

ANGUS COUNCIL

27 OCTOBER 2016

ACCOUNTS COMMISSION FINDINGS – BEST VALUE AUDIT REPORT 2016

REPORT BY RICHARD STIFF, CHIEF EXECUTIVE

ABSTRACT

The purpose of this report is to inform the council of the Accounts Commission's findings in relation to the 2016 Best Value Audit of Angus Council reported to the council at its meeting on 8 September 2016. The Council is invited to consider and comment on the findings set out in the report.

1. RECOMMENDATION(S)

It is recommended that the Council:

- (i) formally receives and notes the Accounts Commission's findings on the 2016 Best Value Audit
- (ii) considers and comments on those findings.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN

This report contributes to the following local outcome(s) contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

The Best Value Audit relates to all council functions and activity and therefore is relevant to the council's part in the delivery of all local outcomes set out in the Angus Community Plan and Single Outcome Agreement.

3. BACKGROUND

As a result of the significant changes in the council in recent years the Controller of Audit determined that the 2016 audit of Best Value should focus on four main issues:

- the impact of the new council management structure on how the council is delivering services
- the effectiveness of the council's leadership including member/officer working relationships
- whether there are effective systems of scrutiny and performance management across all services that help the council identify and prioritise areas where it needs to continue to improve
- how the Transforming Angus programme is contributing to the Council's vision for the people of Angus and will help meet the financial pressures it faces.

4. THE 2016 BV AUDIT REPORT AND ACCOUNTS COMMISSION FINDINGS

The fieldwork required to undertake the BV review was undertaken by Audit Scotland and its partners earlier in 2016. The report published by the Controller of Audit was presented to the council at its meeting on 8 September 2016. On the same day the Accounts Commission Board formally considered the Angus BV report. Although a brief verbal update was provided to the council meeting it was not possible to report the Commission's findings. These findings were published on 4 October 2016.

Appendix 1 to this report contains the Accounts Commissions published findings in relation to the Angus Council BV report for members' consideration.

5. PROPOSALS

It is proposed that the council notes and considers the Commission findings as set out in Appendix 1. Statutory provisions require the Council to consider the Commission's findings at a meeting of the council within three months of receiving them or within such longer period as the Commission may specify in writing. This duty must be discharged by the council and not by a committee, sub-committee or officer

The council is not required to prepare or submit a specific action plan in response to the report, but the Commission must be notified of any decisions made and the council must also publish in a newspaper circulating in its area a notice containing a summary, approved by the Commission, of the council's decision arising from its consideration of the Commission's findings.

6. FINANCIAL IMPLICATIONS

There are no financial implications directly arising from this report.

7. CONSULTATION (IF APPLICABLE)

The Executive Management Team and the Heads of Corporate Improvement and Finance and Legal and Democratic Services have been consulted in the preparation of this report.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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List of Appendices:

Appendix 1 – Accounts Commission Findings on the Best Value Audit Report, Angus Council, issued 4 October 2016

Accounts Commission

Audit of Best Value and Community Planning: Angus Council

Commission Findings

The Commission accepts the Controller of Audit's report on Best Value in Angus Council.

In our findings in May 2010, we stated that the Council needed to increase its rate of improvement and welcomed its commitment to achieve this. In the case of the current report, we remain of this view.

The current challenge for the Council to identify savings - £26.5 million over the next three years – is a substantial one. The Transforming Angus initiative and the establishment of a programme office and leadership forum demonstrate a continued commitment to change and have helped achieve positive momentum in the improvement culture in the Council. But the pace in some key aspects of the initiative has been slow and it has yet to fully yield planned savings. The Council needs to raise the level of its ambition and increase the pace and depth of improvement; it is only now implementing initiatives which many councils have already done.

We are encouraged that arrangements for elected member scrutiny of decision-making have improved, although these could be more open and transparent. The performance information available to members to undertake this scrutiny can also improve, in order to allow them to better prioritise service improvements across the Council.

We welcome the positive relationships between elected members and officers. We are concerned however that there is some degree of fragility in political relationships. Continuity in the Council's commitment to improvement will be essential, both leading up to and after the forthcoming Council elections in May 2017.

We will maintain our interest in the Council's progress. The Controller of Audit will continue to monitor progress through the annual audit and in our new approach to auditing Best Value.