

WEST DUNBARTONSHIRE COUNCIL
Report by Chief Executive
Special Council Meeting: 17th January 2007

**Subject: Accounts Commission Audit of Best Value and Community Planning
- West Dunbartonshire Council - Findings**

1. Purpose

1.1 Members are asked to consider the Accounts Commission's recommendations to:

(i) Review the following decisions in the light of Best Value Guidance on corporate decision making:

- Allocation of Schools Improvement Fund
- Partial Housing Stock Transfer
- Closure of Facilities in Renton

(ii) Prepare and formally adopt an improvement plan to address immediate and medium-term priorities outlined in the report.

2. Background

2.1 The Audit Scotland report of Best Value and Community Planning of West Dunbartonshire Council concluded with an improvement agenda for the Council. It highlighted 11 immediate priorities and 3 medium-term priorities.

2.2 The Accounts Commission findings (Appendix 1) concurred with these recommendations and highlighted openness in decision-making, staff morale, scrutiny, leadership, member-officer relationships as the main areas requiring improvement. In addition, they did not have the confidence in our corporate capacity to deliver the improvements in an acceptable timeframe and recommended that we seek external assistance to ensure the improvement plan is delivered and that we allocate sufficient resources to implement the actions in the plan.

2.3 The Accounts Commission also found that our position with respect to community planning was at no great variance from several other councils in Scotland.

2.4 The Accounts Commission findings contain recommendations to the Council and this means that the Council must decide:

- (a) Whether to accept any or all of these recommendations.
- (b) What, if any, actions to take in response to these recommendations.

2.5 The Minister for Local Government and Public Sector Reform has made it clear in a letter to all Elected Members that he expects the Council to accept the recommendations made by the Commission and implement a suitable recovery process without delay.

- 2.6 The Accounts Commission has required that the Council report back to the Commission itself, and to the public in West Dunbartonshire, on whether the recommendations have been accepted.
- 2.7 A report on the School Improvement Fund has already been submitted to Membersⁱ and separate reports on the stock transfer and Renton facilities are presented to this meeting.
- 2.8 This report thus outlines a draft improvement plan which has been prepared based on the 11 immediate and 3 medium-term priorities. In addition, 17 'other' priorities have been identified by us based on the Audit Scotland report and our own self-assessment and are also included in the Plan. The Plan is shown as Appendix 2 and lists the improvement actions against each of the priorities. The right-hand column indicates the respective best value criteria (1-20) used in the BV Submission in November 2005.
- 2.9 The following sections discuss the improvement actions in four main categories; those requiring some form of external assistance, those requiring funding from the capital programme, those requiring new staff posts and those which can be progressed from existing staff budgets.
- 2.10 We plan to incorporate the Improvement Plan into the new corporate plan and into departmental service plans which will be the delivery and monitoring mechanisms for the Plan. In addition, regular overview reports on the Plan will be submitted to Council.

3. External Assistance

- 3.1 To address the issue of capacity we have identified areas where external assistance of various types could be deployed to assist us. Much of this is not yet costed, and in addition, the recommendations of any external reviews may have further organisational cost implications.
- 3.2 Discussions on the format and style of the external assistance has already commenced with CoSLA, SOLACE, the Scottish Executive (Public Service & Improvement Division) and with the Improvement Service.

Immediate Priorities

- 3.3 External assistance is recommended to provide assistance in reviewing our strategic decision-making processes, reviewing departmental and committee structures, reviewing the role of senior staff in championing corporate issues and the role/remit of the Best Value Strategy Group and its relationship to the Corporate Management Team. The assistance is likely to be a combination of peer review, and review by SOLACE, CoSLA & the Improvement Service (IS).
- 3.4 A training package for Elected Members designed and delivered by external specialists to address key issues such as scrutiny, performance management, option appraisal etc is proposed. This is in addition to the development & training provision as described in the recent report to Membersⁱⁱ. A detailed report containing proposals and costs will be presented to Council in June 2007.

- 3.5** We are in the process of engaging the consultants, (Hexagon Research), who carry out our Citizens Panel surveys to undertake some consultation on improving the scrutiny role of the Audit & Performance Review Committee (A&PRC). A report using this research will be prepared for the A&PRC in March 2007 and reported to Council thereafter.
- 3.6** We also need to make further improvements in performance management. One option being considered is the purchase of a third-party computer system to replace our in-house Action Planning database. There are a number of systems now on the market specifically aimed at local authorities. These are user-friendly, web-hosted and potentially could be widely accessed by managers, members and the public. As we would be buying a service not a system is assumed that this will be a revenue-funded item. A report detailing options and costs will be submitted to the A&PR Committee in June 2007.
- 3.7** Risk Management training has already been approved for the 07/08 Revenue Budget. Following the progress reportⁱⁱⁱ in December 2006, regular reports will be presented to each A&PRC meeting.

