AUDIT SCOTLAND

Performance management and planning audit

Service level audit: 2000/2001

This document provides guidance on the service level PMP Audit for 2000/2001.

The guidance explains in detail what the audit will cover, what services should do in preparing for the audit, and how auditors should undertake the work.

The guidance is for use by services being audited and by auditors.

It is important that auditors and service staff involved in the PMP Audit familiarise themselves with the content of this guide and follow the approach set out.

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1.   Introduction to the PMP Audit

Best Value in Scotland

Best Value has been progressing in Scottish Councils since late 1997. The Best Value Task Force set out the attributes of a Best Value council in its final report[1]. These have now been fully accepted in principle by Scottish Ministers[2].

Central to these is the requirement for a council to put in place a performance management and planning framework (PMP), Best Value (service) reviews and public performance reporting (PPRg).

Attributes of a Best Value council:

- Commitment to Best Value and acceptance of 4 key principles (accountability, ownership, continuous improvement, transparency).
- Political and senior management leadership.
- Performance management and planning framework (PMP).
- Programme of service reviews.
- Public Performance Reporting (PPRg).
- Commitment to equality issues.

(Task Force final report, para 1.6)

The purpose of Best Value is to ensure that councils provide services that meet the needs of their customers and citizens and provide value for money. They must also demonstrate that they are accountable and delivering continuous improvement. Performance management and planning (PMP) is a means to help achieve these objectives by establishing clear standards and targets for all activities, identifying where and how improvements can be made, and reporting on performance.

Background to the service level PMP Audit

The external auditors appointed by the Accounts Commission have been used to monitor progress by councils in implementing Best Value.

The first PMP Audit was carried out in 1999/00 and covered three service areas in each council. Each of those services agreed a set of improvement actions that they would undertake to improve their PMP framework. Auditors will be following up to see what progress has been made. An overview report of the findings from that audit will be available from Audit Scotland in October 2000.

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[1] Best Value in Local Government: Long Term Arrangements – final report of the Best Value Task Force, 1999
[2] Best Value in Local Government: next steps. Scottish Executive June, 2000

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For PMP2 (covering 2000/01), a further three service areas will be audited in each council. A corporate PMP Audit element has also been added.

This means that for 2000/01 there will be three components to the PMP Audit in each council:

- a service level PMP2 Audit carried out in three services in each council.
- a corporate level PMP2 Audit.
- the follow-up audit of implementation of the improvement actions identified by the three (PMP1) services audited last year.

This audit guide deals with the service level PMP2 Audit. It must <u>not</u> be used for the corporate level PMP2 Audit.

This audit guide is for use by both auditors and the staff who have to complete a PMP Audit submission. The guide explains what the audit involves, how it is carried out, and the roles of the council and the auditor. It also provides detailed guidance on what will be audited, and the information required by the auditor from the council in its submission.

Separate audit guides are available from Audit Scotland for carrying out the corporate level PMP2 Audit and the follow-up audit of PMP1 improvement actions.

Copies of all PMP Audit guides are available on the Audit Scotland web site:

www.audit-scotland.gov.uk

Future of Best Value   The Executive issued its response to the final report of the Best Value Task Force in June 2000. It invited further views on a range of the issues raised by the Task Force, but in essence, the main conclusions of the Task Force were supported. It is possible that legislation will be introduced in 2001/2 to provide a statutory base for Best Value, an approach that was called for by the Task Force. It is important therefore that councils continue to strive to implement a PMP framework as a major contribution to achieving Best Value.

Audit Objectives   The PMP Audit has three main objectives:

- to provide independent, external assurance that the council is making progress on implementing a performance management and planning (PMP) framework
- to help identify good practice and areas of concern
- to ensure that the council and its services are planning for improvement.

The audit will assess:

- the extent to which the council has in place arrangements to support and monitor the introduction of a PMP framework across all services
- whether improvement actions have been identified to address areas of weakness, for which there will be a follow-up audit in subsequent years.

What the audit Involves   There are five main stages to the service audit:

1. The service provides the auditor with a submission. This will comprise a service profile, and for each PMP criterion:
   - background information
   - a completed self-assessment template
   - a list of improvement actions.
2. The auditor reviews the submission, checks evidence and provides feedback to the service.
3. Any amendments to the self-assessment and improvement actions are agreed.
4. The auditor submits a report to service managers and the Chief Executive.
5. The auditor follows-up progress on implementing improvement actions in subsequent years.

2.   The PMP2 Service Level Framework

Scope   The PMP2 Audit framework covers the attributes identified by the Best Value Task Force in its final report. It does this through 10 criteria that cover key elements such as leadership, consultation, Best Value reviews, asset management, financial control, continuous improvement, performance monitoring, and public performance reporting (see Fig 1). The full details of the criteria are set out in the second half of this audit guide.

Figure 1: The PMP2 criteria

1.   Clear leadership for a Best Value approach is provided by elected members, the service head and the senior management team.

2.   We understand the needs, expectations and priorities of all our stakeholders.

3.   We carry out effective Best Value reviews.

4.   We have detailed and realistic plans for achieving our goals.

5.   We make best use of our people.

6.   We make best use of our assets.

7.   We have sound financial control and reporting.

8.   We actively support continuous improvement.

9.   We monitor and control our overall performance.

10. We have an effective approach to public performance reporting.

Format of this guide

The audit guide is structured around the ten criteria. Under each criterion, there are the following sections:

- **What the submission should include**
  This sets out what should be included in the submission. It should contain explanatory text to support the self-assessment made by the service. The submission should also make clear what evidence would be available **if required by the auditor** to validate the assertions being made. In some cases, the service is also asked to provide examples of documentation as part of its submission.

- **Key features of a Best Value service**
  This describes the features of good practice that might be expected. The features described have been drawn up in consultation with councils. The terminology used may not match that used in a particular service, but the underlying ideas should be applicable. The self-assessment template detail reflects the key features.

- **Context**
  Where relevant, additional contextual information is provided to explain the background to that criterion.

- **Self-assessment template**
  Self-assessment templates for each criterion are provided. Service managers should complete all the templates. The auditor will review these self-assessments against the background information and any other evidence.

- **Improvement actions**
  The service is asked to identify any improvement actions it intends to take to improve its PMP framework under each criterion. There is no presumption that there will be actions under each criterion. The service must prioritise what it feels it can realistically deliver. The auditor will review the extent to which the improvement actions relate to the self-assessment and the basis for prioritising these actions.

3. Additional notes on completing the audit

This section sets out the learning points from last year's audit and provides additional general suggestions that will help to ensure that the audit is of a high standard and is completed efficiently.

Evidence based

It is an important feature of the PMP Audit that it is evidence based. This means that when the service prepares its submission, it should be mindful of the fact that it should be able, **if required**, to provide evidence to support the claims made. The evidence may be in the form of documents, or gathered through discussion with staff or observation. The audit will not require evidence to be produced simply for the sake of the audit but will draw upon evidence that it would be reasonable to expect managers to have for their own purposes. The submission should make clear in specific terms what evidence could be made available to support the self-assessment. To ensure clarity, services may find it helpful to provide a list of supporting evidence for each of the criteria in its submission.

In order to avoid unproductive effort, the service does not need to provide the evidence with its submission, except where specifically required to do so in the guidance. The auditor will indicate which evidence she/he wishes to review having studied the submission. However, the service should ensure that the evidence is readily to hand if it cites it in its submission.

Auditors will strike a balance between the range of evidence they may wish to see, and the depth to which they will wish to go. The starting assumption will be that evidence-based claims made in a submission are accurate. The auditor will check evidence for a sample of material statements in the submission to satisfy her/himself that this is the case. Where it is not the case, then evidence checking will have to be increased

The auditor will expect evidence to be available to support the submission, but will not require the service to provide an unreasonable level of documentation for every aspect of its approach. The audit will not be a 'bureaucratic paper chase'. Nevertheless, services must also recognise that they must play their part by ensuring that their submission makes clear where supporting evidence could be provided if required. Anecdotal and unsupported claims will not be acceptable.

Evidence checking will be carried out on a sample basis. Auditors will be assessing whether an approach is in place, and how extensively it is being applied. Services should aim to maximise the extent to which the same evidence can be cited to support judgments across a number of the criteria.

Getting behind the paperwork

Both services and auditors should aim to identify where evidence other than documentation can be provided to support the submission. In particular, auditors should consider where direct observation or interviews with staff or service users could be used to test claims made in the submission. The aim should be to show that the approaches and achievements identified in the submission are actually happening 'on the ground'.

Using evidence already gathered for other assessments

If the service has already gathered relevant information or evidence as part of **an evidence-based** assessment for a recognised quality model (such as EFQM, IIP or ISO 9000-9004), it can cross- reference its PMP2 submission to the completed model documentation. There is no need to rewrite the information, although it should ensure that the evidence cited adequately addresses the detail of the PMP criterion and self-assessment template. The service must ensure that the cross-reference to the quality model assessment is sufficiently detailed to allow the auditor to easily source the required information (i.e. a document, page and paragraph reference must be given**)**. The quality model documentation should also, of course, be passed to the auditor if it is cited as the evidence. **The service should ensure that the evidence cited is still fully representative of current practice.**

Focusing on achievement not compliance

The 'key features' part of the audit guide sets out what are generally agreed to be sound approaches to the PMP framework. However, it is always possible that a service has developed an approach that delivers the same end result but is different from that set out in this guide. If that is the case, and there is supporting evidence, then this is entirely acceptable and should be assessed as such.

Briefing for the auditor

Feedback from last year's audit suggests that time can be saved by arranging a briefing session by each service for the auditor when the service is ready to hand over its submission. This will allow the service to set its submission in context and help the auditor gain a fuller understanding more quickly of the service's overall approach to Best Value. **It is strongly recommended that this be done.**

The briefing should focus on providing auditors with background knowledge to appreciate the submission. **It should not aim to go through the detail of the submission.** Following the briefing, the auditor will then review the submission and arrange further meetings as necessary to follow up detailed queries.

Some services and auditors last year found it useful to pre-arrange a second meeting so that, having reviewed the submission, the auditor could clarify any points of detail quickly before starting the evidence checking. In any case, it is essential that an ongoing constructive dialogue takes place between the auditor and the service during the course of the audit.

