

FALKIRK COUNCIL

**Subject: AUDIT REPORT – AN OVERVIEW OF LOCAL GOVERNMENT IN
SCOTLAND 2014**
Meeting: SCRUTINY COMMITTEE
Date: 31 OCTOBER 2014
Author: DIRECTOR OF CORPORATE AND NEIGHBOURHOOD SERVICES

1. INTRODUCTION

- 1.1 This report aims to provide Members with a summary of the above report published in March 2014 by Audit Scotland and asks that Members consider the report and its checklist.

2. BACKGROUND

- 2.1 The Overview of Local Government in Scotland 2014 report is based on the audit work undertaken in 2013. The report aims to provide a high-level view on the progress the Councils are making in managing finances and achieving Best Value to assist Members to identify priorities in 2014.
- 2.2 It is highlights that Councils face increasingly difficult choices with fewer resources. In order to assist Members and Officers make these decisions, it suggests that there needs to be a better and consistent approach to the decisions that are made and governance with clear defined and understood roles in order that the Council can meet the challenges of 2014 and beyond.
- 2.3 It should be noted that Audit Scotland specifically mentions Falkirk Council in the report at paragraph 73. This covers issues around the Council's decision making and participation in that.
- 2.4 Members of Scrutiny Committee will be aware that Falkirk Council is to be subject of a targeted Best Value Audit which will cover performance management and scrutiny. This audit is about to start and we understand it will be reported in spring next year.

3. KEY MESSAGES

3.1 There are a number of key messages in the report. These are:

- Members need to maintain a good understanding of the changing economic, social and political context;
- The requirement for good cost and performance information to support decision making;
- Identify and prioritise areas for improvement and evaluate the impact of improvement activity; and
- There needs to be governance to enable the Members to scrutinise reports from Officers on the financial position and service performance.

3.2 Appendix 1 to the Audit Report notes a checklist for Members titled “checklist and resources”. This checklist has been prepared with a view to helping Members consider the contents of the report.

3.3 Specifically the report mentions the following areas for comment.

Public Performance Reporting

3.4 There has been an improvement in the last three years in all corporate themes and services areas. The improvements required for 2014 are:

- More information required to help the reader understand the indicators and performance management information provided;
- More use of targets, trends, progress with initiatives or actions being taken to address underperformance, to help the reader understand how well the Council is performing.

Community Planning Audit

3.5 The summary and action points in 2014 are:

- Maintaining good professional working relationships and providing strong political leadership;
- Getting assurance that governance is sound, including where ALEOs are in place;
- Providing stronger leadership of CPPs and working with partners to make the best use of the overall public resources available in the area.

4. KEY RECOMMENDATIONS

4.1 The report highlighted a number of key priorities for Members in 2014, these are:

- **Understanding the changing context and the crucial role of Members**
 - Maintaining a clear understanding of the financial position.
 - Understanding the public reform agenda, including the impact of welfare reform.
 - Preparing for changes in health and social care.
 - Keeping up to date through training and development.

- **Meeting user demands and the financial challenges**
 - Appraising the options for delivering services and charging for services.
 - Requiring good-quality cost and performance information for decisions and scrutiny.
 - Making better use of benchmarking to support service improvement and public reporting.
- **Providing strong leadership and governance to support change**
 - Maintaining good professional working relationships and providing strong political leadership.
 - Getting assurance that governance is sound, including where arm's-length external organisations (ALEOs) are in place.
 - Providing stronger leadership of CPPs and working with partners to make the best use of the overall public resources available in the area.

4.2 Members will note that Falkirk Community Planning has had an audit of its work published in May 2014 and the Council is about to be targeted for further work on performance management and governance/scrutiny.

5. **RECOMMENDATIONS**

- 5.1 It is recommended that Members:
- 5.2 **Consider the content of the overview National Overview Report;**
- 5.3 **Note the key priorities noted in section 4; and**
- 5.4 **Consider the checklist appended to the audit report.**

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DIRECTOR OF CORPORATE AND NEIGHBOURHOOD SERVICES

Date: 21 October 2014
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LIST OF BACKGROUND PAPERS

1. Accounts Commission (March 2014), an overview of local government in Scotland 2014. Audit Scotland. Available from:
http://www.audit-scotland.gov.uk/docs/local/2014/nr_140327_local_government_overview.pdf