Medium-Term Priorities

- 3.8** A leadership and management development programme will be developed to support performance improvements in service delivery and leading & managing change. External support is being explored through CoSLA and the IS. A detailed report containing proposals and costs will be presented to a future Corporate Services Committee.
- 3.9** Some external assistance is envisaged in refreshing our external communication strategy – including a review of the Community Participation Committee (CPC). In addition, improving our expertise in stakeholder consultation will require external training assistance. A progress report to the CPC and to Council by June 2007 is proposed.

Other Priorities

- 3.10** The BV Audit identified a wide range of issues in relation to staff morale, which will require further diagnostic work, as well as consultation with staff to ensure a comprehensive action plan is developed to address the concerns that have been highlighted. This will include undertaking a detailed staff survey, which we aim to have concluded by June 2007. A project team has been set-up and is drawing up a specification. A report detailing the outcome and associated recommendations will be submitted to Council in June 2007.
- 3.11** Concerns in relation to Dignity at Work and specifically allegations of bullying and harassment have been raised through the BV Audit Report and the Accounts Commission Hearing. Corporate Personnel will take a lead in putting in place policies and procedures which support a culture of dignity and respect which will include clear communication and promotion of Council endorsed values and behaviours. This will include a review of the Dignity at Work policy and its monitoring arrangements, as well as training for managers in addressing issues, support for staff who raise issues and the development of interventions, including mediation, designed to resolve issues quickly. This will be addressed in partnership with the Trade Unions and external expertise will be required to

support these developments. A progress report will be submitted to Council in June 2007.

- 3.12 A project group has been established to address Absence Management and improved management reporting. Further development of the occupational health service is seen as a key element in improving attendance. Progress reports will be submitted to Corporate Services Committee.
- 3.13 Mystery Shopping is a very useful tool in monitoring and improving customer care. External consultancy is envisaged and a report detailing options and costs will be submitted to the A&PRC by June 2007.
- 3.14 A number of our service areas have Charter Mark accreditation. We wish to increase the number of awards in the future and a central budget for external consultants would improve our ability to gain these awards. Currently departments have to fund consultancy advice, pre-assessments and the assessments from their own budgets. A central budget may make more effective use of resources. This will be assessed and reported to a future Corporate Services Committee
- 3.15 Some of our service areas have Investors in People accreditation. We wish to increase the number of awards in the future and a central budget for external consultants would improve our ability to gain these awards. Currently departments have to fund consultancy advice, pre-assessments and the assessments from their own budgets. As with Charter Mark, a central budget may make more effective use of resources. This will be assessed and reported to a future Corporate Services Committee.

4 Capital Programme

Immediate Priorities

- 4.1 To address many of the HR-related issues (including workforce planning, absence management, grievances, equalities monitoring etc) an HR system is required. This requirement has been reported to Council^{iv} in December 2006 and a capital sum of approximately £300,000 will form part of the 2007/08 Capital Programme. Regular progress reports will be presented to each meeting of the Corporate Services Committee.
- 4.2 As part of improving our risk culture the procurement of new risk management software (with training etc) is envisaged at a cost of approximately £44,000.

Other Priorities

- 4.3 Continuing with the Transformational Government Agenda is a vital part of the improvement agenda. We have made good progress recently in developing a software solution for use in our contact centre^v. So far this has been funded from MGF (Modernising Government Fund). More funding is required to further implement the Transformational Agenda including the costs for the staff, hardware, licences and training for the contact centre staff, upgrading the call-logging systems, procuring a content management system to improve the website and the further implementation of the corporate Document Imaging system. We

will also complete the Entitlement card roll-out. A total of some £345,000 is envisaged, funded from the 07/08 Capital Programme on top of that remaining in the MGF allocation.

5 New Staff Posts

Immediate Priorities

- 5.1** The A&PRC^{vi} in December 2006 endorsed the Corporate Management Team (CMT), decision to adopt the new Public Services Improvement Framework (PSIF), as the systematic basis for a corporate continuous improvement framework. The Chief Executive has agreed in consultation with the Head of Finance to recruit a new Quality & Improvement Officer to lead on the implementation of the PSIF and a budget of £35,000 has been agreed. The post-holder is expected to be in post by the end of March. We also require to undertake assessor training and an initial meeting is due to take place on 23rd January with Quality Scotland to refine the scope and costs of this. Regular reports will be presented to each A&PRC meeting.

