



**West Lothian  
Council**

## **APPENDIX TWO**

### **BEST VALUE 2: PROPOSALS FOR CONSULTATION**

#### **WEST LOTHIAN COUNCIL RESPONSE**

##### **Risk assessment and joint scrutiny planning.**

1. How do you view our proposals for shared risk assessment and joint scrutiny planning as a scrutiny of local government and ensuring that BV2 is more proportionate and risk-based?

Local government has been weighed down by excessive scrutiny over the years and the Crerar Report has pointed the way in streamlining it and making it more targeted. A shared risk assessment and joint scrutiny planning would help to deliver this outcome and is supported. It is also right that BV2 is more proportionate as scarce resources must be applied to the areas and organisations which carry the greatest risks. This approach is entirely consistent with the Priorities and Risks Framework developed by Audit Scotland for its annual audit work.

In short, we support the principal of a shared risk assessment process, as this should help achieve the objective of minimising the scrutiny burden. It is essential that the Accounts Commission take account of positive HMle assessments from other regulatory bodies and not duplicate scrutiny.

2. Are there other factors that we need to take into account?

- The frameworks for scrutiny used for the BV audit and other inspectorates will need to be closely co-ordinated and eventually unified so that judgement on the aspects of Best Value across the inspected and non-inspected services is consistent.
- If the scrutiny risk assessment takes into account self-evaluation by the council there must be clear standards for how that self-evaluation is structured, executed and moderated. Given that the proposal states that Audit Scotland 'will not advocate any particular self-evaluation methodology' (para 36) achieving consistency on the trust to put on self-assessment results across councils will be more difficult.
- Clarity is required about the annuality of the shared risk assessment and how the local authority would be required to contribute to that.
- It is important that the Accounts Commission take account of Charter Mark/CSE status during their risk assessment and scrutiny planning. A formal linkage between the processes would support the objective of reducing the scrutiny burden by preventing the same activities from being scrutinised more than once.

**Self evaluation.**

3. Do you believe self-evaluation should be at the heart of the risk-assessment process?

Yes we totally support this and agree that self-assessment should be at the heart of risk-assessment.

4. How do you view our approach to the use of self-evaluation evidence within the BV2 audit process? How might we change or further develop it?

Ultimately, a common framework of self-assessment should be developed and this will benefit all of the Scottish public services (and Government) by providing a common language, scoring and identification of consistent good practice.

**Good practice/support for improvement.**

5. How do you view our proposed approach to capturing and disseminating good practice and strengthening improvement support as part of BV2?

- To date good practice has mainly been circulated in the form of case studies or reference to good practice areas without specific identification of exactly what constituted the practice that was good. This is an enormous opportunity for Audit Scotland to pro-actively lift the performance levels of Scottish authorities from the unique position of overseer of Best Value. We would however suggest the following:
  - Be careful with the use of case studies; they can sometimes be very vague about the elements that are good practice. Instead, in conjunction with the service, analyse what elements of the process made significant difference to the result. In that way you will be providing true process benchmarking 'outside the service box', usable across a range of applications.
  - Do not attribute the good practice to any authority. Recognition should be given in each authority's BV Audit Report but the accessible database of good practice should be free from authority references and focus on the practices that made significant improvement.
  - Drive the use of good practice from yourselves and other sources by making it a visible and tangible element of your assessment of the capacity to improve.
  - Improved links with the Improvement Service whose remit is closely aligned to this goal.
  - In conjunction with the Improvement Service. include good practice from across the public, private and voluntary sectors as well as from other countries.

6. What other actions should we take beyond those proposed?

The council's greatest contact with auditors is through the annual audit process and perhaps more could be done on an inter-personal way to promote good practice and this could be extended to presentations at local audit committees/performance committees or equivalent.

### **Single corporate assessment**

7. How do you view the proposed corporate characteristics of a Best Value council, as set out in Appendix 1?

- Generally supportive subject to following comments:
  - The characteristics seem to have been gathered from a review of the current requirements, either statutory or in guidance. The language used needs to be reviewed for consistency and to remove emotive terms and replace them with tangible requirements.
  - The level of detail needs to be consistent across the approach.

### **Service performance**

8. We propose broadening our service and outcome evidence, and relying more on locally available data and improved joint working with inspectorates. What else should we do to improve service reporting within BV2?

