



CITY OF
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Together, let's deliver
Lincoln's ambitious future



Value for Money Statement

February 2021

Agreed by Corporate Leadership Team – February 2021

Revision	Originator of change	Date of change	Change description
V 1.0	Initial edition	10.05.2010	Working Together Better Board
V 1.1	P Jukes	17.12.2013	Update approved by BNB Board
V 1.2	P Jukes	18.10.2017	Update agreed by CLT 18.10.2017
V 1.3	P Jukes	24.02.2021	Update agreed by CLT 24.02.2021

Owner: Corporate Policy, CX

To be reviewed: February 2024



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Why Value for Money is important to us

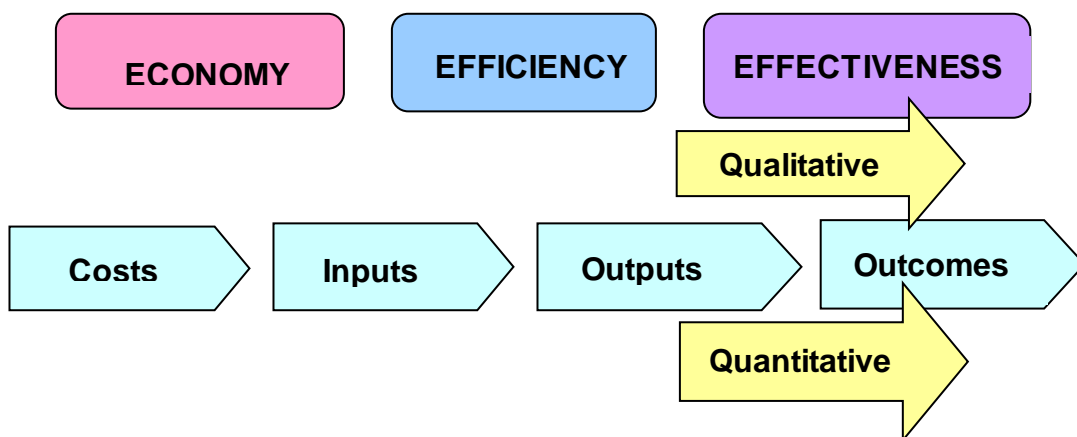
The council has a clear vision – *“Together, let’s deliver Lincoln’s ambitious future”*. The value for money element is driven by our commitment in Vision 2025 to ‘One Council’ and continues the work started in Vision 2020. *“One Council has been established from the ‘Professional, high performing service delivery’ theme of Vision 2020.*

As part of Vision 2025, our corporate strategic plan, we have five key priorities:

- Let’s drive inclusive economic growth
- Let’s reduce all kinds of inequality
- Let’s deliver quality housing
- Let’s enhance our remarkable place
- Let’s address the challenge of climate change

For the council to achieve this vision we must ensure we achieve value for money in all our activities

Value for money is about obtaining the maximum benefit from the resources available to the organisation – balancing inputs outputs and outcomes. In simple terms it measures costs, performance, and satisfaction, and is often defined as achieving the right balance between economy, efficiency, and effectiveness - spending less, spending well and spending wisely.



The value for money model (VFM)

Our strategic approach to VFM

To deliver services that are good value for money the council will:

- Optimise the resources available for our services
 - Deliver the same output at reduced costs
 - Deliver more output for the same cost
 - Continuously exert downward pressure on costs
 - Ensure that service costs are commensurate with outcomes achieved
- Review service standards provided, ensuring they fit with prevailing economic conditions



- Further develop our commercial appetite through innovative asset management and new inventive ways of income generation
- Utilise cost effective procurement methods
 - Regularly review services and look for continuous improvement
 - Benchmark service performance and costs against other organisations wherever possible
 - Explore opportunities for shared services and other collaborative arrangements
 - Embed VFM considerations into the culture of the council
 - Ensure that we build excellent business cases to apply for relevant funding to support services, recovery action and deprivation needs

