

## Value for Money Self Assessment

July 2005

We have followed the format of the Audit Commission's example self assessment

<b>OVERVIEW</b>	<b>Reference to evidence source</b>
Our recently approved Corporate Plan and newly updated Recovery Plan clearly articulate the priorities and commitments of the Council for the next twelve months. This emerging clarity of focus will drive the allocation of resources to ensure the greatest impact is achieved for the people of Northampton within the resources available.	Corporate Plan 2005/2006 Recovery Plan July 2005
<b>5.1 HOW WELL DOES THE COUNCIL CURRENTLY ACHIEVE GOOD VALUE FOR MONEY</b>	<b>Reference to evidence source</b>
<p>How the Council challenges value for money through services and corporately. At a corporate level, the Council has responded to new challenges and opportunities by an extensive re-configuration of its strategic management, including the establishment of the Improvement Board and revised Governance arrangements. This will explicitly monitor and direct the performance and achievement of the organisation. Improved and better targeted services, within the same resource envelope, will lead to better VFM for the people of Northampton.</p> <p>The Root and Branch Review of staffing structures has sought to challenge value for money and seek efficiencies as part of its core aims. Current proposals</p>	Executive Report – New Governance Arrangements

<p>streamline management structures into a maximum of four levels of management throughout the organisation and will reduce the number of managers from 159 to 102. Appointments to new posts will be based on a assessment of core competencies which will aim to deliver a highly skilled and flexible workforce.</p>	<p>Executive Report on Root and Branch Proposals</p>
<p>Northampton Borough council is working with Northamptonshire County Council and other district councils within the county to support the County Council's Value For Money PSA.</p>	<p>LPSA</p>
<p><b>The relationship between local taxation, overall expenditure and costs; and the level and performance of services provided, taking account of local priorities.</b></p>	
<p>A major exercise was carried out s part of the 2005/2006 to align budgets to Members key priority areas. This exercise, referred to as the "Sedgebrook Hall Workshop", was facilitated by PricewaterhouseCoopers and lead to budget changes that refocused our existing budget to priority areas within Members desired council tax envelope. Whilst the 2004/2005 Budget carried out a limited re-alignment of budgets, we have recognised that we need to make more fundamental changes to the way we construct and manage our budgets.</p>	<p>2005/2006 Budget Report</p>
<p>Our newly developed Medium Term Financial Strategy sets out how we will move forward to ensure budgets are firmly based and align with our priorities.</p>	
<p>A new performance management framework was introduced in May 2005. The framework articulates the links between the key strategies and plans within the authority, how they drive service and individual performance planning and incorporates the various levels/frequency of monitoring and review processes.</p>	<p>Performance Management Framework</p>
<p>For the first time, financial and performance monitoring processes have been aligned providing cascaded management information at all levels. The key principles of the monitoring process, within the new framework, is one of</p>	<p>Performance Reports (levels</p>

<p>engagement of staff at all levels, the development and embedding of a performance management culture and issues/exception management. As the monitoring process moves through the levels, the performance and financial information reported becomes more strategic in nature.</p> <p>Our recent Service Planning exercise explicitly sought opportunities for Gershon efficiencies to be identified looking both at cashable efficiencies and improved/better targeted outcomes. These are highlighted throughout this document.</p> <p><b>Risk Management</b></p> <p>An Audit Committee with specific responsibility for risk management is to be formed. Its first meeting is scheduled for October at which it will endorse our revised Risk Management Strategy.</p> <p>We operate risk registers at Corporate and Divisional and Project level. Registers are held on our corporate risk management software "RisGen" which allows for network access and reporting across all or selected registers.</p> <p>Risk management training has been delivered to officers and a limited number of Members. We operate a Risk Management Fund to provide financial support for risk management initiatives.</p>	<p>1-4) Executive Monitoring Report</p> <p>Service Plan Examples</p> <p>Risk Management Strategy Risk Register Training Schedule/Materials</p>
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<p><b>5.1.1 How well do the Council's overall and service costs compare with others?</b></p>	<p><b>Reference to Evidence Source</b></p>
<p><b>Current level of overall costs and costs for key services</b></p> <p>An initial review has been carried out as part of this Value for Money Self</p>	<p>VFM Self Assessment Report</p>

