

HARROW COUNCIL

Meeting:	Overview and Scrutiny Committee
Date:	3 February 2004
Subject:	Best Value Performance Plan and Best Value Performance Indicators
Responsible Chief Officer:	Executive Director (Organisational Development)
Relevant Portfolio Holder:	Finance, Human Resources and Performance Management
Status:	Part I
Ward:	All
Enclosures:	Appendix I - Guidance on Best Value Performance Plans - A Consultation Paper

1. **Summary**

- 1.1 This report sets out the Office of the Deputy Prime Minister's proposals for Best Value Performance Plans and Best Value Performance Indicators for 2004/05 onwards.

2. **Recommendations**

- 2.1 **To note this report.**
- 2.2 **To consider comments on these proposed changes as set out in paragraph 5.1 - Response to the proposals.**

3. **Policy Context**

- 3.1 The Council is required to record its performance annually on a series of performance indicators and to report on that progress in a Best Value Performance Plan.

Overview and Scrutiny receive regular reports on progress against the performance indicators and have commented on the Council's Best Value Performance Plan.

4. **Relevance to Corporate Priorities**

- 4.1 The Best Value Performance Plan is a key Council document to assess progress on all of the Council's vision and corporate strategic priorities.

5. **Background Information**

5.1 **Best Value Performance Plans**

The Government has published proposals for further streamlining the Performance Plans that the Council as a Best Value authority is required to publish on an annual basis.

The proposed changes are part of the Government's commitment to reduce bureaucracy and include reducing the statutory requirements for information from all authorities, and allowing better performance and further discretion about the content and format of their plans.

The Performance Plan is to remain one of the statutory plans that are required from all local authorities. In the consultation document the government recognises that it is essential that the production of BVPP should not become an end in itself, but is integrated with the Council's corporate planning and improvement processes.

Content of BVPPs

The proposed content of the BVPP has been significantly amended and it is proposed to remove the requirement to provide any information that can be obtained from other sources. Hence it will no longer be necessary for authorities to provide the following information.

- CPA scores
- summary financial information
- progress in implementing improvement measures over the past three years
- outcomes or impacts arising from those measures
- progress against any local public service agreements.

The Government is proposing differential reporting arrangements for excellent/good authorities. For those authorities the Government will accept their Corporate Plan as meeting the statutory requirement to prepare a performance plan.

For authorities categorised as fair, weak and poor the following information would need to be included:-

- a brief summary of the authority's strategic objectives and priorities for improvement. This should reflect its corporate/business planning processes and community strategy.
- arrangements for addressing the authority's improvement priorities, particularly the opportunities and weaknesses identified in CPA, and the outcomes that are expected to be achieved as a result.
- details of performance.
- outline performance over the past year on all BVPIs.
- a brief statement on contracts. The authority should state and certify that all individual contracts awarded during the past year which involve transfer of staff, where applicable, with the requirements in the code of practice on workforce matters in Local Authority Service Contracts.

Timing of BVPPs

Consideration has also been given to the timing of BVPPs. It is proposed that the requirement to produce a plan by the end of June each year that contains outturn BVPI data.

There is no proposal to amend the current arrangements for producing and publishing summary performance information by 31 March each year.

Response to Proposals

Overall the proposals are welcome and contain a sensible relaxation of the BVPP content requirements.

It is felt that the case for good and excellent authorities to be treated differently in terms of BVPP content requirements has not been fully made. There are more significant freedoms and flexibilities available to excellent authorities and the BVPP requirements should remain uniform, the most important element of which is the production of PI monitoring information.

With regard to the proposals to timing, given the difficulties in producing audited outturn data by the end of June each year it would be more sensible for summary information to be produced by the end of June each year and the full BVPP to be produced in the summer e.g. by the end of August each year.

5.2 **Best Value Performance Indicators**

The Government is also consulting upon wholesale changes to the suite of BVPIs. This fundamental review is part of the work towards the redesign of the Comprehensive Performance Assessment.

The review is aimed at better supporting the quantitative data needs of the redesigned CPA process and the 'Shared Priorities' agreed by central and local government in July 2002.

The main implications of these proposals are:-

- (a) Local authorities can expect to receive a consultation paper on the proposed changes to BVPIs in March or April 2004.
- (b) The ODPM intends to introduce a new set of BVPIs on 1 October 2004.
- (c) The new set of BVPIs would be set for 18 months as compared to the usual 12 months. This means they will run until 31 March 2006.
- (d) Authorities will be asked to collect data on a voluntary basis against these new indicators, effective 1 April 2004.
- (e) For the 2005/06 BVPP, local authorities will need to report these statutory BVPIs effective as at the 30 September 2004, as well as any new ones introduced from 1 October 2004.
- (f) For the forthcoming 2004/05 BVPP, local authorities will be expected to report outturn data against all BVPIs as for previous years and set targets for the next two years in the normal way. There will be some exceptions and amendments.
- (g) It is difficult at this stage to know how these changes to the statutory set of BVPIs will impact on the CPA process. Clearly, the inclusion of new or amended indicators in areas where the Council does not perform particularly well could affect future CPA scores.

The proposals to change to BVPI suite in year is likely to cause some difficulties with systems changing and in the management of the BVPI external audit that will feed into the 2004 CPA process.

6. **Consultation**

6.1 N/A

7. **Finance Observations**

7.1 No comments.

8. **Legal Observations**

8.1 No comments.

9. **Background Papers**

9.1 Guidance on Best Value Performance Plans: A Consultation Paper - Published by ODPM 22 December 2003.

Letter from ODPM - 2 December 2003 - Best Value Performance Arrangements 2004/05.

11. **Author**

11.1 Jill Rothwell, Executive Director (Organisational Development) - Tel: 020 8424 1024
E-mail: jill.rothwell@harrow.gov.uk