

PERTH AND KINROSS COUNCIL

27 February 2019

AUDIT OF BEST VALUE AND COMMUNITY PLANNING PERTH AND KINROSS COUNCIL SELF-EVALUATION

Report by the Chief Executive (Report No. 19/60)

Abstract

This paper provides an overview of the written submission to be provided to Audit Scotland in terms of Perth and Kinross Council's self-evaluation to support the forthcoming Audit of Best Value and Community Planning.

1. BACKGROUND

- 1.1 The statutory duty of Best Value was introduced in the Local Government in Scotland Act 2003. The Audit of Best Value is a continuous process that forms part of the annual audit of every council. Findings are reported each year through the Annual Audit Report. In addition, the Controller of Audit will present a Best Value Assurance Report to the Accounts Commission at least once during the five-year audit appointment for each Council.
- 1.2 The Accounts Commission is the public spending watchdog for local government. They hold councils in Scotland to account and help them improve. They operate impartially and independently of Councils and of the Scottish Government.
- 1.3 The Commission expects councils to achieve the highest standards of governance and financial stewardship, and value for money in how they use their resources and provide their services. Their work includes:
 - securing and acting upon the external audit of Scotland's councils and various joint boards and committees
 - assessing the performance of councils in relation to Best Value and Community Planning
 - carrying out national performance audits to help councils improve their services
 - requiring councils to publish information to help the public assess their performance
- 1.4 The Commission is looking for councils to demonstrate Best Value by showing they are continuously improving how they provide services. The pace and depth of this improvement is key to how well councils meet their priorities in the future.

- 1.5 The audit approach is proportionate and risk-based; that is, it reflects the context, risks and performance of each individual Council. It also draws on the intelligence gathered from audit and scrutiny work carried out in previous years.
- 1.6 The Audit of Best Value aims to provide assurance on a council's statutory duty to deliver best value, with a particular focus on the Accounts Commission's Strategic Audit Priorities including:
- The clarity of Council priorities and quality of long term planning to achieve them;
 - Significant changes in delivering services;
 - How effective councils are at ensuring that members and officers have the right knowledge, skills and time to lead and manage delivery of Council priorities;
 - How councils involve citizens in decisions about services; and
 - The quality of council public performance reporting to help citizens gauge improvement.
- 1.7 The last audit of best value for Perth and Kinross Council was in 2008. As a result of this review, and subsequent positive findings of successive annual reviews by the Local Area Network of scrutiny bodies, and annual external audit reports, the Council has been seen to be very low risk and therefore, there has been no further audit since then.
- 1.8 However, in line with the changes to the overall approach to Best Value from the Accounts Commission, and the requirement to undertake an Assurance Report at least once in a five year period, the Chief Executive has been advised in writing, through the Accounts Commission work programme, that Perth and Kinross Council will be subject to a Best Value audit in 2019/20. There are also 6 other councils within the audit programme for next financial year. It has been confirmed by the Audit teams that this will take place from mid-March to mid-April 2019.
- 1.9 Previously there was a requirement to provide a written submission as part of the Best Value Audit process. While this is no longer the case, the Council has undertaken a self-evaluation process, which attached as Appendix 1 to this report.

2. BEST VALUE SELF-EVALUATION

- 2.1 The purpose of this report is to seek the Council's agreement to the self-evaluation to be provided as part of the Audit process. This will be only one of many sources of information for the audit team, but will be key in developing the approach to the audit. Other sources likely to be used will include:
- interviews with elected members and officers
 - focus groups with staff
 - attendance at meetings
 - visits to see service delivery first hand
 - findings of other audit/inspection reports
 - performance management information

