



## **RESHAPING THE BEST VALUE REVIEW PROGRAMME 2004/2006**

### **RECOMMENDATIONS**

- 1.1 To rationalise the Council's Best Value review programme according to the principles described.
- 1.2 To agree the review programme outlined in Appendix 3 to this report.

### **REASON FOR RECOMMENDATIONS**

2. The Council has an ambitious programme of change management and performance improvement activity as it works to deliver even better services and become Excellent. We need to make sure that this is matched to our capacity and that we focus our efforts on priority areas. We can take advantage of the Government's now less proscriptive approach to Best Value review programmes to help achieve this. The proposed programme better integrates Best Value type reviews with those under Building for Excellence and arising through our intended Business Process Re-engineering – BPR activity.

### **SUPPORTING INFORMATION**

#### **The issue**

- 3.1 Our current Best Value review programme envisages that we will start and complete 16 reviews in 2004 / 2006, Appendix 4. This is in addition to review and other activities to improve our corporate capacity through the Building for Excellence programme, which has identified the need to do some Business Process Re-engineering – BPR – type reviews to help deliver the eDerby and Business Improvement strand of the programme. Attempting to complete such a wide range of activity will put a real strain on our resources, both for front-line delivery – where we are seeking continuous improvement - and at the centre.
- 3.2 The Government no longer expects councils to review all services within a five year period and encourages councils to use reviews strategically, to tackle performance improvement and local and national priorities. As part of the Comprehensive Performance Assessment, CPA regime, the Audit Commission is more likely to inspect broader service areas rather than follow councils' review programmes. As a Good council, Derby enjoys a lower level of inspection than would otherwise be the case. However, we should expect at least one Best Value inspection a year and this remains a factor in considering our review programme. Best Value reviews are now

one of a range of methods for improving performance, including rigorous performance management, external performance assessment and change programmes such as Building for Excellence.

- 3.3 Cabinet last considered our Best Value review programme on December 16 2003. Although some revisions were made at that stage, we were not in a position to consider fully the implications of Building for Excellence.
- 3.4 Chief Officers have considered the principles upon which the programme can be rationalised and better integrated with Building for Excellence and have identified criteria to help us do this. This will enable us to draw up a programme of service improvement reviews – essentially Best Value type reviews – and capacity building / BPR type reviews which are rooted in Building for Excellence.
- 3.5 The principles of this approach were discussed with the Audit Commission and other inspectorates at the Roundtable meeting on 10 March 2004, at which our post CPA 2003 improvement priorities – the Top Ten priorities and Building for Excellence - and potential audit and inspection activity to support these were discussed. The Commission supported our proposed approach, so long as we retain our commitment to performance improvement and increasing value for money, which are in any case integral to the Council’s Vision.
- 3.6 This report outlines these principles and proposes a revised review programme for 2004-06 on this basis. Our Best Value reviews in progress now or recently begun are also assessed against these criteria to determine if they should continue.

**Proposed criteria**

- 3.7 The proposed programme is based upon the following criteria:

<b>Criteria</b>	<b>Comments</b>
1.Poor service performance	Measured by BVPIs / CPA service scores.
2. Inspection recommendation	Capacity improvement following corporate assessment, SSI / Ofsted review etc.
3. Council priority	To deliver priority where service not well developed.
4. Lack of previous inspection activity	In anticipation of future activity to satisfy CPA – may give chance to review good service with further improvement prospects.
5. Service that will benefit from structured review process to develop it	Discretionary area

- 3.8 In considering what we should review, account should be taken of the contribution that service specific reviews can make to improving performance as experienced by service users and measured by Best Value indicators as part of the CPA process, alongside the longer term capacity building contribution of Building for Excellence. The future shape of the CPA is also relevant, in particular the intention to better reflect the outcomes councils achieve for their communities as part of the corporate assessment. We now expect the next such assessment to take place in 2006 for Derby.

