
To: Leadership Board

On: 1 May 2024

Report by: Chief Executive

Heading: Best Value Update

1. Summary

- 1.1 The duty of best value applies to all public bodies in Scotland, and requires organisations to ensure that there is good governance and effective management of resources, whilst also ensuring activities focus on improvement and deliver the best possible outcomes for the public.
- 1.2 This paper provides an update to elected members on best value audit arrangements to be undertaken by external auditors in Renfrewshire during 2024/25.
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2. Recommendations

- 2.1 Members are requested to note the contents of the report.
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3. Background

- 3.1 The duty of best value applies to all public bodies in Scotland, and requires organisations to ensure that there is good governance and effective management of resources, whilst also ensuring activities focus on improvement and deliver the best possible outcomes for the public.
- 3.2 In line with the remit of the Leadership Board to consider matters relating to best value and performance management, regular updates are provided to members on any best value related activity being progressed by the Council's external audit team as part of national scrutiny arrangements.

- 3.3 The last update provided to members in December 2023, highlighted recent changes to how local authorities would be audited in relation to best value, with this now being fully integrated as part of the annual audit process undertaken each year by external auditors. This is supplemented by more detailed best value work which is also carried out each year around a particular theme selected nationally, with findings collated into a national report.
- 3.4 Over and above this annual programme, each local authority will be subject to a statutory report on best value which will be considered by the Accounts Commission.
- 3.5 An initial timetable for best value report completion and reporting to the Accounts Commission confirmed that this would take place for Renfrewshire Council in 2027, however this has now been brought forward to 2024, or at the latest early 2025. Our external audit team Azets, plan to perform this work during 2024/25 and report the outcomes from a review of the Council's best value arrangements by end December 2024.

4. Best value audit methodology

- 4.1 Within the External Audit Plan 24/25 prepared by Azets, which was reported to the Audit, Risk and Scrutiny on 18 March 2024, an overview of the best value methodology used within the auditing process was provided for information, with an extract provided below for information.

Key area	Description
1	Follow up: our work will follow up on Accounts Commission findings, Controller of Audit recommendations and any outstanding improvement actions reported in Best Value Assurance Reports, Best Value thematic reports and Annual Audit Reports. Our work will reflect the Council's self-assessment against outstanding improvement actions and our findings will be based on the Council's current arrangements for delivering best value.
2	Risk based approach to Best Value themes: We pay due regard to the Council's arrangements in respect of the seven Best Value themes in identifying any significant risks
3	Assessing the effectiveness of performance reporting: the best value theme, effective use of resources, includes an expectation that councils report effectively on their performance. Councils should be able to demonstrate a trend of improvement over time in delivering their strategic priorities. Key elements include: <ul style="list-style-type: none"> the Council's assessment of progress against its service priority measures in 2023/24 and over time.

	<ul style="list-style-type: none"> • what the Council is reporting on its relative performance in 2023/24 and over time (from the Local Government Benchmarking Framework and other information used locally). • The effectiveness of Council processes for reporting and scrutiny of performance against its priorities • the Council’s arrangements to demonstrate continuous improvement in how they deliver their priority services. • The Accounts Commission has a statutory responsibility to define the performance information that councils must publish. This responsibility links with the Commission's Best Value audit responsibilities. In turn, councils have their own responsibilities, under their Best Value duty, to report performance to the public. The Accounts Commission issued a new Statutory Performance Information Direction in December 2021 (applies for the three years from 2022/23) which requires a council to report its: <ul style="list-style-type: none"> • Performance in improving local public services (including those provided with its partners and communities), and progress against agreed desired outcomes (SPI 1). The Commission expects this reporting to allow comparison both over time and with other similar bodies (drawing on the Local Government Benchmarking Framework and / or other benchmarking activities) • Own assessment and audit, scrutiny and inspection body assessments of how it is performing against its duty of Best Value, and how it has responded to these assessments (SPI 2). As external auditors we are required to satisfy ourselves that the Council has made proper arrangements for preparing and publishing the statutory performance information in accordance with the Direction. We will evaluate the effectiveness and appropriateness of the arrangements at the Council, including assessing the appropriateness of the information provided to members in responding to the Direction
4	Thematic reviews: we are required to report on Best Value or related themes prescribed by the Accounts Commission. The thematic work for 2023/24 is on the workforce innovation and will involve auditors considering how councils are responding to the current workforce challenge through building capacity, increasing productivity and innovation. We will report our conclusions in a separate report which will be presented to those charged with governance within the Council and published on Audit Scotland’s website.
5	Contributing to Controller of Audit reports: The Controller of Audit reports to the Accounts Commission on each council’s performance in meeting its Best Value duties at least once over the five year audit appointment. The report is a summary of information and judgements reported by each auditor.

4.2 In terms of outputs that will be visible to elected members, partners and the wider public, the following reports will be provided during 2024:

- Annual Audit Report targeted for completion in September 2024
 - Best value thematic report – Workforce innovation (date tbc)
 - Best value statutory report (scheduled for completion by end December 2024)
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5. Follow up on 23/24 Best Value recommendations

- 5.1 Within the best value update report considered by the Leadership Board in December 2023, it was noted that Azets had completed a best value thematic report on leadership and governance at Renfrewshire Council as part of the national programme of best value activity. The overall assessment made by our external auditors in relation to the best value work undertaken this year is that “We are satisfied that the Council has appropriate arrangements in place to demonstrate Best Value under each reported area of the 2022/23 thematic review”.
 - 5.2 The appendix within the Best Value thematic report contained an action plan to be progressed by the Council in response to the recommendations made by the external audit team. Two actions were identified which relate to opportunities to strengthen the prioritisation of Council Plan activities, and related monitoring arrangements. Work is underway to respond to these recommendations, and progress will be reported to the Leadership Board in June 2024.
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6 Local response and next steps

- 6.1 As a learning organisation, the Council has established self evaluation processes which allow self assessment to be undertaken in relation to the best value audit dimensions and methodology as part of wider corporate improvement activities. This was most recently undertaken by the Chief Officer Group during summer 2023, and was subsequently followed up with further self assessment work with senior managers across the organisation in late 2023. The Corporate Management Team are currently developing a high level plan which will allow senior officers to direct resources to activities and processes which could be further strengthened in relation to the feedback received. Proposals are being developed by the Corporate Management Team to further embed the corporate self assessment process.
 - 6.2 The use of self assessment and also wider benchmarking with other authorities is important, as it ensures that the organisation can continue to learn from established best practice and prioritise activities which strengthen the way in which the organisation operates, supports and develops staff, and engages with local communities and businesses.
 - 6.3 It is anticipated that the best value statutory reporting process will be undertaken by Azets over the course of 2024, and further updates will continue to be provided to elected members as information becomes available.
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Implications of the Report

1. **Financial** – none

2. **HR & Organisational Development** – none.
3. **Community/Council Planning** – none
4. **Legal** – none
5. **Property/Assets** – none
6. **Information Technology** - none.
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** - none.
9. **Procurement** – none.
10. **Risk** - none.
11. **Privacy Impact** - none.
12. **COSLA Policy Position** –not applicable.
13. **Climate Risk** – none

List of Background Papers

None

Please contact Laura McIntyre, Head of Policy and Partnerships.