

**FALKIRK COUNCIL**

**Subject:       AUDIT OF BEST VALUE AND COMMUNITY PLANNING – AUDIT  
SCOTLAND REPORT, MAY 2008**  
**Meeting:       FALKIRK COUNCIL**  
**Date:           25 JUNE 2008**  
**Author:        CHIEF EXECUTIVE**

**1.       INTRODUCTION**

1.1       The purpose of this report is to advise Members of the findings contained within the report recently published by Audit Scotland on the Audit of Best Value and Community Planning within Falkirk Council. The Council is required to consider the Audit Report and publish its response within three months of publication of the report. My report to Members notes the findings of the Audit, as well as the improvement actions the Auditors have recommended the Council consider in progressing our approach to Best Value.

**2.       BACKGROUND**

2.1       The Local Government in Scotland Act 2003 introduced new statutory duties relating to Best Value and Community Planning. Audit Scotland is currently conducting a systematic programme of Best Value and Community Planning Audits of every Council in Scotland. Members will be aware that a small team from Audit Scotland undertook audit work within the Council and with our community planning partners last summer following a written submission and presentation to the Auditors prior to the election. The main audit work started following the election in May 2007 and included:

- Questionnaires of Elected Members, Council Officers and Community Planning Partners;
- Over 40 interviews with Members, Council officers and key partners;
- A review of over 200 written documents; and
- Attending Council Committees and other meetings of the Council and the Community Planning Partnership.

2.2       In addition to the fieldwork noted above, the audit team used the findings of other inspections to reach their conclusions. It should be stressed that whilst the report gives a broad picture of the Council's performance it does not give a comprehensive review of all service delivery.

2.3       Audit Scotland submitted their report to the Accounts Commission in April 2008, with the final report being published in May 2008 which included the Accounts Commission findings. A copy of the final report has been sent to all Members and Community Planning Partners.

- 2.4 The key objectives of the audit were:
- (a) To assess the extent to which Falkirk Council is meeting its duties under the Local Government in Scotland Act 2003; and
  - (b) To identify improvement priorities with the Council.
- 2.5 The Council's external auditor will review these improvement priorities over the next three years.

### **3. AUDIT FINDINGS**

- 3.1 The overall conclusion from the Audit of Best Value and Community Planning is that Falkirk Council shows good, solid performance with many characteristics of best value. In particular, they found evidence that the Council does well with regard to:
- Vision and strategic direction;
  - Community engagement;
  - Customer focus;
  - Partnership working;
  - Performance management; and
  - The delivery of a number of major projects and initiatives contributing to economic development and regeneration.
- 3.2 In particular the report highlights that both Members and Officers have a clear vision for the area which is underpinned by a highly motivated workforce. It notes that we have a strong outward focus and work well and successfully with strategic partners through community planning to deliver major projects and initiatives and these bring real benefits to the area and our communities.
- 3.3 However it also notes that while we demonstrate many of the characteristics of best value, work is required to embed some new policies and strategies. This includes asset management, procurement and risk management. It also notes the need to ensure a more consistent approach to best value service reviews.
- 3.4 The report acknowledges that the Council has good financial stewardship and has used technology to good effect to modernise the way we deliver services. It is heartening to note the Auditors also found that the Council has a positive culture, with staff displaying a strong commitment to delivering high quality customer services.
- 3.5 The Auditors also recognise that the Council uses consultation and community engagement to inform policy development, decision making and service delivery. The report also highlights the overall trend of improvement within our Statutory Performance Indicators, with the number of those in the top quartile exceeding the Scottish average. It does however note the need to balance the delivery of core services against the focus on significant projects.

- 3.6 The report notes that the Council has a number of senior vacancies and a large proportion of new Members following the election. It recognises the Council's commitment to reviewing political and management structures and suggests a timely conclusion to this in order to delivery the Council's 'ambitious programme of continuous improvement'.
- 3.7 The report indicates that service performance is mixed with strengths in education, community learning and development and criminal justice. It notes the need for improvement in housing and jointly delivered community care services. This is in line with previously reported inspection reports.
- 3.8 While the overall conclusions of the report are very positive, a number of areas for improvement are identified within the report. Members will recall that, in the Council's original submission to the Auditors in February 2007, we included an Improvement Plan listing actions to be undertaken over the next eighteen months or so. This was acknowledged by the Auditor in the final section of their report – 'What Needs to Improve'. This recognised that, not only do we have a robust Improvement Plan, but we also have in place clear mechanisms for monitoring and reviewing the plan and the actions contained therein.
- 3.9 The current Improvement Plan has been reported on a regular basis to the Council's Best Value and Audit Forum. The most recent progress report considered by the Forum in May 2008 is attached to this report as appendix one. This shows that many of the key actions identified within the report on Best Value and Community Planning have been completed. Unfortunately, due to the length of time between the audit fieldwork and the publication of the Audit report, this work has not been reflected in the final Audit report.
- 3.10 The Audit Report does however highlight some areas that were not previously contained within the Council's Improvement Plan. These include:
- Addressing senior management vacancies;
  - Reviewing our approach to scrutiny to ensure that the Best Value and Audit Forum meets in public, in accordance with the principles of accountability and openness;
  - Implementing a more strategic approach to reducing sickness absence;
  - Implementing a community engagement strategy; and
  - Addressing identified weaknesses in aspects of housing and social work services and sustaining a focus on raising educational attainment.
- 3.11 Members will note that, although some of the areas noted above are not specifically highlighted within the current Improvement Plan, these are areas the Council is aware of, has been reviewing and is making progress on. For example Members will be aware that a specific Housing Improvement Plan has been developed, agreed by Members and The Scottish Housing Regulator and has already highlighted areas where significant improvement has been made. In addition, improvements have also been made in our approach to meeting the needs of older people in response to the MAISOP inspection.

