

GUIDELINES ON BEST VALUE REVIEWS OF ROAD SAFETY

Since April 2000 each local authority has commenced a five year programme of Best Value Reviews, with the aim of securing continuous improvement in the way it provides its services.

What is Best Value?

Best Value Services:

- Take account of the needs of the users of the local authority's services and the views of the community and stakeholders.
- Reflect and support the achievement of the aspirations set out in the Local Safety Plan.
- Meet the defined standards of service at a cost which is affordable.
- Provide value for money and represent Best Practice.
- Meet defined targets within allocated resources.
- Are delivered using the best provider
- Optimise partnership working and the ways in which available resources are used.
- Demonstrate continuous improvement.
- Demonstrate fair employment and trading practices.

What is a Best Value Review?

Best Value Reviews are the main means for local authorities to consider new approaches to service provision and to set targets to achieve continuous improvement.

The Best Value process demands that local authorities:

- Produce and maintain a Performance Plan in which an agreed programme of fundamental reviews is set out.
- Undertake fundamental performance reviews of selected areas of expenditure
- Establish authority-wide objectives and performance measures
- Set out and publish performance and efficiency targets in the local performance plan

Each service will be reviewed on a 5 year rolling programme, based on Best Value Guidelines, which require identified continuous improvement, including 2% efficiency improvement over the 5 year period. Road Safety Services may be reviewed on their own, or as part of a raft of services, e.g. as part of Highways Services or as part of a range of cross-cutting services, e.g. Children's Services.

These guidelines are primarily intended to inform Road Safety Officers about the whole Best Value Review process.

The component parts of a Best Value Review.

Reviews should, through these components, provide answers to the following questions: -

Challenge:

1. Should we be doing this?
2. Are we doing the right amount?
3. Are we doing it the best way?
4. What are we trying to achieve by doing this?

Compare:

1. How does our performance compare with the national performance indicators and our own standards?

2. How well are we meeting national performance standards?
3. How are we progressing towards new national performance standards planned by government?
4. What can we learn from how other authorities and other providers do it (or will do it in the future)?
5. How are we meeting targets set as a result of previous reviews?

Compete:

How competitive are we in comparison with other local authorities and with commercial and non-profit providers?

Consult:

Not mentioned as part of the review process –BUT remember the general duty to consult is already well established through the Local Transport Plan process!

Challenge

It is important that some fundamental questions are asked about the rationale for service provision, its design, specification and delivery. Challenge is possibly the most important aspect of the review, requiring a balance between assessing evidence against the key questions, and innovative thinking about new options for service delivery.

Some suggested challenges are listed below:

- Do the service policies and objectives fit in with the Council's strategic aims and policies?
- What is being provided?
- Why is the service provided, and who benefits from its provision?
- Why is it being provided in this way?
- Is the chosen method and provision appropriate?
- What are the statutory requirements for the service?
- What would happen if provision ceased?
- Are any aspects of the service likely to be affected by changes to external circumstances?
- What is the full cost of providing the service?
- What is the relationship between service objectives and operational targets and standards?
- How do these compare with other organisations?
- Is the service meeting its objectives?
- What are the indicators?
- How effective is the service?
- Are there alternatives?
- What resources are needed to provide the service?
- How are they organised to meet the objectives?

- How are the priorities determined?
- Are there conflicting objectives?
- How else could the agreed objectives be achieved (e.g. who else could provide)?
- What are the main issues that will influence need and delivery over the next five years?
- What impact are they likely to have?
- What are we doing to co-operate and collaborate with other similar service providers?

Consult

To build a view of the services we provide we need to access our 'stakeholders'. This involves comparing our performance levels against the expectations of our customers and the community. To do this we will need to carry out consultation and evaluation procedures.

The consultation process is a key activity, and services for which performance indicators should be developed, should support or agree with those identified as important or needed during the consultation process. The process needs to be coordinated both internally and externally as without such an approach we run the risk of alienating those whose views we seek, and adding unnecessarily to costs.

