



## **SCRUTINY FORUM EXECUTIVE**

Report of the

**AD HOC SCRUTINY PANEL**

into

**BEST VALUE**

**5 February 2001**

## **AD HOC SCRUTINY PANEL - BEST VALUE**

<b>MEMBERS:</b>	Councillor Andrew Palfreeman ( <b>Chair</b> ) Councillor John Green
<b>LEAD OFFICER:</b>	Mr Ken Gillespie (Head of Public Private Partnerships Project)
<b>COMMITTEE ADMINISTRATOR:</b>	Steve Bladen (Tel. 01484 221704)

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### **1. BACKGROUND**

The Scrutiny Panel was established by the Scrutiny Forum Executive, at the recommendation of the Chair, in view of the comments made by the Peer Review in relation to Best Value, arising from their visit to the Authority in September 2000.

The Peer Review made the following comments in relation to Best Value:-

- \* The need to strengthen challenge.
- \* To improve the role of Scrutiny.
- \* To speed progress.
- \* To improve the use of external review.

As a consequence of those comments, the Scrutiny Forum Executive considered there was a need to review existing corporate processes to ensure that they were effective in delivering Best Value in Kirklees, to check whether Elected Members were appropriately involved at all levels and to question whether the process was sufficiently robust and challenging. Rather than wait for the written report of the Peer Review to confirm those findings, the Scrutiny Forum Executive considered that a scrutiny of the Council's Best Value process would allow the Council to immediately begin to address those areas of concern and, if found necessary, put in place mechanisms to ensure that in the future, Best Value was properly addressed and implemented in Kirklees.

The Scrutiny Forum Executive at a meeting on 19 October 2000, agreed that an Ad Hoc Scrutiny Panel be established to determine:-

- \* Whether the current corporate Best Value process met the requirements of the Council in determining change and improvement.
- \* Whether the Best Value Review Programme and the Best Value Performance Plan reflected clear corporate priorities by Elected Members.
- \* How Elected Members could be more effectively involved in the "challenge" of Best Value.
- \* How the role of Scrutiny in Best Value could be strengthened.

- \* How external review could be effectively harnessed in supporting the Best Value process in Kirklees.

Accordingly the Panel met on several occasions, the first of those meetings being on 21 November 2000 when it was agreed that the following be the basis of the Terms of Reference of the Scrutiny Panel:-

- (i) To review the Council's development of its approach to Best Value in the light of evolving Government guidance.
- (ii) To evaluate progress on implementation and assess the impact of Best Value to date.
- (iii) To assess the extent to which current process:-
  - (a) met current best practice/guidance;
  - (b) was coherently linked into Council strategic and operational resource planning;
  - (c) was likely to lead to tangible improvements;
  - (d) was likely to lead to changing organisational culture; and,
  - (e) had involved Elected Members.
- (iv) To make recommendations about how the Council could further develop its approach to Best Value.

It was suspected by the Panel that the implementation of Best Value was not bringing any change into Kirklees, whilst it was accepted that it was a major opportunity to change the culture of the Council and the way it worked for the benefit of Councillors, employees and all the people of Kirklees. It was also suspected that Member involvement appeared to be minimal, and that Members felt disenfranchised and considered that they did not know enough about the Best Value aims and objectives to want to be involved. It was therefore agreed that the Panel should conduct a fundamental review which should be thorough and broadly based with well argued findings and recommendations which could be justified if Members and Officers were to take account of them and external assessors were to be satisfied. The basic question therefore appeared to be what Central Government intended Local Authorities to obtain from Best Value, and how that might be achieved.

In the light of the Terms of Reference agreed above, the Panel conducted a series of meetings at which interviews were held with the Officers identified, and/or representatives from other outside organisations:-

### **Tuesday 21 November 2000**

Rita Petty, Executive Director  
Graham Shaw, Head of Corporate Standards

## **Tuesday 28 November 2000**

Caroline Taylor, Head of Customer Relations  
Dave Harris, Head of Corporate Development Unit  
Martin Dearnley, Internal Audit Manager

## **Tuesday 12 December 2000**

John Bennett, Eversheds Solicitors (External Consultant)  
Tony Hood, Acting Chief Housing Officer

## **Tuesday 16 January 2001**

Liz Jones, Lead Inspector, Best Value Inspectorate, Audit Commission

## **Tuesday 23 January 2001**

Councillor Kath Pinnock, Leader of Kirklees Council  
Tony Elson, Chief Executive, Kirklees Council.

