

## **SECTION 7**

### **HOW THE COUNCIL'S SERVICES WILL BE REVIEWED**

The Government's Best Value regime requires local authorities to review all of their services within a five-year period. The review process involves a rigorous examination against the 4 C's described earlier [i.e. 'Challenge, Compare, Consult, Compete'].

Although Best Value did not formally come into effect until 1 April 2000, the Borough Council had been engaged in a review process of its own for some time.

Last year, the Council adopted a programme for a full five-year review. In determining priorities as to the order in which to review its services, the Council took account of the following factors:

- ❖ feedback from public consultation
- ❖ reports from the independent District Auditor
- ❖ the need to review some cross-cutting services (e.g. Community Safety) which cover more than just one area of activity
- ❖ the need to review all services within the next five years.

Although this review programme was comprehensive, it was unwieldy. The national experience of local authorities was to have too many reviews, covering too small an area of service activity. In addition, the newly created Best Value Inspection Service within the Audit Commission, found difficulty in dealing with the large number of comparatively small reviews. All authorities were therefore asked to think again, and to change their review programme. In February this year, the Council reviewed its entire programme and has combined many of the reviews to produce fewer, larger service reviews. This should help the review process to achieve better services, and will also allow the opportunity for a more cross-cutting approach. For example, the first review programme envisaged a total of 32 service reviews for Housing and Health functions alone. This has been reduced to just 4 major reviews over the next four years. However, the changes in the process took place very near the end of the current programme of service reviews. Accordingly, it was decided not to abandon these at such a late stage, and the attached table shows a number of comparatively small reviews have been completed this year.

However, these smaller reviews will also be included in the larger review programme later in the year.

The process of reducing the number of service reviews is not complete. The advice of the Audit Commission is that all local authorities should review their programmes still further. The Borough Council will re-consider its overall programme again this summer, with a view to streamlining the process again. Although the Council is confident that all services currently not performing to the highest national standards are to be reviewed within the early part of the overall programme, this will be carefully monitored against national performance and, if any services are not performing satisfactorily, the Audit Committee may suggest that reviews of any such service should be brought forward.

## THE REVIEW PROCESS

As mentioned earlier, the new Best Value Inspection Service of the Audit Commission carries out a detailed study of the completed Best Value Reviews. The first such review in Guildford related to Guildford Spectrum Leisure Complex, which was one of the 6 pilot services selected by the Council last year. The Audit Commission's report has just been published and full details are set out in Appendix 4.

The Audit Commission's Review is based upon 2 fundamental judgements:

**1) How Good is the Service?** This results in a star rating as follows:

0 stars = poor

1 star = fair

2 stars = good

3 stars = excellent

**2) Is it going to improve?** Again this is rated on four levels as follows:

No

Unlikely

Probably

Yes

As will be seen in Appendix 4, the Council has achieved the top-rating in both categories. So far, out of all the local authority reviews in any service carried out nationally, this is the only such service to reach this standard. The Council is, obviously delighted with this result, particularly as the review process which the Council adopted to prepare Guildford Spectrum for the Audit Inspection, is the basis for the Best Value Reviews of all the Council's services.

This approach is based very heavily on self-improvement and self-help. The underlying reason for this approach relates to the issue of resources. Best Value reviews are very time-consuming and can be costly. The Council strongly believes that, as far as is reasonably practicable, resources should be spent directly on the improvement of the services themselves, and not simply on the process of review. The Council's own review of Spectrum, and of all its other services, is therefore intentionally based upon self-analysis, led by Members of the Council.

However, despite the outstanding success of the first review, the self-help approach to Best Value is not without its defects. One of the key aspects of Best Value review, is 'challenge' and objectivity is required to ensure that this challenge is robust. Last year the District Auditor suggested to the Council that it might be necessary to re-examine both the degree of external challenge being achieved, and the level of resources being devoted to the Best Value process.

The Council has considered the District Auditor's advice very carefully and has now adapted its review process in a way which should increase objectivity and challenge, without compromising

the Council's continuing resolve not to increase bureaucracy at the expense of direct investment in good public services.

The Council has therefore re-affirmed its original intention, that as far as possible, the cost of the overall Best Value review process will continue to be met from existing resources. However, to enable increased access to external expertise and to improve objectivity, the Council has established a 'loan' fund of £100,000. This fund is provided from within the Council's existing financial reserves and is therefore not a direct charge to Council tax-payers. Best Value reviews may borrow from the central fund to pay for external consultancy advice or review. However, the cost of any such borrowings is expected by the Council to be repaid from corresponding efficiency savings resulting from the review process.

In addition, the Council has increased its investment in a Member training programme to ensure that Councillors involved in the service review process, are properly prepared for it.

In all other respects, and particularly in the light of the outcome of the first national review of one of its services, the Council intends to continue with its present approach to continuous improvement in all services.

This year, the Audit Commission Best Value Inspection Service will carry out 2 further major reviews on Revenues & Benefits (in May) and Street Cleaning & Recycling (in October). Details of the Council's own Best Value reviews of these services so far, are set out in Section 8. Full details of the Audit Commission reports on their services will be published as soon as they are available.

All other services in this year's programme will also be reviewed by the Audit Commission on a slightly more informal basis. Again, the results of all these reviews will be published during the year.

