

PERTH AND KINROSS COUNCIL

SCRUTINY COMMITTEE

7 February 2018

**SUMMARY OF FINDINGS FROM BEST VALUE ASSURANCE REPORTS:
INVERCLYDE COUNCIL AND RENFREWSHIRE COUNCIL****Report by the Depute Chief Executive, Chief Operating Officer**

Councils should demonstrate best value by showing continuous improvement in delivering priorities. Audit Scotland scrutinises the performance of councils and publishes Best Value Assurance Reports (BVARs), with the expectation that all councils act on the key messages, by benchmarking themselves against these reports, and by using the learning from this benchmarking to improve their activity.

This report provides a summary of the key messages from the BVARs for [Inverclyde Council](#), (June 2017) and [Renfrewshire Council](#) (August 2017). This report also benchmarks Perth and Kinross Council's position against these key messages and summarises areas of focus for the Council. The learning from these Assurance Reports will help the Council meet its statutory duty to deliver best value in its activities.

1. BACKGROUND/MAIN ISSUES

- 1.1 The Accounts Commission is the public spending watchdog for local government in Scotland and holds local authorities to account to achieve the highest standards of governance, financial stewardship and value for money. The Commission expects councils to be clear on their priorities and continuously improve their services in line with these priorities and make best use of their resources. The pace, depth and continuity of improvement are key to how well councils meet their priorities.
- 1.2 The statutory duty of best value was introduced in the [Local Government in Scotland Act 2003](#). Audit Scotland's role is to scrutinise the performance of councils and publish Best Value Assurance Reports (BVARs), with the expectation that all councils act on the key messages, by benchmarking themselves against these reports and by using the learning from this benchmarking to improve their own activity. The BVAR reports have taken a new approach this year, and all 32 councils will have a BVAR report at least every five years. All councils will still continue to be the subject of an annual audit report and accounts. The last [audit of best value](#) for Perth and Kinross Council was in 2008.
- 1.3 The BVAR Report seeks 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 these.
- How effectively councils are evaluating and implementing options for significant changes in delivering services.
- How effectively councils are ensuring that members and officers have the right knowledge, skills and time to lead and manage delivery of council priorities.
- How effectively councils are involving citizens in decisions about services.
- The quality of council public performance reporting to help citizens gauge improvement.

1.4 This report provides a summary of the main findings from the first councils to be assessed under the new approach, [Inverclyde Council](#) and [Renfrewshire Council](#).

2. CONCLUSION AND RECOMMENDATION

2.1 This report examines the position of Perth and Kinross Council against these themes, and a detailed analysis is found in Appendix One. This is an opportunity to benchmark our performance, learn from the BVARs, and identify any improvements we need to make, to ensure we can demonstrate our compliance with our best value duties. The questions in Appendix 1 are the types of questions the auditors are asking when conducting best value assurance reports.

2.2 The key messages that are highlighted in the BVAR reports and regarded as important by Audit Scotland for all councils are:

- Ensure that outcomes are clear. The difference the Council expects to make to outcomes should also be clear, and there should be sufficient detail on what achieving outcomes looks like in the short, medium and long term.
- The importance of Councillors working together to progress the agreed priority objectives, and ensure future services will be provided effectively.
- The vital role that Councillors have in scrutinising and challenging reports thoroughly and taking advantage of training and development opportunities.
- Ensure performance reports for Arm's Length External Organisations are robust.
- Ensure there are detailed medium and long term strategic workforce plans in place as this will be critical to managing future service changes.
- Ensure the organisational development strategy is fully implemented and embedded.
- Actively seek the views of the community and consider how to use this experience to help deliver the requirements of the Community Empowerment Act.
- Overcome any challenging issues to progress City Deal projects.

- Overcome any challenges of budget setting for the Integrated Joint Board.
- Strengthen partnership working and plan budgets and finances to provide a clear picture of overall resources available.
- Communicate self-evaluation and service reviews effectively to Councillors.
- Communicate how improvement activity makes a difference to the outcomes the Council and Partners want to achieve.

2.3 The Council's [Business Plan 2016-19](#) committed to [annual progress updates](#) and a review of the Plan. Findings from this report and future Best Value Assurance Reports for other councils will help inform this review and development of the new Corporate Plan.

2.4 By learning from these BVAR reports, changing what we do, and taking the learning into our new Corporate Plan, we are following our systematic approach to continuous improvement, as part of our statutory duty to deliver best value.

2.5 The Scrutiny Committee is asked to:

- Note the benchmarking of Perth and Kinross Council against the Best Value Assurance Reports for Inverclyde and Renfrewshire Councils.

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

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

1. Strategic Implications

Community Plan / Single Outcome Agreement

- 1.1 The proposals relate to the delivery of the Perth and Kinross Community Plan

Corporate Plan

- 1.2 The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. The report supports all the strategic objectives.

2. Resource Implications

Financial

- 2.1 None.

Workforce

- 2.2 None.

Asset Management (land, property, IT)

2.3 None.

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.

3.2 None.

Strategic Environmental Assessment

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

3.4 None.

Sustainability

3.5 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. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.

3.6 None.

Legal and Governance

3.7 None.

Risk

3.8 None.

4. Consultation

Internal

4.1 The Chief Executives' Group has been consulted in the preparation of this report.

External

4.2 None.

5. Communication

5.1 None.

2. BACKGROUND PAPERS

Audit Scotland Reports:

[Best Value Assurance Report: Inverclyde Council](#)

[Best Value Assurance Report: Renfrewshire Council](#)

3. APPENDICES

Appendix 1: Table of Best Value Assurance Reports and Perth and Kinross Council position.