

The Moray Council

The Audit of Best Value and Community Planning

Prepared for the Accounts Commission

February 2006



Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Executive and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.



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Commission findings

1. The Commission accepts this report on the performance of The 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. The 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 The 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.



The Audit of Best Value

This report is made by the Controller of Audit to the Accounts Commission under section 102(1) of the Local Government Act 1973. After considering it the Commission may do any or all of the following:

- direct the Controller to carry out further investigations
- hold a hearing
- state its findings.

The Local Government in Scotland Act 2003 introduced new statutory duties relating to Best Value and Community Planning.

The scope of Best Value and Community Planning is very broad but in general terms a successful council will:

- work with its partners to identify a clear set of priorities that respond to the needs of the community in both the short and the longer term
- be organised to deliver those priorities
- meet and clearly demonstrate that it is meeting the community's needs
- operate in a way that drives continuous improvement in all its activities.

The challenge for local government is to find new ways of working across services and with other bodies to achieve the best results for citizens and service users. The key objectives of this audit were to:

- assess the extent to which The Moray Council is meeting its duties under the Local Government in Scotland Act 2003, and
- agree planned improvements with the council to be reviewed by the council's external auditor over the next three years.

As Best Value and Community Planning encompass all the activities of a council it is not realistic to audit everything in depth, so we plan our detailed work in two ways:

- Where possible, we draw on the findings of other scrutiny processes, such as the work carried out by the council's external auditors and by inspectorates. These are incorporated into our report.



- We select certain aspects of the council's performance for detailed audit investigation. A wide range of sources, including a self-assessment by the council, reports issued by external audit and inspections, and national Statutory Performance Indicators, informs this selection.

The report reflects this selective approach, with detailed commentary on some areas and limited or no coverage in others. While we have made some comparisons with other councils, our overall approach has focused on performance trends and improvement within The Moray Council. The report also reflects the picture available at the time our main audit work was conducted between August and September 2005.

We gratefully acknowledge the cooperation and assistance provided to the audit team by The Moray Council, particularly the councillors and officers contacted during the audit.



Overall conclusions

The Moray Council has a very long way to go to respond to its statutory duties on Best Value. Between its inception in 1996 and 2004, the council experienced political turmoil and lacked effective corporate leadership and direction. On his appointment in 2000, the current chief executive was the third incumbent in five years.

Sound management practices, such as performance monitoring and checks on the competitiveness of services, have been weak. The limited evidence available suggests there are no fundamental weaknesses in service performance, but few elements of Best Value are properly established and significant work is needed to create a culture of continuous improvement.

However, there are signs that things are beginning to change in Moray. Since 2004, new political leaders and the chief executive have started to make a considerable difference and introduced a series of reforms. Implementation of these will take time, as will the development of the skills and knowledge required to deliver on Best Value and Community Planning.

1. The Moray Council has a history of political turmoil. From its inception in 1996 until 2004, the council's political management was characterised by a narrow focus and dominated by personal agendas and in-fighting. This created an inward looking and isolated organisation where small parochial issues overwhelmed any consideration of strategic direction.
2. The style and behaviour of a group of senior politicians created an environment in which officers found it difficult to address major issues. The current chief executive is the third incumbent of that position in a five-year period and over the years a compliant and reactive culture became the norm and senior management did not challenge this group of politicians.
3. In 2004, a significant shift in direction took place. The introduction of statutory duties in the Local Government in Scotland Act 2003 was something of a wake-up call for the council, as was a report from HM Inspectorate of Education that was critical of its education services. In the spring, a new convenor and vice-convenor were elected and they have worked with the chief executive on a series of reforms designed to bring rapid improvement to the council's standing. Given Moray's history these represent an ambitious programme for the future.
4. The new leadership is determined to address the 'big issues' for Moray, and has taken on some significant projects in a short period of time, for example, a major programme for flood alleviation, proposals for a large scale restructuring of the schools estate and attempts to implement the 'single status' pay arrangements for council staff. A considerable improvement plan has also been prepared to develop Best Value and Community Planning.
5. While there is no doubting the commitment and energy that the council has applied to these projects, each has experienced some difficulties. This is not surprising in a council with no significant track



record of delivering on a major strategic agenda and with limited experience and capacity to draw on in these areas. The political leadership is concerned to take a common sense approach and to give the public an honest appraisal of things, but there is limited experience of taking on issues with a high public profile.

6. The tasks facing the council are considerable. There is some prosperity in Moray, with a growing population and relatively low unemployment. But there are also significant concerns about the area's future. Traditional sources of employment are in decline and there is a high dependency on local RAF bases, which account for around 21% of jobs. With the lowest average pay and one of the least qualified workforces in Scotland, Moray is in a fragile position.
7. The council has not set a clear strategic direction to meet these challenges. There has been a lack of corporate working, with many councillors tending to focus only on local ward interests, or their own personal views, and senior managers working within their departments, rather than as part of a council-wide team. The council is aware that it faces a substantial challenge in changing its organisational culture and developing its corporate agenda.
8. Some progress has been made in bringing together local public sector organisations into a community planning partnership, but it is acknowledged that the current Community Plan, published in 2001, is out-of-date and needs to be revamped. Some recent changes have been made in the community planning partnership and, in advance of a new Community Plan in 2006, seven themes or priorities have been developed. Progress has also been made on developing strategic direction through the publication of a Corporate Development Plan. This demonstrates a growing commitment to Best Value principles and sets out some overall priorities. However, much work is needed to develop links between these strategic plans and to set out measurable targets to help monitor real achievements and progress in delivering services to the people of Moray.
9. While the council does not have a developed approach to Best Value and modern management of service delivery across its organisation, there is some good practice. For example its approach to staff management has a relatively lean staffing structure, low sickness absence rates, and a long-established appraisal system.
10. Examples of good practice are outweighed by areas in urgent need of development. Prior to recent reforms, the council had few established or structured approaches for determining the needs and priorities of its citizens and service users. It did not have a rigorous approach to performance management, with little evidence of target setting and monitoring, competitive tendering, challenging reviews, or benchmarking. In turn, service performance was not meaningfully reported to councillors or the public. Without these elements, the council could not be effective in driving continuous improvement. The council is aware of its shortcomings in each of these areas and has started to



address them. But it will take some time before reforms will be properly in place and able to make an impact on the way services are delivered.

11. Given the historical lack of an established performance management system, it is difficult for managers, councillors or the public to know how well the council is delivering services for Moray. The limited evidence available presents a mixed picture:

- Statutory Performance Indicators suggest generally sound performance. Housing, adult social work, and waste management have some of the highest ranking indicators, although benefits administration compares badly with other Scottish local authorities.
- The council received a poor report from HM Inspectorate of Education in 2004, but a recent follow-up report was much more positive, acknowledging the progress in reforming its management practices and achieving improvements in attainment levels.
- Some Social Work services perform well in relation to the national SPIs, for example staff qualifications in adult care homes and social enquiry reports.
- Planning and development are areas where significant improvement is required, not least in addressing the very high levels of officer recommendations being rejected by elected members.
- Some good work has been achieved in sustainable development, especially in the area of energy management.
- There is a lack of commitment to equalities issues amongst some members.
- Improvements are needed to the management of the competitiveness of direct services, and the performance of catering and cleaning services in particular.

12. In looking to the future, The Moray Council has an enormous task ahead of it in catching up with the overall development of Best Value across Scotland. While there was a long-term pattern of poor leadership and management in the past, there is evidence of a shift in attitude and direction:

- Numerous briefings on Best Value for members and officers have taken place across the council.
- Politicians have taken on significant projects for the council and the Moray area.
- Improvements to committee procedures have been developed and the council has been opened up, for example through Webcasts of business meetings.
- Scrutiny is building through the Audit and Performance Review Committee.
- A corporate performance management framework is being developed and all services are regularly reporting performance to committees.
- Where the need for improvement has been identified, action has been put in place.



- Best Value is being driven by the corporate centre and senior elected members.
13. These developments have still to prove themselves. Much depends on support for the political leadership's reforms being provided by the council as a whole. Similarly, senior management across all services need to respond to the chief executive's fresh leadership and work together for the benefit of local people. All involved need to understand the long-term commitment that the council needs to make and that the improvements required will take a considerable time to become fully embedded.
 14. As a first step, the council needs to establish clear priorities for its organisational development. It has put together a very substantial set of plans and proposals. While this is evidence of commitment and enthusiasm, there are risks with such a substantial programme that resources could be spread too thinly over a wide range of areas.
 15. Delivering these improvements and significantly increasing the pace of change presents a serious challenge to the council, especially in light of the historic weakness in the leadership provided by managers and elected members, the absence of an improvement culture among staff and weak systems to support Best Value. The issues of taking a more strategic approach, developing leadership skills, and establishing a robust performance management system need to be addressed urgently.
 16. The council would benefit from external assistance in supporting the implementation of its core improvement programme. An independent, experienced and objective view could assist in ensuring that a robust focus and critical path is established. Member and officer development programmes aligned to this would also be an advantage.



Does the council have clear strategic direction?

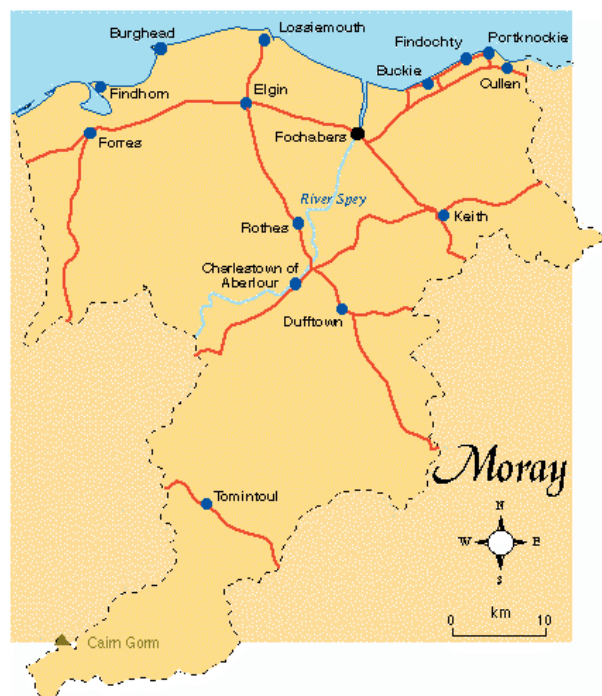
The Moray Council has not had clear strategic direction in the past. For many years, there has been a marked lack of corporate working, with councillors tending to be inward looking focusing on local ward issues and senior managers working reactively within relatively isolated departments. There is evidence that this is starting to change but there is much to be done and it is likely to take some time before the council's organisational culture can be fully transformed. Improvements are needed to the current Community Plan and Corporate Development Plan so that they can offer clear strategic direction and a measurable programme of action.

Context

Moray is a mainly rural area. Unemployment is low, but it is has a low-wage economy and is facing decline.