Some of the processes involved in that dialogue and facilitation could mirror those that local authorities will implement for their Local Transport Plan consultation such as:

- Market research
- Customer surveys
- Analysis of complaints received
- Use of focus groups (whereby representatives of the public are invited to take part in detailed discussions about a particular aspect of service provision)
- Councillor surgeries
- Public suggestion schemes
- Citizens Panel

The process should be inclusive to ensure that it reflects the interests of as many groups as possible. These may include:

- Local people
- Education Department and schools
- Health Authorities
- Other local authorities
- Businesses
- Emergency services
- NHS Trust
- User groups

Consultation questions

- How do stakeholders view our objectives?
- How do they view our use of resources?
- How do they view our prioritisation?
- Who are the service customers, clients and stakeholders?
- Are they direct/indirect or external?

- Are services reaching all customers and clients?
- Do stakeholders value the service? (cost and quality)
- Would they prefer alternative forms of delivery?
- Why do customers and clients use the services we provide?
- What are stakeholder's view of service performance and achievements?
- How do they assess the outputs and outcomes?
- What are the stakeholder's objectives and needs? What do they want?
- Do they perceive our services as important?
- How can the service meet these (sometimes conflicting) objectives, needs and values?
- How do we ensure fairness in service provision? (the loudest voices may not necessarily have the best case)
- How do we manage the necessary consultation, participation and involvement?
- How do we ensure our customers are informed about the services we provide?

Compare

The Government intends local authorities to compare what they are doing with others that are providing similar services, to judge the comparative performance of service delivery. Authorities will be expected to compare their performance with the best using national performance indicators and other means which have been developed locally. Comparison should include the experience of other public and voluntary bodies and the private sector.

This process is referred to as Benchmarking – a method of systematically comparing an organisation's performance with others over time. It is important not to confuse the role of benchmarks and process of benchmarking. There are three key means of comparison

- Professional benchmarking – in which comparisons may be made with any relevant organisation- not necessarily local authorities, for example – if we are comparing our customer care procedure we could benchmark our service against any organisation which provides a service for customers
- Community benchmarking – in which we would seek to identify gaps in what we provide and that our customers expect, which could mean carrying out processes such as market research, customer surveys, analysis of complaints received, focus groups, councillors surgeries and public suggestions schemes.
- The Business Excellence Model – in which we seek to answer three fundamental questions:
 - i) how does my service compare with other good providers of similar service?
 - ii) how does my service compare with public expectations of service?
 - iii) how does it compare with the requirements of the Business Excellence model (if your authority chooses to adopt the BEM)?

The comparison process should seek to establish the current position of services and establish service targets and standards consistent with the performance of the top 25% of authorities. It might be useful to divide this process into three aspects:

- The identification of current performance and comparison with a standard, target or benchmark performance (eg comparing outcomes).

- An understanding of how the standard, target or benchmark was achieved (compare process).
- A demonstration that the function can compete favourably with the best offered by other service providers.

In the new Road Safety Strategy – ‘Tomorrow’s Roads – Safer for Everyone’ – DTLR acknowledge the difficulty in identifying ETP casualty reduction performance outcomes but have nevertheless identified it as a key contributor to their overall casualty reduction strategy to 2010. They do however require local authorities to identify the appropriate Best Practice Guidelines or research upon which their service delivery is based and have published Guidelines of Good Practice. Quantitative data will be useful to identify what we do, what research has influenced our programmes, how we deliver, and what processes we use.

Key questions to be addressed:

- What is the gap between our performance and that of the best?
- Is that gap significant?
- How can we learn from the best in order to improve our own performance?