Improvement actions

As mentioned above, the service is also asked to provide **as part of its submission** a list of improvement actions it plans to undertake in order to improve its overall PMP approach. The actions should relate to areas for improvement identified through its self-assessment as well as through other work (e.g. Best Value reviews). The actions might relate to:

- improving the approach under any of the criteria
- improving the extent to which the approach is being used throughout the service
- integrating the approach more into everyday practice
- improving how the approach is reviewed and how lessons are applied.

Selecting improvement actions

It is likely that the audit, and other review work, will result in the service identifying a large number of potential improvement actions that it could undertake. In many cases, the number of actions will be greater than can be realistically undertaken at one time, in which case the service should be able to show that it has assessed what it can realistically undertake and has prioritised those actions that it believes are most important. Auditors may wish to satisfy themselves that there is a sound basis for the selection.

Linking the corporate and service PMP Audits

Auditors

The corporate PMP Audit will provide a good understanding of the council's overall approach to PMP. This will provide a valuable context for the service level PMP submissions. The corporate and service audits should therefore be undertaken as an integrated package of work. The audit report for the corporate audit should incorporate any findings from the service level PMP Audits that have implications for corporate level action.

Service managers should be aware of the scope of the corporate audit. Where aspects of the service's approach are determined by corporate guidance, and these are covered in the corporate audit, the service submission may cross-refer to the corporate audit. **However, the service will still be expected to show in its own submission and self-assessment how that guidance is actually being applied in the service. It will not be sufficient simply to make the cross-reference.**

Councils should ensure that during the course of the overall PMP Audit there is continuing close dialogue between the corporate centre and the three services being audited so that collective or common issues relevant to the audit are dealt with efficiently.

In order to support an integrated view of the two audits, the overall timetable for the audit set out on the flowing pages covers both corporate and service level audits.

Using the audit to support performance

The overwhelming feedback from services that were audited last year was that the audit was hard work and challenging but ultimately productive and useful for the service. It provided an opportunity for managers to stand back and review their service and benefit from an external, independent and constructive challenge. A positive attitude from staff completing the audit helped to produce the most productive outcome.

The average time input from a service for the audit was 10 days, with almost half taking around 5 days or less. The most productive approach for a service to preparing the submission was found to be to involve a number of staff at various levels. This helped to ensure a balanced view and also helped to generate a wider understanding among staff of Best Value generally. A copy of the evaluation report on the first PMP Audit is available on the Audit Scotland web-site.

Maximising the usefulness of the audit by avoiding slippage.

A number of audits experienced significant slippage last year, with the result that there was sometimes severe pressure on services and auditors to complete submissions and reviews by the deadline.

As a result, many audits were not completed until the end of March or later. In some cases, this may have meant that the service was not able to use the results of the audit to inform its thinking as it finalised its service plans for the approaching new financial year.

It is strongly suggested therefore that services and auditors agree and meet deadlines that allow agreement to be reached on the PMP2 Audit findings by the end of February at the latest. **A suggested timetable is set out below.**

4.   Key stages of the audit: summary

Getting started

June 2000	1. Council selects and notifies the three services selected for PMP2 Audit. 2. Auditor checks that this has been done and arranges dates for set-up meetings and briefings (strongly recommended) in September.
Mid August	3. PMP2 material sent to auditors and services.
29th August 30th and 31st August	4. Workshop for Auditors on PMP2 Audit. 5. Workshops for councils on PMP2 Audit.
September	6. Auditor meets with council (corporate and services) to agree dates for briefings and receipt of submissions for each PMP Audit. Contact people agreed. **It is strongly suggested that these dates are agreed at a meeting attended by all services being audited and the corporate centre.** The following key dates should be agreed with each service being audited: • the date by which it will hand the completed submission to the auditor • the date by which the auditor will notify managers of any concerns with the submission and what evidence is required • the date by which the evidence will be provided • the date by which the auditor will formally meet relevant corporate staff to provide feedback on the audit and finalise findings • the date by which the audit report will be submitted. Regular and timely contact should be maintained during the course of the audit. 7. The auditor should agree with the services audited last year when they will provide a report on implementation of the improvement actions agreed as part of last year's audit. 8. Details of the overall timetable should be sent by the auditor to Performance Audit at Audit Scotland using the template provided.

Main audit

Mid Sept – end Dec	9. Services and corporate staff prepare submissions. The timescale allows for phasing of the submissions (ideally with the corporate submission first as it will provide a useful overview). **However, it is crucial that if there are any delays in the corporate submission being produced, this does not delay services making their submissions.** Phasing the submissions should help to prevent a bottleneck developing. Suggested phasing:
	• Corporate submission – by end of October **latest**.
	• Two service submissions – by end of October **latest**.
	• Third service submission – by end of November **latest**.
	It is important to avoid a situation where all the submissions are given to the auditor late in the audit cycle.
	10. Separate briefings held for each PMP2 Audit (recommended) and submissions passed to auditor.
	11. Main audit work carried out:
	• Auditor checks that all documentation has been completed for each of the PMP Audits.
	• Auditor clarifies any areas of doubt or ambiguity and obtains any additional information to address gaps in the submission.
	• Auditor notifies corporate level as to what evidence will be required.
	• Evidence provided and checked.
	• Auditor notes potential areas of concern re approach, deployment, improvement actions.
	• Auditor makes any revisions to templates as a result of audit work.
	• Auditor reviews list of proposed improvements submitted by the service to check that:
	i. the planned improvement actions relate to the submission and to the audit findings.
	ii. the improvement actions are framed in SMART terms.
	iii. the improvement actions appear to be realistic

	• Auditor identifies any suggestions for changes in the improvement actions.
	• Auditor provides relevant managers with a copy of his/her assessment of the templates and a note of issues for discussion. A meeting is arranged with relevant managers to discuss and agree findings. Auditor provides an agenda that will be the basis for discussion. This will enable managers to look through the auditor's initial comments before the meeting so that they have time to consider their response to the auditor's initial conclusions.
End of February latest	12. Auditor agrees with relevant corporate staff findings and conclusions and the list of improvement actions against which the corporate/service's progress will be formally audited in future years.
End of February latest	13. Auditor follows up improvement actions from PMP1 audit and reports to each service. Agrees any areas of concern and further action.
End of March latest	14. Auditor finalises reports for services and CEO (latter incorporating the corporate audit, corporate issues arising from the PMP2 service level audits, and concerns arising from the follow up of PMP1 improvement actions).
	15. Auditor copies documentation to Performance Audit at Audit Scotland.

Audit support   Audit support will be provided by Performance Audit at Audit Scotland.

- Alan Neilson   0131 624 9936
- Derek Stewart   0131 624 9938
- Mik Wisniewski   0131 624 9937

Performance Audit will be tracking the progress of the audit and may contact Auditors and councils to discuss the audit. The aim of these discussions will be to assess whether the audit is progressing as anticipated.

A detailed quality review of the audit will be undertaken by Audit Scotland HQ.

5. Completing the submission

The following should be provided to the auditor as the submission:

- A service profile.
- Background information for each criterion.
- Completed self-assessment templates for each criterion.
- A list of improvement actions under each criterion and an accompanying self-assessment.

Service profile

The service being audited should provide the following background information to the auditor:

1. Gross revenue budget for the service area being audited.
2. A summary of the main activities carried out/services provided.
3. Number of staff (total number rather than FTE).
4. The organisational structure for the service area.
5. The reporting line for the service area to the council's senior management structure.
6. A description of where in the council's committee structure (or other system) elected members oversee the performance of the service area.

Background information

For each criterion, the service should produce background information covering the topics indicated in the guide and complete the self-assessment template.

The background information is intended to provide a concise explanation and context to support the self-assessment. **Service managers are required to produce a short summary report addressing all of the bullet points listed under the heading "the submission should include" under each criterion. The report should also provide a list of sources of evidence to support the submission, cross-referenced against the self-assessment template.**

Completing the templates

If possible, the electronic version of the audit guide should be used to complete the self-assessment templates. An electronic version of the guide and a separate computer file containing just the templates in Microsoft Word is available from the auditor. They can be downloaded from Audit Scotland's web site (www.audit-scotland.gov.uk). Computer files with the completed documentation can then be passed to the auditor.

The templates cover features that relate to what might be expected in a 'best value service'. For each of the 'features', you are usually asked to make an assessment of the service's approach, and the extent to which the approach is being used across the whole service (the 'deployment' of the approach).

For the 'approach', a range of options is usually given from A to E. The meaning of the options is shown below. It is repeated as a "scorecard" in Annex B.

A	There is no approach or there is little or no <u>evidence</u> of an approach.
B	There is limited evidence of some elements of an approach.
C	There is clear evidence that there is an approach but the approach is generally ad-hoc. There is little or no structured or consistent basis to the approach; it tends to be generally reactive; it is not integrated into everyday practice; its application may be irregular and inconsistent; there is little or no information to show whether the approach is working.
D	There is clear evidence that there is a structured and systematic approach that is generally applied consistently and according to agreed and understood principles; it is proactive where applicable; the approach is applied regularly and as frequently as required; there is some evidence to show whether the approach is working; however, there is <u>little or no evidence</u> that the <u>approach itself</u> has been reviewed to improve it.
E	As for D but the approach is also clearly integrated into everyday working practice. There is clear evidence that the approach is achieving its objectives and is working. There is also clear evidence that the effectiveness of the approach is kept under review and changes and improvements to the approach are made as necessary as a result of review.

The descriptions should be treated as indicative rather than as precise comprehensive descriptions of your approach. Please select the option that best describes the general approach in your service for each feature in the templates. Add any commentary you feel is necessary to qualify the option if required. Where other options are provided in a template, the terms should be self-evident. When using the electronic version, it is suggested that you delete those options that . **If an element of a criterion is not applicable to your service, enter 'N/A' with a brief explanation as to why this is the case.**

Where you are asked to make an assessment of the extent to which the approach is **actually used** throughout the council, the options are usually:

Some	Up to about 40% of the service
Half	Between about 40% and 60%
Most	Between 60% and 90%
All	Over 90%

Again, the options should be treated as indicative, not as precise measures.

Completing the improvement actions box

Indicate briefly in the box marked 'improvement actions', any actions under that criterion that you intend to take to improve your approach and/or deployment. These will be set out in detail in annex A at the end of this guide.

