

# Auditing Best Value



*“Achieving Best Value is about ensuring sound governance, good management, public reporting on performance and a focus on improvement.”*

## **Background**

The duty of Best Value (BV) applies to all public bodies in Scotland. It is a statutory duty in local government, and in the rest of the public sector it is a formal duty on Accountable Officers.

Best Value has already been a powerful force for improved performance and accountability in local government, and it will play an important role in supporting the concordat and the development of Single Outcome Agreements between the Scottish Government, councils and their partners, and in streamlining and coordinating the scrutiny of public services. It also has the potential to underpin the National Performance Framework and the ‘management scorecard’ elements of Scotland Performs.

On behalf of the Auditor General and the Accounts Commission, Audit Scotland is working to ensure that our approach to the audit of Best Value is consistent across the public sector, although its application will differ to reflect factors such as the different accountability regimes and reporting arrangements in place in different sectors.

This will enable us to apply a consistent set of expectations across all the bodies that we audit, and to reflect and support the reality of partnership working between organisations.

## **The BV framework**

The following principles underpin our approach to the audit of BV:

- A focus on outcomes as well as corporate performance management processes.
- An emphasis on the effectiveness of partnership working.
- Coverage of service performance and the use of resources.
- A proportionate and risk-based approach, founded on self-assessment.
- Clear audit reporting and transparency of audit process.
- Support for improvement and the sharing of good practice.

These are reflected in the audit framework which we will apply across the public sector (Exhibit 1).

## Exhibit 1. Framework for a BV audit of a public body



We are committed to ensuring that our work on BV adds value to existing arrangements, is risk-based and builds on our knowledge of individual public bodies. Many of the building blocks are already in place. We will consult clients and stakeholders across the public sector about the detailed development of our approach to BV in local government, the NHS and central government, including non-departmental public bodies and agencies.

## **Auditing partnership working**

More and more services are delivered through partnerships such as Community Planning Partnerships and Community Health Partnerships, and Single Outcome Agreements are being developed between the Scottish Government, councils and their Community Planning partners from April 2009. Audit Scotland is in the unique position of auditing the whole public sector, on behalf of the Auditor General and the Accounts Commission, and we aim to maximise this advantage by building a robust approach to the audit of partnerships. This will look at the overall partnership objectives and the contribution that all partners play in achieving these through:

- clear leadership
- strong governance arrangements with clear lines of accountability
- clear planning
- effective use of joint resources
- processes to monitor and report the achievement of outcomes for communities and service users.



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