Benchmark selection

Benchmarks are a reference point of measurement for comparison purposes, and a source of information which might indicate that we problems and gaps in the service where we fall significantly short of other providers in important areas. There are two ways in which we can use benchmarks

- Diagnostic analysis – measuring and comparing selected statistics (performance indicators) in your organisation and against others
- Process analysis or best practice

Whatever benchmarks are selected for comparison in a best value review there should be sufficient detail to allow the following processes to take place:

- Identify where you are now (baseline data).
- Identify areas where short term targets for improvement are possible ie

Reduction of what?

By when?

Which statistics are giving your concern?

Constraints?

- Longer term goals (future target level to aim for with objective reasons). It is easier to take the narrow focus and widen later, therefore longer-term goals will need to be set.

Currently the development of appropriate benchmarks may be approached locally or through regional identification eg a regional benchmarking club. However, it is anticipated that the ongoing review process will enable the professional associations to develop a range of appropriate benchmarks, which could provide an overview of how each local authority performs in the national context.

Appendix A: Examples from a regional benchmarking club.

What are we comparing?

The Government suggests that comparisons are made in the following areas:

- Service standards of performance (targets). These may include:
 - services for novice drivers
 - children
 - pedestrians
 - cyclists
- Service achievements:
 - Reduction in the number and severity of road casualties.
 - Improvements in safe environment for all road users.
 - Supporting the national road safety strategy.
 - Ensuring safety is an integral part of the Local Transport Plan.
- Service costs including:
 - cost per activity - staffing, travelling, on-costs.
 - percentage of revenue budget.
 - sponsorship 'in kind' generated from the activity.
- Internal service processes and procedures.
- Customer or user satisfaction.

Information sources

Useful comparison data can include:

- Demographic information.
- Organisation/structure.
- County/regional/national accident/casualty data.
- Finance data – CIPFA statistics.
- Actual economic rates of return data.

In order to make those comparisons, we need to use **Performance Indicators**. These could be:

- The general health of the local authority (could be Charter Mark or IIP). Examples **Appendix B**
- Nationally set best value (Audit Commission AC PI's)- Examples **Appendix C**
- Nationally set service specific (DTLR BV PI's)-Examples **Appendix D** (Need to identify these)
- Locally set service specific – examples of which might include some of those listed in **Appendix E**

The fourth C is Compete.

The Government expects local authorities to use competition extensively and for them to have the means of ensuring that they procure and evaluate the most effective options. **Retaining work in-house will only be justified where the authority can show that it is competitive with the best alternative.** There are, of course, other providers who provide similar services to ours – Health Promotion Officers for instance. We should therefore be seeking information on similarities and differences in their service objectives, the way they provide services, how much they cost, and what their performance indicators are.

The first stage is to create a climate in which the parties can discuss issues in a spirit of trust and co-operation. The development of Health Authority Improvement Plans gives us the opportunity for co-operative exchange of information that provides the benefit to all parties in a spirit of partnership.

DTLR provides a model, with DOH and DES, with the tri-partite Departmental funding and support for the School Transport Advisory Group. The Group's role was to develop and distribute the working party's recommendations to local authorities. Local partnerships could include delivery of services with the LEA, Health Authority (through HIMPS), Community Safety Partnerships (Crime and Disorder), Emergency Services, Voluntary sector (CTC) and local commerce.

It is recognised that, in certain services, there is currently no alternative external supplier. The Government's view is that the future lies in diversity of provision and plurality of provider. The development of partnerships for delivery of ETP services may therefore be an acceptable alternative to externalisation.

