



**WARDS AFFECTED**  
**All – corporate report**

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**  
**Resources & Equal Opportunities Scrutiny Committee**  
**Cabinet**

**13<sup>th</sup> January 2005**  
**24<sup>th</sup> January 2005**

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**Improving the Council's Performance**  
**The Best Value Review Programme 2005/6**

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**Report of the Assistant Chief Executive – Corporate Management**

**1. Purpose of Report**

1.1. To gain Members approval to the Best Value review programme for 2005/06.

**2. Summary**

2.1. The report presents an update on the Council's best value review programme in the light of current performance and strategic changes taking place across the Council. The programme needs to be considered in context of the expected inspection programme agreed with the Audit Commission for next year.

**3. Recommendations**

Members are asked to:

3.1. Note the comments of the Resources & Equal Opportunities Scrutiny Committee (these will be reported at the meeting)

3.2. Agree that in light of the range of other improvement initiatives across the Council there is no requirement for a Best Value review programme for 2005/06 (para.8.2).

3.3. Note that any review of a support service will be conducted within the Best Value principles focussing on outcome (para.5.5.12 & 8.2).

3.4. Note the strategic programme for improvement across the Council now in place (para.4).

3.5. Note the major elements of the planned programme of external inspection and audit (para.6).

3.6. Note a further report will be produced in 12 months time.

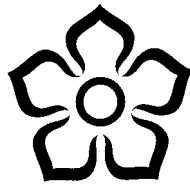
**4. Headline Financial and legal Implications**

4.1. None

**5. Report Authors:** Carine Cardoza, Policy Officer, Ext 6089, Austin Roberts Head of Performance & Best Value, Ext 7120.

## DECISION STATUS

|                                      |         |
|--------------------------------------|---------|
| <b>Key Decision</b>                  | No      |
| <b>Reason</b>                        | N/A     |
| <b>Appeared in Forward Plan</b>      | No      |
| <b>Executive or Council Decision</b> | Cabinet |



Leicester  
City Council

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**Improving the Council's Performance**  
**The Best Value Review, Audit & Inspection Programme 2005/6**

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## **SUPPORTING INFORMATION**

### **Report of the Assistant Chief Executive – Corporate Management**

#### **1. Purpose of Report**

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#### **2. Recommendations**

Members are asked to:

- 2.1. Note the comments of the Resources & Equal Opportunities Scrutiny Committee (these will be reported at the meeting)
- 2.2. Agree that in light of the range of other improvement initiatives across the Council there is no requirement for a Best Value review programme for 2005/06 (para.8.2).
- 2.3. Note that any review of a support service will be conducted within the Best Value principles focussing on outcome (para.5.5.12 & 8.2)
- 2.4. Note the strategic programme for improvement across the Council now in place (para.4).
- 2.5. Note the major elements of the planned programme of external inspection and audit (para.6).

2.6. Note a further report will be produced in 12 months time.

### 3. Background

3.1. Under the original legislation there was a requirement to review **all** our services over five years. The Council completed the first four years of the original programme covering the majority of its services but deferred the reviews planned for year five in light of other current improvement initiatives.

3.2. The legislative requirement to review all services is removed but **the requirement to deliver Best Value and to review services where this is necessary remains**. Councils will still be inspected by the Audit Commission and other inspection agencies but to a level proportionate to the category of performance from the Comprehensive Performance Assessment score. The Council was scored as **Good** in 2003 and 2004. This score will be refreshed again in December 2005.

3.3. The external inspection process and best value reviews provided a fundamental look at many service areas and so produced improvement plans to drive step change, particularly in poor performing areas. This has been very successful in underpinning improvement in a range of services and achieving the **Good** rating under the CPA. However the Council's original improvement strategy was always intended to embed performance management into the organisation to deliver continuous improvement and high performance services through the annual process of service planning and business planning. The review programme for 2004/05 was therefore amended and no further reviews were carried out. All reviews from previous years are now complete and being implemented.

### 4. Striving towards excellence

4.1. The Council is making progress towards achieving the **Excellent** category and it is essential to maintain this momentum. It is important therefore to consider the Best Value review programme in the context of the corporate change and performance improvement programmes. For example:

- The Council's priorities are now set out in the corporate plan with measurable objectives and targets.
- Our improvement priorities are defined annually in our performance plan and monitored consistently across the organisation.
- We have embarked on a culture change programme designed to change the way the Council works.
- Strategic organisational change programmes are taking place round children's services, Lifelong Learning and alternative management arrangements for Cultural Services.