#### **4. FALKIRK COUNCIL RESPONSE TO AUDIT FINDINGS**

- 4.1 The findings within the Audit are considered to be very positive. They show that since the Council's inception in 1996, it has made a significant difference to the lives of the people in the area and in particular, ensured the economic regeneration of the area.
- 4.2 With regard to improvements, the Council's current Improvement Plan has progressed many of the actions contained within the Audit report. It is proposed that this Improvement Plan is refreshed to ensure the Council's focus on continuous improvement is maintained and includes reference to the actions noted in paragraph 3.10 above. It is suggested that this refreshed Plan will be subject to ongoing monitoring by the Corporate Management Team and the Best Value and Audit Forum. This would be consistent with the monitoring process used to chart the progress of our Improvement Plan from February 2007.
- 4.3 I will, following the submission of our response to the Audit and Accounts Commission findings, meet with our Auditors and Accounts Commission representatives to ensure our response is appropriate.

#### **5. RECOMMENDATIONS**

**It is recommended that Members:**

- 5.1 **Welcome the publication of the Audit Scotland, Audit of Best Value and Community Planning – Falkirk Council;**
- 5.2 **Agree the findings of the report, including the areas for improvement;**
- 5.3 **Agree that a response is sent to the Accounts Commission that recognises the positive nature of the report and the Council's agreement of its findings along with a copy of the existing Improvement Plan as set out in appendix one of this report;**
- 5.4 **The current Improvement Plan is updated to make reference to the specific actions noted in paragraph 3.10; and**
- 5.5 **The new Plan is monitored through regular reports to Best Value and Audit Forum with six monthly progress reports being submitted to Policy & Resources Committee.**

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**CHIEF EXECUTIVE**

Date: 5 June 2008  
Ref: ABK0608KA  
Contact Name: Fiona Campbell Ext: 6004

## **LIST OF BACKGROUND PAPERS**

1. Falkirk Council's submission on Best Value and Community Planning – March 2007.
2. Audit Scotland – the Audit of Best Value and Community Planning – Falkirk Council – May 2008.

Any person wishing to inspect the background papers listed above should telephone Falkirk 01324 506004 and ask for Fiona Campbell.

**FALKIRK COUNCIL**  
**BEST VALUE IMPROVEMENT PLAN**

**Position to April 2008**

**RESOURCES**

Objectives	Task	To be completed by	Lead officer	Traffic light: Red Amber Green	Comments
We will ensure our systems and processes for monitoring and reporting performance are effective	We will do this by: Evaluating the use of performance management software for consistent and timely cross-service monitoring and reporting	Sept 2007	Director of Corporate & Commercial Services		Completed
	Implementing a performance management software system with publication of 1 <sup>st</sup> report	Nov 2007 to April 2008	Director of Corporate & Commercial Services		System being implemented. First Report anticipated June 2008.
	Evaluating the use of a recognised / accredited performance management system / framework	March 2008	Director of Corporate & Commercial Services		Report to be presented to Best Value and Audit Forum August 2008.

Objectives	Task	To be completed by	Lead officer	Traffic light: Red Amber Green	Comments
We will ensure that budget and service planning are aligned in order to meet our goals and values	We will do this by: Further developing links between three year budgets and corporate and service plans	March 2008	Director of Finance		SOA and Corporate Plan now approved by Members. Service Plans being updated to ensure alignment. These will be presented to Members in the near future.
We will ensure all our assets best meet the needs of our communities and align with priorities	We will do this by: Preparing a Corporate Asset Management Plan for 2007-2010	March 2007	Director of Community Services		Completed.
	Undertaking a detailed review of our office accommodation requirements	March 2008	Director of Community Services		Further report is being prepared for Members.