## **INTERVIEWS/EVIDENCE**

### **21 November 2000**

The Panel heard from Rita Petty, then Executive Director, that in her opinion the DETR was looking to see Local Government change its procedures from where everything was in-house, with slow decision making, and considered that many Local Authorities were not making the changes at the required rate. However, it was not considered that Kirklees had a bad record in this respect, though it was equally considered that there was a fear of decisions going wrong within the Officer network and that therefore risks would not be taken by the Members and Officers. Further, the momentum for change should come from the Senior Management and Senior Members but given that Kirklees was considered to have a reasonable record, questions were asked as to complacency, although over the previous three years there had been several changes to Senior Management with a reduction in the number of Executive Directors; major changes to the political establishment and direction with evidence of discontent amongst Members, particularly some back-benchers. Although a good Audit report had been received with regard to the Best Value Performance Plan and as reviews were being undertaken in accordance with a corporate framework, there was nevertheless, evidence of complacency and the lack of enthusiasm to change in both Members and Officers. The Panel was advised that there needed to be a corporate drive from the Cabinet towards achieving a differing Management approach in order to achieve a modernised Council with Members and Officers having respective roles. The provision of services should be done differently and out-sourcing might bring creativity, with better results for the Authority as a whole and also for the public. Selective outsourcing was suggested as a means to show different methods and the creation of a culture which would reward efficient and effective staff rather than the alleged bully and blame culture which had been found to exist with the recent Peer Review. Different management approaches should be explored by the Executive Management Group to ascertain how Heads of Service might change their service area to give high quality standards and value for money. The service delivery to the public should be subject to some basic principles and rather than ask the public how the Council was perceived to be

performing, they should be asked what they wanted and/or needed from any particular Service.

The Panel then explored the area of Member involvement, particularly in view of their apparent lack of interest to be involved.

Evidence presented suggested that further involvement of "external" thinking in reviews, either from another Head of Service or external to the Authority was important. Areas in need of improvement should be identified and appropriate efforts be made to change those areas though there needed to be a corporate drive to progress such reviews, to ensure the process was right and to make improvements as the review developed. It was therefore considered essential for Members to be involved in the process and although they had been supplied previously with information on their role in Best Value and Scrutiny, the Panel acknowledged that there was a genuine lack of interest amongst Members to be involved.

The Panel met and heard evidence from Graham Shaw, Head of Corporate Standards with regard to the process by which Heads of Service established reviews, and also in particular, on the scope and involvement of the Best Value Corporate Team.

The Panel was advised that a Best Value Resource Pack had been prepared for all Heads of Service and had been circulated on the Intranet for easy reference purposes. Any Reviews to be undertaken would be "scoped" by Heads of Service with regard to timescale, Member involvement, and objectives for purposes of consistency. The Best Value Corporate Team would then consider the request and would provide guidance on the content of the "scoping" report. However, the Corporate Team would need to be changed as certain Officers involved therein had left the Authority or were about to leave, and it was also acknowledged that there needed to be a greater involvement from Members in the operation of that Corporate Team.

At the time of considering scoping reports, Heads of Service were encouraged by the Corporate Team to involve some element of external challenge by inviting a Head of Service from a differing Service area, and if possible from outside Kirklees. However, whilst such involvement could not be insisted upon it was emphasised to Heads of Service that it would be appropriate when subsequent inspections were undertaken. Further, the Panel was also advised that the University of Huddersfield had been appointed to act as external players and it was noted that in the view of Ministers, Best Value would not operate effectively without such external challenge. The Panel was also reminded that the Administration and Business Management Board had a role of watchdog over progress.

Processes associated with public consultation were also questioned by the Panel, and it was noted that the Customer Relations and Corporate Development Units had designed appropriate forms/questionnaires and had had analysed responses from the public with regard to service provision. The Service Improvement Plan was also intended to reflect the results of the analysis of those forms. The Panel believed there were four ways of undertaking Best Value Reviews, namely:

- \* Thematic (on a particular Service area)
- \* Geographical (based on a particular area within Kirklees)

- \* Client base (service provision for any group of residents within Kirklees)
- \* Pragmatic.

