



REPORT TO: CORPORATE COMMITTEE ON 23 APRIL 2024

SUBJECT: BEST VALUE ACTION PLAN

BY: CHIEF EXECUTIVE

1. REASON FOR REPORT

1.1 To note external recommendations in relation to Best Value and the output of self-assessment exercises; to seek agreement on a refreshed Best Value action plan for the Council.

1.2 This report is submitted to Committee in terms of paragraph III B (41) of the Council's Scheme of Administration, Best Value being a cross cutting issue that does not fall within the remit of a particular committee.

2. RECOMMENDATIONS

2.1 It is recommended that Committee:

- i) notes the Consolidated list of Improvement Actions (attached as Appendix 1) which brings together recommendations from a number of sources in relation to the Council's progress in achieving its Best Value duty;**
- ii) notes the output from the Council-Wide Strategic Self-Assessment of Performance by both councillors and officers attached as Appendix 2;**
- iii) agrees the Best Value Action Plan (attached as Appendix 3) which sets out the Council's priorities for the next 3 years to enable it meet its Best Value duty;**
- iv) agrees the format of the Council-Wide Strategic Self-Assessment of Performance for the future, with assessments being undertaken annually; and**
- v) agrees that the Best Value Action Plan will be monitored on a quarterly basis and reviewed annually by this committee based on the Self-Assessment.**

3. **BACKGROUND**

Changes to the Best Value Audit process

3.1 Councils in Scotland have a statutory duty to demonstrate Best Value, introduced in the Local Government (Scotland) Act 2003.

3.2 Statutory Guidance defines Best Value as:

ensuring that there is good governance and effective management of resources, with a focus on continuous improvement, to deliver the best possible outcomes for the public.

3.3 In March 2020 the Scottish Government published refreshed Best Value guidance requiring councils to demonstrate a focus on continuous improvement in performance around seven themes:

- Vision and leadership
- Governance and accountability
- Effective use of resources
- Partnerships and collaborative working
- Working with communities
- Sustainability
- Fairness and equality

3.4 Until recently Audit Scotland carried out periodic best value audits on Councils and reported to the Accounts Commission, with the production of a Best Value Assurance Report (BVAR). In response to previous BVAR's the Council has monitored and reported on progress towards achieving improvement actions through a Best Value Action Plan with the last progress report to Corporate Committee on 07 November 2024.

3.5 Since October 2023 [Best Value Audit work](#) is now integrated into annual financial audit activity with a mixture of risk based and thematic reviews. The Council's external auditors (currently Grant Thornton) carry out these reviews, report to Audit Scotland who in turn report the Council's Best Value performance to the Accounts Commission.

3.6 There is also an expectation that the Council carries out self-evaluation based on a series of questions around the seven themes in the Best Value guidance (see para 3.3).

3.7 Moray Council has been in the first tranche of Councils to be assessed under the new Best Value assessment regime. Following consideration of a recent report by the Controller of Audit the Accounts Commission published their findings on 7 March 2024. Whilst progress was highlighted in some areas (including seeking external assistance and cross party working) there were recommendations in this report which the Council now needs to address. In particular the Commission highlighted:

- The Council's budget gap, continued reliance on reserves and the need to find savings.

- The need to accelerate the pace of change with an emphasis on transformation.
 - Financial forecasting and alignment of the Capital and Revenue Plans.
 - Ensuring timely reporting on performance.
- 3.8 The Council are obliged by statute to consider a detailed report on the Accounts Commission findings within 3 months of its publication and the date and time of the meeting need to be advertised in the press.
- 3.9 A special meeting of Moray Council will be convened to consider the report detail however it is important that the Council make progress on the recommendations meantime.

Improvement actions and recommendations gathered from the best value audit process (3.10 below) have been combined with a strategic self-assessment (3.13 below) to produce a refreshed Best Value Action Plan (4.1 below).

Consolidated list of improvement actions

- 3.10 As part of the new Best Value assessment process outlined above there are now a considerable number of overlapping actions and recommendations which the Council needs to take account of from the following sources:
- Accounts Commission, Local Government in Scotland Overview
 - External adviser (Collaborative Leadership) recommendations reported to Corporate Committee on 04 October 2023.
 - Grant Thornton Thematic Review (Sept 23)
 - Grant Thornton Annual audit report (Feb 24)
 - Grant Thornton Prior Year Recommendations
 - Outstanding Actions from Moray Council BV action plan (last reported to Corporate Committee [07 Nov 23](#) para 7 of minute)
 - The latest Accounts Commission findings [report](#), March 24)
- 3.11 These actions and recommendations have been captured in the table in **Appendix 1: Consolidated List of Improvement Actions**. The table groups the actions under each of the 7 Best Value themes, highlights overlaps and shows which actions have been completed and which are still work in progress.
- 3.12 Any continuing actions have been included in the refreshed Best Value Action Plan detailed at paragraph 4.1 below.

