

Coventry City Council

Value for Money Partnership

Commentary on progress to date

PricewaterhouseCoopers LLP (PwC, we) are very proud to be working with Coventry City Council (the Council). We see Coventry as a key account for us, one that we are prepared to invest in making a success, and an authority that is progressive, modernising and very willing and able to innovate and challenge the way things have been done in the past. This is at the heart of the Value for Money Partnership.

As with any partnership there has been a settling in period but we are pleased with progress, in particular in terms of the strong relationships that have been formed between key Council and PwC people – these relationships are fundamental to making the Partnership a success. We are also pleased with the progress we have made together (the Council and PwC) in some key review areas, in particular Services to Young People, Procurement, Debt Management, VAT and Fees and Charges. The Support Services review is progressing well and we have high hopes for the improvements this will secure both in terms of service delivery and cost effectiveness.

This last point is critical to us – that the Partnership is seen as delivering both these aspects. The Services to Young People work is a good example of where savings can be achieved, yes, but fundamentally a better service can be delivered, better aligned with user needs, and delivering better outcomes for Coventry's young people. In this case the Council plans to take some savings but will also invest significantly to improve delivery.

We are pleased that the fees being charged by us are significantly exceeded by the anticipated benefits from the work delivered – again this goes to the heart of making the Partnership successful. We also see that these benefits are in many cases on-going, whereas the fees we charge represent a one-off cost.

The Partnership has made good progress in establishing robust programme and performance management arrangements (referred to as the PMO or Programme Management Office) and around the delivery of the review reports and updates to the Programme Board. However, we have discussed with the Council the need to improve arrangements for the *delivery* of the review outcomes to ensure that the anticipated benefits are secured. We know that the Council has plans to address this issue and we are agreed that this requires performance management and accountability and the resources to support implementation. We all recognise that it is the actual benefits delivered against which Partnership success will ultimately be measured.

We anticipate the Partnership playing a key role in supporting, but not replacing, the need to secure savings and efficiencies to deliver a sustainable budget position. We are in discussions with senior officers about how we can support this process and how we can ensure maximum impact of Partnership activity in terms of both performance and cost improvement.

We are very pleased with the level of engagement we enjoy with the Management Board and with the lead Member for the Partnership through the Partnership Board. This engagement is critical to our understanding your agenda and maximising the effectiveness of our contribution.

There are some areas where we can improve how the Partnership works together effectively and we are addressing these. Examples include implementation and benefits realisation, already referred to, and joint working between Council and PwC staff – there are areas (such as the Support Services 'Strand 2' Review) where this has worked extremely effectively and we need to emulate and embed this good practice.

Skills transfer has been very effective in some areas but this also needs building upon with the Council ensuring that resources (people) are made available to have skills transferred and we ensuring that there is a skills transfer plan in place for each review. Skills transfer will build capacity within the Council and maximise the value for money the Council gets from its relationship with us. It is also critically important to sustainability.

So, to summarise, we see the Partnership as having had a successful first year – the cash benefits identified (particularly when viewed over, say, a three year period) far exceed the costs and there are many other service benefits that have been delivered or identified that should also be taken into account. There are things we can both do to improve Partnership effectiveness (joint working arrangements, skills transfer etc) but we have established strong foundations. We now need to jointly progress implementation and benefits realisation and to ensure that there are the resources available to sustain the programme – all aimed at accelerating and assuring the Council's change plans and ambitions.

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