

audit 2000/2001**Best Value Audit Report –
BVPP 2001/2002****Dover District Council**

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DISTRICT AUDIT

Reference	Sev01DO01301.doc
Date	29 June 2001

KEY MESSAGES

Purpose of report

This is the report that the auditor is required to provide on the Best Value Performance Plan (BVPP) under Section 7 of the Local Government Act 1999.

Our statutory certificate and opinion are attached at Appendix 1.

The purpose of the report is to inform Members and chief officers of the key issues that arose from the audit of the second Best Value Performance Plan, and the actions that are required.

This year's audit of the BVPP has, in line with the requirements of the Code of Audit Practice, been integrated with the rest of the audit.

Our work included a detailed follow-up of progress against recommendations made following the first BVPP audit and an assessment of overall progress in relation to Best Value.

The Council must consider this report and formally respond to the recommendations contained within it within 30 working days. We have prioritised the recommendations in an action plan, and show the key recommendations in dark type in this report.

Overall conclusions

This statutory audit report, which was issued on 29 June 2001:

- includes an unqualified opinion
- contains eleven recommendations which require a formal Council response
- does not recommend that the Audit Commission should carry out a Best Value inspection or that the Secretary of State give a direction.

The Council has continued to make good progress in implementing Best Value. A corporate performance management database has now been established, although this is not yet being used to produce monitoring reports for Members.

The Plan meets the statutory requirements this year, and is again presented in a "user friendly"

format that provides stakeholders with a useful perspective of the Council's performance. The Plan could be improved by setting out the rationale for the review programme. There is also scope to improve the link between service objectives and the Council's medium term financial strategy.

The corporate framework that the Council established to operate Best Value has functioned effectively, and the central support provided to assist service review teams has been good. Member involvement in the review process has been limited, however, and this is an area where there is scope for improvement.

The linkage between service delivery plans and individual targets is good, but the link from these to the Corporate Plan is less clear.

As noted last year, the Council has adopted a sound service review methodology, and the toolkit has been extensively revised during the year as reviews progressed. The service review programme should be revised to reflect a smaller number of more complex cross-cutting reviews. Clear responsibility for monitoring service review action plans should be established.

Partnership links with the neighbouring authorities or Canterbury and Thanet are developing, with a view to facilitating joint reviews.

The Authority has produced a draft procurement strategy, which now needs to be integrated into the Council's day-to-day decision making regarding provision of services.

The quality of the audit trail to support the Best Value Performance Indicators was variable, and whilst the standard of target-setting has improved in some service areas, more supporting evidence needs to be retained. The Council also needs to ensure that good practice in target setting is disseminated across all service areas.

1

Respective responsibilities of the Authority and the auditors

Under the Local Government Act 1999, specified local government bodies are required to comply with the general duty of Best Value, which is defined as making arrangements to secure continuous improvement in the way in which their functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The audited body is required to publish annually a Best Value Performance Plan, which summarises the body's assessments of its performance and position in relation to Best Value. The audited body is responsible for preparing the Best Value Performance Plan and for the information and assessments that are set out within it, and the assumptions and estimates on which they are based. It is also responsible for putting in place appropriate performance management and internal control systems, from which the information and assessments in the Best Value Performance Plan are derived.

Auditors should consider and report on whether the audited body has complied with statutory requirements in respect of the preparation and publication of its Best Value Performance Plan.

Auditors are not required to form a view on the completeness or accuracy of the information or the realism and achievability of the assessments published by the audited body in its Best Value Performance Plan.

2

The Best Value Performance Plan 2001/2002

The Plan meets the statutory requirements, and provides a useful perspective of the Council's performance.

Compliance

The BVPP was compliant with legislation, and followed recommended guidance in many respects.

Distribution

There were no problems in terms of coverage or timeliness of distribution.

Impact

As noted last year, the Council has produced an attractive Plan, which is presented in a "user friendly" format that provides stakeholders with a useful perspective of the Council's performance. It also describes what reviews have been undertaken in year 1 and at what stage they are at. The Plan could be improved by setting out the rationale for the review programme. There is also scope to improve the link between service objectives and the Council's medium term financial strategy. Finally, the BVPP makes no reference to information technology being a factor in improving service delivery. Given the current e-government agenda, this should be considered for next year.

