

The Improvement Service

ELECTED MEMBER BRIEFING NOTE No. 11

Best Value



What is the purpose of the Briefing Note Series?

The IS has developed an Elected Members Briefing Series to help Elected Members keep apace with key issues affecting local government.

Some Briefing Notes will be directly produced by the IS but we will also publish material from as wide a range of public bodies, commentators and observers of public services as possible.

We will use the IS website and Elected Member e-Bulletin to publicise and provide access to the Briefing Notes. All Briefing Notes in the series can be accessed at <http://www.improvementservice.org.uk/elected-members-development/>.

This Briefing Note has been prepared by the IS in partnership with Audit Scotland.

What is Best Value?

Best Value (BV) is about the continuous improvement of council performance. It provides a framework for the planning, delivery and continuous improvement of local authority services. Best Value is a statutory duty for councils. It was introduced, along with duties relating to community planning and the power to advance wellbeing in The Local Government in Scotland Act 2003 (<http://www.legislation.gov.uk/asp/2003/1/contents>).

Best Value is audited in Scotland by Audit Scotland on behalf of the Accounts Commission.

Why does Best Value matter?

The overriding purpose of Best Value is to establish a culture of continuous improvement and good management practice in local government to support the delivery of efficient, effective and economic services that deliver the council's desired outcomes and meet the users' needs. Examples of this include self-evaluation, effective performance management, good leadership and effective use of resources.

What is the challenge for Elected Members?

Delivering public sector services during a period of reducing budgets is challenging. In such circumstances it is even more important that councils demonstrate the characteristics of Best Value.

In summary, a Best Value organisation will be one which:

- ensures that there are clearly-articulated organisational objectives, roles and responsibilities, which are understood by service users and other stakeholders;
- takes a long-term view and maintains a focus on customer/service user needs and the delivery of outcomes;
- allows for flexibility and the ability to balance national and local priorities;
- embeds good management practice in important areas, including service planning, performance management, resource management and governance and accountability;
- demonstrates good value for public money.

Your council delivers a wide variety of services to its citizens. As an Elected Member, your role is to set policy and direction, to make key resourcing decisions, and to scrutinise performance. You have an important role in providing community leadership and must work in partnership with officers of the council to deliver the council's objectives. Further information about the Elected Member role is available at <http://www.improvementservice.org.uk/support-for-councillors/>.

In August 2010 Audit Scotland published a report on the importance of having clear roles and responsibilities and effective working relationships between members and officers (http://www.audit-scotland.gov.uk/docs/best_value/2010/bvrm_100826_councillors_officers.pdf). Key messages from the report are:

- good working relationships are central to good performance;
- Elected Members and officers generally understand their roles and responsibilities but there can be difficulties in practice;
- governance arrangements that are fit for purpose and up to date are critical in clarifying roles, responsibilities and expected behaviour;
- statutory officers have a vital role in supporting good governance and decision-making;
- Elected Members need to ensure they have the skills and tools to carry out their complex and evolving role.

What does ‘good practice’ look like?

Best Value is not prescriptive; councils are free to implement it in whatever way best suits their council and their circumstances.

There is a wide range of information and guidance available including:

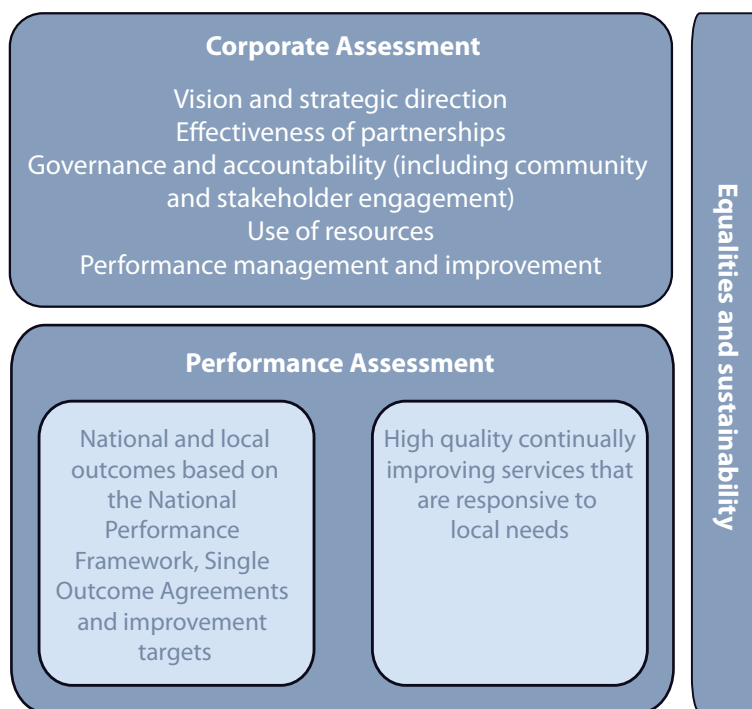
- statutory guidance published by the Scottish Government which was developed in partnership with local government and other stakeholders (<http://www.scotland.gov.uk/Publications/2004/04/19166/35250>);
- a set of typical Best Value “characteristics” developed by the Accounts Commission (<http://www.audit-scotland.gov.uk/about/ac/docs.php>);
- a set of Best Value “toolkits” developed by Audit Scotland, which were developed to support the audit process, but also offer organisations a point of reference in terms of good management practice (<http://www.audit-scotland.gov.uk/work/toolkits/index.php>);
- Best Value audit reports and performance audit reports (<http://www.audit-scotland.gov.uk/work/>).

