

**Draft Secondary Guidance on :**

**THE DUTY ON ACCOUNTABLE OFFICERS  
TO ENSURE ARRANGEMENTS  
ARE IN PLACE TO SECURE  
BEST VALUE**

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## **INTRODUCTION: ADOPTING BEST VALUE**

1. Since April 2002, there has been a duty of Best Value on Accountable Officers to “ensure arrangements are in place to secure Best Value”. High level guidance was issued in May 2003 and is at Annex A. This document forms the second level guidance describing in more detail the characteristics of a Best Value organisation. This guidance, which has been prepared for use by the wider public sector in Scotland (the Scottish Executive and its Executive Agencies, Executive NDPBs, the NHS and any other organisation which has an Accountable Officer designated under the terms of the Public Finance and Accountability (Scotland) Act 2000 is similar to that for Local Government, developed by the Best Value Task Force. Whilst the statutory duty of Best Value on Local Government is set in a very different framework to the duty on Accountable Officers, and the operating environments and accountability structures are different, the principles of Best Value are applicable across the whole public sector. The duty can be described as:

- the duty of Best Value, being to make arrangements to secure continuous improvement in performance (while maintaining an appropriate balance between quality and cost); and in making those arrangements and securing that balance,
- to have regard to economy, efficiency, effectiveness, the equal opportunities requirements and to contribute to the achievement of sustainable development.

2. Best Value principles are intended to inform and reinforce organisations’ efforts towards achieving continuous improvement in the performance of their functions. It is the outcome of these efforts that matters, and not the detail of the processes. This guidance therefore provides outcome-related criteria against which organisations should assess their progress in adopting successfully Best Value principles. Equal opportunities, sustainable development and joint working are cross-cutting themes throughout the guidance. Although each has a distinct chapter within the guidance these issues are relevant across all aspects of an organisation’s operations and, therefore, are applicable to the duty of Best Value.

3. The guidance recognises the wide range of contexts and scales of the activities of organisations in the wider public sector and the potential for changes to their priorities over time. With this need for flexibility in mind no prioritisation or weighting has been given to the criteria. It is for each organisation to determine its own priorities in moving towards adopting Best Value principles.

4. Organisations should consider proportionality and the appropriateness of their arrangements with regard to all aspects of implementing Best Value.

### ***Taking Best Value Forward***

5. This guidance is intended to be helpful to organisations in providing a set of core Best Value characteristics, against which they can demonstrate that sound corporate management and governance arrangements are in place and target future improvement activity, i.e., a structured process of self-assessment. We would therefore ask organisations to undertake a self-assessment of all existing systems, processes, functions and activities, according to the core Best Value characteristics. This self-assessment will form an initial demonstration of commitment to Best Value and will in itself be a useful business development tool as it will provide an indication of the extent to which Best Value is already in place within the organisation. It will be for organisations themselves to determine how to apply and progress Best Value in a way that is appropriate to their operating environments and the scale and nature of their business.
6. This guidance, and the self-assessment process outlined above, does not replace existing business management, improvement or change frameworks in which organisations have already invested resource and which deliver results. Previous improvement activity such as EFQM, ISO, IIP and Chartermark, and less formal approaches such as benchmarking, all contribute towards Best Value principles and demonstrate commitment to them. Neither is it the intention to impose large additional administrative burdens on bodies across the wider public sector. Rather, the intention is to offer a comprehensive and systematic tool which organisations can use to revisit and re-evaluate current activity and to allow learning to be transferred across the public sector as effectively as possible.

### ***Useful Links to Sources of Information***

7. There is a wealth of information and material available on all aspects of continuous improvement, business development toolkits and organisational change, all of which will offer advice and guidance. However, in the context of the initial self-assessment, you may find the following websites particularly useful and relevant for sharing good practice and networking. Links to the draft Guidance will be available on each of the undernoted sites:
  - the OpenScotland website - <http://www.openscotland.gov.uk> - which includes the comprehensive *Promoting Excellence in Scotland – Guide to Quality Schemes* Toolkit - <http://www.scotland.gov.uk/library5/finance/pesg-00.asp> ; in addition to
  - the Scottish Executive's Public Appointments website - <http://www.scotland.gov.uk/government/publicbodies/> - which provides contact details, a directory of public bodies and publications.