## Reviews currently underway

- 3.9 The following reviews, either underway or about to begin, should **not continue** for the reasons given:

Review	Reason for deletion
Educational and Social Inclusion	Although begun in 2003, more pressing demands on Team Leader and team members have meant limited progress made following the initial scoping and other events. Publication of the Children's Bill has overtaken the review and officer time is now better spent addressing its implications. Specific performance issues could be addressed in a service improvement review in 2005 or later.
Sustainable Derby	Review should be postponed and replaced in 2004-05 by a more limited exercise to establish a baseline for the service – focusing on the sustainability of the Council's actions - that could form the basis for a future review. At that stage sustainability and the implications for CPA will be better understood.
Revenues and Benefits	Service has achieved significant improvements, recognised by BFI and now feeding into BVPIs. Improvements to customer service will flow from implementation of the recently completed Service Access review.

- 3.10 The remaining current Best Value reviews – Support Services, Bereavement Services and Sport and Leisure in the Community – have made more progress and should continue, applying the criteria as outlined in Appendix 2.
- 3.11 Our 2003-04 Best Value reviews, which have now reached the final report stage, should be completed and implemented. These are Service Access, Services to Road Users and Development.

## Revised review programme

- 3.12 The rationale for the proposed review programme 2004-06 is outlined at Appendix 2, with the main elements of Building for Excellence and BPR reviews included for completeness.
- 3.13 In assessing service performance, particular attention has been given to performance compared to other councils – BVPI quartiles – and impact on CPA score. In some areas where we have acknowledged relatively poor performance – for example re-cycling and accident casualties – there are already significant initiatives underway that are giving early signs of improvement. These need to be given time to take effect before it is appropriate to undertake a formal service improvement review.

- 3.14 Appendix 3 shows the proposed review programme. It retains the principle of a phased approach to reviews each year to manage the demands on Members and officers.
- 3.15 In summary, the changes proposed are as follows. Compared to 16 Best Value reviews scheduled to start in 2004 – Appendix 4 – seven service improvement reviews are proposed. A further three reviews are subsumed into the relevant strands of Building for Excellence. Three BPR type reviews are proposed for 2004-05 as part of Building for Excellence.
- 3.16 It is not appropriate to identify the additional reviews to be targeted at poor service performance in 2005 and 2006 at this stage, as this decision needs to be informed by the 2003-04 BVPIs and 2004 CPA. However, we may wish one of these to be in an area of environmental services, in anticipation of possible inspection activity to meet the requirements of CPA. In 2004-05 the Audit Commission will undertake a performance assessment of our environmental services, including transport, waste management and planning. This will begin with a self-assessment to be completed by the end of 2004. It is not yet possible to determine if there will be a requirement for a further Social Services review in 2005-06 as this needs to take account of progress in implementing the Joint Review action plan and 2004 CPA.
- 3.17 It is proposed to delete the following reviews yet to start for the reasons given . . .
- Communication / Consultation / Equalities – Policy Directorate structures are currently being reviewed
  - City services for city schools – provided in response to needs of schools through delegated budgets and should therefore be reviewed on an on-going basis in any case
  - Creating confident communities – subsumed into Community Cohesion.
- 3.18 The Council remains accountable for providing Best Value through Derby Homes. Derby Homes are currently doing a Best Value review of Support services. Although there are currently no further scheduled reviews, the mechanisms for Derby Homes to demonstrate that they are achieving Best Value will be included in revising the delivery plan to give effect to the Management Agreement. This should allow Derby Homes to indicate the improvement activity it plans to undertake and the resulting improvements made.
- 3.19 We are developing a methodology for BPR reviews with input from Capita. We will then be in a position to determine how best to roll these out and to integrate these techniques with our Best Value Toolkit. We will continue to use that toolkit to guide how we do service improvement reviews, recognising that we need to adapt the approach to meet the needs of different reviews.

