

**South Ayrshire Council**

**Report by Chief Executive  
to South Ayrshire Council  
of 22 April 2014**

---

**Subject: Targeted Best Value Audit Work/Accounts Commission Findings**

---

**1. Purpose**

- 1.1 The purpose of this report is to allow the Council to consider the Accounts Commission's findings and agree an improvement action plan.

**2. Recommendation**

**It is recommended that the Council:**

- (i) Considers the findings of the Targeted Best Value Audit work – South Ayrshire Council**
- (ii) Accepts the recommendations/findings made by Audit Scotland/Accounts Commission and approves the Council's response as detailed in [Appendix 1](#)**
- (iii) Considers and approves the improvement action plan at [Appendix 2](#) to address the recommendations/findings**
- (iv) Approves the arrangements for monitoring and reporting on progress on the improvement action plan as outlined at 4.4**
- (v) Requests that a summary of the Council's decisions in respect of the Targeted Best Value Audit work is sent to the Accounts Commission for approval and subsequent publication.**
- (vi) Approves the formation of a working group of members and officers as outlined at 4.5 to evaluate and keep under review the Council's approach to ensuring the delivery of Best Value**

**3. Background**

- 3.1 The Local Government in Scotland Act 2003 places statutory duties on Councils in relation to Best Value and Community Planning.
- 3.2 In April 2013 the South Ayrshire Local Area Network (LAN) identified a number of areas relating to the corporate management of the Council where scrutiny was required to ensure the performance of services is supported and sustained for the future. The LAN also raised concerns over the pace of improvement in these areas and recommended that targeted Best Value Audit work take place during 2013 to consider:

- Vision and strategic direction
- Leadership and culture
- Performance management
- Challenge and improvement

- 3.3 The main audit work was undertaken during November and December 2013 by reviewing council documents, observing Council meetings and interviewing Councillors and senior Council officers.
- 3.4 A report was published by Audit Scotland in February 2014 and considered by the Accounts Commission on 13 February 2014, the findings were published on 27 February 2014.
- 3.5 The Council is required to consider the Commission's findings at a meeting of the Council within three months of receiving them. At least seven clear days before the meeting, a notice must be published in a newspaper circulating in the area stating the time and place of the meeting and indicating that it is to be held to consider the findings of the Accounts Commission and describing the nature of those findings.
- 3.5 After the Council meeting the Commission must be notified of the decisions made and a summary, approved by the Commission, published in a newspaper.
- 3.6 The conclusions of the audit were as follows:
- 1) South Ayrshire Council lacks strategic direction and cannot demonstrate that it is directing its resources towards its priorities and to achieving Best Value.
  - 2) There has been a lack of corporate working across the Council but action is underway to address this.
  - 3) The Council does not have an effective performance management culture across the organisation
  - 4) The Council has an active Audit Committee but its overall scrutiny arrangements are not effective.
- 3.7 The recommendations made by Audit Scotland and the findings of the Accounts Commission are detailed in Appendix 1

#### **4. Proposals**

- 4.1 Members (Douglas Campbell, Brian Connolly, John McDowall, Bill McIntosh and Robin Reid, and senior officers (Eileen Howat, Valerie Andrews and Lesley Bloomer) met in private with three members of the Accounts Commission to discuss the reasons behind its findings.
- 4.2 Members of the Leadership Panel, Scrutiny Panel Chairs, Leader of SNP Group, Chief Executive and Executive Director- Resources, Governance and Organisation met with three officers from Audit Scotland to consider the findings in detail.
- 4.3 A proposed response to the recommendations and findings has been prepared following detailed consideration of the report and the discussions outlined at 4.1 and 4.2. This is detailed in Appendix 1.

- 4.4 Appendix 2 details the actions which will require to be taken to address the recommendations and findings outlined in Appendix 1. Updates on progress against this action plan will be presented to each Council meeting beginning on 3 July 2014.
- 4.5 Whilst the targeted Best Value audit work has concentrated on the 4 areas outlined at 3.2 it is important that the Council recognises that in order to fulfil and sustain its statutory Best Value responsibilities there is a need to implement improvement in a systematic way. It is proposed that a working group of 3 elected members (one from each of Conservative, Labour and SNP groups) and senior officers work together to evaluate the Council's performance using the best value toolkits developed by Audit Scotland and How Good is our Council (HGIOC). This working group will also confirm the external facilitation/support required to ensure Best Value is achieved.
- 4.6 The Accounts Commission have produced a series of 'How Councils Work' publications: an improvement series for councillors and officers and it is proposed that these are also reviewed by the working group and then rolled out as training/briefing workshop for all elected members.

## **5. Resource Implications**

### **5.1 *Financial***

Not applicable

### **5.2 *Legal***

Not applicable

### **5.3 *Human Resources***

Not applicable

## **6. Risk**

- 6.1 Failure to address the recommendations and findings outlined in the report will prevent the Council from being able to provide assurance that it is delivering Best Value and may result in further action by the Accounts Commission

## **7. Equalities**

- 7.1 This report is not proposing new services, policies, strategies, or plans (or significant changes to or reviews of them). It does not propose decisions about budgets, including budget cuts or service reductions. This report therefore has not been assessed for equalities impacts.

## **8. Sustainable Development Implications**

- 8.1 This Report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

## 9. Options Appraisal

An options appraisal has not been carried out in relation to the subject matter of this report.

## 10. Link to Council Plan

These proposals will assist the Council in delivering the Council Plan and fulfilling its Statutory Best Value responsibilities

## 11. Results of Consultation

- (1) There has been no public consultation on the contents of this paper
- (2) Consultation has taken place with Councillor Bill McIntosh, Portfolio Holder for Corporate, Strategic and Community Planning.
- (3) Consultation has not taken place with Local Members.
- (4) Consultation has not taken place with Trade Unions.

### Background Papers

Report to South Ayrshire Council of 6 March 2014 <https://ww20.south-ayrshire.gov.uk/ext/committee/CommitteePapers2014/South%20Ayrshire%20Council/6th%20March/Item%207.pdf>

Accounts Commission - South Ayrshire Council Targeted Best Value Audit Work 2013  
[http://www.audit-scotland.gov.uk/docs/local/2014/sr\\_140227\\_south\\_ayrshire\\_council.pdf](http://www.audit-scotland.gov.uk/docs/local/2014/sr_140227_south_ayrshire_council.pdf)

### Person to Contact

Eileen Howat  
Chief Executive  
County Buildings, Tel: 01292 612612 Email: eileen.howat@south-ayrshire.gov.uk

**Date:** 7 April 2014