

This report may be of interest to: ALL members

BEST VALUE - 5 YEAR PROGRAMME OF REVIEWS

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1. Purpose

1.1 The purpose of this report is to set out proposals for the statutory programme of Best Value reviews.

2. Summary

2.1 The report describes the statutory requirement to review all the Council's functions over a five-year period, beginning 1 April 2000.

2.2 A programme of reviews is suggested with priority within this being assigned according to a range of criteria.

2.3 Annexed is the proposed schedule of reviews and a table that describes the individual review "units" together with the key reasons for the suggested timing of each review.

3. Recommendations

3.1 To note the process and criteria for structuring the programme of reviews.

3.2 To agree the programme of reviews.

4. **Background**

- 4.1 The Local Government Act 1999 requires local authorities to conduct reviews of all their functions within a five-year period ending 31 March 2005. A programme of reviews will therefore need to commence on 1 April 2000. It must feature in the Authority's Best Value Performance Plan, publication of which is required by the end of March 2000.
- 4.2 In September this year, the Department of the Environment, Transport and Regions (DETR) issued draft guidance on implementing Best Value. This stated that the Government will not prescribe a common review timetable but noted that local timetables should take account of the following:
- (a) the need to be practical and realistic;
 - (b) the resources available to the authority;
 - (c) the opportunity for tackling cross-cutting issues; and
 - (d) the demands placed upon it by other statutory, financial and contractual arrangements.
- 4.3 The draft guidance indicates that local authorities will need to establish a clear audit trail as to how the review programme has been drawn up. The following factors need to be incorporated into the design of the programme:
- (a) relationship to community and corporate strategy;
 - (b) a clear analysis of current performance;
 - (c) consultation with local people and business; and
 - (d) relationships to expected inspections.
- 4.4 There is an expectation that poorly performing services should be reviewed early in the five-year cycle, but the draft guidance recognises that, exceptionally, this may not always be appropriate. It also notes that external auditors will expect a clear justification for a review timetable that does not tackle the poorest performing services in the early years.
- 4.5 The guidance recognises that priorities will change over a five-year period, so allows that some flexibility will be necessary. Changes to the review programme in later years must be justified in the annual Best Value Performance Plan.
- 4.6 It is also expected that the review programme should be built around a mix of service specific and cross-cutting reviews.

5. **Issues and Choices**

- 5.1 A proposed five-year review programme is annexed to this report along with supporting information relating to each review “unit” and the key reasons for suggesting an early or late review.
- 5.2 The process by which the review programme has been arrived at is as follows:
- stage 1: review “units” identified - based on budget areas
 - stage 2: review units assessed against a range of criteria
 - stage 3: review programme structured
- 5.3 In structuring the programme it was necessary to adopt a flexible approach. In the case of some review units, service performance was the over-riding factor in suggesting the year of review. For other units, different factors were more important, such as an impending inspection. Priority for early review has typically been assigned to services that are either:
- (a) poor performers;
 - (b) of high importance to the public;
 - (c) due for a major inspection/review;
 - (d) critical to the future operation of Best Value;
- or a combination of two or more of these factors.
- 5.4 It is important to note that it was not possible to apply the assessment criteria consistently to each review unit. For example, the composite review units do not always align directly with existing performance indicators and not all units were featured in the recent NOP survey. However, in almost all cases the information available was adequate to decide on the review priority.
- 5.5 In almost all cases it has been possible to assign services assessed as priorities for review to year one or two. This has not been possible in a small number of cases which have been assigned to year three because of the limit to the number of reviews that can be carried out in any one year, and the need to spread the review load across directorate.
- 5.6 All reviews will be conducted in accordance with the framework agreed at 11 October 1999 meeting of the Sub-Committee. The framework will be reflected in the written review guidance which is now being revised to reflect the DETR guidance and learning from the pilot reviews and experience nationally.

6. **Implications**

6.1 Environmental

Sustainability is a suggested cross-cutting review within the five year programme

6.2 Equalities

Social inclusion is a suggested cross-cutting review within the five year programme

6.3 Financial

None directly arising from this report, but the Best Value review programme will help identify efficiency improvements across all the Authority's functions.

6.4 Legal

The Local Government Act 1999 requires local authorities to conduct reviews of all their functions within a five-year period ending 31 March 2005.

6.5 Staff and Accommodation

The draft guidance from the DETR notes that auditors will need to be satisfied that all reviews will be properly resourced and deliverable within the proposed timetable. Experience of pilot reviews has shown that reviews put a heavy demand on staff resources.

7. **Conclusions**

- 7.1 The structure of a Best Value review programme requires careful balancing of a number of factors. Within this process it has been possible to schedule early in the programme those services that are deemed a high priority for review.

Background Papers: Implementing Best Value - A Consultation Paper on Draft Guidance, DETR, Sept 1999