***During the Consultation Phase***

8. During the course of the consultation period your views and comments are sought in writing by **28 November 2003**. Please forward these comments by e-mail or post them to:

Improving Public Bodies Performance Team  
Scottish Executive  
3-G (Dockside)  
Victoria Quay  
EDINBURGH EH6 6QQ

E-mail: [bvwps@scotland.gsi.gov.uk](mailto:bvwps@scotland.gsi.gov.uk)

9. Specifically, your comments would be appreciated on the following key questions:

*Does the draft guidance help to clarify for Accountable Officers what is required of them under the duty of Best Value?*

*What types of ongoing support to allow exchange of learning, good practice and networking would consultees envisage as being most helpful?*

An organisation which adopts Best Value principles will be able to demonstrate:

- **COMMITMENT AND LEADERSHIP**

*a commitment to delivering better public services and functions year on year, and acceptance of the key principles of accountability, ownership, continuous improvement and transparency*

*Executive and Non-Executive leadership and senior managers have developed a vision of how Best Value principles will contribute to the corporate goals of the organisation which informs the direction of activities and is communicated effectively to staff*

*a commitment to high standards of probity & propriety as befits a position of public responsibility.*

This means:

1. That Executive and Non-Executive leadership are involved in setting strategic directions and there is a mechanism for internal scrutiny by Executive and Non-Executive leadership of performance and service outcomes.
2. That Executive and Non-Executive leadership have discussed, agreed and taken ownership of a vision (i.e. set of expectations) of where they see the organisation in 3-5 years. In this context, relevant key elements of best value principles include:
  - a) The need to secure continuous improvement
  - b) The need to demonstrate a customer focused approach
  - c) The need to achieve the best balance of cost and quality in delivering services
  - d) The need to have regard to economy, efficiency, effectiveness and the equal opportunity requirements
  - e) The need to contribute to the achievement of sustainable development.
3. That overall strategic priorities are informed by a good understanding of the needs of the organisation's stakeholders and the setting of priorities and assessment of performance against relevant targets is undertaken with transparency.
4. That Executive and Non-Executive leadership and senior managers ensure their approach to adopting Best Value principles is reflected clearly in all mission statements, strategies, and plans at a corporate and operational level.
5. That these clearly show clearly how the organisation is working with major partner organisations to provide services that meet stakeholder and community needs, including through community plans where the organisation is under a legal duty to participate.

6. That objectives and targets in such statements, strategies and plans are realistic and achievable, are matched to financial and other resources and are explicitly translated into clear responsibilities for implementation.
7. That there is an explicit and systematic approach to integrating Best Value into everyday working practices and involving staff in developing the organisation's approach to Best Value at all levels.
8. That Executive and non-Executive leadership ensure accountability and transparency through effective internal and external performance reporting.
9. That senior managers communicate the Executive and Non-Executive leaderships' vision and expectations methodically throughout the organisation in terms that are relevant to and set out clear expectations to staff.
10. That Executive and Non-Executive Leadership comply with the requirements of the *Ethical Standards in Public Life etc (Scotland) Act 2000 and Companies Act 1985* (as appropriate), associated guidance issued by the Standards Commission for Scotland, or other appropriate code. Moreover, they should ensure that employees comply with a local code of conduct based on generally recognised standards and/or the Code of Conduct for Staff of Public Bodies, as appropriate.
11. That appropriate policies on fraud prevention, investigation and 'whistleblowing' are established.
12. That key discussions and decision-making are undertaken in a transparent and accessible way.
13. That Executive and non-Executive leadership ensure that their decision-making processes are open and transparent, with the organisation's business managed in a manner which supports accountability and where the reasoning which underpins formal decisions is clearly documented and traceable.
14. That appropriate arrangements are in place to ensure that the organisation complies with the requirements of the Freedom of Information (Scotland) Act 2002 and generally recognised guidance.