Arrangements in place to ensure delivery of VFM

To embed VFM in the way we work we have strong processes in place in the following areas:

➤ Governance

- VFM is a key part of any business case submitted and all decision-making groups take decisions with a focus on VFM – especially in the light of the current financial situation
- Performance Scrutiny Committee reviews service and financial performance (against cost, performance, and satisfaction) on a quarterly basis and uses its remit to periodically review key (off target) services. These aspects have VFM as a core consideration.
- Policy Scrutiny ensures that any changes to policy with financial aspects delivers VFM as part of the proposal – e.g. restructures, retention of discretionary services etc.
- Although Community Leadership Scrutiny committee has primarily got an external focus, it will occasionally review VFM in terms of whether best use is being made of funding where multiple pots exist across partners
- The Annual Governance Statement focuses on all aspects of governance, but critically on processes around VFM in service provision
- Lincoln Project Management Model – this compulsory method of managing projects within the council contains key templates for financial assessments and risk management
- The Capital Programme Group (CPG) manages the capital programme and changes to it.
- The Annual audit letter – contains an independent statement from the Council’s external auditor on the council’s ‘arrangements to secure economy, efficiency, and effectiveness in our use of resources’
- Our consultation strategy ensures that we involve customers and thus enhance satisfaction

➤ Financial stewardship

- The Medium-Term Financial Strategy (MTFS) – delivers a robust financial plan through a rigorous budget setting process. One of the key objectives of the MTFS is to provide cost effective services which demonstrate value for money.
- In response to the current financial situation, and building on the success of previous review programmes, the council has developed the “Towards Financial Sustainability Programme”, (TFS) concentrating on the following four key strands:
 - Service review – ensure that we are taking the most cost-effective route to providing services
 - Commercialisation/income generation – development of plans to drive new and innovative income streams
 - Investment Opportunities - managing the City’s property and land portfolio to optimise usage and commercial returns
 - One Council – to understand our customers’ growing need to be able to access our services at anytime from anywhere, in a safe, secure, and cost-effective way



A range of projects are being progressed under each TFS strand. All business cases must demonstrate evidence of how VFM savings can be achieved. The aim is to ensure the services we provide demonstrate continuous improvement as well as value for money.

- We will of course continue to monitor and deliver services with the original considerations:
 - Ensuring that we have fair charging in place
 - Consideration of green and sustainable choices
 - Our in-house procurement Manager ensures we drive value from procurement and commissioning activity
- The Asset Management Group ensures the best use of corporate assets

➤ **Performance management**

- Our performance framework includes the following:
 - Regular monitoring of Vision 2025 projects to ensure that the key aims of the council are progressed to budget, timescales, and outcomes
 - Detailed performance trends (in PIMS performance management system) covering :
 - Performance measures – e.g. throughput, time taken and outstanding work
 - Volumetric measures to add contextual background data
 - Customer satisfaction - feedback through satisfaction monitoring and complaints and compliments monitoring
 - Quarterly performance and budget management reports, reporting to Corporate Management Team and Members
 - Quarterly Dashboard summarising all aspects of performance within the VFM chain
- Communication of VFM to customers and staff through:
 - The annual Council Tax booklet
 - Articles in Your Lincoln
 - The external website
 - The internal City People network
 - Face to face consultation in advance of the budget and council tax level setting
 - The Annual Report
- Delivering excellent customer service which is a key component of VFM –as measured by:
 - Proactive customer external consultations (on-line, web/social media)
 - Tenant's panel
 - Citizen's panel
 - Focus groups
 - PIMS satisfaction measures
 - Telephone surveys
- External Review
 - Peer Challenge review conducted by LGA, including a review of financial processes
 - The initial review led to a glowing report, with minimal suggested improvements. We are however monitoring all aspects to ensure we maintain standards.
 - Follow up review to be arranged within the next two years

At the time of this update we are still in the middle of the Covid-19 pandemic, so some measures are not collectable; but they will be reinstated as soon as is realistically possible.

