

County Buildings  
Wellington Square  
AYR KA7 1DR  
Telephone No. 01292 612436



25 September 2024

**To: Councillors Dettbarn (Chair), Bell, Cullen, Kilpatrick, Lamont, McGinley, Ramsay and Weir**

**All other Elected Members for information only**

Dear Councillors

## **AUDIT AND GOVERNANCE PANEL**

You are requested to participate in the above Panel to be held **on Wednesday, 2 October 2024 at 10.00 a.m.** for the purpose of considering the undernoted business.

This meeting will be held in the County Hall County Buildings, Ayr on a hybrid basis for Elected Members, will be live-streamed and available to view at <https://south-ayrshire.public-i.tv/>

**Yours sincerely**

**CATRIONA CAVES**  
**Chief Governance Officer**

## **B U S I N E S S**

1. Declarations of Interest.
2. Call-ins from Cabinet.
3. Minutes of previous meeting of 4 September 2024 (copy herewith).
4. Action Log and Work Programme (copy herewith).

### External Audit.

5. Accounts Commission Annual Report 2023/24 – Submit report by the Chief Financial Officer (copy herewith).
6. Best Value Action Plan 2024 – Submit report by the Depute Chief Executive and Director of Education (copy herewith).

For more information on any of the items on this agenda, please telephone Jill Butchart,  
Committee Services on 01292 612102, Wellington Square, Ayr or  
e-mail: [committeeservices@south-ayrshire.gov.uk](mailto:committeeservices@south-ayrshire.gov.uk)  
[www.south-ayrshire.gov.uk](http://www.south-ayrshire.gov.uk)

## **Webcasting**

Please note: this meeting may be filmed for live and subsequent broadcast via the Council's internet site. At the start of the meeting, it will be confirmed if all or part of the meeting is being filmed.

You should be aware that the Council is a Data Controller under the Data Protection Act 2018. Data collected during this webcast will be retained in accordance with the Council's published policy, including, but not limited to, for the purpose of keeping historical records and making those records available via the Council's internet site.

Generally, the press and public will not be filmed. However, by entering the Council Meeting, you are consenting to being filmed and consenting to the use and storage of those images and sound recordings and any information pertaining to you contained in them for webcasting or training purposes and for the purpose of keeping historical records and making those records available to the public. In making use of your information, the Council is processing data which is necessary for the performance of a task carried out in the public interest.

Live streaming and webcasting takes place for all public South Ayrshire Council meetings. By entering a public Council meeting you are consenting to the possibility that your image may be live streamed on our website, be available for viewing online after this meeting, and video and audio recordings will be retained on Council Records. Further information on how we process your personal data can be found at: <https://south-ayrshire.gov.uk/59239>

If you have any queries regarding this and, in particular, if you believe that use and/or storage of any particular information would cause, or be likely to cause, substantial damage or distress to any individual, please contact [Committee.Services@south-ayrshire.gov.uk](mailto:Committee.Services@south-ayrshire.gov.uk)

## **Copyright**

All webcast footage is the copyright of South Ayrshire Council. You are therefore not permitted to download footage nor upload it to another website nor take still photographs from this footage and distribute it without the written permission of South Ayrshire Council. Please be aware that video sharing websites require you to have the permission of the copyright owner in order to upload videos to their site.

**AUDIT AND GOVERNANCE PANEL.**

Minutes of a hybrid webcast meeting on 4 September 2024 at 10.00 a.m.

Present in  
County Hall: Councillors Julie Dettbarn (Chair), Brian McGinley, Alan Lamont, Cameron Ramsay; and George Weir.

Present  
Remotely: Councillors Chris Cullen and Mary Kilpatrick.

Apology: Councillor Kenneth Bell.

Attending in  
County Hall: T. Baulk, Chief Financial Officer; W. Carlaw, Service Lead – Democratic Governance; C. McGhee, Chief Internal Auditor; K. Dalrymple, Assistant Director – Housing and Operations; T. Eltringham, Director of Health and Social Care; G. Hoey, Chief Social Work Officer; D. Love, Corporate Finance Team Co-ordinator; S. Rodger, Risk and Safety Co-ordinator, A Gibson, Committee Services Officer; and C. McCallum, Clerical Assistant.

Attending  
Remotely: K. Anderson, Assistant Director – Corporate Policy, Strategy and Performance; T. Simpson, Service Lead – Corporate Accounting; and L. Duncan, Chief Finance Officer, Health and Social Care.

**Opening Remarks.**

The Chair

- (1) welcomed everyone to the meeting;
- (2) outlined the procedures for conducting this meeting and advised that this meeting would be broadcast live.
- (3) thanked the Clerk, Andrew Gibson, who would soon be leaving the employment of this Council, for his contribution to this Panel and others over the years.

**1. Sederunt and Declarations of Interest.**

The Chair called the Sederunt for the meeting and, having called the roll, confirmed that there were no declarations of interest by Members in terms of Council Standing Order No. 17 and the Councillors' Code of Conduct.

**2. Call-ins from Cabinet.**

The Panel noted that there were no call-ins from Cabinet of 27 August 2024

**3. Minutes of Previous Meetings.**

The Minutes of the meeting of 26 June 2024 (issued) were submitted and approved.

#### 4. **Action Log and Work Programme.**

There was submitted an update of the Action Log and Work Programme for this Panel (issued).

Having heard a Member of the Panel enquire why an entry in the Work Programme "Audit Scotland: Fraud and Irregularity 2023/24 was being removed for further consideration and having heard the Chief Financial Officer, it was noted that Audit Scotland would now be publishing this information in their technical bulletins.

The Panel

**Decided:** to note the current status of the Action Log and Work Programme.

#### **Internal Audit**

#### 5. **Internal Audit Annual Update Report - South Ayrshire Integration Joint Board (IJB).**

There was submitted a report (issued) of 27 August 2024 by the Chief Internal Auditor providing an annual report for information on internal audit work carried out for the Integration Joint Board (IJB) by the South Ayrshire Council for the year ended 31 March 2024.

The Chair advised that, although she was a voting Member on the Integrated Joint Board, having applied the objective test, she did not consider that she had an interest to declare as the item was for noting only.

A Member of the Panel commended the work that had been undertaken and asked for comment on internal audit activity. The Chief Internal Auditor advised that they were satisfied with the arrangements currently in place. The Director of Health and Social Care further advised that the Workforce Plan had been commended by the Scottish Government and that they were positioned well to maximise the workforce.

Having heard a Member of the Panel refer to the mention of days allocated for support to the Integrated Joint Board's Performance and Audit Committee in Appendix 2 of the report, the Chief Internal Auditor advised that this related to officers attending meetings, support to officers and work relating to audit plans.

A Member of the Panel indicated that he was reassured that there were no significant issues arising from the report.

Having heard a Member of the Panel enquire as to the difference between reasonable assurances and substantial assurance, as mentioned in the report and having heard the Chief Internal Auditor, it was noted that reasonable assurances usually resulted in recommendations being made.

The Panel

**Decided:** to note the content of the report.

## 6. Internal Audit – Progress Report (Quarter 1 2024/25).

There was submitted a report (issued) of 27 August 2024 by the Chief Internal Auditor advising of progress of the 2023/24 internal audit plan, progress of the 2024/25 internal audit plan, Directorates' progress against implementation of internal audit action plans and the status of the current Quality Assurance and Improvement Action Plan.

Having heard a Member of the Panel enquire as to the current status of the Annual Review of the Social Media Access Rights, as mentioned in Appendix 4 of the report, the Chief Internal Auditor advised that, as the follow-up review had not yet taken place, there was no further information at this time.

A Member of the Panel asked as to what was MS Training, as mentioned in Appendix 4 of the report and relating to Waste Management Procedures. The Assistant Director – Housing and Operations advised that this was the IT system that was currently used.

Having heard a Member of the Panel refer to the Assignment Summary Framework Agreements and his concern that arrangements had not been followed and costs not tracked, the Assistant Director - Housing and Operations advised that all the concerns referred to in the report in this regard had now been taken on board and would be following the proper processes going forward.

Following concerns raised by a Member of the Panel relating to social media accounts and what actions were being taken to improve matters, the Chief Internal Auditor advised that she would ensure that a response on this matter would be provided to Members and that in the future, she would ensure that appropriate officers would attend these meetings, to be able to respond directly to Members.

Following discussion, it was noted that the introduction of Oracle Fusion was in a better position than previously and that the Chief Financial Officer would ensure that a Briefing Note was provided to the Panel Members in this regard. The Service Lead – Corporate Accounting provided further narrative on the position.

Having heard a Member of the Panel and the Assistant Director – Housing and Operations in response, it was noted that stock control systems, were being reviewed to identify a suitable system for the management of waste management stock.

The Panel

**Decided:** to note the content of this report, including the changes to the format and contents from the previous progress reports to reflect the improvement actions from the External Quality Assessment.

## 7. **Audit Scotland: Integration Joint Boards - Finance and Performance 2024.**

There was submitted a report (issued) of 27 August 2024 by the Chief Financial Officer presenting the findings and recommendations included in the Accounts Commission's report prepared by Audit Scotland on IJB's Finance and Performance 2024 published in July 2024.