<p>Assessment. This supports our Recovery Plan priority areas and confirms our assessment of those areas where we are currently not providing value for money.</p> <p><b>Planned spending in relation to others</b></p> <p>As part of the work associated with producing our Medium Term Financial Strategy, the Council is undertaking a bench-marking exercise using the Audit Commission’s VFM tool to identify high cost/low performance areas. This information will be used along with information on the Recovery Plan priorities to draw up a programme of detailed base budget reviews, some of which it is expected will be taken forward by our strengthened Overview and Scrutiny Committee.</p> <p><b>Level of overheads and how they are accounted for</b></p> <p>The Root and Branch Review is seeking to minimise overhead staffing costs and maximise the staffing resources focussed on front line service delivery. Benchmarking of costs, for example through membership of CIPFA benchmarking clubs, will help to ensure that our relative cost compared to others is taken into account in this exercise.</p> <p>Work is currently ongoing to ensure that the way we account for overheads properly balances the complexity of accounting against the added value from detailed allocation methods.</p>	<p>Recovery Plan – Developing the MTFS</p> <p>Root and Branch Terms of Reference</p> <p>FS/AS minutes</p>
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<p><b>5.1.2 How do external factors affect costs and how do adjusted costs compare?</b></p>	<p><b>Reference to evidence source</b></p>
<p><b>External local contextual factors that influence costs (such as deprivation, geography, demography).</b></p>	

<p>The county structure plan predicts that there will be 60,000 additional households in the county between 1996 and 2016, potentially increasing Northampton’s population from its current figure of 196,500. This growth programme will be a major challenge for the medium to long term.</p> <p>These additional homes are part of the MKSM agenda that are expected to create 81,000 jobs in Northamptonshire and a further 45,500 in the period 2021-2031.</p> <p>According the Indices of Deprivation 2004, Northampton ranks at 135 putting it within the more deprived 40% of Local Authorities nationwide. Northampton ranks lower than Corby on the Index of Multiple Deprivation 2004, however, the most deprived area within the county is actually in central Northampton. Furthermore, 23 of Northampton's 'Super Output Areas' rank within the most deprived 20% in the country on the Index of Multiple Deprivation, compared to just 10 Super Output Areas in Corby, 6 in Wellingborough, 4 in Kettering and 1 in Daventry.</p> <p><b>Demand and supply levels</b></p> <p>The growth in population and employment driven by the growth in the Town has a particular impact on waste management costs. We are working with the County Council and are responding to this challenge in a number of ways including; waste minimisation campaigns; increased recycling; waste minimisation design in new homes and businesses. A major review is now underway involving ourselves, other Borough and Districts and the County Council</p>	
<p><b>5.1.3 To what extent are costs commensurate with service delivery, performance and the outcomes achieved?</b></p>	<p><b>Reference to evidence source</b></p>

**Quality and standards achieved, including targeted investment to improve poorer services and quality of life.**

The Council's purpose is to

“work with, and for, the people of Northampton to build an increasingly prosperous, healthy, safe and attractive town of which we are all proud. We will strive to maximise and sustain opportunities for all.”

The strategic framework to deliver this overall outcome is set out in the Corporate Plan, which drives the Council's strategic goals and priorities. These goals and priorities can then be traced along the 'golden thread' and ultimately to individuals' responsibilities and objectives.

The Council priorities include quality of life outcomes in addition to improved service delivery. These priorities take into account and confirm the Council's role as a key partner in delivering the Local Strategic Partnership priorities for improving the quality of life for the people of Northampton.

