

Minutes of Meeting of the
Accounts Commission held in the
offices of Audit Scotland, 110
George Street, Edinburgh on
Wednesday 2 February 2005 at
10.30am.

PRESENT: A MacNish (Chair)
A Alexander
O Clarke
J Couper
A Faulds
K Geddes
I Low

IN ATTENDANCE: C Gardner, Deputy Auditor General and Controller of Audit
R Nicol, Assistant Director of Performance Audit
C Brown, Best Value Audit Manager (item 2)
M Gaston, Assistant Director of Performance Audit (item 3)
David Heaney, Best Value Audit Manager (item 3)
W F Magee, Secretary

<u>Item No</u>	<u>Subject</u>
1.	Apologies for absence
2.	Best Value Audit of North Ayrshire Council
3.	Best Value Audit of Stirling Council

1. Apologies

Apologies for absence were intimated on behalf of John Baillie, Alyson Leslie, Peter McKinlay, Mahendra Raj and Iain Robertson.

2. Best Value Audit of North Ayrshire Council

There was submitted a report by the Secretary introducing the Controller of Audit's report on the Best Value audit of North Ayrshire Council. The Controller of Audit's report was made to the Commission under section 102(1)(c) of the Local Government (Scotland) Act 1973.

The Controller of Audit and Performance Audit staff answered questions by Commission members. The Commission then made findings on the report contained in Appendix 1 to this minute.

3. Best Value Audit of Stirling Council

Ann Faulds declared an interest in this item of business in respect of legal work undertaken by her firm for Stirling Council. She left the meeting at this point.

Keith Geddes declared an interest in respect of work undertaken by his company on housing matters in North Ayrshire Council. His interest did not prevent him from taking part in the proceedings.

There was submitted a report by the Secretary introducing the Controller of Audit's report on the Best Value audit of Stirling Council. The Controller of Audit's report was made to the Commission under section 102(1)(c) of the Local Government (Scotland) Act 1973.

The Controller of Audit and Performance Audit staff answered questions by Commission members. The Commission made then findings on the report contained in Appendix 2 to this minute.

ACCOUNTS COMMISSION FOR SCOTLAND
BEST VALUE REPORT ON NORTH AYRSHIRE COUNCIL
COMMISSION FINDINGS

1. The Commission welcomes this report on the performance of North Ayrshire Council's statutory duties to secure Best Value and to initiate and facilitate the Community Planning process. The Commission recognises that the report gives a broad picture of the Council's performance based on the work of Audit Scotland and the findings of other scrutiny bodies such as inspectorates. While the report does not attempt a comprehensive review of all service delivery, it points the way to improvements for the future while recognising the achievements of the Council to date. We acknowledged the co-operation and assistance given to the audit process by members and officers of the Council.
2. North Ayrshire Council faces significant challenges in the social and economic circumstances of its area and is well placed to meet these. The foundations are mostly in place for Best Value and Community Planning and the Council's approach is positive. It engages well with its local community and its Community Planning partners at a strategic level, but we would encourage the Council to use its existing resources more creatively when responding to local needs
3. There is evidence of some good service performance and customer care. The Commission would like to have known more about how well individual services are doing, but there was limited systematic performance data available to the auditors
4. The Council knows what needs to improve and has identified for itself many of the things that need to happen. The Commission wishes to emphasise a number of those areas –
 - Elected members need to set a clear direction which is more focused on local needs and specific goals for improvement in service delivery
 - Elected members must fulfil an effective scrutiny role. They have shown willingness to do so and require the support of officers, access to well-focused data on performance and costs and an effective training and development programme in order to achieve this.
 - The senior management structure needs to be re-examined to ensure it properly supports the Council's business processes, and the role of the corporate management team needs to be more strategically focused
 - A performance management framework has recently been established but more and better measures of the cost and quality of services need to be introduced.
5. The Commission accepts that the Council recognises the need to change and urges it to add impetus to the change process. The Council should now develop and agree an improvement plan based on the improvement agenda contained in the Controller of Audit's report and taking into account these findings of the Commission. We expect the improvement plan to be specific, measurable, action orientated, realistic and timed. The plan should be sent to the Commission by 31 March 2005.

ACCOUNTS COMMISSION FOR SCOTLAND
STIRLING COUNCIL BEST VALUE REPORT
COMMISSION FINDINGS

1. The Commission welcomes this report on the performance of Stirling Council's statutory duties to secure Best Value and to initiate and facilitate the Community Planning process. The Commission recognises that the report gives a broad picture of the Council's performance based on the work of Audit Scotland and the findings of other scrutiny bodies such as inspectorates. While the report does not attempt a comprehensive review of all service delivery, it points the way to improvements for the future while recognising the achievements of the Council to date. We acknowledge the co-operation and assistance of elected members and officers of the Council in the audit process.
2. Stirling Council performs strongly against the Best Value and Community Planning criteria and recognises the need for further improvement. The Council has a clear vision for its area, has structured itself to reflect its core values and is positioned to meet the needs of citizens now and in the future. It has four strategic aims which provide the framework for all its activities and demonstrate its ambition.
3. The Commission invites the Council to agree and submit an action plan for improvement by 31 May 2005 which gives priority to the measures outlined in the Controller of Audit's report. Particular issues for the Commission are –
 - The need for elected members to become more actively involved in scrutiny. This would involve the formalisation of the role of the Governance, Resources and Performance Group and a review of the regularity and quality of reports on performance. The frequency of meetings should also be reviewed
 - Striking a balance in the allocation of resources that maintains the best performing services and enables improvements to take place in poorer performing areas.
 - Ensuring that the Council translates its plans into action that leads to sustained service improvement.
4. The Commission recognises that Stirling Council has a record of achievement and is clearly focused on the need for improvement and urges the Council to maintain its impetus towards the achievement of Best Value.

9 February 2005