

EAST AYRSHIRE COUNCIL

CABINET - 19 DECEMBER 2007

BEST VALUE IMPROVEMENT AGENDA (ACTION PLAN NO 10) - 'CHALLENGE AND REVIEW' PROGRESS AGAINST BEST VALUE SERVICE REVIEW PROGRAMME FOR 2004/07 AND NEW ARRANGEMENTS FOR 2007/10

Report by Head of Finance & Asset Management

1. PURPOSE OF REPORT

- 1.1 To review the implementation of the current 2004 – 2007 Best Value Service Review Programme, in terms of progress against the programme and overall outcomes achieved.
- 1.2 To consider the most appropriate configuration of service units, following the Council restructuring, and following a review of the Service Review process.
- 1.3 To set out a timetable for the new 2007-2010 Best Value Service Review Programme.

2. BACKGROUND

- 2.1 The Local Government in Scotland Act, 2003 provides a statutory requirement for all councils to undertake Best Value Reviews of all their services over a 3-year rolling programme.
- 2.2 The Council's revised arrangements in relation to Best Value Service Review, following the introduction of the Local Government in Scotland Act, were agreed by the Policy and Resources Committee of 19 February 2004. Service Committees were empowered to agree detailed programmes for the review of their own services and to consider and agree outcomes from individual reviews.
- 2.3 Within these arrangements, Executive Directors have a responsibility for monitoring progress to meet the requirements of the Best Value Service Review Programme. Following the move to a Cabinet style structure, it has been agreed that both progress against the Programme and the results of individual reviews will now fall within the remit of the Governance and Scrutiny Committee.
- 2.4 Action Plan No. 10, 'Challenge and Review,' from the Improvement Agenda that resulted from the Audit of Best Value and Community Planning, requires that we undertake further work to review and progress on our Best Value Service Review arrangements. (See Appendix 1)

3. PROGRESS AGAINST BEST VALUE SERVICE REVIEW PROGRAMME

- 3.1 The Corporate Governance Committee of 21 September 2004 agreed a programme for Best Value Review over 2004-2007, demonstrating the Council's commitment to meet the statutory requirement that all Council services be the subject of a Best Value Review over a 3 year period.
- 3.2 An update on progress in the implementation of the Best Value Review Programme by Service Units was provided to the Corporate Governance Committee meeting of 16th February 2006, and subsequently to the Corporate Management Team meeting of 7th March 2007.
- 3.3 In drawing the current Best Value Review Programme for 2004-2007 to a conclusion, Executive Directors were asked to provide a progress update for each of their agreed Service Units, details of which are provided in Appendix 2.

4. CONFIGURATION OF SERVICE UNITS

- 4.1 Following the restructuring of the Council in April 2007, a number of Service Units have transferred between departments, and these changes are reflected in the new programme.
- 4.2 This current review process has also provided Executive Directors with an opportunity to review the appropriateness of the current configuration for Best Value Service Review purposes, and to consider any changes to the current set-up.
- 4.2 The Corporate Management Team of 29 August discussed proposed changes to the scope of Best Value Service Reviews to become coterminus with the responsibilities of each Head of Service. The meeting decided to test the principles of the new arrangements with the Management Team from Community Support of the Department of Education and Social Services.
- 4.3 A seminar was held on 26 November with the Community Support Service. Following these detailed discussions, the Head of Service Community Support, confirmed that the new arrangements would "...simplify and enhance the process," *notwithstanding the need for a robust performance framework to support the process*. Appendix 3 contains a copy of the issues discussed at this seminar.
- 4.4 A report on proposals to considerably enhance our performance management arrangements, including the further development of a consistent approach to Service Planning, a review of local performance indicators currently collected, and the development of an intranet-based database that will hold all performance information, was agreed by Corporate Management Team on the 26 September 2007 and by Governance and Scrutiny on 26 October 2007. This will give comfort that the new procedures for Best Value Service Review are achievable.

5. SUMMARY OF CHANGES

- 5.1 Best Value Service Reviews are a statutory responsibility for all councils and will continue to be carried out over a 3-year rolling programme based on Corporate Guidance. A BVSR *must* cover the '4 Cs' - **Challenge** (the reason for having the service at all, and why we deliver this particular combination of services), **Consult** (results of consultation with all stakeholders), **Compare** (our performance with other councils and best practice if available), and **Compete** (we should consider 7 different options for the service, including outsourcing).
- 5.2 However, as the scope of the review is increasing it is necessary that we have the mechanisms in place to carry out smaller / more focused reviews during the three years between Best Value Service Review. This type of review will be known as a Business Review.
- 5.3 As its name suggests, a Business Review will be prompted by the business needs of the service. It would be triggered by an event that has the potential to impact on the service. Examples would include:
- a change in legislation,
 - need for the introduction of new IT systems,
 - an increase in the scope of the service,
 - perceived poor service delivery,
 - Council restructuring,
 - change in funding.
- 5.4 Unlike a Best Value Service Review, a Business Review will not be prescribed. The elements described at 5.1 above that are needed for Best Value Service Review are not a requirement of a Business Review. Instead, the process used will be a decision for the Executive Director / Head of Service. Due to the diversity of its nature, the review process would be tailored to the driver that has prompted the review, or to the known or expected impact of the reason for the review. Appendix 3 describes the context in which the Business Review will operate, and includes further detail on outcomes.
- 5.5 This new approach, combining service activities with a strategic fit, will help the Council in carrying out cross-cutting Best Value Service Reviews, an important objective that is contained in Action Plan 10 (see Appendix 1).
- 5.6 Appendix 4 contains the proposed programme for Best Value Service Review for 2007/10, taking into consideration the changes in scope and process.

6. FINANCIAL IMPLICATIONS

- 6.1 The implementation of the Departmental Best Value Service Review programmes plays an important part in the drive for continuous improvement and the Council's ability to demonstrate economy, efficiency and effectiveness in the delivery of its services.

7. POLICY, LEGAL, COMMUNITY PLANNING IMPLICATIONS

- 7.1 The Local Government in Scotland Act, 2003, and supporting Statutory Guidance, places a requirement on all councils to undertake Best Value Service Reviews for all services. The implementation of a programme for Best Value Review will ensure that the Council is acting in accordance with statutory requirements.
- 7.2 The Council's commitment to continuous improvement in the delivery of its services will contribute to meeting the objectives of the East Ayrshire Community Plan.