The Panel heard that it was believed that the Authority had opted for the latter approach.

The Panel then considered the motivation for the Authority in its approach to Reviews and whether it aimed to simply get the appropriate "ticks" in the right boxes to satisfy Audit purposes rather than to satisfy the Government intention for Best Value. It was suggested to the Panel that the basic motivation was to get through the District Audit, but it was also suggested that the District Audit had been very hard on statutory guidance interpretation and had forced the Authority to do it, to a level of compliance above that which the Authority had previously interpreted from Circular 10/99.

Accordingly, the Authority had opted for compliance in its Best Value Performance Plan linking it to Vision and Service Plans. The Performance Plan for the current year was being prepared to be produced in early 2001, with publication aimed for 31 March 2001.

With regard to the relevance of Performance Indicators in the process it was suggested to the Panel that they were only relevant insofar as they had been set by the Government and it was the Authority's target to attain a standard of the best performing quartile in each particular Indicator. The Panel expressed its concern as to why such targets were used in the Best Value process and whether they reflected what the public wanted and whether the Government thought they did.

## **28 November 2000**

At this meeting, the Panel heard evidence with particular relevance to the processes associated with public consultation on Best Value.

Whilst it was generally acknowledged that the Authority had a good record with regard to consultation with the public, as highlighted by the District Audit in its report following an audit of the Best Value Performance Plan, it was equally acknowledged that there was a need to further develop the consultation process having recognised that the approach used to develop the Partnership Vision and Strategy was largely a top-down process. The District Audit had recommended that the Council would benefit from a more co-ordinated approach to consultation which informed planning processes at community, Council-wide and Service level, which included citizens' consultation and financial issues and service development and delivery.

Against that backdrop, the Panel explored with Caroline Taylor, the design and style of the forms used in the consultation exercise with the public, the content thereof and how the responses received were analysed.

In response, the Panel was advised in detail of the corporate approach taken by the Authority, where the expertise lay within the organisation, and how consultation was aimed at different groups of residents. Elected Members had also been provided with an explanation of the guidance given to Services with regard to consultation, and how that consultation was co-ordinated across Services. The Panel expressed

its concern that as there were 44 functions in the Best Value Performance Plan to be reviewed in year 1, was there a risk of 44 different standards and methods of consultation. As a consequence, the Panel questioned whether it would be more appropriate to outsource some of that consultation through organisations which had a market research department such as MORI rather than attempt to include all the work within the Corporate Development Unit. Further, questions were also raised with regard to the number of residents who may be omitted from consultation.

In response, Caroline Taylor stressed that the majority of residents were not omitted as leaflets such as Community News amongst others, were distributed throughout the Authority. Minority groups and the disabled in particular, were targeted for consultation purposes.

Members of the Panel suggested there was a need to examine ways to improve the consultation process and the focus of questions asked. Concern was expressed as to the presence of quality control from Customer Relations and/or Corporate Development Unit when Services undertook any particular consultation exercise. It was also considered that consultation would not be sufficiently rigorous if Services undertook their own. It was suggested to the Panel that there was a need for some external involvement in consultation exercises, though that often depended on the scope of the consultation as to whether or not Heads of Service were asking the most appropriate questions. Further, it was suggested that certain Members and Officers would welcome an approach which was more strategic in the selection of reviews, and more centrally co-ordinated as they were ambitious to make differences to service provision, and which would also capture the imagination of staff.

The Panel then pursued with Dave Harris, Head of Corporate Development Unit, whether or not the consultation process was considered to be wide enough, and also how robust services were within that process with regard to the questions raised.

The Panel was advised that additional funding from the Best Value Contingency had allowed the recruitment of two additional Research staff and, by means of an explanation of the work they were undertaking, Dave Harris indicated that this had facilitated a more rigorous consultation process. The option of recruiting organisations such as MORI to undertake survey work had been evaluated but ruled out as too costly. Such agencies were receiving an increasing volume of work due to the Best Value process nationally, and accordingly were increasing prices. However, he felt that the Corporate Development Unit had sufficient expertise within it to undertake such consultation and he highlighted the different mechanisms for the consultation processes that were operated by the Unit.

