

WLDC: Securing Value for Money

Element	Sub Element	Position to Date	Action required	Target
Service Planning	1) Business Planning focused on cost reduction, income generation and alternative delivery models	Established	1) Utilise CFO Insights to provide value for money profiling for the revenue budget. Utilise this to establish areas that should have investment to improve performance as a strategic priority and those areas where cost reduction or decommissioning should be considered.	Minimum of six areas to be profiled for budget planning August 2017
			2) Develop gap analysis for services identified as performance or cost improvement required. Develop links for peer challenge and best practice	
			3) Integrate value for money profile and direction of travel on all business plans and develop the business plan proforma to establish how the decision will impact on VFM	For 19/20 business planning activity, Vfm profiles will be available for use.
			4) Provide transparency in the Closure of Accounts narrative for use of tax payers' funds and in setting future financial year budgets	
			5) Final Base Budget challenge, are our spend levels excessive/too low for certain services, does this require challenge and further review prior to base budget setting?	
	2) Translation of business planning into Business Cases, projects and individual work plans	Established	1) Business plans should have a value for money profile as well as statutory/non statutory indicators, strategic/political priority indicators	For 19/20 business planning activity, Vfm profiles will be available for use.
	3) Use of cost benefit analysis for assessing value for money	Established	1) Benefit analysis is utilised in current business cases and cost benefit analysis is used for major capital projects, but is not widely used as a review of business as usual. Development of plan to review areas on a case study basis business as usual. Implement cost benefit analysis (CBA) in significant valued projects ensuring that the CBA is monetised and evidenced	
	4) Use of Rank Correlation (Cost/Performance) and CFO Insights for assessing value for money	Established	1) Utilise CFO Insights to provide value for money profiling for XXX% of the revenue budget. Tracking VFM/Poor VFM/Rolls Royce/Stripped Down and socio economics.	Minimum of six areas to be profiled for budget planning August 2017
			2) Drive Systems/Lean thinking - are our statistical neighbours doing well, what can be learnt in terms of finances and performance and could our efficiency (unit costs), performance be improved, costs reduced to improve VFM?	
	5) Use of Social Return on Investment	Initiated	1) Develop council awareness of SROI, identify potential areas for SROI analysis with a view to implementing reviews. Link in with Finance Matters II	SROI considerations are evident within the regeneration and growth areas. Need to establish other relevant areas where SROI is a key consideration and work to apply and ensure understanding of the concept
2) Utilise SROI in external bids and narrative to tax payers on use of council tax funds				
3) Utilise SROI to develop partnership working and economies of scale through the whole of WLDC health and social economy				
4) Impact of spend on Socioeconomics - comparison with statistical neighbours and evidencing if council priorities are been delivered				
5) Promotion on positive news stories - what is working. Forecasts for anticipated SROI. Evaluative to assess if projects have achieved desired outcomes				
Commissioning and Procurement	1) Contract Awards on whole life principles and cost/quality	Established	1) Review existing procurement evaluation and scoring/weighting.	
	2) Ensure comprehensive, clear and compelling data to underpin all potential commissioning activity and decisions	Not applicable*	1) Embed understanding of the commissioning cycle across WLDC	* no current commissioning arrangements have been identified at WLDC
	3) When engaged in commission arrangements ensure decisions are targeted, outcomes delivered, opportunities and innovation secured and value for money delivered	Not applicable*	1) Ensure stakeholder engagement in designing/structuring or services. Plan/Do/Review/Analyse - Whole strategy development?	
	4) Social Value Act and Procurement	Established	1) Compliance with Social Value Act is evident for relevant procurements	
			1) Track supplier spend and provide quarterly reports to senior officer to track spend across all categories. Establish an understanding of cost drivers and demand data	Finance business partner responsibility to work