8. RECOMMENDATIONS

- 8.1 Cabinet is asked to:
- (i) note the update on progress in implementing the Council's Best Value Review Programme for 2004/07 (See Appendix 2);
 - (ii) agree the proposed changes to the configuration of Service Units that will be subject to Best Value Service Review (see Appendix 4);
 - (iii) approve the timetable for the 2007-2010 Best Value Service Review Programme (see Appendix 4), which will be incorporated into the Committee's work programme; and
 - (iv) otherwise note the terms of this report.

Alex McPhee
Head of Finance & Asset Management
6 December 2007

LIST OF BACKGROUND PAPERS

1. East Ayrshire Council – The Audit of Best Value and Community Planning, prepared for the Accounts Commission by Audit Scotland, September 2006.
2. A Guide to Carrying Out a Best Value Review - May 2005

Any person wishing to inspect the above background papers or seeking further information on this report should contact Jim Farrell, Performance, Development and Projects Manager, (Tel: 01563 576223).

IMPLEMENTATION OFFICER: Jim Farrell, Performance, Development and Projects Manager

EAST AYRSHIRE COUNCIL: BEST VALUE AND COMMUNITY PLANNING AUDIT, SEPTEMBER 2006
IMPROVEMENT PLAN
No 10. Challenge and Review

| Purpose of Action: Increase the deployment of the best value review programme around cross cutting priorities and implement more systematic use of benchmarking and other comparative analyses. (Owner: Chief Executive) | | | | |
|---|---|---------------------|--------------------------------------|--|
| Action | | Action Owner | Time / Target | Comments |
| 10.1 | <p>Review the implementation of the current 2004 – 2007 Best Value Service Review Programme for:</p> <ul style="list-style-type: none"> • Progress against programme. • Outcomes achieved. | Chief Executive | Review to be completed by April 2007 | <ul style="list-style-type: none"> • Co-ordinate review through Corporate Management Team • Executive Directors thereafter to report on achievement of programme and benefits secured to their respective Service Committees. |
| 10.2 | <p>Review the Council's current policy on Cross-Cutting Service Review as set out in August 2004 Guide to Best Value Review and Corporate Management Team report of 26/4/05.</p> <p>Priority areas identified by CMT as:</p> <ul style="list-style-type: none"> • Social Work Training and Development, linking to Corporate Support Personnel Service Unit. • The reviews for the Education Service and Corporate Personnel should be co-ordinated as regards personnel issues. <p>Give consideration to a major Council-wide cross-cutting cost based review to inform the Council's 2008/11 Revenue Budget process, all linked to SR 2007.</p> | | December 2007 | <p>The Council has agreed to concentrate primarily on a service unit based approach to review, post the Local Government in Scotland Act, 2003. Opportunities for reviews to reach beyond the boundaries of specific service units are currently determined by Executive Directors on a case by case basis. As the Council moves to a structure of 3 departments, the span of control of Executive Directors will widen further and should extend the opportunities for broader reviews of services.</p> <p>The strategic approach to reviewing the Council's Revenue Budget (Action Plan No 1), which is now being developed, will provide the opportunity for an incremental and measured approach to comprehensive revenue budget review for the Council.</p> |

: Increase the deployment of the best value review programme around cross cutting priorities and implement more marking and other comparative analyses. (Owner: Chief Executive)

| | Action | Action Owner | Time / Target | Comments |
|------|---|-------------------------|----------------------|---|
| 10.3 | Co-ordinate the development of a new Best Value Review Programme (2007 - 2010) covering all Council Services: <ul style="list-style-type: none"> • Executive Directors to Review Service Unit configurations in light of Council restructuring. • CMT to determine opportunities for cross departmental reviews. • CMT to consider and agree a revised Best Value Programme. | All Executive Directors | December 2007 | Development of new programme to be co-ordinated through the Corporate Management Team. Process to commence April 2007. |
| 10.4 | Extend the use of benchmarking and other performance related comparative analyses in Best Value Service Reviews conducted within the Council: <ul style="list-style-type: none"> • review current benchmarking / performance activity and ensure that this is implemented on a systematic basis in future reviews | | December 2007 | Benchmarking is an essential requirement in all Best Value Service Reviews. Whilst benchmarking can often be difficult, the Council has to ensure that it forms a key element of each service review. |

December 2006

APPENDIX 2

CORPORATE MANAGEMENT TEAM MEETING – 28 NOVEMBER 2007 PROGRESS UPDATE ON DEPARTMENTAL BEST VALUE REVIEW PROGRAMME 2004-2007

Corporate Support

| Service Units As Per New Departmental Restructure | | |
|---|---|--|
| Service Unit | Position as at Feb '06 | Update (July 07) |
| <p>Planning & Economic Development</p> | <p>2004/05 Economic Development: The timetable for the review of Economic Development and Property Services has slipped due to the importance of certain aspects of the review being carried out in tandem with those relating to the Technical Services review. The work will be completed by end of January 2006, and will be reported to the Development Services Committee of 8 March 2006.</p> <p>2005/06 Planning & Building Standards: The review commenced in October 2005. It is expected that the review will be completed by the end of February 2006.</p> | <ul style="list-style-type: none"> ▪ Reorganisation of Council's Management structure has led to a consolidation of Economic Development with Planning and therefore the Best Value Review will incorporate both elements. ▪ A re-focussed review will commence following the alignment of these services and will be completed during 2008/09, taking into account new Planning Legislation |
| <p>Community Planning & Partnership Unit</p> | <p>2005/06: This review will commence following the Best Value & Community Planning Audit. Update report presented to Corporate Governance Committee on 29 September 2005</p> | <ul style="list-style-type: none"> ▪ Service Review completed March 2007. ▪ Conclusions and Improvement Plan approved by CMT and actions completed. |
| <p>Personnel Services</p> | <p>2005/06: Review in progress. Update report presented to Corporate Governance Committee of 29 September 2005.</p> | <p>Review ongoing. Report scheduled to be submitted to CMT before end of 2007, and then to Cabinet.</p> |
| <p>Democratic Services</p> | <p>2005/06:</p> <p>Administration: Review in progress. Update report presented to Corporate Governance Committee of 29 September 2005</p> <p>PR & Graphics: This review will commence following the Best Value & Community Planning Audit. Update report presented to Corporate Governance Committee on 29 September 2005</p> | <ul style="list-style-type: none"> ▪ Best Value Service Review completed and outcomes reported to Policy and Resources Committee on 30 May 2006 ▪ Service Review completed March 2007. ▪ Conclusions and Improvement Plan under consideration by Head of Democratic Services & Depute Chief Executive/Executive Director of Corporate Support. |