The Council's newly developed Key Performance Indicator table, which is monitored through the monthly monitoring process, includes measures specifically intended to provide information to monitor local quality of life. Work is ongoing to expand and refine this list further, by including County indicators and additional indicators from the library of voluntary quality of life indicator, which are considered to be particularly relevant to Northampton.

At a recent Leadership Forum including all Managers across the council, the following achievements were identified and shared with all attendees. These will be taken forward into the next staff magazine. These improvements have largely been achieved by focussing existing resources and obtaining external funding.

**Recycling**

Corporate Plan

Notes of Forum

- Improved from 14% to 28%
- Work with community project groups – Salvation Army, Schools, Brownies, Scouts, Guides & Community Groups
- Waste Education Centre set up in partnership with Northamptonshire County Council
- Local newspaper printed on our recycled paper

**Regeneration**

- 100 ha of brown-field land remediation planned and underway including
  - 960 houses
  - Additional leisure and community facilities
  - New nature reserve

**Danes Camp Inclusive Fitness**

- £45 k Sport England Lottery funded
- Caters for needs of disabled and non-disabled
- Charter mark for Excellence in Customer Service

**Housing & Money Advice Centre**

- Silvina Simmonds awarded National “Debt Counsellor of the Year” award

**Delapre Abbey**

- Redundant building costing Council £150k pa due in part to vandalism
- Partnership with ‘Camelot’ to provide cost-effective

accommodation for key workers

- Provision of affordable housing, 9 live in guardians
- Reduction in costs from £3,600 per month to £300 per month

### **Shared Ownership**

- Launched 13<sup>th</sup> July 2005 by NBC
- Shared ownership working group set up between NBC and Housing Associations
- Recognised by ODPM as an example of good practice and unique amongst local authorities

### **Results of service inspections**

The Housing Services Inspection Report, January 2005 confirms in it's executive summary that Northampton Borough Council has;

'Some initiatives in place to deliver value for money and procurement decisions aimed at demonstrating this particularly in the repairs and maintenance service.'

Individual examples of value for money highlighted in the recent report include:

- 'The Housing Service .... is now seeking to deliver better value for money. A partnering contract to provide UPVC windows is up and running ..... This contract is worth £10 million over five years and is based on open book accounting. Monitoring arrangements are in place with regular visits from the council's accountancy division to ensure that the key performance indicators are being delivered in accordance with the agreement.'
- 'The delivery of the investment strategy for the housing stock to

Housing Inspection Report

achieve decent homes will be based on a long term partnering contract with flexibility to respond to different resource levels.'

- 'In October the bonus system for operatives was removed which will allow a greater empowerment of the workforce. It will also allow previous working practices such as verifying variation orders through additional inspections to reduce and remove the need for distribution or 'cherry picking' of work to achieve bonus. Provided the council ensures appropriate productivity levels this should result in opportunities to deliver value for money and a better service for tenants.'
- 'The extended use of PSL (private sector leased) arrangements to provide temporary accommodation for homeless households should result in savings on the Bed and Breakfast (B & B) costs. Comparisons of costs by the council show it costs £90 per night in B & B as opposed to £27 in PSL accommodation. The additional value is in the higher standard and more satisfactory form of temporary accommodation provided by PSL properties.'

Our recent Best Value Performance Plan highlights areas where we are performing well and gives examples of continuous improvement.

These include:

- Previously the Council was in the lower quartile for the percentage of major planning applications determined within 13 weeks, and although the figures are as yet unaudited our data now shows us to be in the top quartile for this indicator.
- The indicator for minor planning applications was previously in the above average quartile and is now also in the top quartile.

BVPP

Planning is lower quartile in terms of cost per head and one of our corporate priority areas.

