



Briefing 10-50 September 2010

Audit Scotland Best Value Toolkits.

To: All Chief Executives, Main Contacts and Email Contacts (Scotland)

CC: All Chief Executives, Main Contacts (England, Northern Ireland and Wales)

Briefing on Audit Scotland's Best Value Toolkits

Key issues

- The introduction of 18 diagnostic tools to aid and support the audit of Best Value
- The use of the toolkits will inform judgements on whether Best Value is being achieved
- The need for Local Councils to have rigorous and robust approaches to self assessment at both corporate and service levels with a particular emphasis on improvement planning
- Local authorities need to be mindful of the diagnostics in their overall preparations for future Best Value Audits, however they should not be seen as replacements for their own approaches to self assessment

Introduction

This briefing is intended to draw attention to Audit Scotland's recently launched, Best Value Toolkits.

Audit Scotland has produced a suite of 18 Best Value toolkits for use across the public/local government sectors. The toolkits are in effect detailed diagnostics which can be used by local Councils and Audit Scotland. They have been developed to support the corporate assessment process around the five corporate assessment areas identified in their Best Value approach, as well as the cross cutting themes of equalities and sustainability. The toolkits will provide some evidence to support the assessment of service performance and outcomes. Councils can use the toolkits to evaluate and self assess their own performance and progress against the critical/requirements detailed within the respective toolkits. The outcomes can be used to inform a Councils improvement planning agenda.

The duty of Best Value is statutory in local government and the rest of the public sector. Best Value has been a powerful force for improved performance and accountability in local government and will continue to play an important role in the development of Single Outcome Agreements between the Scottish Government, councils and their partners and in streamlining and coordinating the scrutiny of public services. It also has the potential to underpin the National Performance framework and the 'management scorecard' elements of Scotland Performs.

Audit Scotland believes that they have identified a set of principles that will form the basis of a coherent and consistent approach to the audit of Best Value across local government and increasingly with key partners. This will enable them to apply a consistent set of principles across all the bodies that they audit, and support the reality of partnership working between organisations.

The Best Value toolkits are a key part of the practical application of the BV audit. They provide framework that will help auditors evaluate performance and reach robust judgements on how public bodies are delivering Best Value. It is important to note however, that Audit Scotland acknowledges that they cannot generate Best Value judgements on their own. Judgements about Best Value also involve consideration of service standards/performance outcomes and how effectively continuous improvement is being achieved.

The approach to Best Value will entail both corporate assessment and performance assessment elements - How an organisation plans and conducts its business and manages its resources and also the quality of those services and outcomes for service users.

The toolkits will support Audit Scotland's overall aim in reporting on the delivery of outcomes for people who use services, protect taxpayers' interest by examining use of resources, placing an increasing emphasis on self assessment by public bodies with

audit support, and working collaboratively with other scrutiny bodies to ensure audit and inspection work is aligned.

The Best Value Toolkits

The Best Value toolkits are a series of diagnostic's, intended to assist reviewers in establishing the extent to which public bodies arrangements are designed to achieve and deliver Best Value. They have been developed to support the corporate assessment process. Each toolkit also incorporates a series of questions on the impact of the area under review and provides some evidence to support the assessment of performance and outcomes.

The toolkits take the form of structured questions/prompts with a matrix of possible levels of performance, ranging from basic to advanced practice. There is scope for auditors to exercise balanced judgement and for public bodies to respond flexibly in demonstrating how the key areas of challenge are addressed. Individual evaluations are made about the level a public body has attained in each question or area. **Audit Scotland stresses that these have not been weighted and it is not intended that these be used to determine an overall scoring for any toolkit.** They are designed to contribute to sound professional judgements, not replace them.

Using the toolkits

The toolkits will be applied as part of an audit process, the auditor will make enquires, seek supporting information and form judgements and conclusions based on the evidence obtained.

Audit Scotland is aware that local authorities may find the toolkits helpful in carrying out general organisational reviews or specific service reviews and have therefore been made available on the Audit Scotland website www.audit-scotland.gov.uk It is important to note however that local authorities using the toolkits should do so at their own discretion. They are designed principally as audit tools that are part of Audit Scotland's overall Best Value audit methodology and are not produced expressly for self-assessment purposes. In preparing for future Best Value audits, APSE would advise Councils that they selectively use the toolkits to aid preparation.

Any organisation using the toolkits to inform their own corporate or service-based self-evaluation processes will need to consider the local context when applying them, as well as the indicative rather than conclusive nature of findings when interpreting the results.

The toolkits are generic in nature, so that they can be applied to all public bodies, as such, auditors will be required to be sensitive to the differences between organisations.

The toolkits form part of a structured suite of audit products that will be applied, over time, to support evidence based judgements on an organisation's approach to the use of the resources with which it has been provided and its achievement of Best Value.

Auditors' evaluations

The toolkits take the form of a series of questions based upon identified good practice. It then offers four sets of descriptions, these are:

- **Does not meet basic requirements;** An organisation may not yet demonstrate the basic practice level in any particular category.
- **Best practices;** Minimum acceptable standards, which would be sufficient to allow an organisation to demonstrate sound performance.
- **Better practices;** As basic, with some elements of good or even best practice, but not on a consistent basis.
- **Advanced practices;** Consistently demonstrating good or best practice and contributing to innovation.

Toolkits are available for:

- Asset management
- Challenge and improvement
- Community engagement
- Customer-focus and responsiveness
- Efficiency
- Equalities
- Financial management
- Governance and accountability
- Information management
- Partnership working and community leadership
- People management
- Performance management
- Planning and resource alignment
- Procurement
- Public performance reporting
- Risk management
- Sustainability
- Vision and strategic direction

All of the toolkits can currently be found at www.audit-scotland.gov.uk/work/toolkits/

ASPE Comment

APSE believes that the independent audit and inspection of public services is vital and that public services should be highly transparent and accountable and views best value as a valid and important method of improving public services.

The creation of the toolkits places a fairly strong emphasis on self-assessment and on the range and quality of information that councils provide about how they are performing and improving. This is welcomed by APSE, working with local authorities we have developed a comprehensive system through the Performance Networks to manage performance over the past 10years. Although useful, APSE would suggest that the toolkits are used alongside other systems that have been developed and refined over a period of years by local authorities such as APSE's performance networks and the Competitiveness Continuum, which will be invaluable tools in BV2. In addition, APSE believes that given the current financial climate, Councils may need to consider commissioning fundamental Best Value reviews increasingly in collaboration with partners operating within an area or across a number of local authority areas and in relation to the effective delivery of outcomes. Again, the APSE Competitiveness Continuum provides a useful model in this regard.

Overall, APSE continues to support Best Value as a method of improving public services. Full details of the toolkits can be found on Audit Scotland website.

www.audit-scotland.gov.uk

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