Service Units Identified Within Departmental Restructure

| Service Unit | Position as at Feb '06 | Update (July 07) |
|---|--|--|
| <p>Legal, Procurement and Regulatory Services</p> | <p>2005/06 Legal: Review in progress. Update report presented to Corporate Governance Committee of 29 September 2005.</p> <p>Regulatory Services: Review in progress and will be completed in line with the agreed timetable (October 2005 to March 2006). A report to Community Services Committee will follow the completion date.</p> | <ul style="list-style-type: none"> ▪ Review completed and outcomes reported to Policy and Resources Committee on 30 May 2006 ▪ The Review was at final draft stage prior to Departmental reorganisation in December 2006. ▪ The Service Review has been presented to the new host departments/sections to progress. ▪ It has been agreed that the former Protective Services functions transferring to other departments/sections will be subject to review within their host departments/sections. Reviews will be in line with the agreed Best Value Service Review timetable. |
| <p>Information Technology</p> | <p>2006/07: This review will commence in accordance with the agreed programme. Update report presented to Corporate Governance Committee of 29 September 2005.</p> | <ul style="list-style-type: none"> ▪ Review ongoing. Due for completion 2007. |

Neighbourhood Services

| Service Units Identified Within Departmental Restructure | | |
|--|---|--|
| Service Unit | Position as at Feb '06 | Update (July 07) |
| Housing Services | <p>2004/05: Best Value Review completed in accordance with agreed programme. Reported to and approved by Housing Committee on 20 April 2005 and to Corporate Governance Committee on 9 June 2005. Presented to the Performance Review Group on 6 October 2005.</p> | <ul style="list-style-type: none"> ▪ The Best Value Service Review and the recommendations agreed at Housing Committee on the 20 April 2005 have now been implemented. ▪ Housing are scheduled to undertake a second Best Value Service Review in 2008. This review will include the revised structure of Housing Services as of 1 April 2007 i.e. Housing, Community Safety and Cleansing Services. |
| Leisure Services | <p>2004/05: Review will be completed by the end of January 2006 and will be reported to CMT in February 2006. It is anticipated that it will subsequently be reported to Community Services Committee 29 March 2006.</p> | <ul style="list-style-type: none"> ▪ The review was presented to Community Services Committee on the 29 March 2006. ▪ Leisure Services are currently implementing the recommendations as agreed at Committee. |
| Protective Services | <p>2004/05: Review in progress and will be completed in line with the agreed timetable (October 2005 to March 2006). A report to Community Services Committee will follow the completion date.</p> | <ul style="list-style-type: none"> ▪ The review was at final draft stage prior to a Departmental reorganisation in December 06. ▪ The service review has been passed to the new host departments / sections to progress. ▪ It has been agreed that the former Protective Services functions transferring to other departments / sections will be subject to review within their new host departments / sections. Reviews will be in line with the agreed best value service review timetable. |
| Roads & Transportation | <p>2006/07: The Division is preparing for the review in 2006/07 by developing performance information, examining the adequacy of current consultation procedures and expanding benchmarking opportunities.</p> | <p>Review commenced September 2006. Currently at the final draft stage. The review will be completed within six weeks and will be submitted to CMT and thereafter to Members for scrutiny and approval.</p> |

Service Units Identified Within Departmental Restructure

| Service Unit | Position as at Feb '06 | Update (July 07) |
|------------------|---|--|
| Building & Works | <p>2006/07: Review due to commence in line with the agreed timetable (April 2006 to October 2006). A report to the Housing Committee will follow the completion date.</p> | <ul style="list-style-type: none"> ▪ The scope of the review has been expanded into a Joint Cross Cutting Best Value Service Review of Property Maintenance Services (Building & Works, Housing, Technical & Property Services) (June 2006 – 2007) ▪ The review is underway – Due for completion November 2007 <p>Progress so far includes:</p> <ul style="list-style-type: none"> ▪ Joint EFQM pathway concluded & workplan produced ▪ Best Value Service Review consultations and comparisons underway ▪ Improvement Action Plan Developed. ▪ Process realignment experiment in roll out phase ▪ Draft Best Value contract and modernisation agreement arrangements developed ▪ New performance measurement and recording criteria under development |

Educational & Social Services

| Service Units Identified Within Departmental Restructure | | |
|--|---|--|
| Service Unit | Position as at Feb '06 | Update (July 07) |
| Ancillary Staff (Educ.) | 2004/05: Review completed in accordance with the programme. Endorsed by the Chair of the Education Committee and passed to Head of Personnel under his delegated powers. | <ul style="list-style-type: none"> ▪ Fully implemented, generating annual savings of £120,000. |
| Network Team (Educ.) | 2004/05: This is the second cycle of Best Value Review for this service. Second Review will be reported to Education Committee 21 March 2006. | <ul style="list-style-type: none"> ▪ Fully implemented, resulting in a reduction in 6.0 full-time equivalent staff, and savings of £220,000. Service refocused to take account of Additional Support for Legislation Act. |
| Technicians service (Educ.) | 2004/05: Completed October 2004 and agreed by Joint Board. | <ul style="list-style-type: none"> ▪ Implemented. ▪ Service now generating revenue. Requires future review in terms of overall logistical support to Department. |
| Quality Improvement (Educ.) | 2004/05: Review completed in accordance with programme. Results reported to Education Committee 13 September 2005. | <ul style="list-style-type: none"> ▪ Implemented. ▪ A review of staffing and focus of work is taking place currently. |
| Resource Support (Educ.) | 2004/05: Review in progress will be completed in December 2005/January 2006 and reported to the Education Committee on 22 March 2006. | <ul style="list-style-type: none"> ▪ A new cross-departmental working group has been formed, the purpose of which is to review all aspects of administration within the department. |
| Janitorial services (Educ.) | 2004/05: Reviews have been conducted within the Public Private Partnerships framework and reported to the Education Committee on 19 October 2005. Outcomes from Committee used within overall Onsite review concluded in December 2005/January 2006. Will be reported to Education Committee 22 March 2006. | <ul style="list-style-type: none"> ▪ A Service Review has been carried out in 2005/06 with key actions implemented in 2006/07, including: <ul style="list-style-type: none"> - Revision of the financial management structure - Introduction of Service Level Agreements - Change in trading status - Adoption of absence management pilot |
| Cleaning Services (Educ.) | | |
| Catering Services (Educ.) | | |
| Community Facilities (Educ.) | 2004/05: Reviews have been completed in accordance with programme. Results reported to Education Committee 25 May 2004. | Implemented. |
| Community Learning and Development (Educ.) | 2004/05: Review completed and report submitted to Education Committee 22 March 2005. | Implemented. |