An organisation which adopts Best Value principles will be able to demonstrate:

- **RESPONSIVENESS AND CONSULTATION**

*responsiveness to the needs of its stakeholders, citizens, customers, and employees, so that plans, priorities, and actions are informed by an understanding of those needs*

*an ongoing dialogue with public sector partners, sponsor departments (if appropriate), and the relevant business, voluntary and community sectors*

*consultation arrangements which are open, fair and inclusive*

1. That Executive and Non-Executive leadership and senior managers recognise the diversity of their customers and stakeholders, as appropriate.
2. That the organisation has developed and implemented:
  - (a) an effective and accessible complaints system
  - (b) a methodical approach to identifying who to consult and how to undertake the consultation most effectively;
  - (c) a systematic approach for co-ordinating consultation exercises and sharing information (as appropriate within legislative constraints and guided by organisational operating context) within the organisation and with other bodies;and linked this into its regular planning cycle and uses the results of this work in planning, designing and improving services and policy.
3. That consultation exercises have clear objectives in terms of what the organisation is seeking to find out, and result in clear recommendations for action (including maintaining the status quo where appropriate.)
4. That Executive and Non-Executive leadership and senior managers acknowledge the value of constructive engagement with a wide range of stakeholders such as: the business community; the voluntary and independent sectors; major suppliers; active interest groups; trade unions; and other less visible stakeholders. All of these should have genuine opportunities to make their voice heard.
5. That stakeholders and partners feel that the organisation listens to, and takes account of, their views and are provided with information about the actions taken through transparency in the decision-making process and performance reporting.
6. That the organisation reviews systematically the effectiveness of its approach to consultation to ensure that these deliver the required outcomes at a reasonable cost.

An organisation which adopts Best Value principles will be able to demonstrate:

- **SOUND GOVERNANCE AT A STRATEGIC AND OPERATIONAL LEVEL**

*A. a framework for planning and budgeting that includes detailed and realistic plans linked to available resources, to achieve the organisation's goals*

This means:

1. That the organisation has developed a corporate plan taking account of the Executive's priorities and policy statements including the Partnership Agreement of May 2003 which is translated into targets and specific actions to be carried out at both corporate and operational levels.
2. That at the operational level there are clear, cohesive plans across the whole organisation that direct and support policy development and service delivery both internally and through delivery partners, as appropriate.
3. That where delivery is through others, a robust framework of corporate governance is in place to manage delivery. This includes clear statements of roles and responsibilities, a hierarchy of objectives and targets, aligned to the sponsor bodies objectives (where appropriate) and a system of performance and risk management and reporting.
4. That the organisation's financial, human and operational resources are matched to its priorities through the integration of its service and budget planning processes.
5. That indicators that allow performance to be assessed are formulated as part of the planning process and senior management regularly receives information that allows them to inform Executive and Non-Executive leadership of progress made.
6. That action is taken in the next planning cycle to learn from success and address areas of under-performance.
7. That other key processes are linked to or integrated with the planning cycle, including strategic analyses, stakeholder consultations, fundamental reviews, performance management, staff appraisal and development schemes, and public performance reporting.

*B. effective performance management systems, which include the use of external comparison, through which performance issues can be identified, monitored and addressed*

This means:

1. That performance is systematically measured across all areas of activity.
2. That the organisation knows the key processes that determine the delivery of a customer centred, cost-effective approach.
3. That where appropriate, a performance management framework for the organisation extends throughout the structures of delivery in order that the system can track the high level objectives through to final delivery outputs and outcomes.
4. That performance information is accurate, up to date, includes relevant trends, comparisons, standards and targets, and is rigorously monitored on a regular basis.
5. That the organisation's performance management system is effective in addressing areas of under-performance, identifying the scope for improvement, agreeing remedial action and monitoring implementation.
6. That comparative analyses are systematically used in order to identify the organisation's performance potential and to learn from others as appropriate, including other public sector organisations, local authorities, other public sector agencies, commercial organisations, and not-for-profit organisations.
7. That performance is reported on systematically to management, Executive and Non-Executive leadership, users and the public. The information provided in each case is relevant to its audience and clearly shows whether strategic and operational objectives and targets are being met. The reports are honest and balanced, and include information about what improvements are required during the forthcoming period.