Selecting the Best Value option for service delivery

The guidance expects that reviews, which fully consider the 4C's, will result in demanding targets for improvement, backed up by a realistic action plan, including a decision on the Best Value option for service delivery. The main options with possible consequences are listed in the guidance. They are:

- The cessation of the service, in whole or in part. **Pros** - revenue saving. **Cons** - public concern, political concern, cost (redundancies)
- The creation of a public/private partnership, for example through a strategic contract or a joint venture company (Health Authority/ Health Promotion). **Pros** - similar work, common goods, good database, access to extensive resources, evidence based, similar pressures, good distribution services, good demographic data. **Cons** - tendency to discount education, incompatible database, reactive stance rather than preventative.
- The transfer or externalisation of the service to another provider (with no in-house bid).
- The market testing of all or part of the service (where the in-house provider bids in open competition against the private or voluntary sector). **Pros** - companies re-organising relevant expertise, building up skills base through working with road safety officer, more extensive availability of staff/skills, less constraints, encourages data led service provision, planning and monitoring. **Cons** – limited external providers, time limitations, amount of development we have to put into a service provider, profit led outcome/service delivery.
- The restructuring or repositioning of the in-house service.
- The renegotiation of existing arrangements with current providers where this is permissible.
- The joint commissioning or delivery of the service. (equal partnership) **Pros** - better opportunities for negotiation, both working for same ends. **Cons** - could be some unease around partnership.

The list does not include a 'do nothing' option. This is consistent with the need for continuous improvement. The range of options runs from renegotiation of existing arrangements and repositioning of the in-house service at the incremental level, where the service is performing well or other options are limited, to more radical arrangements such as cessation, or transfer, and options that join up services to gain economies of scale and more effective use of resources. Competition is included as a main feature of the externalisation and market testing options. However, the need to compare a range of options means that competition in some form is likely to be considered, particularly where the supply market is developed.

The other 'C' - Continuous Improvement

Authorities will be required to show continuous improvement in services, in addition to on going saving of 2% of costs. These should be identified clearly in Best Value reviews and Inspections and the following questions will help to ensure that the required information is available:

- What procedures are in place to monitor ongoing improvement in cost, quality and effectiveness?
- What procedures are in place to monitor against plans and targets?
- Are service plans available which specify year on year achievement levels?
- Is stakeholder satisfaction encouraged as part of continuous improvement?

Inspection

All local authority functions will be subject to inspection under Best Value. Inspections reports will enable the authority and the public to see how it is doing and whether it is delivering Best Value, and also enable the Government to assess how well its policies are working. Reports will identify and spread good practice and identify failing services where remedial action may be needed. Reports will be published with details being provided to authorities during the course of inspections.

Reports of completed Inspections can be accessed through the Audit Commission Website – www.bestvalueinspections.gov.uk

The frequency of inspections will be at the discretion of the responsible inspectorates. The Audit Commission expects every function to be inspected at least once every five years, and so far as possible intends the inspections to coincide with the reviews. Authorities have been asked to provide their auditors with a copy of their review programmes ahead of publication in their Best Value Performance Plan. In addition the Secretary of State can order an inspection when there is cause for concern about the performance of a service.

Authorities can help by ensuring reviews identify how the guidance has been followed, and how outcomes have been and will be achieved. However, inspections will not focus solely on information generated by reviews, but will seek to ascertain the current state of service provision from the user's viewpoint.

A new Best Value Inspectorate forum has been established to focus the working of the different inspectorates. The forum has an immediate remit to consider the scope for co-ordinating programmes of audit and inspection, and develop and enhance joint working arrangements as required by section 25 of the Local Government Act 1999.

Tackling Service Failure (non statutory guidance)

The Inspectors will make their judgements based on the following 8 questions:

- Has best value taken place?
- What is the current performance?
- Have areas of achievement and weakness been fairly and accurately identified?
- What is the current performance compared to other services?
- Has genuine consultation been carried out?
- Has consideration been given to tendering?
- Has the review identified improvements which are relevant, challenging and deliverable?
- Has the authority changed its approach in light of the review?

