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## Press release

Strictly embargoed until 00.01 Wednesday 30 November 2005

### **Some progress at Inverclyde but Commission wants increased pace of change.**

**The Accounts Commission published its progress report today (Wednesday 30 November) on Inverclyde Council. The report considers the steps taken by the council since June to address concerns highlighted in the Commission's initial Best Value audit report. The report says the council has made progress on its recovery, but there is still a long way to go. The Commission has asked for a further report charting progress to 31 March 2006.**

Best Value is the duty placed on local authorities to demonstrate their on-going commitment to providing better services to local people. The Commission's June report said that Inverclyde Council was not in a position to deliver Best Value in the services it provides for local people. Extensive and fundamental weaknesses in leadership and direction by elected members and senior management were preventing Inverclyde Council from improving. The Commission urged the council to take urgent, remedial action.

Commenting on the findings of the progress report published today, Accounts Commission Chair Alastair MacNish said:

"While a recovery exercise has been put in place at Inverclyde council it is only now reaching the stage where proper implementation can begin. We recognize that the council has put considerable energy into this and that acceptance and understanding have grown steadily. However, the pace of recovery needs to increase in addressing the problems. The challenges involved in this level of recovery should not be underestimated but the risk to service delivery must be kept to an absolute minimum.

"We urge the council to immediately draw up a more robust plan for the next 12 – 18 months, to recruit a new Chief Executive without delay and ensure that in the meantime the interim management arrangements properly meet the council's needs."

The Commission is also seeking greater assurance on a number of other matters:

- That there is clarity about the way in which the Interim Management Arrangements will work until the council has completed its management restructure;
- That clear decisions are recorded as to the exact nature of the new management structure;
- That an open, fair and objective selection process is applied in populating the new management structure;
- That plans be drawn up to ensure management development across the organisation to support the council's staff;
- That the role of elected members and their relations with officers continue to develop;
- That baseline performance information is established for all services;
- That the council continues to benefit from the support of external expertise.

Alastair MacNish continued: "The Council's progress will be monitored closely and we expect a further report from the Controller of Audit on what has been done by the Council as at 31st March 2006. We will give consideration at that point to any further measures which need to be taken."

**Ends**

Audit Scotland provides services to the Auditor General for Scotland and the Accounts Commission

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### Notes to Editors:

1. In its initial best value report published 2 June 05 the Accounts Commission identified a number of key requirements which they say will have to be met if the council is to move to a position where it can provide Best Value. These include:
  - better leadership from senior managers and councillors
  - more consistent decision-making by councillors based on information which clearly demonstrates how services are performing
  - more strategic management by the Chief Executive and the Corporate Management Team
  - the development of a culture, across the whole organisation, aimed at improving services for local people
  - the development of a clear approach to demonstrating value for money and competitiveness in services
  - learning from the good practice that exists, both inside and outside the organisation
2. The Accounts Commission for Scotland was set up in 1975 and is independent of both central and local government. The Commission checks whether local authorities, fire and police boards spend £9 billion of public money properly and effectively.
3. The Audit of Best Value is undertaken by Audit Scotland on behalf of the Accounts Commission. It responds to the Local Government in Scotland Act 2003, which gave councils a new power to promote or improve the well-being of their area and the people living within it and new responsibilities including:
  - making arrangements which secure Best Value, defined as 'continuous improvement in the performance of the authority's functions, having regard to efficiency, effectiveness, economy and equal opportunities.
  - discharging their duties in a way which contributes to sustainable development
  - maintaining a community planning process
  - making arrangements for reporting to the public on their performance
  - meeting new rules relating to trading.
4. Key Features of the Audit are:
  - The focus is on each council's performance over time rather than comparisons between councils. It takes account of differences in local priorities, constraints and opportunities and therefore league tables and scores are inappropriate.
  - All 32 councils in Scotland will be audited about once in every three years. Each audit will take around 20 weeks from start to finish.
  - Each audit results in a report to the Accounts Commission
  - A report will be published after each individual audit.
  - In most cases Key Findings from the Commission will be published at the same time as the Report. However, the Commission also has the power to: Ask the Controller of Audit to carry out further investigations before reporting its findings; hold a hearing with council before reporting its findings; publish findings which include recommendations to the council and/or Scottish Ministers.
  - The council's external auditor will monitor progress and report through an annual review. If the council has made insufficient progress, the Commission will be alerted and it may ask for further action to be taken.

**A full press briefing on the process and aims of Best Value is available on the Audit Scotland website**  
[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)