An organisation which adopts Best Value principles will be able to demonstrate:

- **SOUND MANAGEMENT OF RESOURCES**

*A. making the best use of public resources, including employees, , ICT, land and property and financial resources – keeping a considered and appropriate balance between cost, quality and price.*

*That the organisation has a procurement strategy for procurement and the management of contracts (and contractors) which treats procurement as a key component in achieving its objectives.*

This means:

1. That there is a systematic approach to risk management in relation to the organisation's resources and, where appropriate, it is cascaded down into structures of delivery.
2. That Executive and non-Executive leadership and senior managers regularly review the management of resources across all activities.
3. That employees are treated as a key strategic resource and the organisation ensures that it has the organisational capacity to implement its plans and make full use of its staff. Staffing requirements are explicitly related to strategic and operational objectives in terms of numbers, skills, knowledge, deployment, and organisational structure.
4. That the organisation ensures that all employees are managed effectively and efficiently, that they know what is expected of them, their performance is regularly assessed, and they are assisted in improving.
5. Staff feel that they are valued and that their skills and knowledge are used effectively and to the full.
6. That the organisation has a systematic approach for identifying and managing risks in relation to workforce matters. This may cover such issues as health and safety, business continuity, and public safety.
7. That, where appropriate, the organisation matches its asset base (including infrastructure, land, property, vehicles, plant, equipment, materials, information and communications technology), to its objectives in terms of suitability, and sustainability, and, where appropriate, supports this by developing asset management plans.

8. That the organisation ensures that fixed assets are managed efficiently and effectively, and takes account of factors such as availability, accessibility, utilisation, cost, condition and depreciation.
9. That the organisation has a strategy for procurement and the management of contracts and contractors to ensure that it treats procurement as a key component in achieving its objectives, including those relating to sustainable development, equalities, and health and safety, as well as a means of finding the most cost-effective method for securing the quality of assets and/ services it needs. It ensures that the framing of specifications and the vetting of suppliers is consistent with these objectives.
10. That the organisation has appropriate procurement expertise, guidance and training to support its procurement activity and contractual relationships. Where appropriate, this should include a focal point for advice on developments in best practice and procurement law.
11. That the organisation complies fully and appropriately with its obligations under European Community law on public procurement and any other relevant international agreements.
12. That when competitive tendering, procurement procedures place the minimum possible burden on suppliers consistent with the achievement of best value through effective competition.
13. That an effective system for financial stewardship is maintained, in that:
  - a) The organisation's annual accounts are free from material misstatement and have been prepared in accordance with recognised accounting standards;
  - b) There is a sound system of financial controls that minimises the risk of fraud and error;
  - c) The organisation complies with specific statutory financial requirements;
  - d) High standards of effective management are maintained in relation to budgeting, monitoring and reporting;
  - e) The full financial consequences of decisions are assessed at an appropriate level, before major financial decisions are taken or commitments entered into;
  - f) Feedback on major financial decisions is systematically provided to ensure that planned and anticipated benefits were realised;
  - g) Training and support is provided to ensure that the appropriate staff have the necessary skills and information for managing budgets.
  - h) Suppliers are paid promptly and that payment procedures are streamlined, using modern electronic means wherever appropriate
  - i) The organisation has a sound financial position.