Summary BVPP

The Summary provided a reasonable and balanced précis of the Council's BVPP.

Recommendations

Provide more information about the rationale for the service review programme: to enable the Council's plans to be placed in context.

Improve the link between service objectives and the Council's medium term financial strategy: to demonstrate an integrated approach between Best Value and the Authority's service and financial planning.

Consider including a reference to information technology and e-government in next year's BVPP: to demonstrate awareness of the e-government agenda.

3

Integrating Best Value into the Council's business

Compared to last year, Best Value has become more integrated into the Council's business processes.

Corporate framework

The corporate framework that the Council established to operate Best Value has functioned effectively, and the central support provided to assist service review teams has been good. Member involvement in the review process has been limited, however, and this is an area where there is scope for improvement. This similarly applies to the involvement of external representatives as part of the service review team. The extent to which they actively contributed to the review process tended to vary per review.

The linkage between service delivery plans and individual targets is good, but the link from these to the Corporate Plan is less clear. The Authority will need to ensure that these links are made clearer and also incorporated into the new Community Strategy. From interviews it would appear that there continues to be a need for

stronger corporate priorities to be set by the Council.

Training

Training initiatives for Members and managers across the Authority have been undertaken. The Service Review Toolkit will remain under constant development as more complex and cross-cutting reviews are being undertaken.

Recommendations

Develop strategic objectives for the BVPP to include priorities for service review teams to focus on in 2001/2002.

Review the involvement of Members and external representatives in service review teams: in order to obtain greater benefit from their participation.

4

Performance management

A corporate performance management database has now been established. However, the system is not used as yet to produce management information reports or summary reports to Members to inform about the council's performance.

Performance management framework

A corporate performance management database has been established over the past 12 months. A key contact from each service department enters performance data against targets into the central database. Other useful performance data is also included such as results of benchmarking exercises. Colour coding identifies areas with good and bad performance to assist performance monitoring. However, the system is not used as yet to produce management information reports or summary reports for Members to inform about the Council's performance. This is planned for 2001/2002.

Performance measurement

The quality of the audit trail to support the Best Value Performance Indicators was variable, and whilst the standard of target-setting has improved more supporting evidence needs to be retained.

Challenging targets have been devised for some service areas, but there are no clear links from the BVPP through service delivery plans to the Corporate Plan.

Recommendations

Ensure that the performance management framework incorporates management information reports and performance reports to Members

Provide a better audit trail for the targets and estimates used in the monitoring processes: to ensure performance indicators are meaningful to service providers, users and Members.

Ensure that good practice in target setting is disseminated across all service areas: to achieve consistency in the quality of performance measures adopted.

5

Improving services

The Best Value Review programme is about to be revised, to focus upon cross-cutting themes. There is a need to clarify the responsibility for ensuring that review action plans are implemented. The draft procurement strategy now needs to be integrated into the Council's day-to-day decision making procedures on the provision of services.

Best Value reviews

The Best Value Review Programme is about to be revised in terms of both number and type of review, to concentrate on cross-cutting themes.

Due to the extensive and comprehensive nature of the service review toolkit, all "four C's" of Best Value are being addressed in service reviews. The Authority has produced a good draft Procurement Strategy. However, this has not

been implemented and used on a day-to-day basis into the Council's business as yet. This is necessary to assist in securing best value in the provision of council services.

Outcomes

The toolkit contains an Action Plan for each review, but it is too early to identify actual improvements in service performance. One area of concern is that responsibility does not seem to have been clearly allocated for ensuring that Action Plans are implemented.

Service reviews go through an extensive approval procedure from the BV Group to Management Team to various Member Committees. This process could be streamlined in order to become more manageable for decision making at Member level.

Partnership links with the neighbouring authorities of Canterbury and Thanet are developing, with a view to facilitating joint reviews.

Recommendations

Implement an integrated management information system

Streamline the approval procedure of service reviews: to ensure that a more manageable process is achieved for decision making at Member level.

Allocate responsibility for monitoring progress in implementing service review action plans: to ensure that it is an effective mechanism is implemented to achieve the planned service improvements.

6

Responding to challenge

The Council has made good progress in implementing audit recommendations.