- 2.2 In compiling the self-evaluation, a number of criteria have been applied to the document.
- Bold: conveys our vision of excellence, sense of purpose and the Council's vision and priorities.
 - Open and honest: a true reflection of the Council's progress and overall improvements.
 - Outcomes: a focus on outcomes, not process, rating absolute performance, and the positive difference we make to people and communities in Perth and Kinross.
 - Evidence based: clearly substantiating the Council's position.
 - Self Awareness: honest assessment of strengths and weaknesses.
- 2.3 The Appendix has been compiled using information already presented to elected members through the Council's Annual Performance Reports ([APRs](#)), the How Good Is Our Council? self-evaluation process from all services, self-evaluation sessions with senior managers, and a self-evaluation session with elected members.
- 2.4 Learning has also been undertaken from the Best Value Assurance Reports already published by the Accounts Commission, with two reports submitted to the Scrutiny Committee in February and September 2018. These included an analysis of the Council's position against four key areas:
- Strategic Direction
 - Performance and improvement
 - Use of resources
 - Partnership working and collaboration
- 2.5 Importantly, the self-evaluation sets out clearly the Council's current strengths and areas for improvement, underpinned by evidence and robust case studies, outlining where the Council is improving outcomes and making a real difference to the lives of the people of Perth and Kinross. A significant element of the next steps will include an emphasis on community empowerment with a focus on local democracy and governance through the development of the *Perth and Kinross Offer*.
- 2.6 Perth and Kinross Council remains committed to delivering the best services and outcomes, working with our citizens. The Council is facing many challenges, and we know we need to find new ways of working. With challenge comes opportunity – opportunities to co-create new ways of working and services with and for individuals and communities. In recognising this, it is clear that we need to be ambitious and aspirational yet honest and realistic about what we can and cannot do, now and in the future.
- 2.7 We plan to do this through '*the Perth and Kinross Offer*', where we will work with our citizens and communities as co-creators rather than consumers of our services. To be successful, this will also include the changing the way we work with our employees, partners and other stakeholders. While still in the early stages of development, it is ultimately about redefining the relationship we have with our citizens, partners and communities, to continue to make a real difference to people's lives.

- 2.8 It will be a shared approach, with joint accountability, and with its success being able to be measured at both a local and authority wide level. It will not be something 'done' to our residents, but will involve them fully – beginning in some of our rural areas.
- 2.9 In discussion with the Leader of the Council, our current thinking is that the Offer will encompass the following themes, to underpin our joint ambitions for the people of Perth and Kinross, create a shared focus, and drive our collective efforts as those jointly responsible for the sustainable future of our area. The Offer will be underpinned by the themes of:
- Equalities and Fairness (Diversity, Perceptions, Commitment, Rurality)
 - Economy and Entrepreneurship (Investment, Employment, Location, People)
 - Education and Learning (Attainment, Investment, Collaboration, Strengthening Families)
 - Empowerment (Enabling Structures, Communities, Partnerships, Third Sector)
- 2.10 The *Perth and Kinross Offer* is driven by the need to change the way we do things, co-creating a more equal partnership between the Council, our citizens, partners and our communities. This is about doing the right thing by empowering everyone who lives, works, visits and invests in Perth and Kinross.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 The forthcoming Audit of Best Value and Community Planning in Perth and Kinross will comprise several stages in line with the current process. However, the written self-evaluation presented for approval in this report will be key in developing the overall approach to the audit.
- 3.2 It is important to recognise that the Council is a high performing Council, delivering many improved outcomes for the residents of Perth and Kinross, and this has been evidenced through a succession of external inspection reports. The Annual Audit Report in 2018 acknowledged that there is '*strong member and officer leadership*' across the Council, with a clear focus on ensuring that services are equipped to make the greatest possible difference in achieving our shared strategic objectives. Underpinning this is the hard work of our staff, who are committed and dedicated to delivering the best services and outcomes for our citizens and communities. However, it is equally important to recognise that further improvements are required. The Appendix outlines these, along with the evidence to support our self-evaluation and next steps.