*B. it is conscious of being publicly funded in everything it does; it has regard to obligations under state aid rules; and it is aware of the need to conduct its business in a manner which demonstrates appropriate competitive practice*

*the requirement to keep trading accounts under proper accounting practice is observed where appropriate to the organisations' activities, in order to provide a transparent audit trail*

This means:

1. That where proper accounting practice and good management require it, trading accounts are prepared and disclosed.

An organisation which adopts Best Value principles will be able to demonstrate:

- **USE OF REVIEW AND OPTIONS APPRAISAL**

*an approach to review that is rigorous and robust with no areas of work excepted from consideration for review*

*review activity achieves quantifiable benefits for key stakeholders accepting that change may be necessary*

*services are expected to remain effective and efficient and to provide consistently good service quality. In considering opportunities for improvement a fair and open approach will be taken in evaluating alternative forms of service delivery from whatever the sector*

*review activity should include review of the methods of policy development and arrangements for delivery through others as well as review of in house service delivery itself.*

This means, with regard to review activity:

1. That it is conducted on a regular basis and becomes integrated into the organisation's management arrangements.
2. That it covers significant topics where current policies and approaches are challenged explicitly and are justified if retained.
3. That it looks ahead to understand how stakeholder needs and expectations may change in the future due to the demographic, natural, cultural and socio-economic factors.
4. That it is undertaken on a systematic basis and concentrates on identified priorities, and areas where performance may be poor, which are of importance to stakeholders, which are of significant concern to the organisation or otherwise offers clear opportunities for improvements.
5. That it supports high levels of service quality and secures improvement on a continuing basis. Future demands are clearly addressed.
6. That it takes into account the need to achieve improvement in cross cutting agendas such as equalities, joint working and sustainable development.
7. That, where appropriate, it recognises the value of working with its wider stakeholders and partners to achieve effective policy development and service delivery.

8. That it is conducted within a consistent corporate approach which ensures that review teams have the necessary skills, knowledge and aptitudes, and that they themselves are challenged on their conclusions.
9. That it is able to demonstrate that the views of stakeholders have been taken into account in analysis and developing recommendations. This may include consultation exercises, having stakeholders as part of the review team and engaging staff and trade unions in the process.
10. That it produces clear recommendations which are based on analysis and evidence of considerations such as cost, quality and social impact.
11. That it develops actions which are clearly described, in sufficient detail to be readily understood, are clearly explained in terms of importance, relevance and priority, and are realistic and achievable.
12. That it provides specific statements about what improvements are actually intended to achieve.
13. That it involves Executive and Non-Executive leadership at key stages and ensures that Executive and Non-Executive leadership approve the overall process and policies.
14. That it is monitored by senior management in terms of progress in implementing recommendations / actions on a regular and systematic basis.
15. That it should take account of any guidance/approach agreed with sponsor departments and/or internal management as appropriate.
16. That it is validated on a systematic basis to ensure consistency, efficiency, continuing relevance and delivery of improvements.

An organisation which adopts Best Value principles will be able to demonstrate:

- **A CONTRIBUTION TO SUSTAINABLE DEVELOPMENT**

*contribution to the achievement of sustainable development - consideration of the social, economic and environmental impacts of activities and decisions both in the shorter and longer term*

Sustainable Development is commonly defined as being development that secures a balance of social, economic and environmental well being in the impact of activities and decision; and which seeks to meet the needs of the present without compromising the ability of future generations to meet their own needs.

This means:

1. That there is a commitment at both Executive and Non-Executive leadership and senior management level to contribute to the achievement of sustainable development.
2. That contributing to the achievement of sustainable development is reflected in the organisation's objectives and reflected in all strategies and plans at corporate and operational level.
3. That review activities take account of sustainability issues and assess the impact of policy proposals on sustainable development.
4. That sustainable development requirements are taken into account in the procurement strategy.
5. That there is a systematic approach to the management of resources which contributes to the achievement of sustainable development

An organisation which adopts Best Value principles will be able to demonstrate:

- **EQUAL OPPORTUNITIES ARRANGEMENTS**

*a culture which encourages equal opportunities and the observance of the equal opportunities requirements*

*measures are in place to meet the UK-wide equal opportunities requirements e.g.*