| Service Units Identified Within Departmental Restructure | | |
|---|--|--|
| Service Unit | Position as at Feb '06 | Update (July 07) |
| Older people's Residential services (SW) | 2004/05: Review completed and reported to Social Work Committee 11 September 2003. | Partially implemented and subsequently overtaken by Strategic Direction of Older People's Services approved by Social Work committee 20 April 2006. |
| Community Meals (SW) | 2004/05: Review completed and reported to Social Work Committee 20 May 2004 with an update in September 2004. | Implemented. Review of initial operation of service completed and reported to Social Work Committee. |
| Transport (SW) | 2004/05: Review completed and reported to Social Work Committee 9 September 2004. | Implemented. |
| Section 10 Funding (SW) | 2004/05: Review completed and reported to Social Work Committee 9 September 2004. | Implemented. |
| Anti poverty (SW) | 2004/05: Review completed and reported to Social Work Committee 4 November 2004. | Implemented. |
| Training (SW) | 2004/05: Review completed and reported to Social Work Committee 4 November 2004. | Implemented. A further adjustment of the Training structure has been incorporated within the Strategic Direction of Social Work Services report approved by Social Work Committee 18 th April 2007. |
| Looked after and Accommodated Children (SW) | 2004/05: Review completed and reported to Social Work Committee 20 May 2004 with further report on implications on 9 September 2004. | Implemented. Substantial developments in this area since review. New facilities agreed through Capital programme. |
| Adults with Learning Disability (SW) | 2004/05: Review in progress and will be completed with a report to the Social Work Committee, anticipated 18 May 2006. | Implemented. |
| Community Youth Support Team (SW) | 2004/05: Review completed and reported to Social Work Committee 19 May 2005. | Implemented. |
| Residential Services Adult Care (SW) | 2004/05: Review in progress and will be completed with a report to the Social Work Committee anticipated 23 March 2006. | Implemented. New facilities to replace Carrick View are being progressed via the capital programme and supported living options being developed to replace Kerrmuir. |

Service Units Identified Within Departmental Restructure

| Service Unit | Position as at Feb '06 | Update (July 07) |
|---|---|--|
| Resource Support (SW) | 2004/05: Review will be completed by 31 Jan 2006, with report to Social Work Committee 23 March 2006. | A new cross-departmental working group has been formed, the purpose of which is to review all aspects of administration within the department. |
| Children with Disability (SW) | 2004/05: Review in progress and will be completed with a report to the Social Work Committee anticipated 18 May 2006. | The outcome of the review process were consolidated into the Strategic Direction of Social Work Services report approved by the 18 April 2007 Special Social Work Committee. Implementation will proceed as the service moves forward with the establishment of the Partnership Area locality structure. |
| Sensory Impairment (SW) | 2004/05: Review in progress and will be completed with a report to the Social Work Committee anticipated 18 May 2006. | Implemented. |
| Sheltered Housing (SW) | 2004/05: Review in progress and will be completed with a report to the Social Work Committee anticipated 23 March 2006. | Implemented. |
| Early Years (Educ.) | 2005/06: Review in progress and scheduled for completion within agreed programme. | Implemented. |
| School staffing (Educ.) | 2005/06: Review in progress and on schedule for completion within agreed programme. | Completed in 2006. Outcome reported to Joint Negotiating Committee for Teachers in February 2006. Revised staffing standard applied from August 2006. |
| Personnel (Educ.) | 2005/06: Incorporated into Resource Support review. Completed in December 2005. | Personnel (Education) function incorporated in Resource Support review which commenced in June 2007. (See above) |
| Community learning and development - Support to voluntary organisations (Educ.) | 2005/06: Review not started due to impact of wider review of Community Learning & Development. Report to be submitted to Committee. | Consideration should be given to refocusing this as part of a cross-cutting review led corporately. |

Service Units Identified Within Departmental Restructure

| Service Unit | Position as at Feb '06 | Update (July 07) |
|--|--|---|
| Services to Adults - Learning disability day services (SW) | 2005/06: Review will take place within Services to Adults. Restructured programme to be agreed by Social Work Committee, anticipated 23 March 2006. | Implemented. Reported to Social Work Committee on 22 March 2007 |
| Services to Adults - Direct Payments (SW) | | This has been overtaken by the Strategic Direction for Social Work paper reported to special Social Work Committee 18 April 2007. |
| Services to Adults - Mental Health Services (SW) | | Still to report. Joint work being undertaken for Senior Officers' Group across Ayrshire. |
| Children and Families - Assessment and Prevention Services (SW) | 2005/06: Review will take place within Children and Families. Restructured programme to be agreed by Social Work Committee, anticipated 23 March 2006. | These have all been overtaken by the Strategic Direction for Social Work paper reported to special Social Work Committee in April 2007. Supplementary papers currently being prepared. |
| Children and Families - Child Protection (SW) | | |
| Children and Families - Family Support and Supervision (SW) | | |
| Services to Older People - Services to Health - hospital based services (SW) | 2005/06: Review will take place within Services to Older People. Restructured programme to be agreed by Social Work Committee, anticipated 23 March 2006. | Still to report. Joint work being undertaken for Senior Officers' Group across Ayrshire. |
| Criminal Justice Services - Youth Justice (SW) | 2005/06: Review will take place within Criminal Justice Services. Restructured programme to be agreed by Social Work Committee, anticipated 23 March 2006. | Service review undertaken, but no formal report. Service redesigned due to performance issues. |
| Community Care and Fieldwork Services - Assessment and Care Management (SW) | 2005/06: Review will take place within Community Care Fieldwork and Commissioning Services. Restructured programme to be agreed by Social Work Committee, anticipated 23 March 2006. | Within report to Social Work Committee of 18 April 2007. A review report is in preparation which will incorporate relevant findings and outcomes from the Supporting People Review programme. |

