

EAST AYRSHIRE COUNCIL

SPECIAL MEETING OF COUNCIL – 20 SEPTEMBER 2006

EAST AYRSHIRE COUNCIL – AUDIT OF BEST VALUE AND COMMUNITY PLANNING

Report by the Chief Executive

1. PURPOSE OF REPORT

- 1.1 To seek consideration of the Accounts Commission's findings in respect of the Council's Best Value and Community Planning Audit and agree the terms of the Council's response by means of an improvement plan.

2. BACKGROUND

- 2.1 The Accounts Commission has responsibility for auditing the compliance of councils in relation to the provisions of the Local Government in Scotland Act, 2003. The Audit of Best Value and Community Planning is undertaken by Audit Scotland and results in a report made by the Controller of Audit to the Accounts Commission under Section 102 (1) of Local Government (Scotland) Act 1973.
- 2.2 Following conclusion of the Council's audit, the Controller of Audit submitted her report to the Council on 2 August 2006. On receipt of this report, the Chief Executive wrote to all Elected Members, providing each Member of the authority with a personal copy of the report. In addition and in accordance with statutory requirements, the Council made the Controller of Audit's report available for public inspection.
- 2.3 Subsequently, the Controller of Audit's report was considered by a meeting of the Accounts Commission on 9 August 2006 at which the Commission accepted, in full, the Controller of Audit's report and agreed to state its findings without holding a Hearing.
- 2.4 The final report was thereafter published by the Accounts Commission and all Members were provided with a personal copy of the final report, under cover of a letter from the Chief Executive on 4 September 2006, prior to general release from 00.01 hours on Wednesday 6 September 2006. The Council is now required to consider the Accounts Commission's findings and this report highlights these findings and sets out an action plan to respond to the specific matters raised.
- 2.5 In line with statutory requirements, a notice has been placed in the local press advising that this matter is being considered at this Council Meeting and steps have also been taken to make the report available from Council Local Offices and Libraries as well as being available for download from the Council's website.

3. KEY FINDINGS

- 3.1 The overall conclusions arising from the East Ayrshire Council Best Value and Community Planning Audit are very positive. In its report, the Account Commission concludes that the Council demonstrates a clear commitment to Best Value and Community Planning through its strategic vision and effective political and managerial leadership. The report highlights the Council's clear commitment to Best Value and its focus on meeting the diverse needs of its communities.
- 3.2 It is important in the context of this positive audit report to note that the Accounts Commission has recognised the difficult circumstances in which the Council operates, in particular that the Council area does not represent any natural or traditional community and that there are several areas of significant deprivation.
- 3.3 This high level message, resulting from what has been an intensive and detailed audit process, is endorsement of the approach being taken by the Council and, importantly, the work and enthusiasm of Members, our employees and our partners. The broad conclusions from the report are also underpinned by a number of positive findings, including:-
- "The Elected Members and senior managers provide strong and effective leadership that is focused on delivering improvements for East Ayrshire and on celebrating success".
 - "It is firmly committed to tackling the problems of unemployment, poverty and health that exist within a number of its communities. Through strong leadership from senior management, a positive attitude to change throughout the organisation, and effective working with its community planning partners, the council is becoming well placed to deliver on its long-term vision for the area."
 - "Joint working is a key strength, evident in community planning and in integrated working between departments within the council. The council demonstrates innovation and it is making an impact on community plan and strategic priorities through a range of projects. Evidence from customers, staff and community partners indicated significant levels of satisfaction with the council and its work."
 - "Effective leadership is building a positive organisational culture in East Ayrshire. There is a strong focus on celebrating success and an enthusiasm to be the 'best in class', which contributes much to the Council's achievements."
 - "The council demonstrates good financial stewardship and is keen to maximise what it can deliver with the resources it has available."
 - "East Ayrshire has made good progress in developing systems for managing and monitoring its performance."