Other Priorities

- 5.2** Implementation of purchasing cards requires the recruitment of a temporary (6-months) procurement officer at an estimated cost of £17,000. This has been agreed by the Chief Executive in consultation with the Head of Finance and recruitment will progress soon. A further temporary resource may be required to implement e-procurement.
- 5.3** The Audit report noted that we had made limited progress in progressing sustainable development. We believe we require a dedicated sustainable development officer to develop and implement a sustainable development strategy; address the council's response to climate change and carbon management, as well as progress strategic environmental assessment (a new statutory duty), the green network and staff travel planning.
- 5.4** The newly created Dunbartonshire Biodiversity Partnership is currently recruiting a (temporary) Biodiversity Officer (jointly funded by ourselves, Scottish Natural Heritage and East Dunbartonshire Council) with the aim of producing a Local Biodiversity Action Plan. Regular progress reports will be presented to Community Safety & Environmental Services Committee. A sum of £10,000 is included in budgets for the next two years.
- 5.5** To make further progress in monitoring our adherence to the new equalities guidance we will need to recruit a new Equal Opportunities Employment Officer in the personnel section. Regular progress reports will be presented to Corporate Services Committee from June 2007.

6 Other Actions funded from existing revenue budgets

- 6.1** There are a number of other improvement actions which will be undertaken by existing staff under current budgets and work programmes.

Immediate Priorities

- 6.2** We will ensure that all Committee Reports contain complete review of all options. A memorandum from the Chief Executive instructing Departments to meet this requirement will be issued shortly.
- 6.3** We will review options for improving the budget consultation. A report will be prepared for the CMT and Council by June 2007 following this year's exercise suggesting any further improvements.
- 6.4** Priority-led and multi-year budgeting will be further developed. We have made significant improvements since the audit and our latest procedures are contained in the annual guidance for services published in August 2006. We still need to be better able to demonstrate linkages between priorities and resources and also to develop budgets for more than one-year at a time. The next annual guidance will be produced by August 2007.
- 6.5** An options report on developing a workforce planning strategy will be presented to the CMT by March 2007.
- 6.6** The Best Value Strategy Group is overseeing the Council's Efficient Government strategy and monitoring the five project boards covering the Executive's recommended work-streams (absence, assets, procurement, shared services and streamlining bureaucracy). The monitoring of benefits and the measurement of national indicators will be reported to members regularly through the Audit & PR Committee. The first such monitoring report was presented to Members^{vii} in December 2006.
- 6.7** The Community Planning Partnership (CPP) will progress the development of a new Community Plan and monitor the Regeneration Outcome Agreement (ROA). Progress has been made on developing the new Community Plan and a first consultative draft has been prepared. Strategic Environmental Assessment and Integrated Impact Assessments are due to take place and following a further phase of consultation the Plan should be ready to present to the CPP Board and the Council in June 2007. The last annual report on the progress of the ROA was published^{viii} in June 2006 and the next one is due in June 2007.
- 6.8** Departments - through their service planning and Quarterly Performance Review (QPR) processes - are setting up and monitoring action plans for their poorly performing Statutory Performance Indicators (SPI). Performance of the SPIs has improved from 04/05 to 05/06 and this is being monitored overall and scrutinised by the A&PRC who are now receiving regular quarterly progress reports^{ix}.
- 6.9** In addition, other improvements to performance management include improving performance reports, reviewing traffic lights and comparator groups, as well as setting and monitoring targets. Regular progress reports on the new Key Performance Indicators are being presented to the CMT and the A&PRC^x and options for improving the framework will also be presented to this Committee.

- 6.10** We will undertake an annual review of the statutory and non-statutory trading accounts and assess them in terms of value-for-money and competitiveness. This will be reported to the Corporate Services Committee in May 2007. In addition, the 'shared services' project board will identify any requirements for competitiveness testing – which will form part of the Efficient Government progress reports going forward to A&PRC.
- 6.11** As part of embedding a risk management culture across the Council we will review strategic risks and continue updating departmental risk registers. Regular progress reports will be presented to each A&PRC meeting

Medium-Term Priorities

- 6.12** We are now improving our project management and member reporting of Best Value Service Reviews and will ensure that robust option appraisal is carried out. The BV Strategy group has improved its management of the reviews and regular reporting to the A&PRC has commenced^{xi}.