Other top quartile performance includes:

- National non-domestic rates collection, through partnership with Wellingborough BC
- 
- The percentage of the total tonnage of household waste that is recycled through access to DEFRA funding and in partnership with the County Council
- 
- The number of visits to and usages of museums within existing resources.
- A significant improvement in the council's performance now places us in the above average performing quartile for the indicator related to the % of non-decent homes through better targeting of the Major Repairs Allowance.

### **Range of discretionary services provided**

The Council has a limited financial envelope therefore funding for discretionary services is limited. As part of the service planning process Directors show how spending contributes to Council priorities. It is essential that spending is focussed to delivering priorities. The council does not allow for inflation on non-pay budgets as part of its budget process, with additional resources being targeted at priority services, this automatically reduces real expenditure in non-discretionary non-priority areas.

5.1.4 To what extent do costs reflect policy decisions?	Reference to evidence source
<p><b>How costs are assessed when decisions are made.</b></p> <p>Our annual budget process includes updating the forecast and intelligence on likely costs including inflation, income and financing over the next three years. This is informed by the formal annual review of reserves and provisions and the latest budget monitoring information for the current year.</p> <p>Service plans seek to identify potential areas where efficiencies might be made including identifying those areas which do not meet Council priorities and are a discretionary service.</p> <p>All material projects are required to be supported by a project Initiation Document [PID] – which explicitly includes the council priority to which the proposal will contribute; the relative risk for the proposal and the forecast impact on performance. A capital appraisal and prioritisation approach is well established.</p> <p><b>The extent to which higher spending is in line with stated priorities.</b></p> <p>As the medium term planning approach has developed, resources have been increasingly focussed on priorities, resulting in a shift of resources to priority areas. As a Council we consider our total resource, i.e. both capital and revenue in this way. Our spending plans for 2005/2006 and 2006/2007 are dominated by the efficiencies we are seeking to achieve from the Root and Branch Review. The 2005/2006 Budget allowed for new investment in our priority areas. The Capital Programme for this year was fully aligned to Corporate priorities</p> <p>The overall spending level is driven by the council’s priority on local tax levels</p> <p><b>The extent of long term cost considerations with major investments or</b></p>	<p>Budget Preparation Memo</p> <p>Service Plan examples</p> <p>CCS Forms</p> <p>Capital Programme</p> <p>MTFS</p>

## **partnerships.**

The Corporate Capital Strategy is one of the Council's key corporate plans. It sets out the framework for how the Council will invest in and use capital assets in the future (capital assets include land and buildings, IT systems, furniture plant and equipment and vehicles). One of the outputs of the Corporate Capital Strategy is the Capital Programme setting out the investment in new or improved assets over the next three years.

The Corporate Capital Strategy was assessed as good (the highest possible rating) for the first two years it was submitted. This means that the Council is no longer required to submit its capital strategy to the government office (GO-EM). The Council is required, however, to keep its capital strategy under review and the capital strategy and its implementation will be assessed as part of the CPA reassessment.

The new freedoms to borrow and invest in assets the Council was given under the "prudential regime" mean that it is more important than ever that a long-term view is taken about the investment in assets. The Council also has greater powers to work with partners and explore new ways of using assets.

The Council has adopted the Prince 2 methodology for project management. Prince 2 is a government supported method for managing projects from initial proposal through to implementation and evaluation. The previous corporate capital strategy process was developed before the introduction of Prince 2. There was a need, therefore, to ensure that the corporate capital strategy process lines up with the Prince 2 method. Ideally common records would be used across the two processes.

