

Report To: Policy and Resources Committee **Date:** 15 September 2020

Report By: Aubrey Fawcett, Chief Executive **Report No:** PR/36/20/LMcV

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Subject: Inverclyde Best Value Assurance Report Improvement Plan Progress Report and other Audit Scotland Reports

1.0 PURPOSE

1.1 The purpose of this report is to provide the Policy and Resources Committee with an update on the Inverclyde Best Value Assurance Report (BVAR) Improvement Plan and also to provide the Committee with an overview of the main points from the latest Audit Scotland BVARs of other Scottish councils.

2.0 SUMMARY

2.1 The Inverclyde Best Value Assurance Report (BVAR) was submitted to Inverclyde Council on 29 June 2017 along with an Improvement Plan which was developed in order to address the recommendations made by Audit Scotland. The actions in the Improvement Plan have been absorbed into the Council's Corporate Directorate Improvement Plans (CDIPs).

2.2 It was agreed that the Committee would receive progress reports on the Improvement Plan approximately every 6 months. This is the sixth progress report to be considered by the Committee. Full details are provided in Appendix 1.

2.3 The current status of the 10 BVAR Improvement Plan actions as at the end of July 2020 is:

Status	Blue – complete	Red – significant slippage	Amber – slight slippage	Green – on track
July 2020	6	-	2	2

2.4 Audit Scotland has published a further three BVAR reports on Scottish councils this year; Highland, Argyll and Bute and North Ayrshire. These reports have been considered by the CMT and cognisance taken of the recommendations made in respect of these local authorities.

2.5 Audit Scotland's *Equal pay in Councils impact report 2020* outlines the impact made by its report entitled *Equal pay in Councils* which was published on 7 September 2017. The main points of the 2020 report have also been considered by the CMT.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Policy and Resources Committee

- a. notes the progress made by Inverclyde Council in regard to the BVAR improvement actions, as set out at appendix one.
- b. notes that the Audit Scotland Best Value Assurance Reports on Highland, Argyll and Bute and North Ayrshire Councils have been published.
- c. notes that Audit Scotland's *Equal pay in Councils impact report 2020* has been published.

Aubrey Fawcett
Chief Executive

4.0 BACKGROUND

4.1 The statutory duty of Best Value was introduced in the Local Government in Scotland Act 2003. The audit of Best Value is a continuous process that forms part of the annual audit of every council. Audit Scotland advises that the audit approach is proportionate, risk-based and is reflective of the context, risks and performance of an individual council. It also draws on intelligence from previous audit and scrutiny work.

4.2 Inverclyde Council's BVAR report resulted in an improvement plan to enable the Council to address the recommendations made by Audit Scotland.

4.3 The recommendations in the report were:

- To progress community empowerment to the level that the Act requires, the Council will need to further develop the capacity of communities it is working with. It will need to raise awareness of the possibilities for communities, and look at the level of funding and staffing required to work with communities to progress initiatives including the transfer of assets and participatory budgeting (Action BV1).
- The Council and its partners should use the Local Outcome Improvement Plan to develop a single set of outcomes which simplifies the strategic and planning framework (Action BV2).
- The Council should develop more detailed workforce plans and longer-term forecasts of workforce numbers and skills required (Actions BV3 and BV7).
- Actions to deliver strategic improvements should identify the difference they are expected to make to the overall strategic outcomes, with milestones at key intervals (Action BV4).
- Key corporate initiatives such as City Deal projects and shared services should be reflected in updated corporate planning documents (Actions BV5 and BV8).
- The Council should embed the recent introduction of directorate change management groups to prioritise, manage and monitor service improvement activity (Action BV6).
- The Council has experienced delays in its City Deal projects. Councillors and officers should continue to focus significant efforts on developing these projects with private sector partners (Action BV9).
- A detailed review of earmarked reserves should be undertaken with the new Council as part of the 2018-20 revenue budget development (Action BV10).
- Councillors should consider continuing with the Members' Budget Working Group, given the financial challenges that exist and the key decisions that will need to be made following the May 2017 local government election (see paragraph 4.4 below).
- All service review reports should be presented to councillors at the relevant service committee, in accordance with the Council's service review guidance. Councillors should also receive progress reports on service reviews (see paragraph 4.4 below).