Whilst indicating that Best Value was advocated by the Government as a means to attain service improvement and the provision of a quality service, it was acknowledged that contrasting messages received from Government had caused confusion. Further, some Services had adopted the philosophy that as they were already so good they would take a somewhat half-hearted approach. Accordingly, Heads of Service had been invited to nominate areas of service to be reviewed during the five year period, for consideration by the Best Value Corporate Team. However, that process was selective according to the Heads of Service as the Corporate Team could not impose sanctions on those Heads of Service to include any particular area for review, except to indicate the benefits from an Audit and Inspectorate viewpoint.

Dave Harris stressed that with regard to consultation, users and potential users of the Council's services needed to be asked what they wanted. If the Authority had confidence of what residents wanted, then it would help design ways of providing that service to a higher standard in the future.

The Panel was also advised that some of the present problems associated with Best Value Reviews could be traced back to a previous lack of forward planning. The Review programmes were disparate and not related and Best Value had not been integrated into the core business of Council. Dave Harris suggested that difficulties had arisen due to the lack of Member involvement and therefore it was not surprising that most reviews were Officer led; equally, the programme of reviews did not bear any resemblance to the Authority's political priorities. He suggested to the Panel that the process was considered to be defective and was Officer driven because Best Value had originally been seen as an extension of CCT. The process was not thematic as Heads of Service implemented their own reviews based on what they wanted of their Service area when they wanted it. He suggested to the Panel in conclusion, that there was a requirement to come to some common understanding of where the Authority was now and the problems faced with regard to the Best Value changes. Also, there was a need to change the balance of the review programme to reflect what the Authority wanted to do, and programmes in year 2 needed to be different with the issues therein to be connected and have effective Member involvement. Finally, it was acknowledged that there was unlikely to be much service improvement from the year 1 review programme.

Martin Dearnley, Internal Audit Manager, endorsed the comments made by Dave Harris, and also indicated that with hindsight procedures could have been different, but that the Best Value Corporate Team should now act to change the procedures prior to the implementation of the next stage of the programme.

A review of the Corporate Standards Unit was proposed as essential, and reference was made to a report commissioned in June 1999 which suggested that the Unit be relocated within the Corporate Development Unit in order to provide wider Officer arrangements considered to be required to lead and support Best Value processes.

Martin Dearnley also considered that the Authority needed its own set of values and objectives as to what it wanted to see from the Best Value process, and gave a greater detail of the role of the District Audit and Best Value Inspectorate in our processes in delivering Best Value. The Panel was also advised that the models of the process had never been devised by the corporate centre to help in the reviews, and it was stressed that there needed to be external involvement, at least from Services outside the ones being reviewed.

In conclusion, Martin Dearnley suggested there was a need to restructure the subjects to be reviewed in year 2, though in his opinion, some of those undertaken in year 1 could need to be repeated or included in wider reviews. In consideration of those comments the Panel suggested that it might be more appropriate to scrap the system and recommence with year 1. In response, Dave Harris suggested that such a move was probably not necessary and that if that were the case then it was likely that Best Value Inspectors would criticise a lot of what had been done and that it would be necessary for the Authority to change its processes regardless. The Panel was advised that there needed to be a small number of substantial reviews, with clear views of service improvement and Member involvement, driven from the corporate centre and by the Executive Management Group. The recent loss of EMG



involvement in the current Best Value Core Team without replacement was noted. Without an increase in resource input then there was unlikely to be much achieved during the next two to three months.

## **12 December 2000**

John Bennett, Eversheds Solicitors, was invited to attend the Panel to express his opinions with regard to the operation of Best Value from the perspective of an external consultant who had undertaken work with and on behalf of the Authority. In particular, he was requested by the Panel to express his views as to whether or not in his opinion, Kirklees was conducting the Best Value process as well as it should.

In response, John Bennett indicated that no Council was following the process as well as it should. The purpose of Best Value was to enable each Local Authority to move away from CCT, but that the Government had not laid down a formal process to be followed, and each Council should and would evolve its own process and develop their own "flavours". John Bennett considered the process to be diagnostic, of which the Service Improvement Plan was the most important part. Good management practices must prevail, and therefore the constant aim should be one of steady improvement in service provision.

Whilst the principle Government objective was to get rid of CCT, John Bennett suggested that the Government had failed to think through what really should replace CCT. The main objective was to make more Local Authorities more responsive to their residents. But basically due to a lack of guidelines they had been allowed to develop Best Value to suit themselves. As a consequence he suggested that all Local Authorities desperately needed further guidance particularly as he believed there was a lack of resources to put into a development of the scheme, although all Local Authorities would be judged on the outcomes of the Reviews, however undertaken.

