

Minutes of Meeting of the
Accounts Commission held in the
offices of Audit Scotland, 110
George Street, Edinburgh on
Wednesday 21 December 2005
at 10.45am.

PRESENT: A MacNish (Chair)
J Baillie
O Clarke
J Couper
K Geddes
I Low
P McKinlay
M Raj
I Robertson

IN ATTENDANCE: C Gardner, Deputy Auditor General and Controller of Audit
D Pia, Director of Performance Audit (Local Government)
W F Magee, Secretary
R Nicol, Assistant Director of Performance Audit
G Neill, Best Value Audit Manager

<u>Item No</u>	<u>Subject</u>
1.	Apologies
2.	Best Value Audit of Moray Council

1. Apologies

Apologies for absence were intimated on behalf of Alan Alexander, Ann Faulds and Alyson Leslie.

2. Best Value Audit of Moray Council

There was submitted a report by the Secretary introducing the Controller of Audit's report on the Best Value audit of Moray 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 members of the Best Value team answered questions from members. After discussion the Commission agreed to make findings as contained in the Appendix to these minutes.

ACCOUNTS COMMISSION FOR SCOTLAND

BEST VALUE AUDIT OF MORAY COUNCIL

FINDINGS

1. The Commission accepts this report on the performance of Moray Council's statutory duty 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 and that it does not attempt a comprehensive review of all service delivery. We acknowledge the co-operation and assistance given to the audit process by members and officers of the Council.
2. Moray Council has lacked effective corporate leadership and direction and has been an inward looking and isolated organisation where small parochial issues overwhelmed any consideration of strategic direction. Recently changes in leadership and direction indicate that a new approach is being adopted towards leadership and management of the authority. However, this report describes a Council which has a long way to go to be in a position to deliver Best Value for its area and inhabitants.
3. The available evidence, which is limited because, for example, of the lack of reliable performance management information, suggests considerable variation in service performance, and the report makes clear that there are important weaknesses in leadership and direction by both elected members and senior management. Important examples are –
 - A lack of clear strategic direction based on knowledge of community and user needs
 - A lack of effective systems for monitoring and reporting service performance
 - Too many projects not effectively controlled
 - Many DLO and DSO contracts have not been tested by competitive tendering since the early or mid 1990s.
4. The Commission's view is that there are a number of requirements which the Council will have to meet if it is to deliver Best Value by continuous improvement of the services it provides. These include –
 - Identify clear priorities and concentrate on the essential steps to achieve them
 - Develop political and corporate leadership skills in councillors and senior management
 - Implement the consistent use of a comprehensive performance management framework.
5. It is unlikely that the Council can undertake this task without securing appropriate external assistance, both on a consultancy basis and at a governance level from elected member and chief executive peers.

6. The Commission looks forward to receiving an Improvement Plan from Moray Council to address the report and the Commission's findings. The Commission will continue to monitor the situation and requires a further report by the Controller of Audit on steps taken by the Council as at 31 January 2007.