- "The council is customer focused and has a clear commitment to improving services."
- "The council's recent strategic self-assessment (*of performance*) has identified key areas for improvement and it is preparing detailed action plans to address these."
- "East Ayrshire Council has established solid foundations for a modernised approach to local services, and its systems and processes should now be directed towards the delivery of demonstrable increases in service quality and standards."

3.4 As always, an Audit such as this also highlights areas where the Council can work to secure further improvements. These are set out in the appendix to this report and the Council's approach to responding to improvement areas is discussed further in section 4 of this report. The following specific areas are highlighted in the Accounts Commission's report:

- "The council needs to ensure that its commitment to Best Value is translated into effective outcomes across all its services. The council has established systems and processes for Best Value, particularly in recent years, and additional benefit would be derived if they were consolidated and streamlined".
- "The council's commitment to scrutiny is welcome. However it needs to clarify and strengthen the roles of committees and member/officer groups engaged in scrutiny".
- "While there are good services in community care, housing, finance and education there is a need to focus on improvement in some weaker areas, particular housing repairs".

4. THE COUNCIL'S IMPROVEMENT PLAN

4.1 The Accounts Commission in its findings points to there being evidence that the Council can recognise areas for improvement and take action to address them. It provides encouragement for the Council to move forward to embed continuous improvement throughout its activities and systemise its processes for Best Value so that it can be demonstrated in improved outcomes across the board. The report concludes that:

- "The Council's focus on improvement is driving a wide range of review and service development activity across the organisation. It has identified those key areas where it needs to get better and has demonstrated responsiveness to areas of improvement identified through external scrutiny. It now needs to programme effective action for its plans and strengthen its ability to demonstrate the outcomes that improvement activity and modernisation will have for

service users. Overall, the Council is well placed to deliver on its improvement agenda”.

- 4.2 Members will recall that the Council's submission to Audit Scotland at the start of the Audit process included a number of areas for improvement which had been identified through our Strategic Self-Assessment of Performance which was conducted to inform the Audit process. The meeting of the Risk and Audit Scrutiny Group of 12 December 2005 considered and validated the outcomes from this exercise and the meeting of the Special Policy and Resources Committee of 24 January 2006 subsequently agreed the high level improvement areas for inclusion in the Council's Audit Submission. These areas for improvement have been incorporated by Audit Scotland into the Improvement Agenda arising from the Audit, details of which and the proposed actions to address the specific matters raised, are included within the appendix to this report, to which reference has been made above.
- 4.3 Added to the Improvement Agenda is an outline of how and when the Council will conclude on each of the individual Action Plan points. In line with due process and over the next 2 months, the Council will submit to the Accounts Commission its detailed action plans for each of the Improvement Agenda points. These action plans, when agreed, will be placed in the public domain.

5. FINANCIAL AND LEGAL IMPLICATIONS

- 5.1 There are no financial implications arising directly from this report. East Ayrshire Council has a statutory duty under the Local Government (Scotland) Act 1973, to consider the Accounts Commission's report on the Audit of the Council's Best Value and Community Planning position. In considering the report, the Council is also required to consider the nature of the report's findings, including the Improvement Agenda for the Council.
- 5.2 Following consideration by the Council of this report, it is a statutory requirement that a further Notice is published in the local press advising the public of the conclusions reached by Council on the Accounts Commission's findings. This Notice must be approved by the Accounts Commission prior to publication.

6. POLICY IMPLICATIONS

- 6.1 The Council's consideration of the Improvement Agenda set out in the Accounts Commission's report, will contribute towards our continued commitment to Best Value and the continuous improvement of service delivery.

7. RECOMMENDATIONS

7.1 Council is asked to:

- (i) welcome the Accounts Commission's report on the findings of the East Ayrshire Best Value and Community Planning Audit;
- (ii) agree, in whole, the findings arising from the Audit, including the Improvement Agenda;
- (iii) agree the content of this report and the outline of the Council's proposed approach to the Improvement Agenda as the basis of the Council's response to the Accounts Commission;
- (iv) note that a further report on the Council's detailed response to the action plans underpinning the Improvement Agenda will be brought to a future meeting of the Council prior to submission to the Accounts Commission; and
- (v) otherwise note the term of this report.