Service reporting could be improved by providing a commentary on which efficiency measures provide the greatest returns and if shared services are to be specifically covered, as indicated in the paper, then there should also be an assessment of the efficiency and effectiveness of such arrangements.

Agree with the principle of joint working with inspectorates and agree with the inclusion of SOA data.

### **Partnerships**

9. What are your views on our proposed approach to auditing partnership performance, and the longer-term direction of travel that we are signalling?

The council welcomes the focus on partnerships, especially on the joint delivery of outcomes and the common approach to auditing.

### **SOAs and BV2**

10. Is our proposed approach to considering SOAs as part of BV2 an appropriate reflection of their current status and maturity? If not, what more should we be doing?

The proposed approach is appropriate for the current level of development of SOAs.

### **Citizen focus**

11. What more do you think the Commission should do to take the views of citizens and service users into account as part of BV2?

- Take account of Charter Mark/CSE Status as an indicator of responsiveness to citizens/service users, reducing duplication between the two frameworks.
- The combination of the development work in Customer Satisfaction being carried out by the Improvement Service, the National Standards for Community Engagement and the recommendations of Consumer Focus Scotland in 'User Focus in the Scrutiny of Public Services' will deliver a substantial base for the

- citizen and service user voice. BV2 should be encouraging their adoption and reinforcing their use.
- The approach used when evaluating customer consultation under the Customer Service Excellence Standard (ex Charter Mark) is already used by a substantial number of Scottish authorities.

### **Peer involvement**

12. What issues, if any, would you like to raise about our proposals for officer and member peer involvement as part of BV2?

The consultation paper stresses the need for a sufficiently large pool of members and officers to engage in the peer reviews which are envisaged as part of BV2. The council welcomes the breadth of input and freshness that peers would bring to the process.

### **Grading/scoring**

13. What are your views on the proposal to introduce formal judgements on 'direction and pace of change' and 'capacity for future improvement'?

We support the proposal to introduce formal judgements on 'direction and pace of change' and 'capacity for future improvement'.

The council has found the formal judgments that HMle ascribe to individual indicators of quality to be extremely useful in prioritizing improvement activities and benchmarking performance over time and with comparators, and we would support the introduction of a similar system for Best Value audits.

14. Which of the options for reporting set out in Appendix do you favour?

- From the principle that both the councils concerned and the public they serve need to know where they are, our comments on the three options are as follows:
  - Option 1 is too vague, leaves too much room for self deception and does not provide a clear baseline for improvement
  - Option 2 is our preferred option as it is useful in prioritising improvement activities and benchmarking performance over time
  - Option 3 would give a much clearer positioning of each council but is less flexible when dealing with the range of Scottish councils and may lead to perverse responses as councils focus on scoring against the framework.

### **The role of the Accounts Commission**

15. What changes, if any, would you like to see in how we handle Best Value audits and our relations with councils?

Given the suggested approach, and the reference to proportionality, if a council is high performing, we would expect a very light touch. Also, in cases where a council like West Lothian has a sophisticated performance management system, we would expect any in-depth auditing work to concentrate on the auditing of the veracity of the self-assessment system.

16. What comments do you have on any other aspects of the Commissions work?

None.

#### **Audit fees**

17. What changes, if any, would you like to see to the fee regime for BV2?

The local audit fee element relating to the annual audit is at the discretion, within parameters, of the local auditor taking account of the quality of the council's systems, procedures and governance. The better they are the lower the fee will be. A lighter touch BV2 audit for one council should not be as costly as a more extensive audit in another. The new fee regime should reflect this position.

#### **Sustainability**

18. What further developments of our approach to auditing sustainability would you like to see introduced as part of BV2?

Most council's are making good progress on developing sustainability programs and these will be refined once the Government are more explicit of their requirements. Until this happens, Audit Scotland should assess preparedness to have a comprehensive sustainability strategy.

#### **Equalities**

19. What further developments of our approach to auditing equalities would you like to see introduced as part of BV2?

Councils are required to do base line equality impact assessments for all key services and programs. Auditors should assess councils progress in preparing base line equality impact assessments and their performance in implementing emerging findings. It is important that the Accounts Commission liaises with the EHRC so that the assurances derived from BV2 with regards to equality, are recorded to eliminate individual examination by the EHRC.

#### **Additional Comments**

It is requested that the standards that the Accounts Commission will be auditing to are made clear so that councils who are developing sophisticated performance management systems can incorporate these characteristics into their assessment model.

**West Lothian Council**  
**23 April 2009**