



REPORT TO: SPECIAL MEETING OF MORAY COUNCIL ON 15 MARCH 2022

SUBJECT: BEST VALUE PROGRESS REPORT ON MORAY COUNCIL

BY: CHIEF EXECUTIVE

1. REASON FOR REPORT

- 1.1 To consider the Best Value Progress Report on Moray Council by the Controller of Audit (**Appendix 1**) and the Findings of the Accounts Commission (**Appendix 2**).
- 1.2 This report is submitted to Council in terms of Section 103E of the Local Government (Scotland) Act 1973, as amended by the Local Government (Scotland) Act 2003.

2. RECOMMENDATIONS

2.1 The Council is invited to:

- i) welcome the good progress evidenced by the Best Value Progress Report and agree to sign off the Strategic Action Plan (Appendix 3) in accordance with para 5.1 of this report;**
- ii) consider and note the findings of the Accounts Commission and seek clarification on any points; and**
- iii) agree the views of the meeting and the Findings together with the approach to developing indicative areas for action as set out in paras 5.3 to 5.8 of this report that continues planned improvement and addresses the high level areas of improvement outlined to be taken forward to the Moray Council following the local government elections in May 2022.**

3. BACKGROUND AND INTRODUCTION

- 3.1 As Members will recall, a Best Value Audit of the Council took place in September 2019. The subsequent Report by the Controller of Audit containing recommendations was reported to the Accounts Commission and the Commission's findings, along with the report subsequently published in August 2020. The Commission accepted the Controller of Audit's report and endorsed the recommendations.

- 3.2 The Commission required a further report by the Controller of Audit no later than February 2022 on the progress made by the Council. The Council's annual external audit process for 2020/21 also monitored and reported progress (see para 4.1 below).
- 3.3 The areas of improvement recommended in the Controller of Audit's report and endorsed by the Accounts Commission in terms of the Commission's findings were integrated into a plan of strategic actions submitted to and ultimately approved by Council in October 2020 and is the subject of regular monitoring reports to Full Council.
- 3.4 The plan demonstrated the Council had:-
- Clearly ranked priorities and outcome measures with lead officers allocated for each priority.
 - Options for significant change, engaging with the community as it proceeded.
 - A coherent approach to performance management and reporting and working towards financial sustainability.
- 3.5 Members will also recall the audit of progress took place in September/October 2021 and involved reviewing Council documents, interviewing Elected Members and Senior Council Officers. I wish to acknowledge the cooperation and assistance provided to the Auditors, particularly by the Elected Members and the Officers of the Council contacted during the audit.
- 3.6 The purpose of this report is therefore to:-
- Recommend the areas of improvement recommended in the Best Value report of August 2020 which can be signed off as substantially complete (**Appendix 3**).
 - Provide the opportunity for Members to comment on the recommendations and findings.
 - Recommend how specific areas of development recommended in the Progress Report as necessary to deliver required improvements be progressed.

4. RECOMMENDATIONS AND FINDINGS ON PROGRESS

- 4.1 The Progress Report (**Appendix 1**) brings the Council up to date with an external assessment confirming the good progress made since the publication of the Best Value Assurance Report in August 2020. In summary, over a challenging period, the Council has:-
- Revised and reprioritised its Improvement and Modernisation Programme.
 - Progressed difficult strategic decisions.
 - Made good progress in performance and performance reporting. In particular, measures have been taken to improve attainment and there are no major concerns about housing services.
 - An improved financial position for the period covered by the Report. This is also recognised in the 2020/21 Annual Audit Report to the

Council considered and approved at the meeting of Council on 19 January 2022.

- Agreed with community planning partners clearer outcome milestones and reporting.
- Produced a comprehensive Elected Member Development Strategy.

4.2 In conclusion, the Council has shown encouraging signs of progress having met all of its short term targets which include progressing:-

- a Learning Estate Strategy
- an Improvement and Modernisation Programme;
- Housing Satisfaction improvements; and
- Service reviews of Additional Support Needs, Children's Services and Leisure Services.

5. STRATEGIC PLAN OF IMPROVEMENT: SIGN-OFF AND NEXT STEPS

5.1 The latest recommendations continue to be largely reflective and supportive of the Council's performance management framework of its areas for improvement in the medium to longer term. In short, the Council has made good progress on what was asked of it and it would be appropriate to close off the actions in the Strategic Action Plan that are substantially completed and to carry forward only those where further specific and significant improvement work is required.

5.2 Accordingly, it is recommended the areas of improvement set out in **Appendix 3** to this report can be signed off as substantially completed

Next Steps

5.3 It is recognised this is an outgoing Council and it is clear the areas of improvement will require to be carried out by the new Members of Moray Council to be elected in May 2022.

5.4 It is proposed to take a similarly successful systematic and evidenced approach to the one taken for the current Action Plan, which will need detailed assessment. This will take time.

5.5 In these circumstances, it is therefore recommended to provide assurance that the Council continues to demonstrate it has clear priorities and a coherent approach to improvement that a 3 stranded approach is taken to completing current actions, developing transformation and working on committed and decisive leadership as set out below.

5.6 The following specific work is carried forwarded to be completed in terms of the continuation of the current action plan:-

- Complete the development of performance management reporting by delivering scrutiny training for new elected members;
- Improve educational attainment – completion of planned actions within revised timescales (per **Appendix 3**) taking account of Covid impact;
- Further development of the medium to long term financial strategy.

