

PERTH AND KINROSS COUNCIL

25 SEPTEMBER 2019

PERTH AND KINROSS BEST VALUE ASSURANCE REPORT 2019

Report by Chief Executive (Report No. 19/274)

PURPOSE OF REPORT

This report sets out the findings and recommendations for improvement contained in the Perth and Kinross Council Best Value Assurance Report 2019. It also provides an improvement plan that establishes a series of planned actions to deliver improvement in respect of the recommendations.

1 BACKGROUND

- 1.1 On behalf of the Auditor General for Scotland and the Accounts Commission, Audit Scotland has responsibility to audit how well Councils are meeting their [statutory duty of Best Value](#). This includes an assessment each year of aspects of Best Value as part of an [integrated annual audit](#). In addition, a public Best Value Assurance Report (BVAR) for each council will be published at least once in a five year period. This brings together an overall picture of the council drawn from a range of audit activity and the work of other scrutiny bodies.
- 1.2 The statutory duty of Best Value was introduced in the Local Government in Scotland Act 2003.
- 1.3 Perth and Kinross Council is one of seven Councils to have a BVAR published in 2019. The detailed audit work for this report was undertaken in March and April 2019 and included:
 - interviews with elected members, senior officers and partners;
 - observing a range of council and committee meetings;
 - document review;
 - focus groups:
 - attendance at meetings, including two Local Action Partnerships;
 - findings of other audit/inspection reports;
 - performance management information.
- 1.4 This is the first Best Value Assurance Report that has been completed on the performance of the Council. The most recent, similar audit was undertaken in 2008 and was an audit of Best Value and Community Planning.
- 1.5 The Council approved a written submission which was provided to Audit Scotland in terms of Perth and Kinross Council's self-evaluation to support the

Audit of Best Value (Report No 19/60 refers). The self-evaluation set out clearly the Council's current strengths and areas for improvement, underpinned by evidence and robust case studies. It also outlined 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 included an emphasis on community empowerment with a focus on local democracy and governance through the development of the *Perth and Kinross Offer*.

2. PERTH AND KINROSS COUNCIL BEST VALUE ASSURANCE REPORT 2019

2.1 The BVAR (Appendix 1) was produced by Audit Scotland and submitted by the Controller of Audit to the Accounts Commission for endorsement on 8 August 2019. The report was then published on 22 August, along with the Commission findings (Appendix 2). This stated that the Commission accepted the Controller of Audit's report on Best Value in Perth and Kinross Council and recognised there has been continuing steady improvement since the Best Value audit in 2008. It commends the effective leadership and clear strategic objectives of the Council, along with introduction of the 'Perth and Kinross Offer' to support future improvement. The Commission findings reiterate the Controller of Audit's recommendations for improvement.

2.2 The Controller of Audit's report provides eight key messages summarising the findings of the audit work. In addition, there are five sections addressing the following questions:

- Does the Council have clear strategic direction?
- How well is the Council performing?
- Is the Council using its resources effectively?
- Is the Council working well with its partners?
- Is the Council demonstrating continuous improvement?

2.3 The findings in relation to each question include good practice, areas identified to be underperforming and any improvements that are recommended.

2.4 In summary, the BVAR 2019 states "Since the 2008 Best Value report, the council has improved at a steady pace. Its approach to the use of resources has strengthened but it has more to do in respect of performance management and community planning."

2.5 These findings reflect the Council's self-evaluation and as such, work has already begun on the improvements identified within the BVAR.

3. BVAR 2019 KEY MESSAGES AND RECOMMENDATIONS

3.1 The BVAR outlines a number of key messages

- The Council has clear strategic objectives that have remained stable over a period of time. There is strong member and officer leadership together with appropriate levels of challenge and scrutiny. The Council is currently

reviewing its governance arrangements with the aim of streamlining and further improving decision-making.