He suggested to the Panel that Local Authorities had been given insufficient time to do a "corporate" review of functions before individual Service Reviews were commenced. Key corporate themes and goals should be established in order to assess how Kirklees' policies would be embedded in the Review. He stressed that if this procedure was followed, after this point, independent and individual Reviews could be undertaken to gauge how the Authority was meeting its corporate aims and policies. Thereafter the individual Service Reviews could be undertaken through from service provider to service customer. In his opinion, the aim should be to promote front line services in order to interact with the public at the expense of support services. Any savings accrued from the support functions would then be transferred into the front line service.

The Panel then raised specific questions with John Bennett, in response to which the following opinions were made:-

- (i) John Bennett stressed the importance for Members to be involved in the process, particularly in the challenge aspect. A Panel of Members should consider Review Plans and have some input to the questions and Terms of Reference etc. Members should then be part of any report, interim or final, and any improvement plan arising therefrom. He believed that if there was Member steer in the process then all Parties would be aware of what Members wanted from that Review and that Service area.

- (ii) It was suggested to the Panel that there should be two types of consultation, firstly to ascertain the corporate goals etc. and to consult on the "big picture" with the general public, which should present options for any particular small issue which would be subject to review of individual functions in any particular Service.
- (iii) Service Improvement Plans should show how the Authority would get from the present situation to where it might be or wanted to be, say, in three years time. Progress at the end of each year within the scale could then be indicated within that Plan.
- (iv) Scrutiny of Best Value delivery was considered to be very important with the process undertaking monitoring of delivery and progress of improvements. Whilst Heads of Service should be responsible for achieving set targets, they should also be accountable to Senior Managers and Members for that achievement.
- (v) In order to achieve the best results from continuous service improvement, John Bennett considered there was a need to change the culture of management in Kirklees. He stressed that personal job satisfaction for all staff was important regardless of grade and level, otherwise those staff would become static and complacent. Consequently there needed to be a clear Performance Management framework and Managers and staff should work to the goals and targets set therein.

The Panel was also advised of the importance for those undertaking reviews to note something of the Service they were reviewing. Staff at all levels could and should be involved in Reviews, if appropriate. The key issues undertaken by any Service should be identified and a programme of continuous improvement on those issues devised. Managers and staff should be clear on how to achieve objectives, and Managers in particular should not be fearful of getting it wrong.

- (vi) The Panel asked John Bennett if in his opinion, Kirklees had got its programme wrong to date and if so, whether it was too late to abandon and start an amended programme on a thematic basis.

Whilst responding that the current programme and the work done to date should not be abandoned, John Bennett stressed that careful thought should be given to how that programme could be rolled forward for the remainder of the five years, the strengths and weaknesses of what had been done to date should be ascertained; where staff have been engaged should be identified; where challenge work had been undertaken should be certain; and, processes of consultation should be examined to ensure their appropriateness. Thereafter, questions should be raised as to whether the lessons learned could be included in future Reviews and taken forward appropriately. In his opinion, the Authority needed to be certain of what base-line information it needed before any Review commenced in six/twelve months time, and if those basic rules were followed then sharper focus reviews should result.

The Panel carried out an interview with Tony Hood, Acting Chief Housing Officer, to ascertain his thoughts and opinions of experience of the Best Value process as a current Head of Service, and specifically based on the Reviews undertaken within the Housing Service, outlining the goals and achievements etc. for that Service.

Tony Hood provided background information, acknowledging that Best Value was basically a tool to drive changes needed in Housing provision, and that as a consequence, areas of core business where Performance Indicators did not meet standards required had been examined and six areas of review had been identified. Teams had been set up to undertake those reviews and the Panel was given a further explanation of the approach of those Teams, providing information with regard to the levels of other Officer support, and involvement of Members and Tenants. An indication of how and when those Panels had met, what information they had considered and how they had reported back was also provided, and in conclusion, it was noted that the Best Value reports would also be submitted to future meetings of Housing Management Committees as part of the process. The Best Value Inspector had been requested to come back to the Authority in April/May 2001, to overview all the Reviews and provide an overall picture of Housing Services.

