

## **The Accounts Commission for Scotland's annual statement on efficiency, effectiveness and economy for 2013/14**

1. The Public Services Reform (Scotland) Act 2010, section 32(1)(b) requires listed public bodies to publish a statement in relation to efficiency, effectiveness and economy as soon as possible after the end of the financial year.
2. The following statement sets out the steps that the Accounts Commission has taken in 2013/14 to improve its efficiency, effectiveness and economy in the exercise of its functions.
3. The Accounts Commission, established in 1975, is the public spending watchdog for local government. We hold councils in Scotland to account and help them improve. We operate impartially and independently of councils and of the Scottish Government, and we meet and report in public.

Our work includes:

- securing and acting upon the external audit of Scotland's councils and various joint boards and committees
  - assessing the performance of councils in relation to Best Value and community planning
  - carrying out national performance audits to help councils improve their services
  - requiring councils to publish information to help the public assess their performance.
4. In autumn 2010 the Commission approved an approach to reducing audit fees that contributes to Audit Scotland's four-year financial strategy to reduce significantly the cost of audit. Overall, working together, the Commission, the Auditor General and Audit Scotland are aiming to reduce the cost of audit to public bodies by at least 20 per cent over the four years to 2014/15. In September 2013, Audit Scotland reported to the Commission that it will have reduced its total costs by £3.8 million, around 24% in real terms, in the four years to 2014/15.
  5. The Commission works closely with the other inspectorates in Scotland to achieve sharper focus on potential risks that lie ahead so that issues facing councils can be addressed sooner and more effectively. Much has been achieved streamlining the system through a national scrutiny plan and strategic risk assessments for each council. This has led to much better co-ordination between the other scrutiny bodies, including Education Scotland, Care Inspectorate, Scottish Housing Regulator, Her Majesty's Inspectorate of Constabulary for Scotland, Fire and Rescue Service Chief Inspector and Health Care Improvement Scotland. It has also helped the Commission target its Best Value work and reduce the overall burden of scrutiny on councils.
  6. The Commission was invited by the Scottish Government in 2011 to lead a new strand of work to audit community planning partnerships (CPPs). Community planning was introduced a decade ago with the aim of bringing councils, health boards and other public, business and voluntary bodies together to tackle complex problems in local communities. Following the publication in 2013 of the first three audits (Aberdeen City, Scottish Borders and North Ayrshire) and a national overview report, this year we reviewed our approach to the audit and agreed to undertake another five such audits, to be reported in 2014/15. Our audits provide an independent assessment of how well CPPs are planning and delivering outcomes for local communities. Each audit results in an improvement plan which we will follow up to check that adequate progress is being made locally in securing improvement.

7. As well as scrutiny, the Commission has a pivotal role in helping local authorities improve and achieve Best Value in the services they provide to their communities. This year we completed four Best Value audits. The Commission include recommendations and key messages in individual reports but also seek to encourage good practice on a broader front through our How Councils Work series of reports. Two reports in that series were published providing practical advice charging for services and on option appraisal. A survey of councillors and council officers indicated that they value these reports in helping them improve services for the public.
8. The Commission closely monitors its programme of national performance audits, in conjunction with the Auditor General for Scotland, to ensure that this is delivered efficiently and is reflective of issues affecting local government and the wider public sector. Four reports, on maintaining Scotland's roads; managing early departures from the Scottish public sector; housing in Scotland; Scotland's public sector workforce; and reshaping care for older people, were published this year.
9. The Commission requires councils to publish information on their performance for the public. The Commission has worked with councils to encourage them to publish their own performance information. This has allowed councils flexibility in producing the right information in appropriate formats and thus find efficiencies in compiling and publishing such information. A set of benchmarking performance information across all councils was published by councils during the year and shows good progress on the quality of information being produced and published by councils.

**Accounts Commission  
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