Low wage economy

17. Moray lies between Inverness and Aberdeen. It is one of the largest local authority areas, with around 95% of its area open countryside or forested. Three-quarters of the population of 87,000 live in or around the five main centres of Elgin, Forres, Keith, Buckie and Lossiemouth. Its geography, and road and rail links which are in need of improvement, mean that it is relatively remote.
18. There is a degree of prosperity within Moray. It has an unemployment rate of 2.4% (compared with 3.8% for Scotland as a whole) and this is continuing to fall faster than the national average. Its main businesses are varied although traditionally there has been a reliance on fishing, farming, food, forestry, textiles and whisky. Its population has grown in recent years, contrary to national trends.
19. There are signs of fragility and concerns about the area's future. Moray's population is projected to fall by 9% over the next decade or so, with its working population falling by 13% and its elderly population increasing by 27%. It has the lowest average pay in Scotland, and its





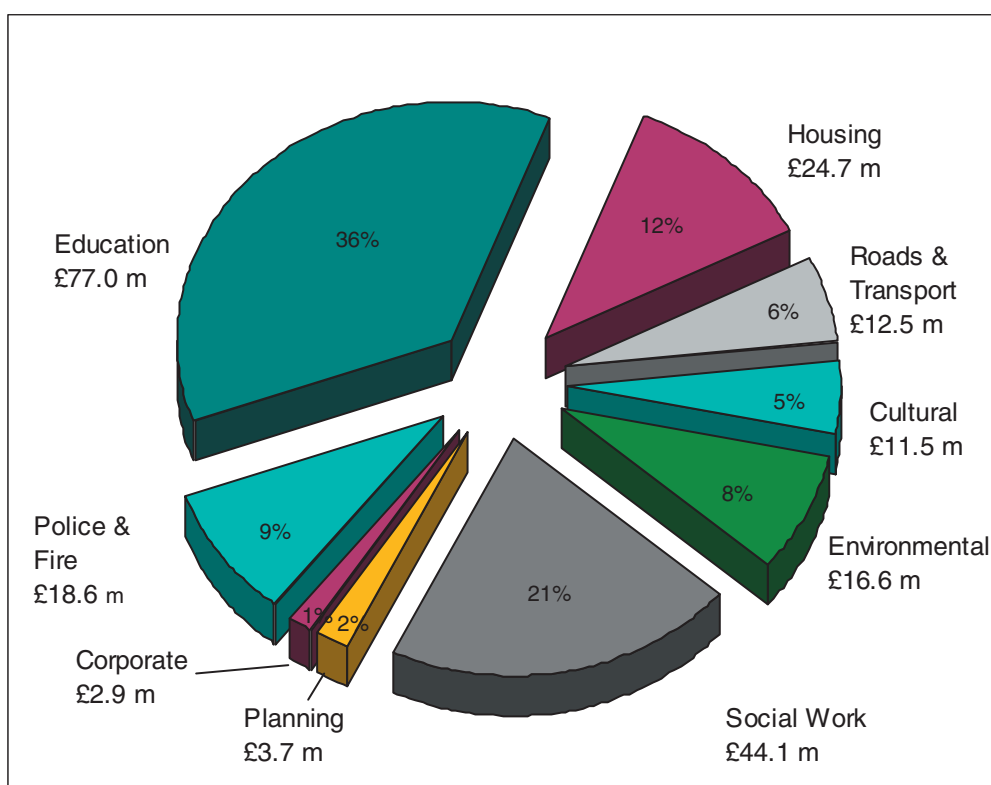
workforce is one of the least qualified. Traditional sources of employment, such as fishing, are in decline. Recent uncertainty about the future of the RAF bases at Kinloss and Lossiemouth has been lifted, but the area is still characterised by a heavy dependency on a limited range of employers. The RAF bases, for example, account for about 21% of jobs, directly and indirectly, within the area.

Finance

20. In 2004/05 the council's gross revenue expenditure was £212 million. The share of the revenue budget spent on each service is shown in [Exhibit 1](#).

Exhibit 1

The council spent £212 million on providing services in 2004/05



Source: *The Moray Council Audited Accounts 2004/05*

Political arrangements

21. The council consists of 26 members. It is currently run by an independent administration of 16 councillors. Five Labour, three SNP, one Conservative and one Liberal Democrat councillors make up the opposition.
22. It has a traditional committee structure. All councillors are members of the Policy & Resources Committee and the three main committees that oversee the work of Education, Environmental and



Community Services. There is also an Audit & Performance Review Committee, chaired by a member of the opposition and responsible for monitoring the performance of the Council's services.

Organisational culture and values

For many years, The Moray Council lacked effective corporate leadership, at political and managerial levels, It was inward looking and tended to react to events, rather than drive a clear agenda. There is evidence that this is starting to change but it is likely to take some time before the council's organisational culture is transformed.

23. The Moray Council has had a history of political turbulence since its creation in 1996. It has not had a settled political administration and has a history of political animosity between councillors.
24. In general, councillors have not seen the need to play a strong corporate role. They have been more comfortable with their representative role, focusing on ward matters and issues of detail. They have been less engaged in overseeing the strategic direction of the council, keeping in touch with national initiatives, and monitoring the performance of the council's services.
25. This has been reflected in the way the council has been managed. It has suffered from frequent changes of chief executive, with three appointments since 1996, reducing the likelihood of a strong corporate lead at managerial level. In 2000, the Administration decided to shift resources from the corporate centre to front-line services in an effort to improve services to the public. While this had the effect of reducing the corporate centre, it did not mean that individual departments took ownership of strategic developments such as Best Value.
26. The Corporate Management Team has not operated as a cohesive unit taking an overview of council activity. A corporate performance management system only started developing in 2004 and therefore there has been a historical lack of corporate responsibility for service performance and improvement. Although there is evidence of some joint working between services, this is ad hoc and not part of a planned approach to deliver services to meet the needs of service users.
27. There are signs of a change in the council's approach. The Local Government in Scotland Act 2003 and its statutory requirements came as something of a wake-up call to an inward-looking council. Senior managers were well aware that the council was not in a position to meet these new statutory duties. These concerns were reinforced by a report from HMIE in 2004 which contained strong criticisms of the way the council managed its schools and, by implication, its wider business. The appointment of a new council convener in 2004, gave the chief executive an opportunity to establish a stronger corporate lead and address the wider Best Value and Community Planning agendas.
28. At a political level, there are signs of important changes. The convener has recognised the importance of Best Value and corporate working and has initiated action and supported the chief executive. For



the first time in many years, councillors are attending national events, such as those run by COSLA, giving them the opportunity to represent the interests of Moray and network with other councils.

29. There is still a long way to go as there is no established culture of improvement. At present, there are only a handful of councillors who fully appreciate the importance of Best Value and are committed to driving it throughout the organisation. There is still a culture of bickering between councillors, with The Moray Council having one of the highest numbers of referrals to the Standards Commission, although these tend to be about minor matters and personality clashes.

Community engagement

The council does not have an effective systematic approach to identifying the needs of its citizens and service users and using them to determine its priorities. The council has started to address this issue but it is too early to assess the impact of the new initiatives

30. In broad terms, council members are in touch with the concerns of their local electorate and key issues in their community. However, councils need to consult with a wide range of stakeholders, such as service users, employees, and other public sector partners. The Moray Council has not had a systematic approach to consultation that uses results to help inform overall priorities, and feedback is not provided to consultees.
31. The council is now addressing this issue. Through the Moray Community Planning Partnership, the council is developing a model of eight Local Neighbourhood Forums. The aim of these forums is to encourage local participation through developing local community plans for each area, structured around the main community plan themes. Only one of the eight has met so far so it is too early to know the effect of these changes. There is still some uncertainty about the role of councillors, and the relationship of these new forums and the existing local community councils.
32. The Community Planning Partnership has also established a citizen's panel of 1,500 members of the public and is preparing the first survey of citizens' views, with the aim of generating feedback on its standards of customer service. It is intended to use the results to feed into council and departmental service plans.

The Community Plan

The current Community Plan is acknowledged to be out of date. Over the past 18 months or so, changes have been made in the Partnership's membership and priorities and a new Community Plan is being developed. The focus now needs to shift from developing these management processes to delivering tangible outcomes for the public.

33. The council has a history of working well at an operational level with many of its local partners in delivering key public services. It was able to build on these existing arrangements by setting up a Moray Community Planning Partnership in 1999 and publishing its first Community Plan in 2001.



However, despite this early start, Community Planning has still to make a measurable impact on the delivery of public services in Moray.

34. Although the convener and vice convener, for example, have chaired the Partnership meetings council members are not yet well involved in Community Planning. Most of the seven theme groups lack any participation from other councillors.
35. Until 2003, Environmental Services had led the council's contribution to Community Planning as it was considered a peripheral issue. This demonstrated the council's initial lack of understanding of the principles behind Community Planning. However, significant progress has been achieved over the past year or so in updating the council's approach and it is now the responsibility of the chief executive's office, allowing a more corporate approach to be taken. The council's renewed commitment is demonstrated through the appointment of a community planning officer to provide day-to-day support for the Partnership and has helped it re-assess its structures and objectives. This has led to some changes in the Partnership's membership, notably the addition of the RAF and the Moray Citizen's Advice Bureau. The current membership is:
- The Moray Council
 - NHS Grampian
 - Grampian Police
 - Grampian Fire & Rescue Service
 - Communities Scotland
 - Moray College
 - HIE Moray
 - RAF
 - Moray Voluntary Service Organisation
 - Volunteer Centre Moray
 - Moray Citizen's Advice Bureau
 - Moray Chamber of Commerce
 - Joint Community Councils
36. Following the 2003 review of the Partnership and the original Community Plan, seven themes ([Exhibit 2](#)) have been developed which will form the foundation for a new Community Plan, due to be published in 2006. In the meantime, they are set out in the Partnership's progress report, covering the various changes made between 2003 and 2005, together with its priorities for the current year. Working groups have been set up in order to progress each of these seven themes, but some of these are at an early stage with most not having set clear objectives and targets. The Transportation Group, for example, has still to meet.



Exhibit 2

Main themes of the community plan

Main themes	
<ul style="list-style-type: none"> • Achieving a healthy and caring community • Building stronger communities • Investing in children and young people • Working for increased prosperity 	<ul style="list-style-type: none"> • Achieving a safer community • Improving travel facilities, choices and safety • Protecting and enhancing the environment
Priorities for 2005/06	
<ul style="list-style-type: none"> • Reversing population decline • Reducing crime and fear of crime • Reducing accidents • Improving diet • Increasing levels of physical activity • Reducing alcohol intake • Promoting energy efficiency • Promoting recycling and waste minimisation 	<ul style="list-style-type: none"> • Addressing the run-down of RAF bases • Developing rural transport • Developing lifelong learning, including literacy and numeracy initiatives • Addressing lack of affordable housing and homelessness • Developing structures for young people to enable them to have a voice and participate in decision-making • Producing better outcomes for children and young people by integrating the planning and delivery of children's services.

Source: Moray Community Planning Partnership – Report September 2003 – March 2005

37. Community Planning now needs to move on from developing internal management processes to the development of performance targets and being able to demonstrate that it is making an impact in improving public services in Moray. Although the Partnership has been in place since 1999, it is difficult to find evidence that it has led to any significant improvements. Its recent progress report lists many 'achievements', but these are all concerned with setting up management processes and projects. Producing a new Joint Health and Social Care Improvement Plan, for example, is a significant development, but it is a means to an end. There is no mention of improvements in the services being delivered to the public.
38. A series of priorities are set for the current year. These mainly cover management processes, such as: developing plans and strategies, carrying out surveys, and increasing public awareness of the services available. There is a pressing need to establish measurable targets, to help define the Partnership's objectives and to provide evidence of its effectiveness.
39. Given the lack of specific targets in the Community Plan, there are few clear links with the Corporate Development Plan or with individual service improvement plans. There are plans to revise the Corporate Development Plan following the review of the Community Plan. However there is a need to mainstream community planning activity into departmental day to day activity. Until there are explicit



links between the various strategic plans, community planning will continue to be seen as an add-on and something separate from service delivery.

Corporate Development Plan 2004-07

The Corporate Development Plan provides a programme for action for the council but needs to develop to incorporate clear measurable targets.