Service Units Identified Within Departmental Restructure

| Service Unit | Position as at Feb '06 | Update (July 07) |
|---|--|--|
| Delegated Budgets (Educ.) | 2006/07: Review will take place according to agreed programme. | Implemented. |
| Youth Strategy (Educ.) | 2006/07: Review will take place according to agreed programme. | Scoping completed in June 2007. The review will now also include Supported Learning Centres. |
| Services to Older People - Older Peoples Day Care services (SW) | 2006/07: Review will take place within place within Services to Older People. Restructured programme to be agreed by Social Work Committee, anticipated 23 March 2006. | This has been overtaken by the Strategic Direction of Older People's Services approved by Social Work Committee 20 April 2006. |
| Services to Older People - Call Centre (SW) | 2006/07: Review will take place within Services to Older People. Restructured programme to be agreed by Social Work Committee, anticipated 23 March 2006. | This has been overtaken by the Strategic Direction of Older People's Services approved by Social Work Committee 20 April 2006. |
| Community Care and Fieldwork Services - Commissioning Services (SW) | 2006/07: Review will take place within Community Care Fieldwork and Commissioning Services. Restructured programme to be agreed by Social Work Committee, anticipated 23 March 2006. | This has been overtaken by the Strategic Direction of Social Work Services approved 18 April 2007. |

Finance & Asset Management

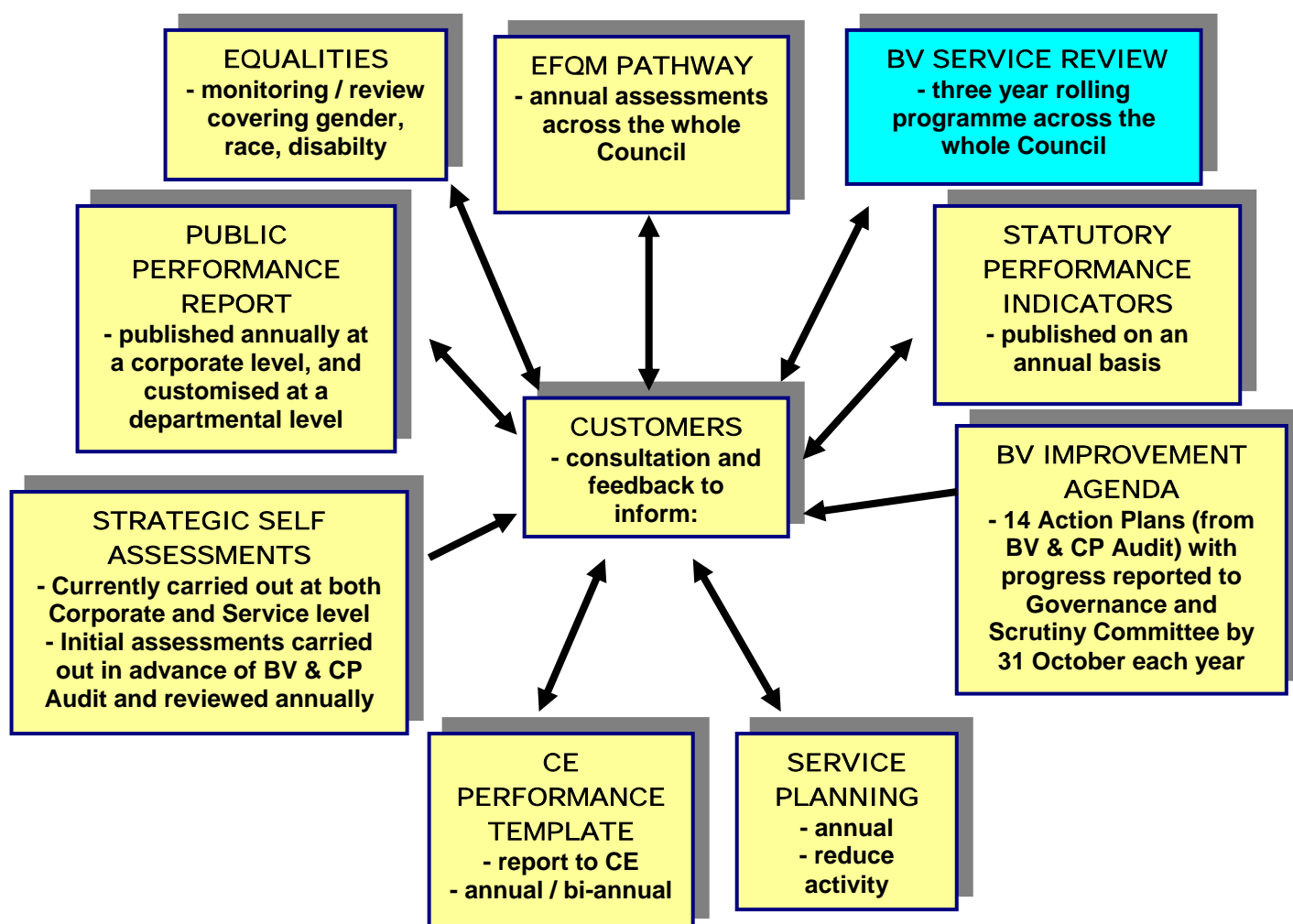
| Service Units Identified Within Departmental Restructure | | |
|---|---|--|
| Service Unit | Position as at Feb '06 | Update (July 07) |
| Finance | <p>2004/05: Best Value Review completed in accordance with the agreed programme. Report to the Corporate Governance Committee of 9 June 2005 on recommendations arising from the Review. Update report presented to Corporate Governance Committee of 29 September 2005.</p> | Review completed, and report submitted to Corporate Governance Committee meeting, June 2006. |
| Technical Services | <p>2004/05: Following a major consultancy review of Homes by DTZ Peda a number of key issues arose which impinged on the future relationships with Technical Services, and which had to be considered in line with their future direction. It is proposed that the final report will go to Development Services Committee on the 8 March 2006.</p> | A Best Value Service Review is underway, and is scheduled for completion by the end of 2007. It will include the review which is being produced for Property Services. |
| Best Value & Performance Section. | <p>2005/06: This review will commence following the Best Value and Community Planning Audit. Update report presented to Corporate Governance Committee of 29 September 2005.</p> | <p>Service Review completed March 2007.</p> <p>Conclusions and improvement plan being considered by the Executive Head of Finance and Asset Management.</p> |