- We have a new three-year budget strategy that will redirect resources to the new priorities and we will soon develop a new capital strategy also reflecting the priorities.
- Political management processes are being strengthened through more support to scrutiny and the development of area committees.
- Programmes to further improve customer access and service integration are underway.
- The Human Resource strategy will improve staff performance and employment practices.
- The asset management strategy will seek to improve the utilisation, management and quality of our buildings.
- The new communications strategy will steer improvements in both internal and external communications.
- Our equality and community cohesion strategies will enable us to improve our performance in terms of meeting the diverse needs of our communities and staff.

4.2. These initiatives have generated a variety of different reviews and change programmes, which are impacting on the Council in addition to any further best value reviews potentially required. The challenge will be managing this large and complex programme in an integrated way that enables staff, Members and the public to understand the big picture and feel part of the process of improvement.

## 5. Best Value Reviews

5.1. To date there has been a reasonable spread of reviews across most service areas with the least coverage in Education & Lifelong Learning although this has been extensively covered by OFSTED inspections. Most areas that had a performance issue also had some form of improvement initiative underway, over and above the implementation of performance management. As a result no additional reviews were instigated in 2004//05. It was however agreed that **where performance remained continuously low and current initiatives did not produce satisfactory improvement in twelve months time, the service would become a priority for the following year's programme.**

5.2. The original programme for year 2004/2005, shown in the Comprehensive Performance Assessment improvement plan was:

- Life Long Learning (Youth, Community, Adult Education, Play)
- Regeneration
- Support to Members

5.3. Two reviews were programmed for year 2005/06:

- Regulatory services
- Taxation and Benefits

5.4. In considering a possible programme for 2005/06 consideration has been given to:

- The completed programme of reviews;

- The annual review of performance and the CPA refreshment;
- Identified areas for review where step change may be required – informed by the corporate plan;
- Areas for potential review if other improvement initiatives are unsuccessful;
- Major areas not yet subject to a Best Value review;
- Other change programmes taking place or proposed;

5.5. The analysis suggests that the following areas could be considered for review:

**Theme: HR & Personnel:**

5.5.1. **Council Staff Sickness:** SRG has agreed departmental targets against improvement initiatives. Performance is currently in the third quartile. Recent figures show an improvement in performance by approximately one day over the year. The Service Director, Human Resources and Equality therefore believes a review is not necessary.

**Theme: Lifelong Learning**

5.5.2. **Lifelong Learning:** This service was the subject of a major organisational review and the Board decided “*the organisational review should be carried out in line with the protocol and the principles of best value to avoid the need for another best value review next year*”. This review is complete and in twelve months time, the department should reflect on the outcomes achieved and measure these against the principles of Best Value and so at that time a decision on the need for a BV review can be taken.

**Theme: Educational Services**

5.5.3. **School Places** – Strategic options are being developed for Members. Capacity issues are to be addressed in the report. The percentage of primary schools with 25% or more of their places unfilled continues on a rising trend and performance is in the bottom quartile.

**Theme: Regeneration**

5.5.4. **Regeneration:** The department is undertaking a self-assessment of the service in relation to Best Value. Performance data is minimal although this is an area of high importance to the delivery of the corporate plan. It was included in the organisational review of the CS&NR and ERD departments. If the self-assessment reveals issues only of performance the department is not keen to use a Best Value review to deliver improvement.

## **Theme: Regulatory Services**

5.5.5. **Regulatory Services:** Planned as a review in year 2005/06. Performance data is minimal although this is an area of high importance to the delivery of the corporate plan. Performance was an issue in relation to planning applications approvals but recent data shows an improvement. This service area was included in the organisational review of the CS & NR and ERD departments.

## **Theme: Health & Community Care**

5.5.6. **Support for adults/older people:** Parts of older peoples services were reviewed in year one and aspects of the service are within the PSA with targets set to reach average performance. The policy to support independent living at home is being achieved but remains a challenge. Emergency admissions and provision of intensive home care is falling below target. An inspection of the service will take place in March 05.

## **Theme: Taxation and Benefits**

5.5.7. **Housing Benefits and Council Tax:** This is an important area in relation to the CPA and the corporate plan. Housing Benefit performance is improving as a result of the current initiatives. Council Tax collection however is showing declining performance. A new computer system has been installed and there are other initiatives to improve performance. The department's view is that a Best Value review would be detrimental to the improvement processes in place.