40. To emphasise the importance of a fresh approach in the regime brought in by the new convenor in 2004, the council's Corporate Development Plan, clearly promoted the principles of Best Value. With direct links to the ten chapters in the Best Value statutory guidance, it sets out a clear statement of intent and is a sensible approach to driving through some quick gains in understanding about these issues. However, to ensure effective ownership at a local level, there is a need for the Plan to be more tailored to the needs of The Moray Council and the overall vision of the Community Plan.
41. The Development Plan aims to set out an overall programme of action for the council. It lists eight key priorities ([Exhibit 3](#)). These clearly cover important issues for Moray, for example flood alleviation schemes.

Exhibit 3

Corporate Development Plan 2004-07

Priorities	
Delivering effective flood alleviation schemes	Developing leisure facilities across Moray
Improving attainment and achievement in educational services	Reducing, re-using and recycling waste
Improving care for the individual, especially the disadvantaged	Providing easy access to services
Maintaining and improving roads	Listening, consulting and engaging with communities

Source: Moray Corporate Development Plan 2004-07

42. Within the Development Plan itself, there are few clear links between its eight priorities and the detailed programmes of action. For example, the need to develop leisure facilities is listed as one of the council's top priorities, but there are few commitments to take action on this beyond maintaining long-distance footpaths. There is a series of actions set out to support local businesses, but this does not feature as one of the council's stated priorities. As a result, the two main sections of the Development Plan read as though they were produced separately, with the programmes of action simply summarising the priorities of the individual departments rather than the corporate priorities.



43. It also lacks any specific measurable targets. All of its commitments are expressed in broad aspirational terms (such as raising educational standards) and management processes (such as reviewing frameworks, developing initiatives, and promoting policies). Without specific targets, it will not be possible to assess the council's success in addressing its priorities.

44. At present, the two documents do not provide the council with clear strategic direction. However, the council is intending to revisit the Corporate Development Plan once the Community Plan has been updated. It is important that it uses this opportunity to fully align these two key strategic documents.



Is the council organised to deliver better services?

Most of the key elements of Best Value, such as effective performance management and scrutiny, have been missing from the way the council is organised to deliver services. Even in relatively well-developed areas, such as staff management, there are still gaps. This has been recognised by the council and it has put in place a wide range of initiatives over the past year or so. However, more time will be needed before these changes can be seen to have delivered the necessary improvements.

Managing performance

The council has started to introduce a systematic performance management framework. This represents real progress, but not all managers are using it as a practical tool to drive service improvements. Without such a framework, it is difficult to know how services are performing and where improvements are needed.

45. Until recently, the council did not have a systematic approach to monitoring and reporting its performance. Where service level reporting did exist, it was largely restricted to the national Statutory Performance Indicators or to the progress of specific projects.
46. Some services are more advanced than others in using performance information to help drive improvements. In some cases this is the result of external influences. For example, Housing Services use a range of information based on national SPIs and Community Scotland's regulatory framework. In general, however, performance reports do not contain clear measures and targets, trend information to show how performance has changed over time, or comparisons with other councils to show the potential for improvements. There is little provided in the way of clear explanations for poor performance and the actions being taken to address it.
47. Following changes in the leadership of the council eighteen months ago, a framework for monitoring and reporting service performance was introduced. This is based on the budgetary control system, with targets and performance measures being identified for each of the council's 80 budget headings or activities. Because it is linked to the budgetary control system, this has the potential to match service performance and resource decisions. While it has still to be fully developed, this represents important progress in establishing an effective performance management system that can be used to identify areas of underperformance and help drive improvements. Elected members are aware of the system and engage with the performance reports that are produced.



48. However, the framework is not yet being used as a practical tool by all managers to improve services. It has been designed and driven by Corporate Services and, at this stage, there is still a general culture of compliance amongst services in terms of producing performance data, rather than using that information to help drive up quality. Some people in services see limitations in the framework and these concerns will need to be addressed before it can be fully effective. It is vital that corporate and service management come together in joint ownership of the council's performance management system if it is to become an integral part of managing services.
49. More fundamentally, there are no direct links between the Performance Management Framework, and the various priorities identified in the Community Plan, the Corporate Development Plan, and the various Service Improvement Plans. This means that there is a risk that equal weighting is given to minor and major issues and that the council's key corporate priorities and cross-cutting themes are not properly monitored.
50. It will be important for the council to quickly build on its initial work of establishing a framework for performance management. While monitoring achievements and standards against activities listed in the budget has begun the process of systematic management, there are significant gaps in the ability of the framework to meet all of the needs of the council, in particular those at service delivery and professional standards levels. The corporate centre should work closely with services to develop the performance management framework so that it meets the needs of the whole organisation. It should also ensure that effective linkages are made with key strategic objectives and plans.

Service plans

The recent introduction of Service Improvement Plans has helped to encourage a more consistent style and approach to business planning by the council's departments. But there is still a lack of a clear corporate approach to the content of these plans, with few clear links to corporate and community planning priorities.

51. Until recently, few of the council's departments had established a sound system of business planning. Over the past year, a standardised council-wide approach has been introduced, with the introduction of Service Improvement Plans. These represent a significant step forward in developing a consistent and coordinated approach to business planning for the council's services.
52. However, these Service Improvement Plans still need further development. They do not clearly flow from the council's corporate priorities, set out in the Corporate Development Plan. In addition, until a new Community Plan is published, there are no clear links with the overall priorities identified for Moray. Given that these two documents set out the key priorities of the council and its partners, the Service Improvement Plans should show how these priorities are to be delivered.



53. The Service Improvement Plans are not comprehensive, with no action plans for services such as Children & Families and Criminal Justice. There is also a need to develop measurable targets within the Service Improvement Plans. Currently, most focus on internal management processes and projects and refer to vague objectives, such as improving staff morale or continued professional development, rather than clear measurable improvements in the services being delivered to the public.

Reviews and option appraisal

The Moray Council has a poor record in seeking service improvements through use of alternative ways of working. Best Value reviews, option appraisals and competitive tendering have not been robust. Some review activity has been carried out, but this has not been driven by identified weaknesses in performance or by an overall vision for improvement.

54. The challenge provided by service reviews and option appraisal is a fundamental aspect of Best Value, helping to ensure that services remain relevant, efficient and effective. With some exceptions, The Moray Council is not able to show that its services have been subjected to these robust checks and is not able to demonstrate that they are competitive.
55. It does have a clear framework for carrying out BV reviews. This includes having a defined review process, detailed templates for completion to clearly show that all elements of the council's review process have been addressed and a corporate BV review group to challenge each review team's findings and their adherence to the review process. It also has a five-year programme of reviews in place, intended to cover the full range of the council's activities.
56. In principle, this framework should provide a robust approach to reviewing services, but it has not been effective. The council has a track record of developing review programmes, which are subsequently revised and never completed. Despite having a programme in place since 1998, there are still many areas that have not been reviewed. In many cases, services have delayed or not carried out planned reviews due to claims that they do not have enough staff resources. Not surprisingly, the council is unable to demonstrate any significant improvements that have resulted from its review activity.
57. There are a variety of reasons why the council has not had an effective approach to BV reviews. A fundamental factor has been a lack of corporate leadership in earlier years. Councillors can have a key strategic role in providing a level of independent challenge, but they have not had any meaningful involvement in the council's BV review process. They have shown limited interest in identifying areas worthy of review, and have not been involved in overseeing reviews and helping to ensure that they consider a wide range of options. The absence of strong corporate management has also meant that, in effect, services have been left to review themselves. The absence of a strong corporate political or managerial drive has meant that reviews have not been seen as important and have tended to drift.



58. The absence of an effective performance management system has also been an important factor. Without a structured approach to setting targets and measuring performance, the council has not been able to readily identify areas of poor performance that should be reviewed. As a result, the council's review activity has been too thinly spread and unfocused, trying to cover all areas in a five-year programme. In many cases, review teams have not been clear about their objectives and reviews have often been inconclusive or their scope has been changed. This has led to the risk of Best Value reviews being seen by managers as irrelevant and bureaucratic, rather than a key tool to help drive service improvements.
59. Despite this, there is a range of improvement work being carried out across the council. For example, many services are carrying out self-assessments against the EFQM model. In addition, services carry out reviews to tackle particular issues. However, because these are not labelled as 'Best Value' reviews, they are not coordinated corporately and carried out to a consistent standard. The fact that the council is not capturing all improvement work being carried out is an issue it needs to address in effectively managing its improvement agenda.
60. There has also been limited use of competitive tendering to test the competitiveness of the council's nine DLOs and DSOs. There is little evidence that working arrangements have changed since the national moratorium on compulsory competitive tendering (CCT) was introduced in 1995 and replaced with Best Value. As shown in [Exhibit 4](#), many of the current contracts have not been tested by competitive tendering since the early or mid 1990s and, in some cases, were simply inherited from Grampian Regional Council. Moreover, with the exception of Housing and Roads and Lighting Maintenance, there is little evidence of any systematic use of benchmarking or comparative information to provide some assurance that these services remain competitive.

Exhibit 4

Many contracts have not been tested by competitive tendering for many years

Contract	Provider	Date last subject to competition
Vehicle maintenance	In-house	1991
Catering	In-house	1991
Building cleaning	In-house	1995
Grounds maintenance	In-house	1995
Housing repairs	In-house	1997
Refuse collection & street sweeping	In-house	1997
Leisure	In-house	1997
Street lighting	In-house	1998
Roads maintenance	Mix of in-house and private	30% each year

Source: The Moray Council



61. Some option appraisals have been carried out but these tend to be in isolated areas, such as when considering the possibility of a housing stock transfer, or when planning major capital projects such as the flood alleviation scheme.

Scrutiny by councillors

Councillors do not have a well-developed approach to scrutinising council performance and helping to drive improvements, but there is some evidence of recent moves to change this.

62. Councillors can have an important role in overseeing the performance of council services and holding managers to account. Given the lack of a performance management framework, there has not been a strong foundation for an effective system of scrutiny within The Moray Council. In earlier years, performance reports to committees have effectively been limited to national Statutory Performance Indicators or progress reports on individual projects. As mentioned earlier, councillors have had little involvement in Best Value reviews of individual services.
63. Scrutiny arrangements are beginning to develop. The council has a well established Audit and Performance Review (AP&R) Committee that is responsible for overseeing the work of all departments. In line with good practice, a member of the Opposition chairs this committee. The AP&R Committee itself has identified that the large volume of information presented to it, and a lack of clarity in this information, is restricting its ability to effectively scrutinise performance. During the past year, the Committee, along with senior management, has started to address this issue. Inevitably, however, the effectiveness of any scrutiny arrangements is linked to the establishment of an underlying performance management system.
64. There would be advantage in the council reviewing how effectively its scrutiny arrangements are working. There is no fundamental reason why its traditional system of service committees, supplemented by the AP&R Committee, cannot deliver effective scrutiny. However, there is a potential duplication of effort, with an apparent overlap in roles and committee membership. With the exception of the AP&R Committee, for example, all councillors are members of all committees. This must make it difficult for councillors to stand apart from a decision and scrutinise it and there is a risk of members being swamped by detailed information on a wide range of topics.
65. Within the existing committee system, the council has also made, or is planning, further changes. For example, all services now produce performance reports for their relevant committee based on their Service Improvement Plans. In addition, activity analyses, based on the new corporate performance management framework, are submitted to the A&PR committee. Both of these types of report vary in their current use of clear performance targets, explanations of under performance and identification of improvements, but their existence alone represents a significant move forward. Councillors have



found these reports helpful and are now working with officers to define more meaningful performance measures.

66. Changes will also be needed in the culture of a council without a track record in effective scrutiny. For example, councillors tend to focus on points of detail, rather than major issues. This can lead to managers feeling threatened and being overly defensive. The chief executive has recently held a series of briefings for councillors, aimed at developing their role in Best Value and scrutiny. There are also proposals to make changes in committee agendas and report formats, to help rationalise the volume of papers that councillors are obliged to read and help them focus on key issues. In addition, there is an intention to introduce a formal question time as a standard item in council meetings, as a further opportunity for councillors to fulfil their scrutiny role.