**Fiona Lees
Chief Executive**

12 September 2006

BACKGROUND PAPERS

The Council's Best Value/Community Planning Audit Submission document,
January 2006

East Ayrshire Council – The Audit of Best Value and Community Planning,
prepared by the Accounts Commission by Audit Scotland, September 2006

Any person wishing further information should contact John Clayton, Head of
Corporate Development and Communication (tel. 01563 576165)

IMPLEMENTATION OFFICER: Head of Corporate Development and
Communication

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BEST VALUE AND COMMUNITY PLANNING AUDIT

IMPROVEMENT AGENDA

Improvement Actions	Responsible Officer	Timescale
High Priority		
<ul style="list-style-type: none"> Effective use of resources: ensure maximum efficiency across council services, maintain accurate information on activity costs and redistribute resources in line with community plan priorities. Address recommendations arising from the current spending review. 	Chief Executive	February 2007
<ul style="list-style-type: none"> Performance management: consolidate the various elements currently used for managing performance to provide a more consistent and streamlined system, including; clearer links between service plans and community plan priorities, customer feedback and resources; and better utilisation and development of the Director's Performance Review process. 	Chief Executive	April 2007
<ul style="list-style-type: none"> Public performance reporting: improve public performance reporting throughout the council in line with statutory guidance. 	Depute Chief Executive/ Executive Director of Corporate Support	March 2007
<ul style="list-style-type: none"> Equal opportunities: <ul style="list-style-type: none"> improve the accessibility of buildings for people with physical disabilities in line with statutory requirements and mainstream equal opportunities requirements, and more effectively into the council's operational planning and performance management framework, ensuring that impacts are monitored. 	Executive Director of Development and Property Services Depute Chief Executive/ Executive Director of Corporate Support	December 2007
<ul style="list-style-type: none"> Political and management structures: review these in the context of the 2007 local authority elections and prepare appropriate member development programmes. 	Depute Chief Executive/ Executive Director of Corporate Support	August 2007
<ul style="list-style-type: none"> Asset management: effectively implement the Corporate Asset Management Strategy and maintain system in accordance with good practice. 	Executive Director of Development and Property Services	March 2007
<ul style="list-style-type: none"> Procurement: achieve efficiencies through the application of modern procurement/purchasing methods, including e-procurement and more effective use of consortia arrangements. 	Depute Chief Executive/ Executive Director of Corporate Support	March 2008

Medium priority

<ul style="list-style-type: none"> Housing repairs: improve response times and the quality of work carried out to address customer dissatisfaction. 	Executive Director of Neighbourhood Services	March 2008
<ul style="list-style-type: none"> Sustainability: better mainstream sustainable development across council services to achieve improved outcomes. 	Executive Director of Neighbourhood Services	March 2008
<ul style="list-style-type: none"> Challenge and review: increase the development of the best value review programme around cross-cutting priorities and implement more systematic use of benchmarking and other comparative analysis. 	Chief Executive	December 2007
<ul style="list-style-type: none"> Scrutiny: develop more systematic scrutiny arrangements to maximise member challenge of performance and decisions made. 	Depute Chief Executive/ Executive Director of Corporate Support	August 2007
<ul style="list-style-type: none"> Human resource management: develop the staff appraisal system around core competencies and develop a more robust approach to longer-term corporate-wide workforce planning. 	Depute Chief Executive/ Executive Director of Corporate Support	December 2007
<ul style="list-style-type: none"> Trading and competitiveness: effectively use review, benchmarking and option appraisal to improve competitiveness. 	Depute Chief Executive/ Executive Director of Corporate Support	April 2007
<ul style="list-style-type: none"> Risk management: further strengthen the effectiveness of controls for identifying risks and reporting on actions taken in response. 	Depute Chief Executive/ Executive Director of Corporate Support	March 2007

12 September 2006