Review of the BVSR Process

Future Proposals

BEST VALUE SERVICE REVIEW (BVSr) IN CONTEXT



Notes:

Statutory Performance Indicators

- Well established
- Here to stay

EFQM Assessments

- Changing scope
 - Move to assessing a Head of Service's area of responsibility
 - Increased size of Consensus teams
- Plans to introduce external accreditation (Quality Scotland)
- QMle2 replacing EFQM
- Social Services - mapping exercise to assess fit between EFQM and Care Commission / Social Work Inspection Agency audits and inspections
- Onsite Services - remaining under EFQM

Best Value Service Reviews

- Actions resulting from Audit of Best Value and Community Planning
- Changing scope
 - Move to assessing a Head of Service's area of responsibility
 - Incorporating 'Business Reviews' - business reason / issue-based
- Testing the process
 - Community Support

Strategic Self Assessments

- Designed in preparation for Audit of Best Value and Community Planning
- Final progress updates received on service-based SSAs
- Final progress underway on corporate SSAs
- Report on both to Governance and Scrutiny
- New corporate SSA to be undertaken in New Year

Service Plans

- Actions resulting from Audit of Best Value and Community Planning
- Need to standardise across Council
- Pilot with Leisure Services
- Aim of reducing number of 'Action Plans'
- Introducing a systematic process - on lead up to annual budget setting

Chief Executive's Performance Templates

- Need to simplify process for collecting information
- Need to focus content
 - Exception reporting and pre-set criteria

Public Performance Reporting

- Strategic Review complete
- Future Strategy produced
- Annual Review and guidance to be introduced

Best Value Improvement Agenda

- From Audit of Best Value and Community Planning
- 14 Action Plans
- Continual updates required

Equalities

- New legislation
- Combining Gender, Race, Disability
- 3-year rolling programme of Impact Assessments

Consultation

- Service by service
- Corporately every 3/4 years

KNOWN CHANGES THAT WILL BE IMPLEMENTED

Performance Management Framework

- See attached Appendix A
- Consultants invited for information session before end of year
- Tender process between January and March

Single Outcome Agreements

- Recently announced by Scottish Government
- 5 Strategic Objectives / 5 Principles for each / 45 Indicators (published but not defined)

Crerar / Review of Best Value Audit

- Reduce number of audits / inspections
- Reduce number of audit / inspection agencies
- Focus on audit of each council's self-assessment model

Productivity and Efficiency Measures

- IS Measures
- Shared Services Diagnostics

NUMBERS OF UNITS SUBJECT TO BVSR

The *current* agreement for the 2007-10 programme (subject to the results of this review) indicates that the sections that will be subject to BVSR are as follows:

| Department | Section Subject to BVSR |
|---|---|
| Chief Executives Office - 1 Unit | Finance and Asset Management |
| Corporate Support - 6 units | Planning and Economic Development Community Planning and Partnership Unit Legal, Procurement and Regulatory Services Personnel Services Democratic Services Information Technology |
| Neighbourhood Services - 4 Units | Housing Services Leisure Services Roads and Transportation Building and Works |
| Education and Social Services - 42 Units | Education - 16 Units Ancillary Staff Network Team Technicians service Quality Improvement Resource Support Janitorial services |

| Department | Section Subject to BVSr |
|------------------------|---|
| Social Work - 28 Units | Cleaning Services Catering Services Community Facilities Community Learning and Development Early Years School staffing Delegated Budgets Personnel Community learning and development - Support to voluntary organisations Youth Strategy Older people's Residential services Community Meals Transport Section 10 Funding Anti poverty Training Looked after and Accommodated Children Adults with Learning Disability Community Youth Support Team Residential Services Adult Care Resource Support Children with Disability Sensory Impairment Sheltered Housing Services to Adults - Learning disability day services (SW) Services to Adults - Direct Payments (SW) Services to Adults - Mental Health Services (SW) Children and Families -Assessment and Prevention Services (SW) Children and Families - Child Protection (SW) Children and Families - Family Support and Supervision (SW) Services to Older People -Services to Health - hospital based services (SW) Criminal Justice Services - Youth Justice (SW) Community Care and Fieldwork Services - Assessment and Care Management (SW) Services to Older People - Older Peoples Day Care services (SW) Services to Older People - Call Centre (SW) Community Care and Fieldwork Services - Commissioning Services (SW) |

Time implications for carrying out a BVSr

From experience, the shortest time it can be expected to carry out a BVSr is 3 months. This period would involve committing an extremely high level of

resources, either through a considerable number of experienced staff, or through external consultancy, or through a combination of both.

PROPOSED NEW ARRANGEMENTS

The proposed new arrangements would continue to accommodate a 3-year rolling programme of BVSR - a statutory requirement. This would be based on the aggregate of services under the responsibility of each Head of Service.

Business Reviews would be introduced, which would allow Executive Directors and Heads of Service (maybe prompted by senior/middle managers within the Service) to carry out reviews as required.