Resource and financial management

In broad terms, there is evidence to show that the council has an effective system of financial stewardship. It has substantial reserves to meet anticipated financial pressures, but it still needs to develop its system for matching resources to service priorities.

67. The council has a history of receiving unqualified audit certificates on its accounts, with no fundamental concerns raised by its external auditor about its systems of financial control. It also has a track record of keeping overall spending within its resources. It has reserves of £16.7 million. This is higher than its target of 5 per cent of its revenue budget (or around £7 million) but this will be needed to help meet the increased costs associated with introducing the national Single Status scheme (estimated at around £3 million per year) and a series of local flood alleviation projects (which require contributions of around £28 million from the council).
68. The council also has a broadly sound system of budgetary control. A scoring system is used to help match budgets with service priorities at the start of each financial year. This needs to be developed to help ensure that financial resources reflect continued changes in service delivery, but there is evidence that this is improving with smaller variations between budgets and actual expenditure over the past two years. Monitoring reports are regularly reviewed by managers and the relevant service committees.
69. At the time of our audit, an overspend of £1.8 million was projected for Community Care, underlying the continuing need for the council to ensure that its budgets reflect changes in the way services are delivered (in this case through partnership working with the NHS). However, the projected overspend was identified at an early stage by the council and is being addressed.
70. There is also a need for the council to improve its control over capital projects. There has been slippage in its capital programme for each of the past four years, with projects being delayed. In



2004/05 for example, the council only spent £19.1 million of its planned £24.2 million General Services programme, an underspend of 26%.

71. There are significant risks associated with its planned programme of flood alleviation projects. Following a series of floods in Moray within the last decade, the council has approved an ambitious capital programme for schemes across Moray, estimated to cost a total of £140 million. This represents by far the biggest and most complex capital project that the council has had to manage. Although the Scottish Executive will provide 80% of the funding, it still involves significant costs and risks for the council.
72. So far, the council has completed the first and smallest of these projects in Llanbryde. Projects of this nature always have a degree of uncertainty about issues such as ground conditions. However, due to unforeseen problems, and weaknesses in project management, the scheme has taken significantly longer than planned to complete and, at over £2 million, more than twice the estimated cost. Internal audit reports have highlighted weaknesses in the council's management of this project, with a lack of controls for the authorisation of work and poor communication between the project team and other managers and councillors. The most recent report from internal audit acknowledges that lessons have been learned, but there are still critical issues that the council needs to address as a priority if it is to effectively manage the risks associated with the larger and more costly flood alleviation schemes.
73. Councils should have robust systems for identifying and managing risks. As early as 2002, The Moray Council acknowledged that a risk management framework was 'pivotal to sound governance'. However, it has still to establish an effective approach. The council set up a Risk Management group in 2002. This led to it approving a Risk Management Policy in 2004, and establishing a corporate Risk Register. Beyond this, however, little has been achieved. Within departments, risk management tends to focus on health and safety matters rather than wider operational issues. Without a fully-fledged approach to identifying and managing departmental risks, the content and effectiveness of the Corporate Risk register is limited. Moreover, there is also a need to ensure that the results of its risk management processes are regularly monitored and used to feed into the council's corporate and departmental plans.
74. For many years, the council has benefited from bulk purchasing of a range of items, such as gas, electricity and food items, through consortium arrangements with Aberdeen City, Grampian Police and Grampian Fire & Rescue Services. It has also taken other measures, such as introducing electronic payment cards, to help reduce costs.
75. However, the council has only recently started to develop a corporate approach to procurement. There has been a tendency for procurement to be made by individual departments, limiting the scope



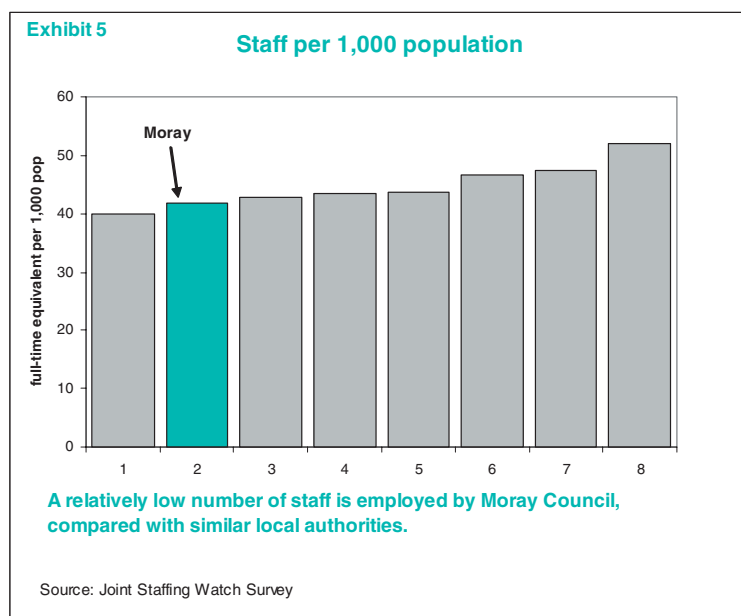
for savings. A procurement strategy has been drafted and a central procurement officer post created at the end of November 2004 to help develop this area.

Managing staff

The council has many elements of a sound approach to staff management. While it needs a more structured approach to workforce planning, a staff appraisal system has been in place for many years and sickness absence rates are low.

76. The council employs around 3,660 staff (full time equivalent) at an annual cost of around £90 million. While it is difficult to compare like with like, the available evidence suggests that the council has a relatively lean staffing structure compared with other similarly-sized urban/rural local authorities

(Exhibit 5). However, it cannot show that its staffing resources are deployed over its various departments to match corporate priorities in a planned way therefore it needs to develop a structured approach to workforce planning. There is, for example, evidence that the recent growth in staff at the corporate centre has been carried out piecemeal and reacting to particular needs rather than part of a planned approach. There is a staff appraisal system that has been in place since 1996 and is used for virtually all groups of staff, although it is still to be extended to manual employees. The Employee Review and Development Process (ERDP) is based on annual appraisals which are carried out for each employee, covering past and planned performance and identifying training needs. The system would be improved by:



The system would be improved by:

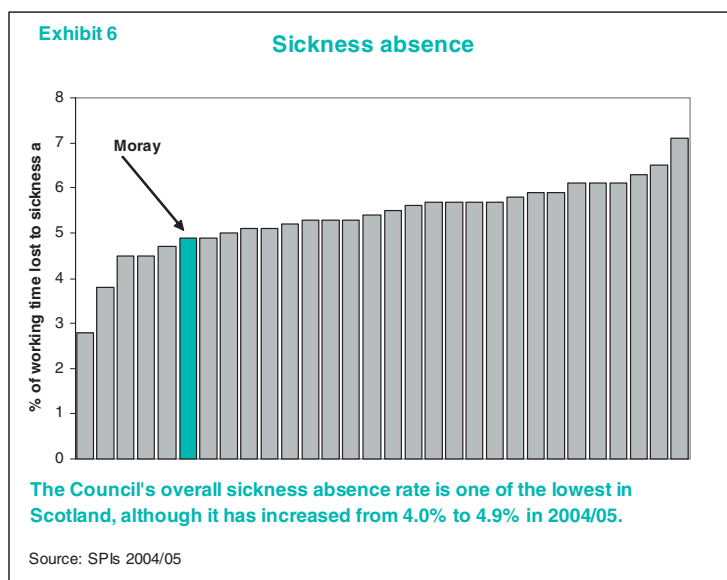
- ensuring that there are clear links between corporate and departmental objectives and the performance targets set for individuals
- ensuring that the performance of Directors is systematically and regularly appraised
- monitoring whether all staff are receiving an annual appraisal and to the required standard.

77. The ERDP system contributes to identifying training needs. This is done departmentally rather than corporately, missing out on potential economies of scale and the opportunity to help ensure common standards throughout the council. For many years, the council has not been able to demonstrate commitment to staff training as part of an overall programme of development. Some progress has recently been made in implementing and evolving training and development corporately. For



example, around two-thirds of the council's senior and middle managers have completed a new Management Development Programme. This has been well received and a further Level 2 programme planned for next year.

78. The council has one of the lowest sickness absence rates in Scotland (Exhibit 6). It has had an effective policy in place since its inception and absence rates are monitored throughout the year by individual departments. Again, though, there is a lack of corporate working. Absence rates are only monitored corporately once a year and, unexpectedly, have been found to increase over the most recent year. More regular monitoring would have allowed this trend to be picked up earlier.



Sustainable development

The council is clearly committed to the principles of sustainable development. Although it can point to achievements in, for example, energy management, it still needs to establish clear strategic objectives and targets, particularly in terms of social and economic sustainability.

79. Sustainable development is an important issue for Moray and the council. In addition to the need to protect the local environment, Moray is facing considerable challenges relating to:
- the sustainability of its economy, with the potential for job losses at the RAF bases and the need to develop 'high value' jobs; and
 - the sustainability of its communities, given the potential impact of economic decline and predicted population trends.
80. The council is still at an early stage in developing an overall approach to sustainable development. To some extent, this is not surprising, given that it is still a relatively new statutory duty for councils. A lead has been taken through the Community Planning Partnership, with the establishment of an Environmental Forum in July 2004. This has agreed some priorities and an action plan, but it has been unable to implement any of the actions within its plan, primarily due to a lack of resources. Similarly, sustainability has been identified as a priority within the Environmental Services Improvement Plan but progress has been slow due to a lack of staffing and financial resources. In



2004/05, the council was not able to complete any of its corporate priorities relating to sustainability projects. It has recognised the need to review this area and match resources and objectives in future.

81. The council has made some attempts to mainstream sustainability within its work. For example, a sustainable development checklist has been produced for staff to help raise awareness of the issue. So far, however, it is not widely used. The council does recognise that it needs to continue to raise the profile of sustainable development with councillors and managers and needs to build relevant sustainability indicators within its performance management framework.

82. In contrast to social and economic sustainability, the council is able to show that it has made good progress in improving its performance for environmental sustainability, particularly in terms of waste and energy. It has clearly seen the benefits from both using renewable sources of energy and from using energy more efficiently. Its commitment is demonstrated in a number of positive actions, including:
 - establishing a member-officer working party focused specifically on the use of renewable form of energy
 - employing a dedicated Energy Officer to improve staff awareness and the council's information systems on energy use
 - buying all its electricity from renewable sources
 - installing energy management systems in two swimming pools and leisure centres to ensure most efficient use of energy and examining opportunities to install systems in other facilities and buildings
 - carrying out a comprehensive programme of audits of water use that is resulting both in greater awareness and understanding of water usage and in financial savings
 - exploring the possibility of converting the gas emitted from its closed landfill site into electricity at zero cost.



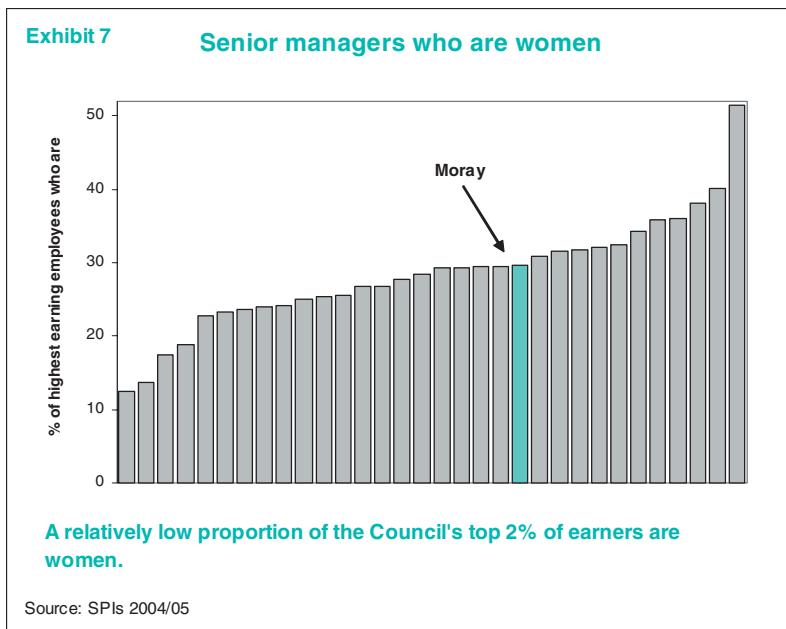
Equal opportunities

There is limited evidence that the council provides equality of opportunity for service users and it still faces a number of challenges in taking this agenda forward. It needs to get better at monitoring and demonstrating the impact its actions are having on providing equal access to its services.