- *Equal Pay Act 1970*
- *Sex Discrimination Act 1975*
- *Race Relations Act 1976 as amended by the Race Relations (Amendment) Act 2000*
- *Disability Discrimination Act 1995*

*and all relevant subordinate legislation made under these Acts*

*adoption of the meaning of “equal opportunities” as is set out in Schedule 5 to the Scotland Act 1998, namely, “the prevention, elimination or regulation of discrimination between persons on the grounds of sex or marital status, on racial grounds or on grounds of disability, age, sexual orientation, language or social origin or of other personal attributes, including beliefs or opinions, such as religious beliefs or political beliefs”.*

This means

1. That measures to encourage the observance of equal opportunities requirements are reflected in the organisation’s objectives and highlighted in all plans at corporate and service level.
2. That there is recognition of the diverse needs of groups in the community and that this is reflected in programme and service planning, design and improvement.
3. That there is a commitment at both Executive and Non-Executive leadership and management level to mainstream equalities within the Best Value framework:
  - when undertaking reviews they take account of equalities issues and assess the impact of policy proposals on equal opportunities.
  - equalities requirements are taken into account in the procurement strategy.
  - equalities performance measures are identified to measure their performance in the delivery of equal opportunities and reported to the public
  - employment policies are fully in line with their commitment to equal opportunities and training is in place to support that commitment.

4. That, where staff are employed, there is a programme appropriate to the size and complexity of the organisation's workforce, of equal pay audits, comparability studies and equal pay reviews of the workforce, to ensure that pay and reward systems meet the legislative requirements and that any existing areas of discriminatory practice are being addressed.
5. That organisations take such other action that is necessary to meet their obligations under existing equal opportunities legislation.

An organisation which adopts Best Value principles will be able to demonstrate:

- **JOINT WORKING**

*A culture which encourages joint working and service delivery where this will contribute to better services and customer focused outcomes*

This means:

1. That Executive and non-Executive leadership and senior managers actively encourage opportunities for formal and informal joint working, joint use of resources and joint funding options, where this will offer scope for improvement.
2. That the organisation is committed to working with partner organisations to ensure a joined up approach to meeting the needs of its customers and stakeholders. That where the partnership is involved in joint delivery this includes:
  - (a) agreeing respective roles and commitments
  - (b) integrated management of resources where appropriate
  - (c) effective monitoring of collective performance
  - (d) joint problem solving
3. That Executive and Non-Executive leadership address impediments and barriers which inhibit integrated approaches to joint funding and joint management of activities with internal and external partners.
4. That appraisal of joint working approaches with regard to the projected benefits, takes into account wider policy issues, current agendas and the potential impact on equal opportunities and sustainable development.
5. That the organisation participates effectively in Community Planning Partnerships and other joint working initiatives where it is either under a legal obligation to do so and/or where it is deemed appropriate. Furthermore, that where there is a legal duty to participate in Community Planning, in undertaking its Community Planning duties, the organisation also takes forward the Community Partnership joint vision and joint objectives internally by integrating these into its planning mechanisms.
6. That in joint working with partners (both external and internal, including support services) the organisation works openly to agreed objectives and performance management and reporting mechanisms.
7. That where appropriate and possible it shares information and seeks to develop data compatibility with partners.
8. That it responds to opportunities to aggregate procurement demand with partners.

An organisation which adopts Best Value principles will be able to demonstrate:

- **ACCOUNTABILITY**

*clarity of reporting structures, responsiveness to stakeholders and accessibility includes:*

*A. the use of public performance reporting so that stakeholders are told about the quality of activities being delivered and what they can expect in the future*

This means:

1. That the organisation has identified what information stakeholders need in order to form a view on the performance of the organisation. It recognises that different sections of the community will have different needs in terms of getting information and responds accordingly. It presents this information in a form that people find useful, accessible and that allows stakeholders to form a clear view of the organisation's overall performance.

*B. compliance with the duty of Best Value on Accountable Officers*

This means:

1. That where there is a duty of Best Value on Accountable Officers through the amendment to the Accountable Officer Memorandum (April 2002) under the terms of the Public Finance and Accountability Act (2000), arrangements are in place to secure Best Value.