The Chief Financial Officer, Health and Social Care provided an overview of the report.

A Member of the Panel advised of the importance of recognising the budget constraints that currently prevailed and the importance of being outcome focussed and mindful of the direction of travel.

Having heard various officers in response to a Member, it was noted that there was progress in relation to data and outcomes but that with the current budget constraints there would be difficult decisions to make in the future. It was further noted that the Integrated Joint Board reviewed data and made decisions where resources were allocated.

A Member of the Panel enquired as to constructiveness of Audit Scotland's recommendation 5 in the report, being one of a number of questions designed for IJBs to consider their financial and performance position, namely "Evaluate whether the local commissioning of care and support services, and the contracting of these services, adheres to the ethical commissioning and procurement principles, improving outcomes for people". The Director of Health and Social Care advised that this recommendation would be taken on board.

The Panel

**Decided:** to note

- (1) the findings and recommendations from Audit Commission's report, as detailed in Appendix 1 of the report; and
- (2) to note the actions that had taken place or would be progressed in line with the recommendations.

## **Other Governance Reports.**

### 8. **Treasury Management and Investment Strategy Quarter 1 Update Report 2024/25.**

There was submitted a report (issued) of 27 August 2024 by the Chief Financial Officer providing an update on the 2024/25 treasury prudential indicators for the period April-June 2024(Quarter 1), and providing an update on the latest wider economic position.

Having heard a Member of the Panel, clarification was given as to why there was a difference between the 2024/25 original estimates and the 2024/25 updated estimates relating to Capital Receipts/Other, as there was reprofiling of the Ayrshire Growth Deal projects.

A Member of the Panel raised concern regarding the increasing borrowing costs arising from the currently approved capital investment programme. The Panel requested that, given the current financial climate, consideration should be given to scaling back the current programme to reduce future cost implications for the Council.. The Chief Financial Officer advised that it was intended that the Treasury Management Quarter 1 report was being referred on to be presented to the meeting of the Cabinet in September and that the Panels comments regarding the increasing borrowing costs would be noted for Cabinets consideration in that report.. He also stressed the difficult financial position

facing this Council going forward.

DRAFT

Having scrutinised the contents of the report, the Panel

**Decided:**

- (1) to remit the Quarter 1 Update Report to the next Cabinet meeting on 25 September 2024 for approval; and
- (2) to note the concerns of this Panel relating to the financial spend going forward as a result of the current financial constraints.

**9. Strategic Risk Management.**

There was submitted a report (issued) of 27 August 2024 by Chief Governance Officer providing an update on the reviewed Strategic Risk Register, as detailed in Appendix 1 of the report, in line with the agreed reporting framework.

Having considered the reviewed Strategic Risk Register, updated by Chief Officers, the Panel

**Decided:** to note the 15 key risks and to endorse the work currently being undertaken or proposed by risk owners to mitigate these risks.

The meeting ended at 11.20 a.m.



# Audit and Governance Panel

Agenda Item No. 4

## Action Log

No	Date of Meeting	Issue	Actions	Assigned/ Re-assigned to	Update	Completed
1.	4 September 2024	Internal Audit – Progress Report (Quarter 1 2024/25)	<b>Briefing Note to be provided on Oracle Fusion</b>	Chief Financial Officer	To be provided to Members by mid-October	<b>NO</b>
2	4 September 2024	Treasury Management and Investment Strategy Quarter 1 Update Report 2024/25	<b>Reflect AGP comments on Council borrowing cost implications in the TM report being referred to September Cabinet</b>	Chief Financial Officer	TM report updated to reflect AGP comments and referred to September Cabinet for consideration	<b>Yes</b>

## Audit and Governance Panel

### Work Programme 2024

No	Issue	Actions	Assigned To	Due Date to Panel	Latest update
1.	<b>Best Value Action Plan - Progress Report</b>	Report to this Panel	Depute Chief Executive and Director of Education	2 October 2024 (Quarterly)	Report to this Panel
2.	<b>Accounts Commission Annual Report 2023/24</b>	Report to this Panel	Chief Financial Officer	2 October 2024 (Annually)	Report to this Panel
3.	<b>Audit Scotland: Local Government in Scotland Overview 2024</b>	Report to this Panel	Depute Chief Executive and Director of Education	TBC	Awaiting publication
4.	<b>External Audit Reports – Progress to 31 September 2024</b>	Report to Panel	Chief Financial Officer	November 2024 (Quarterly)	Being drafted
5.	<b>Internal Audit Progress Report Quarter 2 (including Mid-year Review)</b>	Report to this Panel	Chief Internal Auditor	November 2024 (Quarterly)	Being drafted
6.	<b>Internal Audit Plan 2024/25 – Midyear Review</b>	Report to this Panel	Chief Internal Auditor	November 2024 (Biannually)	Not yet started
7.	<b>Audit and Governance Panel – 2024 Annual Self-Assessment Outcome</b>	Report to Panel	Chief Financial Officer/ Chief Governance Officer	December 2024 (Annually)	Not yet started
8.	<b>Corporate Fraud Team - Activity Report and Update on National Fraud Initiative</b>	Report to this Panel	Chief Internal Auditor	December 2024 (Biannually)	Not yet started
9.	<b>Treasury Management and Investment Strategy Mid-Year Update Report 2024/25</b>	Report to Panel	Chief Financial Officer	December 2024 (Quarterly)	Not yet started

## Audit and Governance Panel

No	Issue	Actions	Assigned To	Due Date to Panel	Latest update
10.	<b>Internal Audit – Progress Report Quarter 3</b>	Report to this Panel	Chief Internal Auditor	February 2025 (Quarterly)	Not yet started
11.	<b>Treasury Management and Investment Strategy Quarter 3 Update Report 2024/25</b>	Report to Panel	Chief Financial Officer	February 2025 (Quarterly)	Not yet started
12.	<b>Best Value Action Plan - Progress Report</b>	Report to this Panel	Depute Chief Executive and Director of Education	February 2025 (Quarterly)	Not yet started
13.	<b>Annual Audit Plan 2024/25</b>	Report to Panel	Chief Financial Officer	March 2025 (Annually)	Not yet started
14.	<b>Proposed Internal Audit Plan 2025/26 (including Annual Review of Internal Audit Charter)</b>	Report to Panel	Chief Internal Auditor	March 2025 (Annually)	Not yet started
15.	<b>Strategic Risk Management</b>	Report to this Panel	Chief Governance Officer	March 2025 (Biannually)	Not yet started
16.	<b>Audit and Governance Panel – 2023/24 Annual Report</b>	Report to this Panel	Chief Financial Officer/ Chief Governance Officer	May 2025 (Annually)	Not yet started
17.	<b>Annual Accounts 2023/24</b>	Report to this Panel	Chief Financial Officer	June 2025 (Annually)	Not yet started
18.	<b>Delivering Good Governance – 2023/24 Assessment</b>	Report to Panel	Chief Governance Officer	June 2025 (Annually)	Not yet started
19.	<b>Internal Audit Annual Report 2023/24</b>	Report to Panel	Chief Internal Auditor	June 2025 (Annually)	Not yet started

## Audit and Governance Panel

No	Issue	Actions	Assigned To	Due Date to Panel	Latest update
20.	<b>Treasury Management Annual Report 2023/24</b>	Report to Panel	Chief Financial Officer	June 2025 (Annually)	Not yet started
21.	<b>Corporate Lets</b>	Report to Panel	Director of Communities and Transformation	June 2025 (Annually)	Not yet started
22.	<b>IJB Finance and Performance Report 2024 – Audit Scope</b>	Report to this Panel	Chief Financial Officer	September 2025 (Annually)	Not yet Started
23.	<b>Internal Audit – Progress Report Quarter 1</b>	Report to this Panel	Chief Internal Auditor	September 2025 (Annually)	Not yet started
24.	<b>Audit Scotland: Integration Joint Boards – Finance and Performance 2024</b>	Report to Panel	Chief Internal Auditor	September 2025 (Annually)	Not yet started

**South Ayrshire Council**

**Report by Chief Financial Officer  
to Audit and Governance Panel  
of 2 October 2024**

---

**Subject: Accounts Commission Annual Report 2023/24**

---

**1. Purpose**

1.1 The purpose of this report is to advise the Panel of the Accounts Commission Annual Report 2023/24.

**2. Recommendation**

**2.1 It is recommended that the Panel considers the findings outlined in the Accounts Commission Annual Report 2023/24 (attached as Appendix 1).**

**3. Background**

3.1 In August 2024, the Accounts Commission published its annual report for 2023/24 which covered the following:

- their context;
- who they are;
- Chair's foreword;
- their strategy and impact;
- reporting on individual bodies;
- a new approach to overview reporting;
- other national reports;
- engaging with others;
- ensuring quality in their work; and
- their members.

3.2 In relation to best value, the report confirms the following:

3.2.1 'In 2023, we began a new approach to auditing Best Value in Scottish councils. The new approach continues to audit against the statutory duty but is now fully integrated with the annual financial audit of each council. This integrated approach is intended to increase our impact and efficiency while reducing the scrutiny burden on councils.