There is no presumption that improvement actions should be identified for every aspect of the approaches in the self-assessment template, nor indeed, for every criterion. The service will have to prioritise what it can realistically undertake. However, you should be able to offer a clear rationale for the choice of improvement actions.

Completing the innovative practice box

If services feel that elements of their work would be of particular interest to others as examples of innovative or successful practice, details can be provided in this box. The details should include:

- a description of the work/approach
- rationale for its selection as innovative or successful practice
- a contact point for further information.

Note to auditors

Review the service's self-assessment and note any areas where you feel the background information and evidence you have checked do not support the service's assertions. Include any commentary to support where you feel the assessment should be changed.

At the end of each criterion, please complete the boxes that ask for a summary and assessment of the evidence that you reviewed. Please note that there is no presumption that you will have checked evidence for every part of the self-assessment. There is also a box to record any comments and areas of concern that you have under that criterion. These comments and your notes on the self-assessment will form the basis for discussion with corporate staff and your report.

Following your review of the background information, the self-assessment templates and the evidence, check if the improvement actions relate to the areas of concern identified and to likely priorities. If no improvement actions have been identified for a criterion, check if that seems defensible in terms of priorities. Be prepared to challenge the service.

Auditors should also complete the shaded boxes that follow the templates under each criterion.

1. Clear leadership for a Best Value approach is provided by elected members, the Service Head and the senior management team.

The submission should include:

- A copy of the service or business plan.
- A description of how the service has developed its approach to Best Value.
- An assessment of the extent to which the core features of Best Value are reflected in that approach.
- A description of how the approach has been communicated to staff.
- An assessment of the extent to which staff across the service understand the approach and what it means for them.
- An assessment of the extent to which the core features of Best Value are reflected in the way the service operates.
- An assessment of the extent to which the approach is clearly and explicitly reflected in the service's strategies and plans.
- Examples of changes that have taken place over the last two years in the way the service operates that reflect Best Value in practice.
- A list of sources of evidence.
- Completed self-assessment using the template.
- A list of improvement actions.

Features of a Best Value service

The Head of Service and senior managers have translated Best Value into a clear set of expectations for the service. Those expectations reflect core Best Value principles such as: providing services designed to meet customer needs; continuous improvement; getting the best cost/quality balance; equality; and public accountability and responsiveness. Those expectations are expressed in terms that provide a clear direction for staff, and are communicated widely. The language used is relevant to staff. Staff are involved in developing those expectations to ensure ownership.

Feedback is gathered to ensure that the communication has been effective.

It is clear that these Best Value expectations inform all aspects of the service's strategies and operational plans.

Elected members provide consistent support for a way of working for the service that will deliver Best Value.

Context

The Task Force final report identified leadership from elected members and senior management as a key requirement for Best Value. Councils generally have identified that pursuing Best Value requires a culture change. It is overwhelmingly the case that culture change needs clear leadership from the top.

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Self-assessment template 1	
Features	**Assessment**
. The service has developed and implemented a clear approach to Best Value, including:	
a) involving stakeholders in determining priorities and service standards and targets.	A B C D E The approach is being applied across: some/ half / most / all of the service.
b) designing services around customer needs.	A B C D E The approach is being applied across: some/ half / most / all of the service.
c) achieving continuous improvement.	A B C D E The approach is being applied across: some/ half / most / all of the service.
d) getting the best cost/quality balance.	A B C D E The approach is being applied across: some/ half / most / all of the service.
e) equality (covering, for example, access, responding to diversity, and inclusion).	A B C D E The approach is being applied across: some/ half / most / all of the service.
f) public accountability through effective and open reporting of performance.	A B C D E The approach is being applied across: some/ half / most / all of the service.
g) others (please specify).	A B C D E The approach is being applied across: some/ half / most / all of the service.

. Relevant elected members[3] are fully involved in formulating the service's approach to Best Value.	A B C D E Covering: none / some / half / most / all members
. The relevant committee has agreed the approach.	Yes / no
. Staff are involved in formulating the service's approach to Best Value.	A B C D E Covering: none / some / half / most / all staff.
. The service's approach to Best Value has been communicated systematically throughout the service in terms that are relevant to staff and set out clear expectations about a Best Value way of working.	A B C D E It has been promoted to: none / some/ half / most/ all staff in the service.
. The approach is clearly reflected in the service's strategies and service plan(s).	No clear links/ some links/ most elements of the vision evident/ comprehensive links.
. The service has made progress on all attributes of Best Value.	There is clear progress on: none / some / most / all attributes of Best Value Across: some / half / most / all the service.

Improvement actions

Managers completing the self-assessment: please summarise here any improvement actions that you intend to take to address any of the issues identified under this criterion.

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[3] Those members with a direct responsibility for overseeing the service area's performance

Evidence

The auditor should summarise here her/his assessment of the adequacy of the evidence that was available to support the submission and audit evaluation.

The service <u>identified</u> evidence to support (none / some/ half / most/ all) of its submission.

Documentary evidence was checked in relation to template prompts (   ) and overall was found to be satisfactory/unsatisfactory.

The following non-documentary evidence was used:

Additional comments on evidence base:

Auditor notes	Summarise any key areas for concern based on your findings for this criterion. These may relate to the service's self assessment, the evidence base, or the improvement actions
Areas of concern	Justification for inclusion

Auditor: Do you have any other comments (in addition to those above) in relation to this criterion for discussion with service managers?

Auditor and council staff: please summarise any examples of innovative or successful practice that you feel would be of interest to other councils.

2. We understand the needs, expectations and priorities of all our stakeholders.

The submission should include:

- A brief overview of the service's approach to consultation, with examples. *Consultation should be interpreted in its widest sense to include all approaches involving stakeholders.*
- An assessment of the approach to consultation.
- Examples of how the findings from consultation have been used in the planning, design, and improvement of services.
- An assessment of the cost-effectiveness of the consultation activity.
- An assessment of how the service anticipates future changes in stakeholder's needs and expectations and reflects these in its plans.
- Documentation relating to one completed consultation exercise.
- A list of sources of evidence.
- Completed self-assessment using the template.
- A list of improvement actions.

Features of a best value service

Best Value requires services to develop a customer/citizen focus. A best value service is responsive to the needs of its communities, citizens, customers and other stakeholders, and its plans and priorities are demonstrably based on such an understanding. It makes sure that it involves stakeholders in helping to identify policy and service priorities, including service availability, the standards of service to be delivered, and improvements that are required. Approaches to such consultation may involve community forums, citizens' juries, customer panels, surveys and other methods.

The service has identified its key stakeholders for its main areas of activity. These may include: citizens, service users (internal and external), elected members, the business community, the voluntary and independent sectors, suppliers, government, interest groups, staff, partner organisations, inspection and audit bodies. Reaching non-users may be important. It reviews the approach to consultation to see how it can be improved.

The service is clear about why it is consulting, it targets relevant stakeholders, and it employs cost-effective approaches to consultation. Stakeholders feel that they have genuine opportunities to make their voice heard and that the service listens to, and takes account of, their views. The service can show how it has used the results of this work in planning, designing and improving services.

A best value service also looks ahead to understand how stakeholder needs and expectations may change in the future. Changes might relate to the demography of the area, the social or cultural environment, the local economy, legislation, and local or national political priorities.

There may be others.

Such analysis ensures that the service proactively plans to respond to those changing needs. The results and service implications of such analysis are fed back to all managers who are engaged in planning so that they ensure their plans take such factors into account.

Self-assessment template 2	
Features	**Assessment**
. The service has built consultation into its regular service planning cycle.	A B C D E for: none/ some/ half / most/ all activities.
. A systematic approach to identifying who to consult and how to reach them is evident.	A B C D E for: none/ some/ half / most/ all activities.
0. The approach includes reaching relevant groups that may be 'hard to reach'.	A B C D E for: none/ some/ half / most/ all activities.
1. Consultation is used to obtain relevant[3] information on user satisfaction with services.	A B C D E for: none/ some/ most/ all activities.
2. Consultation is used to gather relevant information on future needs.	A B C D E for none/ some/ most/ all activities.
3. Consultation is used to obtain information on how services can be improved.	A B C D E for: none/ some/ most/ all activities.
4. There is co-ordination of consultation exercises and sharing of information (as relevant) with other services/bodies.	A B C D E for: none/ some/ most/ all activities.
5. Consultation exercises have clear objectives.	never/ sometimes/ usually/ always.

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[3] Relevant means that it relates to the right issue, covers the right stakeholders, and is still sufficiently up-to-date to guide action.

6. Consultation exercises result in clear recommendations for action that are implemented.	Consultation exercises: never/ sometimes/ often/ always result in clear recommendations for action. The recommendations are: never/ sometimes/ often/ always implemented.
7. The service reviews its approach to consultation to ensure value for money.	A B C D E

Use the following template to assess the sample consultation exercise documentation

Consultation exercise assessed: …………………………………………..

Self-assessment template for one consultation exercise	
Features	**Assessment**
18. There were clear (SMART) objectives for this exercise in terms of what the service was seeking to find out.	No / qualified no / qualified yes / yes
19. There was a clear rationale as to why this particular method of consultation was being used.	No / qualified no / qualified yes / yes
20. There was a clearly defined audience/group of participants.	No / qualified no / qualified yes / yes
21. There was a clear rationale as to why they were chosen.	No / qualified no / qualified yes / yes
22. The consultation exercise reached its intended audience.	No / qualified no / qualified yes / yes
23. The resource requirements/implications of the consultation exercise were clearly set out.	No / qualified no / qualified yes / yes
24. There were clear recommendations for service improvement as a result of the exercise.	No / qualified no / qualified yes / yes
25. These have been implemented.	No / qualified no / qualified yes / yes
26. The service has assessed whether the exercise demonstrated value for money (looking at the overall benefit of the exercise against the costs/resources/time required).	No / qualified no / qualified yes / yes

Improvement actions

Managers completing the self-assessment: please summarise here any improvement actions that you intend to take to address any of the issues identified under this criterion.

Evidence

The auditor should summarise here her/his assessment of the adequacy of the evidence that was available to support the submission and audit evaluation.

The service <u>identified</u> evidence to support (none / some/ half / most/ all) of its submission.