83. As well as issues relating to gender and disability, race equality is an increasingly important issue to Moray through the influx of migrant workers from abroad. While the council has recognised the importance of equal opportunities by, for example, setting up an Equalities Working Group and approving a Corporate Equalities Strategy, it is at an early stage in developing an effective approach.
84. One reason for the lack of a fully developed approach, compared with many other councils, has been the lack of a clear commitment to equal opportunities among some councillors. Recently, for example, no councillors took part in disability awareness training specifically arranged for them and there is evidence that some do not see the relevance of the equalities requirements to Moray.
85. Despite this, the council has made some progress. It is in the process of launching its corporate equalities strategy, setting a clear direction. This will need to be supported by effective equalities training and performance targets to measure the impact of this strategy.
86. Similarly, the council has produced a Race Equality Scheme (RES), as required under legislation, but it has still to examine the impact of its policies or functions on race equality. It plans to carry out impact assessments by the end of 2006. This will be of increasing importance given the increasing diversity in some of Moray's communities through the influx of migrant workers from abroad.
87. Over and above the council's corporate RES, the Education Service has developed specific guidelines on race equality for schools through the Moray Inclusion File. Significant resources have clearly gone into developing these detailed guidelines, but they have not yet been rolled out to other parts of the council. This highlights the need for the council to ensure it takes a consistent, corporate approach to tackling key equalities issues.
88. The increasing diversity being experienced within parts of Moray poses a challenge to the council in developing a good understanding of the nature and scale of equality issues within its communities, and identifying the challenges which people from diverse backgrounds may face in accessing its services. It has made some initial progress in tackling these issues including; using a specialist equalities post employed by the Community Planning partners to build contact with these communities; introducing an interpreter's handbook and 'Happy to Translate' scheme, and developing welcome packs targeted at those communities experiencing the greatest degree of change. These are positive steps that the council needs to further build on to ensure equal and fair access to all services.



89. At present, the council is not able to clearly measure achievements against its equal opportunities objectives and therefore is unable to demonstrate positive outcomes for its residents or compliance with its legislative duties. The only measures that are currently available are through two of the national SPIs. One suggests that the number of senior managers who are women is relatively low (Exhibit 7). The other shows that only 11% of council's buildings are accessible to disabled people.



90. In order to be clear on its progress in tackling equalities issues, and to identify areas for improvement, the council needs to be much more systematic in identifying, collecting, monitoring and reporting on relevant information. This is particularly

important for the council in meeting its statutory duty to monitor services by ethnic group and demonstrate progress against its general duty for race equality.

Joint working

The council engages in a range of joint working and demonstrates some examples of good practice in doing this. It would benefit from ensuring that good practice is shared across the organisation and can demonstrate the improvements that have resulted from joint working. The Community Planning Partnership needs to be more effective in collectively tackling some of the major issues affecting Moray.

91. In principle, the council's joint working arrangements with other public sector organisations are coordinated through the Moray Community Planning Partnership. However, as mentioned earlier, its approach to community planning is currently being revamped, with changes in the membership of the Partnership and a new Community Plan due to be published in 2006.

92. Despite this, however, the council does have a track record of joint working at departmental level. An obvious example is its joint working with the NHS through the Health & Social Care Partnership. This has made significant progress in fully integrating services under joint management arrangements and is in the process of building on this by developing a joint performance management framework. The council and its partners have also recognised the need to remove other obstacles to effective joint working and are, for example, actively working towards aligning and jointly managing budgets.



93. There are other examples of effective joint working. For example, services are carried out by partners on behalf of the council through the Child Care Partnership Agreement; there are shared premises at Spynie Hospital; posts, such as a Health Improvement Officer; are jointly funded with the NHS; and there is some consortium arrangements with other councils, such as the Northern Partnership for Criminal Justice services.
94. There is an appetite within the council for a more proactive approach to identifying the scope for further joint working opportunities. It does not currently use its review processes to actively design services around service users, rather than traditional departmental and political structures. In addition, there is no evidence to suggest that at the most senior levels the council is actively considering all its opportunities to modernise services and deliver them in a more holistic manner to meet the changing needs of its communities. This is being addressed as part of the council's response to the national Efficient Government agenda.

Customer focus and responsiveness

The council does not demonstrate a clear commitment or approach to providing services in a customer focused way or in working with services users to improve services. In addition there has been limited progress in developing systems to support electronic service delivery.

95. The council delivers a wide range of services to customers. It therefore needs a clear focus on customer contact and a commitment to customer care to ensure that people can readily access services. While it has made some progress in recent years, the council does not have a clearly defined vision or plan for effectively managing customer contact or communication.
96. In working towards the national Customer First strategy, the council has spent around £2 million to develop a customer relationship management (CRM) system and its 'Easy Access' project. Easy access was designed as an ambitious, officer-led project, with the intention of providing a clear model and clear standards for customer service across all the council's communication channels. However, despite having been introduced in 2003, the project is still running as a pilot and has not delivered significant number of its intended outcomes. The council recognises that its progress on this project has fallen significantly short of its original goals, but despite this it has not developed effective systems for monitoring progress or managing the difficulties that have caused the slippage.
97. In practice, the council operates four easy access points, designed to act as a 'one-stop shops' for service users. However, the council does not have a consistent, agreed model for the services provided from or the management of these access points. In addition, there is also no evidence that the CRM system has clear corporate support or is being developed in a strategic way. This is highlighted in variation in services provided through individual access points and the fact that only the access point in Forres operates the CRM, albeit in a limited way. In meeting the national Customer First strategy and in order for the council and the public to realise the greatest benefits from its easy



access project, senior managers and elected members need to provide clearer support and leadership for the project.

98. The council's website provides a wide range of useful information. For example, the public can use it to access a range of useful forms, committee minutes and agendas. An exciting initiative was launched to allow the public to watch web-casts of some committee meetings (see Exhibit 8). However, it is not easy to find information on the website and, in some cases, information is substantially out of date. For example, details about consultation exercises have not been updated since February 2003. The relatively ad hoc approach the council has to developing its website is influenced by the absence of both a clear strategy on customer contact and electronic service delivery. This is an issue the council should address.

Exhibit 8

Webcasts of committee meetings

In June 2005, the council began to broadcast the meetings of its Environmental Services committee over the Internet (webcasts). Its intention is to make committee meetings more publicly accessible, given that its population is dispersed over a relatively large geographic area. If this pilot proves to be successful, there are plans to extend webcasting to other committee and council meetings.

At this stage, the webcasts look to be successful. The first broadcast was watched live by 559 viewers and accessed a further 427 times from the archive on the website. While subsequent webcasts have attracted lower numbers of viewers, it is clear that they are providing access to committee meetings for a significant number of people.

Source: The Moray Council

99. The council recognises that collecting feedback from service users about the quality of services they receive is a weakness across the organisation. In relation to specific services, the council can demonstrate only very limited attempts to collect feedback from service users and has no agreed plans to tackle this. At a corporate level, however, the council is going to focus its first survey of its newly recruited citizens' panel around what people think of its standards of customer service. This is a positive development in improving the council's understanding of public views and will help to develop more regular and systematic mechanisms for collecting feedback.
100. The council has experienced a lot of negative public opinion in relation to its most recent, and most high profile, consultation exercise on the schools estate plan. The level of public opposition has led the council to re-evaluate its approach to the future management of its schools estate. While the accessibility of education services is obviously an emotive issue for local residents, the level of public opposition has been exacerbated by weaknesses in the council's handling of its consultation exercise. The council's consultation exercise was carried out by the education service in relative



isolation from the rest of the organisation with little thought given to the bigger picture around the whole issue of schools provision. The council is now managing this important initiative corporately and should be more successful in delivering significant improvements across its services in future if it learns from this experience.

101. Over the last year the council has improved the way in which it manages complaints. Having recognised that it had no system for effectively recording complaints received across the organisation or for tracking its responses, the council has introduced a central monitoring system and reports performance in a clear and transparent way to committee. It is now planning further refinements to provide assurance that complaints are being used positively to learn lessons and improve service delivery.

Reporting to local people

The council needs to improve its public accountability by significantly developing its public performance reporting, in line with statutory guidance.

102. The council recognises that its approach to public performance reporting is an area needing significant improvement. Given the absence of a performance management system in earlier years, this is not surprising.
103. So far, the information that the council has been able to publicly report about its performance has been very limited. Its most recent corporate public performance report covered the period 2002-04. This report was not particularly meaningful for the general public as it focused on the council's strategies and plans, with very little information on the outcomes and improvements achieved for the public. There is also little evidence of service-level reporting of performance to the public, with the exception of Housing.
104. To improve its accountability to the public, the council should review its performance reporting in light of recent Statutory Guidance, examining the information it provides across all its public documents, with the aim of showing performance against pre-set targets and demonstrating tangible outcomes for service users. In common with other councils, it should also provide a more balanced view of its performance, identifying areas for improvement as well as good performance.



How are services performing?

Given the absence of a fully developed performance management system, it is not possible to provide a full picture of the standard of services being provided by the council. However, national Statutory Performance Indicators suggest some good performance and no fundamental weaknesses. A recent follow-up report from HMIE shows that, where poor performance was identified, the council responded positively.

Statutory Performance Indicators

Statutory Performance Indicators suggest some strong performance by The Moray Council.

105. Audit Scotland publishes a set of statutory performance indicators (SPIs) for each Scottish local authority. While these do not give a comprehensive picture of performance across all services, they do allow some comparisons to be made between councils and over time.

106. Overall, The Moray Council’s SPIs compare well with other Scottish local authorities ([Exhibit 9](#)). For 2004/05, it is ranked in the upper quartile (eight or above out of 32 councils) for 28 performance measures. It has improved by at least 5 per cent in 13 of these measures since 2002/03 but deteriorations by at least 5 per cent in 14 measures. Full details are available from Audit Scotland’s website (www.audit-scotland.gov.uk/performance/index.htm).

Exhibit 9

Statutory Performance Indicators 2004/05

The Moray Council	Upper quartile	Middle quartiles	Lower quartile
Adult Social Work	4	3	3
Protective services	2	5	1
Development services	2	1	3
Cultural and community services	5	2	2
Waste Management	2	1	1
Children’s Services	3	5	2
Corporate management	4	2	3
Housing	4	1	0
Roads and lighting	2	3	0
Totals	28	23	15

Taken together, the SPIs for The Moray Council suggest areas of strong performance, with 28 out of the 66 relevant indicators in the upper quartile compared with other Scottish local authorities.

Source: Audit Scotland



Educational services

Educational Services responded effectively to a critical HMIE report, but it still needs to do more to develop a culture of continuous improvement by establishing clear performance measures and targets.

