

Report

Report to:	Performance and Review Scrutiny Forum
Date of Meeting:	17 August 2021
Report by:	Executive Director (Finance and Corporate Resources)

Subject:	The City of Aberdeen 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:-
- ◆ The City of Aberdeen Council (published 24 June 2021)

4. Summary of Key Messages and Recommendations

4.1. The key messages for The City of Aberdeen Council are:-

- ◆ Aberdeen City Council has demonstrated significant improvements in key areas since its 2015 Best Value report. A major transformation programme has led to an effective organisational structure and improved governance and reporting arrangements. The council has delivered challenging savings targets, and

ambitious capital projects, while delivering services within budget. Its financial management arrangements are well developed alongside governance requirements associated with its bond holding.

- ◆ The Council has ambitious plans for the city, which are clearly aligned to Community Planning Aberdeen's (the CPP) Local Outcomes Improvement Plan and its vision for the area.
- ◆ Performance is reported against the CPP's Aberdeen Outcomes Framework. The CPP and council have made mixed progress in improving outcomes. The council's performance is improving in some key services, and it has taken steps to address performance issues in services such as education and housing. But the pace of improvement has been slower than that of some other councils and needs to increase.
- ◆ During this period of change, the council's Corporate Management Team has shown clear leadership in driving the improvements, successfully changing the organisational culture and working closely with officers to embed change.
- ◆ Councillors and officers work well together. The administration set out a clear vision and this continues to be central to how it participates in, and leads, activities. It is committed to and supports the ongoing transformation programme. There is broad political support among councillors for the vision and supporting priorities, giving the council a long-term strategic direction. There are recognised tensions between the administration and opposition, but the political balance of the council, and delegation to officers, has limited the impact of this on council business. Nevertheless, greater cross-party working would benefit the council and residents.
- ◆ The council works well with its partners and communities. Residents and stakeholders are regularly consulted on priorities and specific services. There are also examples of community engagement and community empowerment across the council and CPP.
- ◆ The council has structured processes for using self-assessment, performance information, benchmarking and feedback to identify improvement projects. In some instances, recent projects are focused on longer-term outcomes and have yet to result in improved performance.
- ◆ The council has developed its performance management arrangements and public performance reporting, making greater use of real-time data, but how overall progress against priorities is reported could be simplified to further aid public understanding and scrutiny.
- ◆ Over the last four years, the council has successfully delivered savings and remains on track to meet its £125 million five-year target. This has largely been managed through digital transformation and staff reductions. But it has also had to rely on non-recurring savings and has used reserves to fund transformation projects. Looking forward, the council has committed to £131 million of savings over the next seven years as part of its ongoing transformation.
- ◆ The council has reacted well to challenges from the Covid-19 pandemic since March 2020. Governance arrangements were restructured quickly, and service delivery was adapted and facilitated by good working relationships with partners and the use of digital technologies.

4.2 The recommendations for The City of Aberdeen are that:-

- ◆ To help them carry out their Best Value responsibilities, elected members should:-
 - ◆ look to build upon the broad consensus relating to the council and LOIP vision and priorities to explore the potential for creating more opportunities for cross-party working

- ◆ take advantage of the learning and development opportunities provided by the council
- ◆ To supplement current council and CPP performance reports, and aid public understanding and scrutiny, the council should produce an annual performance report more clearly reporting the longer-term progress made in improving outcomes. This should include a high-level multi-year trend summary of performance against priority indicators and supporting narrative.
- ◆ The council should ensure that its longer-term financial plan is regularly reviewed and that it continues to develop how it reports aspects of the complex capital programme within their accounts.
- ◆ The council should carry out post-project reviews of major projects, including capital developments, to ensure lessons can be learned timeously and applied to future projects.
- ◆ In order to fulfil its duties under the Community Empowerment Act 2015, the council should continue to consult with communities and articulate how it intends to meet its target to allocate one per cent of revenue funding through participatory budgeting.
- ◆ The council should review the number and focus of its improvement projects to:-
 - ◆ focus on improving core services areas that support the longer-term ambitions of the LOIP
 - ◆ reflect the views of residents
 - ◆ respond to short-term priority responses to Covid-19

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)

24 June 2021

Link(s) to Council Values/Ambitions/Objectives

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

Previous References

- ◆ None

List of Background Papers

- ◆ The City of Aberdeen Council BVAR published by the Accounts Commission on 24 June 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