

Report

Report to:	Performance and Review Scrutiny Forum
Date of Meeting:	25 January 2022
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	South Ayrshire Council Best Value Assurance Report (BVAR) Published by the Accounts Commission
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an overview of the recent BVAR report published by the Accounts Commission

2. Recommendation(s)

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

- (1) that the contents of the report be noted.

3. Background

- 3.1. South Lanarkshire Council was audited by Audit Scotland in October and November 2018, with the final report being published by the Accounts Commission on 28 March 2019.
- 3.2. South Lanarkshire Council considered the BVAR at its meeting on 26 June 2019. An action plan was presented to Council for approval, addressing each of the BVAR recommendations.
- 3.3. On 19 September 2019, the Forum agreed to consider summaries of BVAR reports as they are published by the Accounts Commission, in order to place the South Lanarkshire audit in context and keep members informed about noteworthy Best Value developments elsewhere.
- 3.4. This report summarises the key themes and recommendations from BVARs published since the last meeting of the Performance and Review Scrutiny Forum, namely:-
- ◆ South Ayrshire Council (published 27 October 2021)

4. Summary of Key Messages and Recommendations

4.1. The key messages for South Ayrshire Council are:-

- ◆ The Council has set a clear vision, which reflects local needs and is supported by, and well-aligned to, the plans and work of its partners. The Council also responded well to the challenges of the Covid-19 pandemic.

- ◆ There are good working relationships between officers and elected members, but the Council's leadership – elected members and management – has made limited progress on key aspects of Best Value. Progress has been particularly slow in community planning, financial and workforce planning, transformation and some aspects of community empowerment. While there has been some very recent progress, the Council's leadership needs to increase its ambition, pace and focus to deliver improvements in these important areas.
- ◆ The Council reported improved performance in over half of its key performance indicators (KPIs) between 2017/2018 and 2018/2019. The Council's performance in national benchmarking data has improved over the last five years, but performance has declined compared to other Councils. Despite this, satisfaction with services is higher than Scotland as a whole across many service areas. The Council has taken action to address areas of poorer performance, and external scrutiny bodies noted good progress against scrutiny reports and recommendations.
- ◆ Performance reports to members are detailed and balanced, and there is good scrutiny by members. But the Council has not set targets for the majority of its KPIs, reports lack a summary of overall progress towards priorities, performance is only reported once a year and recent changes to KPIs may make it difficult for the Council to demonstrate progress against priorities. Publicly available performance reports focus mainly on areas of positive performance and lack information on how areas of poorer performance will be addressed.
- ◆ The Council has a structured approach to continuous improvement, centred on self-evaluation activity and cross-party working. But, relative to other councils, South Ayrshire's approach to transformation has been slow and inconsistent, lacking drive and urgency.
- ◆ The Council has effective financial management arrangements in place, its short-term financial planning is effective, and it has a history of delivering services within budget. It is also one of the first councils in Scotland to approve a specific carbon budget to support its climate change commitments. However, the Council faces an estimated budget gap of between £56 million and £69 million between 2022/2023 and 2029/2030 and there is no clear medium-term financial plan in place linked to Council priorities.
- ◆ The Council's approach to workforce planning is not fully embedded or consistently deployed throughout the Council, with no clear link between workforce planning and Council priorities.
- ◆ Members of the public have been unable to view formal Council meetings since March 2020, limiting the transparency and openness of council business.
- ◆ The Integration Joint Board's (IJB) governance arrangements have improved over the last year. The investment in the leadership team of the Health and Social Care Partnership has contributed to this improvement. The IJB has made improvements in children's services, however, it has made slow progress in addressing other performance issues. It has recently set out plans for transformational change and there is evidence of recent improvement in delayed discharges.
- ◆ The Community Planning Partnership (CPP) previously lacked strategic direction and focus. The CPP has made improvements to its structure and remit, leading to better working relationships between partners. The CPP is also clearly focused on tackling deprivation and reducing inequalities, working well with partners, including the third sector, to achieve this. However, the CPP has been slow to develop local place plans – which have been predominantly led by the Council, with limited input from partners. And the CPP has work to do to improve outcomes for communities and to develop performance information to demonstrate that it is delivering positive outcomes for its communities.

- ◆ The Council uses a range of methods to engage with communities across South Ayrshire and recently introduced a community engagement strategy to deliver better and more consistent stakeholder engagement. In responding to the pandemic, the Council's relationships with communities and partners have been strengthened. The Council worked well with partners to provide support to vulnerable individuals and communities, while continuing to deliver other vital services. However, the Council has more work to do to empower communities and currently lacks a strategic drive for participatory budgeting activity.

4.2. The recommendations for South Ayrshire Council are that:-

- ◆ The Council should assure itself that it has the capacity and skills required to increase its pace of improvement in key aspects of Best Value, such as community planning and empowerment, financial and workforce planning, and transformation. Where appropriate, external support should be sought from other councils, or the Improvement Service, to help with focusing its areas of improvement.
- ◆ The Council should prepare both medium- and long-term financial plans. The plans should consider changes to both income and expenditure, identify budget gaps and set out the actions necessary to address those gaps. There should also be a clear linkage to the Council's priorities.
- ◆ The Council should improve and embed workforce planning, so that service workforce plans are developed consistently across the Council. The plans should include clear links to the Council's priorities and to its strategic change programme.
- ◆ The Council should make sure that its transformation work is fully aligned and integrated to its Covid-19 recovery planning work and improve its approach to its strategic change programme by: adding greater detail about individual projects; setting clearer timelines for each project; developing a benefits realisation tracker to assess whether the Council has achieved its aims.
- ◆ The council should improve performance reporting by: setting targets for its KPIs; including a summary of performance against KPIs in its performance reports to members; increasing the frequency of reports to elected members; making performance reports more accessible to the public.
- ◆ To help them carry out their roles, including their responsibilities under Best Value, elected members should take advantage of the learning and development opportunities provided by the Council. The Council should continue to work with elected members to understand and address the reasons for the variable uptake of training.

5. Next Steps and Recommendations

- 5.1. All BVAR reports and recommendations are available on the Audit Scotland website.
- 5.2. Further reports will be brought to the Forum as these BVARs are published, to keep members informed on Best Value themes, topics and developments elsewhere in Scotland.

6. Employee Implications

- 6.1. There are no employee implications.

7. Financial Implications

- 7.1. There are no financial implications.

8. Climate Change, Sustainability and Environmental Implications

- 8.1. There are no implications for climate change, sustainability or the environment in terms of the information contained in this report.

9. Other Implications

9.1. There are no risk implications as a result of this report.

10. Equality Impact Assessment and Consultation Arrangements

10.1. 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.

10.2. There was no requirement to undertake any consultation in terms of the information contained in the report.

Paul Manning

Executive Director (Finance and Corporate Resources)

6 January 2022

Link(s) to Council Values/Ambitions/Objectives

- ♦ Achieve results through leadership, good governance and organisational effectiveness

Previous References

- ♦ None

List of Background Papers

- ♦ South Ayrshire Council BVAR published by the Accounts Commission on 27 October 2021

Contact for Further Information

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

Neil Reid, Improvement and Community Planning Manager, Finance and Corporate Resources

Ext: 4618 (Tel: 01698 454618)

Email: neil.reid@southlanarkshire.gov.uk