

## **ACCOUNTS COMMISSION**

### **REVIEW OF AUDIT OF BEST VALUE**

#### **RESPONSES TO PUBLIC CONSULTATION**

As part of its review of the Audit of Best Value, the Accounts Commission undertook a public consultation inviting submissions from individual councils, COSLA, SOLACE, the Scottish Executive and other scrutiny bodies. A consultation paper was issued in November 2006. Twenty two councils, eighteen other invited stakeholders and one member of the public responded. A summary of the responses against each of the six headline questions in the consultation paper is provided below.

The Commission is currently drawing up an improvement plan to prepare for the second round of Best Value audits. It will take these responses into account alongside the independent report by consultants from Cardiff University and Edinburgh University.

#### **How well are current audit methods working?**

- General agreement that the audit has enhanced accountability, transparency and focused attention on performance
- Councils would like to be told which audit tools will be used during the audit and the focus areas following the development of the scope
- Need further clarity on the evidence used to make judgements, particularly around leadership and culture
- There is not enough emphasis on Community Planning including partners' contributions, impact and outcomes
- Surveys should be agreed in advance with the council and findings should be shared
- Identifying citizens' views is the council's responsibility and the audit should rely on the council's information in this regard and satisfy itself that the council's arrangements for collecting such views are adequate
- There needs to be better involvement of the external auditors
- There need to be better links between the annual audits and Best Value audit findings
- Best Value audits use Inspectorate findings and Inspectorates should use Best Value audit findings, particularly around leadership and processes
- There needs to be better information sharing and programme planning with Inspectorates
- Peer reviews not well supported, although there were mixed views on this
- Timetable slippage causes significant inconvenience to councils

#### **How effective are Best Value audit reports?**

- Concerns about consistency are common, but there is some recognition that this could be caused by reflecting local context

- Concerns about evidence to support judgements on leadership and culture
- Many concerns raised about the need for clearer links between the Accounts Commission Findings and the main report
- Concerns around scoring include deflection of focus, too blunt an instrument, the need for an inflexible assessment framework and media focus on league tables
- Some queried whether a negative tone in a report is due to the poor performance of the council or the approach of the audit team
- Common agreement to move towards a service outcome focus
- Lack of support for the inclusion of SPIs. Issues include how up to date the data is, focus on inputs, duplication from other Audit Scotland reports, unbalanced set of indicators
- Identified gaps include attention given to equalities and sustainable development, and areas not covered by Inspectorates e.g. road maintenance and waste management
- There are some unrealistic expectations from non-council stakeholders about what the audit can and should cover and to what degree of detail
- Reports are generally considered to be about the right length and readable, however some concerns about duplication in Accounts Commission findings, overall conclusions, section headers and main text.
- Suggestions that an Executive summary would be more appropriate for the general public

#### **What are the views on the role of the Accounts Commission?**

- A significant amount of confusion about the respective roles of the Accounts Commission and Audit Scotland from both councils and other stakeholders
- Confusion and unrealistic expectations around Audit Scotland's role in relation to improvement e.g. in endorsing good practice, advising on policy and practice development and influence over the Improvement Service
- Unrealistic expectations around audit coverage and detail e.g. around equalities and CIPFA guidance notes
- Accounts Commission findings are contentious. Issues raised included the tone, coverage compared with the main report, links to the main report and apparent lack of quality assurance
- Meetings with the Accounts Commission are viewed positively

#### **What is the impact on citizens, service users and other stakeholders?**

- Direct evidence of impact on citizens is problematic
- Some respondents said that audit leads to improved services and increased transparency
- Apparent lack of impact on the Parliament and Scottish Executive identified

## **How should the Best Value Audit develop in future?**

- Future audit should be:
  - Proportionate
  - Service outcome focused
  - Focus on leadership
  - Incentivised – risk based, reducing burden
  - transparent in its tools, methodologies and assessment frameworks
  - clear on delivery against national and corporate priorities
  - clear on good practice as well as improvement areas
  - more seamless with annual audits
- Suggestions for audit teams include the use of specialist auditors in addition to generalists and the potential for secondments across Inspectorates and the use of serving officers on teams
- serving Chief Executives should be included on Moderation Panels
- Mixed views about Efficient Government, ranging from being a sub set of Best Value to it being an inappropriate topic for the audit to cover
- Unanimous that the interface with Inspectorate could be improved
- Support for annual digests and more information sharing with the Improvement Service and COSLA

## **What is the impact on councils?**

- Concerns raised about the resources involved in preparing the submission, although some say that this activity is beneficial and others recognise that an immature or poorly developed self assessment system impacts on the amount of extra preparation needed
- Better guidance on tools and assessment frameworks
- Communication with the audit team is good
- The audit is deemed transparent although some respondents considered that media releases are unbalanced, focusing on improvement areas only