Documentary evidence was checked in relation to template prompts (   ) and overall was found to be satisfactory/unsatisfactory.

The following non-documentary evidence was used:

Any comments on the evidence base:

Auditor notes	**Summarise any key areas for concern based on your findings for this criterion. These may relate to the service's self assessment, the evidence base, or the improvement actions.**	
Areas of concern	Justification for inclusion	

Auditor: Do you have any other comments (in addition to those above) in relation to this criterion for discussion with service managers?

Council staff: Please summarise some examples of improvements in the planning, design, or improvement of services that have been achieved as a result of consultation.

Auditor and council staff: please summarise any examples of innovative or successful practice that you feel would be of interest to other councils.

3. We carry out effective Best Value reviews.

The submission should include:

- A description of how the service's program of reviews is determined and managed.
- A description and assessment of how the service ensures that reviews are rigorous and challenging.
- A list of the Best Value reviews completed in your service area.
- An assessment of the impact made so far by your Best Value reviews.
- A summary of the remaining review programme.
- A summary of any lessons learned that have been used to improve the overall review program and individual reviews.
- A 'terms of reference/scoping' report and final report for one completed Best Value review.
- A list of sources of evidence.
- Completed self-assessment using the template.
- A list of improvement actions.

Where corporate guidance or approaches exist on any of the following bullets, the submission may refer to that guidance. However, the background information and self-assessment should be completed to show how the corporate approach is actually being applied within the service.

Key features of a Best Value service

Best Value reviews rigorously assess what the activity is aiming to achieve, whether it is still required, and whether is will continue to meet future needs. It evaluates which options are available and which will ensure that customers receive the highest quality of service possible within the resources available. Options may include in-house provision, service reconfiguration, partnership working, outsourcing, externalisation or a mix of these. There is a structured and documented approach to the evaluation of options. Where a developed market exists for an activity, full consideration is given to the use of market testing or open competition. The ethos is an open-minded approach to finding out what will work best in the local context.

Decisions on options take into account both quality and cost factors. Political and managerial judgment may also be involved. The evaluation process makes clear what these criteria were and how they were applied in reaching a decision.

A Best Value service will pay attention to both the overall management and support of the review program as well as ensure that individual reviews are carried out rigorously. It distinguishes between Best Value reviews that should be scoped so as to open up the possibility for radical change and improvement, and on-going smaller scale continuous improvement projects (see criterion 8). Both are undertaken.

Reviews may take as their focus a policy, a specific service, a geographical area, a community of interest, a cross-cutting issue, a

function (e.g. procurement), a structural issue (e.g. area office network), etc. Whatever the mix of reviews, the service will ensure that all its activities are covered at some point, and that the 4 Cs are applied in a systematic manner.

Reviews should be scoped, prioritised, and resourced on an intelligence-led basis. That is, the focus, scope and priority of the reviews in the program will have regard to the strategic issues facing the service, known performance issues, and an initial assessment of the potential benefits that might be expected from a review given what is known about current problems and comparative providers.

Carrying out reviews takes valuable time and energy. The opportunity cost is high. Therefore a service takes steps to match the investment in a review to potential benefits. The greater the scope and complexity and potential for improvement, the more resources are devoted to the review. Where an initial evidence-based documented assessment shows acceptable performance and little scope for alternative approaches, then resourcing and timescales reflect that fact. Reviews are included in service plans to ensure that they are programmed within available resources.

Reviews are focused on solving problems and finding improvements. Techniques are used as appropriate, not as ends in themselves. Benchmarking of performance data, processes and overall approaches is carried out with partner organisations that have been selected as relevant.

Implementing a review's recommendations requires staff time and commitment. So implementation is integrated into the planning process so that recommendations for action are reflected in fully costed service plans.

Review teams are given guidance that sets out the expectations that a review must meet. The guidance covers, among other things, how the 4 Cs are to be addressed, how option appraisal should be used and evidenced, and how to match investment in the review to scale, complexity and potential benefits. The guidance may be corporate or specific to the service.

The service ensures that review teams are properly trained and that an element of independent challenge is incorporated during the review and at the end.

There is a clear reporting framework for reviews, which involves senior management and elected members. Reporting should be timely. Each report should include the background information, detailed analysis, and well-argued conclusions and options/recommendations, which allow informed decision making to take place.

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The review programme is project managed. Senior management monitor progress of the overall programme and impact of individual reviews.

Quality assurance/control processes (QA/QC) are used to ensure that reviews are rigorous, genuinely explore options, address the 4 Cs, and result in tangible improvements. There is a commitment to ensuring that services are competitive with realistic alternatives. The QA/QC processes ensures that action is taken timeously where a review is not robust, lacks direction, becomes irrelevant, or is not on course to complete its remit in the agreed timescale. Lessons on conducting effective reviews are learned and shared across the service/council.

Context

Over a 5-year period, every council is required to subject all of its activities to a challenging review that encompasses the 4 Cs (challenge, consult, compare, compete). The purpose is to establish whether a particular service should (continue) to be provided, and how it should best be provided to achieve the greatest contribution to council priorities. Reviews should also cover activities that have been externalized or are provided through partnering arrangements.

Best Value is not prescriptive as to how needs and expectations should be met or how services should be provided. However, there is a clear expectation that the best cost/quality balance is obtained. This requires services to have a clear view on their comparative performance (where applicable) and assess the scope for realistic improvement. Often, therefore, a key part of the review should involve some form of option appraisal to review alternative means for securing the service or a particular set of benefits. An open-minded approach is required. Where an option appraisal is not conducted, there must be a clear rationale put forward to justify remaining with the status quo.

There is evidence to suggest that in some councils, some Best Value reviews have been focused at too low a level. The result is a large number of small-scale operational reviews that have limited scope to consider radical or innovative improvements. Slippage also tends to be significant and the overall impact of the significant staff effort may be limited.

Self-assessment template 3	
Features	**Assessment**
7. The service has a systematic approach to determining its overall programme of Best Value reviews to ensure that: • reviews cover significant topics that provide scope for challenge • reviews address areas of strategic concern for the service and its stakeholders • reviews are prioritised on a rational basis with particular attention given to areas where performance/customer satisfaction is poor • reviews are rigorous and address the 4 Cs • all areas of the service will be reviewed over a 5 year period.	A B C D E (across all the bullets) For: some / half / most / all Best Value reviews
8. Elected members agree the review program.	Yes/No
9. The service has a quality assurance process that ensures that reviews are rigorous and challenging.	B C D E
0. The service ensures that the timescale, staff input, use of techniques etc during a review are commensurate with the scope, complexity and potential for improvement.	B C D E pplied to some/ half /most/ all reviews
1. Membership of a review team is formally recognized by line management in terms of duties and time allocation allowed for relevant staff to participate.	o / qualified no / qualified yes / yes
2. Best Value reviews are included in the service plan.	o / qualified no / qualified yes / yes
3. Senior management team monitors progress of the overall review program, covering such things as: • outcome of reviews • recommendations accepted by members • implementation progress and impact • reviews ongoing, progress and expected completion • priorities in the programme of remaining reviews.	B C D E

4. Senior management monitor the quality of reviews on a systematic basis. Action is taken to address areas of concern.	A B C D E
5. Relevant members are kept informed of the progress and impact of the Best Value review programme. Action is taken to address areas of concern.	A B C D E
6. Elected members have a clear role in challenging review findings and agreeing review conclusions.	A B C D E No / at corporate level/ at service level
7. The review reports submitted are representative of the quality of review work undertaken within the service.	No/ qualified no/ qualified yes/ yes

Please complete the remainder of this template for a completed Best Value review. If the review has not yet been completed, address those parts of the template that relate to progress to date. If no Best Value reviews have yet been started in this service area, please indicate when the first review is scheduled to start.

Self-assessment template for a Best Value review (using the reports provided in the submission) Activity/service area reviewed……………………………………………… OR: no review work has yet started. Scheduled start is:…………………….

8. A full proposal was provided for the review which included the following information:	
a) the scope of the review and the business case for selecting that topic	No / qualified no / qualified yes / yes
b) an initial assessment of the current situation	No / qualified no / qualified yes / yes
c) areas for potential challenge and exploration	No / qualified no / qualified yes / yes
d) an indication of scope for improvement or innovation	No / qualified no / qualified yes / yes
e) a project plan of the tasks to be carried out, which match the scope, scale and importance of the review	No / qualified no / qualified yes / yes
f) a timescale for the review	No / qualified no / qualified yes / yes
g) an assessment of resources required for the tasks	No / qualified no / qualified yes / yes
h) any training and support that will be required by the team and how it will be provided	No / qualified no / qualified yes / yes
i) a reporting timetable including interim and final reporting;	No / qualified no / qualified yes / yes

9. The review covered the following areas:	
a) an analysis of past and current performance, including comparators wherever possible and performance against the service's own targets.	No / qualified no / qualified yes / yes
b) the competitiveness of the activity was analysed, where applicable.	No / qualified no / qualified yes / yes
c) systematic option appraisal was used to explore other policy choices and delivery options.	No / qualified no / qualified yes / yes
d) account was clearly taken of the informed views of stakeholders (particularly users, potential users, and staff) in developing options and recommendations.	No / qualified no / qualified yes / yes
e) an element of independent challenge was incorporated both during and at the end of a review.	No / qualified no / qualified yes / yes
f) benchmarking of performance and processes was used as appropriate.	No / qualified no / qualified yes / yes
0. The review considered: • whether the service should continue • if so, the level and way in which it should continue • who should deliver the service.	No / qualified no / qualified yes / yes No / qualified no / qualified yes / yes No / qualified no / qualified yes / yes
1. Staff on the review were given the training and support needed to complete the review successfully.	No / qualified no / qualified yes / yes
2. A full range of options was identified and evaluated. These were as follows :	No / qualified no / qualified yes / yes
3. If the answer to prompt 42 is **No,** which options that could have been considered were not reviewed?	List:
4. A clear rationale for not considering these options was given in the final review report to elected members.	No/ qualified no / qualified yes / yes / N/A

5. Clear appraisal criteria for choosing between options were identified at the outset.	No / qualified no / qualified yes / yes
6. All options were reviewed in terms of both cost and quality.	No / qualified no / qualified yes / yes
7. The review report was: • concise, clear, and readable • contained clear preferred options or recommendations based on analysis and evidence.	No / qualified no / qualified yes / yes No / qualified no / qualified yes / yes
8. The review recommendations were clearly set out and reported to members.	No / qualified no / qualified yes / yes
9. There was a clear explanation as to why the preferred option was recommended.	No / qualified no / qualified yes / yes
0. The report clearly set out the service improvements that were expected as a result of this option.	No / qualified no / qualified yes / yes
1. The report clearly set out: a. efficiency savings identified b. opportunities for reprioritising within existing resources c. quantified rationale for new investment.	No / qualified no / qualified yes / yes No / qualified no / qualified yes / yes No / qualified no / qualified yes / yes
2. A concise evaluation of each option was reported to members.	No / qualified no / qualified yes / yes
3. The review recommendations were:	Adopted/ Modified/ Rejected by members
4. The recommendations have been implemented.	Yes / No / Partly / Not yet
5. It is clear how the performance of the selected option will be monitored.	No / qualified no / qualified yes / yes
6. The expected improvements have been achieved.	Yes / No / Partly / Not yet
7. If the answer to prompts 56 is other than **yes**, is there a clear timetable for full implementation?	No / qualified no / qualified yes / yes
8. Members were involved in the review process (other than agreeing the final report).	No / qualified no / qualified yes / yes

Improvement actions

Managers completing the self-assessment: please summarise here any improvement actions that you intend to take to address any of the issues identified under this criterion.

