

To: NORTH LANARKSHIRE COUNCIL	Subject: AUDIT OF BEST VALUE AND COMMUNITY PLANNING – CONSIDERATION OF ACCOUNTS COMMISSION'S FINDINGS	
From: Chief Executive		
Date: 2 June 2008	Ref: GW/JL	

## 1 Purpose of the Report

- 1.1 The purpose of this report is to submit the Accounts Commission findings and Audit of Best Value and Community Planning report to Council for consideration, along with an indicative outline which is proposed as the basis of the Council's Improvement Agenda.

## 2 Background

- 2.1 The Accounts Commission is responsible for auditing each of the 32 local authorities in Scotland to ensure individual Councils' compliance with the provisions of the Local Government in Scotland Act 2003. The audit of best value and community planning is carried out by Audit Scotland on behalf of the Accounts Commission and results in a report being made to the Commission by the Controller of Audit under Section 102 (1) of the Local Government (Scotland) Act 1973.
- 2.2 Following conclusion of North Lanarkshire Council's audit in the late autumn of 2007, the Controller of Audit submitted her report to the Council on 23 April 2008. On receipt of this report, the Chief Executive wrote to all elected members, providing each member with a personal copy of the report. Presentations were also made by the Chief Executive to each of the political groups and a special meeting of non-aligned elected members. In addition, and in accordance with statutory requirements the Council made the Controller of Audit's report available for public inspection.
- 2.3 The Controller of Audit's report was considered by the Accounts Commission at its meeting on 30 April 2008. At this meeting, the Commission accepted in full the Controller of Audit's report and agreed to state its findings without holding a hearing.
- 2.4 The final report, together with the Accounts Commission's findings, was then published on 28 May 2008. Again, all elected members were provided with a personal copy of the report and Commission's findings. Personal copies were also distributed to partners and former elected members who had been invited by Audit Scotland to participate in the fieldwork phase through completion of a questionnaire. Copies of the report have been distributed to first stop shops, libraries and main building receptions as well as being available for download via the Council's website.
- 2.5 The Council is now required to consider the Accounts Commission's findings. This report highlights these and Appendix 1 provides a summary improvement agenda to respond to the specific areas identified by both the Commission and the Controller of Audit. In accordance with statutory requirements, an advert has been placed in the local press advising that this matter is being considered at this Council meeting.

### 3 Main Findings

- 3.1 The overall conclusions arising from our audit of best value and community planning are extremely positive. In publishing its findings, the Accounts Commission concludes that the Council demonstrates a strong commitment to best value. The Commission goes on to acknowledge:
- our pace of change;
  - high rate of service improvement;
  - consultation with service users;
  - our strong commitment to continuous improvement; and,
  - our well developed arrangements for financial, asset and risk management.
- 3.2 The above is particularly encouraging given that the Accounts Commission also recognises the challenges facing our Council arising from the degree of deprivation in our area and the low base from which we started.
- 3.3 While the Commission's findings provide a clear endorsement to the Council, our partners, our residents and service users, they are also underpinned by a number of very positive findings within the Controller of Audit's report. These include for example:
- "The Council has an ambitious and wide ranging change agenda and can demonstrate that it has delivered improvements."
  - "Elected members and officers provide clear and consistent leadership."
  - "North Lanarkshire Council and its community planning partners have a long record of effective partnership working"
  - "The Council has sound performance management arrangements..."
  - "...a sound approach to training and development and staff communications..."
  - "...financial planning arrangements work effectively," and, "Budget monitoring arrangements are sound..."
  - "The PPP model...works as intended and is delivering financial returns to the Council."
  - "The Council has contributed effectively to the regeneration and economic development of the area..."
  - "Good progress is being made in improving the schools estate."
  - "HMIE in 2007 confirms an overall improvement in community learning and development."
  - "The Council is making good progress in its role as strategic housing authority" and "Tenant participation is effective."
- 3.4 As always, an audit such as this also sets out areas where further improvements to our services are needed. The areas for improvement identified by the Controller of Audit are listed in Appendix 1 and further discussion on the detail of our proposed Improvement Agenda is contained in Section 4.

The specific areas highlighted in the Accounts Commission's findings where the Council needs to implement improvement measures are:

- An increase in the uptake of training by elected members;
- The development of the scrutiny of policy implementation; and
- The production of a comprehensive human resources strategy, together with improved sickness absence rates and staff morale.

#### **4 The Council's Improvement Plan**

- 4.1 The relatively small number of improvement actions is very encouraging. It is also worth noting that the Accounts Commission has recognised our own self awareness with their finding, "We appreciate that the Council recognises areas where improvement is needed in service delivery..." Further evidence demonstrating our capacity to implement the improvements identified by the audit is contained in the final paragraph of the Commission's findings where it states, "We recognise that North Lanarkshire Council has the capacity and ability to build on its current high performance and look forward to seeing further improvement."
- 4.2 Appendix 1 to this report provides a list of the improvement areas. These very much reflect our own improvement agenda with work underway to address each of the priorities. Sound progress has already been made in some areas, whilst others remain at an early stage in their development and implementation. To this end, Appendix 1 also provides an indication of the current status of each improvement action (by means of a 'traffic light system') together with the identification of lead officer(s) and a final implementation date or the date at which the effectiveness of the improvement action will be assessed. Where appropriate, previously identified timescales from our Single Outcome Agreement and individual Services' Performance Portfolios will be used as a basis for determining targets.
- 4.3 The Chief Executive, in association with the Corporate Management Team, and the NLP Board where appropriate, will prepare a more detailed action plan to address each of the constituent action points underpinning the Improvement Agenda. This action plan will include:
- A summary of progress since the conclusion of the audit;
  - Identification of further measures to be implemented;
  - Measurable outcomes;
  - Timescales;
  - Monitoring arrangements; and,
  - Lead Officer.

