

Report

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Report to:	Risk and Audit Scrutiny Forum
Date of Meeting:	14 July 2011
Report by:	Chief Executive

Subject:	Audit of Best Value and Community Planning – 2010/11 Follow up
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise the Forum of the June 2011 update from PricewaterhouseCoopers on progress made, during 2010/11, on the remaining audit actions arising from Audit of Best Value and Community Planning

2. Recommendation(s)

2.1. The Forum is asked to approve the following recommendation(s):-

- (1) that the findings of the follow up report (2010/11) on the Audit of Best Value and Community Planning are noted
- (2) that Executive Directors, as appropriate, continue to respond to the actions carried forward into 2011/12

3. Background

3.1. This is the second annual update on progress made with audit actions which originated from the Audit of Best Value and Community Planning in 2009. A small number of actions continued into 2010/11. PricewaterhouseCoopers (PWC) have reviewed progress on these actions and this report provides information on the position at the end of 2010/11.

4. Progress to date and next steps

4.1. A copy of the detailed progress report is attached as an appendix and will be presented to the Forum by PricewaterhouseCoopers.

4.2. There were 14 actions identified as a result of the original Audit of Best Value and Community Planning. Three of these continued into 2010/11, together with additional actions reflecting further requirements. This resulted in eight actions carried into 2010/11.

4.3. Progress continued to be made against these in 2010/11. Four actions were fully implemented, relating to:

- Workforce Strategy
- Staff Survey response rates
- Carbon Management Plan refresh
- Monitoring and reporting of the Sustainable Development Strategy

4.4. The remaining four actions were noted as being progressed but continuing into 2011/12. These are also considered in terms of their risk rating. Details are as follows:

- Area Committees (Low)
- Community Engagement Framework ((Low)
- Procurement Strategy (Medium)
- Roads Investment Programme (Medium)

4.5. Executive Directors, where relevant, will continue to respond to audit actions. Progress will be monitored through IMPROVe.

5. Employee Implications

5.1. There are no employee implications.

6. Financial Implications

6.1. There are no financial implications.

7. Other Implications

7.1. There are no risk or sustainability issues associated with the content of this report.

8. Equality Impact Assessment and Consultation Arrangements

8.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore, no impact assessment is required.

Archibald Strang
Chief Executive

22 June 2011

Link(s) to Council Objectives/Improvement Themes/Values

- ◆ all Improvement Themes

Previous References

- ◆ Risk and Audit Scrutiny Forum Report 3 June 2010 - Best Value and Community Planning Follow Up Report

List of Background Papers

- ◆ PWC 2010/11 Follow up of Best Value and Community Planning

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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South Lanarkshire Council 2010/11 Follow Up of Best Value and Community Planning

June 2011



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Section 1 – 2010/11 Follow Up

Executive Summary

- 1.01 In February 2009, South Lanarkshire Council received the final report from Audit Scotland in relation to the Audit of Best Value and Community Planning which had been carried out in autumn 2008. The overall conclusions arising from this audit were positive, with Audit Scotland concluding that the Council demonstrated a strong commitment to best value in terms of:
- the establishment of a clear vision and strategic direction that is shared with local partners;
 - the effectiveness of approaches to business planning and performance management;
 - the well developed arrangements in place to support service delivery and continuous improvement;
 - the high level of customer satisfaction; and
 - the management of finances, people, assets and risk within the Council.
- 1.02 Audit Scotland identified 14 actions for improvement which were included within an Improvement Agenda. At its meeting of 25 March 2009, the Council's Executive Committee approved the Improvement Agenda Action Plan and delegated responsibility for monitoring the implementation of this to the Council's Corporate Improvement Unit (CIU).
- 1.03 The Corporate Improvement Plan (CIP) used by the CIU to drive the improvement agenda across the Council included the 14 Audit Scotland recommendations. As part of our 2009/10 audit we followed up the progress of the Best Value Audit Action Plan, noting '*considerable commitment to addressing the Improvement Agenda Items as reflected by the full implementation of ten of the Improvement Agenda Items, with progress noted against the remaining four items*'.
- 1.04 Progress to action the Improvement items has again been considered in 2010/11, with the results summarised in the table below:

