

Using Cost Information to Improve Performance

Key Point/checklist /Recommendation	Council Position	Action/Response	Date	Lead Officer
Does the council Know how much it costs to deliver core services?	Recent programme of service reviews considered costs of all services.	<p>There is scope to improve how the Council uses costs information against most of the key points from the checklist. This will be taken forward through the corporate improvement plan project related to productivity and service improvement. Within this project there is a specific workstream related to PPMF development and this will set out improvements to:</p> <ul style="list-style-type: none"> • The use of cost information – what information is used when • The frequency and format of considering cost information • Relating cost to other information • Comparisons / benchmarking • Establishing VFM • Presentation 		Head of Strategic Finance

		• Training		
Does the council use this information to inform decisions about what services to provide and how best to provide them?	Savings proposals agreed as part of service reviews. These included a mix of efficiency savings and changes to scope of services			Head of Strategic Finance
Does the council ensure that self-assessments and performance management frameworks include information on costs and assess whether the council is providing value for money?	Benchmarking was a key element of service reviews. Service plans and scorecards include a benchmark to compare actual / planned performance with.			Head of Strategic Finance
Does the council understand the different levels of cost information required to support assessments of value for money in terms of: – overall council performance – service performance – delivery of outcomes	Yes			Head of Strategic Finance
Does the council ensure budgeting arrangements consider the costs of different policy options and do not rely only on incremental budgeting?	Yes through service review programme.			Head of Strategic Finance
Does the council focus on its	Budgets are linked to service			Head of Strategic Finance

priorities and from there identify the most useful and appropriate cost information to use?	corporate pan outcomes.			
Do Departments actively seek out examples of existing good practice in the council and share this information across council departments?	Not to any significant extent.			Head of Strategic Finance
Does the council consider benchmarking performance and costs with other councils (and other organisations) to make value-for-money comparisons?	Yes. A requirement of service reviews and benchmarks included in service plans and scorecards.			Head of Strategic Finance
Does the council promote an awareness and understanding of the importance of costs and make clear that costs are everyone's business, not just the finance officers'?	This is generally understood but there is scope to reinforce this message.			Head of Strategic Finance
Does the council use cost information to focus improvement activity?	Yes. A requirement of service reviews and benchmarks included in service plans and scorecards			Head of Strategic Finance
Do council officers provide meaningful cost information to councillors to help ensure that the scrutiny of a council's activities and service provision includes the consideration of	Scorecards and service plans show total cost of service and allocate cost to service outcome. There is scope to improve information in detailed cost analysis of service.			Head of Strategic Finance

costs?				
Are decision-making arrangements supported by good-quality information on costs which is provided to councillors in a way that is clear and unambiguous?	Scorecards and service plans show total cost of service and allocate cash to service outcome. There is scope to improve information in detailed cost analysis of service			Head of Strategic Finance
Do option appraisals have robust costing information to support decision-making?	Cost and affordability are standard elements of the Councils business case and options appraisal methodology.			Head of Strategic Finance
Have councillors agreed what cost information they need to support their decision-making?	Scope to improve.			Head of Strategic Finance
Are councillors provided with the appropriate training on how to understand and use cost information effectively?	Scope to improve.			Head of Strategic Finance
Are communities involved in discussions about the cost and service delivery implications of budget choices?	Scope to improve.			Head of Strategic Finance