This action plan will form the basis of discussion at a meeting to be held between the Council, the Accounts Commission and Audit Scotland within the next two months.

- 4.4 The Council's local external auditors will be responsible for reviewing the implementation of the Improvement Agenda over the next three years. It is therefore considered appropriate that the Audit and Governance Panel should have the responsibility for the robust monitoring of the Council's progress in implementing the Improvement Agenda.

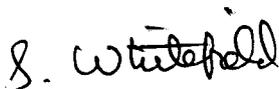
#### **5 Statutory Notification**

- 5.1 Following consideration by Council of this report, it is a statutory requirement that a further notice is published in the local press advising the public of the conclusions reached by Council on the Accounts Commission's findings. This notice must be approved by the Accounts Commission prior to publication.

## 6 Recommendation

Council is requested to:

- i) welcome the Accounts Commission's findings and Controller of Audit's report on North Lanarkshire Council's audit of best value and community planning;
- ii) agree the findings arising from the audit, including the Improvement Agenda;
- iii) approve the content of this report and outline of the Council's proposed approach to the Improvement Agenda as described in section 4 above and summarised in Appendix 1;
- iv) request the Chief Executive to implement the action plan to address fully each of the constituent points referred to and underpinning the Improvement Agenda; and,
- v) remit responsibility for monitoring the implementation of the improvement agenda to the Audit and Governance Panel.



**Chief Executive**

## AUDIT OF BEST VALUE AND COMMUNITY PLANNING

## SUMMARY OF IMPROVEMENT AGENDA

	<b>Improvement Action</b>	<b>Current Status(*)</b>	<b>Lead Officer</b>	<b>Timescale (t)</b>
1.1	Improve service performance in:			
	S3 – S6 secondary educational attainment	Amber	ED - Learning & Leisure Services	October 2009
	pupil attendance	Amber	ED – Learning & Leisure Services	October 2009
	services for homeless people	Amber	ED – Housing & Social Work Services	June 2009
	housing allocations	Green	ED – Housing & Social Work Services	December 2008
	housing repairs	Amber	ED – Housing & Social Work Services and Assistant Chief Executive	December 2008
	library services	Amber	ED – Learning & Leisure Services	March 2009
	waste recycling	Amber	ED – Environmental Services	March 2009
1.2	Review the wide range of improvement activities and ensure that an overarching transformation programme prioritises, co-ordinates and articulates its objectives more efficiently and effectively and review its capacity to sustain the improvement agenda while maintaining core service delivery.	Amber	Assistant Chief Executive	September 2008
1.3	Develop and implement the next phases of <i>Service and People First</i> focusing on workforce development and organisational culture and clearly articulate them for customers and employees	Amber	Corporate Management Team	December 2009
1.4	Improve the reporting of the impact of community planning by developing more effective outcome measures	Amber	Head of Regeneration Services	March 2009
1.5	Develop the role and contribution made by Local Area Partnerships and community forums in Community Planning and improve community engagement by fully implementing the Community Engagement Strategy	Amber	Head of Regeneration Services	June 2009
1.6	Review with partners the future role of the Community Safety Partnership and agree	Amber	Head of Regeneration Services	December 2008

	<b>Improvement Action</b>	<b>Current Status(*)</b>	<b>Lead Officer</b>	<b>Timescale (t)</b>
	objectives and more appropriate performance measures			
1.7	Provide a clearer strategic direction for, and improve the co-ordination of, regeneration activities	Amber	Head of Regeneration Services	March 2009
1.8	Implement the new corporate complaints system	Green	Assistant Chief Executive	March 2009
1.9	Support the mainstreaming of the equality and sustainable development agendas by improving leadership, prioritisation and the performance management arrangements	Amber	ED – Learning & Leisure Services and ED - Environmental Services	March 2009
1.10	Agree a comprehensive human resources strategy and improve sickness absence rates and staff morale	Amber	ED – Corporate Services and Corporate Management Team	June 2009
1.11	Improve the take up of training opportunities by elected members	Amber	ED – Corporate Services	December 2008
1.12	Review the process through which the scrutiny panel selects areas for scrutiny and ensure that the scrutiny of policy implementation takes place	Amber	Assistant Chief Executive	September 2008

**\*Code to 'Current Status'**

<b>Red</b>	The improvement area has not previously been identified by the Council as a priority and no action has been undertaken or planned	<b>Amber</b>	The improvement area has previously been identified by the Council and work is underway to address the issue	<b>Green</b>	The improvement area has previously been identified by the Council and progress is at an advanced stage to address the issue
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**(t) Explanatory note to 'Timescale'**

Timescale denotes the date by which we will assess the level of improvement through measurement of quantifiable outcomes.