

WEST DUNBARTONSHIRE COUNCIL

Report by the Chief Executive

Council : 24 March 2010

Subject: Audit of Best Value – Update on Best Value Progress Report, Submitted by Audit Scotland to the Accounts Commission February 2010

1. Purpose

- 1.1** This report provides Members with details of the Update on the Best Value Audit Progress Report which Audit Scotland submitted to the Accounts Commission on 18th February 2010. It also provides information on the outcome of consideration by the Accounts Commission.

2. Background

- 2.1** The Best Value Audit Report for West Dunbartonshire Council was published in January 2007. Council considered a first Progress Report with Accounts Commission's findings in February 2008, and a second Progress Report, (July 2009), was considered by Council in August 2009. Following each of these reports, Council considered and agreed Improvement Plans. The development and implementation of these Improvement Plans has included the participation of, and scrutiny by, Elected Members. The current structure which facilitates this is the Member/Officer Improvement & Efficiency Executive, (I&EE), which submits reports to meetings of full Council.
- 2.2** An Update on the Best Value Progress Report was produced by Audit Scotland on 9th February 2010. This was circulated to all Elected Members for information and was made available to the public through the Council's website. This report was based on analysis of documents, including Council reports, and on information supplied by the Council's external auditor, but did not involve an 'on site' visit or interviews with any Elected Members or officers. The Audit Scotland report was considered by the Accounts Commission at its meeting on 18th February 2010, and this report, with Accounts Commission findings, is now presented to Council.

3. Main Issues

- 3.1** The last Progress Report considered by Council in August 2009 was followed by agreement of a revised Improvement Plan which is currently being implemented. This is monitored through the I&EE and through monthly reports to Council.
- 3.2** The Progress Report Update which has now been received comments on the good levels of performance demonstrated by a number of Council services. (These include key services such as Education, and Social Work, and the

most recent report from the Scottish Housing Regulator also recognises significant improvements in this area.) The Update also acknowledges that the Council has adopted the Improvement Plan and welcomes the steps taken to secure external support, however it makes comment on a number of issues, including the pace of change.

- 3.3** The Accounts Commission notes that it does not believe the Council has made sufficient progress on some priorities identified in the initial audit, and that it requires to demonstrate that it has the capacity to deliver the progress required. In particular, the Accounts Commission comments that:
- Members do not appear to have been sufficiently engaged in the improvement agenda.
 - The Council faces significant pressures in achieving operational sustainability and financial stability, and starts from a very low level of free reserves at 31st March 2009.
 - The Council has made limited progress in ensuring appropriate strategic leadership and effective relationships between Members and senior officers.
- 3.4** These issues are identified in the current Best Value Improvement Plan, and a number of actions are in progress which aim to address the concerns. However it is noted that there is now a need to review these – particularly with regard to increasing the momentum of change.
- 3.5** With reference to the point made about the level of reserves, while this is a position which the Council will address, it is also noted that the current financial climate has created a situation which makes this an issue for a number of local authorities, including West Dunbartonshire.

4. Personnel Issues

- 4.1** There are no immediate personnel issues arising from this report.

5. Financial Implications

- 5.1** The Update comments on the need for the Council to achieve a sustainable financial position.

6. Risk Analysis

- 6.1** There is a reputational risk to the Council if the issues arising from the Update are not seen to be addressed.

7. Equalities Impact

- 7.1** No significant issues were identified in a screening for potential equality impact of this report.

8. Conclusions and Officer Recommendations

8.1 The Accounts Commission findings make comment on action which it believes is needed in 3 main areas:-

- To achieve a sustainable financial position, the Council must establish systems to ensure the management, monitoring and reporting of progress against projected savings.
- Key milestones must be clear and senior members must be in the position to deliver active, regular and robust scrutiny of their achievement.
- The arrangements for external support are welcomed, and it is recommended that Members and senior officers make effective use of this to make faster progress with the improvement plan

8.2 The current Best Value Improvement Plan addresses these issues, however it is recommended that this Plan should now be reviewed to ensure the priority and focus which will deliver the increased pace of change which is highlighted in the most recent Accounts Commission findings.

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David McMillan
Chief Executive
Date: 10 March 2010

Person to Contact: Liz Cochrane, Head of Service, Policy & Performance – Chief Executive’s Department. Garshake HQ, 01389 737271
liz.cochrane@west-dunbarton.gov.uk

Appendix 1: Report by the Controller of Audit – West Dunbartonshire Council – Update on Best Value Progress Report – 9th February 2010

Appendix 2: Accounts Commission Findings – West Dunbartonshire Council – Update on Best Value Progress Report – 11th March 2010

Background Papers: Best Value Progress Report – Council February 2008
Best Value Progress Report – Council August 2009

Wards Affected: All