Council-Wide Strategic Self-Assessment of Performance

- 3.13 With the new Best Value assessment regime there is an expectation that Councils will carry out a self-assessment on how they are performing in relation to their Best Value duty and identify improvement measures.

- 3.14 The Best Value guidance from 2020 sets out a number of questions under each of the 7 Best Value themes (see para 3.3) to help with this self-assessment. These questions have been put in a table with a scoring method added for each question:
- **Well developed** – its business as usual, doesn't need special attention.
 - **Work in progress** – we know that it needs improved and are working on it.
 - **To be developed** – we know it needs done but haven't yet made progress.
- 3.15 Scoring was undertaken during a number of sessions involving both senior managers and councillors and the results captured in the table attached at **Appendix 2: Assessment against Best Value Criteria: Questions and Evidence Template**.
- 3.16 Views between councillors and officers were generally aligned. In question 4.1 (Partnership and collaborative working), where there was a difference in views, there was considered to be sufficient evidence of joint initiatives with partners to settle the scoring at "work in progress" rather than "to be developed".
- 3.17 Generally around half of the questions have been scored as "well developed" with most of the remainder showing as "work in progress". There may be merit in reviewing these scoring categories when the exercise is repeated to reflect a more sensitive scale of development within each category.
- 3.18 It would not be feasible to progress all improvement areas simultaneously. Priority areas which require more immediate action have been identified in the table which, in a similar way to the Consolidated List of Improvement Actions, have been included in the refreshed Best Value Action Plan detailed at paragraph 4.1 below. These relate to the following paragraphs of the Plan:
- 1.1 Collaborative Leadership
 - 1.2 Community and Partner engagement

4. PROPOSALS

Refreshed Best Value Action Plan

- 4.1 It is proposed that Council approve the refreshed **Best Value Action Plan** detailed in **Appendix 3**. This plan includes priority actions from both the:

Consolidated List of Improvement Actions (Appendix 1)
Council-wide Strategic Self-Assessment of Performance (Appendix 2)

- 4.2 Highlights of the Plan are:

Vision and Leadership

- Continuing work on collaborative leadership and relationships.

- Promote Council vision and priorities with staff, the public and our community partners
- Continue public engagement on budget and service proposals and ensure timely performance reporting.
- Re-establish service evaluation of continuous improvement

Governance and Accountability

- Ensuring Audit and Scrutiny Committee members remit is clear
- Ensuring appropriate scrutiny arrangements for MIJB

Effective use of resources

- Refresh and refocus of the Council Transformation strategy.
- Refresh Workforce Plan to ensure capacity to meet future service delivery needs
- Ensure accurate financial forecasting and alignment of Capital and Revenue plans.

Partnerships and collaborative working

- Develop shared priorities with community planning partners and look at potential for a single Moray plan.

Working with communities

- Embed participatory budgeting with our communities in our financial planning

4.3 It is proposed that the Best Value Action Plan is monitored on a quarterly basis by the Corporate Committee along with financial and risk reporting and that it is reviewed annually as part of the Budget process.

5. SUMMARY OF IMPLICATIONS

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

The Council's Corporate Plan and LOIP set out priority service delivery areas. The Best Value Action Plan complements these plans. It enables the Council to deliver on its strategic priorities through a focus on organisational health, the Council's capacity to deliver on their priorities and on its accountability to the public.

(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

Financial sustainability is a key component of Best Value.

(d) Risk Implications

Several of the Best Value themes feature on the Council's Corporate Risk Register including leadership, financial sustainability and workforce development. Failure to address the Best Value actions

identified would have very serious implications for the Council in terms of external audit scrutiny and in terms of reputation.

(e) Staffing Implications

There are no additional staffing implications arising directly from this report. Work is currently being accommodated within existing resources. It is anticipated however that additional resources will be required to ensure timely progression of the priority areas of work.

(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

This is a key component of Best Value.

(i) Consultations

Councillors and Heads of Service have been involved in the Council-Wide Strategic Self-Assessment exercise. CMT/SMT have contributed to the Consolidated List of Improvement Actions and the Strategic Self-Assessment.

6. CONCLUSION

6.1 There have been changes to the Best Value assessment regime.

6.2 The Council have received and accepted a number of external recommendations in relation to Best Value and have carried out an internal self-assessment.

6.3 These recommendations, and the outcome of the self-assessment have been distilled into a refreshed Best Value Action Plan which the Council are asked to approve.

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Background Papers:

Ref: