
Report to Scrutiny Committee

Date of Meeting: 24 June 2010

Subject: Best Value 2 (BV2)

Report by: Head of Strategy & Customer Services

1.0 Purpose

- 1.1. The purposes of this report is to bring Scrutiny Committee up to date with developments in the Best Value Audit regime, and to provide information on arrangements in place to ensure positive outcomes for the Council.

2.0 Recommendations

- 2.1. Scrutiny Committee is asked to note developments in the Best Value 2 Audit.

3.0 Considerations

What is Best Value 2 Audit?

- 3.1. The Local Government in Scotland Act 2003 introduced statutory duties relating to Best Value & Community Planning. The scope of the Act is broad but in general terms a successful council will:
- work with its partners to identify a clear set of priorities that respond to short and long term community needs;
 - be organised to deliver those priorities;
 - meet and clearly demonstrate that it is meeting the community's needs;
 - operate in a way that delivers continuous improvement in all its activities.
- 3.2. In response to the Act, the Accounts Commission implemented the Audit of Best Value and Community Planning. All councils have been through that process. Our report was published by Audit Scotland in 2007.
- 3.3. Best Value 2, commonly known as BV2, is the next phase of Best Value Audit. It is carried out under the same legislative framework however, it is significantly different in that it is:

- more proportionate and risk-based, reflecting more closely particular issues faced by councils and their partners;
 - founded on a Shared Risk Assessment, conducted by a Local Area Network (LAN) made up of various scrutiny bodies, including Her Majesty's Inspectorate of Education, Social Work Inspection Agency, Care Commission, Housing Regulator, Audit Scotland and our external auditor;
 - more focused on impact and outcomes, and the difference the council and its partners are making for local communities;
 - designed to give a more rounded view of partnership working.
- 3.4. The Shared Risk Assessment results in each council receiving an Assurance and Improvement Plan, which sets out the scrutiny activity it can expect to take place over a 3 year period, including the likely timing of a BV2 audit.
- 3.5. To date five councils have been through a pathfinder BV2 audit. The reports are available on Audits Scotland's website.

When can we expect our BV2 Audit?

- 3.6. Our Shared Risk Assessment commenced in November 2009. A draft Assurance and Improvement Plan has been drafted, the outcome of which has been extremely positive. A briefing by the LAN is planned for all elected members on 23 June 2010.
- 3.7. As a result, early indications are that we are unlikely to have a BV2 audit before April 2012.
- 3.8. The LAN will on an ongoing basis monitor our Shared Risk Assessment, and we will continue to see reduced but ongoing levels of scrutiny activity over the next 3 years.

How are we approaching BV2?

- 3.9. The Council's change programme, Growing Excellence, is aimed at ensuring we work effectively with our partners to deliver positive outcomes for our local communities, making best use of our combined resources. Feedback from the LAN, through our Shared Risk Assessment clearly suggests that it has a high level of confidence in Growing in Excellence and that we are making good progress.
- 3.10. We are not complacent, however, and our Clacks Improvement Model (CIM) self assessment approach is designed to ensure that all services are working towards ambitious but attainable improvement action plans to ensure they are growing in excellence.

How will Scrutiny Committee know progress is being made?

- 3.11. Performance reports are important sources of assurance. The Single Outcome Agreement and KPI progress reports are good indicators of direction of travel. Positive trends over time and favourable performance against targets and comparators is a clear indication that good progress is being made. Feedback from our CIM self assessments indicates that widening the

scope of our Key Performance Indicators would better allow us to understand progress, and proposals are already in place to address this.

- 3.12. External quality accreditations are excellent indicators that our approaches and culture are aligned with good practice and therefore more likely to deliver positive outcomes. A number of our services already have quality accreditations such as ISO 9001, Customer Service Excellence and Investors in People, however, over the coming year, all services are working towards achieving the Customer Service Excellence and Investors in People standards.
- 3.13. Achieving national awards is often recognition by a particular sector or profession that an organisation is up there with the best. A number of our services have already achieved such accolades, including Property Contracts, winning a national APSE award 3 years in a row. We are encouraging all services, as they grow in excellence, to put themselves forward for national awards. Not only does this build confidence and a sense of team within the service, it also builds community and wider stakeholder confidence.
- 3.14. Positive reports by Scrutiny bodies including Audit Scotland, HMIE, SWIA, Housing Regulator, Care Commission, are validation that we are getting things right. These reports are presented to Scrutiny Committee on a regular basis, many of which continue to indicate positive and improving performance.
- 3.15. There are no direct financial implications arising from this report.

4.0 Sustainability Implications

- 4.1. There are no direct sustainability implications arising from this report.

5.0 Resource Implications

5.1. Financial Details

- 5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

- 5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

- 5.4. *Staffing* - there are no direct staffing implications arising from this report.

6.0 Exempt Reports

- 6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities 2008 - 2011** (Please double click on the check box)

- The area has a positive image and attracts people and businesses
- Our communities are more cohesive and inclusive
- People are better skilled, trained and ready for learning and employment
- Our communities are safer
- Vulnerable people and families are supported
- Substance misuse and its effects are reduced
- Health is improving and health inequalities are reducing
- The environment is protected and enhanced for all
- The Council is effective, efficient and recognised for excellence

(2) **Council Policies** (Please detail)

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none". None.

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)
Yes (please list the documents below) No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Stuart Crickmar	Business Improvement Manager	01259 452127

Approved by

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Head of Strategy & Customer Services	Elaine McPherson (signed)
Angela Leitch	Chief Executive	Angela Leitch (signed)