## **TIMESCALE FOR REVIEWS**

The national time-scale for Best Value reviews is a five-year programme, to be completed by 31 March 2005. The revised programme adopted by the Council in February, envisages a four-year programme. The first round of reviews should therefore be completed a year ahead of the Government's target.

As a general rule, each of the services under review will be completed within a 12-month period ending on 31 March of the relevant year shown in the timetable, and will be available for review by the Audit Commission thereafter. The Council has adopted a more detailed Best Value review guidance 'toolkit', which lays down more detailed programming advice. However, the Council does not have too prescriptive approach to Best Value review programming as each service must be examined on its own merits. Often the results of public consultation will produce very different demands, which will require re-timetabling. A recent example of this relates to recycling, where as a direct result of public consultation, the Council has now proposed an additional £150,000 expenditure to be built into the coming year, expanding the service significantly.

## **SCOPE OF REVIEWS**

Similarly, the Council does not agree with a rigid approach to defining the scope of any review. The whole point about Best Value is that it should be fundamental and the scope of any review must be completely unfettered to enable the review process to cover any aspect of the function. From time to time, this may involve the extension of the service review into new areas, involving other agencies, and sometimes an extended timescale. However, as a general rule, the Council expects to complete each review within the 12-month timescale allotted, and within existing budgets and resources.

## **STAFF AND COUNCILLOR TRAINING / INVESTORS IN PEOPLE**

Most of the Council's services are provided by people, whether employed directly by the Council or through other contracts with private or voluntary agencies. Properly qualified, trained and motivated staff are therefore fundamental to the achievement of the Council's aims. Accordingly, 12 months ago, the Council decided to introduce a programme of staff training and development designed to achieve the nationally acclaimed Investors in People standard (IIP). Considerable extra time and resources have therefore been put into proper staff training and development programmes to ensure that all staff are fully qualified and trained to perform the services to the high level expected. The Council is therefore delighted to report that the Investors in People Standard was awarded to the Council on 19<sup>th</sup> March.

Part of the IIP development exercise was to ensure adequate staff training specifically related to Best Value. A comprehensive programme has been developed for all staff involved in Best Value reviews, based upon external consultancy advice and on in-house experience and expertise from those services which have already been closely involved in Best Value reviews.

Training of Councillors is also vital to ensure that Members have the necessary skills and expertise to play a full leadership role. The Council has therefore invested additional resources in Best Value Member training and a 'pool' of Councillors has been created, to be responsible for overseeing all Best Value service reviews, and to receive additional specific training to help advise this.

## **COMPETITION, PROCUREMENT AND PARTNERSHIP**

One of the key aspects of Best Value is to show that services are competitive, when compared with the performance of other service providers. The Council's overall approach to Competition was agreed by the Council's Policy & Resources Committee on 31 May 2000 and is as follows:

"The Council supports the introduction of competition in those services where an effective market is either already in place or is reasonably capable of being developed and in relation to those services which have not demonstrated to the satisfaction of the Council, that they are already competitive. Examples of competitiveness will include:

- Sound benchmarking evidence

- Strong evidence of very robust ‘challenge’ exercise which has achieved measurable change and improvement in the cost/quality of a service
- Showing clear high performance in relation to both quality and price
- Clear-cut evidence from extensive public consultation exercises that the existing service provides very high customer satisfaction
- Consistent upper quartile performance in relation to the DETR/Audit Commission Best Value Performance Indicators
- Successful competitive tendering in whole or in part of the service or other comparable services for which the Council is entitled to bid.

Obviously the overall ‘case’ for a service could often include a combination of the above factors. The final decision as to whether to embark upon a full competitive tendering exercise for any service, will rest with the Council in assessing service reviews.”

The Council therefore takes the view that every service will need to prove its competitiveness as part of each service review. This was the approach adopted in relation to the first service to be inspected by the Audit Commission (Guildford Spectrum). The Council therefore shares the Government’s view that a flexible approach is required to ensure that services are provided by the best providers, whether in the public, private or voluntary sector. The Council’s view is therefore that the most appropriate form of procurement should depend upon the individual circumstances of each case.

Nevertheless, the Council is determined to achieve transparency and efficiency in its procurement process and in 1999 completely revised its Contract Standing Orders. These will be reviewed again in July this year, and the Council is currently examining different approaches to contract procurement with other local authorities and agencies. This is likely to give rise to an increase in partnerships with other agencies and companies. The Council is already engaged in a great number and variety of partnership arrangements, both formal and informal, to ensure the best means of service delivery. These range from a wide variety of arrangements with the voluntary sector to increase the scope of services, to specific partnerships such as Community Safety, with the Police, Health, Probation and the County Council.

The Council is also looking to extend its range of contracting arrangements with private companies and is currently exploring the new partnership contracts sponsored by the construction industry.

## **SUSTAINABILITY**

Best Value must also give effect to the principles of Sustainable Development. The Council has adopted an overall policy towards this and has developed its own Local Agenda 21 Strategy which constantly reviews the Council’s contribution to sustainability in respect of all its services. The Local Agenda 21 Strategy will also form a key part of the Council’s Community Strategy which it is developing with other parties this year.