Objectives	Task	To be completed by	Lead officer	Traffic light: Red Amber Green	Comments
We will ensure our approach to procurement supports the delivery of Council priorities and results in efficiency savings	We will do this by: Reviewing and implementing revised procurement structures in line with the McClelland Report	August 2007	Director of Corporate & Commercial Services		Completed. Procurement Board now meeting and reporting to CMT on a quarterly basis.
	Preparing an updated procurement strategy for 2007 – 2010	June 2007	Director of Corporate & Commercial Services		Completed Strategy approved by Policy and Resources Committee in January 2008.

Objectives	Task	To be completed by	Lead officer	Traffic light: Red Amber Green	Comments
	Appraising and evaluating participation in Scotland Excel	August 2007	Director of Corporate & Commercial Services		Renfrewshire Council, as lead authority circulated details of the operating model and costs.  Report considered by Members at Policy and Resources Committee in April 2008.
We will ensure our approach to best value reviews and option appraisal is rigorous and effective	We will do this by: Developing criteria for prioritising our corporate best value review programme and establishing a rolling review programme	September 2007	CMT		All reviews have now been scoped with a reporting timetable agreed for each.
	Preparing a best value business case for ex CCT activities, incorporating appropriate benchmarking and option appraisal	March 2008	Director of Corporate & Commercial Services		Draft scoping and remit document being prepared.  Procurement to be undertaken April 2008.

## PEOPLE

Objectives	Task	To be completed by	Lead officer	Traffic light: Red Amber Green	Comments
We will ensure our employees are equipped with the necessary skills to undertake their designated roles	We will do this by: Consolidating and implementing our leadership development programmes across all appropriate staff	December 2007	CMT		APDS being rolled out across Services. Pilot areas identified.
We will ensure we attract, retain and support our employees whilst recognising future service needs	We will do this by: Preparing an HR and Workforce Planning Strategy	March 2007	Director of Corporate & Commercial Services		Completed. Implementation is now underway.
We will ensure we consider the views of our employees	We will do this by: Undertaking a further Staff Attitude and Health Needs Assessment Survey	November 2007	Director of Corporate & Commercial Services		Completed. Results reported to JCC in February 2008. Services devising action plans based on findings.

Objectives	Task	To be completed by	Lead officer	Traffic light: Red Amber Green	Comments
<p>We will ensure our services have appropriate accreditation with regards to supporting our employees</p>	<p>We will do this by: Progressing with a programme of IIP accreditation</p>	<p>December 2008</p>	<p>Education Services  Community Services  Finance Services    Corporate and Commercial</p>		<p>Work started to assess readiness of service. Anticipated application in 2009/10.</p> <p>Working Group established to take this forward. Anticipated application Dec 2008.</p> <p>Critical Friend Audit completed for Finance IIP processes</p> <p>Conclusion from HR is that IIP accreditation should be applied for by June 2008</p> <p>Corporate IIP accreditation now renewed for a 3 year period until 2010</p> <p>Commercial to be completed by December 2008</p>

Objectives	Task	To be completed by	Lead officer	Traffic light: Red Amber Green	Comments
	Working to achieve the Healthy Working Lives Award	June 2008	Development Services  Housing and Social Work  Law and Administration  Director of Corporate & Commercial Services		Begin accreditation process by December 2008  Accreditation work to commence late 2008  Critical friend audit and interviews of cross section of staff completed March 2008. Following written report work will commence to address issues of improvement.  Confirmation received that the Council has achieved Gold Standard Health Working Lives Award  Reported to JCC in February 2008

## CUSTOMER SERVICES

Objectives	Task	To be completed by	Lead officer	Traffic light: Red Amber Green	Comments
We will ensure our customers know the standards of service we aim to provide	We will do this by: Implementing a set of corporate and service standards for customer service	December 2007	CMT		Customer Services Standards approved by Policy and Resources Committee in February. These are now being rolled out across all services.
	Reviewing our approach to public performance reporting	January 2008	Director of Corporate & Commercial Services		Biannual Council Survey being undertaken. Results to be reported to Members in June 2008.

## GOVERNANCE ISSUES

Objectives	Task	To be completed by	Lead officer	Traffic light: Red Amber Green	Comments
We will ensure our members are fully trained and supported following the May election	We will do this by: Implementing a new induction programme for all members	June 2007	Acting Director of Law and Administration		Completed Personal Development Plans for Members being developed.
We will ensure our arrangements for scrutiny and policy making are robust and effective	We will do this by: Reviewing our current approach to scrutiny including our standing orders and scheme of delegation	December 2007	Acting Director of Law and Administration		Members Working Group has met. It is anticipated that a report will be presented to Council in June.
	The establishment of new roles and responsibilities remits for members	December 2007	Acting Director of Law and Administration		See above