107. The Educational Service is the largest department within the council, spending around £77 million each year and employing 1,050 staff. As well as overseeing the council's schools, it manages Sports & Arts, Libraries & Museums, and Community Learning & Development.
108. A detailed inspection of the Education Service has been carried out by Her Majesty's Inspectorate of Education (HMIE). Their report was published in early 2004 and highlighted concerns about attainment levels in primary and secondary schools, and relatively low occupancy levels in primary schools. It also contained significant criticisms of the way the service was managed, particularly in terms of the role of senior managers within the department, the need for better performance monitoring and quality assurance procedures, and the targeting of resources where they were most needed.
109. Given these concerns, HMIE carried out a follow-up inspection earlier this year. This report, published in February, is much more positive and shows that the service has responded positively to the earlier criticisms and had established a range of initiatives to address the issues raised. For example, the service has developed a quality audit approach to use performance data to increase accountability and to challenge individual schools. The report also notes that determined efforts had been made to raise attainment and change the culture of the service. Attainment levels have improved in primary schools, although attainment levels in secondary schools remain a challenge. A copy of both reports can be found on HMIE's website: www.hmie.gov.uk
110. The council has also consulted on concerns about the low occupancy levels in primary schools, an issue affecting many rural councils. Its initial consultation on options such as mergers and school closures provoked considerable concerns from the community. It is now considering these options on a broader corporate basis and looking beyond narrow education issues to the wider impact on communities.
111. Beyond the HMIE reports, it is difficult to form a clear view of the Education Service's performance. Despite some recent refinements in its service development plan, there are still few performance measures and targets. Performance reporting to committee focuses on progress with projects, management processes, and budget monitoring. The lack of direct performance measures makes it difficult for councillors to form a judgement about the overall performance of the service and its potential to improve.



112. Again, there are few measures being used by the council to monitor the performance of Community Learning & Development, Sports & Arts and Libraries & Museums. In broad terms, these areas look to be performing well, with relatively high usage levels. For example, the proportion of the local population using the local libraries is one of the highest in Scotland. Similarly, there are high numbers using learning centres and access points, and swimming pools.
113. There are areas of concern. For example, the numbers using indoor sports facilities is relatively low. Although some other services have made attempts at undertaking Best Value reviews, the Educational Services has not subjected any of these non-school activities to review. The department has also reviewed its estate and identified five of its library buildings as being 'totally inadequate'. On the face of it, there are significant issues to be investigated, but they do not appear on the council's Best Value review programme.

Community services

114. Community Services is made up of three divisions – Housing, Children & Families and Community Care. The Community Services Development & Improvement Plan 2004-07 was approved in March 2005. The plan does not contain any locally developed performance measures, nor does it set any targets against the national Statutory Performance Indicators (SPIs) for any of its three divisions.
115. With the exception of the Housing Division which includes targets and trend information in its quarterly report to committee, the lack of performance measures other than SPIs and targets makes it difficult for members and the public to form a comprehensive picture of the performance of the service and to make a judgement about the service's potential to improve.

Housing

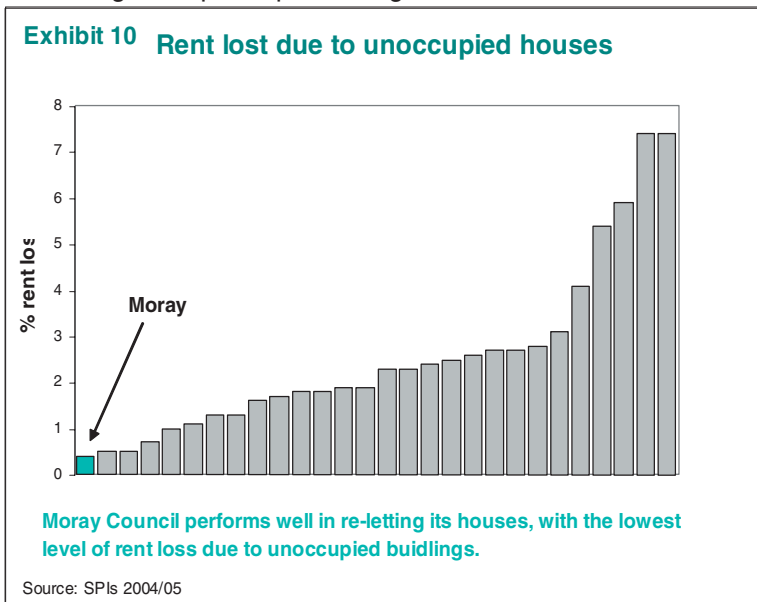
The Housing Division generally performs very well and has developed a robust approach to managing its performance.

116. The Moray Council owns and manages around 6,400 houses. The service has a gross budget of around £13 million and employs the equivalent of 111 full time staff, in line with the Scottish average. It has still to be subject to a detailed inspection by Communities Scotland.
117. In 2001, the council considered the possibility of transferring some or all of its houses to a registered social landlord, but decided to retain direct responsibility for all of its housing stock. This decision was confirmed in 2005, following a further review and development of a business plan. This has been submitted to Communities Scotland detailing how the service is planning to achieve the Scottish Housing Quality Standard (SHQS) for council houses in Moray. The report indicates that 44 per cent of the stock already meets this standard.



118. The Housing Division generally performs very well against national Statutory Performance Indicators with performance against six indicators – rent loss on empty houses (see Exhibit 10), houses re-let within four weeks, short and long term rent arrears, the time taken to sell council houses and the processing of applications by homeless people – among the top four performing councils in Scotland. Performance against these indicators is important in terms of maximising income for the service and reacting to emergency applicants.

119. The Housing Division reports performance to councillors on a quarterly basis. These reports are of a good standard, including trend information to help readers form a judgement about how well the service is improving. However, they would benefit from the inclusion of comparative information, targets and explanation where performance has declined or targets have not been achieved.



120. The 'Tenant's Voice' newsletter details trends in tenant satisfaction as measured through the three-yearly tenants' survey. These findings indicate that satisfaction with various elements of customer service have improved in the last three years. The performance of staff is rated highly with the exception of keeping tenants updated. The highest level of dissatisfaction is with the improvement programme. These findings indicate a generally satisfied tenant population, however there are some areas where there is significant potential for improvement and it is important that the division responds to this.

121. The Housing Division can demonstrate a commitment to partnership working. For example, the development of a Repairs Partnership Agreement for repairs responses and planned maintenance with Property Services as part of a review of the housing repairs policy. The benefits of the new approach have been an improvement in repairs responses, in programming and in relationships between the two services.

122. In terms of being outward looking and learning from others, the service is a member of the Scottish Housing Best Value Network. Annual benchmarking information is analysed and an action plan developed. Further work needs to be done to ensure that Best Value reviews are focused on defined aims from the outset and result in tangible service improvement.



Children and Families

Evidence from inspection reports and SPIs does not highlight any critical performance issues in Children and Families Services. There is a need to develop a robust performance management system and a more systematic approach to customer feedback.

123. There is a significant emphasis on partnership working by the Children & Families Division. Forty per cent of children's services are provided in partnership with voluntary and charitable organisations such as NCH (formerly known as the National Children's Home), Children First and Aberlour Child Care Trust. In addition, the Criminal Justice Division plans and delivers services as part of the Northern Partnership, which includes Aberdeenshire Council, Aberdeen City and Highland Council.

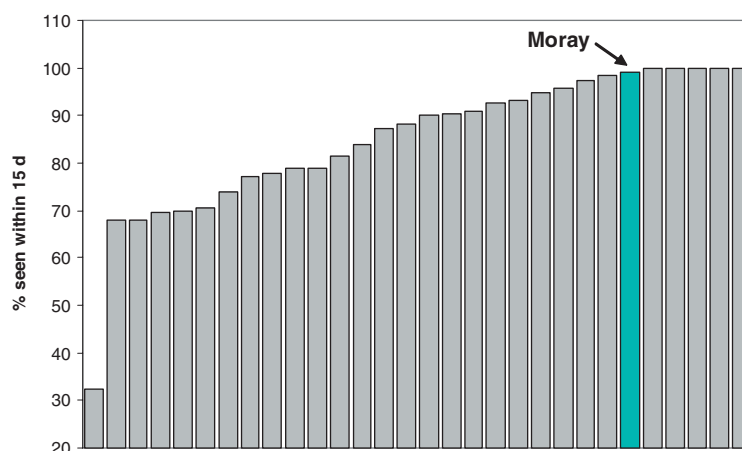
124. There is a general lack of robust information that can be used to assess the performance of the Children & Families Division. The council has acknowledged that there is a need to develop a performance management system, based on the draft national framework that is currently out for consultation. Similarly, it has identified the need for a more systematic approach to gathering and using customer feedback.

125. The Social Work Service Inspectorate (SWSI) carried out a short review in Moray in 2003. Its report provides some assurance regarding Children & Families services, although it does identify two areas in need of urgent attention – the educational attainment of looked after children, and the time taken to submit information in support of children's hearings. It is difficult to assess the progress that has been made in improving the educational attainments of looked after children, as the numbers involved are so small (20 in 2004/05). However, the proportion achieving at least one Standard Grade is now around the national average. Over the past two years, significant improvements have been made in the time taken to submit information in support of children's hearings. At the time of SWSI's report, only 56% of reports were provided within the target time. This has now increased to 86% in 2004/05.

126. The division perform reasonably well against the relevant SPIs. For example, 99% of children made subject to a supervision order are seen by a supervising officer in 15 days, one of the highest levels in Scotland (see Exhibit 11).

Exhibit 11

Children seen by supervising officer



99% of children subject to a supervision order are seen by a supervising officer within 15 days in Moray, one of the highest proportions in Scotland.

Source: SPIs 2004/05



127. Few Best Value reviews have been formally carried out by the service. However, there is evidence that the service takes internal and external information to identify where there are potential problems and reviews those areas with a view to improvement, such as the stability of residential care placements for children. However, as these reviews are not labelled 'Best Value' the improvements made are not being captured systematically and reported as evidence of continuous improvement.

Community Care

The Community Care Division has made significant progress in developing a fully integrated structure with the NHS and is currently working to develop a coherent way to monitor their joint performance. The council needs to decide how it can continue to meet demand for community care services. It is facing a budget overspend of £1.8 million in the current year and is facing considerable further pressures as a result of an aging population.

128. The Moray Council has developed an integrated approach to Joint Future and Community Health Partnerships with the formation of the Moray Health & Social Care Partnership. Single shared assessment has been in place for two years and the partnership operates within a fully integrated structure with a single management system jointly led by a council and NHS head.
129. At present, performance information is not used systematically within Community Care. It is therefore difficult to form an overall picture of how well it is delivering services. This has been recognised and the Partnership is working to blend the different management arrangements within the NHS and the council to create a coherent performance management framework.
130. The 2003 Social Work Service Inspectorate report provides some assurance on the standard of Community Care services. It highlights the council's success in, for example, introducing Free Personal Care and joint working arrangements with NHS Grampian to speed up hospital discharges. The report raises no serious concerns about service performance.
131. Similarly, the Scottish Executive's assessment against the Joint Performance Information & Assessment Framework (JPIAF) indicators show that the division has made 'significant progress' or is 'well progressed' in relation to integrating NHS and council management and funding arrangements for community care groups.
132. The Community Care Division also performs well in relation to national SPIs. For example, 95% of staff in adult care homes have relevant qualifications, one of the highest levels in Scotland. However, the provision of en-suite in care homes for older people and single rooms in homes for other adults are amongst the lowest in Scotland.
133. Community Care is facing significant difficulties in containing its expenditure within its agreed budget of £21.5 million. In 2004/05, it overspent by £1.4 million. In the current year, it is facing a deficit of £1.8 million. The council is addressing the issue. For example, it has taken steps to ensure a



consistency in the allocation of domestic support hours so that individuals only receive the levels required by the council's current policy. It is also considering other measures, such as not filling all staffing vacancies or setting a monthly maximum number of hours for each homecare team.

