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## Press release

Embargoed until 00.01 Wednesday 5 April 2006

### **The Highland Council praised for its ‘significant strengths’, but needs stronger corporate direction**

**In its report on The Highland Council published today (Wednesday 5 April), the Accounts Commission says that whilst the council often delivers appropriate and effective solutions to residents’ problems, there are areas in which it must make improvements if it is to be in a position to deliver Best Value. In particular there is a need for stronger corporate direction from councillors and for corporate strategic management in the senior management team to complement the chief executive.**

The report says that The Highland Council residents are increasingly satisfied with service delivery and the council engages well with its local communities and partner organisations such as the NHS. Another strength is that despite the high cost of service delivery, Band D council tax is below the Scottish average.

However the council needs to do more to pull together its eight administrative areas and shape their direction. It also needs to improve the information councillors receive about the council’s performance, so they can make the most of their scrutiny role. The council should also consider putting some of the services delivered by its Significant Trading Organisations out to competitive tender, and should make better use of options appraisal and benchmarking.

Alastair MacNish, Chair of the Accounts Commission says:

“The Highland Council’s decentralised structure often delivers appropriate and effective solutions to local problems and residents are increasingly satisfied with the results. However there is a need for stronger corporate direction from councillors. This should focus on making the council more cohesive, improving its centralised activities – such as workforce planning – and setting fewer, clearly articulated priorities. The council needs to ensure it is operating as efficiently as possible, given the pressure on its financial resources.”

The Accounts Commission requires The Highland Council to produce an Improvement Plan that addresses the report and the Commission’s findings. The Commission will continue to monitor the council’s progress through the normal audit process.

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#### **Notes to Editors:**

1. The Highland Council’s Significant Trading Operations have not been subject to competitive tender since the 1990’s. (see para 117 – 122 of the report)
2. Best Value is the duty placed on local authorities to demonstrate their on-going commitment to providing better services to local people. Today’s report is the twelfth in a rolling programme affecting all local authorities in Scotland and provides information to local people for the first time about how well Highland Council is organised to deliver improvement.
3. The Accounts Commission for Scotland was set up in 1975 and is independent of both central and local government. The Commission checks whether local authorities, fire and police boards spend £9 billion of public money properly and effectively.

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

4. The Audit of Best Value is undertaken by Audit Scotland on behalf of the Accounts Commission. It responds to the Local Government in Scotland Act 2003, which gave councils a new power to promote or improve the well-being of their area and the people living within it and new responsibilities including:
- making arrangements which secure Best Value, defined as 'continuous improvement in the performance of the authority's functions, having regard to efficiency, effectiveness, economy and equal opportunities.
  - discharging their duties in a way which contributes to sustainable development
  - maintaining a community planning process
  - making arrangements for reporting to the public on their performance
  - meeting new rules relating to trading.
- 5 Key Features of the Audit are:
- The focus is on each council's performance over time rather than comparisons between councils. It takes account of differences in local priorities, constraints and opportunities and therefore league tables and scores are inappropriate.
  - All 32 councils in Scotland will be audited about once in every three years. Each audit will take around 20 weeks from start to finish.
  - Each audit results in a report to the Accounts Commission
  - A report will be published after each individual audit.
  - In most cases Key Findings from the Commission will published at the same time as the Report. However, the Commission also has the power to: Ask the Controller of Audit to carry out further investigations before reporting its findings; hold a hearing with council before reporting its findings; publish findings which include recommendations to the council and/or Scottish Ministers.
  - The council's external auditor will monitor progress and report through an annual review. If the council has made insufficient progress, the Commission will be alerted and it may ask for further action to be taken.

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