5.7 Two broad high level areas of improvement from the current plan and as identified in the follow up report are identified to be assessed and developed into an Action Plan for consideration by the new Council, taking account of the feedback from this meeting

- Increase the pace of transformational change through the Improvement and Modernisation Programme (IMP) whilst monitoring staff capacity and wellbeing – to be developed by officers taking account of feedback from the council;
- Committed Decisive Leadership (see below)

5.8 In terms of leadership and scrutiny, conduct of meetings and the effective conduct of council business, it is considered these following two areas of improvement would be best facilitated by closer involvement from members:-

- Committed and Decisive Leadership - A revised work stream to support and advance leadership role of Members to create a positive culture and to work together and with officers to deliver council priorities. Feedback from the council will be used to develop a plan of action to address this as an ongoing area for improvement; and
- Production of a clear statement of the member objectives for scrutiny for officers to provide options to conclude the outstanding element of the review of governance arrangements and to embed effective scrutiny in the Council's governance arrangements.

6. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The Council is committed to delivering better public services year on year through Best Value and its key principle of continuous improvement.

(b) Policy and Legal

The Council has a legal duty to deliver Best Value and to address any findings containing recommendations arising from any Best Value Assurance Reports.

(c) Financial Implications

The Council has set aside £14.6 million for transformational change and Council priorities. £1.3 million has already been allocated to support transformational change and there may be further calls on these reserves to develop the capacity to deliver the action plan.

(d) Risk Implications

Inspections involve a considerable amount of time and effort diverting attention from the delivery of priorities and day to day services and whilst scrutiny is invaluable in driving improvement, on balance it is in the Council's interest to maintain performance levels such that the number of scrutiny activities can be minimised.

As the Council operates with small teams/specialists there is an ongoing risk associated with workforce issues. Accordingly it will be important that continuous improvement in delivery of Best Value is

resourced properly and/or other work reprioritised given the tight resourcing across current services.

Improved results from less resources will require even more rigorous prioritisation than previously seen. Failure to do this is likely to introduce other risks such as the capacity for IMP and other improvement activity which is at the core of the Report and Findings.

There is a considerable risk that delayed progress in some of the significant actions has a substantial impact on the Council's future financial position.

There is also a considerable risk that lack of progress towards making the significant changes in the Council to produce the required improvements in performance and outcomes may result in further intervention.

The issues that remain are the most difficult and tackling these with a new council which will need time to settle and give direction has both opportunity and challenge. Relationships and leadership are issues that do not have simple tangible remedies and will need ongoing attention. There is a need to focus on these as both significant and challenging if the Council wants to improve.

Prioritisation of resources and focusing of agendas and priorities will be needed if the council is to deliver more and increase the pace of improvement and modernisation as budgets and other resources will be limited. The financial climate adds to this when once again there will have to be considerable political and officer attention given to unprecedented levels of savings in a climate where we have already delivered savings for many years.

(e) Staffing Implications

There are no implications arising directly from this report. The development of the officer capacity to deliver the required improvements related to the various actions will require to be costed as the actions are considered and initiated. There are recruitment challenges even when resources are agreed. There can be no guarantee on appointments which could impact on pace and progress.

(f) Property

None.

(g) Equalities/Social Economic Impact

This is covered in terms of the inspection regime itself and the Council's duty to deliver Best Value.

(h) Climate Change and Biodiversity Impact

There are no implications for climate change or biodiversity arising from this report.

(i) **Consultations**

The Convener, the Council Leader and CMT respectively have been consulted in terms of reporting to this meeting of Council.

7. CONCLUSION

- 7.1** I am pleased to see this latest report highlights that despite, the “additional and sizeable pressure” placed on the council in responding to the Covid-19 pandemic, the Council has made good progress, particularly around performance management, maintaining a focus on attainment, and improving our financial position.
- 7.2** The Council took seriously the recommendations of the Best Value Assurance Report in 2020 and set to work immediately to remedy concerns; to have this recognition of progress, alongside a timeline of the strategic decision-making and milestones the council has achieved since August 2020 is reassuring.
- 7.3** It is recognised, however, there is still a significant amount of work ahead. The focus will now be on a new Council supported by officers to take the recommendations forward. Although better days lie ahead in terms of public health, this will be achieved against a very challenging economic and financial background and the need for recovery and renewal to address the social and economic harms as a consequence of Covid-19.

Author of Report: Roddy Burns
Background Papers: Letter dated 2 February 2022 from Secretary to Accounts Commission enclosing the Controller of Audits Best Value Assurance Report on Moray Council.
Letter dated 18 February 2022 from Secretary to Accounts Commission enclosing a copy of the finding of the Accounts Commission on the Control of Audits Best Value Assurance Report on Moray Council.
Best Value Assurance Report Detailed Plan Strategic Summary (SPMAN-1108985784-334)
[BVAR Action Plan Report 001](#) (20.01.2021)
[BVAR Action Plan Report 002](#) (10.03.2021)
[Covid Related Pressures and Service Prioritisation Report and Appendix](#) (10.3.21)
[BVAR Action Plan Report 003](#) (12.05.2021)
[BVAR Action Plan Report 004](#) (30.06.2021)
[BVAR Action Plan Report 005](#) (15.09.2021)
[BVAR Action Plan Quarterly Report 006](#) (19.01.22)
Ref: SPMAN-1108985784-726