

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 20 May 2003	<b>MEETING NAME</b> Executive
<b>Report title:</b>		<b>Best Value Review Programme for 2003/04</b>	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Assistant Chief Executive (Strategy & Performance) Best Value Manager	

## RECOMMENDATIONS

- 1 The Executive agree the programme of Best Value reviews for 2003/04 and comment on any issues that should be included within the scope of any of the individual reviews.

## BACKGROUND

- 2 The Local Government Act (1999) required councils to review all their services for Best Value over a period of five years starting 1 April 2000. On 13 March 2003 the Office of the Deputy Prime Minister (ODPM) issued the latest guidance. This proposes that the Best Value review programme should concentrate on priority areas arising from the outcome of the Comprehensive Performance Assessment (CPA) process, those that face the biggest challenges and/ or those that have the greatest opportunities for improvement. As a result the review process will become more focused on:
  - improving performance for a shared or local priority; and/or
  - where there is uncertainty as to the need for a service or whether its contribution is effective; and/or
  - where there is a new service or new configuration of an existing service; and/or
  - there is evidence that the costs of the service are out-of-line with comparable services elsewhere; and/or
  - there is a clear opportunity to work with other authorities to deliver common services through, for example, new technology.
- 3 This review programme has been compiled with due regard for the above and should meet the Audit Commission and other inspection requirements. As an Authority that has been categorised as “weak” we are required to demonstrate to the Audit Commission and the other inspectorates that the key areas of weakness are being addressed in a timely manner and in a way that fits well with the inspection timetable.
- 4 The Audit Commission will wish to inspect our formal Best Value reviews as part of their annual inspection process in 2004/05. The results of these inspections will inform our future CPA rating, together with other criteria. It is essential that we form an appropriate programme around these. The Audit Commission have stated that they expect to see infrastructure, service, CAP and community issues covered in the 2003/04 Best Value review programme. The above programme has addressed these areas.

- 5 The proposed programme has received positive comments from the Audit Commission's Relationship Manager, particularly about the way issues raised in the CPA have been addressed. However, the Relationship Manager did comment that there was a need to ensure that if areas of under-performance in service areas are not considered in the Best Value review programme they are subject to review in local improvement. Without improvements in the 'service blocks' there cannot be an improvement in the overall rating of the Council.

## **KEY ISSUES FOR CONSIDERATION**

### **Programme Of 2003/04 Best Value Reviews**

- 6 The proposed Best Value review programme is attached as Annex 1. This forms the basis of the work of the Best Value Team. The reviews in this programme are full Best Value reviews which will be put forward for inspection at a later date and inform our future CPA rating.

### **2004/05 Reviews**

- 7 Although the Executive is not asked to agree the review programme for 2004/05, consideration does need to be given to what areas may be reviewed in future years. One possible consideration is a review of the working relations between the Council and the Primary Care Trust.

### **Review Process**

- 8 The review methodology is still to be based on the four 'Cs' of Challenge, Compare, Consult and Compete. However guidance issued by the ODPM states that the scale and focus of any reviews should reflect the importance of the service, the issues faced, and the opportunities for improvement. The Best Value Team is currently reviewing this process. The following is proposed:
- The main concern of the review will be, as now, about how we can move towards best practice.
  - The aim will be to complete all Best Value reviews in six months at the most. The review process used will reflect this requirement.
  - The review project board will apply the principle of proportionality in selecting the review process. The current review processes have been proven effective in practice and will be retained. However the project board will decide which review process or parts of a process are relevant to what it wants to achieve. The current Challenge process (based on an analysis of needs and using robust external challenges) and Compare (finding out what is best practice) have been effective in challenging complacency and should be the starting point for considering the review process. It is assumed members will have the same level of involvement, as is currently the case. The details of this involvement will be agreed between the lead Executive member and the project board. The involvement of the Scrutiny and Administration Committee remains unchanged.
  - Where a solution is seen to be known in advance then this should be clearly set out in the review scope and influence the approach to the review. However caution does need to be taken here that alternative options are not unnecessarily omitted and orthodoxy unchallenged.

## Other Reviews

- 9 Alongside the formal Best Value reviews, the Best Value Team will also be undertaking two other types of reviews. These are:
- **Efficiency reviews** - Although past reviews have identified major efficiency savings these emerged as outcomes of reviews and were not necessarily actively sought at the start of the process. In the proposed Efficiency Reviews there will be a proactive approach to finding out where efficiency savings could be made through, for example, spending comparisons and invoice analysis.
  - **Quick reviews** - These deal with defined service and performance issues and, as the name implies, are intended to achieve a rapid solution to problems or improvements in performance. The content of many of these reviews cover issues of corporate infrastructure and organisational capacity and so contribute to addressing the wider agenda of issues arising from the CPA.
- 10 Details of the efficiency and quick review programmes for 2003/04 are contained within Annexes 3 and 4 of this report.

## REASON FOR LATENESS

- 11 To seek the views of the Audit Commission, who now have overall responsibility for Best Value, to ensure they are satisfied the review programme fits in with the priorities established through the Comprehensive Performance Assessment and the revised Best Value regime.