4.4 In regard to the Members' Budget Working Group it was agreed unanimously by the Council to continue with this group, as recommended by Audit Scotland. Service review reports are reported to relevant service committees as they are completed. The timing of reporting of some service reviews is affected by the budget planning process.

5.0 INVERCLYDE BEST VALUE ASSURANCE REPORT IMPROVEMENT PLAN

5.1 Attached as Appendix 1 is a full progress report on the improvement actions included in the BVAR Improvement Plan.

5.2 Members will be aware from previous progress reports that six of the improvement actions are now complete. The remaining 4 actions which are The Community Empowerment (Scotland) Act; Measuring impact on outcomes; Shared Services and City Deal regeneration are all ongoing.

5.3 The status of the 10 improvement actions is noted below:

Status	Blue – complete	Red – significant slippage	Amber – slight slippage	Green – on track
March 2020	6	-	2	2

5.4 Inverclyde Council has made good progress in the delivery of its Best Value Improvement Plan. The CMT has approved new corporate self-evaluation work, focusing on specific areas arising from the Employee Survey, to be led by the Corporate Director, Education, Communities and Organisational Development. A workshop session with the ECMT was originally planned to take place in April 2020 but had to be postponed due to COVID-19. Arrangements for this will be resumed as soon as is practicable. Corporate self-evaluation and the identification of the next phase of improvement activity helps the Council to demonstrate that it is a self-aware organisation, committed to evidence-based continuous improvement and Best Value.

6.0 AUDIT SCOTLAND BVAR OF OTHER COUNCILS

6.1 Consideration of the Best Value Assurance Reports of other local authorities, and other national audit report, ensures that we are kept updated about issues raised by Audit Scotland; additionally, this information provides us with the opportunity to explore how we might learn from other local authorities with the aim of improving local service delivery.

6.2 Since the last BVAR Progress Report was submitted to the Policy and Resources Committee on 24 March 2020, the CMT has considered reports that summarised the main findings of the Best Value Assurance Reports of Scottish Borders, Highland, Argyll and Bute and North Ayrshire Councils; the reports included details of the following Case Studies:

Highland Council

<https://www.audit-scotland.gov.uk/report/best-value-assurance-report-highland-council>

- Fort Augustus and Glenmoriston Community Company community asset transfer
- Community Learning, Development and Engagement Plan 2018/21
- Improvements in service delivery through use of an arm's length external organisation

Argyll and Bute Council

<https://www.audit-scotland.gov.uk/report/best-value-assurance-report-argyll-and-bute-council>

- Rothesay Pavilion – the creation of a cultural and community hub
- Refugee Resettlement Programme
- The early adoption of digital technology and work on embedding digital skills across the Council

North Ayrshire Council

<https://www.audit-scotland.gov.uk/report/best-value-assurance-report-north-ayrshire-council>

- The Council's proactive and ambitious approach to tackling climate change
- Examples of Community Planning Partnership joint working initiatives
- Trindlemoss – a new, state-of-the-art day centre with residential accommodation for residents with learning disabilities
- Tackling child poverty.

A number of potential improvement actions were identified in the report on North Ayrshire for consideration and implementation by Officers:

- Contacting the Council to learn more about how it engages its workforce in the improvement process;
- Approaching Officers to find out how they are embedding community empowerment into the Council day-to-day business;
- Finding out more about the Council's Skills for Life programme that is aimed at helping long term unemployment lone parents who had not been in education or training for some time; and
- Requesting information on the automated process regarding the renewal of free school meals.

6.3 In addition to the above reports, Audit Scotland's *Equal pay in Councils impact report 2020* was published on 9 June 2020 and is available to view on Audit Scotland's website:

 [Equal pay in Councils impact report 2020](#).

