

EAST AYRSHIRE COUNCIL

CORPORATE GOVERNANCE COMMITTEE – 16 NOVEMBER 2004

AUDIT OF BEST VALUE PHASE TWO

Report by Depute Chief Executive/Director of Corporate Support

1. PURPOSE OF REPORT

- 1.1 To advise the Committee that East Ayrshire Council has been selected by Audit Scotland for inclusion in the second phase of Best Value Audits for 2004/05.

2. BACKGROUND

- 2.1 Various reports on the development by Audit Scotland of the New Best Value Audit have been considered by the appropriate Council Committees. The 10 February 2004 meeting of the Corporate Governance Committee considered and agreed a report on Year 1 of Audit Scotland's New Best Value audit framework.
- 2.2 Committee will recall that the Accounts Commission has responsibility for auditing the compliance of councils in relation to the provisions of the Local Government in Scotland Act, 2003, including Best Value, Community Planning, and the Power to Advance Well Being.
- 2.3 To date, Audit Scotland has published a final Audit Report for Angus Council in relation to the Year 1 New Best Value Audits and it is understood that the audits in the remaining six councils included within Year 1 are at an advanced stage.

3. YEAR TWO BEST VALUE AUDITS

- 3.1 Audit Scotland has recently written to all councils advising that, to assist with councils' business planning procedures, it has announced those councils to be audited in the next phase of the programme of Best Value audits. The Accounts Commission has adopted a similar approach to programming as it did last year in agreeing a list of councils to be audited, but leaving it to Audit Scotland to determine the programme and timing of each individual audit. The eleven councils that will be subject to the Audit of Best Value in the period commencing January 2005 are as follows:-

- Argyll and Bute
- City of Edinburgh
- East Ayrshire Council
- East Dunbartonshire
- East Renfrewshire
- Western Isles
- Glasgow City
- Highland
- Moray
- Scottish Borders
- West Dunbartonshire.

- 3.2 Audit Scotland has advised that there will still be a small number of 'Year One' audits being carried out during the early months of 2005 and that, in effect, a rolling programme of Best Value Audits is now in place. Audit Scotland has also advised that it will be consulting with the eleven councils, including this Council, over the next few weeks in relation to its draft schedule for implementation of the Year Two audits. Audit Scotland has confirmed that it will again listen to and take account of any representations made by councils where any major, exceptional event is due to occur at the same time as the planned audit. Audit Scotland will also be liaising with other scrutiny bodies including Inspectorates to minimise any clashes of potential duplication. Audit Scotland has also advised that the remaining 14 councils will be audited in the period commencing January 2006 and that details of the proposed scheduling of these audits will be provided towards the end of 2005.
- 3.3 Arrangements for the management of this process will initially be considered by the Council's Corporate Management Team. Thereafter, it is anticipated that this will be a matter for further consideration by the Corporate Governance Committee.

4. LEGAL AND POLICY IMPLICATIONS

- 4.1 None arising directly from this report.

5. FINANCIAL IMPLICATIONS

- 5.1 None arising directly from this report.

6. RECOMMENDATIONS

- 6.1 The Corporate Governance Committee is asked to:-
- (i) note that East Ayrshire Council has been selected by Audit Scotland for inclusion in Phase Two of the Programme of Best Value Audits;
 - (ii) note that arrangements for the management of this process will be considered initially by the Council's Corporate Management Team;
 - (iii) agree to receive further reports on this matter at future meetings of this Committee; and
 - (iv) otherwise note the content of this report.

Elizabeth Morton
Depute Chief Executive/
Director of Corporate Support
3 November 2004

LIST OF BACKGROUND PAPERS

Email from Audit Scotland dated 2 November 2004 on Councils to be Audited in the Next Phase in the Programme of Best Value Audits.

Anyone wishing any further information should contact Elizabeth Morton, tel (01563) 576001, or John Clayton, tel (01563) 576165.