134. However, the council may need to make some difficult choices in order to address the underlying causes of its Community Care overspend. In common with many other areas of Scotland, Moray's population is ageing at the same time as the overall numbers are falling. It is predicted, for example, that the over 75 age group will increase by more than a quarter over the next 14 years. There is, therefore, an increasing demand on Community Care services. So far, the council has been able to avoid cuts in services but, in future years, it may have to consider measures such as placing limits on the levels of care packages or introducing waiting lists.

Environmental services

135. Environmental Services has a very wide remit and comprises two main areas; Development Services, which consists of planning, development control, building control, environmental health and trading standards; and Direct Services, which consists of environmental protection, property services, roads maintenance, transportation and consultancy services. It is responsible for managing the council's flood alleviation programme, which is a top corporate priority and at £140 million is the biggest capital project the council has ever undertaken.

136. As highlighted in its service improvement plan, Environmental Services has experienced a number of difficulties in trying to deliver its planned objectives. It is evident that in many areas its service improvement plan is too optimistic (less than a third of its 2004/05 objectives were completed during the year), contains more objectives than are achievable and lacks clearly identified priorities. This highlights the need for a clearer focus on key priorities along with more effective management of service performance.

137. The service has a programme of improvement, based on implementing new systems in some key areas and carrying out EFQM assessments and reviews of business areas. Although carrying out EFQM assessments has improved ownership and involvement of staff in its improvement agenda, it has been relatively unsuccessful in either using reviews to deliver meaningful service improvements and in implementing new systems within target timescales. This is something the service needs to address if it is to make effective improvements in performance.

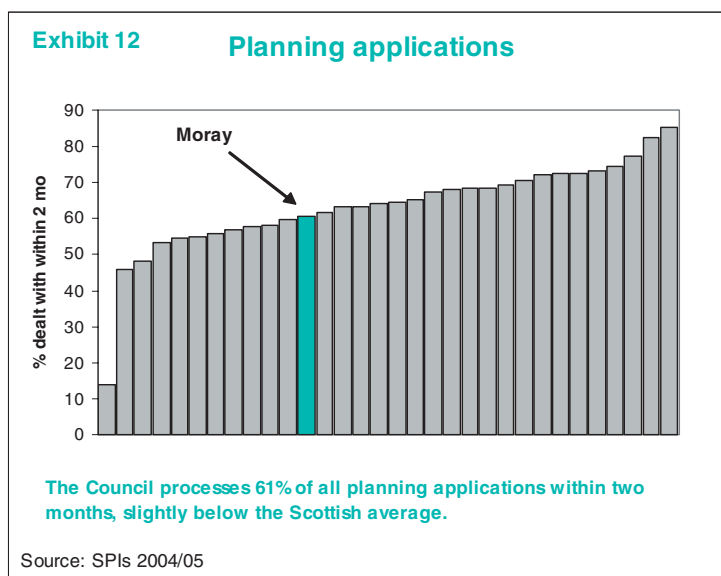


Development Services

Based on limited performance information, Development Services does not look to be performing strongly. It has not been able process building warrants, completion certificates or food hygiene inspections within target times. There is also evidence of a high proportion of officer recommendations on planning applications being overturned by councillors.

Development Control

138. The council has had a good record in quickly processing planning applications. National planning guidelines set a target of dealing with 80% of all planning applications within two months. While Moray has not quite reached this standard, it has normally been one of the better performing councils in recent years, although its performance has fallen in the past year (see Exhibit 12).



139. However, there are concerns about the role of councillors in approving or rejecting planning applications. Councillors are not expected to automatically follow the recommendations of officers, but there is clear evidence to show that The Moray Councillors overturn an abnormally high proportion of recommendations. Between January 2004 and June 2005, councillors overturned 54% of officer recommendations on applications that related to the council's Housing in the Countryside (HIC) policy. In all of these cases, planning officers had recommended refusing applications which they felt did not comply with the council's HIC policy but they were approved by councillors. This degree of overturns is very high when considered against the national picture. The Scottish Executive estimates that across Scotland there are around 180 occasions each year where councillors go against the advice of planning officials when considering planning applications under HIC policies. Of these, around 50 have occurred in The Moray Council. Although the council has clearly agreed planning policies in place – including an HIC policy that has won national planning awards – there are frequent differences between officers and councillors in interpreting how these policies are applied in practice. This suggests that councillors do not consistently follow agreed policies and is an issue the council needs to address to improve its planning services and achieve its intended goals.

140. The council's performance in responding to building warrants and completion certificates is relatively poor (see Exhibit 13). Over the past three years, the council's performance has dropped significantly, with the percentage of building warrants responded to on time dropping by almost half and a doubling of the average time to respond to completion certificates.



Exhibit 13

Building warrants and completion certificates

	The Moray Council			National average 2003/04
	2002/03	2003/04	2004/05	
Building warrants responded to on time	68.2%	37.0%	34.7%	63.5%
Building warrants issued on time	79.6%	71.5%	71.5%	80.9%
Completion certificates issued on time	98.7%	96.9%	94.0%	78.2%
Average time to respond to completion certificates	5 days	10 days	10 days	5 days

The Moray Council's performance in processing building warrants and completion certificates has deteriorated in recent years and, in most aspects, is significantly worse than the national average.

Source: Audit Scotland

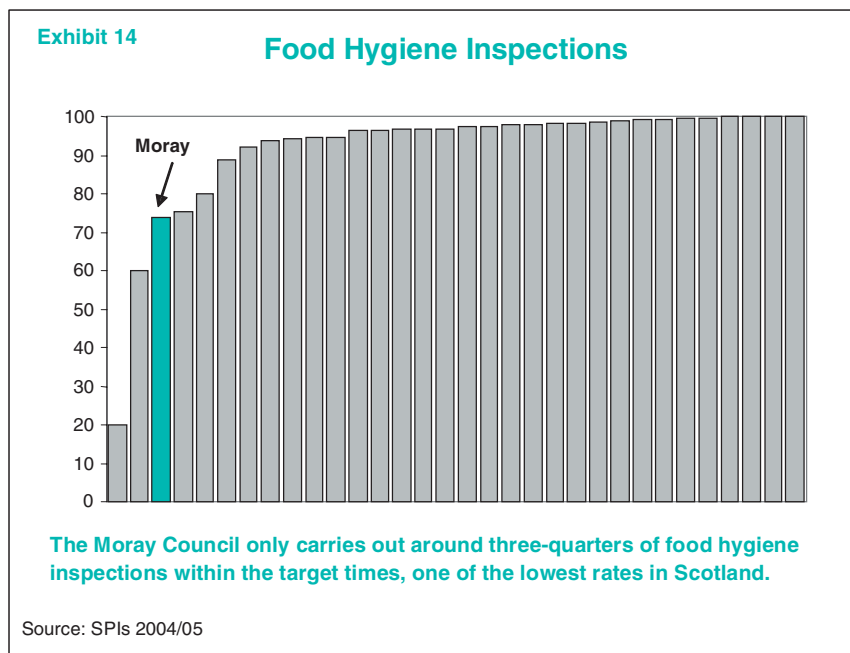
141. The council says that the deterioration in the council's performance has been influenced by an increase in its workload, with the number of building warrant applications rising from around 1,400 to 1,500. In response, it has increased staffing levels over the last year, but this has not yet led to improvements.
142. The service is also developing management systems to enhance service provision and customer satisfaction. This includes an electronic system for handling Building Control and Development Control applications and a corporate address gazetteer. Both of these systems should already be in place but the timescale for their implementation has been considerably delayed.



Environmental Health

143. The council's performance in carrying out food hygiene inspections is relatively poor, as shown in [Exhibit 14](#). Around 200 business premises should be inspected within Moray. Across Scotland, on average 94% of inspections are carried out within time, but Moray manages only 74%. This has not improved over the past year. A review of environmental health services is currently underway in an effort to address this poor performance.

144. There are moves to introduce a new electronic work management system for environmental health and trading standards to help monitor and improve performance. This was planned to be in place by June 2005, but is now expected to be completed by the end of the year.



Direct services

There is limited information available to assess the performance of the council's Direct Services. National SPIs suggest that performance is generally sound but there has been limited market testing or benchmarking carried out in recent years to provide assurance on comparative costs or performance standards.

Building Cleaning & Catering

145. The council has not subjected its catering or cleaning services to any degree of competitive tender for ten years. Both of these services struggle to make their set rate of return and for some considerable time the council has recognised the need to comprehensively review them. Despite this, it has not shown any real appetite for carrying out these reviews, avoiding them mainly on the basis of not being able to identify sufficient resources for the reviews, focusing efforts on managing other priorities, and the absence of any political demands for such reviews.

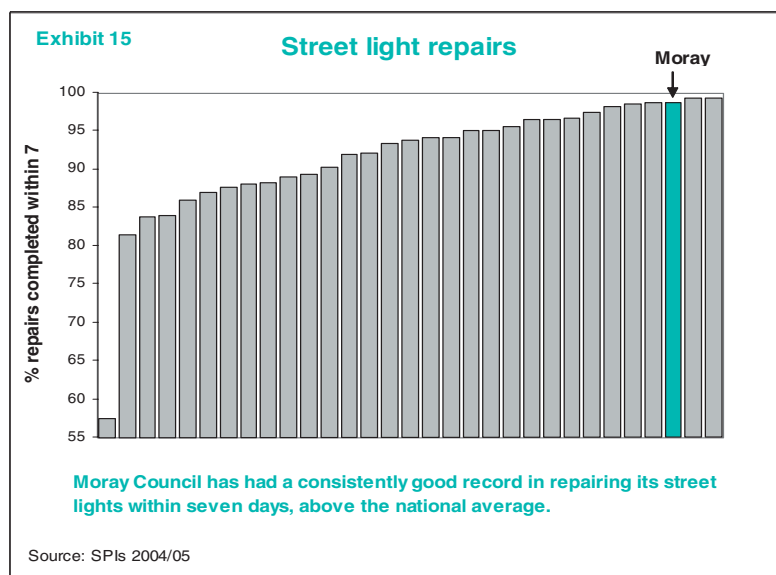
146. Direct Services has also identified the need for any review of the catering and cleaning services to look comprehensively at the structure of the service. The development of PPP schools (public, private partnership) will require new ways of more integrated ways of working and the council accepts



the need to review its services from a facilities management approach rather than looking at individual services in isolation. It is also looking to incorporate catering in the local NHS within the scope of any review. This is a positive approach in maximising the potential benefits from its review. At the time of our audit the council was working on drawing up the scope of a review with its completion target being the end of 2006. Because of the identified need for review and the delays it has already experienced in starting the review, it is important that the council does not allow this review to drift on for a number of years past the target date as has been the experience with many other BV reviews. In delivering best value, it is also important that the council objectively evaluates all potential options in a meaningful way, something that has been a weakness in its approach to date.

Street lighting

147. The council demonstrates good performance in carrying out street light repairs. It dealt with slightly over 5,000 repairs during 2004/05, completing just over 99% within seven days. Its performance has been consistently at this level over the last few years and consistently above the national average (see Exhibit 15).