The following summarises the differences in application of the two Reviews.

| | | |
|-------------------------|---|--|
| BVSR | → | Service wide - eg Community Support |
| Business Reviews | → | Individual Services eg - Community Learning and Development - Early Education and Childcare - Integrated Services - or Lower Level service units |
| Business Reviews | → | Cross cutting - Service eg Youth Strategy: across Service(s) / Depts - Activity eg IT, Workforce: across Service(s) / Depts |
| Business Reviews | → | Specific / Service-based Activity - eg Workforce Planning, Transport, IT |

BVSR

As previously mentioned, BVSRs are carried out over a 3-year rolling programme, and are a statutory responsibility for all councils. There is statutory guidance upon which the Council guidance has been based.

A BVSR *must* cover the '4 Cs' - **Challenge** (the reason for having the service at all, and why we deliver this particular combination of services), **Consult** (results of consultation with all stakeholders), **Compare** (our performance with other councils and best practice if available from the private sector), and **Compete** (we should consider 7 different options for the service, including outsourcing).

The BVSR should also include:

- last 3 years' SPIs with trend analysis,
- the results of recent EFQM Assessments,
- KPIs where available,

- financial performance with budgetary breakdown,
- staffing numbers, grades, costs etc

Elected members must be involved throughout the process, and the review should be scrutinised through CMT and Governance and Scrutiny.

Business Review

What is it?

As its name suggests, a Business Review will be prompted by the business needs of the service. It would be triggered by an event that has the potential to impact on the service. Examples would include:

- a change in legislation,
- need for the introduction of new IT systems,
- an increase in the scope of the service,
- perceived poor service delivery,
- Council restructuring,
- change in funding.

What does it look like?

Unlike a BVSR, a Business Review will not be prescribed. None of the above elements that are needed for BVSR are a *requirement* of a Business Review. Instead, the process used will be a decision for the Executive Director / Head of Service.

Due to the diversity of its nature, the review process would be tailored to the driver that has prompted the review, or to the known / expected impact of the driver. Examples of processes that may be used are:

- Workforce Planning,
- Gap Analysis,
- Resource Planning,
- Asset Planning.

However, as mentioned previously, the process of Service Planning within the Council is currently being re-designed, and a Business Review *could* follow relevant elements of the template.

The revised Service Plan will include:

1. SETTING THE SCENE

1.1 *What the service does*

1.2 *Scope:*

- *Explain the boundaries – what is to be included in the plan?*
- *Is there a client / contractor split?*

1.3 *Are there partners involved in delivering any part of the service?*

1.4 *Legislative / policy background*

1.5 *Local priorities (including Community Planning), national priorities, statutory duty*

1.6 *Customer profile - internal and / or external*

1.7 *How the service links to the community planning themes*

2. WHAT RESOURCES DO WE HAVE?

2.1 *Employee profile - numbers, grades, skills*

2.2 *Assets employed - equipment (eg ICT), plant and machinery*

2.3 *Financial profile - revenue, capital budgets / other income streams*

3. WHERE ARE WE NOW? (Service Performance)

3.1 *Baseline assessment of service - audits, inspections, EFQM, IIP, ISO, Chartermark, Racial Impact Assessments, Gender and Disability Equalities assessments etc*

3.2 *How is the service performing? - based on SPI's, local PI's, targets, complaints analysis and performance standards.*

3.3 *How do we compare with other councils (or other service providers)*

3.4 *What is stakeholder expectation?*

4. WHERE DO WE NEED TO BE?

4.1 *Current situation*

4.2 *What are the changes that will impact on future service delivery?*

5. HOW DO WE GET THERE?

The Plan would include a summary of the main changes to service delivery. This may include:

5.1 *Workforce Plan (Full plan as an Appendix)*

5.2 *Asset Management Plan (Full plan as an Appendix)*

5.3 *Financial Plan - details of the Capital Programme, and implications for budget and/or other external funding that flow from changes to the service, with Efficiency Savings highlighted (Full plan as an Appendix)*

5.4 *Summary of Action plan in this section (Full plan as an Appendix)*

5.5 *Risk management - risks must be identified and assessed for potential impact. Any contingency plan should also be detailed here.*

6. HOW DO WE KNOW WE ARE THERE?

Include a description of how we will assess progress against action plans.

6.1 *What should be reported and to whom.*

6.2 *Who will take responsibility for progress.*

6.3 *Frequency of reporting.*

6.4 *Exception reporting for poor performance.*

6.5 *Anticipated internal and external audits and inspections.*

Examples of how the Service Plan template *could* be applied are as follows:

- ***There is a change in legislation that will affect staff numbers and skills:***
The Business Review could include Sections: 1, 2.1, 2.3, 4.2, 5.1, 6.
- ***Internal procedures are changing, and a new IT system will be required:***
The Business Review could include Sections: 1, 2.2(IT element), 2.3, 4.2, 5.2, 5.3, 5.4, 5.5, 6.
- ***New funding has been identified and there will be changes to the scope and the type of services delivered:***
Since changes will be wide-ranging, a full service plan will be produced.

As can be seen from the above examples, the Business Review would involve a process that addresses only the issue at hand. The first two examples would cover Workforce Planning and IT systems through an Asset Plan, and, although the final example would suggest the use of a full service plan, the process is considerably less onerous than carrying out a full BVSR.

However, it must be emphasised again that the methodology applied when carrying out a Business Review will be for the Executive Director / Head of Service to decide.

How does the Business Review feed into a BVSR?

As mentioned above, the BVSR *must* be carried out on a 3-year rolling programme. At the time that a BVSR is scheduled for (for example) Community Support, all of the Business Reviews that have been carried out over the previous three years would be included. The body of the BVSR would contain a summary of action that have been taken and the rationale behind each decision, while reference would be made to the full Business Review as a background paper.

What would a new 3-yearly BVSR look like?

The new BVSR process would apply the full BVSR template, *incorporating the findings from all Business Reviews*. This may have several implications under the BVSR guidance. Under all areas of the 4-Cs, (Challenge, Consult, Compare, Compete), work would not be needed where previously addressed through the Business Review. Specifically:

Challenge - This should have been discussed under the Business Review for the relevant sections, and will only be a repeat of what has already been found for those sections. The Challenge will still be needed for those sections that have not been subject to a Business Review, and for the combination of services ie demonstrating synergy or a strategic rationale.

Consult - It is unlikely that a Business Review will have covered this element, unless the review had been prompted by the results of consultation. Even in this case, a second round of consultation will probably be required.