Evidence

The auditor should summarise here her/his assessment of the adequacy of the evidence that was available to support the submission and audit evaluation.

The service <u>identified</u> evidence to support (none / some/ half / most/ all) of its submission.

Documentary evidence was checked in relation to template prompts (   ) and overall was found to be satisfactory/unsatisfactory.

The following non-documentary evidence was used:

Additional comments on evidence base:

Auditor notes	**Summarise any key areas for concern based on your findings for this criterion. These may relate to the service's self assessment, the evidence base, or the improvement actions**
Areas of concern	Justification for inclusion

Auditor: Do you have any other comments (in addition to those above) in relation to this criterion for discussion with service managers?

Auditor and council staff: please summarise any examples of innovative or successful practice that you feel would be of interest to other councils.

4. We have detailed and realistic plans for achieving our goals.

The submission should include:

- A list of the plans produced annually by the service.
- A copy of the current service or business plan.
- A description and assessment of how the service works with other relevant organisations to ensure a 'joined-up' approach to meeting customer and community needs.
- A description and assessment of how the service ensures its plan(s) are realistic and deliverable.
- An assessment of the use made of multi-year planning and budgeting.
- A description and assessment of how the service communicates its plans to, and ensures ownership by, staff.
- A description and assessment of how the plan is revised to keep it relevant.
- A description and assessment of how progress against the plan is monitored.
- A list of sources of evidence.
- Completed self-assessment using the template.
- A list of improvement actions.

Key features of a best value service

Clear and concise plans are essential in a best value service. Plans integrate corporate and service priorities and set out what the service intends to do, its overall priorities, performance standards and targets to be met and the resources involved. The plan brings together national and local priorities and sets out a realistic resourced set of activities with clear objectives.

The service listens to stakeholders as it formulates its plans to ensure that it is responding to the needs and priorities of its communities.

Plans provide the basis for guiding decisions and action, and for holding the service to account. Managers and members periodically review achievements against the plan. The plan is kept under review and revised as necessary to reflect changes in priorities, objectives or resources. Changes are recorded and communicated to stakeholders.

Although a service may have to produce more than one plan, the service makes sure that these are internally consistent and produced as part of a single planning and budgeting process. This ensures that they are all mutually achievable within given resources.

Some of the service's goals and objectives may involve working with other organisations: health boards and trusts, Scottish Homes, enterprise agencies, fire and police services, voluntary sector agencies. A best value service ensures that such partner organisations are aware of each other's plans and have understood and agreed their respective roles in contributing to these. The broad role, contribution and responsibility of each organization is agreed. There are means for clearly identifying the

extent to which these roles and /responsibilities are being met and the progress being made towards achieving the identified objectives.

A best value service ensures that its plans are clearly based on the resources it has available. Resources will include finances, people, assets and information. The service knows what resources are available and ensures that they are applied to the right activities. Service plans have been properly costed and budgeted and are realistic and achievable given the available resources.

The service ensures that decision makers are aware of the future financial implications of commitments set out in its plans. It also ensures that it plans ahead to match resources to its longer term strategic objectives. It does this through developing multi-year planning and budgeting.

Within the service, there are mechanisms for ensuring that the commitments set out in plans are translated into specific tasks for teams and individuals to undertake and these are communicated. Management knows whether staff understand the plan and associated tasks.

Context

Best Value emphasises the importance of "sound strategic management". In its summary report on the audit of management arrangements (*Planning for Success, August 1998*) the Commission indicated that in some councils service planning needed to be improved.

Most services now have service plans. However, there are still continuing problems in the following areas:
- integrating corporate and service priorities.
- integrating policies and resources
- ensuring that plans are realistic
- plans not actually used as a management tool
- achieving sustained commitment within the organisation to what is in the plan.

Self-assessment template 4	
Features	**Assessment**
9. The service ensures that all its plans are consistent with each other.	Not relevant / A B C D E Covering: some/ most / all plans
0. The service has as systematic approach for ensuring stakeholders views are taken into account in formulating its plan(s).	A B C D E
1. The service has a systematic approach for working with partner organisations to ensure a joined up approach to meeting the needs of its customers and communities.	A B C D E
2. The service ensures that staff know what is in the plan and what it means for them.	A B C D E none / some / half / most / all staff are aware of the plan and its implications for them.
3. Commitments in the plan are translated into clear responsibilities for implementation.	A B C D E For some / half / most / all areas of the plan.
4. Senior managers systematically review progress against the plan and document and communicate any revisions to ensure that the plan remains current.	A B C D E
5. Relevant elected members are kept informed of progress against the plan and of the need for any revisions.	A B C D E
Based on the service/business plan provided, please complete the remainder of the template	
6. The plan is comprehensive in that it covers all activities for that service.	The plan covers some / half / most / all activities.
7. The plan clearly sets out what the service intends to achieve (in SMART terms).	SMART terminology is used for: none/ some/ half / most / all applicable areas of activity.
8. The plan shows clearly how the service is responding to changes in users' demands.	Analysis and justification is provided to show what changes are necessary to meet users' demands for: none / some / half / most / all activities.

9. The plan shows clearly how the service is working with partner organisations to provide joined-up services that meet customer and community needs.	The plan identifies key partner organisations for: none / some / half / most / all applicable activities/ policy areas. The plan sets out how the service will work with those partner organisations to meet user and community needs: not at all / in general terms / in terms of specific activities / in terms of joint objectives and targets.
0. The plan clearly sets out performance standards and targets to be achieved.	Performance standards and targets are set out for: none / some/ half / most / all applicable activities.
1. The plan sets out how the service is pursuing continuous improvement, including its programme of Best Value reviews.	not covered / covered in general terms only / covered in terms of specific activities for: some / most / all applicable activities
2. The plan covers more than one year where necessary to show longer term shifts in provision and priorities.	Plan covers 1 year only OR information provided on longer term implications for: some / most / all applicable activities.
3. The commitments in the plan are matched to financial and other resources.	Matching evident for: none/ some / half / most / all activities.

Improvement actions   **Managers completing the self-assessment: please summarise here any improvement actions that you intend to take to address any of the issues identified under this criterion.**

Evidence

The auditor should summarise here her/his assessment of the adequacy of the evidence that was available to support the submission and audit evaluation.

The service identified evidence to support (none / some/ half / most/ all) of its submission.

Documentary evidence was checked in relation to template prompts (   ) and overall was found to be satisfactory/unsatisfactory.

The following non-documentary evidence was used:

Any additional comments on the evidence base:

Auditor notes	Summarise any key areas for concern based on your findings for this criterion. These may relate to the service's self assessment, the evidence base, or the improvement actions
Areas of concern	Justification for inclusion

Auditor: Do you have any other comments (in addition to those above) in relation to this criterion for discussion with service managers?

Auditor and council staff: please summarise any examples of innovative or successful practice that you feel would be of interest to other councils.

5. We make best use of our people.

The submission should include:

- A description and assessment of how the service ensures it has the people it needs to deliver its plans.
- A summary of how the service ensures that staff know what is expected of them.
- A description and assessment of how staff are helped to improve their performance.
- A description and assessment of the service's approach to assessing and managing the morale and motivation of its staff.
- A list of sources of evidence.
- Completed self-assessment using the template.
- A list of improvement actions.

Key features of best value service

A best value service ensures that all staff are managed effectively and efficiently. Managers communicate service priorities and objectives to staff and ensure that those objectives are translated into tasks that teams and individuals undertake. Staff know what is expected of them, their performance is regularly assessed and they are assisted in improving their performance. Management monitor the morale and motivation of their staff and take action to address problems.

Staff are treated as a key strategic resource. A best value service makes sure that it has the organisational capacity to implement its plans. The service therefore explicitly relates its staffing requirements to its strategic and operational objectives in terms of numbers, skills, knowledge, deployment, structure, etc.

(NB This criterion deals with strategic aspects of staff. Actual people performance is addressed in criteria 9).

Self-assessment template 11	
Features	**Assessment**
4. The service has a systematic approach to analysing what people resources it needs to deliver its objectives and identifies how it will close any gaps.	A B C D E Covering: some / half / most / all activities
5. Action is taken to close any gaps.	A B C D E Covering: some / half / most / all activities
6. The service's approach to training is clearly informed by an assessment of where there are skills/ knowledge/ performance gaps.	A B C D E Covering: some / half / most / all staff
7. The service evaluates its training to ensure that it is achieving the desired impact.	A B C D E For: none / some / half / most / all training
8. There is a systematic approach for translating service objectives into actions/tasks for members of staff.	A B C D E Covering: some / half / most / all staff
9. A systematic approach is used for communicating objectives and performance expectations to staff.	A B C D E Covering: some / half / most / all staff
0. A clear agreed systematic process is used for providing feedback to staff on performance and agreeing action.	A B C D E Covering: some / half / most / all staff
1. Senior managers regularly assess the state of morale, satisfaction and motivation of staff and take appropriate action.	A B C D E Covering: some / half / most / all staff

Improvement actions

Managers completing the self-assessment: please summarise here any improvement actions that you intend to take to address any of the issues identified under this criterion.

