

## SECTION 13

### 13. VALUE FOR MONEY

- 13.1 This section of the report sets out the measures the council is taking to improve value for money in order to deliver savings within the Medium term Financial Strategy.
- 13.2 The council had a good record of delivering efficiencies under the national Gershon efficiency programme which ran from 2005/06 to 2008/09. The council achieved £26.4m in efficiency savings under the Gershon initiative by 31<sup>st</sup> March 2008. This is £5.8m more savings than the original Gershon target of £20.6m and £3.8m more than the £22.6m stretch target included as part of the Local Area Agreement agreed at the beginning of 2006. Details of the savings are in Appendix Q (i).
- 13.3 The 2007 Comprehensive Spending Review introduced a target of 3% cashable efficiency savings each year. The council is currently forecasting that cashable efficiency savings in 2008/09 will be £9.360m, which is 2.7% of General Fund, Housing Revenue Account and capital spending. The departmental breakdown of these savings is included in Appendix Q (ii).
- 13.4 The challenge to the council in future years has been set out in Section 7 on the Medium Term Financial Strategy. Expectations of improved services, budget pressures, tightening government funding, and the desire to limit council tax rises require that the council continues to deliver improvements in value for money. This is regardless of the national target set for councils or the need to demonstrate value for money in use of resources as part of the new Comprehensive Area Assessment regime.
- 13.5 The council has a firm foundation to build on. In addition to the savings achieved under the Gershon initiative, the council overachieved against the Local Public Service Agreement target for cost effectiveness which preceded Gershon, has achieved a '3 out of 4' on the existing Use of Resources judgement on value for money ('consistently above minimum standards'), has delivered efficiency savings each year as part of the annual budget process, has delivered a large number of successful efficiency projects<sup>1</sup>, and has major transformation programmes in adult and children's social care which are helping contain budget pressures on the services and leading to improved outcomes for services users. The council also continues to have one of the lowest council taxes in outer London – 17<sup>th</sup> out of 20 boroughs in 2008/09. It has done this whilst achieving improvements in performance against a majority of the national performance indicators.

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<sup>1</sup> Case studies of some of the successful efficiency projects are on the council's website, including learning disabilities placements, equipment stores for people with disabilities, changes to the cemetery service, changes to the arrangements for storing furniture for people in temporary accommodation, e-auction for IT equipment, procurement of agency staff, and changes to the cashiers' service.

- 13.6 The council is also working jointly with partners to secure improvements in value for money. The council has introduced joint arrangements with Harrow for the management and maintenance of Carpender's Park cemetery, building on the joint trading standards service the two boroughs have had for a number of years. The council has partnership arrangements with NHS Brent for integrated equipment stores, the mental health service and the learning disability service. Part of the adult care transformation programme is development of a joint service with Brent NHS for an intermediate care/reablement service to help address delayed discharges and reduce acute hospital admissions. The adult care transformation programme also includes establishment of a joint procurement unit for adult care residential placements. The street wardens' service was integrated with Police Community Support Teams in 2007 and the Metropolitan Police has recently agreed to continue the joint funding arrangement for additional PCSOs for a further period. The council is also continuing to work with the Carbon Trust, a government sponsored organisation, to deliver more efficient use of energy. The development of shared objectives as part of the Local Area Agreement and the pooling of resources as part of the Area Based Grant and in other ways also provide the opportunity to work with local partners to deliver services in more effective ways.
- 13.7 The efficiency initiatives across the council and within individual services are leading to real savings within the budget. The budget savings in Appendix D (ii) arise primarily from services doing things more efficiently rather than reductions in services. They will be achieved in the context of the council planning to deliver improvements overall in the services provided to Brent residents.
- 13.8 Delivery of the efficiency programme was previously co-ordinated through a corporate Efficiency Board, chaired by the Director of Finance and Corporate Resources, and was reflected in an overall council efficiency strategy agreed by the Executive in April 2007. The efficiency programme has now been combined with improvement activity in an overall council Improvement and Efficiency Strategy which was launched in September 2008. Key elements of the new strategy are as follows:
- A One Council programme aimed at making Brent Council look, feel and above all act like a single organisational entity with consistently high standards of practice in all parts of the organisation and a common infrastructure of systems and procedures to which all parts of the organisation subscribe.
  - Creation of a new Business Transformation Department which brings together support for the key corporate drivers of change – customer care, information technology, human resources, and delivery of the new Civic Centre;
  - A new Brent Excellence Support Team (BEST) which will support a series of reviews of services across the council with the aim of delivering the kind of transformation currently being achieved through the adult and children's social care transformation programmes.

- 13.9 Delivery of the Improvement and Efficiency Strategy is overseen by an Improvement and Efficiency Board which is chaired by the Chief Executive. Key new posts have been filled – including the Director of Business Transformation, the Assistant Director responsible for delivering the Civic Centre - and both the BEST and Civic Centre Teams are now up and running. Task groups set up to identify ways in which change can be delivered to achieve the vision of One Council have reported and Corporate Management Team will be prioritising the proposals that have been made. The council is also working closely with Capital Ambition which is a government funded London-wide body working with authorities to delivery improvement and efficiency.
- 13.10 The challenge for the Improvement and Efficiency Strategy is to deliver fundamental change which will allow the council, working with partners, to deliver improved services and help improve quality of life of Brent residents whilst also delivering cashable savings to meet the budget challenge the council faces. The Improvement and Efficiency Programme, which is currently being developed, will include target cashable savings for each of the main areas of activity. The focus will be on delivering savings from 2010/11 onwards but the programme will also include the measures which will deliver the central corporate efficiency target of £1.484m in 2009/10 (£0.5m more than in 2008/09).