- 3.2.2 The reports produced by the Controller of Audit are also more streamlined, highlighting in just a few pages the key issues and conclusions from the annual audit work.
- 3.2.3 Our new approach also includes detailed work each year focusing on a theme across all councils, which is collated into a national report. This work gives us an opportunity to offer a national overview of key aspects of Best Value, to highlight best practice, as well as supporting accountability and improvement within individual councils.
- 3.2.4 The themes for the first two years of the new Best Value reporting cycle are:
- **Year 1** – 2022/23 audits (reporting in 2023/24): Leadership of the development of new strategic priorities;
  - **Year 2** – 2023/24 audits: Innovation and improvement in the use of the workforce.
- 3.2.5 In September 2023, we published [Best Value in Scotland](#), marking 20 years since the introduction of Best Value. The report reflected on the impact and value of this work, which has driven significant improvements in local government, including in performance management, partnership working and community engagement.
- 3.2.6 However, the report also highlighted areas where progress has been made, but not fast enough, including strategic and collaborative leadership, public performance reporting, workforce planning, medium- to long-term financial planning, scrutiny, and the pace and depth of continuous improvement.
- 3.2.7 These areas have been a focus of our Best Value reports on individual councils.'
- 3.3 In relation to South Ayrshire Council, the Commission's findings (as reported to Council on 7 December 2023) included the following: 'We said the pace of change has been too slow, and that the council needs to improve how it measures and reports performance, be clearer about the benefits of its plans for change, prioritise progressing council-wide self-evaluation, and clearly align its budget with its strategic priorities'.
- 3.4 In addition to the Commission's findings reported to Council in December 2023, two further reports on Best Value thematic work in South Ayrshire Council have been received from Audit Scotland in 2023-24:
- 3.4.1 Leadership in the development of the council's strategic priorities, considered by Audit and Governance Panel of 28 June 2023; and
- 3.4.2 Workforce Innovation - how councils are responding to workforce challenges, considered by the Audit and Governance Panel of March 2024
- 3.5 Updates on the best value action plan approved by the Council on 7 December 2023 and any resultant actions from the two thematic reports have been provided

to the Audit and Governance Panel on 24 January and 29 May 2024. A further update report is being provided to this Panel as a separate item on the agenda.

#### **4. Proposals**

- 4.1 Audit Scotland and Accounts Commission reports are regularly considered by the Audit and Governance Panel, and it is proposed that Members consider and note the terms of the Accounts Commission report.

#### **5. Legal and Procurement Implications**

- 5.1 There are no legal implications arising from this report.
- 5.2 There are no procurement implications arising from this report.

#### **6. Financial Implications**

- 6.1 Not applicable.

#### **7. Human Resources Implications**

- 7.1 Not applicable.

#### **8. Risk**

##### **8.1 *Risk Implications of Adopting the Recommendations***

- 8.1.1 There are no risks associated with adopting the recommendations.

##### **8.2 *Risk Implications of Rejecting the Recommendations***

- 8.2.1 Rejecting the recommendations may impact on the reputation of the Council.

#### **9. Equalities**

- 9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as Appendix 2.

#### **10. Sustainable Development Implications**

- 10.1 ***Considering Strategic Environmental Assessment (SEA)*** This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

#### **11. Options Appraisal**

- 11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

#### **12./**

## **12. Link to Council Plan**

12.1 The matters referred to in this report contribute to Priority 4 of the Council Plan: Efficient and effective enabling services.

## **13. Results of Consultation**

13.1 There has been no public consultation on the contents of this report.

13.2 Consultation has taken place with Councillor Ian Davis, Portfolio Holder for Resources and Performance, and the contents of this report reflect any feedback provided.

<b>Background Papers</b>	<b>Report to South Ayrshire Council of 7 December 2023 – <a href="#">Accounts Commission’s Findings on Best Value in South Ayrshire</a></b> <b>Report to Audit and Governance Panel of 24 January 2024 - <a href="#">Best Value Action Plan 2023 – Progress Update</a></b> <b>Report to Audit and Governance Panel of 29 May 2024 - <a href="#">Best Value Action Plan - Progress Update</a></b>
<b>Person to Contact</b>	<b>Tim Baulk, Chief Financial Officer</b> <b>County Buildings, Wellington Square, Ayr, KA7 1DR</b> <b>Phone 01292 612620</b> <b>E-mail <a href="mailto:tim.baulk@south-ayrshire.gov.uk">tim.baulk@south-ayrshire.gov.uk</a></b>

**Date: 25 September 2024**



# Annual report

2023/24



# Contents

Contents	<b>2</b>
Our context	<b>3</b>
Who we are	<b>4</b>
Chair's foreword	<b>5</b>
Our strategy and impact	<b>6</b>
Reporting on individual bodies	<b>7</b>
A new approach to overview reporting	<b>10</b>
Other national reports	<b>11</b>
Engaging with others	<b>13</b>
Ensuring quality in our work	<b>15</b>
Our members	<b>16</b>

# Our context

Public audit in Scotland, the shared statement of purpose between the Auditor General, the Accounts Commission and Audit Scotland sets out our joint vision and mission, and the outcomes where we aim to achieve measurable change by 2028.



## Vision

Public money is well spent to meet the needs of Scotland's people.



## Mission

Provide clear, independent and objective assurance on how effectively public money is being managed and spent.



## Outcomes

By 2028 we want to achieve measurable change in the following areas:

Public services in Scotland work better together to target resources more effectively.

Financial planning and management are more effective across Scotland's public services.

Public bodies deliver clearer and more transparent reporting.

Our recommendations have a positive impact for people in Scotland.



# Who we are

The Accounts Commission holds councils and other local government bodies in Scotland to account and helps them improve by reporting to the public on their performance, including sharing good practice. We are impartial and operate independently of councils and the Scottish Government.

We expect councils and other local government bodies to achieve the highest standards of governance and financial stewardship and fulfil their statutory duty of **Best Value** in how they use their resources and provide their services.

Our work includes:

- securing and acting upon the external audit of Scotland's councils, Integration Joint Boards (IJBs) and other joint boards and committees
- assessing the performance of councils in relation to Best Value and community planning
- carrying out national performance audits and related work to help councils and IJBs improve their services
- requiring councils to publish information to help the public assess their performance.

Best Value is a legal duty all councils in Scotland need to meet. Best Value ensures that councils deliver continuous improvement across all services and functions.

You can find out more about the work of the Accounts Commission on our website: [www.audit.scot/about-us/accounts-commission](http://www.audit.scot/about-us/accounts-commission).

The current members of the Commission are listed on [page 16](#).

# Chair's foreword



This is my first annual report as Chair of the Accounts Commission, in a year that marks the 50th anniversary of the first Commission meeting.

The Commission was formed at a time of significant upheaval across local government in Scotland, with the Commission's core purpose remaining true to today – scrutiny of the financial audits of councils, to enhance accountability and integrity. In the decades since, its role and remit has been strengthened, to include performance reporting and local authorities' duty to secure Best Value.

True to the Commission's founding principles, my priority as chair is to ensure we deliver effective scrutiny of Scotland's local government bodies. But in 2024 and beyond this must also include highlighting good practice, supporting councils as they transform how they deliver services, and underlining where services and financial pressures are impacting services and service users.

We have a wide breadth of experience on the Commission from across the public, private and third sectors. The individual and collective insight that members bring enhances the value of our work and our reputation.

Across local government, it has been an incredibly challenging year – our work has highlighted how existing pressures have intensified. It's getting harder for councils to do more with less. Services are beginning to decline. It isn't sustainable to continue delivering services in their current form. Throughout our reporting we've underlined the increasingly urgent need for deep and lasting transformation in the way services are delivered. As we emphasise in our Best Value reporting, underpinning this is the importance of collaboration and co-operative decision-making, alongside meaningful engagement with local communities on the tough decisions ahead.

Over the coming year, alongside Audit Scotland we look forward to supporting accountability and assurance arrangements for the Verity House Agreement. Progressing this is critical, and time is running short before the next Holyrood election – not least in establishing a new fiscal framework for local government.

Since being appointed in January, I've been impressed by the professionalism, and the breadth and depth of knowledge of Audit Scotland colleagues. To them and my fellow members, I'd like to say thank you for all your hard work.

**Jo Armstrong**  
Chair of the Accounts Commission



# Our strategy and impact

In 2023/24, we agreed and published [Public audit in Scotland](#), our shared statement of purpose between us, the Auditor General and Audit Scotland.

Public audit in Scotland sets out a shared vision and mission, and the four outcome areas where we aim to have a measurable impact in the coming years.

This shared statement sits alongside the [Accounts Commission Strategy 2021-26](#), to give a complementary view of our strategic priorities and the impact we want to have on public services and the lives of people and communities in Scotland.

To support this, we have finalised our new approach to evaluating our impact, setting out the early impact of our work and then a wider evaluation over time.

Our early impact approach looks at progress against our recommendations, how our work is influencing change, and stakeholder perceptions of our work. For example, in June we reported on the good progress that the agencies involved in [Scotland's City Region and Growth Deals](#) have made in implementing the recommendations we made in our 2020 performance audit.

The wider evaluation approach will look at the impact of our work on the four outcomes in Public audit in Scotland. Our approach recognises that major change comes from many drivers and a whole system approach where we are one of multiple contributors. To reflect this, we will explore how our activity makes a difference alongside the other factors and agencies involved.