The Panel was then given an explanation of the process of the Reviews, indicating that the Project Leader would scope out a review process in draft form. Thereafter the Corporate Best Value Core Team would then examine that draft and staff would be involved by contributing their thoughts and opinions of what was wrong with the particular service/function of the Service. There had been some joint consultation on each of the six Review Teams, and it had been inevitable that some of that consultation process was peculiar to any given particular topic being reviewed. An explanation of how that consultation had been undertaken was provided, which had involved Research Officers from the Corporate Development Unit.

In conclusion, Tony Hood expressed an opinion that the Review process on balance, had added value to Housing service provision. However, he suggested to the Panel that the overall process was not pro-active and was just a challenging, advisory role; a bureaucratic process which needed to be streamlined and include greater Member involvement. He also considered that there was a lack of corporate leadership and that the process needed to be re-examined for the remaining four years of the programme period.

### **16 January 2001**

The Panel had invited Liz Jones, Lead Inspector, Best Value Inspectorate, Audit Commission, to attend and give her opinions with regard to the operation of Best Value in Kirklees, from the perspective of her role as a Lead Inspector, and to express her views as to whether or not, Kirklees was conducting the Best Value processes as well as it should have been doing, whilst having regard to the Government's intentions in the implementation of Best Value.

Basically, Liz Jones stressed the expectation that Service improvements to the user would be brought about by Best Value, and therefore a different approach to the provision of those Services. At the outset of a Review, the Authority should ask the question "do we need this Service, why are we providing it?" and she exemplified this question by asking whether any Service of the Council provided what the Council wanted, particularly with regard to the corporate agenda of the Council;

whether it met the level of expectation of the residents of Kirklees and were the costs involved justifiable; and, whether any particular Service would be better provided by external providers or a partnership involving the Council.

Further, Liz Jones emphasised the importance of Member involvement in the process. The Best Value Inspectorate thought it was crucial for Members to be involved as they were responsible both in legislation and to their electorate for the provision of Services. Whilst the Best Value process was considered to assist Service provision, it was not prescriptive in the way in which it should be implemented, either service-based or thematic, whilst it was a tool to help the management process within the Authority. The Panel questioned whether Members knew how to use and apply that tool. Liz Jones suggested to the Panel that the Authority should focus on what it was trying to achieve from any particular Review and that even if it failed, then hopefully lessons would be learned from the process and the resultant failure.

With regard to Inspections, Liz Jones indicated to the Panel that in the process of undertaking inspections of Reviews, some Services had been found to be very good but still needed to ask the question as to whether they were getting value from the money being put into a particular Service, and this could include over delivering and too much funding of a Service or particular function within a Service. It was suggested to the Panel that there needed to be a greater identification of stakeholders and users of a Service. Liz Jones exemplified this by suggesting that those people who did not use Leisure Centres within the Authority should be asked why they did not use them, as well as those people who did, to establish what level of provision and facility they required. It was also considered that the challenge role in Reviews in differing Services should be assumed by Senior Officers from other Service areas. As part of the process, the Best Value Inspectorate should attend and support Officers and Members while any particular Review was ongoing and not just at the report stage. This would hopefully lead to better Reviews and outcomes if the Inspectorate was involved and could give some steer at various stages. Also, it was suggested to the Panel that outside organisations such as the Police and Health Authorities might be invited to participate in the Reviews and give their opinions and also question the process involved in any specific Review. The Panel was advised that some Local Authorities had used the Inspectorate as a support consultant to advise whilst reviews were in progress. However, this had not occurred to date within Kirklees.

With regard to continuous improvement within a Service, Liz Jones suggested that any Service could be examined and questions identified as to how that Service might make better provision. Arising from those questions, it should be intended to produce an Improvement Plan setting out specific targets and how to make a "journey" to achieve those targets. That process could be made to work by including the development of a framework of processes such as Performance Management and Staff Appraisal which was geared to achieve Council objectives. There would need to be clear Corporate Leadership and Officers could be encouraged to move across boundaries to undertake alternative roles in differing Services. Such action would enhance the corporate Kirklees approach stressing the need for all duties and responsibilities to be undertaken for the good of the whole of Kirklees and not just in isolation.

