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## **Press release**

Embargoed until 00.01 hours, Thursday 26 February 2009

## Councils urged to take action to meet significant challenges

The Accounts Commission for Scotland says while there is evidence of improving services, councils face significant challenges from the current economic climate and financial pressures, and in making partnership working achieve its full potential.

Today's report, the Commission's annual overview report on local government, looks at how councils performed in 2008, how they plan and deliver services and how they use resources. It also identifies priorities and risks that will be tracked during 2009.

Chair of the Accounts Commission, John Baillie said: "Councils have a key role in leading our communities and we welcome the evidence showing that they have achieved improvements in services across a range of areas.

"However councils are facing significant challenges, with fast changing economic circumstances and financial pressures, and the implementation of single outcome agreements with community planning partners. This requires effective partnership working and an even greater emphasis on improvement, efficiency and the effective use of resources.

"We urge them to focus on action to improve in a number of key areas, to ensure they are fully equipped to address these challenges and provide best value services to local communities. At the same time it is vital that other public bodies also make corresponding improvements to their work."

The key areas for improvement are:

- Performance management and monitoring good management processes remain important. Robust information about the quality, cost, accessibility and value for money of services is essential to support performance monitoring and reporting, scrutiny and decision making.
- Culture councils need to have a strong culture of continuous improvement across services with even greater emphasis on efficiency and the effective use of resources.
- Competitiveness of key services a more systematic and rigorous approach is required to demonstrate service competitiveness and value for money, with more use of comparative information.
- Shared services the Commission is disappointed at the slow progress by councils working together on shared service initiatives to secure efficiencies and, in light of the continuing financial pressures, all councils should consider this as a high priority.
- Making partnership working real and effective single outcome agreements and community planning require local authorities to work closely with other organisations within the same area, such as NHS bodies, to deliver services. The Commission hopes other public bodies will also work to improve this.
- Continuous development of elected members personal development activity is essential to support
  councillors in carrying out their demanding and complex roles. All councillors should have a personal
  development plan setting out their training needs and progress.

John Baillie added: "The last point above is particularly important. The role of a councillor is complex and demanding, and they need good support to be effective. We are asking all councillors to ensure they have a personal development plan setting out their training needs and progress."

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## Notes to Editors:

1. The report is available on Audit Scotland's website at: www.audit-scotland.gov.uk

2. Best Value and Community Planning are duties placed on local authorities by the Local Government in Scotland Act 2003. Councils are required to demonstrate on-going commitment to providing improving services to local people and communities.

3. The Accounts Commission for Scotland operates independently of central and local government. The Commission examines whether local authorities, fire and rescue and police boards spend £17 billion of public money properly and effectively. <u>The Commission also has a leading role in streamlining external scrutiny of local government</u>. For more information go to: <u>http://www.audit-scotland.gov.uk/accounts/index.htm.</u>

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.

(The Audit Commission operates only in England.)

4. The Audit of Best Value is undertaken by Audit Scotland on behalf or 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.

A full press briefing on the process and aims of Best Value is available on Audit Scotland's website at x