

ANGUS COUNCIL**POLICY AND RESOURCES COMMITTEE - 8 DECEMBER 1998****BEST VALUE APPRAISAL****REPORT BY CHIEF EXECUTIVE IN CONSULTATION WITH
THE MANAGEMENT TEAM****ABSTRACT**

This report updates the Committee in respect of the appraisal now being carried out by both the Scottish Office and the Accounts Commission (as External Auditors) in respect of demonstrating progress in attaining Best Value. The Report highlights the considerable demands being placed on Council officials to respond to the programme, particular within short timescales as part of the appraisal process.

1. RECOMMENDATIONS

It is recommended that the Council: -

- (i) notes the content of this report and the continuing heavy demand on Officer time in meeting the requirements of the Scottish Office and the External Audit in respect of demonstrating progress in developing Best Value;
- (ii) expresses concern to the Scottish Office, the Accounts Commission and the Convention of Scottish Local Authorities as to the heavy workload being generated and the short timescale being given for responses as part of the appraisal system; and
- (iii) notes the various responses that have already been sent to the Scottish Office and/or the Accounts Commission.

2. BACKGROUND

Report No 941/98 to the Committee on 8 September referred to the programme of appraisal required by the Scottish Office under its Best Value development. In order to demonstrate progress, Councils were required to make various submissions to the Scottish Office over the period August-December.

In addition, the Accounts Commission, as External Auditors, has been involved in validating parts of the submission. In addition, the Accounts Commission has been carrying out a number of further consultations in respect of items that impinge on Best Value.

As a result, Best Value has generated as part of the appraisal process a heavy additional workload.

3. ADDITIONAL WORKLOAD

Part of the appraisal programme, submission of summary details of 12 service reviews was required by 28 August. Following submission the Scottish Office has now chosen three of these reviews to examine in detail and has requested the supporting documentation in respect of school catering (Education); residential care for older people (Social Work); and void management (Housing). A considerable volume of paperwork has now been submitted to the Scottish Office as part of the validation process and it is understood that Scottish Office officials are likely to visit the Council in order to ascertain further details.

An update on the 1997/98 Implementation Plan was required to be submitted by 30 September, with copies to both the Scottish Office and External Audit. In addition, an update of the Management Arrangements Audit carried out by External Audit was required. This involved the submission of documents in respect of the Corporate Management Arrangements Audit, the Budgetary Arrangements Audit; the Education Departmental Audit; the Social Work Departmental Audit; the Roads Departmental Audit; and the Housing Departmental Audit. In addition, a summary of action under the Manpower Resources Management Audit also required to be submitted.

The documentation submitted has been audited by External Audit and a report is shortly due to be sent to the Controller of Audit as part of the process. When this is available it will be submitted to members.

By 30 October, the Scottish Office required returned of a pro-forma on the CCT services to show reviews being undertaken and also to demonstrate innovation in service delivery.

By 30 November, the New Implementation Plan was required, including proposals for Performance Management and Planning and Public Performance Reports. This covers the period to 31 May 2000. Copies of this document are now being circulated to members.

By 31 December, the Performance Indicator's submission was to have been required, but this has now been deferred until January. This followed because the Scottish Office was unable to maintain the earlier programme for submission of a consultation paper in respect of details to be submitted for Performance Indicators by October. The Scottish Office consultation paper has now appeared – 27 November- and has put back the date of submission of information to end February (with a number of requirements for additional information as to future targets). However, the document asks for general comments on the proposals by 18 December. (See Report 1319/98)

In addition, the Accounts Commission on 20 October issued four consultation papers, under the general heading of "Supporting Best Value through the Audit Process". These requested comments on the proposals on how the Management Arrangements Audit would be redesigned to address the

demands of the Performance Management and Planning framework (see Report 1317/98 on this agenda);

- invited comments on the programme of value for money studies to start in the New Year;
- proposals on the Statutory Performance Indicators for 1999/2000; and
- the approach the Accounts Commission intended to adopt to the identification of Council's performance in national reports, and in particular the approach to the reporting of management costs.

The last of these requested comment by 31 October, a week after the date when the consultation paper was issued.

With regard to the audit of management arrangements, responses were requested by 18 December. With regard to the programme of value for money studies, a response was requested by 23 November (a response has been sent) and with regard to the consultation on Performance Indicators, a response was requested by 20 November (See Report 1318/98) on this agenda.

The latter consultation does not constitute an additional workload, as consultation on PIs would have been a normal consultation at this time of the year in respect of proposals for review of Performance Indicators for the following year. However, this year in the light of Best Value there were additional considerations as to further performance information likely to be required from the Scottish Office and the marrying of the whole process with Best Value.

In addition to the submission of documents, however, the External Audit has carried out further validation of the progress to Best Value. This required a presentation at a meeting of the Management Team to representatives of the Accounts Commission. During the presentation the officials outlined the Council's Management Strategy, its experience in dealing with the programme of Best Value to date and issues which would require to be dealt with during the period up to May 2000 when the New Implementation Plan comes to an end.

In addition to the presentation, External Audit has also carried out random sampling of the various documents referred to in the update on the Best Value progress. Such sampling has been carried out in respect of all of the submissions made i.e. the corporate management arrangements audit; the budgetary arrangements audit; and the departmental submissions from Education, Social Work, Roads and Housing.

In carrying through this part of the audit process, External Audit has requested sight of documents at short notice, thus placing an additional strain on senior official time.

Overall, the validation exercise has become a considerable paperchain, each step of which appears to generate further demands for copies of additional

papers. All of this process has to be seen against an extremely heavy workload for senior officials that could never have envisaged the increasingly bureaucratic process that Best Value now appears to have become. Whilst there is full support for the principle of Best Value in terms of Best Value in terms of continuous improvement, the question must be put, is this really the best way in which to achieve Best Value?

4. CONCLUSION

The process of demonstrating commitment and achievement of Best Value is creating a considerable workload for senior officials when there are considerable other demands on their time in maintaining the Council's normal programme, including budget preparation.

If the present process of developing Best Value continues, there is a danger that the approach adopted may generate opposition to the principle of Best Value itself, which would be disappointing, given the promise which the original theory held.

5. FINANCIAL IMPLICATIONS

There are no financial implications as a result of this report.

6. CONSULTATION

All members of the Management Team have been consulted in the preparation of this report.

Note: No background papers as defined by Section 50D of the Local Government (Scotland) Act 1973 other than any containing confidential or exempt information were replied upon to any material extent in preparing this report.

A B Watson
Chief Executive

17 November 1998

E:IR/Reports/BVAppraisal