



# Best Value Benefits

recent guidance and its impact on the voluntary/community sector

SPECIAL

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## 'Beefing up' Best Value

The Best Value concept has been around since the late 1990s and was created by central government as a means of 'improving' the quality of public services. Best Value requires local authorities such as Haringey Council to: *make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness*

Best Value addresses issues of:

**Cost**—providing services at a lower cost (i.e. increased efficiency)

**Performance**— ensuring that services achieve a high level of performance (i.e. increased effectiveness)

**Quality**— services are working to improve upon current levels of achievement (i.e. quality improvement)

The thinking behind Best Value was revisited in last years Open Public Services White Paper and more recently by the Locality Act incorporating ideas such as the Community Right to Challenge. Best Value has recently been given a further refresh by the Coalition government with the issue of **Best Value Statutory Guidance** in September 2011.

Many elements of this guidance could directly benefit local voluntary and community organisations and they are recommended to familiarise themselves with it if they have dealings with the local authority. The new financial year is not far off and further changes (i.e. reductions) are inevitable. **Best Value Statutory Guidance** could help you make your case.

## Best Value Statutory Guidance

Here are the elements of the Guidance with short commentaries to help clarify the implications of each:

- 1) Authorities should consider overall value, including economic, environmental and social value, when reviewing service provision. As a concept, social value is about seeking to maximise the additional benefit that can be created by procuring or commissioning goods and services, above and beyond the benefit of merely the goods and services themselves.

Social value can be hard to measure but this does highlight the fact that costs should not merely be compared with obvious benefits. For example, a service for children may involve a large number of volunteers and there is a social value to providing volunteering opportunities which is over and above the benefit of the service to the children and their families

- 2) Authorities should be responsive to the benefits and needs of voluntary and community sector organisations of all sizes (honouring the commitments set out in Local Compacts) and small businesses.

A reminder that the Compact can still be cited in requiring local authorities to act reasonably in their dealings with voluntary-community organisations (and other SMEs)

# Best Value Statutory Guidance continued

- 3) To achieve the right balance (and before deciding how to fulfil their Best Value Duty) authorities are under a Duty to Consult representatives of a wide range of local persons; this is not optional. Authorities must consult representatives of council tax payers, those who use or are likely to use services provided by the authority, and those appearing to the authority to have an interest in any area within which the authority carries out functions. Authorities should include local voluntary and community organisations and small businesses in such consultation. This should apply at all stages of the commissioning cycle, including when considering the decommissioning of services. In the interests of economy and efficiency, it is not necessary for authorities to undertake lifestyle or diversity questionnaires of suppliers or residents.

A clear indication that voluntary and community organisations should be actively involved at all stages of the commissioning cycle. Based on this guideline it should not be possible for a local authority to have made a decision about service delivery without being able to provide evidence of involving the sector. This guidance provides a basis for challenging unilateral decisions in regard to service commissioning and decommissioning

- 4) Authorities should seek to avoid passing on disproportionate reductions - by not passing on larger reductions to the voluntary and community sector and small businesses as a whole, than they take on themselves - and in particular:
- An authority intending to reduce or end funding (where 'funding' means both grant funding and any fixed term contract) or other support to a voluntary and community organisation or small business should give at least three months' notice of the actual reduction to both the organisation involved and the public/service users.
  - An authority should actively engage the organisation and service users as early as possible before making a decision on: the future of the service; any knock-on effect on assets used to provide this service; and the wider impact on the local community.
  - Authorities should make provision for the organisation, service users, and wider community to put forward options on how to reshape the service or project. Local authorities should assist this by making available all appropriate information, in line with the government's transparency agenda.

Guidance is very clear and provides a basis for challenging non-compliant actions by local authorities



Best Value Statutory Guidance



## Best Value Statutory Guidance

can be downloaded from:

[www.communities.gov.uk/documents/localgovernment/pdf/1976926.pdf](http://www.communities.gov.uk/documents/localgovernment/pdf/1976926.pdf)