As well as Prince 2 there was also the need to introduce a "Value Management Approach" to projects to identify the best way of meeting asset needs. This approach includes an option analysis taking into account time, cost, quality and

CCS

CCS Review – Report to Executive

Delapre Abbey Trust

Benefits Partnership with Bedford BC

Advisory partnership on housing with Wakefield BC

Prince 2 System and Documentation

CCS Review Report

<p>risk constraints. Value Management ensures a “fit for purpose” solution to capital investment that takes a whole life cost approach. The need to carry out a thorough option analysis is a requirement of the prudential regime.</p>	<p>Interpretation Centre Example Guildhall Study</p>
<p><b>5.2 How well does the Council manage and improve value for money?</b></p>	<p><b>Reference to evidence source</b></p>
<p><b>How the Council manages its costs, whilst maintaining the quality of services and responding to local needs.</b></p> <ul style="list-style-type: none"> <li>• Our recent Service Planning exercise explicitly sought opportunities for Gershon efficiencies to be identified looking both at cashable efficiencies and improved/better targeted outcomes.</li> <li>• At a corporate level, the Council has responded to new challenges and opportunities by an extensive re-configuration of its strategic management, including the establishment of the Improvement Board and revised Governance arrangements.</li> <li>• A new performance management framework was introduced in May 2005. The framework articulates the links between the key strategies and plans within the authority.</li> </ul> <p>See detail set out in section 5.1</p> <p>The Council has a Corporate Assets Board whose overall aim is to ensure that property assets and their management contribute fully to the Council’s strategic aims and corporate priorities. Our Capital Strategy and Asset Management Plan have both been classified as good by the ODPM. We are seen as an example of good practice in asset management being one of only three authorities invited to participate in the development of new national AMP guidance in partnership with the ODPM. Our Capital Strategy is subject to continuous improvement and</p>	<p>Service Plans</p> <p>New Governance Arrangements</p> <p>Performance Management Framework &amp; Reports</p> <p>CAB Terms of Reference Capital Strategy/AMP</p>

<p>changes are currently being made in response to a review by Overview and Scrutiny.</p> <p>A draft Capital Programme Management Scheme has been produced to ensure that project managers understand their responsibilities and to date no requests for additional resources to fund overspends have been made in respect of the 2005/2006 capital programme. This is in contrast to previous years.</p> <p><b>Examples of how we have responded include:</b></p> <p>Moved rent-free week in response to rent arrears trend data and customer feedback and introduced a service level agreement between Housing rent arrears and Benefits section to improve standards and performance</p> <p>Introduction of facility to pay by Debit and credit card has assisted in improved collection rates</p> <p>03/04    £ 61,500 collected</p> <p>04/05    £173,000 collected</p> <p>05/06    £ 95,000 collected to date</p> <p>Environmental Health front office staff have been provided with technical support and additional training to enable them to deal with telephone enquiries, reducing the demand from technical staff to increase their capacity to deal with more complex cases. This has resulted in the service being able to deliver the same level of service with lower staffing costs and continue to meet the demands despite volumes increasing with the population, household and business premises expansion within the town.</p>	<p>Capital Monitoring Reports</p> <p>Draft Capital Programme Management Scheme</p> <p>Customer feedback</p> <p>Trend Data</p> <p>Rent Arrears Statistics</p> <p>Telephone enquiry statistics</p> <p>Customer service guidelines</p>
<p><b>5.2.1 How does the council monitor and review value for money?</b></p>	<p><b>Reference to evidence source</b></p>

The council's Overview and Scrutiny Committees, particularly Financial Strategy and Performance Scrutiny, have played an important role in reviewing and challenging regarding value for money.

The Health & Environment Scrutiny committee conducted a comprehensive review of the household recycling collection with great public involvement. Recommendations addressed improvement to collections, public awareness, enforcement of managed recycling and all were accepted for implementation to increase recycling and streamline the process.

The same committee reviewed the ODPM Planning and Access for Disabled People Good Practice Guide and the council's response to its implementation. 20 recommendations were made for the improvement of current practice and the development of new policies and procedures for use internally and externally, encouraging external partnership and internal liaison for improved efficiency and outcomes in all aspects of planning, development control and access. All 20 were accepted for implementation to bring greater efficiency, effects and access.