### **Best Value inspection activity 2004-05**

- 3.20 The Audit Commission have recently confirmed the inspection and related activity they will carry out in Derby this year. This is proportionate to a Good council and includes the completion of the phased inspection of our Service Access review in August 2004. We will have a 'whole service' inspection of our cultural and leisure services in July 2004 following the Regular Performance Assessment completed in March 2004 that indicated improvement in services since the last inspection. If

confirmed by the formal inspection, this may lead to an increase in our CPA service score for this element. As noted in paragraph 3.16, we will have a Regular Performance Assessment of environmental services in 2004 which, if indications of a change in performance since the last inspection are found, may lead to a further inspection of aspects of these services in 2005. In the summer of 2005 the Audit Commission will do a follow-up inspection of Derby Homes, including its relationship to the Council, as part of the scheduled programme of re-inspection of the first wave of arms length housing management organisations.

- 3.21 The activity of other inspectorates will continue to be relevant to our review programme, including the Commission for Social Care Improvement in following up the Joint Review action plan as part of its on-going monitoring and the activities of Ofsted. Our Supporting People arrangements will be inspected in the autumn of 2004.

#### OTHER OPTIONS CONSIDERED

4. To continue with the published review programme. However, this would stretch our resources to manage and implement change and our ability to deliver improvement on the ground.

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<b>Background papers:</b>	None
<b>List of appendices:</b>	Appendix 1 – Implications Appendix 2 – Criteria applied to proposed reviews Appendix 3 – Proposed review programme 2004-06 Appendix 4 – Current review programme 2004-06

<b>IMPLICATIONS</b>
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**Financial**

1. None directly arising from this report. Additional costs incurred during reviews will continue to be met from within the budgets of services subject to review. Reviews should identify opportunities to make efficiency savings and provide improved value for money.

**Legal**

2. Under the Local Government Act 1999 and ODPM circular on Best Value and Performance Improvement – March 2003, the Council is required to review its functions to make sure they provide Best Value. However, we are no longer required to review all our functions over a 5 year cycle following issue of Statutory Instrument – SI 2002/305.

**Personnel**

3. A senior officer will lead each review team, which will include other relevant personnel.

**Equalities impact**

4. All Best Value reviews should take account of equalities issues in service delivery and uptake. Specifically, the review of Community Cohesion should underpin strong and positive relations between communities.

**Corporate objectives and priorities for change**

5. The programme of service improvement and capacity building reviews should contribute to all the Council's objectives and priorities, in particular the objective of providing integrated, cost-effective services and priority of increasing value for money. Relevance to those priorities is one of the criteria used in determining the programme.

## PROPOSED REVIEWS AND CRITERIA APPLIED

Review	Criteria met (para 3.7)	Lead Dept.	Timescale	Comments
Service improvement reviews				
Support Services	3, 5	Ch Exec's – Finance	2004	Review has reached challenge stage. Supports priority of providing value for money by making sure front line services get efficient and effective support.
Sport and Leisure for the Community	4, 5	Education	2004	Review is being done by an external consultancy following tender. Will address significant issues including leisure centre provision. Service will be inspected following recent cultural services performance assessment and may impact directly on CPA service score.
Bereavement services	5	Commercial	2004	Review has reached scoping stage involving external stakeholders. Provides the service opportunity for a structured review.
Supporting vulnerable adults in their own home	1, 2, 3	Social Services	2004	Modernisation of home care services, including the provision of more intensive homecare, the balance between low level homecare and prevention and our approach to commissioning were key issues emerging from the Joint Review. Improving SSI judgement that we serve 'some' to 'most' adults well is a key issue for our CPA score.
School improvement and management support	2, 3	Education	2005	Improving educational attainment remains a priority for the Council and this service area is one of the main ways the LEA can support schools in achieving this.
Service Improvement Review – potentially an aspect of environmental services	4, 5	?	2005	Topic subject to CPA scores and PI evidence. We may have an inspection of an environmental service in 2005 to update CPA score.