Further, Liz Jones indicated to the Panel that in her opinion it was not always the best arrangement to put those Officers previously responsible for CCT

implementation, in charge of the Best Value process. She considered that those people may not necessarily have the right skills to track and monitor all Reviews and to undertake the preliminary research work on Reviews, acknowledging that this depended on the individual organisation. The need for strategic involvement and leadership from the most Senior Management was stressed, such Officers having the ability to keep any Review focused. However, reference was again made to the fact that some Local Authorities had found it beneficial to set up a "Challenge Panel" which included representation from external organisations.

In response to specific questions from the Panel, Liz Jones suggested that there was no evidence to support the conclusion that those Local Authorities further down the line of devolving powers to Areas had found it easier to consult on the Best Value process. Further, Liz Jones indicated that at the end of year 1 of the Programme that many Local Authorities might be behind schedule, but stressed that Kirklees would not be alone in this respect and nor was it considered to be a weak Authority with regard to implementation of year 1 Reviews. However, it was stressed that the main test would come when the Inspectorate undertook Inspections and examinations of the processes of the Reviews.

### **23 January 2001**

The Panel met Councillor Kath Pinnock, Leader of the Council, and Tony Elson, Chief Executive in order to share with them some of the evidence obtained from previous interviews and also to determine their thoughts and opinions on the implementation and operation of the Best Value process in Kirklees. In particular, discussion centred on the Government's intentions for Best Value and whether or not Kirklees had started the process to achieve what it wanted to achieve. The basic feeling was that Kirklees was merely doing sufficient to satisfy Audit requirements, and to comply with regulations. The Best Value Performance Plan had been produced in accordance with timetables showing a five year programme of Review but set out in a format required by Government and therefore did not necessarily meet Kirklees' own policy framework, it being stressed that how could the Authority know its own priorities for five years hence.

Tony Elson stressed that the process had been Officer led as it would not have met the timetable required in a very tight regulatory framework if it had not been so. However, whilst Heads of Service were responsible for drafting a scope of their own Service Reviews, Members had not been consciously excluded from the process and had been invited several times to be involved.

With regard to priorities for Best Value Performance Plan, the Panel was advised that the current budget process was throwing up various issues for the Best Value process. However, it was not necessarily the case that Best Value would produce savings and that the Reviews undertaken in the current year had equally not necessarily produced any benefit in that budget process. However, Tony Elson stressed that the Best Value process had produced some redirecting of resources in some areas.

The Panel then raised issues of concern, questioning in particular what Kirklees was achieving from Best Value. Was the Corporate Team ensuring that all objectives met were for the good of the Authority and not just individual Services. Was there sufficient corporate method/policy on how consultation was undertaken and whilst the general opinion was that Kirklees was good, should Heads of Service/Chief

Officers be given more freedom and thereby increased opportunity. In response, Tony Elson suggested that there was clear corporate guidelines on consultation and that in his opinion, the right people were being asked the right questions. However, he acknowledged that the question of whether any particular Service should be provided at all was not being asked, but merely how well that Service was being provided.

Councillor Kath Pinnock suggested there was a need to revisit the concept of Best Value in Kirklees and what we did with it. However, it had to be acknowledged that there was a compliance agenda which had to be adhered to, though it was also stressed that anything from this Review which would encourage greater Member involvement would be welcomed.

The Panel considered the process of compilation of Best Value Performance Plan, it being suggested by Tony Elson that the Plan was a bolt-on to the process but was cross related to Service Plans which would include greater reference to Best Value with identification of fundamental reviews. Reviews in the main would be thematic, but there should also be small local reviews which could produce major benefits/results.

Councillor Pinnock and Tony Elson both acknowledged that Members were not as involved as much as perhaps they ought to be and therefore questioned how that attitude might be changed. Councillor Pinnock stressed that there was a political grip on the process from the Cabinet and although there was a Member involvement at very early stages of any Review, this was not necessarily carried on through the whole Review. Councillor Pinnock further emphasised the need for Member involvement at the challenge process and for the outcomes of the Reviews to reflect Members' opinions. However, there needed to be a clearer definition of the Member role to ensure that they were engaged throughout the whole process in order to assess the options as they were developed.

Further, the Chief Executive and Leader of the Council also suggested that customers could be involved by for example, throwing open Council meetings. Consideration should also be given to other ways in which the public could be involved and engaged, and also to make sure that the right people were being consulted with regard to particular Services e.g. if consultation undertaken on Highway Services then consultation should not just be taken with motorists but also with cyclists and pedestrians etc.