This committee also challenged the proposals for improved use of land at a local allotment site, with great public involvement at every stage of the review. Recommendations were made for reduction of the site and development for allotment users, freeing part of the site for possible commercial development. All 15 recommendations were accepted for implementation. Subsequently, further collaboration with allotment holders (in an improved climate of trust) brought agreement for and amended plan freeing land for alternative use.

The Planning, Transportation and Regeneration Scrutiny committee challenged and reviewed the consultation process for a Skateboard Park. The public

Review of Household Recycling Collection – 2004

Update on current position

ODPM Planning and Access for disabled People 2004

Update on current position

Review of Harlestone Road Allotments Jan 2004

Update on current position

Blackthorn Skateboard Park – Consultation

<p>involvement in this review meant that Scrutiny findings resulted in quieting localised concern, allowing the park to go ahead without missing out on external funding for regeneration for the young of the area.</p> <p>The same committee recently reviewed the process for untaxed and abandoned vehicles. Their research, covering external partners, resulted in a key recommendation to access the available training for council officer to provide them the authority to remove such vehicles immediately, without the cumbersome process of reporting, then sending another officer to implement the process. This recommendation will result in staff efficiency savings and speedier action for a public priority.</p> <p>The council's new Overview and Scrutiny committee will expect to continue the ongoing work of the previous committees in challenging and reviewing Value for Money from Consultants, and Contractors.</p> <p>Our recent Service Planning exercise explicitly sought opportunities for Gershon efficiencies to be identified looking both at cashable efficiencies and improved/better targeted outcomes.</p>	<p>Final Report</p> <p>Abandoned and untaxed Vehicles Sept 2005</p> <p>ELVIS Partnership</p> <p>Governance Arrangements Report</p>
<p><b>5.2.2 How well has the Council improved value for money and achieved efficiency gains over the last three years?</b></p>	<p><b>Reference to evidence source</b></p>
<p><b>Council targets for value for money and efficiency gains;</b></p> <p>The Council's backward looking Annual Efficiency Statement shows value for money savings for 2004/05 show savings of £1,140,373 of which £828,835 were cashable. Savings include:</p> <ul style="list-style-type: none"> <li>• Use of private Sector Leasing rather than Bed and Breakfast Accommodation (£311,538);</li> </ul>	<p>Annual Efficiency Statement</p>

<ul style="list-style-type: none"> <li>• Partnership with a single supplier to deliver planned and responsive repairs and construction works (£215,000 of which £215,000 cashable);</li> <li>• Assessment of low value transactions calculator and procurement savings on six projects tender processes (£399,377 of which £399,377 cashable); and</li> <li>• Budget process absorbing inflation and use of “Guardian” security for Delapre Abbey (£214,458 of which £214,458 cashable).</li> </ul>	
<p>The Root and Branch Review of staffing structures has sought to challenge value for money and seek efficiencies as part of its core aims. Current proposals streamline management structures into a maximum of four levels of management throughout the organisation and will reduce the number of managers from 159 to 102. Appointments to new posts will be based on a assessment of core competencies which will aim to deliver a highly skilled and flexible workforce.</p>	<p>Root and Branch Report to Executive</p>
<p><b>The achievement of efficiency gains</b></p>	
<p>Revenues and Benefits is working to provide an efficient and improved service through partnership working (Bedford BC) and improved customer focus monitored through effective use of consultation and feedback. The service has taken steps to improve the quality of information received at customers first point of contact to avoid multiple handling of cases, reduction in the reliance on temporarily contracted staff and use of qualified full time employees and introduction of new system will streamline processes and reduce processing times will I improve the speed and quality of benefits processing.</p>	<p>Partnership Agreement</p>
<p>Additional resources enabling the monitoring of Registered Social Landlords will ensure that appropriate nomination and allocation of properties are made to tackle the increasing waiting list and homelessness problems. Increased resources will enable cross boundary work and reduced contract prices for</p>	<p>Monitoring information Surveys</p>

projects – e.g. needs surveys already undertaken B&ME and key worker have accessed funding from 7 local authorities, Supporting People Team, English Partnerships and 21 RSLs. Revised housing needs assessment survey to be commissioned on housing market area (South Northants, Daventry and Northampton) work will be undertaken in partnership with West Northants Development Corporation.

