

## Challenges and change in 2012 and the Audit of Best Value and Community Planning: Improvement Plan

### Report by Kenneth Lawrie, Chief Executive

#### 1 Purpose of Report

The purpose of this report is to present an Accounts Commission report: **An Overview of Local Government in Scotland: Challenges and change in 2012**, which provides an overview on issues arising from local authority audits. In addition the report presents the Improvement plan in response to the findings of the Audit of Best Value and Community Planning.

#### 2 Background

##### 2.1 Challenges and change in 2012: Summary

The report presented in **Appendix 1** provides both a review of recent audit work and an overview of the challenges facing local government in 2012 and beyond. It also provides a short summary of resource management in 2011.

##### 2.2 Challenges in 2012

The report considers the resource and demand pressures facing local government in 2012 and highlights four responses for Councils to address these pressures; these responses are summarised in Exhibit 1.

The Best Value improvement plan presented as **Appendix 2** contains a number of actions that are consistent with these responses.

#### Exhibit 1 – Responding to the challenges.

##### Leadership and governance

- Providing strong leadership and challenge in a period of increasing resource and demand pressures and substantial service and structural change.
- Ensuring appropriate access and influence for the statutory officer for finance and effective financial controls.

##### Working in partnership

- Getting the best from partnership working by delivering more integrated services, better value for money and improved outcomes.
- Ensuring partnership performance information systems are sound and that accountabilities are clear.

##### Options for service delivery

- Engaging with communities to understand service users' and communities' needs.

- Investigating new ways of delivering service, including opportunities for simplifying and standardising common processes.

#### **Performance information**

- Ensuring good-quality performance information is available to support improvement and inform decision-making.
- Increasing the focus on costs and on measures which monitor partnership outcomes and performance.

### **2.3 Resource Management in 2011**

The report concludes that Councils dealt well with budget pressures in 2011 but there are further opportunities for more effective management of finances, workforce, assets and procurement.

It states that local authorities are likely to have to deal with further budget reductions while at the same time meeting their statutory duty to secure best value.

### **2.4 Audit of Best Value and Community Planning**

The Best Value audit report was circulated in advance of the Council meeting in June, when members gave initial consideration to the findings. Further to this, the overall conclusions, findings and the resulting improvement plan were considered by Council in August. Members will therefore be aware that the report states that:

The Council's overall performance is **Satisfactory**.  
The Council has **Good** prospects for future improvement.

### **2.5 Improvement Plan**

The Improvement plan presented at **Appendix 2** outlines the actions required to address the four key areas for improvement and any associated areas referenced throughout the Best Value report.

Delivery of the actions in the Improvement plan will be monitored through the relevant Services quarterly performance report. Council will receive an update of the progress of the whole plan in December 2012 and in May 2013.

## **3 Report Implications**

### **3.1 Resource**

The implications associated with the actions identified in the Improvement Plan have already been considered and addressed by the relevant lead or senior officers.

### **3.2 Risk**

The report presented in Appendix 1 provides a summary of issues arising from local authority audits and seeks to mitigate the risk of not

delivering best value, via ensuring an appropriate plan to address high risk areas is in place.

### **3.3 Policy**

#### **Strategy**

This report supports Midlothian Council's corporate objective to deliver responsive, efficient and effective services to the people of Midlothian.

#### **Consultation**

Corporate Management team, Head of Service and other senior officers have been consulted in the development of Best Value improvement plan.

#### **Equalities**

This report does not propose decisions about budgets, including budget cuts or service reductions; however any activities undertaken in response to the Audit of Best Value and Community Planning may be subject to equality impact assessment as appropriate.

#### **Sustainability**

The report provides an overview of the challenges facing local authorities. Analysis of the findings can therefore be used to help ensure sustainability of council services e.g. regarding financial and resource management.

## **4 Recommendations**

Audit Committee is recommended to:

- i. Consider the report (Appendix 1): An Overview of Local Government in Scotland 2012;
- ii. Note the Best Value Improvement Plan as the Council's response to the areas for improvement identified in the Best Value audit report.

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#### **Background Papers:**

**Appendix 1** – An overview of local government in Scotland: Challenges and change in 2012

**Appendix 2** - Midlothian Council: Best Value Improvement Plan.