## **Theme: Corporate Governance including performance management and democracy**

5.5.8. **Democratic and Members' Support Services:** This is a key area for improvement from the CPA. This is an area where step change may be required in terms of developing both the scrutiny function and area committees and so consideration could be given to how improvement in this area can be developed in consultation with Members.

## **Theme: Transport & Highways**

5.5.9. **Road Conditions:** This service came under the remit of the Transport and Highways BV Review and an improvement plan is being implemented. The standard of road conditions has declined but this is largely an issue of allocation of budgets.

5.5.10. From the original programme the following services remain outstanding as potential areas for review:

- Operational Finance

- Health & Community Care
- Facilities Management
- Adult Learning Disability/Physical & Sensory Disability & Mental Health 18 – 64
- Markets
- Housing maintenance

5.5.11. Since the original programme was devised departmental organisational reviews may have affected the structure of some of the above services. But working with this original list we know that Housing Maintenance is a three star service, the Markets has relatively recently had significant investment and Operational Finance may be covered under the remit of possible Support Services Reviews. Also under Facilities Management the Building Cleaning services has recently been subject to competitive tendering and the contract awarded to a private sector organisation. For completeness, consideration should also be given to the need for review of these areas in addition to those identified above (5.5.1 to 5.5.9)

5.5.12. A number of strategic change projects are underway or are planned which in effect could be constituted or defined as Best Value reviews. These include:

- Stock Options appraisal – noting the national prescription for the process
- The alternative management options for Leisure
- CLABS
- The possible reviews of support services

The point here is that these projects do not necessarily need to be branded as BV reviews but they should be recognised as parallel processes and so be addressing the 4C's of Best Value; **challenge, consult, compete and compare.**

## 6. Audit and inspection programme 2004/5/6

6.1. The major work programmed to date is:

- Inspection of Crime & Disorder – late November 2004.
- Dept. of Health - review of Care Services Efficiency Delivery Programme – (in line with the Gershon review) - late November to December 2004.
- A regular performance assessment of Culture – early 2005.
- Community review of Older People's Services – February – March 2005.
- Area Committees – most likely 2005/06.
- Risk management of major developments, including those involving partnerships.
- Possible joint review late in 2005/06
- Learning disability



## **7. Conclusion**

- 7.1. The areas for potential Best Value review have been identified for consideration. As with the report last year other initiatives aimed at achieving improvement are in place in most, if not all cases. There are strategic change projects, which could be defined as Best Value reviews but are not branded as such. What is important is the continuous improvement of services and so the Council fulfilling its legal obligation to deliver Best Value. If other methodologies than Best Value are to be used the danger of internally focussed perspectives and so results must be guarded against – one of the original reasons for Best Value invention. We must also be mindful of the mixed messages that could be sent to the organisation about what now matters – for example is it just efficiency?
- 7.2. As mentioned in the previous report, inspection will continue to take place increasingly where improvement in performance is derived from the implementation of the Performance Management Framework and so the importance of this cannot be understated. As part of the update of the framework a new Service Planning process has been approved by the Strategic Resources Group and this should help in ensuring that the Council's managers continuously and properly address all aspects of Best Value.

## **8. Consultation**

- 8.1. Members of the Finance, Resources & Equal Opportunities Scrutiny (13<sup>th</sup> Jan 2005) were asked to consider areas for inclusion in the review programme. The comments will be reported at the meeting.
- 8.2. All corporate directors have been consulted. Their view is that any possible review of a support service should be conducted within the best value principle focussing on outcomes and that no other best value reviews be put forward for 2005/06

## 9. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

### Financial Implications

9.1. None.

### Legal Implications

9.2. None

### Other Implications

9.3. These are set out in the table below:

| OTHER IMPLICATIONS            | YES/NO | Paragraph references within supporting information |
|-------------------------------|--------|--|
| Equal Opportunities           | No     |  |
| Policy                        | No     |  |
| Sustainable and Environmental | No     |  |
| Crime and Disorder            | No     |  |
| Human Rights Act              | No     |  |
| Elderly/People on Low Income  | No     |  |

### 9.4. Background Papers – Local Government Act 1972

None

### 9.5. Report Authors

Carine Cardoza – Policy Officer, Ext 6089

Austin Roberts - Head of Performance & Best Value, Ext 7120