- Since the 2008 Best Value report, the Council has improved at a steady pace. Overall, outcomes for the community are improving. Officers and members are positive about the Perth and Kinross Offer, that is a proposed approach to service design and development co-designed with citizens and communities. It is still at an early stage, but has potential to provide a step-change in the levels of community engagement and the pace of improvement.
- The Council has robust financial planning and management arrangements including effective monitoring and reporting and medium-term financial planning. The financial outlook is challenging, but the Council is well placed to address projected funding gaps through savings from its transformation programme and medium-term financial plan. The Council approves a three-year revenue budget and budget flexibility scheme which encourages longer-term planning. It should consider building on this by developing a longer-term financial plan covering five to ten years.
- The Council has made good progress in providing online access to services. The Council is in the process of reassessing its use of information and technology. Following completion of its digital maturity assessment, it intends to update its digital strategy. This should reflect its ambition of becoming the most digitally innovative council in Scotland.
- The Council undertakes self-evaluation and is receptive to third-party evaluation and inspection. Its self-evaluation could be more explicit about improvement plans. The Council uses performance management information and reporting to drive continuous improvement at service level, but annual public performance reporting should be more balanced. More could be done to consistently demonstrate that performance management drives change and improvement.
- Residents in Perth and Kinross are more satisfied with their Council's services than the Scottish average and the Council has received positive inspection reports in recent years. There are examples of the Council delivering services in innovative ways, making savings and improving outcomes for vulnerable service users.
- Perth and Kinross Council works well with partners, in particular with regional partners across Tayside and the effectiveness of working arrangements with the integrated joint board has improved over the last 12 months. The community planning partnership needs to take a more active role in leading partnership working and strategic change.
- There are good examples of community engagement at service level, but the council could do more to involve communities earlier in strategic planning discussions and demonstrate the outcome of engagement. The

Council is aware that it needs to do more to embed community empowerment in the way the Council and its communities work together.

3.2 The report also recommends the Council delivers improvement in relation to:

- maintaining the pace of development of the Perth and Kinross Offer;
- revising the Council's digital strategy in line with its ambition;
- considering simplifying arrangements to improve decision-making as part of the ongoing governance review;
- reviewing performance management and performance reporting to ensure it is driving continuous improvement and that public performance reporting is transparent, clear and focused;
- considering development of a longer-term financial plan covering a five to ten-year period as part of the Council's modernisation agenda;
- reviewing the effectiveness of the Community Planning Partnership (CPP) Board, outcome delivery groups and local action partnerships as part of the ongoing CPP review; and
- improving how the Council involves communities.

3.3 An improvement plan collating the actions to be taken to address these recommendations is available at Appendix 3; these actions have also been integrated as improvement actions in the Council Annual Performance Report 2018/19.

3.4 Monitoring and reporting on delivery of these improvement actions will be undertaken via:

- the performance management arrangements of the Corporate Management Group;
- a minimum of quarterly reporting to the Executive Officer Team;
- inclusion in the Council's Annual Performance Report for 2019/20.

4. CONCLUSION AND RECOMMENDATIONS

4.1 The opportunity to have an external audit of the Council's performance in relation to Best Value is welcomed. The BVAR recognises that Perth and Kinross Council is continuing to improve and meet the needs of our communities, while also outlining areas for improvement as outlined in paragraph 3.2 above. It is reassuring that the recommendations contained in the BVAR reflect improvement activity already being taken forward across the Council as a result of our own self-evaluation. Delivery of these improvements will significantly strengthen the position of the Council to address current and future challenges.

4.2 It is recommended that the Council:

- i) notes the audit findings and recommendations included in the Best Value Assurance Report 2019

- ii) approves the improvement actions to be taken forward by Perth and Kinross Council to address the recommendations.

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Approved

Name	Designation	Date
Karen Reid	Chief Executive	11 September 2019

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ANNEX

1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	
Community Plan (Local Outcomes Improvement Plan)	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	Yes

1. Strategic Implications

Community Plan (Local Outcomes Improvement Plan) and Corporate Plan

- 1.2 This report supports the delivery of the strategic objectives within the Corporate Plan 2018-22 and the Local Outcomes Improvement Plan 2017-2027.

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 Executive Officer Team were consulted and commented on this report.

External

4.2 None.

5. Communication

5.1 The content and findings of the Best Value Assurance Report have been publicised via local media and digitally, as well as internally. The Council published a notice in a local newspaper stating the time and place of the meeting to consider the findings, as it is required to do by statute. It will also a follow-up notice containing a summary, approved by the Commission, of the Council's decision.

2. BACKGROUND PAPERS

None.

3. APPENDICES

Appendix 1 - Perth and Kinross Best Value Assurance Report 2019.

Appendix 2 - Commission findings

Appendix 3 - Perth and Kinross Council Best Value Improvement Plan 2018/19