<b>Review</b>	<b>Criteria met (para 3.7)</b>	<b>Lead Dept.</b>	<b>Timescale</b>	<b>Comments</b>
Community Cohesion	3, 4, 5	Ch Exec's – Policy	2005-06	Replaces previously planned reviews of Equalities and Confident communities. Revised CPA from 2005 onwards may take more account of community safety and sustainability by the corporate assessment looking to measure achievements. Relevant to objective of Strong and positive neighbourhoods and priority of enhanced community leadership.
Social Services – topic to be determined.	1, 2	Social Services	2005-06	Provisional only, subject to progress of Joint Review action plan and 2004 CPA results to determine need and subject.
Service improvement review – topic to be determined	1	N/a	2005	To be determined on basis of 2003-04 BVPIs and 2004 CPA service scores. A potential area might be level of school exclusions / provision of alternative tuition where our current PIs are bottom quartile, although these do not directly impact on CPA.
<b>Capacity Building reviews – Building for Excellence</b>				
Accommodation	2, 3, 5	Ch Exec's – Corporate	On-going to 2006-07	Replaces previously planned review of Managing and maintaining Council assets. Relevant to priorities of improving service access and providing value for money.
E-Derby and business improvement	1, 2, 3	Ch Exec's – Finance	On-going to 2006-07	Replaces previously planned BV review of E-Derby. Relevant to priorities of improving service access and providing value for money and improve performance against BV 157.
People and performance	2, 3	Ch Exec's – Policy	On-going to 2006-07	Replaces previously planned review of Getting the best out of our employees. Relevant to valuing employees and responding to weakness in performance management previously identified in CPA.
<b>BPR reviews – Building for Excellence</b>				
Development control	1, 3	Ch Exec's – Finance / D&CS	2004-05	Improving service access and performance and enabling eGov to support preferred method of service delivery



<b>Review</b>	<b>Criteria met (para 3.7)</b>	<b>Lead Dept.</b>	<b>Timescale</b>	<b>Comments</b>
Service access – rationalising hotlines	1, 3	Ch Exec's – Finance	2004-05	Improving service access
Financial systems replacement	3	Ch Exec's – Finance	2004-05	Enabling eGov to support preferred method of service delivery and improving value for money.

## PROPOSED REVIEW PROGRAMME 2004-2006

2004/2005			2005/2006		
Jan - Oct	April - Feb	Sept - May	Jan - Oct	April - Feb	Sept - May
Bereavement Services (commenced)	Supporting vulnerable adults in their own home	No review scheduled – replaced by environmental services Performance Assessment	School improvement and management support	Community Cohesion	Social Services review – to be confirmed
Sport and Leisure for the Community (continuing)			Service improvement review – potentially an aspect of environmental services	Service improvement review – topic to be confirmed	
Support Services (continuing)					
Building for Excellence Strategic areas (replacing former BV reviews) <ul style="list-style-type: none"> <li>• Accommodation</li> <li>• EDerby and business improvement</li> <li>• People and Performance</li> </ul>					
BPR reviews <ul style="list-style-type: none"> <li>• Development control</li> <li>• Hotline rationalisation</li> <li>• Financial systems</li> </ul>			Further BPR reviews <ul style="list-style-type: none"> <li>• To be determined</li> </ul>		

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2004/2005			2005/2006		
Jan - Oct	April - Feb	Sept - May	Jan - Oct	April - Feb	Sept - May
Bereavement Services	A Sustainable Derby	Communication	Equalities	Community Safety	Consultation
	Supporting vulnerable adults in their own home	City services for city schools	School improvement and management support	Social Services review – to be confirmed	
	Revenues and Benefits		Managing and maintaining the Council's assets	Getting the best out of our employees	
			Consumer protection and regulatory services	E-Derby	
				Creating confident communities and quality neighbourhoods	