Key questions to consider

Do I understand the Best Value process and what takes place during a Best Value audit?

A Shared Risk Assessment (SRA) process takes place annually for all 32 Scottish councils. The SRA process for your council is undertaken by the Local Area Network (LAN). The LAN is made up of representatives from Audit Scotland and its scrutiny partners including Education Scotland, Social Care and Social Work Improvement Scotland and the Scottish Housing Regulator. The SRA process results in an Assurance and Improvement Plan (AIP) that details all of the scrutiny work planned over a rolling three year period. A Best Value audit is one of the scrutiny responses which may flow from the risk assessment process.

The Best Value audit assesses the effectiveness of a council using a framework which considers both the performance of councils and the effectiveness of organisational arrangements.



The start of the Best Value audit process

The audit team will be made up from Audit Scotland staff, and includes the local external auditor. Audit teams may include colleagues from other scrutiny bodies and/or local government peers, for example,

senior officers and/or members from other councils.

The audit team will develop a scope document detailing the size and scope of the planned work, ie. what will be audited and why. This is discussed with the council to ensure that the rationale and coverage of the audit work is clear.

The audit team will commence desk-based work initially. Surveys may be used by the team to gain information, and as an Elected Member you may be invited to participate in one of these.

The on-site phase

The audit team will be on-site at the council during the detailed phase of the audit. It is during this time - generally between one and three weeks- that the audit team will directly engage with Elected Members, the council's senior managers, staff, and representatives from partner organisations. A variety of mechanisms may be used, including face-to-face interviews, observing council meetings and focus groups. The purpose of the interviews is to gather evidence to inform audit judgements. It also helps the team gain a better understanding of the issues faced by the council, and how it is responding to them.

The audit team will liaise with the chief executive, or their designated representative(s). This will ensure that the council is aware of any significant issue as it arises and has an early opportunity to clarify its position.

Reporting

Best Value audit reports are public documents and are published on Audit Scotland's website. Prior to finalising the report, the audit team will send a draft to the council to check the factual accuracy of the report. Members of the audit team will discuss the draft with the council's chosen representatives.

If a full Best Value audit is carried out, two specific judgements are considered in the report:

- how good is my council's overall performance?
- what are my council's prospects for future improvement?

A Best Value audit report is a statutory report made under Section 102 of the Local Government (Scotland) Act 1973. The report is submitted to the Accounts Commission by the Controller of Audit. The council must supply a copy to each member of the council and make further copies available for public inspection.

The Accounts Commission will consider the report at one of its regular meetings. The Commission holds its meetings in public and representatives of councils are welcome to attend.

When the Accounts Commission considers the report, it will question the Controller of Audit on the detail,

and will then consider the action that it wishes to take. The Commission has a number of options. It can:

- make findings and recommendations;
- direct the Controller of Audit to carry out further investigations;
- hold a hearing.

The Commission usually makes findings on a report. When it does so, the report incorporating the findings will then be published on the Audit Scotland web site. The council is obliged to consider the findings at a full meeting of the council within three months and decide what action to take in response to the findings and any recommendations contained in them.

After the report

The council's local external auditor will monitor the council's progress and typically reports on this in the Annual Audit Report to members. In some circumstances the Accounts Commission may require Audit Scotland to produce a specific progress report as part of its findings.

The Commission offers a follow-up meeting with councils after publishing findings on a report. This is not a formal part of the process, but provides an opportunity for direct engagement between the Commission and the council to discuss the audit report, the findings and the council's response.

Key messages

- Best Value is a statutory duty for councils, and as an Elected Member you have a key role in this.
- A Best Value audit results in a public report submitted to the Accounts Commission.

Further support and contacts

In Scotland, Best Value is audited by Audit Scotland on behalf of the Accounts Commission. For more information, visit the Audit Scotland website:

www.audit-scotland.gov.uk

There is also information on the Scottish Government website:

www.scotland.gov.uk

The Improvement Service also provides information on Best Value:

www.improvementservice.org.uk

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The Improvement Service is devoted to improving the efficiency, quality and accountability of public services in Scotland through learning and sharing information and experiences.