## ANNEX A: BEST VALUE

### DUTY OF BEST VALUE: INITIAL GUIDANCE TO ACCOUNTABLE OFFICERS

#### Introduction

The duty of Best Value is included in the Memorandum to Accountable Officers from the Principal Accountable Officer and the Memorandum to Accountable Officers of Other Public Bodies – issued under the terms of the Public Finance and Accountability (Scotland) Act 2000.

**When giving consideration to this guidance, Accountable Officers are asked to bear in mind the following points:**

- This guidance identifies the characteristics of an organisation that wants to secure Best Value. It does not specify process. This guidance is directed to Accountable Officers to inform them in the management of their approach to Best Value. It is NOT guidance to auditors, or guidance on the audit process; these will be developed separately by the Auditor General.
- Each organisation is free to determine the route by which it intends to arrive at the identified goals. This guidance is drawn from a philosophy of creating a Best Value regime which is descriptive rather than prescriptive, and which allows each organisation to take its own, unique circumstances into account.
- To that extent, the guidance should be regarded as strategic rather than operational and implemented accordingly.

**There are a number of cross-cutting themes to the guidance. These are joint working, equal opportunities and sustainable development. They should inform and influence every aspect of Best Value work – from planning to delivery and review. An organisation which fully embraces these concepts will manifest them in its management structure, its corporate planning and derived plans, its consultation with stakeholders, its communications with staff and others, its codes of governance, its allocation of resources, and its review practices.**

**An organisation which secures Best Value will be able to demonstrate the following:**

#### Commitment and leadership

- A commitment to delivering better public services year on year through Best Value, and acceptance of the key principles of accountability, ownership, continuous improvement and transparency.
- The development by senior managers of a vision of how Best Value will contribute to the corporate goals of the organisation which informs the direction of operations and is communicated effectively to staff.
- A commitment to high standards of probity and propriety, to honour the trust given by the public.

### **Responsiveness and consultation**

- Responsiveness to the needs of its stakeholders, citizens, customers, employees so that plans, priorities, and actions are informed by an understanding of those needs.
- An ongoing dialogue with other public sector partners, business, voluntary and community sectors.
- Consultation arrangements which are open, fair and inclusive.

### **Sound governance and the management of resources**

- A framework for planning and budgeting that includes detailed and realistic plans linked to available resources, to achieve the organisation's goals.
- Effective performance management systems, which include the use of external comparison, through which performance issues can be identified, monitored and addressed.
- Best use of public resources, including employees, ICT, land, property and financial resources – keeping a considered and appropriate balance between cost, quality and price.

### **The use of review and options appraisal**

- An approach to review that is rigorous and robust with no areas of work protected from consideration for review.
- That review activity achieves quantifiable benefits for key stakeholders accepting that change may be necessary.
- Services are expected to remain competitive and to provide consistently good service quality. In considering opportunities for improvement a fair and open approach will be taken in evaluating alternative forms of service delivery from whatever the sector.
- That account is taken of the potential economic impact of the organisation's activities (particularly new activities) on others.

### **Sustainable development**

- Contribution to the achievement of sustainable development - consideration of the social, economic and environmental impacts of activities and decisions.

### **Equal Opportunities Arrangements**

- Measures to encourage the observance of equal opportunities requirements e.g.
  - Equal Pay Act 1970 (as amended)
  - Sex Discrimination Act 1975 (as amended)
  - Race Relations Act 1976 (as amended)
  - Disability Discrimination Act 1995 (as amended)
  - and all relevant subordinate legislation made under these acts.

## **Accountability**

- The use of public performance reporting so that stakeholders are told what quality of service is being delivered and what they can expect in the future.
- N.B. Subject to any specific requirements imposed or further guidance issued by the SE, it is for the organisation to determine the form, content and frequency of and time limits for reports, to whom they are to be given and by what means they are to be published or made available to members of the public.