We have committed to reporting on our impact against public audit outcomes at least twice by April 2028. We will commission our first wider evaluation in the second half of 2024 and report the findings in summer 2025.



# Reporting on individual bodies

## Best Value

Councils have a statutory duty to demonstrate Best Value – essentially, ensuring there is good governance and effective management of resources, with a focus on continuous improvement, to deliver the best possible outcomes for people. The duty is introduced in Part 1 of the Local Government in Scotland Act 2003.

In 2023, we began a new approach to auditing Best Value in Scottish councils. The new approach continues to audit against the statutory duty but is now fully integrated with the annual financial audit of each council. This integrated approach is intended to increase our impact and efficiency while reducing the scrutiny burden on councils.

The reports produced by the Controller of Audit are also more streamlined, highlighting in just a few pages the key issues and conclusions from the annual audit work.

Our new approach also includes detailed work each year focusing on a theme across all councils, which is collated into a national report. This work gives us an opportunity to offer a national overview of key aspects of Best Value, to highlight best practice, as well as supporting accountability and improvement within individual councils.

The themes for the first two years of the new Best Value reporting cycle are:

- **Year 1** – 2022/23 audits (reporting in 2023/24): Leadership of the development of new strategic priorities
- **Year 2** – 2023/24 audits: Innovation and improvement in the use of the workforce.

In September 2023, we published [Best Value in Scotland](#), marking 20 years since the introduction of Best Value. The report reflected on the impact and value of this work, which has driven significant improvements in local government, including in performance management, partnership working and community engagement.

However, the report also highlighted areas where progress has been made, but not fast enough, including strategic and collaborative leadership, public performance reporting, workforce planning, medium- to long-term financial planning, scrutiny, and the pace and depth of continuous improvement.

These areas have been a focus of our Best Value reports on individual councils.


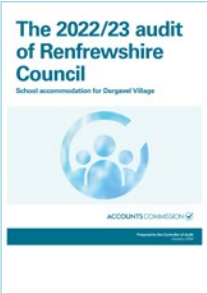
Council	Commission findings
<p><b><u>South Ayrshire Council</u></b> (November 2023)</p> 	<p>We said the pace of change has been too slow, and that the council needs to improve how it measures and reports performance, be clearer about the benefits of its plans for change, prioritise progressing council-wide self-evaluation, and clearly align its budget with its strategic priorities.</p>
<p><b><u>Dundee City Council</u></b> (November 2023)</p> 	<p>We found the council to be well run, with effective leadership, good financial management and community engagement as it seeks to tackle long-standing issues. There is a strong commitment to continuous improvement, but it will take time to determine the impact of its work to tackle high levels of deprivation, drug deaths and child poverty, and reduce the educational attainment gap.</p>
<p><b><u>Dumfries and Galloway Council</u></b> (January 2024)</p> 	<p>The council has a good financial track record, with clear plans to transform services so it can balance future budgets – but it now needs to deliver those plans. The council must also provide clearer and more easily accessible information to local people on its progress, and about how services are performing.</p>
<p><b><u>Orkney Islands Council</u></b> (January 2024)</p> 	<p>We are concerned about the significant gap between the council's transformation plans and ambitions, and its ability to deliver on them. There must be greater urgency in its financial planning, and management of capital projects. While the council faces particular challenges as an islands authority there are also opportunities which it must use to its advantage, including abundant natural resources as well as very positive relationships with its communities.</p>
<p><b><u>Moray Council</u></b> (March 2024)</p> 	<p>We concluded that the council must accelerate plans to transform how it works and delivers services, demonstrating that it can sustain the pace and momentum to change. Unless this happens, the council will fail to identify savings needed to tackle its budget gap. We are extremely concerned that the council is relying on unidentified savings and the unsustainable use of financial reserves.</p>



## Statutory reports

Under section 102(1) of the Local Government (Scotland) Act 1973, the Controller of Audit has the power to produce a report for us at any time on any specific issue of concern arising from annual audit work (we can also instruct the Controller to report to us).

There were two such reports in 2023/24:

Council	Commission findings
<p><b><u>Glasgow City Council: Update on equal pay arrangements</u></b> (August 2023)</p> 	<p>This was a follow-up to our previous report on equal pay arrangements in Glasgow City Council, published in February 2020. It provided an update on the issues raised in that report, and the council's progress on implementing a new equitable pay and grading structure and funding its substantial equal pay liabilities.</p> <p>We urged the council, trade unions and others to maintain the pace in implementing a new system aimed at ensuring employees are paid equally in the future for the work they do, following delays due to the complexity of the issue and the Covid-19 pandemic.</p>
<p><b><u>Renfrewshire Council: School accommodation for Dargavel village</u></b> (January 2024)</p> 	<p>This report specifically focused on Renfrewshire Council's actions in response to an independent review (the Bowles review) of the circumstances which led to the council significantly underestimating the demand for primary school places resulting from a large new housing development, Dargavel village.</p> <p>We concluded that the council faces significant challenges in rebuilding the trust of local people, having failed to engage appropriately or transparently with the local community over the expansion of secondary school provision – risking repeating past mistakes. We requested a follow-up report, to be presented to us in summer 2024.</p>

# A new approach to overview reporting

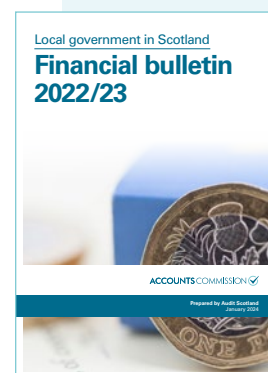
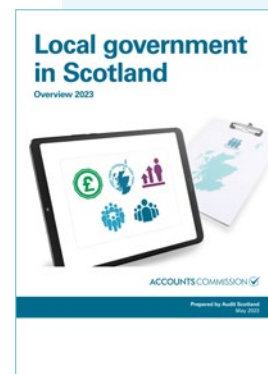
In May 2023, we published [Local government in Scotland: Overview 2023](#). We stated that Scotland's councils had never faced such a challenging situation, with demand and workforce pressures deepening after the Covid-19 pandemic and funding forecast to fall in real terms. We said councils must radically change how they operate – particularly how they collaborate with partners – if they are to improve and maintain services to their communities.

The 2023 report was the third and final report in a series of overview reports initiated during the pandemic.

In October 2023, we agreed a new approach to overview reporting, to move away from this single large annual overview report (plus a financial bulletin) to a broader suite of local government outputs that are shorter and are published throughout the year. Each output will be focused on a specific aspect of current overview reporting (for example finance, budgets, service performance, sector response to challenges, and individual service focus) with the overall programme of work fitting together to provide a more comprehensive overview of the key policy and performance issues facing the local government sector.

The new reporting model introduces new thematic deep dive reporting and more in-depth coverage of a specific local government service. These are both areas which have received more limited coverage in the Commission's work programme over recent years but are both relevant to the Commission's role in holding councils and other local government bodies in Scotland to account and helping them to improve.

In January 2024, we published our [Local government in Scotland: Financial bulletin 2022/23](#). In this report we said financial pressures mean councils now face hard choices about service cuts. While no council was at immediate financial risk in 2022/23, there is no certainty this will continue, making an agreement between the Scottish Government and councils to secure a sustainable, longer-term funding arrangement to deliver local services all the more urgent.





# Other national reports

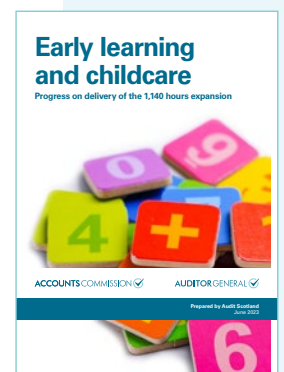
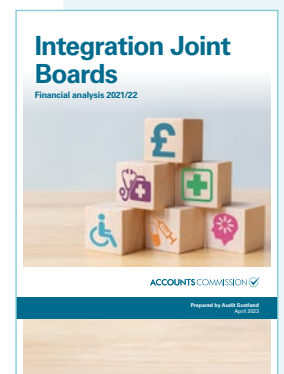
Through our performance audit programme, we report on issues which have a direct impact on people's daily lives. These include key public services, reviews of major reforms and projects, and reporting on how local government and its partners are responding to key issues.

We are taking a more dynamic and flexible approach to our performance audits, enabling us to react to circumstances and emerging issues, and make a difference to people and communities. We communicate our work through varied products and approaches, from detailed reports to animations, to ensure we reach our diverse stakeholders and that our messages are heard by the people affected by the services we review.

Our briefing and financial analysis on [Integration Joint Boards](#) (April 2023) stated that they face considerable financial and workforce challenges, with significant transformation needed to ensure long-term capacity, financial sustainability and good quality of services people receive.

In June 2023, we followed up our previous joint performance audit with the Auditor General on [early learning and childcare](#). We reported that councils, the Scottish Government and partners had done well to increase the hours provided to each child but that the sector was fragile.

We worked together with the Auditor General again on our joint review of [adult mental health services](#) (September 2023). We found accessing services remained slow and complicated for many people, and that ethnic minority groups, rural residents and people in poverty faced additional barriers to getting care.



