

SEARCHING FOR BEST VALUE – POLICY FRAMEWORK

1 Introduction

- 1.1 Copeland Borough Council must seek improved value for money in carrying out its functions for reasons of local need and national imperatives. In a paper to the Executive on 17 June 2008 the Chief Executive surveyed the current position and set the direction for the organisation to follow in “Searching for Best Value”. Best value is usually defined as balancing cost, performance and quality, or requiring the 3 E’s (economy, efficiency and effectiveness).
- 1.2 This paper sets out a framework which is based on Copeland Borough Council's vision, priorities and resources to help us focus on what will contribute to achieving best value.

2 Vision and Priorities

- 2.1 The Council’s Vision for the period of the current Corporate Plan is:
“Leading the transformation of West Cumbria to a prosperous future.”
- 2.2 In the three separate exercises in 2007/8 the public in Copeland was asked about their priorities for improving the quality of life in Copeland. The top six priorities were:
- Providing high quality, clean streets and open spaces
 - Ensuring the area has good roads and good quality public transport
 - Creating enough different jobs to suit all
 - Making Copeland a safer place to be
 - Improving skills and education and keeping people with skills in Copeland
 - Giving everyone good customer service
- 2.3 The Council is working towards delivering its Vision through the Corporate Plan in which the top 6 priorities are highlighted. The Corporate Plan also sets out how the Council will meet other challenges, arising from local, regional and national requirements.

3 Our Challenges

3.1 Local Needs

- 3.1.1 Sustainable Budget: Copeland Borough Council has a balanced budget, an agreed medium term-financial strategy, reserves –both earmarked and general, and moderate capital funding available. However the revenue budget is not sustainable over the longer term due to the inclusion of finite reserves to meet spending needs during 2008-11. It is estimated that 8% reductions in the current budget would be necessary for income to cover expenditure by 2012.

3.1.2 Social, Economic and Environmental Well-Being : Copeland Borough is in an area of Cumbria with considerably more economic, social and environmental challenges than some of its neighbours. This is recognised locally and regionally and is reflected in a number of interlocking strategies :

- Cumbria Sustainable Community Strategy and Local Area Agreement
- Sustainable Communities Strategy for West Cumbria “Future Generation”
- Energy Coast Masterplan
- LDNPA Vision and Plan

3.1.3 These key strategies are driving the direction for Copeland Borough Council and its partners in West Cumbria. They have already begun to shape tactical plans which are being delivered through the Council's Corporate and Service Plans. A Regeneration Plan for Copeland and plans for locality working are also in development, contributing to delivering the major strategic aims.

3.1.4 Benefits from Nuclear Industry: A major contributor to the Copeland and West Cumbria economy at present is the nuclear industry. As the major employer in the Borough its direct influence on a large proportion of the residents also affects the affluence and expectations of a wider group of families and local businesses. The future prospects for the nuclear industry in Copeland are uncertain, but the Council, reflecting widespread community concerns, is promoting debate locally and regionally on what may follow the current nuclear industries.

3.2 National Imperatives

3.2.1 Efficiency Requirements : The Comprehensive Spending Review 2007 requires 3% cashable efficiencies to be found each year over the next three years in all public sector organisations. This can be reinvested in services, or used to keep the Council Tax down. Efficiency is defined as :

- Doing the same for less
- Doing more for the same
- Spending more but achieving greater value of efficiency than the increase in resources needed

3.2.2 The Government anticipates that the areas from which efficiencies will accrue are:

- effective procurement;
- council services are e-enabled;
- business process re-engineering;
- additional take-up in shared services;

Copeland's plans for achieving the required level of efficiencies over the period of this programme are partially in place, but there is more to do.

3.2.3: Performance Levels: Copeland Borough Council's level of performance compared with other local authorities is variable. Recent progress has been made in the Council's own performance, and the trends are now improving. However comparator Councils are also improving their performance, in some cases at a more rapid rate. The Council is assessed in both its own performance and how it compares with others.

3.2.4 Users' Satisfaction The Council's customer satisfaction levels are low, as measured by the Best Value General User Satisfaction Survey. This survey is not to be repeated, but a new Place Survey will replace it in autumn 2008. Interim local surveys of customer satisfaction have usually shown better results, however the national performance assessments in 2008 onwards will take greater account of the general survey results.

4 Sources of Support

4.1 Cumbria-wide Activity

4.1.1 The development of the Cumbria Improvement and Efficiency Partnership (CIEP), which brings together the Achieving Cumbrian Excellence (ACE) and Connected Cumbria Partnerships (CCP), offers a resource to support the development of best value across Cumbria. Besides building on the achievement of the earlier partnerships, CIEP has responsibility for deploying resources from the Regional Improvement and Efficiency Partnership (RIEP) to invest in programmes in Cumbria which will improve value for money.

4.1.2 Most recently CIEP's Business Architecture project has enabled Cumbrian councils to analyse in depth the activities, management and strategies within each authority. This has increased understanding of where there are potential areas for efficiencies within or between authorities. The Business Architecture reports contain a body of information on how services are currently delivered in Cumbria which will allow reference for any future joint work.

4.1.3 CIEP has also picked up the Cumbria Shared Services Strategy, commissioned by Connected Cumbria Partnership. This sets out a framework for the development of shared services within Cumbria, Cumbria wide or, more likely, between smaller groupings of authorities for specific services. There is already discussion and planning taking place between Cumbrian councils to consider the options for sharing services or parts of services, which may set the foundations for more substantial developments in future.

4.1.4 Across Cumbria there has been some progress with joint procurement, which has already delivered efficiencies in a range of commodities. It is planned that this workstream will progress in 2008/9.