3.3 Our key priorities and next steps are to:-

- Deliver on our 5 key priorities:
 1. Securing sustainable, inclusive economic growth
 2. Addressing our changing demographics
 3. Reducing the impact of poverty in families and community and supporting those most vulnerable
 4. Evolving the way we work with communities
 5. Working more collaboratively and further transforming our services
- Develop the Perth and Kinross Offer, based on our aspirations for community empowerment and commitment to local democracy and governance, beginning in our rural areas;
- Review and implement outcomes focused performance measures;
- Further develop new approaches to workforce development, succession planning and talent management;
- Continue to seek collaborations that drive efficiency, effectiveness and improved outcomes; and
- Review our governance and performance arrangements using the CIPFA Mark of International Excellence Framework.

3.3 It is recommended that Council:

- a) notes the position with regard to the forthcoming Audit of Best Value and Community Planning by Audit Scotland;
- b) approves the written self-evaluation as contained in Appendix 1 to this report;
- c) approves the next steps, outlined in paragraph 3.3; and
- d) remits to the Chief Executive, in consultation with the Leader of the Council, to undertake any final revisions to the document prior to forwarding it to Audit Scotland on formal notification of the Best Value Audit.

Author(s)

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Approved

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Karen Reid	Chief Executive	15 February 2019

1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes
Community Plan	Yes
Corporate Plan	Yes
Resource Implications	None
Financial	None
Workforce	None
Asset Management (land, property, IST)	None
Assessments	None
Equality Impact Assessment	None
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	None
Legal and Governance	None
Risk	None
Consultation	Yes
Internal	Yes
External	None
Communication	None
Communications Plan	None

1. Strategic Implications

Community Plan

1.1 This section should set out how the proposals relate to the delivery of the Perth and Kinross Community Plan in terms of the following priorities:

- (i) Giving every child the best start in life
- (ii) Developing educated, responsible and informed citizens
- (iii) Promoting a prosperous, inclusive and sustainable economy
- (iv) Supporting people to lead independent, healthy and active lives
- (v) Creating a safe and sustainable place for future generations

The report covers all objectives within the Community Plan.

Corporate Plan

1.2 This section should set out how the proposals relate to the achievement of the Council's Corporate Plan Priorities:

- (i) Giving every child the best start in life;

- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations

The report covers all objectives within the Corporate Plan.

2. Resource Implications

Financial

- 2.1 There are no financial implications arising from this report.

Workforce

- 2.2 There are no workforce implications arising from this report.

Asset Management (land, property, IT)

- 2.3 There are no asset management implications arising from this report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties. The Equality Impact Assessment undertaken in relation to this report can be viewed clicking [here](#).

The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:

- (i) Assessed as not relevant for the purposes of EqIA

Strategic Environmental Assessment

- 3.2 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.

This section should reflect that the proposals have been considered under the Act and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.3 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. Under the Climate Change (Scotland) Act 2009 the Council also has a duty relating to climate change and, in exercising its functions must act:

- in the way best calculated to delivery of the Act's emissions reduction targets;
- in the way best calculated to deliver any statutory adaptation programmes; and
- in a way that it considers most sustainable.

It is noted that the contents of the report is assessed as not relevant.

Legal and Governance

- 3.4 The Head of Legal and Governance has been consulted on the contents of this report

Risk

- 3.5 There are no significant risks identified in the contents of this report..

4. Consultation

Internal

- 4.1 Elected members attended a workshop to undertake self-evaluation which has been used to support the development of this report. The Executive Officer Team, the Corporate Management Group and the Performance and Planning Group have been consulted on its contents

External

- 4.2 There has been no external consultation in the development of this report.

2. BACKGROUND PAPERS

This section should list the documents that have been relied on in preparing the report, other than those committee reports already referenced within the main body of the report. All documents must be kept available by the author for inspection by the public for four years from the date of the meeting at which the report is presented.

3. APPENDICES

Appendix 1 – Perth and Kinross Best Value Self Evaluation