Alongside our performance audits and briefings, we published four blogs in 2023/24:



**Homelessness affects us all – action is needed:**

a joint blog with the Auditor General, summarising relevant work to date and our intended future work in this area.



**20 years of Best Value auditing in Scotland:** accompanying our Best Value in Scotland report, highlighting the importance of Best Value and our new approach to reporting.



**A renewed focus on the sustainability of social care:**

providing an overview of current issues in the sector and looking ahead to our future reporting and other activities.



**How the Accounts Commission holds local government**

**to account:** explaining the Commission's role, powers and procedures, particularly in relation to statutory reports.



# Engaging with others

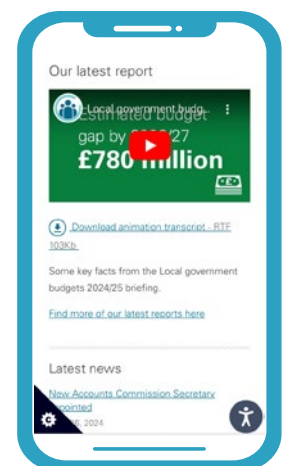
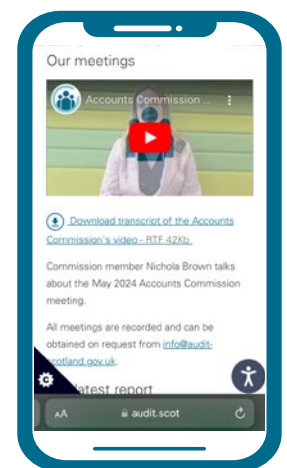
Over the last year we continued to promote our work to communities, local government stakeholders and the wider public.

All Accounts Commission meetings are **open to the public**, both online and in person, except for items which must be discussed in private (for which we provide a clear rationale). We have welcomed members of local communities, alongside officers and elected members from councils across Scotland.

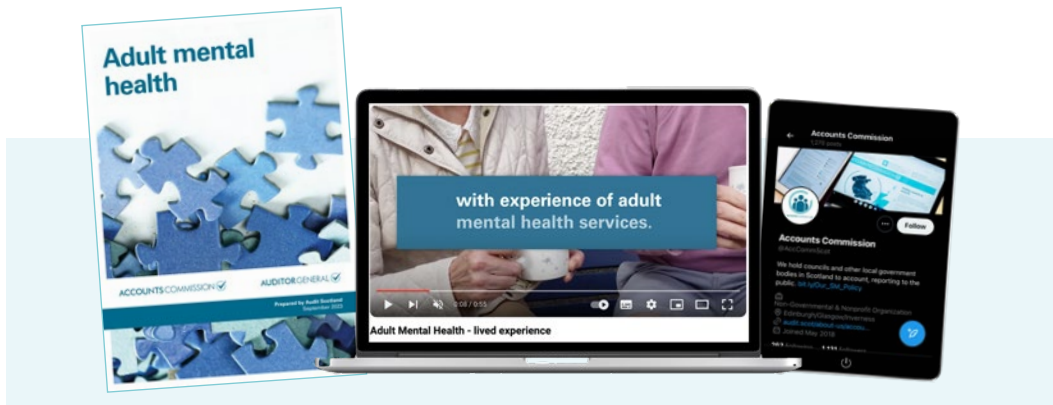
We regularly record a short video after Commission meetings, sharing on social media a brief summary of our monthly business and upcoming reports. **Recordings** of all our monthly meetings are also available.

Following publication of reports on individual councils, we visit each council, discussing the report, findings and the council's follow-up actions with councillors and senior council officers. This is a vitally important part of our work, which emphasises the importance of the recommendations and actions we make in our work. In turn, councils must share the actions they have agreed to take in response to our report, with their local communities.

We work hard to make the key messages in our work relevant to local communities. On our website and across social media, we highlight the impacts of our work on services and the people who use these services. We do this through short animations, videos and exhibits. Sharing our reporting with national and local media is vital in communicating our reports with communities, politicians and those working across the public and third sectors.



We are also increasingly focused on hearing and learning from people with lived experience of the services we are reporting on. This includes taking a human rights-based approach to our performance audit work. We took this approach in our 2023 report on adult mental health, alongside which we shared a video which amplified the lived experience of those impacted by mental ill-health. Our forthcoming report on digital exclusion continues and builds on this work.



Throughout the year, we have engaged with key organisations across the sector, including COSLA and Solace. And – alongside colleagues from Audit Scotland – we have been involved in a number of events with the Improvement Service, with whom we have continued our strategic alliance. This has helped extend the impact of our work to our key stakeholders, particularly councillors.

Giving evidence on our national reports to parliamentary committees adds value and impact to our reporting. Alongside the Auditor General, we gave evidence to the Public Audit Committee on our joint report on Adult mental health, and we have given evidence to the Local Government, Housing and Planning Committee on our Local government overview and Financial bulletin reports.



# Ensuring quality in our work

The quality of the audit work delivered on our behalf is the bedrock of the assurance we provide and the improvements and changes we drive and support.

As well as the training and support our appointed auditors receive, public audit in Scotland has rigorous quality improvement arrangements supported by improvement programmes.

Audit Scotland's in-house independent Audit Quality and Appointments team conducts internal quality monitoring and reviews. Meanwhile, the Institute of Chartered Accountants for England and Wales (ICAEW) performs external monitoring, assessing the quality of audit work delivered on our behalf and checking that it complies with auditing standards, and regulatory and professional requirements.

Internal and external reviews of a sample of audits completed in 2023/24 found:

- 80 per cent of financial audits and all of performance audits achieved our expected standard of no or minor improvements required
- 46 per cent of the reviews of financial audits gave the highest grade
- a quarter of financial audits required some improvements, and none required significant improvements.

Areas for improvement include planning processes and reliance on previous information. There were no challenges to the validity of audit opinions.

Public bodies gave highly positive feedback on our audit work, rating the overall performance of Audit Scotland's audit teams at 4.3 out of five.

Internally, 92 per cent of colleagues said they were encouraged to deliver high-quality audit work, but only 34 per cent felt they had the time and resources to do so.

The results of this monitoring framework inform our quality improvement activity. More information is available in Audit Scotland's [Quality of public audit in Scotland annual report](#) and [Transparency report](#).

In February, ICAEW independently reviewed this quality assurance programme and concluded that it is appropriate.



# Our members

The Accounts Commission members are appointed by Scottish ministers. The Commission meets monthly, and its meetings are open to the public.



**Jo Armstrong**  
Chair

Member since:  
2024

'As chair, my role is to ensure the Commission continues to deliver effective scrutiny, identifying and sharing best practice. Given the financial challenges local government is facing, the Commission has a valued role in ensuring critical services continue to be delivered.'

**Experience:** Economics and finance in energy and banking sectors, and with Scottish Government; Former adviser to Scottish Parliament committees; Chair of Wheatley Group; Chair of Hub West Scotland; Member of Royal Society of Edinburgh's Economy and Enterprise Committee; Fellow of Institute of Directors



**Andrew Burns**  
Deputy Chair

Member since:  
2018

'Our work, providing independent, public scrutiny across local government, supporting change and best practice, is increasingly valuable as the relationship between Scottish and local government continues to develop.'

**Experience:** Former Leader of City of Edinburgh Council; former Convener of the Scottish Council for Voluntary Organisations (SCVO)

**Other activities:** Chair of Edinburgh Union Canal Society; undertaking part-time PhD at the University of Edinburgh Business School





**Andrew Cowie**

Member since:  
2018

**Experience:** Former Chief Officer in Northern Constabulary and the Police Service of Scotland; Assistant Inspector of Constabulary with HMICS



**Angela Leitch**

Member since:  
2023

**Experience:** Former Chief Executive of East Lothian Council; Former Chief Executive of Public Health Scotland (when it was formed); Convener of the Scottish Local Authority Remuneration Committee

**Other activities:** Trustee on Board of the Cyrenians; Chair of YouthLink Scotland



**Carol Evans**

Member since:  
2023

**Experience:** Non-Executive Director of Scottish Environment Protection Agency, Skills Development Scotland and Food Standards Scotland; Career in transformational change, strategic leadership and risk management for multi-national companies including AstraZeneca and Royal Pharmaceutical Society

**Other activities:** Chair of Friends of Cedarbank charity. Carer for a young person with severe learning disabilities and for an older palliative person with significant physical disabilities



**Christine Lester**

Member since:  
2018

**Experience:** Former Chair of Moray Integration Joint Board; Former Vice Chair of NHS Grampian; Scientific background; Career in commercial sales

**Other activities:** Full-time carer; Fundraiser for MND Scotland



**Derek Yule**

Member since:  
2023

**Experience:** Former Depute Chief Executive and Director of Corporate Resources at Highland Council; CIPFA-qualified accountant; Experience on several boards and working groups across UK and Scottish local government



**Jennifer Henderson**

Member since: 2022

**Experience:** Chief Executive and Keeper of the Registers of Scotland; Previously led stakeholder engagement for the Building Safety Programme in the Ministry of Housing, Communities and Local Government; Former Executive Director at the Defence Science and Technology Laboratory. Experience of leading organisational change, digital transformation and operational delivery of public services. Fellow of the Chartered Management Institute