Within the Housing Rent Management Service, several initiatives have assisted in the reduction of rent arrears over the last three years:

Local Radio Campaign

Advertisements on the back of buses, workforce vans

Cinema Advertising - Whole year campaign

Roadside poster campaign through JC Decaux

With effect from this Autumn, the National Housing Federation SOR will be used for housing maintenance, allowing direct comparisons with other Authorities and Housing Associations. This, coupled with the change from a bonus related pay structure to salaries, will enable the Council to target cost reductions, based on an SOR figure minus a percentage.

Reorganisation of existing "Cleaner Greener Teams" into 3 Community Action Teams (CAT) has improved outputs in respect of graffiti removal and allowed for a reduction in target removal time from 14 days to 10 days.

Implementation and expansion of EDRM (Comino) and Web Site Developments to enable improved access to Planning Applications via web based technology will enable customers access to submit, view and comment on applications. Officer time should be saved, council profile improved, odpm targets achieved, improved customer satisfaction, electronic payments direct into council bank accounts.

Rent arrears statistics

Campaign literature

SOR data

Executive Report

Performance Statistics

EDRM Documentation

Performance Statistics

<p>Within the Environmental Health service, capital investments have been made with the deliberate intention of saving staff time and costs by the purchasing of remote noise monitoring equipment, which enables 24 hour monitoring where prior to it's procurement, an officer would have had to be on site to carry out this function. This element of the service has therefore become more flexible and effective and able to deliver increased outputs as it is not restricted by personnel resources.</p>	<p>Equipment and use Performance Monitoring Statistics</p>
<p>The development of the County Travellers Unit has resulted in the authority saving approx 20-25K per year with improved ongoing management.</p>	
<p>We sell air quality control data, which reduces the revenue costs of maintaining and replacing the equipment. The data informs where more expensive testing is required and by targeting our testing we are effectively using the resources available. We have been working with the County Council targeting air quality action zones.</p>	<p>Budget Data  Budget Data</p>
<p>Environment health provide a free drain clearing service recognising that a free service to users is more effective and economical than leaving a blockage to become a potential health issue or having to issue an enforcement notice.</p>	
<p>The New Agresso HR/Payroll system currently under development will be an integrated package which means that it will only require data to be input once rather than two or even three times at present. This will also reduce the amount of paper that is generated between HR and payroll.</p>	<p>Take up statistics Evaluation</p>
<p>Energy Management is promoting savings in energy bills for our property portfolio. This is through the use of energy efficient boilers and construction methods and staff awareness campaigns.</p>	<p>Project Documentation</p>
<p>A review of Advertising and Publicity Expenditure across the council has been undertaken and a number of publicity budgets have been centralised into the Corporate Publicity account managed by the PR &amp; Marketing Manager. Cost</p>	<p>Campaign literature</p>



<b>5.2.3 Do procurement and other spending decisions take account of full long-term costs?</b>	<b>Reference to evidence source</b>
<p><b><u>How value for money is built into the council's procurement practice</u></b></p> <p>The council has undertaken a detailed spend analysis, a detailed supplier analysis, (see summary – appendix) and has an extensive contract database. From this combined information it can ensure that areas of spend are addressed and that existing contracts are reviewed in a timely fashion.</p> <p>For example a review of its fixed line telephone costs led to participation in an e-auction in collaboration with the County Council, which produced savings in excess of £40,000 per annum.</p> <p>The Council is a member of the Central Buying Consortium (CBC) and has procured many commodity goods and services through the consortia over a number of years. The Council also benefits from the exchange of good procurement practice and intelligence through the CBC. The Councils also uses OGC and other consortia contracts where these represent value for money.</p> <p>The Council has also led the establishment of the Northamptonshire Procurement Forum (NPF), which consists of all the Northamptonshire District Councils, the County Council and the Police. This purpose of the group is to learn from best practice and established arrangements with suppliers where there is a benefit (cost and / or service) from aggregating demand and working collectively. Some of the contracts, which have been established, also involve Housing associations.</p> <p>The Council is also working with the Regional Centre of Excellence where there is benefit to the Council.</p>	<p>Procurement Policies and Procedures</p> <p>Supplier Contracts</p> <p>Contract evaluation</p> <p>CBC documentation</p> <p>Forum documentation</p>

