

To: Renfrewshire Community Planning Partnership Board

On: 7 December 2016

Report by:

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Best Value - A New Approach

1. Summary

- 1.1 Renfrewshire Council's last Best Value Audit took place in 2005 with a very positive report on performance being submitted to the Accounts Commission in June 2006. Community planning arrangements were also reviewed and considered as part of the best value audit process, followed by the publication of several national review reports by Audit Scotland on the effectiveness of community planning in Scotland.
- 1.2 In the intervening period there have been a number of changes to the methodology and frameworks used as part of the best value audit process. Renfrewshire Council has not been subject to a formal best value audit since 2005, as it has been regularly assessed as having strong performance and a well embedded approach to self-evaluation and continuous improvement.
- 1.3 A new approach to best value has been developed by the Accounts Commission, with an allocated audit team assessing the Council against the following four dimensions:- financial sustainability, financial management, governance and transparency and value for money.
- 1.4 Our newly appointed audit team from Audit Scotland commenced their work programme in November 2016, and will also lead local best value audit activity. The audit team have been invited to attend a number of partnership and policy board meetings as part of their introduction to Renfrewshire, and plan to conduct some fieldwork activity in early 2017, with a view to a final best value assurance report being published in Summer 2017.
- 1.5 Whilst the scope of the new best value audit and assurance arrangements does not specifically now include a review of community planning arrangements, the audit team will be keen to establish the outcomes that the Council is achieving for local citizens and communities through effective joint working with other partners, and also for example the progress that is being locally in terms of implementing the provisions of the Community Empowerment Act 2015.

2. Recommendations

2.1 Members of the partnership board are asked to:

- note the forthcoming best value audit and assurance process involving Renfrewshire Council, and
- note the possible linked involvement of community planning partners in the fieldwork undertaken by the audit team.

3. Background

- 3.1 Renfrewshire Council's last Best Value Audit took place in 2005 with the outcome being reported to the Accounts Commission in June 2006. The report itself was very positive and identified 12 areas for improvement which were progressed by the Council through a corporate improvement plan. Community planning arrangements were also reviewed and considered as part of the best value audit process, followed by the publication of several national review reports by Audit Scotland on the effectiveness of community planning in Scotland.
- 3.2 Following on from the Crerar Report, Audit Scotland introduced a new proportionate and risk based approach to Best Value from 2009, often known as BV2. BV2 was based on an annual shared risk assessment process involving all scrutiny bodies that engaged with the Council such as the Care Inspectorate). The aim of the shared risk assessment process has been to identify risks and develop a local Assurance and Improvement Plan. From 2009 to the present day this BV2 approach has covered 17 local authorities and included 26 audits (including follow up audits).
- 3.3 As the BV2 approach was heavily focused on risk, a number of high performing Councils with a mature and well developed approach to self-assessment were not subject to a Best Value 2 audit, which included Renfrewshire Council. This has meant that a handful of Councils have not had a BV audit in over ten years, therefore to provide greater assurance to the public for all Councils the Accounts Commission requested a review of Best Value.

New Approach

- 3.4 A new approach to best value has been developed by the Accounts Commission, with an allocated audit team assessing the Council against the following four dimensions: financial sustainability, financial management, governance and transparency and value for money. The Accounts Commission announced that 6 councils had been selected to pilot the new best value assurance approach, with a best value assurance report being produced for each authority from Summer 2017. The six councils are:-Clackmannanshire, East Renfrewshire, Orkney, Inverclyde, Renfrewshire; and West Lothian.
- 3.5 In previous years, the local audit team completed the annual accounts, statutory performance indicators, benefit performance audits etc whilst the central Best Value team in Edinburgh completed the Best Value audits, in an allocated number of days. This will change from November 2016. Our newly appointed audit team from Audit Scotland will be leading on the listed audit work above as well as the Best Value approach for Renfrewshire Council.

- 3.6 Conclusions will be drawn from the audit on the extent to which councils are achieving Best Value and it is intended that more focus is given in the assurance reports on highlighting best practice examples at a local level.

Key points for community planning partners

- 3.7 Whilst the community planning partnership and its programme of work are not specifically within the scope of the new best value assurance arrangements for local authorities, it is anticipated that the audit team will consider the effectiveness of the Council and its partnership arrangements and the outcomes that the Council is seeking to achieve for local citizens through effective joint working with its partners. In addition, the initial information which has been provided on the new audit framework indicates that the audit team will also specifically consider the Council's role in terms of implementing the provisions of the Community Empowerment Act 2015 in relation to areas such as community ownership and community engagement mechanisms.
- 3.8 The audit team have been invited to attend a range of policy boards and partnership meetings over the next couple of months, in order to introduce the team to the key strategic and partnership driven activities which are currently being progressed in Renfrewshire. Fieldwork will also be undertaken by the audit team in early 2017, and there is potential for partners to be invited to attend discussions or sessions as part of this programme.

For more information regarding this report, please contact Laura McIntyre, Strategic Planning and Policy Development Manager, Chief Executive's Service on 0141 618 6807