**Other activities:** Interest in the role of organisations in tackling climate change – completed the Climate Solutions Professional Leadership course with the Royal Scottish Geographical Society



**Malcolm Bell**

Member since: 2022

**Experience:** Former Convener of Shetland Islands Council; Former Non-Executive Director of the Improvement Service; Former Non-Executive Director and Vice-Chair of NHS Shetland; Former senior police officer in Northern Constabulary; Former Chair of Shetland Child Protection Committee and both Orkney and Shetland Adult Protection committees

**Other activities:** Honorary Sheriff; Previously on the board of Shetland Citizens Advice



**Mike Neilson**

Member since: 2023

**Experience:** Former career civil servant for the UK Treasury, European Commission and Scottish Government, including more than 15 years as a Director; Experience of leading public service improvement and restructuring including in digital services, housing, homelessness and public utilities



**Nichola Brown**

Member since: 2022

**Experience:** Chief Executive Officer of PlayPeace (a charity supporting families of children with additional needs); Career in public health

**Other activities:** Carer for a person with a severe learning disability



**Ruth MacLeod**

Member since: 2022

**Experience:** Head of Communications for the Church of Scotland; Career in strategic public relations, crisis communications and change management across the public sector; Fellow of the Chartered Institute of Public Relations

**Other activities:** Member of a Communications Independent Advisory Group for the Metropolitan Police Service; Volunteer for the MCR Pathways school-based mentoring programme

# Annual report

2023/24



Audit Scotland, 4th Floor, 102 West Port, Edinburgh EH3 9DN

Phone: 0131 625 1500 Email: [info@audit.scot](mailto:info@audit.scot)

[www.audit.scot](http://www.audit.scot)

ISBN 978 1 915839 45 9

**South Ayrshire Council  
Equality Impact Assessment  
Scoping Template**

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: <https://www.south-ayrshire.gov.uk/equalities/impact-assessment.aspx>

Further guidance is available here: <https://www.equalityhumanrights.com/en/publication-download/assessing-impact-and-public-sector-equality-duty-guide-public-authorities/>

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. FSD Guidance for Public Bodies in respect of the Duty, was published by the Scottish Government in March 2018 and revised in October 2021. See information here: <https://www.gov.scot/publications/fairer-scotland-duty-guidance-public-bodies/>

## 1. Policy details

Policy Title	Accounts Commission Annual Report 2023/24
Lead Officer (Name/Position/Email)	Tim Baulk, Chief Financial Officer – tim.baulk@south-ayrshire.gov.uk

**2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts**

Community or Groups of People	Negative Impacts	Positive impacts
Age – men and women, girls & boys	-	-
Disability	-	-
Gender Reassignment (Trans/Transgender Identity)	-	-
Marriage or Civil Partnership	-	-
Pregnancy and Maternity	-	-
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers	-	-
Religion or Belief (including lack of belief)	-	-

Community or Groups of People	Negative Impacts	Positive impacts
Sex – (issues specific to women & men or girls & boys)	-	-
Sexual Orientation – person’s sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight	-	-
Thematic Groups: Health, Human Rights & Children’s Rights	-	-

**3. What likely impact will this policy have on people experiencing different kinds of social disadvantage i.e. The Fairer Scotland Duty (This section to be completed for any Strategic Decisions). Consideration must be given particularly to children and families.**

Socio-Economic Disadvantage	Negative Impacts	Positive impacts
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing	-	-
Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	-	-
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies	-	-
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)	-	-
Socio-economic Background – social class i.e. parent’s education, employment and income	-	-

**4. Do you have evidence or reason to believe that the policy will support the Council to:**

General Duty and other Equality Themes Consider the ‘Three Key Needs’ of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
<b>Eliminate unlawful discrimination, harassment and victimisation</b>	Low
<b>Advance equality of opportunity</b> between people who share a protected characteristic and those who do not	Low

General Duty and other Equality Themes Consider the ‘Three Key Needs’ of the Equality Duty	Level of Negative and/or Positive Impact  (High, Medium or Low)
<b>Foster good relations</b> between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?)	Low
Increase participation of particular communities or groups in public life	Low
Improve the health and wellbeing of particular communities or groups	Low
Promote the human rights of particular communities or groups	Low
Tackle deprivation faced by particular communities or groups	Low

**5. Summary Assessment**

<b>Is a full Equality Impact Assessment required?</b> (A full Equality Impact Assessment must be carried out if impacts identified as <b>Medium and/or High</b> )	<input checked="" type="checkbox"/> <b>YES</b>  <input type="checkbox"/> <b>NO</b>
<b>Rationale for decision:</b>  <b>This report advises Members of the findings of the report by the Accounts Commission. Their decision on this has no specific equality implications</b>	
<b>Signed :</b> Tim Baulk  <b>Date:</b> 19 August 2024	<b>Chief Financial Officer</b>

## South Ayrshire Council

### Report by Depute Chief Executive and Director of Education to Audit and Governance Panel of 2 October 2024

---

**Subject: Best Value Action Plan 2024 – Progress Update**

---

#### 1. Purpose

- 1.1 The purpose of this report is to update Members on the progress toward delivering the Council's Best Value Action Plan.

#### 2. Recommendation

##### 2.1 It is recommended that the Panel:

2.1.1 scrutinises the content of the Best Value Action Plan update report;

2.1.2 considers the progress through the narrative set out within [Appendix 1](#).

#### 3. Background

- 3.1 The Accounts Commission's approach to Best Value has evolved since Best Value was introduced 20 years ago and is now fully integrated within annual audit work. Best Value at the Council will be assessed comprehensively over the period of the audit appointment and will include an annual evaluation of the Council's approach to demonstrating improvement in the effective use of resources and public performance reporting.

- 3.2 In addition to the annual work on Best Value, thematic reviews as directed by the Accounts Commission are undertaken. In 2022/23 the focus was on the effectiveness of Council leadership in developing new local strategic priorities following the elections in May 2022 and the 23/24 report focused on workforce innovation.

- 3.3 This action plan includes actions for both thematic reviews.

#### 4. Proposals

- 4.1 Progress towards the actions and the accompanying narrative is attached as [Appendix 1](#).

- 4.2 In summary, 22 of the 24 actions are complete and a further 2 are on target.

## **5. Legal and Procurement Implications**

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

## **6. Financial Implications**

6.1 Not applicable.

## **7. Human Resources Implications**

7.1 Not applicable.

## **8. Risk**

### **8.1 *Risk Implications of Adopting the Recommendations***

8.1.1 There are no risks associated with adopting the recommendations.

### **8.2 *Risk Implications of Rejecting the Recommendations***

8.2.1 Rejecting the recommendations would result in reputational damage and criticism from Audit Scotland, the Accounts Commission and the Scottish Government.

## **9. Equalities**

9.1 The proposals in this report allow scrutiny of performance. The report does not involve proposals for policies, strategies, procedures, processes, financial decisions and activities (including service delivery), both new and at review, which affect the Council's communities and employees, therefore an equality impact assessment is not required.

## **10. Sustainable Development Implications**

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

## **11. Options Appraisal**

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## **12. Link to Council Plan**

12.1 The matters referred to in this report contribute to delivery of all the Council's strategic objectives and strategic outcomes.



### **13. Results of Consultation**

- 13.1 There has been no public consultation on the contents of this report.
- 13.2 Consultation has taken place with Councillor Martin Dowey, Portfolio Holder for Corporate and Strategic, and the contents of this report reflect any feedback provided.
- 13.3 Consultation has also taken place with members of the Best Value Working Group, and the contents of this report reflect any feedback provided.

**Background Papers**    **Report to Audit and Governance Panel of 28 June 2023 – [Best Value Thematic Work in South Ayrshire Council 2022/23](#)**

**Report to Cabinet of 29 August 2023 – [Best Value Thematic Work in South Ayrshire Council 2022/23](#)**

**Report to Audit and Governance Panel of 4 October 2023 – [Best Value Action Plan 2023](#)**

**Report to South Ayrshire Council of 7 December 2023 – [Accounts Commission's Findings on Best Value in South Ayrshire](#)**

**Person to Contact**    **Kevin Anderson, Assistant Director – Corporate Policy, Strategy and Performance.**  
**County Buildings, Wellington Square, Ayr KA7 1DR**  
**Phone 01292 612982**  
**E-mail [kevin.anderson@south-ayrshire.gov.uk](mailto:kevin.anderson@south-ayrshire.gov.uk)**

**Date: 25 September 2024**

# Best Value Improvement Action Plan

Generated on: 17 September 2024

Further work is required to align Place Plan development with localities and advance participatory budgeting approaches to place via Community Planning Long term ambitions linked with Community Plan for 23/28. A restructured Regeneration team needs considered through our Economy and Regeneration Service, through which, joint work supporting a refresh of older place plans should be advanced. New structure anticipated December 2024, with ongoing Place work over new Council Plan 23/28. Recruitment is underway for an officer within Thriving Communities to deliver remaining Place Plans. In addition, methodologies for Local Place Plans are being progressed by Planning, in coordination with Thriving Communities and Economy & Regeneration Services.

