considered savings from all departments, which has enabled the Council to have a balanced budget without using reserves. (39)</p> <p>Over the last three years we have actively minimised increase in our budget requirement through savings exercises to ensure that Council Tax levels are minimised and balances are not used. Much of this has been tackled in traditional ways – centralising functions, reducing establishment and raising some fees and charges within the policy framework outlined in 5.1.4 above.</p> <p>As part of the 2005/6 budget process, a year in which a high level of service savings were required, each service was critically examined for savings.</p> <p>Since 2003, the way that Copeland Direct has dealt with streetlight service requests has continuously improved to provide a better quality and more efficient service for customers. [Ref: case study]. The Copeland Direct team now deal with 80% more service requests than 2003/04, and the process is now £723 per annum cheaper (based on the time taken to deal with each request).' (4)</p>	<p>(42) Budget Out-turn Reports 2002/3, 2003/4 & 2004/5</p> <p>(39) Resources Steering Group minutes</p> <p>(38) Backward looking efficiency statement</p> <p>(4) Copeland Direct improvement case study</p>

The achievement of efficiency gains.

In addition the Council has made an important start on the efficiency targets from 2004/5 by reducing the subsidy to the Sports Centre crèche, while maintaining its usage, outsourcing efficiencies of £50k and disposing of capital assets.

The development of the Council's Contact Centre in 2003 has led to functions being delivered in more efficient ways and with greater access to the public giving greater value for money. In 2003, dealing with streetlight enquiries took on average 120 minutes per week to deal with. Moving the enquiries to Copeland Direct in 2003 realised a 50% improvement in efficiency, so the same number of calls were taking on average 60 minutes per week to deal with. This also involved a service improvement in that Copeland Direct would report to county and highways when problems were notified with their lights. Previously, the caller would have been given another number to call. (4)

In 2005, further improvements - notably using the county website to report problems realised further efficiency (66% improvement in time taken to deal with call compared with 2003). The number of calls dealt with over the past year has increased to 180% compared with 2003/04 figures.

(38) Annual efficiency statement – backward look

5.2.3 Do procurement and other spending decisions take account of full long-term costs?	Evidence
<p>how value for money is built into the council's procurement practice;</p> <p>The Council has recently agreed a draft Procurement Strategy that covers its values and strategy for considering alternative service providers. We set up a Procurement Board in 2002/3, which analysed all our spending. We rationalised the number of people involved in purchasing and arranged to buy through consortia. We also started to buy using electronic means, for example IT equipment. After three years the learning from this will feed into a further review of procurement, which will support our strategy.</p>	<p>(44) Joint Procurement - e.g. concessionary fares – Executive report</p> <p>(45) Recent tender exercises e.g. Treasury management</p> <p>(53) Recent tender exercises e.g. E-payment solution</p>
<p>the extent to which a 'whole life' approach is taken to spending and procurement decisions;</p> <p>This is clearly demonstrated in the process the Council underwent to procure the PFI contract, the revenues and benefits new system and more recently the procurement of an e-pay system (53).</p> <p>The public buildings help desk is to be outsourced from the end of September 2005. All public buildings orders and invoices are now processed electronically, with some electronic quotations, showing a saving in time, postage, printing and paper. All service departments now use an electronic order form for furniture.</p>	

5.2.3 Do procurement and other spending decisions take account of full long-term costs?	Evidence
<p>Identifiable savings achieved through procurement; The Connected Cumbria Partnership, which has been in existence since 2001, has been a valuable alliance for joint work on ICT projects for all the partners and thereby reduced the costs to each constituent council. The Partnership has for example piloted the development of eforms to support customer website interactions such as recruitment applications, street lighting defect reports and bulky waste collections.</p> <p>Taking a longer-term view of spending decisions is an important aspect of our decision-making process. In putting forward new revenues and capita schemes for consideration departments are required to complete a Project Proposal Form (46), which ensures that, key considerations are built into the evaluation process. These considerations include links to the Council's corporate objectives, a profiled estimate of the costs of the project both in capital and revenue, and the intended outcomes of the project.</p>	(46) Project Proposal Form
<p>use of external funding to deliver council priorities. Throughout this self-assessment we have referred to examples of the successful application for and use of external funding for delivery of council priorities to gain additional value for money local people. Since 2002/03 in excess of £35 million of external funding has been raised. Applications for funding are made with the agreement of the relevant Portfolio-holder or the full Executive to ensure consistency with the policy framework. The Council is acting as the accountable body for the Market Towns Initiative for two schemes in Copeland. Where funding is time-limited a clear statement of the post-funding consequences is required before approval, to ensure that the Council's future commitments are fully understood. Exit strategies are being reviewed as most of our projects are coming to an end over the next 2 years.</p>	

Contextual information

Please provide any other information you feel is relevant.

Comments

Reference to evidence source

Annual Efficiency Statement - Backward Look

Local authority

Copeland Borough Council

Contact name

hilary mitchell

Job title

Head of Policy and Performance

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Activities undertaken to achieve efficiency gain

As part of Council's budget-setting processes for 2004/5 sums were identified to reduce the overall budget without impacting on service quality.

	Quality Cross Check Met?	2004/05 annual efficiency gains (£)	...of which related to capital spend (£)	...of which related to other spend (£)	...of which cashable (£)
Adult social services	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Children's services	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Culture and sport	Yes	3,000			3,000
	Activities undertaken to achieve efficiency gain: Reduction in creche costs at Whitehaven Sports Centre. No reduction in service.				
	Quality cross-check notes: Numbers of children using creche; numbers of parents able to use Sports Centre facilities.				
Environmental services	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Local transport	Yes	0	0	0	0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
LA social housing	Yes	0	0	0	0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				

Non-school educational services	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Supporting people	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Homelessness	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Other cross-cutting efficiencies not covered above					
Corporate services	Yes	14,000			14,000
	Activities undertaken to achieve efficiency gain: general reduction in service costs with same levels of service retained				
	Quality cross-check notes: IIP accreditation renewed in March 2005				
Procurement	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Productive time	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Transactions	Yes	0			0
	Activities undertaken to achieve efficiency gain:				
	Quality cross-check notes:				
Miscellaneous efficiencies	Yes	97,137			97,137
	Activities undertaken to achieve efficiency gain: Reduction in Council's contribution to West Cumbria Development Agency; interest on capital receipts				
	Quality cross-check notes: No impact on BVPIs or other external scrutiny report				
Total		114,137	0	0	114,137