Compare - This *may* have been covered by Business Reviews. For example, if IT driven, then best practice may have been identified prior to engaging the appropriate IT company, purchasing software, or accessing training. Comparisons made also have been made with existing systems installed in other councils. Again, the Compare element will only be needed for those areas that have not been subject to Business Review.

Compete - Where a Business Review had been completed for (for example) statutory reasons, the Compete would not be needed. The case will already have been made that that particular area of the service is required, and should be delivered by the Council. Compare may not be required at all, if it can be demonstrated that a sufficient percentage of the Service has been subject to Business Reviews.

In summary, the amount of work required in carrying out BVSRs would be considerably reduced due to:

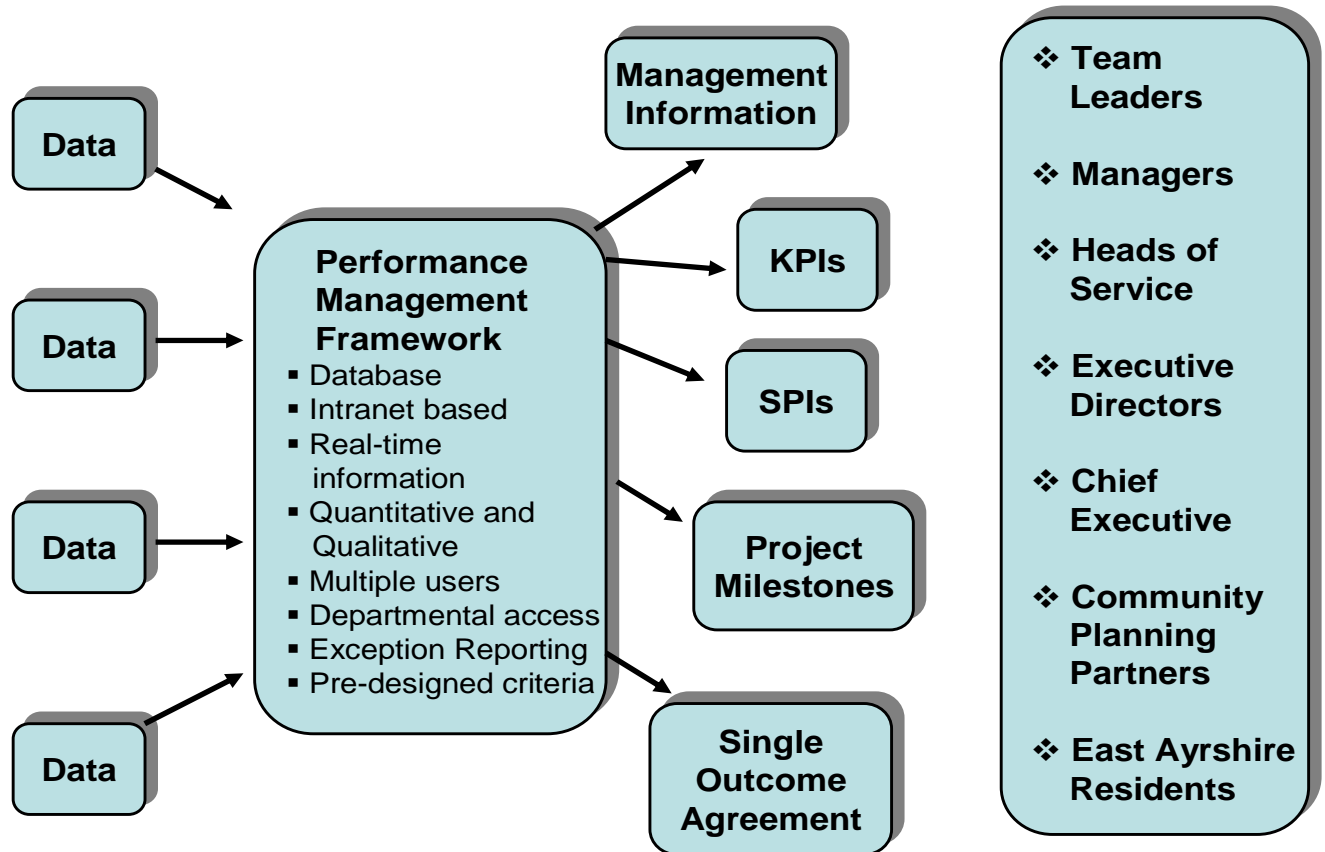
- the reduction in the sheer number of reviews that will be needed,
- the application of the BVSR guidelines, now incorporating the findings from previously completed Business Reviews.

The concept of the Business Review is, in some instances, giving a label to processes that are already carried out by services throughout the Council. However, the Business Review will:

- devolve responsibility to Executive Directors / Heads of Service for the timing of the reviews and the methodology employed,
- apportion a much increased importance to the Review and its contribution to BVSR,

- all with the objective of delivering a programme that is relatively simple to implement and reduces the calls on staff resources for the 3-yearly programme of Best Value Service Review.

Developing a Performance Management Framework



**2007 - 2010 BEST VALUE SERVICE REVIEW PROGRAMME:
REVISED SCOPE AND PROPOSED TIMETABLE**

| Proposed Scope of Reviews | Year to be Completed |
|--|----------------------|
| Corporate Support | |
| ▪ Planning & Economic Development | 2008/09 |
| ▪ Legal, Procurement and Regulatory Services | 2008/09 |
| ▪ Democratic Services | 2008/09 |
| ▪ Community Planning & Partnership Unit | 2009/10 |
| ▪ Personnel Services | 2009/10 |
| ▪ Information Technology | 2009/10 |
| Neighbourhood Services | |
| ▪ Building & Works – Property (Cross-Cutting Review) | 2007/08 |
| ▪ Roads and Transportation | 2007/08 |
| ▪ Housing | 2008/09 |
| ▪ Leisure | 2008/09 |
| Education & Social Services | |
| ▪ Resources | 2008 |
| ▪ Community Support | 2008/09 |
| ▪ Facilities Management | 2008/09 |
| ▪ Schools Support | 2009/10 |
| ▪ Social Work | 2009/10 |
| Chief Executive's | |
| ▪ Finance & Asset Management | 2009/10 |