A number of significant points emerged from Audit Scotland's 2020 report, including:

- the determination of court cases against Glasgow City Council – and the Council's subsequent response in settling equal pay claims – was the most significant development around equal pay since the publication of the Equal pay in Councils report in 2017;
- by the end of 2018/19, Councils had spent £1.314 billion settling equal pay claims;
- Glasgow City Council's equal pay settlement during 2019 does not fully extinguish its equal pay liability; and
- between September 2016 and December 2019, the number of live equal pay claims in Scottish local authorities reduced by 82.5%.

7.0 IMPLICATIONS

7.1 Finance

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if Applicable)	Other Comments
N/A					

7.2 Legal

There are no legal implications associated with this report.

7.3 Human Resources

There are no human resources issues associated with this report.

7.4 Equalities

Equalities

(a) Has an Equality Impact Assessment been carried out?

X

YES

NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

X

YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.

NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

X

YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.

NO

7.5 Repopulation

A positive BVAR for Inverclyde Council contributes to the work of promoting Inverclyde as a good place to live and work.

8.0 CONSULTATIONS

8.1 The information contained within this report on progress has been provided by the relevant service.

9.0 BACKGROUND PAPERS

9.1 None.

Appendix One: Actions to address BVAR recommendations

BVAR Improvement Plan

Ref no	Area of Directorate activity	Where do we want to be?	How will we get there (including timescale)?	How will we know we are getting there?	Who is responsible?	Progress update	Status 31/07/2020
BV1	The Community Empowerment (Scotland) Act 2015	<p>The Council and the CPP are ready for the implementation of the Community Empowerment (Scotland) Act 2015, working with partners to deliver on the statutory requirements. Each element is in place across all Services.</p> <p>There are locality profiles and plans for the agreed localities across Inverclyde, mapping assets and issues, agreed with and led on by communities.</p> <p>Services/ CPP partners and communities use these profiles to plan service delivery, targeting inequalities and working to reduce them</p> <p>All Inverclyde Alliance Partners are investing in building the capacity of communities so that</p>	<p>Respond to Scottish Government guidance.</p> <p>Bring the improving data analysis group together to gather information around the agreed localities</p> <p>Facilitate improved community engagement in the development of Locality Plans and community planning through Wellbeing Clusters and the development of more robust community engagement methods, including Place Standard</p> <p>Timescale: October 2017</p> <p>Set up working groups to cover each element, for example, legal, environmental, community learning and development, property etc.</p>	<p>Locality plans are available for Port Glasgow, Greenock East and Central and Greenock South and South West.</p> <p>Community Food Growing Strategy in Place</p> <p>A broader range and number of individuals and community groups are engaged and contributing to the development and delivery of Locality Plans and community planning.</p> <p>The Council is ready to manage participation request and asset transfer requests</p> <p>Communities are making full use of the Community Asset Transfer, Participation Request and Participation in Public Decision-Making elements of</p>	<p>Steven McNab/Tony McEwan/ Gerard Malone</p>	<p>All six Locality Action Plans have been developed and published on the Community Planning section of the council's website.</p> <p>A draft Food Growing Strategy has been developed and is available on the Community Planning pages of the council's website. The draft strategy explains how Inverclyde Council and the Community Planning Partnership will support community growing across Inverclyde.</p> <p>Due to the impact of Covid 19 the locality planning model has been changed slightly and there has been delays establishing the Locality Planning Groups. However, each of the Communications and Engagement groups are establishing their own closed Facebook sites to enable continued discussions and will have had at least one virtual meeting by 31 October 2020.</p>	<p> Amber – Slight slippage</p>