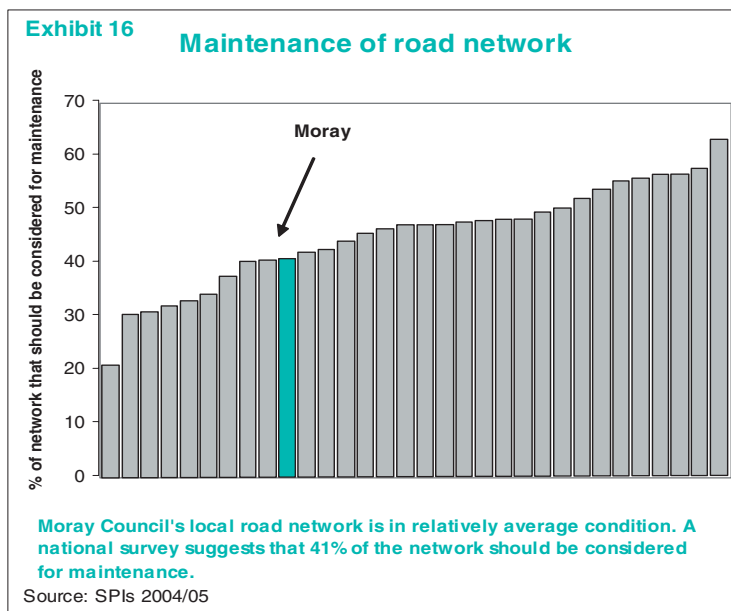


Road maintenance

148. The council's roads maintenance programme is driven more by budget availability than by technical requirements. There is very little elected member involvement in setting the annual priorities for roads maintenance. There is a general acceptance amongst members that service managers in this area have the expertise to set appropriate priorities and as a result there is very little challenge.



149. The condition of the council's roads is average when compared with the condition of roads in other areas (see Exhibit 16). Because of resource constraints on the service an increasing proportion of planned roads maintenance work remains outstanding. The need for greater maintenance has been recognised locally and nationally and to address this, the council is currently in year two of a three-year programme of growth in roads maintenance. This is reflected in roads maintenance becoming a higher priority in the corporate development plan and supported by additional grant funding from the Scottish Executive.



150. The council's key priority in maintaining the road network is providing an effective winter maintenance programme. This is an overriding factor driving the size and structure of the service. However, every year it exceeds its winter maintenance budget, caused largely by the rate charges on its vehicles. Based on its experiences, the council accepts that this budget will not be met but does recognise it as an ongoing difficulty. This needs to be addressed if it is to manage its performance effectively and work within a meaningful framework of continuous improvement.

Waste Management

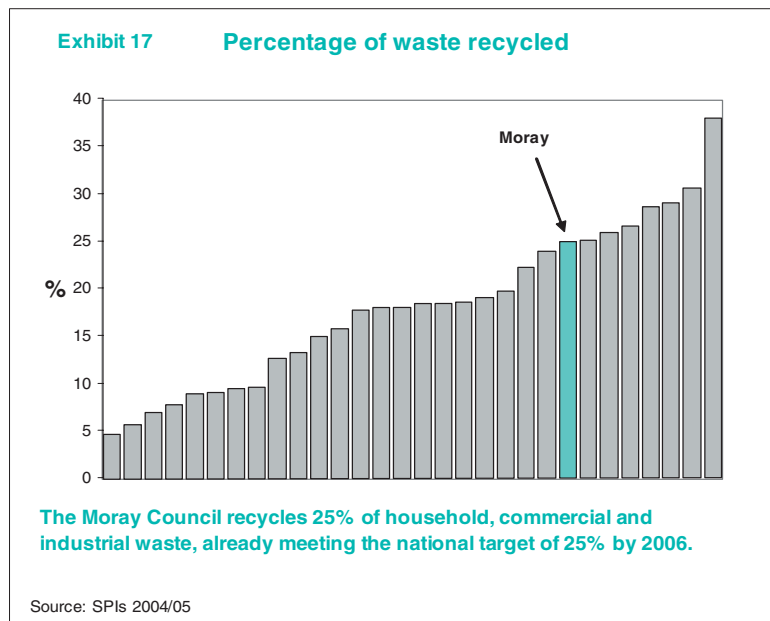
151. As part of its waste management strategy the council is currently in the process of rolling out its kerbside recycling project. This project should see kerbside recycling happening in all areas with more than 500 properties by March 2006. In conjunction with this project the council is also actively trying to educate people on the benefits of recycling and is providing help in other ways, such as giving composting bins to households in its most rural areas and selling composting bins and cones cheaply to the public.

152. There is clear evidence to show that these efforts have been successful. Over the last three years, the council has more than doubled the amount of household waste it composts and tripled the amount recycled.

153. As a result, the council is now meeting the Scottish Executive's national target of recycling 25 per cent of its waste by 2006. Against the SPIs for 2004/05, the percentage of waste recycled is the eighth highest of all Scottish councils (see Exhibit 17).



154. The council's refuse collection costs are relatively low when compared with other councils, averaging around £39 per premises compared with a national average of £53. Although still notably below the national average, its costs have been increasing year on year. Given that the council is rolling out its recycling programme, this is to be expected as it is widely recognised that recycling of household waste has cost implications.



155. In contrast however, the council's refuse disposal costs are relatively high in comparison with other councils. The average cost per property has risen from around the national average of £49 per premises in 2001/02 to £71 for 2004/05. The closure of a local landfill site is thought to have contributed to this.

Housing and council tax benefits

The council has a poor record in the time taken to process applications for housing and council tax benefits, consistently taking much longer than the target times set by the Department for Work and Pensions. However, its processing times have fallen sharply over the past two years.

156. The administration of housing and council tax benefits is carried out by Finance, within Corporate Services. While it has not been the subject of a detailed review from the Benefit Fraud Inspectorate (BFI), there are concerns about the council's performance in processing benefits. It is currently failing to meet any of the national processing standards, with particular concern over the number of new claims that it can deal with within 14 days (see Exhibit 18).



Exhibit 18

Housing and council tax benefits

	National standard	The Moray Council's performance
Average processing time for new benefit claims	36 days	48.7 days
Average processing times for changes in circumstances	9 days	17.3 days
Proportion of new claims decided within 14 days of having received all necessary information	90%	52%
Proportion of new rent allowance claims paid within 14 days of due date	90%	46%
Proportion of cases for which the calculation of benefit was accurate	98%	92%

Source: Benefit Fraud Inspectorate

157. However, the council's performance has improved sharply over the past two years. For example, the time taken to process new claims has fallen from 102 days to 48 days. While this is still outside the national target of 36 days, it does represent a considerable improvement. This has been noted by the Department for Work & Pensions, along with the BFI, and they have now suspended close monitoring of the council's performance.



What needs to improve?

The Moray Council has a very long way to go to respond to its statutory duties on Best Value and Community Planning. It has acknowledged these gaps and has drawn up an ambitious Improvement Plan.

However, there must be a concern that such a relatively small council will struggle to cope with such a challenging agenda. There are two strategies that it can adopt to help it successfully see through these changes:

- Initially focussing on clear priorities, such as taking a more strategic approach, developing leadership skills, and establishing a robust performance management system.
 - Seeking external support from, for example, the Improvement Service, peer support, or specialist consultants.
-

158. The Moray Council has a very long way to go to respond to its statutory duties on Best Value. Core aspects, such as performance management, challenging reviews, and scrutiny have remained undeveloped for many years. Over the last year and a half, however, there has been a change in leadership within the council and a clear recognition that it needs to modernise the way in which it manages and delivers services to the public.

159. As part of its preparations for this audit, the council produced an Improvement Plan that covers most of the key issues which it needs to address. Not only does this cover the way in which it manages its business, the council's Improvement Plan also implicitly recognises that these processes are simply a means to an end and it also seeks to identify specific improvements that are needed in services to the public.

160. Although the Improvement Plan seeks to be comprehensive, the council needs to identify some clear priorities. After many 'lost years', The Moray Council has a huge task ahead of it in order to catch up on Best Value and Community Planning. While it has made some encouraging progress recently in developing new approaches, it needs to maintain this momentum and ensure that these become firmly established. This is more likely to happen if managers and councillors initially focus on a limited range of critical issues. It is for the council itself to decide on its own priorities, but it should consider three broad areas which need to be addressed as a matter of some urgency.

161. **Identify clear priorities for Moray and the council's services.** At present, there is little coordination between the various Community Planning, corporate and service improvement plans. This presents a confusing picture of the key priorities for Moray and the council. Its various objectives tend to be couched in broad aspirational terms, rather than translated into specific measurable targets. Moreover, there are limited mechanisms in place to show that the council has a sound understanding of the needs of Moray and its service users.



162. **Develop political and managerial leadership.** Strong leadership will be needed to help ensure that the council, its departments, and its community planning partners work together to achieve the overall objectives. Rather than simply trying to comply with statutory requirements, a genuine culture of improvement needs to be developed within The Moray Council. 'Best Value' needs to be seen as an intrinsic part of sound working, rather than as some bureaucratic process imposed on services.
163. **Develop a comprehensive performance management framework.** An effective performance management framework is a key mechanism for identifying areas of underperformance, focusing scrutiny and review activity, seeking efficiency and helping to drive improvement. It is also essential to a meaningful approach to public performance reporting.
164. In addition, the council needs to address the issue of management capacity. It has made a good start over the past year or so but, as a relatively small council with little track record of seeing through a major programme of reform, it is not clear that it will be able to maintain this momentum over the coming years. It therefore needs to consider ways in which it can support key figures, such as the chief executive, through, for example, the Improvement Service, peer support, or specialist consultants.
165. The Moray Council has developed an Improvement Plan that is based on an honest self-assessment of the gaps between current practice and its statutory duties on Best Value and Community Planning. This is an ambitious programme of reforms and, over the next year or so the council will need to focus on some key priorities in order to maintain the momentum that it has started to build. The themes and actions listed below are taken from the council's Improvement Plan. This not meant to be used as a comprehensive blueprint for the council to follow over the coming months. It is simply a guide to the main themes that it should address.



Theme	Benefits	Improvement actions
<p>Identify clear priorities for Moray and the council's services</p>	<p>Improved understanding of the needs of Moray.</p> <p>Assist the matching of resources to priorities.</p> <p>Coordination of activities at Community Planning, corporate, and service levels.</p> <p>Coordination with staff appraisal targets.</p>	<p>Implement consultation mechanisms, such as:</p> <ul style="list-style-type: none"> • Neighbourhood Forums by December 2005 • Citizen's Panel surveys. <p>Ensure that Community Plan, Corporate Development Plan and Service Improvement Plans respond to consultation exercises.</p> <p>Publish a new Community Plan by August 2006.</p> <p>Ensure that Community Plan, Corporate Development Plan and Service Improvement Plans are aligned and set specific objectives and targets.</p> <p>Ensure that there is a match between priorities and resources.</p> <p>Address the over-capacity of schools and the overspend on Community Care.</p> <p>Ensure that regular performance appraisals, based on corporate priorities, are carried out for the chief executive and directors.</p>



Theme	Benefits	Improvement actions
<p>Develop political and corporate leadership</p>	<p>Councillors providing more of a challenge to managers on strategic issues.</p> <p>Senior managers taking a more corporate approach.</p> <p>Culture of improvement embedded within the council.</p>	<p>Hold seminars for councillors on their ward and corporate roles.</p> <p>Clarify the scrutiny role of service committees.</p> <p>Reduce volume of committee paperwork and encourage delegation of minor matters to managers to allow councillors to focus on major issues.</p> <p>Increase the involvement of councillors in Community Planning, helping the council to drive the local agenda.</p> <p>Corporate Management Team to take a more corporate role on service performance.</p>

Theme	Benefits	Improvement actions
<p>Establish a performance management framework.</p>	<p>Improved monitoring of performance.</p> <p>Improved scrutiny by councillors.</p> <p>Improved public accountability.</p> <p>Identify areas of poor performance.</p> <p>Help inform resourcing decisions.</p>	<p>Provide training for councillors on their scrutiny responsibilities.</p> <p>Develop measurable performance standards for services by March 2006.</p> <p>Use the performance management framework to help drive challenging service reviews.</p> <p>Test the competitiveness of Direct Services.</p>

The Moray Council

The Audit of Best Value and Community Planning



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