Editorial

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A new style

Too many engineers are obsessed with *how* to design or construct engineering works. This obsession with the technical confines their roles to mere technicians. Our Charter rightly defines the purpose of civil engineering as 'the use and convenience of Man'. (This last word we take to mean individuals of either sex.) Municipal engineers direct resources to the benefit of communities and to the constituent individuals. The skill of the municipal engineer is manifold. Working at the interface between the community, the politicians who make decisions, private sector business and professionals who deliver services, municipal engineers must be able to secure the finance, manage the projects, apply judgement, select the most efficient and effective techniques and ensure that the desired benefits are realized. Management and communication skills may well be more necessary than technical knowledge. The Editorial Panel recognizes the particular role of the municipal engineer and will continue to provide relevant papers through this Journal.

The Chairman of the Editorial Panel, Graham Copus, has served this Journal with distinction for several years, but has now completed his term of office. We are grateful to him. Your new Chairman and Panel have reviewed and revised the aims of the Journal (see inside front cover). Each edition will focus on a key issue facing municipal engineers. We aim to attract quality papers from a wide range of domestic and overseas authors. You are invited to submit a paper on a focus topic, in particular, or any other matter that fits the aims. Future topic foci are:

- (a) Waste Disposal
- (b) Regeneration and conservation
- (c) Can we make transport policies work?
- (d) Community involvement and the politician's role

Best value

The UK government has enacted legislation that requires local authorities to provide 'best value' in the delivery of all their services. This edition of the Journal is concerned with best value. To give best value is nothing short of common sense. Consumers should expect nothing less! Yet local authorities have become entrapped in their own mores and traditions. Until compulsory competitive tendering forced specified services to adopt trading accounts, no one knew the true given cost of a service, nor

the price that should be charged for it. Value is a function of the price charged. Best value cannot be proven unless prices and costs are known. So without proper financial accounting, best value is stillborn. Yet many local authority treasurers are blind to this truism, or simply do not understand financial management. Best value demands the honest application of private sector business management to local authority services. There is no escape and no option.

In the commissioning of articles for this edition, authors were asked to assume the readers' basic knowledge of the concept of best value. The key references with which all practitioners should be familiar are listed below in the reading list.

Best value is a process. It is deliberately non-prescriptive, but local authorities, or rather service heads, must demonstrate that the process has been applied rigorously and effectively. Neville Wills set out the 'specification' or steps necessary to demonstrate that best value is being pursued. In essence, well-trying private sector solutions should be applied to all local authority services. The process is straightforward but requires managers and their staff to be fully involved. Those who suggest that best value is complex do local authorities no service. Ray Shardlow describes the experience of the authorities that piloted best value. The difficulties of the transition from traditional management to achieving best value are confirmed.

Consultation, and for some authorities actual public participation in decision-making, has been practised for many years. Best value requires a continuous engagement with customers. R. M. Andrews describes the developments in Cornwall. Clearly, much more needs to be done to achieve the principle of ensuring that services meet the customer requirements. Market research techniques are available, but require professional expertise in their selection and application.

Stuart Burgess reviews the origin and application of benchmarking. While benchmarking can be useful for diagnosing the differences in performance between organizations, best value is concerned primarily with effecting improvements. Many local authorities' benchmark 'clubs' have foundered on the lack of proper analysis of their own services. Without rigorous position analysis, benchmarking against another organization is fruitless. Improvements cannot be proven.

For those local authority units that have been subject to compulsory competitive tendering

and have won, best value presents a new challenge. Brian Nettleton considers the issues. Competitive tendering of a term contract involves an occasional major improvement (i.e. at the time of revising the specification of re-tendering). Best value demands continuous improvement. But how should the benefits of the improvement be shared between the contractor and the client authority?

A. Coy and Andrew Nisbet consider how best value will impact on two different services. There is no one solution. Best value does not seek conformity. It is a process. The impact depends on the nature of the service, its current 'position' and the potential for improvement.

Best value can be delivered only by the staff involved in a service—both those directly concerned and the support staff. In traditionally managed authorities, the cultural change will be significant. Staff will need new perspectives, or 'paradigm'. D. Gillingwater describes the processes of cultural change undergone by one authority department.

One of the legacies of the Thatcher government is the system of primary legislation that merely sets the principles. The minister is then free to issue regulations about the details. Best value is no exception. To study the act alone gives a different impression from the details of the regulations and other official guidance. The legal position will remain unclear until challenged through the courts.

Will best value produce the results? It all depends on how the objectives are defined. At its simplest, the delivery of local authority services must improve. Will the degree of improvement (currently 2% is expected) justify the cost of the processes and attendant bureaucracy? However, some commentators seek hidden objectives: political motives, the destruction of local democracy and other sinister outcomes. Tony Bovaird suggests means of measuring its success.

Local government itself is being put to the test. Its future depends on its ability to demonstrate real quality and continuous improvement. The role of the inspectors will be

of paramount importance. Service heads must be able to provide evidence of 'the quality of consideration'. Service reviews are for real. The process of service review—analysis of current position, review of aims and objectives, decision-making about the future of the service, planning implementation and monitoring—is simply the business planning process. The key questions that the inspector will ask focus on the service not the authority:

- (a) Are the authority's aims clear and challenging?
- (b) Does the service meet these aims?
- (c) How does its performance compare?
- (d) Does the best value review drive improvement?
- (e) How good is the improvement plan?
- (f) Will the authority deliver the improvements?

The papers in this Journal should help the reader to focus on the real issues. Local government must improve its services. Municipal engineers have a key role. They ignore it at their peril!

Reading List

1. DETR Circular 10/99 Local Government Act 1999: Part 1 Best Value
2. Audit Commission, Seeing is believing: how the Audit Commission will carry out best value inspections in England. Feb. 2000
3. Audit Commission, A measure of success: setting and monitoring local performance targets. Feb. 1990
4. Audit Commission, Getting the groundwork right: financial health for local authority trading units. Feb. 2000
5. Audit Commission, Listen up!: effective community consultation. 1999
6. Audit Commission, Better by far: preparing for best value. Dec. 1999
7. Audit Commission, Planning to succeed: service and financial planning in the local government. July 1999
8. Audit Commission, Best value and the audit commission in England
9. DETR, Guide to quality schemes and best value. March 2000