No.	Improvement Agenda Item	Progress assessed by PwC
1	Make scrutiny and decision-making more open and transparent by implementing good practice guidance and by having scrutiny forums in public.	IMPLEMENTED
2	Determine the future role for area committees.	IMPLEMENTED
3	Ensure elected Members are more fully engaged in community planning, risk management and the continuing review programme.	IMPLEMENTED
4	Make community planning more inclusive by involving more partners beyond main public sector agencies.	IMPLEMENTED
5	Improve the reporting of the impact of community planning by developing more effective outcome measures.	IMPLEMENTED
6	Fully implement the Community Engagement Framework.	PARTIALLY IMPLEMENTED
7	Develop a forward looking workforce planning strategy and advertise senior management posts externally.	IMPLEMENTED
8	Review staff survey arrangements to improve the return rate.	IMPLEMENTED
9	Fully implement the procurement strategy and guidelines across the council.	PARTIALLY IMPLEMENTED
10	Improve the balance of Public Performance Reporting.	IMPLEMENTED
11	Improve the condition of the roads and service performance in criminal justice services.	PARTIALLY IMPLEMENTED
12	Address the imbalance of customer satisfaction across the four main geographic areas.	IMPLEMENTED
13	Review the continuous improvement activity taking place to ensure that it is being prioritised and co-ordinated effectively.	IMPLEMENTED
14	Ensure that the recent efforts on sustainable development are maintained and tangible progress is achieved.	IMPLEMENTED

Original Improvement Items – Not yet implemented

- 1.05 **6 - Fully implement the Community Engagement Framework (CEF)** – the CEF has been rewritten by the Community Engagement Coordination Group in March 2011 and is out for consultation. The Framework is to be approved by the Executive Committee in July 2011, after which it will be implemented in full. Pending the completion of the consultation and approvals of the revised framework the action has been left as in progress. **Partially Implemented**
- 1.06 **9 - Fully implement the procurement strategy and guidelines across the council** – this was recorded as in progress in 2009/10, however, since May 2010 there remains no procurement strategy and a review is being carried out into the present procurement function, significant progress remains to implement the original recommendation. **Partially Implemented**
- 1.07 **11 - Improve the condition of the roads** - this action is progressing through the Road Investment Programme, however, it has been considered prudent to leave the action as partially implemented and in action as further action is required by the Council to ensure it continues to achieve its road condition targets after the severe winter period. In addition the future of the roads improvement programme has been considered to ensure it remains feasible to 2015/16 replacing funding that was originally to be provided by capital receipts. Given the financial challenges over the coming years and further impact on the conditions of roads following this winter this action will require further attention by management. **Partially Implemented**

PwC Follow up of Audit of Best Value and Community Planning – further recommendations

- 1.08 The follow up review we performed in 2009/10 considered progress in the areas from the original Audit Scotland report not yet fully implemented and raised some additional recommendations for where the Council could further improve.
- 1.09 The Council accepted the actions raised in 2009/10 and incorporated them into the Best Value Audit Action Plan 2010/11. The 2010/11 plan is therefore a mixture of the original recommendations from Audit Scotland and the recommendations or further suggestions from our 2009/10 work.
- 1.10 The table below shows the Council's progress being made to implement the eight recommendations reported in: 'Follow up of Audit of Best Value and Community Planning May 2010'.

Improvement Agenda Item	Risk	Original Implementation Date	Implementation status / Action Plan Reference
As part of the Council's general review of its decision making arrangements in advance of the new Council in 2012, consideration should be given to the role of Area Committees, in particular in respect of decision making powers.	Low	May 2012	Not due yet Action Point 1
Management should refresh and implement an action plan to ensure that the Community Engagement Framework is uniformly applied across the Council area.	Low	March 2011	Action Point 2
The action plan to supplement the Workforce Strategy should continue to be developed to enable the Council to ascertain how it will implement each of the seven key phases of the workforce planning cycle.	Low	March 2011	Implemented
Management should investigate the reasons behind the staff survey response rates in Education, Social Work and Community Resources, formulating an action plan to ensure that the targeted response rates are achieved in the next staff survey.	Medium	June 2010	Implemented
The Council's Procurement Strategy should be finalised as soon as practicable to ensure that it is able to take advantage of opportunities for recurring savings and efficiencies.	Medium	March 2011	See Action Point 3
Management should ensure that the Roads Investment Programme remains on course for delivery through continued monitoring and reporting.	Medium	Ongoing	See Action Point 4
Upon final determination of the new climate change duties, under the Climate Change (Scotland) Act 2009, management should refresh the Council's Carbon Management Plan to ensure that the legislative requirements will be met.	Medium	June 2010	Implemented
The SDS action plan should continue to be monitored and reported to ensure that the Council is able to evidence improved performance against both the Sustainable Development Strategy and Audit Scotland's Sustainable Development Toolkit.	Medium	December 2010	Implemented