Commissioning and Procurement	5) Demand Management	Initiated	2) Category management - implement strategy for cross council procurement and development of supplier frameworks	Finance business partner responsibility to work with service areas to track and analyse spend across service budgets and identify potential efficiencies and future procurement options. Close working with Procurement Lincs to ensure supplier frameworks are developed.
			3) Incentivise suppliers to help us reduce demand wherever possible	
			4) Encourage suppliers to provide self monitoring contract regimes and report KPI's on a regular basis	
	6) Monitoring of cashable and non-cashable savings from procurement activity	Established	1) Ensure WLDC captures what is both cashable (benefit realisable) or non cashable for all procurements - report on this quarterly or 6 monthly with financial reports. KPI's Annual savings delivered against target	
	7) Market intelligence - shaping & sustainability	Established	1) Use of relevant data to identify and shape service demand	
	8) Efficient and effective procurement	Established	1) Review of existing procurement systems and procedures to ensure efficiency and effectiveness	
Capital and Asset Review	1) Optimisation of rents whilst keeping voids and arrears as low as possible. Performance Measurement	Established	1) Review of Asset Management Strategy for completeness	
	2) Secure external Funds for improvements/growth and development	Established	1) Keep log and report qtrly/6mthly of all external funds obtained	
	3) Future investment decisions based on performance of existing asset base. Assessed for both financial and sustainability implications. Ensure links to Treasury Management Strategy to secure funding at the most advantageous point	Established	1) Development of PI's for Asset Base rate of return on rentals/change in capital value of assets 2) Robust cash management and use of prudential indicators. Treasury management decisions to borrow at the right time	
	4) Assets utilised and maintained efficiently. Link and Review to Asset Management Strategy	Initiated	1) Ensure Asset Management Strategy sets out desired approach to asset utilisation.	
	5) Robust review of surplus assets for disposal and all assets for 'fit for purpose'	Initiated	1) Reviewing assets to ensure they continue to be fit for purpose and where not we will develop and agree plans for redevelopment or alternative use. Develop log and action plan - links to Asset Management Strategy	Update Asset Mgt Strategy for adoption in early 2019
Partnerships	1) Catalogue of all partnerships created and maintained	Established	1) Catalogue updated	On-going maintenance of register
	2) Review of all current partnerships undertaken	Established	1) Review undertaken and presented to Mgt Team and CPR Cttee	Ensure on-going oversight of effectiveness of key partnerships
	3) Lead partnership officers continually review effectiveness and importance of partnership	Initiated	1) Not mature - work to be undertaken so as to ensure it is a key responsibility	Refresh Council's Partnership ACoP
	4) Corporate overview of partnership arrangements achieved with analysis and reporting available for Management Team	Initiated	1) Process proposed for this to be achieved and to form part of annual MO reporting package	First annual MO report detailing partnership matters due in 2019
Organisational Development	1) Service and Team Business Plans to include VFM targets resulting in individual VFM Targets	Initiated	1) Develop organisational understanding of Vfm and implement an appraisal log	Vfm considerations to be 'hard-wired' into service and business planning activity
Planning for the Future and Stakeholder Engagement	1) Ensure Value for Money at the Heart of Future Planning	Established	1) Online Budget reviews and priorities questionnaire	
	2) Consultation with Residents	Established	1) Customer satisfaction levels	
Commercial	1) Trading Services	Established	1) KPI's 2) Understanding unit costs and charging mechanisms	
	2) Regeneration	Established	KPI'S SROI	
	3) Investment & Governance	Established	KPI's SROI	
	4) Community & Commercial Development	Initiated	1) Review of services for opportunities, income generators, loss leaders for market development - Boston Matrix	Overall steer on approach to future trading priorities required
			2) Undertake Market Analysis	
			3) Undertake NPV assessments and CBA	
	4) Effective commissioning and procurement			
	5) Forecasts and outturns			
	6) Set KPI'S			
5) General Commercial culture and capability	Initiated	1) Training WLDC staff and members, development of project teams	Plans in place to roll-out commercial training to staff in 2019	
		2) Staff/Member understanding of corporate objectives, recognising commercial success and encouragement of staff innovation for service delivery		
	1) Plan and deliver a sustainable MTFP	Established	Statutory	
	2) Robust financial monitoring	Established	1) Effective regular scrutiny and analysis of budget position	

Financial Stewardship	3) Financial accountability throughout the organisation	Established	1) Development of Finance Manual for non finance professionals 2) Budget Manager and New manager finance training courses	
	4) Accurate, timely and relevant financial information to support business cases and aid decision making processes	Established	1) Improve timeframe of information delivery, embed culture of involve all relevant staff at the beginning of a project not just for issuing of fin ref.	
			2) Develop business partner role to bring analytics as well as financial probity to decision making - development of finance staff to put narrative to financial information - telling the story	
			3) Audited	