## REASON FOR URGENCY

- 12 So work can commence on the 2003/04 review programme.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
CPA Improvement Plan Draft Audit Plan ODPM Circular 03/2003 Audit Commission: Patterns for Improvement CPA: The Next Steps	Town Hall, Peckham Road, London SE5 8UB	Ian Hughes, Corporate Strategy 020 7525 7698
Best Value Files	19 Spa Road	Mike Carroll Best Value Team 020 7525 3607

## Audit Trail

<b>Lead Officer</b>	Sarah Naylor, Assistant Chief Executive (Strategy & Performance)	
<b>Report Author</b>	Mike Carroll, Best Value Manager	
<b>Version</b>	Final	
<b>Dated</b>	13 <sup>th</sup> May 2003	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	Comments included
Borough Solicitor & Secretary	No	No
Chief Finance Officer	No	No
<b>Executive Member</b>	No	No
<b>Date final report sent to Constitutional Support Services</b>	13 <sup>th</sup> May 2003	

## ANNEX 1: 2003/04 BEST VALUE REVIEW PROGRAMME

This part of the programme is specifically linked to issues arising from the Comprehensive Performance Assessment (CPA). In the CPA a number of areas of concern were identified. The individual reviews are listed under these headings. These reviews will use the full rigour of the Best Value regime to achieve the maximum improvement of performance.

REVIEW	COMMENTARY
<b><i>CPA theme: improving the infrastructure, ICT, customer care and e-governance</i></b>	
<a href="#">Forward@Southwark</a> : <b>Customer Access; Re-engineering of Back Office Services</b>	This is concerned with achieving the most efficient and cost-effective back-office arrangements for services included in the Corporate Contact Centre.
<b><i>CPA theme: improving corporate capacity and embedding improvement standards</i></b>	
<b>Procurement</b>	<p>We propose a 'mock inspection' approach to identify the strengths and weaknesses of our overall approach to procurement- assessing our current practices against wider best practice.</p> <p>We will seek to identify any areas where financial savings can be achieved through improved procurement in the short term.</p>
<b>Management of capital projects</b>	This follows on from the Best Value review of Managing the Capital Budget (reporting to Executive July 2003). The review will assess the strengths and weaknesses of current practice in the Council and learn from best practice elsewhere. Because of work already completed this review will be completed by July 2003.
<b>Fees and charges</b>	Review principles of charging policies.

<b>CPA Theme: Leadership and strategic outcomes</b>	
<b>Improving organisational learning and development</b>	Focus initially on the capacity of the centre of the organisation to enable and facilitate organisational learning and development.
<b>CPA Theme: step change in priority services</b>	
<b>Youth initiatives on crime, anti-social behavior, employment, and teenage pregnancies</b>	This will evaluate the success of the various initiatives currently underway and seek to learn from best practice elsewhere.
<b>Street cleansing</b>	The Audit Commission is proposing a 'trial inspection' of this service in July 2003. Resources are available to support this exercise and subsequent improvements if required by the Director of Environment and Leisure.
<b>Education</b>	Education is a clear improvement priority for the Council. Detailed proposals for 2003/04 review projects will be brought forward following the resolution of the W S Atkins contract, agreement on future direction and available capacity.

**ANNEX 2: BEST VALUE REVIEWS CARRIED FORWARD FROM 2002/03**

REVIEW	SCOPE	STATUS
<b>Community safety</b>	Review of aspects of community safety: <ul style="list-style-type: none"> <li>• Anti-social behaviour</li> <li>• Hate crime</li> <li>• Violent crime</li> <li>• Fear of crime</li> <li>• Drug related crime</li> </ul>	Work started December 2002.  Scheduled to report back to Executive December 2003.
<b>Voluntary sector</b>	Process of commissioning	At the request of the Executive this is a more focused review than that agreed in the original programme for 2002/03.  Review commenced in March 2003 and will be completed and reported to the Executive in July 2003.

### ANNEX 3: VALUE FOR MONEY AND EFFICIENCY REVIEWS

The completed Best Value reviews to date have resulted in significant financial savings. The reviews below are a more focused approach to identifying efficiency savings and increased income.

REVIEW	COMMENTARY
<p><b>Corporate Efficiency Assessment:</b></p> <ul style="list-style-type: none"><li>a. carry-out a cross-council spending comparison and spending patterns assessment</li><li>b. pilot an efficiency assessment framework in Strategic Services</li></ul>	<p>A pro-active approach to identifying possible efficiency savings.</p> <p>Initial evaluation of all cross-council provision for possible savings. Initial suggestions for more detailed review are security and portering, facilities management, IT servers, transport, agency staff, energy supplies etc.</p>



## ANNEX 4: QUICK SERVICE REVIEWS

During 2002/03 the Best Value Team successfully piloted a 'quick review process'. These focus on defined service or performance issues. Because of this they do not required the full rigour of the Best Value process. The reviews are shown in the current order of priority.

REVIEW	COMMENTARY
<b>Improve the budget process.</b>	<p>Using examples of best practice to build on recent changes linking service and financial planning.</p> <p>Embed policy led budgeting.</p>
<b>Improving time management</b>	<p>Single department pilot study. Assessment of officer down time, travel time between sites etc. Include assessment of merits of hot-desking, tele-conferencing etc.</p>
<b>Records management.</b>	<p>The Council currently has no protocols for keeping records. The result is no clear understanding of the organisation's information requirements, inconsistent practices between departments, and inefficient and costly storage material.</p>
<b>Recruitment practices</b>	<p>In many crucial areas the Council has experienced difficulties in recruiting staff. Evidence from other authorities in a similar position show a range of innovative approaches have been taken and been successful in addressing this problem. We will examine what we can learn from best practice elsewhere.</p>
<b>Occupational health</b>	<p>Effectiveness of current working arrangements.</p>
<b>Occupational assessment</b>	<p>Effectiveness of current working arrangements.</p>