

Purpose

1. This report introduces the Controller of Audit's report on Best Value in Moray Council for the Commission's consideration, alongside the associated publication arrangements.

Recommendations

2. The Commission is invited to:
 - Consider the Controller of Audit's report.
 - Approve the proposed publication arrangements.
 - Decide how it wishes to proceed.

Background

3. The report draws the Commission's attention to the findings set out in Moray Council's 2022/23 Annual Audit Report (AAR) on how effectively the council demonstrates Best Value through continuous improvement in how it delivers its strategic priorities.
4. Best Value audit work is now fully integrated into annual financial audit work to increase its impact and efficiency and reduce the scrutiny burden on councils. Best Value work is reported in AARs and also includes follow-up and thematic Best Value work, providing judgements on the pace and depth of continuous improvements and service performance. This work provides the Commission with the opportunity to offer a national overview of key aspects of Best Value, as well as supporting accountability and improvement within individual councils to generate greater impact from the Best Value audit work.
5. The theme chosen by the Commission for its annual Best Value thematic work for 2022/23 was Leadership of the development of new strategic priorities. The Commission intends to publish a national thematic report on leadership of strategic priorities, drawing on the findings of Best Value thematic work across all 32 councils, in 2024.
6. At least once during the current five-year audit appointment the Controller of Audit is required to report to the Commission on Best Value in each council. These reports are based on the Best Value audit findings reported in AARs. They replace the Best Value Assurance Reports that were published on all councils between 2017-22.
7. Both the AAR and the Best Value thematic work at Moray Council were presented at a special meeting of the Council on 25 October 2023.

The Controller of Audit's report

8. This report is made by the Controller of Audit to the Commission under section 102(1) of the Local Government (Scotland) Act 1973 (as amended by subsequent legislation including the Local Government in Scotland Act 2003).

- 9.** The legislation enables the Controller of Audit to make reports to the Commission with respect to:
- The accounts of local authorities audited under the Act;
 - Any matters arising from the accounts of any of those authorities or from the auditing of those accounts being matters that the Controller considers should be considered by the local authority or brought to the attention of the public; and
 - The performance by a local authority of their statutory duties in relation to best value and community planning.
- 10.** The Controller of Audit Report was sent to Moray Council on 28 February 2024, the same date it was issued to the Commission. The council has been advised that it is obliged to supply a copy of the report and the AAR on which it is based to each member of the council and to make additional copies available for public inspection. Once the Controller of Audit's report is sent to the council it is effectively in the public domain.

Procedure

- 11.** The legislation provides that, on receipt of a Controller of Audit report, the Commission may do, in any order, all or any of the following, or none of them:
- direct the Controller of Audit to carry out further investigations
 - hold a hearing
 - state its findings.
- 12.** Findings may include recommendations and the persons to whom those recommendations may be made include Scottish Ministers, who have powers to make an enforcement direction requiring an authority to take such action as is specified in the direction.
- 13.** Members of the audit team will be present at the Commission's meeting and will be available to answer questions on the evidence and judgements presented in the AAR, with a focus on Best Value. This is done in the public part of the Commission meeting.
- 14.** The Commission is then expected to consider in private how it wishes to proceed. Subsequently, the Commission is obliged by statute to inform Moray Council of its decision on the same day as the Accounts Commission meeting which the Commission does before making the decision public.
- 15.** The Commission asks the council for a meeting, preferably in the period between the Commission publishing findings and the council considering them, to do the following:
- for Commission members to hear what the council thinks of their findings
 - to discuss what the council will do with the findings
 - to confirm any next steps
 - to review the audit process.

16. The council is required by statute to do the following:

- consider the findings of the Commission within three months of receiving them
- publish in a newspaper circulating in the local area a notice stating the time and place of the meeting, indicating that it is to be held to consider the findings of the Commission and describing the nature of those findings (at least seven clear days before the meeting)
- after the council has met:
 - notify the Commission of any decisions made
 - publish in a newspaper circulating in the local area a notice containing a summary, approved by the Commission, of the council's decision.

Publication arrangements

17. The main communications outputs for each of the new Best Value reports currently include:

- Short animation – key messages for local communities from the annual audit report
- News release – based on the Account Commission's findings, including a quote from the Chair of the Accounts Commission
- Social media – detailed list of key groups to tag within each council area, including community councils, tenant groups, third sector and local third sector interfaces.

18. In addition, we will carry out the following communications and engagement:

- Local media – advance engagement with local media about the report to increase the potential for interviews
- Local third sector interface – share messages, animation and images with each of the local third sector interfaces, provide support to share across their wide-ranging contact groups
- Ongoing engagement with the local council.

19. The main audiences for our communications are:

- Council and council staff
- Local communities
- Third sector groups
- Local and specialist media
- COSLA and the Improvement Service
- Other councils – to share best practice.

20. Alongside reviewing the impact of our specific communications activity for each report, we will carry out a comparative review of our communications after four Best Value reports have been published.

Conclusion

21. The Commission is invited to:

- consider the Controller of Audit's statutory report on Best Value in Moray Council
- approve the proposed publication arrangements
- decide in private how it wishes to proceed.