The Panel then considered briefly the linkages between Best Value and Devolution and the greater Democratic Renewal process; and also on the questions of corporate support for Best Value, it being noted that the Corporate Development Unit would take a far more central role therein.

In conclusion, the Panel noted the comments of Councillor Pinnock and Tony Elson that Best Value should incorporate a rigorous challenge element with greater Member involvement and that as far as possible, bureaucracy should be removed from the process. There should be reflection on the Authority's experiences in its first year programme, and the lessons learned therefrom, and also on how the Authority might influence programmes for subsequent years. Those comments were readily endorsed by the Panel.

## 2. CONCLUSIONS AND RECOMMENDATIONS

Arising from the evidence received over the series of meetings referred to above, the Panel made the following conclusions and recommendations:-

- (i) Basically, the Panel considered that the Council had misinterpreted the Best Value process in the first year and, that by doing so had missed the opportunity to realise the potential benefits. The Council needed to know why Local Government was to be transformed and how to do it, by an analysis of where we were now and where we needed to get to. Also, there should be a comparison between what the Government intended from Best Value and what Best Value Inspectors looked for in their Inspections.
- (ii) That the involvement of Members in the process to date had been weak, and that efforts should be made to encourage greater Member involvement, particularly in the challenge process and the operation of the Best Value Corporate Team. In future the Scrutiny Panels should act in accordance with the Scrutiny Guidelines which state: "That the Panels will need to receive and challenge proposals for best value fundamental performance reviews; challenge the action plans that are proposed as a result of a review".
- (iii) That there be a full Review of the processes associated with public consultation to ensure that the public were asked the most appropriate questions. Thereafter, there should be an analysis of that consultation, to ensure that the Authority makes better use of resources to improve efficiency and standards of service delivery, thereby increasing value for money.
- (iv) The creation of more appropriate Review Teams, with the involvement of Elected Members and Heads of Service independent of the Service under Review; and with representation from organisations outside the Council, to provide a more robust "challenge" element, and assess performance objectively more. There is a need for a greater identification of skill requirements for individual Best Value Reviews.

In particular the Best Value process needs to be further developed in conjunction with the Democratic Renewal and Modernisation processes.

- (v) Corporate input into Best Value should include:-
  - \* consideration of the linkage between Best Value and the remainder of the corporate agenda;
  - \* co-ordination of the Best Value Performance Plan; and,
  - \* prioritisation of the overall five year review programme in the light of political priorities and performance information, to ensure implementation and completion with the programme.
- (vi) There is a need for a fundamental change of culture within the Authority to ensure that the Council achieves real continuous improvement in the services its customers want and that those services reflect local needs. This will require a compromise between compliance (i.e. to get the "ticks in the right boxes" in order to satisfy the requirements of Audit and Inspection) and the

need to achieve real benefits for the public of Kirklees from the process. Urgent measures need to be taken to eradicate the blame and fear culture identified in the recent Peer Review, to encourage innovation from employees at all levels.

- (vii) The Council should be more innovative in its approach to Best Value Reviews recognising that whilst the Best Value process assists Service provision, it should not be prescriptive in the way it is implemented, either Service based or thematic, but it should be used as a tool to help the management process within the Authority.
- (viii) There should be a further analysis from an external source, to examine the Council's approach to Best Value and the outcome from the recent Peer Review, to clarify corporate objectives.

**NOTE:** Liz Jones offered the services of the Best Value Inspectorate in an occasional consultancy role.

- (ix) That greater emphasis be given to the scrutiny of Best Value with the process undertaking monitoring of delivery and progress on improvements, and the achievement of set targets.
- (x) That staff at all levels in all Service areas should be informed of and involved in Best Value. It is considered that there needed to be a clear Performance Management framework and Managers and staff should work to the goals and targets set. Further, Managers and staff should be clear on how to achieve objectives, with Managers in particular, not being afraid of getting it wrong. This would hopefully prevent the process becoming over complicated and encourage Officers and Members to be more relaxed with the process, and as a consequence, more innovative.

Steve Bladen  
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on behalf of the Ad Hoc Scrutiny Panel to Review Best Value

Lead Support Officer: Ken Gillespie, Head of Public Private Partnerships Service

..... Councillor Andrew Palfreeman, Chair

..... Councillor John Green

5 February 2001