Other Priorities

- 6.13** We will review staff communication procedures – including a review of the options for formal 'cascaded' team briefing. A progress report will be submitted to Corporate Services Committee in June 2007.
- 6.14** We will develop our HR strategy including revised learning & development strategy, refresh the approach to Personal Development Planning and review options for development of a staff appraisal process. A progress report will be submitted to Corporate Services Committee in June 2007.
- 6.15** We will use Citizens Panel to measure customer satisfaction following up the survey in April 2006 which indicated a 60% satisfaction rating. This will be reported to the June 2007 Council meeting.
- 6.16** We will produce a new Corporate Plan for 2007-2011 following the elections – which will fit with the themes, aims and objectives of the new Community Plan and integrate manifesto aspirations and promises. The Plan will require Strategic Environmental Assessment and Integrated Impact Assessment as well as extensive public consultation; nevertheless, we are aiming to have this ready for publication in September 2007.
- 6.17** We will produce a new Asset Management Plan and introduce better benefits and performance tracking. This information will form part of the regular Efficient Government reports being presented to A&PRC.
- 6.18** We will continue to improve our corporate procurement approach. This will include pro-active participation in relevant joint initiatives, improving our benefits tracking, setting up approved contractor lists and finalising our sustainable procurement policy. Regular reports will be presented to Corporate Services Committee.
- 6.19** The shared services project board will continue to look at increasing our involvement in 'shared services' which will form part of the Efficient Government progress reports going forward to A&PRC.

- 6.20 We will continue to make further progress on disability access and implementing the disability equality scheme – which will be reported to Social Justice Committee. We will continue developing our approach to integrated impact assessment and ensure it becomes included in Committee Reports
- 6.21 We will continue to strive towards better balanced public performance reporting and will report progress on developing public performance reporting to A&PRC in June 2007.

7 Implementation

- 7.1 Project management arrangements will be put in place to support the implementation of the BV Audit Improvement Plan. However, given the capacity issues raised within the Commission's report and limitations on the availability of expertise in key areas further additional resource may be required to achieve the specified objectives.
- 7.2 The Responsible Officer for each of the identified priorities will scope out the resource requirements and costs associated with achievement of the objective within the specified timescale. Where external expertise requires to be purchased through consultancy support this will be subject to agreed procurement practices and there will be a commitment to building in an element of skills transfer to develop and enhance internal expertise in these areas.
- 7.3 It is proposed that a cross party member/officer working group should be established to develop the Improvement Plan and monitor progress.

8 Financial Implications

- 8.1 The draft 2007/8 budget has a general provision of £350,000 built in, with an additional £70,000 added to departmental budgets, to fund the Best Value Improvement Plan. There are also a number of capital bids added which will be considered when reviewing the 2007/08 capital plan.
- 8.2 The external assistance may highlight the need for further resources in addition to this (see paragraph 3.1).

9 Personnel Implications

- 9.1 Five new posts have been identified at this stage. Three of these have been agreed by the Chief Executive in consultation with the Head of Finance – namely the Quality & Improvement Officer, the (part funded / temporary) Biodiversity Officer and the Customer Services Section Head. The remaining two posts are the proposed Sustainable Development Officer and the Equal Opportunities Employment Officer.

10 Conclusions

- 10.1 With respect to the three decisions listed in 1.1(i) and highlighted in the Accounts Commission letter, these have now been reviewed and conclusions presented to Members (Council 20.12.06, and Special Council 17.1.07).

10.2 The requirement to produce an Improvement Plan as noted in 1.1(ii) has now been met – as set out in appendix 2 to this report.

11 Recommendations

11.1 The Council is asked to accept all of the recommendations contained in the letter from the Accounts Commission dated 14th December 2006.

11.2 The Council is asked to agree, in principle, the draft Improvement Plan with a finalised report to be submitted to the Council Meeting on 28th February 2007.

11.3 The Council is asked to endorse the decision by the Chief Executive to recruit the five new posts referred to in paragraph 9.1.

11.4 The Council is asked to agree to delegate authority to the Chief Executive to engage appropriate external assistance as required.

11.5 The Council is asked to form a cross-party working group consisting of six Members to develop the Plan and monitor progress.



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Chief Executive

Date: 12 January 2007

Wards Affected: All

Person to Contact:

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Background Papers:

ⁱ [Report on Schools Improvement Fund to Council Dec 2006](#)

ⁱⁱ [Report on Elected Member Development to Corporate Services Committee November 2006](#)

ⁱⁱⁱ [Report on Risk Management Progress to A&PRC December 2006](#)

^{iv} [Report on HR system to Council December 2006](#)

^v [Report on Contact Centre Progress to Corporate Services Committee November 2006](#)

^{vi} [Report on PSIF to A&PRC December 2006](#)

^{vii} [Report on Efficient Government to Audit & PR Committee December 2006](#) plus [Appendix 1](#) & [Appendix 2](#)

^{viii} [CPP progress Report June 2006](#)

^{ix} [Report to A&PRC Dec06](#) and [Appendix 1](#)

^x [Report to A&PRC Dec06](#) and [Appendix 1](#)

^{xi} [Report to A&PRC Dec 06](#) and [Appendix 1](#)