



Scrutiny Value for Money (vfm)

Assessment Framework

Introduction

The Gershon Agenda and CPA Value for Money assessment have made it increasingly important for all council services to deliver services efficiently and to be able to evidence both the savings services make on an annual basis and, through benchmarking and performance reviews, that the service offers value for money. The key lines of enquiry for the CPA vfm assessment clearly define a role for members in verifying that services do offer vfm and that it is demonstrated.

The attached assessment framework has been developed as a tool to be used by scrutiny and performance panels conduct a service review from a vfm perspective. Use of this tool ensures a consistent approach across all scrutiny and performance panels and will provide valuable evidence for the CPA vfm assessment.

This vfm assessment tool provides a framework for members in partnership with services to work through and is divided into 3 broad themes:

1. What does it cost to provide this service?
2. How is this service performing?
3. What quality is the service being provided?

For each of these themes there is the opportunity/potential for scrutiny panels with the service being assessed to benchmark with other service providers.

The aim is that on completing this assessment scrutiny members will be able to make a judgement regarding the vfm provided by the service and identify and recommend any potential further action. This may ultimately inform the Councils performance review programme.

Scrutiny Panel Value for Money (vfm) Assessment

Reason for considering / assessing this service

How does this service support the priorities of the council?

COSTS

What does this service cost us?	
Gross revenue budget	£
Capital Budget (If applicable)	£
How this is distributed:	
Employee related expenses <i>(Salary costs, Internal/External training etc)</i>	£
Premises related expenses <i>(Energy/Water/Accommodation recharges)</i>	£
Transport related expenses <i>(Vehicle, fuel, public transport, car allowances etc.)</i>	£
Supplies and Services <i>(Furniture, Professional Fees, Insurances, Advertising)</i>	£
Other <i>(link into AES / Gershon)</i>	£
Income – Fees and Charges	£
- Other Income <i>(Include Grant income, CSS Income)</i>	£

QUESTION?

How does this compare to other authorities / service providers?

PERFORMANCE DATA

What is the CPA rating of this service and how has it changed over the last 3 years?
(if applicable)

What BVPI/LPI does this service have to demonstrate vfm?

What is in the Beacon Index?

Is this service on target to deliver efficiencies identified in their service plan? (If not, what corrective action has been taken?)

What control measures are in place?

QUESTION?**How does this compare to other authorities / service providers?****QUALITY OF SERVICE**

How does this service identify and evidence the quality of service provided:-

PI / comparable data:-

Achievement of recognised standards:-

- Service Standards in-house
- Charter Marks
- ISO
- liP
- Service specific
- Equality standard (level)

Customer Satisfaction:-

- Compliments / complaints / comments
- Surveys
 - BV survey
 - Tracker survey
- Service initiated feedback from customers
- LNPs feedback
- Partners feedback

Employee Satisfaction:-

How does the service plan to engage with the public / customers in the future?

- consultation strategy

QUESTION?**How does this compare to other authorities / service providers?****FINDINGS OF THE ASSESSMENT BASED ON EVIDENCE GATHERED:***(Brief statement summarising the view of the members conducting the assessment)***It is our view that this service, in terms of vfm is:-****Delivering services in an efficient and effective manner and demonstrating vfm in all areas****Generally delivering an efficient and effective service and demonstrating vfm but needs to address the following issues:**

1.

2.

3.

4.

**In the majority of areas examined is not able to evidence that service delivery is efficient and effective or that vfm is being delivered. Our recommendation is that....**

Review*(If deemed appropriate identify monitoring timescales for scrutiny to review progress)***QUESTION?****How does this compare to other authorities / service providers?****Overall consideration**

- The idea behind benchmarking something is to improve it by learning from others. Measuring the impact of changes made as a result of benchmarking will require tracking of cost, performance and quality of service over a period of time.
- Benchmarking is not new, it is not separate from the day job and it is not a corporate responsibility.
- Effective and regular data collection and analysis, the capacity to learn from others, and an openness to new ideas and willingness to introduce them are all essential elements of effective benchmarking.
- Benchmarking against other authorities will aid us in improving the service we offer to residents.
- By providing better evidence of our benchmarking activity we will have greater chance of contributing positively towards the authority's overall CPA score through; Use of Resources (value for money), Service Scores, and the Corporate Assessment.

Costs

- What data benchmarking has taken place against costs with:
 - a. previous periods in this authority?
 - b. other authorities? (eg www.cipfastats.net)
- What process benchmarking has taken place? I.e. what is the reason for differences in costs?
- What has been the resultant outcome? I.e. what alterations have been made following process benchmarking and what impact have they had on costs?

Points to consider on cost

- Is a cost comparison with other authorities possible? Does the unique nature of the service make such comparisons irrelevant?
- Has a conscious decision been made to spend more money on a service due to it being a priority to the community or being under-funded in previous years for example? Just because we spend more on a service than other authorities doesn't automatically mean that something is wrong.

- The level of performance versus the cost is often a more rounded measure of how we're doing in relation to others. The ideal is to spend the least and perform the best and such a position cannot be gauged by cost analysis alone.

Performance Data

- What data benchmarking has taken place against the indicator/s with:
 - a. previous performance in this authority?
 - b. performance in other authorities?
- What process benchmarking has taken place?
- What has been the resultant outcome? i.e. what alterations have been made following process benchmarking and what impact have they had on performance?

Points to consider on performance

- Are output figures available? A service doesn't always have a set of Best Value Performance Indicators (BVPs) with which to gauge performance against. Clearly the use of BVPs is the most effective way of data benchmarking as they are national standards with agreed and audited methods of collection.
- Direct comparisons are not always possible if authorities do not use the same measure of performance.
- There is no 'one size fits all' when it comes to process benchmarking. Just because a particular initiative works well for one authority doesn't necessarily mean it will work equally well for another. It may be more appropriate to select certain elements of a process from elsewhere and integrate them into our current practices.
- In a similar way to spending, each authority has its own priorities. We may decide something is a non-priority and as such are willing to accept it will compare unfavourably against other authorities. When considering benchmarking it is better to select priority areas to compare against as it is clearly not possible to benchmark everything.

Quality of Service

- What data benchmarking has taken place against the measure of quality of service with:
 - a. previous periods in this authority?
 - b. other authorities?
- What process benchmarking has taken place?

- What has been the resultant outcome? I.e. what alterations have been made following process benchmarking and what impact have they had on quality of service?

Points to consider on quality of service

- There is little point in making improvements in quantity if this is at the expense of quality.
- The ultimate aim is to provide the highest output at the lowest cost whilst maintaining the highest quality.
- Quality of service is often the hardest element to compare as it is more subjective and cannot easily be statistically analysed (unless an indicator exists around satisfaction).