Last year's recommendations on the BVPP have mainly been addressed, although some areas such as developing performance reports to

members and introducing the procurement strategy are taken forward for this year. The Authority has also had an IDeA review. It responded to that with an Action Plan that was approved by Council Members.

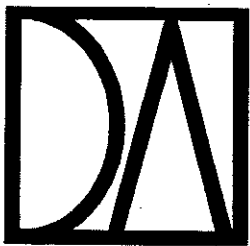
The Best Value Inspectorate has not yet undertaken a service review inspection at Dover, but it is anticipated that the first inspection will take place shortly.

audit 2000/2001

Best Value Audit Report –
BVPP 2001/2002

Dover District Council

ACTION PLAN



DISTRICT AUDIT

Reference:	Sev01DO01301ap.doc
Date:	29 June 2001

The Authority is required to make a formal response to our recommendations listed in this action plan within 30 working days.

Ref.	Issue	Suggested Action	Priority	Authority's response	Officer responsible	Timescale
Integrating Best Value into the Council's business						
R1	The various strands of the Council's corporate framework are not yet fully integrated.	Develop stronger links between the BVPP, corporate priorities, Community Strategy, service objectives and the Authority's medium term financial strategy.	3			
R2	Members and external representatives are not fully involved in the service review process.	Review the involvement of Members and external representatives in service review teams.	2			
Performance Management						
R3	No regular cycle of performance monitoring reports to Members has yet been established.	Ensure that the performance management framework incorporates management information reports and performance reports to Members.	3			
R4	There is no evidence on record to support some of the performance indicators reported.	Provide a better audit trail for the targets and estimates used in the monitoring process.	2			
R5	There is wide variance in the quantity and quality of performance targets between service areas.	Ensure that good practice in target setting is disseminated across all service areas.	2			

Improving Services					
R6	The draft Procurement Strategy has not yet been implemented.	Implement the draft Procurement Strategy and integrate it into the Council's day-to-day decision making process.	3		
R7	The approval procedure for service reviews is too long-winded.	Streamline the approval procedure of service reviews.	2		
R8	Responsibility for ensuring that action plans are implemented is unclear.	Allocate responsibility for monitoring progress in implementing service review action plans.	2		
The BVPP					
R9	It is not clear how the order of the service review programme has been established.	Provide more information about the rationale for the service review programme.	2		
R10	The link between service reviews and financial planning is unclear.	Improve the link between service objectives and the Council's medium term financial strategy.	2		
R11	The BVPP does not indicate how the Council intends meeting the e-government agenda.	Consider including a reference to information technology and e-government in next year's BVPP.	2		

Best Value Audit Report –
BVPP 2001/2002
(Appendix 1)

Dover District Council

STATUTORY AUDIT
CERTIFICATE AND OPINION



DISTRICT AUDIT

Reference:	Sev01DO01301 opinion.doc
Date:	29 June 2001

AUDITOR'S CERTIFICATE AND OPINION ON DOVER DISTRICT COUNCIL'S BEST VALUE PERFORMANCE PLAN FOR THE YEAR ENDING 31 MARCH 2002**Certificate**

I certify that I have audited Dover District Council's Best Value Performance Plan in accordance with section 7 of the Local Government Act 1999 (the Act) and the Audit Commission's Code of Audit Practice. I also had regard to supplementary guidance issued by the Audit Commission.

Opinion**Basis of this opinion**

I planned and performed my work so as to obtain all the information and explanations which we considered necessary in order to provide an opinion on whether the plan has been prepared and published in accordance with legislation and statutory guidance.

In giving my opinion I am not required to form a view on the completeness or accuracy of the information or the realism and achievability of the assessments published by the Council. My work therefore comprised a review and assessment of the plan and, where appropriate, examination on a test basis of relevant evidence, sufficient to satisfy me that the plan includes those matters prescribed in legislation and statutory guidance and that the arrangements for publishing the plan complied with the requirements of the legislation and statutory guidance.

Included in the plan are the Council's estimates for the year ending 31 March 2001. Actual results for the year are likely to be different from the figures reported, because events and circumstances frequently do not occur as expected, and the differences may be material. To the extent that figures included in the plan are estimates, my audit work comprised an assessment as to whether the estimates made by the Council had been properly compiled in all significant respects on the basis of the assumptions stated by the Council, as at the date at which the plan was prepared.

