

MEETING: 13 AUGUST 2020

REPORT BY: SECRETARY TO THE COMMISSION

BEST VALUE ASSURANCE REPORT: MORAY COUNCIL

Purpose

1. The purpose of this paper is to introduce for the Commission's consideration the Controller of Audit's Best Value Assurance Report for Moray Council.

Background

2. A key objective of the approach to auditing Best Value is to allow the Commission to provide more regular assurance to the public about how councils are performing in relation to their Best Value statutory duties. It is intended that this will be achieved by the Controller of Audit submitting a Best Value Assurance Report (BVAR) on each council at least once during the five-year audit appointment and by Best Value being reported in annual audit reports.
3. The attached BVAR (Appendix 1) is on Moray Council. This is the first BVAR on the council and reports on the progress made by the Council since previous Best Value reports. The Controller of Audit previously reported to the Accounts Commission on the Council in September 2013 and the Commission's findings were published in [September 2013](#) (set out in Appendix 2).
4. In October 2015, the Controller of Audit provided an update to the Commission on the Council's progress since the previous Best Value audit. The Commission's findings from that progress report were published in [October 2015](#) (set out in Appendix 3).

The Controller of Audit report

5. The BVAR 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).
6. 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.
7. A copy of the report is being sent to the Council, which is obliged to supply a copy to each elected 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.
8. The report concludes with a series of recommendations proposed by the Controller of Audit which are to be part of the Commission's considerations.

Procedure

9. 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.
10. 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.
11. 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 report. This is done in the public part of the Commission meeting.
12. The Commission is then expected to consider in private how it wishes to proceed. Subsequently, the Commission is obliged by statute to inform the council of its decision, which the Commission does before making the decision public.

Conclusion

10. The Commission is invited to:
 - a) consider the Controller of Audit's BVAR on Moray Council; and
 - b) decide in private how it wishes to proceed.

Paul Reilly
Secretary to the Commission
4 August 2020

BEST VALUE ASSURANCE REPORT: MORAY COUNCIL

See separate paper.

TARGETED BEST VALUE AUDIT – MORAY COUNCIL: COMMISSION FINDINGS

SEPTEMBER 2013

- 1.** The Commission accepts the Controller of Audit's report on targeted Best Value work in The Moray Council.
- 2.** The Commission welcomes the improvement plan put in place and being taken forward by the council in response to the Best Value targeted work.
- 3.** The council has strengthened its leadership as it addresses improvements. We are encouraged by this and the momentum can continue if the council fulfils its commitment to its development programmes for officers and members.
- 4.** We believe that there would be substantial benefit for the council in integrating its various strategic plans and strands of improvement work. We also see the potential of a more coordinated approach to seeking and making use of the views of customers. We urge progress to these ends.
- 5.** The Commission recognises that the council's performance against its improvement plan will feature in the annual audit process. We ask the Controller of Audit to report back to us on progress in 18 months' time.

**AUDIT OF BEST VALUE AND COMMUNITY PLANNING –
PROGRESS REPORT – MORAY COUNCIL: COMMISSION FINDINGS**

OCTOBER 2015

1. The Commission accepts this report by the Controller of Audit on progress made by The Moray Council since our 2013 report Best Value audit work.
2. The Commission is encouraged by the council's progress in aligning its strategic plans, priorities and objectives; the awareness and commitment of the management team; and the focus on elected member and employee development. Substantial improvement activity is underway. At the moment, it is too early to judge its overall effectiveness.
3. The council is moving in the right direction but the pace of improvement needs to increase significantly. In particular, the financial challenge facing the council – to reduce spending by over £16 million by March 2018 - requires demonstrable leadership by elected members in approving and implementing a comprehensive strategy to achieve the necessary savings. In addition, the council needs to quicken progress in its approach to engaging with customers. It also must follow through on recent employee engagement activity to develop a more positive workforce culture.
4. We will maintain our interest in the progress made by the council. The Controller of Audit will continue to monitor progress through the annual audit process.