Appendix One: Actions to address BVAR recommendations

Ref no	Area of Directorate activity	Where do we want to be?	How will we get there (including timescale)?	How will we know we are getting there?	Who is responsible?	Progress update	Status 31/07/2020
		they may take full advantage of their rights set out in the Community Empowerment Act.	<p>October 2017</p> <p>Create a community food growing strategy.</p> <p>Through the Community Engagement Network, highlight to the Alliance Board the resources required to effectively deliver on community empowerment/ engagement and capacity building, and make recommendations to the Alliance Board.</p> <p>December 2017 meeting of Alliance Board.</p>	the Community Empowerment Act.			
BV2	Local Outcome Improvement Plan (LOIP)	<p>Community engagement has taken place to help develop the new LOIP and to assess whether the current outcomes are appropriate.</p> <p>New Local Outcome Improvement Plan agreed and being delivered.</p>	<p>Carry out a strategic assessment to inform the new LOIP, including engagement with communities</p> <p>Use locality profiles to inform development of the LOIP</p>	<p>Community Engagement taken place.</p> <p>LOIP produced and agreed by all partners.</p>	All IOIP Leads	<p>The new Inverclyde Outcomes Improvement Plan was approved by the Alliance Board at its meeting on 11 December 2017. The LOIP has one set of outcomes, the wellbeing outcomes and 3 strategic priorities.</p> <p>A comprehensive Strategic Needs Assessment for Inverclyde has been developed and is appended to the LOIP.</p>	 Blue - complete

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		One set of outcomes is adopted by the Alliance and the Council.	Timescale: 1 October 2017			The Local Outcome Improvement Plan Annual Report was approved by the Alliance Board in March 2019 and the Policy and Resources Committee on 6 August 2019.	
BV3	Corporate Workforce Planning and Development	Continue to ensure workforce planning and development is integrated into CDIPs, risk registers and workforce plans are in place for service areas to address the key workforce challenges over the next 3 years and into the longer term.	Analysis of workforce data and learning needs with a coordinated approach to WP and L&D solutions. Including future workforce requirements. March 2018.	WP and L&D activity is prioritised and needs are met through coordinated and cost effective approaches. Appropriate WP and L&D interventions are implemented to address key workforce challenges over the next 3 years.	Steven McNab	Corporate and Service workforce planning activity is now embedded across the Council. This ensures service workforce challenges are identified and plans put in place to address these. The Council's People and Organisational Development Strategy 2020-2023 was agreed in February 2020 which promotes Corporate Workforce Planning and Development.	 Blue Complete
BV4	Measuring Impact on Outcomes	Inverclyde Alliance and Inverclyde Council are better able to demonstrate impact on outcomes, at various levels across services and programmes.	Working with experts and other performance management specialists, processes will be developed to better measure impact on outcomes. By March 2018	In the next Best Value Assurance Report Audit Scotland are assured that Inverclyde is able to demonstrate impact on outcomes for all its children, citizens and communities.	Steven McNab	The Corporate Plan Annual Report was considered by the Policy and Resources Committee on 11 August 2020. The LOIP Annual Report 2019/20 has been approved by the Alliance Board and is published on the council's website. The SPI/ KPI report containing the refreshed framework was considered and approved by the Policy and Resources Committee at its meeting in November 2019. The Audit Scotland Inverclyde Council Management Report 2019/20, published in April 2020 found that the council's performance and reporting	 Green – on track

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						arrangements were good with clear links in place between corporate priorities, PIs, desired outcomes and accessible reporting.	
BV5	Key Corporate Initiatives	Key corporate initiatives are reflected in updated corporate documents, included as part of the review of the Strategic Planning and Performance Management Framework.	When drafting the new LOIP and Corporate Statement, references to City Deal and shared services will be made. By March 2018.	The LOIP and Corporate statement make reference to City Deal and shared services.	Steven McNab	The new Inverclyde Outcomes Improvement Plan includes reference to City Deal and was approved by the Alliance Board on 11 December 2017. The new Corporate Plan 2018/22 was approved by The Inverclyde Council on 7 June 2018. City Deal was reflected in the Corporate Plan 2018/22 and updates are included in both the LOIP Annual Report 2018 and the Corporate Plan Annual Report 2018/19.	 Blue – Complete
BV6	Change Management	Services have been reviewed and where appropriate redesigned to ensure they are fit for purpose, meet customer's needs and are efficient.	3 Change Management Directorate Groups are established to review progress on all change projects on a monthly basis. The Group will be chaired by the Corporate Director and consist of the DMT plus Finance & HR support. Heads of Service will be accountable for promoting change management	Savings are identified through change management process. Change Management Directorate Groups meeting regularly. Bimonthly review of progress by the CMT using a RAG report.	Ruth Binks/ Louise Long/ Scott Allan	Project now embedded and therefore complete	 Blue Complete