Evidence

The auditor should summarise here her/his assessment of the adequacy of the evidence that was available to support the submission and audit evaluation.

The service <u>identified</u> evidence to support (none / some/ half / most/ all) of its submission.

Documentary evidence was checked in relation to template prompts (   )
and overall was found to be satisfactory/unsatisfactory.

The following non-documentary evidence was used:

Additional comments on evidence base:

Auditor notes	**Summarise any key areas for concern based on your findings for this criterion. These may relate to the service's self assessment, the evidence base, or the improvement actions**
Areas of concern	Justification for inclusion

Auditor: Do you have any other comments (in addition to those above) in relation to this criterion for discussion with service managers?

Auditor and council staff: please summarise any examples of innovative or successful practice that you feel would be of interest to other councils.

6. We make best use of our assets.

The submission should include:

- A summary and assessment of how the service's asset base is matched to what is required to deliver the service's objectives.
- A summary and assessment of the service's approach to managing its assets to achieve value for money.
- A summary and assessment of the service's approach to procurement.
- A description of how senior management monitor asset management.
- A list of sources of evidence.
- Completed self-assessment using the template.
- A list of improvement actions.

Key features of a best value service.

A Best Value service matches its asset base to its objectives in terms of suitability. Key assets could include infrastructure, land, property, vehicles, plant, equipment, materials, information and communications technology (ICT). Increasingly, the knowledge and intellectual capital within the service are also being seen as key asset that should be managed to improve the service provided.

The service ensures that assets are managed efficiently and effectively, looking at factors such as availability, utilisation, cost, condition, depreciation, etc. Redundant or under-used assets are disposed of or released for additional use wherever possible. The full cost of the asset base is reflected in the cost of activities.

The service uses an asset management approach for its key resources so that a longer term strategic approach is taken to matching assets to objectives in a way that secures value for money and continuous improvement. Senior management takes a close interest in asset management issues.

It treats procurement as a key component of pursuing Best Value, always looking for the most cost-effective method for securing the quality of assets it needs. For example, this could involve outsourcing or forms of partnering arrangements. A longer term view is taken where this delivers the best outcome.

Where particular assets are managed at a corporate level, the service acts as an informed client to secure an asset management service from corporate staff.

(NB This criterion deals with strategic aspects of physical resources. Actual resource performance is addressed in criteria 9).

Self-assessment template 6	
Features	**Assessment**
2. The service has a systematic approach to matching its asset base to what is required to deliver its objectives.	A B C D E Covering: some / half / most / all key assets
3. The service has a systematic approach to managing the following key assets to achieve value for money and continuous improvement:	
• Infrastructure	A B C D E
• Land	A B C D E
• Property	A B C D E
• Vehicles, plant, equipment	A B C D E
• ICT	A B C D E
• Materials/supplies	A B C D E
• Knowledge and intellectual capital	A B C D E
4. The service has a systematic approach to procurement that delivers value for money.	A B C D E
5. Senior management monitor asset management.	A B C D E

Improvement actions

Managers completing the self-assessment: please summarise here any improvement actions that you intend to take to address any of the issues identified under this criterion.

Evidence

The auditor should summarise here his/her assessment of the adequacy of the evidence that was available to support the submission and audit evaluation.

The service identified evidence to support (none/some/ half / most/all) of its submission.

Evidence was checked in relation to template prompts (   ) and overall was found to be satisfactory/unsatisfactory.

The following non-documentary evidence was used:

Additional comments on evidence base:

Auditor notes	**Summarise any key areas for concern based on your findings for this criterion. These may relate to the service's self assessment, the evidence base, or the improvement actions**	
Areas of concern		Justification for inclusion

Auditor: Do you have any other comments (in addition to those above) in relation to this criterion for discussion with service managers?

Auditor and council staff: please summarise any examples of innovative or successful practice that you feel would be of interest to other councils.

7. We have sound financial control and reporting

The submission should include:

- An overview of how the service ensures effective financial control.
- Two recent and consecutive financial monitoring reports to senior management and elected members.
- Two recent and consecutive financial monitoring reports to budget holders.
- A list of sources of evidence.
- Completed self-assessment using the template.
- A list of improvement actions.

Key features of a best value service

Elected members and senior managers regularly review the financial health of the service. Monitoring reports show the budgetary position and allow the reader to see clearly whether it is being controlled. Variances in overall spend or spending priorities are clearly identified and action is taken to either correct or agree it and make adjustments. Reports also show that previously agreed actions have been taken and are having the desired impact in terms of controlling the overall budget.

Budget holders have been identified and have clear responsibilities. They receive adequate and timely information to enable them to manage their budgets and performance. Effective action is taken to deal with under- and over-spends. The service provides training and support to ensure that budget holders have the necessary skills for managing budgets. Monitoring reports are prepared on a full accruals basis.

Context

In its summary report on the audit of management arrangements (*Planning for Success, August 1998*) the Commission indicated that there was room for improvement in budgetary control in some councils.

Self-assessment template 7	
Features	**Assessment**
6. There is a systematic approach to monitoring and controlling the service's overall financial position.	A B C D E Covering: some / half / most / all areas of activity
Based on the financial monitoring reports submitted please complete the remainder of the template.	
7. Reports show: a) expenditure and, where relevant, income, to date.	No / qualified no / qualified yes / yes
b) variance against projected spend/ income to date using, where appropriate, budget profiling.	No / qualified no / qualified yes / yes
c) projected outturn (expenditure and, where relevant, income).	No / qualified no / qualified yes / yes
8. There is an accruals basis for reporting.	No / qualified no / qualified yes / yes
9. Reports highlight major variances (both under and over spends) to direct attention to where action may be required.	No / qualified no / qualified yes / yes
0. Reports are designed to enable the reader to make a clear judgment about the service's financial performance.	No / qualified no / qualified yes / yes
1. Variances result in documented and agreed actions at appropriate management level.	No / qualified no / qualified yes / yes
2. Monitoring takes place to ensure that the agreed actions are effective.	No / qualified no / qualified yes / yes

Improvement actions

Managers completing the self-assessment: please summarise here any improvement actions that you intend to take to address any of the issues identified under this criterion.

Evidence

The auditor should summarise here her/his assessment of the adequacy of the evidence that was available to support the submission and audit evaluation.

The service <u>identified</u> evidence to support (none / some/ half / most/ all) of its submission.

Documentary evidence was checked in relation to template prompts (   ) and overall was found to be satisfactory/unsatisfactory.

The following non-documentary evidence was used:

Additional comments on the evidence base:

Auditor notes	Summarise any key areas for concern based on your findings for this criterion. These may relate to the service's self assessment, the evidence base, or the improvement actions.
Areas of concern	Justification for inclusion

Auditor: Do you have any other comments (in addition to those above) in relation to this criterion for discussion with service managers?

Auditor and council staff: please summarise any examples of innovative or successful practice that you feel would be of interest to other councils.

8. We actively support continuous improvement

The submission should include:

- A summary and assessment of the key activities you have taken to support continuous improvement within your service. These may cover such things as:

  ➢ how the service is developing its own performance measures
  ➢ how the service reviews and improves its key processes
  ➢ how the service learns from others
  ➢ how knowledge about good practice is identified and shared across the service
  ➢ how staff are supported in achieving improvements
  ➢ how the service works with its customers, suppliers and partner organisations to secure continuous improvement.

- Examples of tangible results from these activities.
- A summary of lessons learnt and improvements made in supporting continuous improvement.
- A list of sources of evidence.
- Completed self-assessment using the template.
- A list of improvement actions.

NOTE: This criterion covers general activities for supporting continuous improvement that are additional to specific Best Value reviews. The latter are covered in Criterion 3.

Key features of a best value service

Senior managers provide clear support for continuous improvement. They encourage a culture where staff feel comfortable in challenging current practice. Individuals are encouraged to share knowledge and learn from others. Identifying good practice and sharing information is not simply left to chance, but is managed systematically.

The service understands the need for relevant performance measures and the use of targets to support continuous improvement, and is actively developing measures for its own use.

It knows what the key processes are that determine whether its services deliver customer centred cost-effective services. It reviews these processes to make sure they are as good as possible.

The service has a broad and structured approach to learning from other organisations. It compares its performance, what it does, and how it does it. It finds other organisations that it can learn from, not just those that are similar to it.

It makes sure that staff have the skills and knowledge and time to review their performance and take part in improvement activities.

Service users and other key stakeholders can often make a valuable contribution to helping to identify how services can be improved at both a strategic and detailed operational level. The service has a systematic approach to involving them in the search for continuous improvement.

Suppliers and partner organisations can have a direct and considerable impact on the quality of service delivered to the service's customers. For that reason, the service works with those organisations to ensure that collectively they achieve continuous improvement.

Context   There has been some indication that in some councils the view has emerged that continuous improvement is to be achieved solely through the mechanism of Best Value reviews.

This is too narrow a view. Best Value reviews should be at a strategic level and should, of course, drive improvement. However, there will also be scope for supporting the search for continuous improvement more generally, often on a smaller scale, across all activities. This criterion asks for details of how this type of activity is being supported.

There is also evidence that some services have concentrated too much on data benchmarking exercises rather than on a broader approach to learning from others.