4.2 Beyond Cumbria

4.2.1 The Regional Improvement and Efficiency Partnership has resources available to support local authorities in achieving their value for money objectives. This is available through the Cumbria Improvement and Efficiency Partnership. Besides financial support the RIEP has advisors and information available for local authorities to access directly .

4.2.2 The Improvement and Development Agency, among several other national organisations, also provides a range of resources to support development in local government efficiency and innovation.

4.2.3 Information from the Implementing Electronic Government (IEG) programme (2002-6) shows that local authorities increased value for money by:

- Demonstrating the comparative costs of face to face, telephone and website service
- Increasing the take-up of e-services
- Electronic projects to improve support to businesses
- Community websites and portals
- Public access terminals
- Remote benefits assessment
- Electoral modernisation
- Online application forms and instant decisions
- Integrated public access points
- Talking bus stops
- Choice-based lettings through digital channels
- Agents submitting planning applications through the Planning Portal
- Council Web-site One-Stop Shop
- Electronic parking permits applications
- E-Payments
- Electronic consultation for young people
- Countywide CPE administration through joint website
- Electronically administered concessionary travel scheme

4.2.4 Information from the Comprehensive Spending Review 04 (Gershon Programme) shows that local authorities achieved cashable and non-cashable efficiencies over the three year period by:

- Restructuring
- Process improvements
- Improved procurement
- Better use of accommodation
- Reduction in use of agency and consultancy staff
- Reallocation of work between back office and front office
- Reduction of sickness absence
- Activities shared with partners such as consultation, training and procurement
- More use of website for customer information
- Alternative providers (in-house rather than agency or vice-versa; or voluntary sector)
- Increased take-up of services
- Improvement in risk management led to reduction in insurance costs
- Better value technology solutions
- Sale of assets

For more information see the Department for Communities and Local Government website.

5 Strategy for Achieving Best Value

5.1 Copeland Borough Council is like most other local authorities in seeking to improve its value for money. In order to meet the challenges of the Council's current position, local and national, change is required –in some cases radical change.

5.2 The Corporate Plan includes the following tasks in 2008/9 which will contribute towards best value:

- Develop customer service standards
- Review the procurement strategy
- Improve the website
- Develop the CRM phase 2
- Deliver the T-Enabling programme
- Agree and pilot locality working
- Work with Cumbrian partners to progress CIEP objectives

5.3 The Council has a range of services and functions operating in different ways with different groups of customers and stakeholders. Services need vision and support in setting out plans to achieve best value. Services also need information about current performance, and must set targets to achieve greater value for money. It is impossible to specify an approach to meeting the challenges of every service, as the legal basis and parameters of each service vary widely.

- 5.4 However the Council needs to decide how to maximise efficiency and achieve best value in managing its services, in particular by identifying the right business model. This involves doing an initial financial appraisal to see the policy impacts of adopting one of three models.
- Model A) This means that Council resources are only spent or invested on those services we have to provide by law.
- Model B) This means that we prioritise Council resources for those services we required to deliver by law and with the remaining resource we then prioritise funding for discretionary services, ie on the Council's own priorities.
- Model C) We review the minimum requirement by laws for mandatory services to release more funding for discretionary services (Council priorities) and produce a revised budget.
- 5.5 Information about what other organisations have done to achieve best value is freely available. The Policy and Performance service can help managers access this information if required.
- 5.5 The Council's existing resource strategies (Medium Term Financial Strategy, Asset Management, IT, Procurement, HR, Communication, Web), contain information and direction for the future. Services will be asked to contribute to and benefit from their delivery. Future reviews of these corporate strategies will be undertaken in order to focus them more clearly on achieving greater value for money.
- 5.6 In-house support (Process Improvement Team, IT, Internal Audit, GIS, Customer Services and Performance Improvement) are working to improve value for money. Their work programmes will be developed to help services focus on achieving best value.
- 5.7 Services will be expected periodically to undertake reviews of their activities and resourcing, to improve value for money, reduce growth in resource requirements and identify opportunities for new ways of working.
- 5.8 The following table indicates how services could improve their value for money, and in so doing enable the Council as a whole to tackle the serious challenges for Copeland the place and the Council.

Actions	Potential Positive Impact on Aspects of Best Value					
	<u>Sustainable Budget</u>	<u>Social, Economic and Environmental Well-Being</u>	<u>Benefits of Nuclear Industry</u>	<u>Efficiency Requirements</u>	<u>Performance Levels</u>	<u>Users' Satisfaction</u>
Learn from others' achievements	√	√	√	√	√	√
Deliver the Council's top 6 priorities		√	√	√	√	√
Do much more with Procurement – goods and services	√	√		√		
Be more in touch with the community, not just customers – locality working, single point of contact, message boards, feedback mechanisms		√	√	√	√	√
Make changes to services that 1) raise performance levels 2) are proven to be in accordance with public opinion or are excellently communicated 3) don't cost more than now, unless the efficiencies are going to be greater than the additional investment		√		√	√	√

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Review business processes – develop a programme of reviews	√			√	√	
Improve and use the website for all possible transactions and information-giving, linking with partners	√	√	√	√	√	√
Grow the use of the website through marketing and increase in community-based websites and portals	√	√	√	√	√	√
Reduce back office costs: paper-based systems, travel time and costs, face to face meetings, HQ costs, sickness absence etc.	√	√		√	√	√
Work with partners to find economies of scale	√	√	√	√	√	
Keep reliable information so we can monitor our progress	√	√	√	√	√	√