**The extent to which whole life approach is taken to spending and procurement**

Whole Life costing is one of the principles contained within the Councils Procurement Policy.

“In appointing contractors, the Council will appraise offers received on the basis of whole life costing and will seek an appropriate balance between cost and quality in any evaluation having regard to the most economically advantageous Tender.”

The Corporate Procurement Unit has established template evaluation tools to assist Services in the evaluation of tenders. These tools incorporate a price / quality mix and can be adapted simply to reflect the specific requirements of the project at the time.

An example of the whole life costing approach coupled with a price / quality mix is the contract established in 2003 for the Maintenance of Corporate Buildings. This contract based upon the principles of Constructing Excellence is a partnership with the contractor working alongside the Councils Asset management team updating data on the Councils asset management database. This contract resulted followed from the Best Value Review’s of Works Procurement and Asset management.

Establishment of the contract and subsequent operation has delivered savings of £ 215,000.

**Identifiable savings achieved through procurement**

The Corporate Procurement Unit identified savings of £399,000 on purchases of commodity goods and services during 2004.

Procurement Policy

Template Evaluation Tools

Mears Contract Evaluation

Budget data

ODPM Low Value Transaction Calculator

- The Council established Consortium Procurement which became operational in October 2003 and which now provides a procurement service to three other local District Councils .

Collaborative joint working with the Northamptonshire Procurement Forum secured savings of £364,000 for the six other Districts across Northamptonshire.

Transaction savings of £312,670 were calculated by use of the ODPM's Low Value Transaction Calculator

### **Use of external funding to deliver council priorities**

In recent years the Northampton Borough Council has had successes in attracting funds for Street Football, Museums events (gas masks and gravy legs), DEFRA funding for recycling and Brownfield Regeneration at Sixfields and Ransome Road amongst others.

The Council obtained £1.5M from DEFRA to fund the roll –out of wheelie bins to support the Councils objectives for recycling. The Council collaborated with other Northamptonshire District Councils and led a joint procurement process for the £1m worth of recycling containers required which resulted in substantial savings all the Districts involved. Recycling is a Corporate Plan and Recovery Plan priority.

To date this year Museums have obtained £42,705 in external grant, not including money from the East Midlands Museum Hub. The East Midlands Museum Hub project funding for this year amounts to £72,000 giving a total for this financial year £114,705.

Current substantial bids awaiting approval relate to New Changing Rooms, Far Cotton Resource Centre and Waterfront Developments to support the growth agenda.

The Community Engagement team is supporting organisations through the

External funding database  
Capital Programme

Community Engagement reports, fora documentation etc.

Community Enabling Fund that aid NBC in meeting their Corporate Plan targets and generating more participants & participation from partner agencies and voluntary sector in community engagement activity (i.e. Community Safety Partnership, LSP, Area Partnerships, Forums etc)

We have been awarded £3.4M (£1.3M revenue and £2.1M capital) over the next three years from the Neighbourhood Renewal Fund. Our Neighbourhood Renewal activity will focus on providing sustainable changes in quality of life to people living in the most disadvantaged area in the Town. We are currently determining its scope to ensure this funding bring about long-term sustainable investment.

Allocation letter  
Executive Report