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			<p>projects and taking necessary action to ensure timeous delivery.</p> <p>Progress reports using a RAG status will be submitted to the Corporate Management Team. Once further work on Change Management is embedded with the new Council, in the summer of 2017, regular updates will be presented to the Policy & Resources Committee.</p>				
BV7	Succession Planning	Develop and Implement a Succession Planning programme for the Council.	<p>Develop and Introduce Succession Planning programme in consultation with key stakeholders</p> <p>December 2017</p>	A Succession Planning programme will be developed and rolled out across the Council to support the Council's workforce meet future challenges.	Steven McNab	All plans are complete.	 Blue – Complete
BV8	Environment and Public Protection – service wide	Appointment of a lead change officer and the production of a detailed Business Plan for shared services.	Through joint collaborative working and with partner authority and the successful development of the detailed Business Plan in Autumn 2017.	A staged approach for the detailed Business Plan reported to the joint Committee and tracked against timescales and targets	<p>Lead change officer reporting through Chief Executives Group and Corporate directors</p> <p>Scott Allan Gail McFarlane</p>	Inverclyde and West Dunbartonshire Councils now share a Head of Service across Roads, Waste, Fleet, Street cleaning and Ground Maintenance. A strategic manager is also shared in respect of Waste, Fleet Street cleaning and Ground Maintenance.	 Green – on track

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			<p>Progress throughout 2018 was associated with achieving agreement across workforces in both Council and Council approaches.</p> <p>Action timeline for 2019 includes:-</p> <p>January 2019 Workforce Briefings</p> <p>Jan–March 2019 Workshops to identify: Early Wins Collaboration/Resilience/Efficiencies</p> <p>Opportunities for use of Technology</p> <p>Resource & Performance Issues</p> <p>Apr–Sep 2019 Service Proposals & Implementation</p> <p>May-Dec 2019 Develop Strategic Business Cases:</p> <p>Fleet/Waste/Greenspace/Street Scene</p>			<p>From 1 January 2020 West Dunbartonshire and Inverclyde Councils have shared a Chief Auditor. Business planning in potential management changes to complement this arrangement are being undertaken for consideration by both councils.</p> <p>A strategy has been presented to the Joint Committee in terms of collaboration achievements and improved resilience to date. Further opportunities for collaboration are being explored.</p>	

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BV9	Regeneration	<p>Implementation of projects in respect of Inverkip road infrastructure</p> <p>Implementation of the projects to expand the quayside and delivery of a new visitor centre at Greenock Ocean Terminal</p> <p>Progress the Inchgreen project</p>	<p>Outline Business Cases will be presented to Environment and Regeneration Committee for approval</p> <p>OBC to be ratified by The Glasgow City Region Cabinet</p>	<p>Reports on progress will be delivered to the City Deal Project Board</p> <p>Project Monitoring Office – 4 weekly</p> <p>Inverclyde Council Environment & Regeneration Committee</p>	Scott Allan	<p>The design element at Inverkip has been delayed as a result of Covid-19.</p> <p>The pontoon works are complete. The main contractor for the terminal buildings however has gone into administration and a high level options appraisal on potential solutions is being examined.</p> <p>Inchgreen: the District Valuer is negotiating with interested parties on the council's behalf. The joint venture with Peel Ports is being progressed.</p>	 Amber – slippage
BV10	Reserves	<p>A full review of earmarked reserves has been undertaken and reflects the Council's medium term financial priorities and challenges.</p>	<p>Members' Budget Working Group will undertake review in September to December 2017 and any decisions will be taken in February 2018 as part of the budget.</p>	<p>Report is available regarding the review of earmarked reserves and this complies with the Approved Reserves Policy.</p> <p>Regular reporting of Reserves position to Committees and bimonthly review by the CMT.</p>	Alan Puckrin	<p>Complete. A review has been undertaken and with write backs of £2.3million agreed by the Council on 21st December 2017.</p> <p>Further decisions on the use of the Council's Reserves were taken in March, 2018.</p>	 Blue - complete