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Align Place Plan development with localities and advance participatory budgeting approaches to place via Community Planning	George Hunter	100%	31-Dec-2023	31-Jul-2024	<p>16-Sep-2024 Place planning in South Ayrshire is at different stages of development in each of the localities across South Ayrshire.</p> <p>The localities at the most advanced stage are Monkton and Tarbolton, each with a drafted community action led plan. These plans should be finalised by October 2024. A total of 11 localities Symington, Loans, Annbank, Ayr North, Ayr East, Ayr South (Fort/Seafield), Dunure, Maybole, Kirkmichael, Straiton, and Crosshill, currently have an open community consultation. The consultation is based on the Place Standard Toolkit, with an online survey, a paper copy of the same survey and a children's version of the survey.</p> <p>Another two localities who will be launching their consultation in coming weeks are Minishant and Barrhill. Other localities interested in place planning but currently without capacity and/or resource to work on place planning are Prestwick, Coylton, Mossblown and Dundonald.</p> <p>Other localities such as Dailly, Ballantrae and Colmonell have managed to develop independent community action plans and in Troon the community were supported to develop Troon Together plan.</p>

					<p>Areas including Girvan, Pinmore, Pinwherry, Maidens, Kirkoswald, Turnberry and Barr are at the early stages due to various reasons.</p> <p>Six PB events in conjunction with Health and social care partnership are planned in each locality, applications received were screened by sub-panel of LPP's. Online voting was offered this time and is/was open for 4 weeks prior to the event taking place:</p> <p>To date and planned:</p> <p>Troon – 3/9 - 460 online votes and 30 in person to vote and 72 paper copies were submitted  Prestwick – 5/9 - 743 online votes and 1 in person to vote  Ayr South – 9/9 - 551 online votes and 2 in person to vote  Maybole – 12/9 - 568 online votes so far  Girvan – 26/9 – 359 online votes so far  Ayr North – 1/10 – 135 online votes so far</p>
--	--	--	--	--	---

**Recommendation 1 - A balanced view of progress against the council plan priorities should be reported regularly to members. A timetable for performance reporting to elected members should be a priority. Performance reports should include details or links to planned improvement actions. The council should ensure it fully complies with the new Statutory Performance Information Direction**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Officers will review new reporting format to ensure that it reflects the Accounts Commission's Statutory Performance Information Direction.	Kevin Anderson	100%	30-Aug-2023	30-Aug-2023	30-Oct-2023 Reporting format options to be circulated to CLT. All options under development take cognisance of the Account Commission's Statutory Performance Information Direction. new status update --

**Recommendation 2 - To ensure the effective delivery of local outcomes, the council should publish the remaining Place Plans**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
--------	------------	----------	-------------------	------------------	-------------

Ongoing dialogue with elected members on the details of the Place Plans to be used to advance place-based activity.	George Hunter	100%	31-Mar-2024	31-Mar-2024	13-Mar-2024 The role of Team Leader Place Planning was fulfilled on the 11th of September 2023. The actions from the existing place plans for Ayr North and Girvan were reviewed and present to the elected members. Thriving Communities (place planning) is working in collaboration with Planning and Development team in view of creating support material and guidance for community led bodies to develop Community led Action Plans and Community led Local Place Plans. Progress depends on community council groups capacity and resources.
---	---------------	------	-------------	-------------	--

**Recommendation 3 - There should be a clear process introduced that is sufficiently resourced to ensure these crosscutting priorities are given the necessary consideration. Measures should be set for monitoring progress for cross cutting themes. In particular how the council will measure that it is reducing inequalities**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Continue to develop Integrated Impact Assessment Tool	Kevin Anderson	100%	30-Sep-2023	30-Sep-2023	24-Nov-2023 New Integrated Impact Assessment agreed by Cabinet in September 2023. IIA to be rolled out to the Strategic Change and Communities directorate over Nov/Dec 23 with full rollout to the Council and HSCP during 2024

**Recommendation 4 - The plans to reintroduce a corporate approach to self-evaluation need to be progressed. The council's self-evaluation should include an understanding of its performance in relation to other councils**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Officers and members to re-establish approaches to self-evaluation across the council using How Good Is Our Council (HGIOC) to develop a framework to support ongoing evaluation for improvement.	Kevin Anderson	100%	31-Dec-2023	31-Dec-2023	24-Nov-2023 Following an options appraisal of the tools available, The Best Value Member/Officer Working group has agreed to adopt the Improvement Service's Public Sector Improvement Framework (PSIF) and integrate self-evaluation into the service planning process. The Improvement Service have agreed to support the Council to do this and a series of meetings and training sessions are planned in the run up to service plans being updated in Spring 2024.

**Recommendation 4 The Council should make sure that its transformation work is fully aligned and integrated to its covid recovery planning work and improve its approach to its Strategic Change Programme by: • Adding greater detail about individual projects • Setting clear timelines for each project • Developing a benefits realisation tracker to assess whether the Council has achieved its aims. (paragraphs 123 and 124)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
The council should make sure that its transformation work is fully aligned and integrated to its Covid-19 recovery planning work and improve its approach to its strategic change programme	Kevin Anderson	100%	20-Jun-2023	20-Jun-2023	30-Oct-2023 Updated and refocused strategic change programme agreed by <a href="#">Cabinet in June 2023</a> .

**Recommendation 5 The council should improve performance reporting by: • setting targets for its Key Performance Indicators (KPIs) • including a summary of performance against KPIs in its performance reports to members • increasing the frequency of reports to elected members • making performance reports more accessible to the public**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
The council should improve performance reporting	Kevin Anderson	100%	20-Jun-2023	20-Jun-2023	30-Oct-2023 New Performance Management Framework aligned to the Council Plan 23-28 was approved by Cabinet in June 2023. Improving the accessibility of performance information has been carried over and is a stand-alone action in this plan

**Recommendation The council should develop performance measures and targets to monitor the impact of its workforce planning approach with data on future skills and capacity projections or any plans for various scenarios detailed. Additionally, workforce data such as the number of casual staff, age profile of staff and staff turnover should also be reported regularly to members. Paragraph 14 "Workforce Innovation - how councils are responding to workforce challenges Best Value thematic work in South Ayrshire Council 2023/24"**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
As part of the Council's revised Transformation Process, specific workforce targets and expectations will be set, cascaded, and reported against.	Lyndsay McRoberts	20%	31-Dec-2024	31-Dec-2024	16-Sep-2024 A Corporate Workforce Planning group is being established that will be chaired by the Chief Executive. The group will consist of representatives from across each Directorate and corporate functions. The group will consider

					the strategic direction/clarity around high-level workforce targets to inform the development of the next iteration of the corporate workforce plan. Aspects of reporting and delivery will be supported by the new Transformation service. The Transformation Board now considers proposed projects based on their alignment to strategic priorities, including workforce planning.
--	--	--	--	--	--

**Recommendation The council should measure and report on the impact that digital technology has on its service delivery and outcomes, including how this can shape its workforce of the future. Paragraph 37 "Workforce Innovation - how councils are responding to workforce challenges Best Value thematic work in South Ayrshire Council 2023/24"**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Value added/benefits realisation to become embedded into revised Transformation Process and associated structure	Louise Reid	100%	31-Dec-2024	31-Dec-2024	30-May-2024 The Transformation Benefits Realisation Plan was approved by the Transformation Board on 1 May 2024. The 4 stage benefits process is being implemented across the portfolio and projects, including roles and responsibilities, and reporting arrangements. L&D sessions for staff on the implementation of a benefits-led approach to delivery is being developed in the context of the Transformation Communications Plan.

**Recommendation The council should prioritise the development of workforce planning reporting tools in Oracle Fusion to aid managers in decision making. Paragraph 39 "Workforce Innovation - how councils are responding to workforce challenges Best Value thematic work in South Ayrshire Council 2023/24"**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Projects and procurement activities related to Fusion enhancement will be required to consider workforce planning data and reporting, and how they improve the development of future workforce plans.	Louise Reid	15%	31-Mar-2025	31-Mar-2025	17-Sep-2024 Working groups are bring established to drive a range of reporting developments in Oracle Fusion, include workforce planning. HR colleagues will lead the workforce planning engagement and the process will involve :- . identification of workforce planning gap areas . prioritisation . report development, exploring a range of technical solutions . data assurance

					. report provision to the appropriate user community Timescales for the development of the group will be formalised in the short term.
--	--	--	--	--	--

**Report Reference - As part of the impact assessment approach, it is intended that an increased and ongoing level of climate change expertise and support will be made available to policymakers from an early stage as they develop policies. (Para 82 & 83**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Agree revised structure for Sustainability and Climate Change Team to ensure support is available to policymakers.	Kevin Anderson	100%	31-Dec-2023	31-Aug-2024	16-Sep-2024 New structure has been approved by ELT and recruitment has taken place for new posts'