Self-assessment template 8	
Features	**Assessment**
3. The service has a systematic approach for developing appropriate indicators to manage its performance.	A B C D E Covering: some / half / most / all main areas of performance
4. The service has identified and reviewed its key processes[4] that enable it to deliver customer- centred value for money services.	The service has identified: none / some/ half / most/ all key processes It has reviewed: none / some / most / all of those processes
5. The service has a systematic approach for making links with other organisations it believes it can learn from. 6. Links have been established with:	A B C D E Similar services / other council services / voluntary sector / private sector (select all that apply)

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[4] See '*The Map to Success*', Audit Scotland, 2000

7. The service chooses organisations because they are known to demonstrate good practice	No / qualified no / qualified yes / yes

8. The service's approach to learning from other organisations includes comparing:
 	
    a) <u>how</u> things are done
 	
    b) <u>actual performance</u>
	No / qualified no / qualified yes / yes
	
	No / qualified no / qualified yes / yes
	
	This work takes place:
	only within Best Value reviews / more generally

99. The service can show clear positive results from learning from others.	No / qualified no / qualified yes / yes
100. The service has a systematic approach to enable staff to share knowledge about effective practice.	A B C D E Covering: some / half / most / all staff
101. The service ensures that its staff are kept up to date in terms of knowledge about good practice in their field.	A B C D E Covering: some / half / most / all staff
102. The service has a systematic approach to giving staff the opportunity and skills needed to review and improve their own area of activity (outwith Best Value reviews).	A B C D E Covering: some / half / most / all staff This activity takes place: only within the context of Best Value reviews / more generally
103. The service systematically uses feedback from customers to improve services.	A B C D E Covering: some / half / most / all activities
104. The service systematically works with partner organisations to achieve continuous improvement.	A B C D E Covering: some / half / most / all partners

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105. The service systematically works with key suppliers to achieve continuous improvement.	A B C D E Covering some / half / most / all key suppliers

Improvement actions

Managers completing the self-assessment: please summarise here any improvement actions that you intend to take to address any of the issues identified under this criterion.

Evidence

The auditor should summarise here his/her assessment of the adequacy of the evidence that was available to support the submission and audit evaluation.

The service identified evidence to support (none/some/ half / most/all) of its submission

Evidence was checked in relation to template prompts (   ) and overall was found to be satisfactory/unsatisfactory

Additional comments on evidence base:

Auditor notes	**Summarise any key areas for concern based on your findings for this criterion. These may relate to the service's self assessment, the evidence base, or the improvement actions.**
Areas of concern	Justification for inclusion

Auditor: Do you have any other comments (in addition to those above) in relation to this criterion for discussion with service managers?

Auditor and council staff: please summarise any examples of innovative or successful practice that you feel would be of interest to other councils.

9. We monitor and control our overall performance.

The submission should include:

- An overview and assessment of the service's approach to performance monitoring and internal reporting.
- A completed template 9A.
- Two consecutive performance monitoring reports provided to members.
- Two consecutive performance monitoring reports provided to senior managers (where different).
- A list of sources of evidence.
- Completed self-assessment using the template.
- A list of improvement actions.

Key features of a best value service

A best value service has a rigorous performance monitoring system in place. It has identified a broad range of measures that covers all important aspects of performance. Information is reported clearly and in a timely manner. Trend information is used to help assess how the service's performance is changing. Comparative information is used to help identify scope for improvement.

Senior managers review the information regularly and use it to control performance.

Context

Previous audits have shown that performance monitoring and reporting continues to be an area of weakness in many services.

Purpose of Template 9A

The purpose of the template is to gain an overview of the main indicators used by the service to manage its performance. The aim is to indicate to what extent the service has available a set of information that covers all important aspects of its operations.

Completing the Template

The service should list the main indicators it uses. Indicators may be qualitative or quantitative. Some may be expressed as ratios (eg unit costs and efficiency measures). Others may be expressed as percentage achievements (eg against a target, utilization factors). Each service will have determined the measures that are important for it.

It may find it useful to group indicators under a number of broad headings (e.g. customer results, people results, managing assets, financial performance, internal business processes). Some services may have additional key results that relate to important policy areas (e.g. equalities, sustainability, social inclusion). Some services may group some of their indicators under types of measures (e.g. volume of service, service quality, impact, effectiveness, efficiency, cost, continuous improvement). The service should group its indicators under whatever general headings it finds most useful. These headings will offer a balanced view of service performance.

For example, under a heading such as 'customer results' there may then be a number of measures that the service uses: for example- number of customers, customer satisfaction, number of complaints, etc. Under a heading of 'people results' there may be indicators for sickness absence, turnover, percent qualified, productivity, etc.

Note 1: It is not necessary to list every indicator used by the service. The aim is to show that managers have indicators for all important aspects of their service's performance.

Note 2: The service should include in template 9A only those indicators that it regards as central to managing its performance. A service may be required to provide statutory returns on its performance. It need not replicate all of this information in template 9A.

Note 3: Where the service being audited covers a number of distinct activities, it will usually be clearer if a separate template is completed for each broad area of activity.

The service is also asked to assess some aspects of the quality of the information gathered for each indicator by completing the columns in the template. The columns cover the following criteria:

Ac	Accuracy – has the system used to produce the information been audited to ensure the data is of acceptable accuracy and consistency? Please put 'Y' (yes) or 'N' (no).
Age	How up to date is the information? Please indicate in months the typical gap between the information being available to management and the end of the period it covered.
Tr	Trend – is trend information available to management? Please indicate either 'N' (no) or the number and unit that is reported (e.g. 3Y for 3 years, 12M for 12 months).
Co	Comparative data – is comparative data available to management? This may be against family groupings, national averages, benchmarking partners, etc. Please indicate 'Y' (yes) or 'N' (no).
Ta	Targets. Is performance reported against targets or standards? Please indicate 'N (no), 'L' (a local target or standard), or 'N' (a national target or standard).
Mo	Monitoring – what is the frequency with which this information is monitored by management, expressed in months.

Template 9A: Main indicators used to monitor and control performance

Service area: _____

Description of indicator	Ac	Age	Tr	Co	Ta	Mo
Please add further rows as necessary						

Self-assessment template 9	
Features	**Assessment**
06. The service uses indicators that cover all key aspects of performance and all major areas of activity.	No / qualified no / qualified yes / yes For: some / half / most / all main areas of activity
07. The information: a) is accurate b) is up to date c) includes trends where relevant d) includes comparators where relevant e) uses targets where relevant f) is monitored regularly.	 no / some yes/ most yes/ all yes no/ some yes/ most yes/ all yes no/ some yes/ most yes/ all yes no/ some yes/ most yes/ all yes no/ some yes/ most yes/ all yes no/ some yes/ most yes/ all yes
08. Senior management has a systematic approach to monitoring and controlling the service's performance (including taking action to address areas of concern and monitoring improvement).	A B C D E Covers: some / half / most / all aspects of the service
09. There is a systematic approach to keeping members informed of the service's performance.	A B C D E
Please assess the monitoring reports on the following features.	

10. The reports for *managers* show clearly whether the service:	
a) is meeting its strategic and operational objectives and targets.	No / qualified no / qualified yes / yes
b) is meeting users' and community needs.	No / qualified no / qualified yes / yes
c) has sound financial performance.	No / qualified no / qualified yes / yes
d) is managing its assets well	No / qualified no / qualified yes / yes
e) is managing its people well.	No / qualified no / qualified yes / yes
f) is achieving continuous improvement.	No / qualified no / qualified yes / yes
	For: some / half / most / all activities
11. The reports for *managers* clearly identify areas of success, supported by data and analysis.	No / qualified no / qualified yes / yes
12. The reports for *managers* clearly identify areas where performance is poor, supported by data and analysis.	No / qualified no / qualified yes / yes
13. The reports for *members* show clearly whether the service:	
g) is meeting its strategic and operational objectives and targets.	No / qualified no / qualified yes / yes
h) is meeting users' and community needs.	No / qualified no / qualified yes / yes
i) has sound financial performance.	No / qualified no / qualified yes / yes
j) is managing its assets well	No / qualified no / qualified yes / yes
k) is managing its people well.	No / qualified no / qualified yes / yes
l) is achieving continuous improvement.	No / qualified no / qualified yes / yes
	For: some / half / most / all activities

14. The reports for *members* clearly identify areas of success, supported by data and analysis.	No / qualified no / qualified yes / yes
15. The reports for *members* clearly identify areas where performance is poor, supported by data and analysis.	No / qualified no / qualified yes / yes

Improvement actions

Managers completing the self-assessment: please summarise here any improvement actions that you intend to take to address any of the issues identified under this criterion.

Evidence

The auditor should summarise here her/his assessment of the adequacy of the evidence that was available to support the submission and audit evaluation.

The service identified evidence to support (none / some/ half / most/ all) of its submission.

Documentary evidence was checked in relation to template prompts (   ) and overall was found to be satisfactory/unsatisfactory.

The following non-documentary evidence was used:

Additional comments on evidence base:

Auditor notes	**Summarise any key areas for concern based on your findings for this criterion. These may relate to the service's self assessment, the evidence base, or the improvement actions.**
Areas of concern	Justification for inclusion

Auditor: Do you have any other comments (in addition to those above) in relation to this criterion for discussion with service managers?

Auditor and council staff: please summarise any examples of innovative or successful practice that you feel would be of interest to other councils.

10. We have an effective approach to public performance reporting.

The submission should include:

- A description and assessment of how the service provides information on its services and performance to stakeholders.
- Examples illustrating the information provided (leaflets, reports, etc).
- An assessment of the extent to which the examples submitted are representative of what happens across the service.
- A list of sources of evidence.
- Completed self-assessment using the template.
- A list of improvement actions.

Key features of a best value service

A best value service uses public performance reporting (PPRg) to ensure that its communities, citizens, customers and other stakeholders are aware of its plans, its priorities and the services that are available. The service tells its stakeholders what standards of service they can expect and reports back on its performance and plans for improvement.

The service has identified what information stakeholders need in order to form a view on the achievements of the service. It presents this information in a form that people find useful. The content of PPRg is easy to understand and concise and includes:

- information on what services it provides, what people can expect of them, and how people can get access to them
- information on what the service has learned from consultation about what matters to its stakeholders and what it is doing to respond to these concerns
- information that shows how the service is working with other bodies to best meet the needs of its communities
- information that allows the public to see that the service is spending its money wisely and achieving value for money on behalf of its communities. It shows clearly that the service is focusing on priorities, achieving value for money, and doing things that work
- trend information, comparative information, and performance against targets or benchmarks to help stakeholders assess how well the service is performing.

In terms of <u>its approach</u> to PPRg, the service;

- generates information for PPRg as part of its management information systems
- has identified which part of the service is responsible for providing what information
- conveys this information via media that make it easy for people to find out what they want to know
- presents the information in a clear, easy-to-understand and concise form.

Support services that have only internal customers within the council should also provide similar information to their stakeholders, and should complete the template in so far as it is relevant to their situation.