1.11 Further details of the action plans in place are shown in Section 2.

Section 2 – 2010/11 Follow Up Action Plan

2010/11 Follow Up of Audit of Best Value and Community Planning

Action Point 1 – Area Committees

Finding - Action in Progress		
<p>The Council reviewed the operation of a number of the Council's forums and also the Area Committees in 2009 as a result of the recommendations from the Audit of Best Value and Community Planning; resulting in revised arrangements for their operation being approved by July 2009. In 2009/10 an audit action was raised to encourage the Council to revisit the role of area committees in respect of decision making powers, an area it was felt had not been fully addressed in the 2009 revised arrangements. The Council has accepted this further action and will address the recommendation in its review of arrangements in mid 2011, in preparation for the new Council following the 2012 elections. This will be embedded in the Corporate Resources Plan 2011/12 which is currently being prepared. The original recommendation has been left pending the completion of this review.</p>		
Action plan		
Finding rating	Recommendation	Responsible person / title
Low	<p>As part of the Council's general review of its decision making arrangements in advance of the new Council in 2012, consideration should be given to the role of Area Committees, in particular in respect of decision making powers.</p> <p>Response Agreed</p>	<p>Head of Administration</p> <p>Target date: May 2012</p>

Action Point 2 – Community Engagement Framework

Finding - Action in Progress

An updated Community Engagement Framework as been prepared by the Community Engagement Coordination Group. This is currently in draft and out for consultation. The final version will be subject to approval by the Executive Committee in July 2011. The original recommendation has been deemed in progress, rather than fully implemented, pending this final approval and embedding of the revised Community Engagement Framework.

Action plan

Finding rating	Recommendation	Responsible person / title
Low	Management should refresh and implement an action plan to ensure that the Community Engagement Framework is uniformly applied across the Council area.	Employee Development and Diversity Manager
	Response Agreed	Target date: March 2012

Action Point 3 – Procurement Strategy

Finding – Action in progress

The Council has yet to finalise and approve a Council Procurement Strategy. A project has recently commenced in January 2011 to review the existing procurement function and to begin consultation on options for the procurement function and on a procurement strategy.

Action plan

Finding rating	Recommendation	Responsible person / title
<p>High (re-graded from Medium due to other procurement findings reported separately)</p>	<p>The Council's Procurement Strategy should be finalised as soon as practicable to ensure that it is able to take advantage of opportunities for recurring savings and efficiencies.</p> <p>Response</p> <p>Work has been done on a number of strategic documents during 2010. These are sub-strategies which will in turn support the Procurement Strategy (include SME strategy; benefits tracking; contract compliance; sustainability; sourcing strategy).</p> <p>The production of a Procurement Strategy has now progressed. A draft was produced by the Procurement Managers during March 2011. This is now in the process of discussion with Resource departments via the Procurement Review Working Group (minutes of these meetings are available for review). When the strategy is agreed it will be formally approved via committee and rolled out.</p>	<p>Head of Finance</p> <p>Target date:</p> <p>March 2012</p>

Action Point 4 – Roads Investment Programme

Finding - Action in Progress

The Council has a system in place to regularly monitor progress against the Roads Investment Programme and approved a performance target of improving 8.87% of the roads network each year and reducing the % of roads classified 'amber' or 'red' in condition. The Council reported to quarter three 2010/11 that 8.16% of the road network had been improved. The recommendation has been held as action in progress and will be revisited at the final visit once the annual performance is known.

The funding of the Roads Investment Programme was also identified as an area of potential concern for the Council, with initial plans for funding to be received from capital receipts. The council has acknowledged original assumptions regarding capital receipts were no longer appropriate in the current financial climate and have produced a revised funding programme to reflect this. The funding of the Programme will continue to be monitored during this period and reported on as again as we follow up on progress following the audit of the performance indicators.

Action plan

Finding rating	Recommendation	Responsible person / title
Medium	<p>Management should ensure that the Roads Investment Programme remains on course for delivery through continued monitoring and reporting.</p> <p>Response</p> <p>The Council's Regeneration Services are in discussion with external valuers to confirm current market values for the Council's town centre interests. Thereafter, a decision will be made on retention or selling of these properties. Based on that decision the Council will then readdress its approach to the Roads Investment Programme.</p>	<p>Head of Roads / Head of Finance</p> <p>Target date:</p> <p>Ongoing</p>

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