Where I have qualified my audit opinion on the plan I am required to recommend how the plan should be amended so as to comply in all significant respects with the legislation and statutory guidance.

OpinionUnqualified opinion


In my opinion, Dover District Council has prepared and published its best value performance plan in all significant respects in accordance with Section 6 of the Local Government Act 1999 and statutory guidance issued by the DETR.

Recommendations on referral to the Audit Commission/ Secretary of State

I am required each year to recommend whether, on the basis of my audit work, the Audit Commission should carry out a best value inspection of the Council or the Secretary of State should give a direction.

On the basis of my work:

- I do not recommend that the Audit Commission should carry out a best value inspection of Dover District Council under Section 10 of the Local Government Act 1999;
- I do not recommend that the Secretary of State should give a direction under Section 15 of the Local Government Act 1999.

D/A signature	 District Auditor
Date	29 th June 2001

					Officer responsible	Time scale
Integrating Best Value into the Council's business						
R1	The various strands of the Council's corporate framework are not yet fully integrated.	Develop stronger links between the BVPP, corporate priorities, Community Strategy, service objectives and the authority's medium term financial strategy.	3	The Council is actively involved in developing a cohesive Community Strategy and Corporate Plan. Once developed these will allow greater clarity of service objectives which in turn will inform the medium term financial strategy.	Leader/Chief Executive	April 2002
R2	Members and external representatives are not fully involved in the service review process.	Review the involvement of Members and external representatives in service review teams.	2	The majority of Service reviews contained external representatives. The Best Value Service Review Toolkit has been amended and will encourage greater portfolio Member involvement throughout and support increased Member involvement at option appraisal stages.	Head of Corporate Services	2001/02
Performance Management						
R3	No regular cycle of performance monitoring reports to Members has yet been established.	Ensure that the performance management framework incorporates management information reports and performance reports to Members.	3	A Management Information Report (MIR) will be in place for the third quarter of 2001/2002. The report will provide updates on progress of action plans of Best Value Service Reviews, progress on Performance Indicators as well as financial and Human Resources monitoring and benchmarking information. This MIR will be presented to all Members and the Managers Forum on a quarterly basis.	Head of Corporate Services	September 2001
R4	There is no evidence on record to support some of the performance indicators reported.	Provide a better audit trail for the targets and estimates used in the monitoring process.	2	Further work will be undertaken with Departmental responsible officers to ensure that full documentation of audit trails are available for PIs.	Head of Corporate Services	April 2002

Timescale		Responsible				
R5	There is wide variance in the quantity and quality of performance targets between service areas.	Ensure that good practice in target setting is disseminated across all service areas.	2	Work continues in the light of experience to ensure that the quantity and quality of performance indicators are constant across the Council.	Head of Corporate Services	April 2002
Improving Services						
R6	The draft Procurement Strategy has not yet been implemented.	Implement the draft Procurement Strategy and integrate it into the Council's day-to-day decision making process.	3	The draft Procurement Strategy is to be placed before Members in July and will then be implemented, supported by information giving and training.	Head of Corporate Services	December 2001
R7	The approval procedure for service reviews is too long-winded.	Streamline the approval procedure of service reviews.	2	The Best Value Service Review Toolkit modifies the process for approval of reviews.	Head of Corporate Services	Done
R8	Responsibility for ensuring that action plans are implemented is unclear.	Allocate responsibility for monitoring progress in implementing service review action plans.	2	Monitoring action/implementation plans following Best Value Service Reviews will rest with the Corporate Support Unit and be included within the MIR referred to in R3.	Head of Corporate Services	September 2001
The BVPP						
R9	It is not clear how the order of the service review programme has been established.	Provide more information about the rationale for the service review programme.	2	Improved description of the rationale for the Best Value Service Review Programme will be included in the Best Value Performance Plan for 2002/03.	Head of Corporate Services	April 2002
R10	The link between service reviews and financial planning is unclear.	Improve the link between service reviews and the Council's medium term financial strategy.	2	See R1 and R9.	Head of Corporate Services	April 2002
R11	The BVPP does not indicate how the Council intends meeting the e-government agenda.	Consider including a reference to information technology and e-government in next year's BVPP.	2	A reference to information technology and e-government will be included in the Best Value Performance Plan for 2002/03.	Head of Corporate Services	April 2002