The framework of the 9 key judgments made by the inspectors is:

- Have users and non-users been taken into account when determining service provision?
- Do services reflect the needs of the community?
- Have service standards been taken into account when determining service provision?
- Are costs in line with the level and quality of service provided?
- Is the service achieving what it set out to do?
- Does the authority want the service to improve?
- Has the authority demonstrated the capacity to improve?
- Have targets been set that will deliver improvement?
- Should we refer? (are they complying sufficiently with their duty of best value)

The 1999 Act gives the Secretary of State powers to intervene where authorities are failing to deliver Best Value. The Government wants to minimise the incidence of failure and intervention, and DETR has agreed a protocol for intervention with the Local Government Association. Its principles are that:

- The Secretary of State will only act on clear evidence of failure.
- The form and extent of intervention should reflect the type and seriousness of failure and the need for effective improvement.
- Except where service failure is serious or if intervention is needed urgently, the authority will normally be entitled to improve itself.
- Authorities will respond accurately and quickly to requests for information and co-operate with the Secretary of State's directions.

Additional Notes

Local Authorities will have developed their own Best Value 5 year review programme. Whilst some road safety officers may not yet be involved, it may be useful to have some idea of the processes that will be involved when it is time for the road safety service to be reviewed.

In this light, some additional information is therefore offered which may help in the planning process for Best Value Reviews.

Possible Management Competencies required by Review Project leaders:

- Visioning.
- Negotiating and influencing.
- Communication.
- Project Management.
- Performance Management.
- Problem solving.
- Critical examination.

- Team working.
- Process analysis.
- Research – including market testing.
- Change management

Challenge Team:

- External reference group - variety of stakeholders.
- Critical friend - both to support and challenge the Lead Officer.
- Team member - should be encouraged to both support and challenge.
- Member Review Group - members may wish to oversee policy implications of the review.
- Peer Review - by one or more colleagues, acting together to provide in-depth insight, challenge and solutions.
- Service users

Terms of reference for the review:

- Purpose of the review.
- Objectives of the review - set out specific objectives such as improving performance, reducing costs, improving process.
- Scope of the review (see below).
- Methodology.
- Review Team.
- Evaluation criteria - set out criteria against which outcomes of the review will be measured.
- Constraints.
- Timescales.

Scope of the review:

- Which services will be included in the review?
- Which budgets and staff will be included?
- Any theme(s) linking the services under review?
- What are the relevant links with other services, agencies and reviews which might be pertinent?
- What is the rationale for any particular focus, boundaries, or limitations of the review?

Baseline information:

- Key objectives of the service.
- Any 'givens'.
- Current and future 'major' issues.

- Who else could provide the service?
- Relevant organisations for benchmarking.
- Key stakeholders.
- Service performance against national or local performance indicators
own targets
performance of others.

Consideration of alternative service delivery.

The answers to the preceding questions will need to be supported by an assessment of the market and alternative providers, or where scope is limited the action necessary to stimulate the market:

- How can the service demonstrate that the present approach to service delivery is economic, efficient and effective?
- What is the unique contribution that Road Safety Officers make to casualty reduction? Examples-professional, hearts and minds, knowledgeable, continuity, money/resources, legal framework, facilitators, communicators, inclusive, enthusiastic, pro-active, challenging, commitment.
- How does the cost of provision compare to others and other potential suppliers?
- What will be the impact of future influences (eg legislation, reduced funding, fluctuating demand) over the next five years, on the competitive position of the service?
- What are the future targets and cost/competitiveness projections?
- What new ways of operating or alternative forms of service delivery would improve economy and efficiency?

Continuous improvement questions:

- What procedures are in place to monitor ongoing improvement in cost, quality and effectiveness?
- What procedures are in place to monitor against plans and targets?
- Are service plans available, which specify year on year achievement levels?
- Is stakeholder satisfaction encouraged as part of continuous improvement?

Bibliography

Improving Local Government through Best Value - White Paper

Best Value Review Guidelines from:
Devon County Council
Gloucestershire County Council
Hertfordshire County Council
Lincolnshire County Council
West Midlands Benchmarking Group

Thanks to the above Authorities for their contributions. Authority Population