**Report Reference - As the Strategic Change programme progresses with delivering projects, officers from the team will be developing ways for council staff to suggest and bring forward project ideas. The use of corporate communication channels to promote examples of good practice will be considered to help publicise how officers and project teams have worked collaboratively to deliver change. (Para 110)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Develop method to encourage council staff to suggest project ideas and promote successful projects.	Stewart McCall	100%	31-Mar-2024	31-Mar-2024	26-Mar-2024 On 6th March the Council approved new proposals for 'Shaping Our Future' Council, in response to the need to improve the pace of change and transformation. This includes changes at a Chief officer and senior management level, with updated responsibilities and re-allocation of resource to drive change activity forward and realise benefits that will ensure the sustainability of the council. The Strategic Change Programme and Change Executive is being replaced with a wider Transformation Portfolio and Transformation Board chaired by the Chief Executive. The Council approved the establishment of the Transformation Fund – a capital and revenue fund available to support delivery of activity and focussed on achieving long term benefits and efficiencies. A Service Leads session was held to communicate changes to staff and seek buy in to move the agenda forward with services. Communications were issued to all staff on the fund launch – email comms targeted to CLT/ Service Leads, and discussed at staff meetings. Comms were issued and

					distributed to all staff via a staff bulletin and SWAY. This has resulted in staff across the organisation coming forward with ideas and projects that can progress to business case. A Transformation Communications Plan is in development for wider implementation to staff and stakeholders.
--	--	--	--	--	--

**Report Reference - Capital investment has also been committed, including £1 million in each of the 8 wards across South Ayrshire over the next four years to make infrastructure improvements to benefit communities. These investment decisions have been influenced using the information collated as part of the council's engagement with its communities as part of its place planning. The identified projects have been linked to the new Council Plan's priorities. The proposed projects will be considered by the Council in June 2023. The council has committed to regular monitoring of the projects to ensure transparency with its investment decisions. (Para 94)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Agree monitoring process for Ward Capital Investment Process and outcomes.		100%	30-Sep-2023	30-Sep-2023	31-Oct-2023 Paper presented to Cabinet in September 2023

**Report Reference - From review of the update to Panel, on average 45 per cent of members were noted as attending the 11 briefings since August 2022. There is a need to improve the accuracy and relevance of the attendance figures. (Para 168)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Improve accuracy of recording attendance figures at member briefings.	Catriona Caves	100%	31-Mar-2024	31-Mar-2024	28-Nov-2023 Attendance figures are reviewed as to subject matter and appropriate audience, and online training access is recorded

**Report Reference - In future the council is to demonstrate in budget papers how it is aligned to the council's priorities. (Key message 8)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Align future budget papers to the Council Plan.	Tim Baulk	100%	31-Mar-2024	31-Mar-2024	13-Mar-2024 The 2024/25 budget was approved by council on 29 February 2024. The budget proposals included information on which Council Priority investment decisions and savings



					proposals were linked to ensure decisions makers were aligning decision to Council priorities.
--	--	--	--	--	--

**Report Reference - South Ayrshire Council should use the LGBF data alongside its engagement with its communities to assess its local performance and priorities. (Para 50)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Update Local Government Benchmarking Framework (LGBF) report format to take account of the recommendations from Audit Scotland.	Kevin Anderson	100%	30-Jun-2024	30-Jun-2024	16-Sep-2024 Feedback from Service Leads after the first LGBF data packs were sent out in May 2024, has resulted in a process of refining and refreshing the information which will be included in the next iteration of the packs. New packs will have a sharper focus on reflecting longitudinal data of both the indicators and Family Group performance over a 5-year period. They will also include links to the underlying data of the more complex indicators and guidance on how final data is calculated. Commentary supplied in the Local Finance Return (LFR) will also be included where performance has varied significantly from previous year.

**Report Reference - The council developed a Community Engagement Strategy in 2020, but there is no evidence of the council assessing whether it has improved community engagement Whilst publishing the results of each consultation provides transparency and feedback on the needs of citizens, the council could take this a step further by evidencing how the results of these surveys have impacted on the decisions taken by Council. (Para 56)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Assess the impact of the Community Engagement Strategy noting how feedback has influenced outcomes.	George Hunter	100%	31-Mar-2024	31-Mar-2024	13-May-2024 Thriving Communities continue to engage with local communities to help influence keys decisions in their local community. The Thriving Communities Team Leader is currently updating the 'Placemaking' South Ayrshire <a href="#">Placemaking in South Ayrshire -</a> website and is currently supporting communities to develop community led action plans or support groups who are interested in developing a local Place Plan. Examples include Ayr East where both Community Councils have joined together to engage with the local community to identify local priorities. Work in North Ayr is ongoing and includes engagement activity in Wallacetown,

					<p>Dalminging and Lochside. The Consultation on priorities in Prestwick are currently live and this will influence how regeneration funding will be allocated. In the villages of Monkton, Symington and Tarbolton the number of people engaged continues to increase.</p> <p>In addition to work to develop local plans, Thriving Communities are working alongside the HSCP to organise Participatory Budgeting events during 2024. Funding from HSCP and Thriving Communities will provide opportunities for local groups and organisations to influence where funding should be allocated.</p> <p>Thriving Communities have also launched the empowering communities fund (£30,000) that offer groups the opportunity to apply for funding that will assist them to build capacity or enhance capital assets.</p> <p>The Council's leadership team have agreed that responsibility for community engagement should move to the corporate performance team to ensure consistency among services. This action will be closed off and an updated action will be added to reflect the change.</p>
--	--	--	--	--	---

**Report Reference - The council has committed to updating the MTFP annually, with the next review due to take place in October 2023 (Para 100)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Review the Medium Term Financial Plan (MTFP)	Tim Baulk	100%	30-Nov-2023	30-Nov-2023	05-Dec-2023 The MTFP was approved at Cabinet on 28th Nov 2023. The budget strategy contained in the document will be used as the basis of the budget setting process for 2024/25 and beyond.

**Report Reference - The council has in place an ICT Strategy 2021-2023 and a Digital Strategy 2019-2022. Going forward there will be one combined strategy, originally planned for March 2023. Both current strategies have an action plan to be delivered over their lifecycle. A final report on the**

**outcomes of the strategies will be provided to elected members in due course to allow visibility and scrutiny of the actions taken over this timeframe. (Para 124 & 125)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Provide elected members with a final report on the outcomes of the ICT Strategy 2021-23 and the Digital Strategy.	Tim Baulk	100%	30-Nov-2023	30-Nov-2023	18-Dec-2023 New Strategy approved by Council on the 7th of December.
Consider opportunities for further cross-party collaboration to help deliver on the Council Plan		100%	30-Nov-2023	30-Nov-2023	18-Dec-2023 The Best Value Working Group have agreed to encourage all Member Officer Working Groups to align to the Council Plan. The annual ward capital funding will be agreed collaboratively with all ward members.

**Report Reference - The council should now monitor the effectiveness of the new governance structure to ensure that the openness and transparency of decision making, and scrutiny is maintained. (Para 149)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Arrange training with members of Audit and Governance and Service and Partnership Performance Panel	Catriona Caves	100%	31-Oct-2023	31-Oct-2023	27-Nov-2023 Training was completed and very well received-consideration will be given to the same workshop being incorporated in Members Training to assist with scrutiny each five year terms because of the importance of this role in the Council and the number of new members. The training provided foundation training for less experienced members and the business training a very good level of more detailed training.

**Report Reference - The council should review the content of the performance section of its website to ensure it meets the requirements of the new SPI direction. (Para 32)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Review content of the Council Performance and Best Value web pages		100%	30-Sep-2023	30-Sep-2023	30-Oct-2023 Work has been carried out to complete the refresh of the layout of the public performance reporting webpage – there are now 5 tiles which people can navigate on

					the following areas: South Ayrshire Council Performance Reporting (this section includes Council performance and Service Performance), Benchmarking (LBGF information and my 'mylocalcouncil' access), External Audit (Audit Scotland Reports), Community Planning Partnership (link to the CPP webpage and access to annual progress reports for the LOIP) and Best Value (Assurance Report, Progress Updates and Self Evaluation)
--	--	--	--	--	---

**Report Reference - The next update of the LTFO is due to take place in October 2023. The council has committed to updating future iterations of both the MTFP and LTFO in line with the financial environment it is operating in at the time, together with the council's priorities. (Para 105)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Update Long-Term Financial Plan (LTFP)	Tim Baulk	100%	30-Nov-2023	30-Nov-2023	24-Nov-2023 The three year Medium Term Financial Plan and ten year long term financial plan have been combined in to one five year Medium Term Financial Plan. This 5 year MTFP will be presented to Cabinet for approval on 28th Nov 2023.

**Report Reference - Work will take place during 2023 to refresh the LOIP to identify a new set of priority areas for it from April 2024 onwards. The council's revised priorities and service delivery plans are being considered when developing the new LOIP (Para 24)**

Action	Managed By	Progress	Original Due Date	Current Due Date	Latest Note
Ensure clear strategic links between the new LOIP and existing Council Plan	Kevin Anderson	100%	31-Mar-2024	31-Mar-2024	24-Nov-2023 Similarly to the Council Plan 23-28, the draft LOIP priorities use Place and Wellbeing as high level strategic themes. These themes have been used to develop priority areas for each Strategic Delivery Partnership to advance. The draft priorities were agreed by the Community Planning Executive in November 2023 and consultation is planned during the first quarter of 2024. The new LOIP will be presented to the Community Planning Board in April 2024 for approval