Context   Within the Best Value framework, public performance reporting (PPRg) was defined as a key element in promoting accountability.

The Task Force guidance asked councils to identify its key stakeholders as a first step. The information to be provided fell into two main categories: information on the services available and how they could be accessed, and information on performance in meeting user needs, and achieving value for money and continuous improvement. It was envisaged that much of the actual reporting of information would be carried out at service level.

The Task Force guidance set out a 'menu' of likely topics for reporting on. The same broad range of topics is covered in the PMP Audit.

Self-assessment template 10	
Features	**Assessment**
16. The service has systematically identified key stakeholders for PPRg.	A B C D E
Information about service provision.	
17. The service has a systematic approach to providing *service users* with information (where relevant) on: a) what they can expect from the service b) eligibility criteria c) how, when and where to access the service d) charges e) service standards and targets.	A B C D E Covering: some / half / most / all service users For: some / half / most / all activities

Approach to PPRg	
18. The service has a systematic approach for identifying and using the best means of communicating its PPRg information to its stakeholders.	A B C D E
19. The service has systematically addressed equality issues (such as access, inclusion and diversity) in providing information about its activities.	A B C D E
Information on performance	
20. The service provides information to the public[5] that shows how well it is:	
a) meeting its key objectives (as set out in relevant strategy / service plans) (see criterion 4)	no / qualified no / qualified yes / yes
b) meeting user and stakeholder needs (see criterion 2)	no / qualified no / qualified yes / yes
c) achieving cost control, efficiency savings and value for money (see Criteria 5, 6, 7 and 9)	no / qualified no / qualified yes / yes
d) pursuing continuous improvement (see Criteria 3 and 8).	no / qualified no / qualified yes / yes
	(where only some of the services activities are covered in the information, report a 'qualified yes' and list the main activities where information is missing)
21. The information is presented to the public in a concise and understandable way.	no / qualified no / qualified yes / yes
22. Use is made of trend information where relevant to show the public how performance is changing.	not at all / sometimes / often / always

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[5] For internal support services, the word 'public' in the templates should be interpreted as 'internal customers'

23. Use is made of comparative information where relevant to show the public how the service compares to others.	not at all / sometimes / often / always
24. Targets for performance and improvement are set and made public where relevant.	not at all / sometimes / often/ always
25. The service reports back on whether it met previous targets for performance and improvement.	not at all / sometimes / often/ always
26. The service reports back on what it has learnt from consultation exercises and how it will use those findings.	not at all / sometimes / often/ always
27. The key results of Best Value reviews and continuous improvement work are reported.	not at all / sometimes / often/ always

Improvement actions

Managers completing the self-assessment: please summarise here any improvement actions that you intend to take to address any of the issues identified under this criterion.

Evidence

The auditor should summarise here her/his assessment of the adequacy of the evidence that was available to support the submission and audit evaluation.

The service <u>identified</u> evidence to support (none / some/ half / most/ all) of its submission.

Documentary evidence was checked in relation to template prompts (   ) and overall was found to be satisfactory/unsatisfactory.

The following non-documentary evidence was used:

Additional comments on evidence base:

Auditor notes	**Summarise any key areas for concern based on your findings for this criterion. These may relate to the service's self assessment, the evidence base, or the improvement actions.**
Areas of concern	Justification for inclusion

Auditor: Do you have any other comments (in addition to those above) in relation to this criterion for discussion with service managers?

Auditor and council staff: please summarise any examples of innovative or successful practice that you feel would be of interest to other councils.

Summary and assessment of planned improvements

The service submission should include:

- A completed Annex A which provides more detail for the improvement actions that have been listed under the criteria plus other improvement actions identified by the service through other work.
- A completed self-assessment template.

It is important to emphasise that a separate PMP action plan is **NOT** required. Instead, the PMP improvement actions should be incorporated into existing plans. It is for the service to decide which plan is most appropriate. The service should set out clearly (in annex A) in which of its plans the proposed action will appear.

Context
A key requirement under Best Value is that a council should be pursuing continuous improvement. Having completed its assessment of its existing PMP framework, the service is therefore asked to set out the improvements they plan to make to that framework. The service is also asked to self-assess these proposed actions against the features in template 11.

Audit task
The audit task in relation to the planned improvements is to verify the self-assessment in template 11.

Auditors should draw on their overall knowledge of the council as well as that gained through the PMP Audit. Significant areas of weakness identified in other audit work, which relate to PMP criteria but were not identified in the submission, should be raised for discussion. Auditors may wish to suggest that improvement actions should be identified by the service/council in relation to these weaknesses.

In subsequent years, the Auditor will report on the service's progress in completing these actions. It is therefore important that planned improvements meet the SMART criteria.

Self-assessment template 11	
Features	**Assessment**
128. The improvement actions address the main areas of concern identified through the PMP Audit.	No / qualified no / qualified yes / yes
129. The service has a systematic approach to prioritizing its improvement actions to address the most important areas of concern.	A B C D E
130. The improvement actions are realistic.	Yes / No Auditor: based on your audit knowledge, is there anything to indicate that it is unlikely that the service will be able to implement all the actions it has identified in the timescales set out? Yes / No
For each of the planned improvements.	
131. The description of the planned improvement is sufficiently precise to enable a judgment to be made as to whether it has been achieved.	Yes/No
132. It is clear why the planned improvement has been chosen.	Yes/No
133. The improvement is clearly based on the service's review of its existing PMP framework.	Yes/No
134. It is clear which PMP criterion the improvement relates to.	Yes/No
135. There are clear statements about what the improvement is intended to achieve.	Yes/No
136. The improvement is intended to primarily benefit:	1) The services received by the customer 2) The management of the service 3) A mix of the two
137. The improvement has clear intermediate milestones detailed.	Yes/No
138. Each of these milestones indicates what will have been achieved and by when.	Yes/No

139. There are clear statements about how the service intends to measure the success of this action.	Yes/No
As auditor, I confirm this action can be audited next year.	

Annex A: List of improvement actions: Service level PMP Audit

Council _____

Service _____   Contact: _____

_____

1. Description of the planned improvement.	2. Why has this improvement been chosen and which PMP criteria does it relate to?	3. What is this improvement intended to achieve? This should be both specific and measurable.	4. What are the key project milestones for this improvement? These should detail both relevant actions and timescales.	5. How will you know whether the improvement has achieved what it was meant to?	6. In which of your plans (e.g. service plan) is this improvement detailed?
1.					
2.					
3.					
4.					
5.					
6.					
7.					
etc.					

Detailed audit tasks   **The Auditor should ensure that proposed improvement actions meet the requirements set out below.**

1. The proposed action should be described clearly and in sufficient detail so that it can be readily understood.

An action such as:

"*To revise the service plan*"

is too vague and general and would require further detail of which parts of the plan were to be revised and in what way. A clearer and more auditable description of the action might be:

"*To revise the service plan to include budget details and to show line management responsibilities for key initiatives*".

2. There should be a clear explanation as to why this action has been chosen in terms of its importance, relevance and priority.

3. There should be a clear connection between the service's PMP submission and the improvement action.

4. The improvement action should also be visibly linked to specific PMP criteria (it may be linked to more than one).

5. There should be specific statements about what the improvement is actually intended to achieve.

Such statements should not be a description of the activities that are planned but should indicate what the improvement is intended to change or deliver.

An example such as

"*to introduce internal PIs across the service*"

would be inadequate by itself. A clearer and more auditable statement might be:

"*To develop a set of internal PIs which will enable the service to improve its performance monitoring and control*"

6. It should also be clear whether the improvement is intended primarily to improve the service received by the customer (internal or external) or whether it is intended to improve the management of the service.

Annex B – PMP2 Audit Service Level "Scorecard"

A	There is no approach or there is little or no <u>evidence</u> of an approach.
B	There is limited evidence of some elements of an approach.
C	There is clear evidence that there is an approach but the approach is generally ad-hoc. There is little or no structured or consistent basis to the approach; it tends to be generally reactive; it is not integrated into everyday practice; its application may be irregular and inconsistent; there is little or no information to show whether the approach is working.
D	There is clear evidence that there is a structured and systematic approach that is generally applied consistently and according to agreed and understood principles; it is proactive where applicable; the approach is applied regularly and as frequently as required; there is some evidence to show whether the approach is working; however, there is <u>little or no evidence</u> that the <u>approach itself</u> has been reviewed to improve it.
E	As for D but the approach is also clearly integrated into everyday working practice. There is clear evidence that the approach is achieving its objectives and is working. There is also clear evidence that the effectiveness of the approach is kept under review and changes and improvements to the approach are made as necessary as a result of review.

The descriptions should be treated as indicative rather than as precise comprehensive descriptions of your approach. Please select the option that best describes the general approach in your service for each feature in the templates. Add any commentary you feel is necessary to qualify the option if required. Where other options are provided in a template, the terms should be self-evident. When using the electronic version, it is suggested that you delete those options that are not appropriate. **If an element of a criterion is not applicable to your service, enter 'N/A' with a brief explanation as to why this is the case.**

Where you are asked to make an assessment of the extent to which the approach is **actually used** throughout the council, the options are usually:

Some	Up to about 40% of the service
Half	Between about 40% and 60%
Most	Between 60% and 90%
All	Over 90%

Performance Audit: The Management Studies Unit (MSU)

Alan Neilson, Head of Unit   Tel. 0131 624 9936
Email: aneilson@audit-scot.gov.uk

Derek Stewart   Tel. 0131 624 9938
Email: dstewart@audit-scot.gov.uk

Mik Wisniewski   Tel. 0131 624 9937
Email: mwisniewski@audit-scot.gov.uk

The Management Studies Unit Mission

We aim to be a centre of excellence for encouraging continuous improvement in the management of Scottish councils.

We will achieve this through the audit of management arrangements and by promoting good practice

We will be customer driven, innovative and work in partnership with councils, auditors and other bodies.

We aim to ensure that we have the skills and knowledge necessary to achieve this.

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Shorten the Odds: A guide to understanding and managing risk

Can't get no satisfaction? Using a gap approach to measure service quality

The map to success: Using process mapping to improve performance

These can be downloaded free of charge from the Audit Scotland web-site:

www.audit-scotland.gov.uk