

434th meeting of the Accounts Commission for Scotland

**Thursday 9 March 2017, 10.15am
in the offices of Audit Scotland, 102 West Port, Edinburgh**

Agenda

1. **Apologies for absence.**
 2. **Declarations of interest.**
 3. **Decisions on taking business in private:** The Commission will consider whether to take items 13 and 14 in private (* see note).
 4. **Minutes of meeting of 9 February 2017.**
 5. **Minutes of meeting of Financial Audit and Assurance Committee, 23 February 2017.**
 6. **Minutes of meeting of Performance Audit Committee, 23 February 2017.**
 7. **Minutes of meetings of Audit Scotland Board of 20 January 2017.**
 8. **Audit Scotland Board update:** The Commission will consider a verbal report by the Chair and Secretary to the Commission.
 9. **Update report by the Secretary to the Accounts Commission:** The Commission will consider a report by the Secretary to the Commission on significant recent activity in relation to local government.
 10. **Update report by the Controller of Audit:** The Commission will consider a verbal report by the Controller of Audit providing an update on his recent activity.
 11. **Auditing Best Value: progress report:** The Commission will consider a report by the Director of Performance Audit and Best Value.
 12. **Local Government Benchmarking Framework Annual Report:** The Commission will consider a report by the Secretary to the Commission.
- The following items are proposed to be considered in private:****
13. **Work Programme: outputs from consultation with stakeholders:** The Commission will consider a report by the Secretary to the Commission.
 14. **Commission business matters:** The Commission will discuss matters of interest.

* It is proposed that item 13 and 14 be considered in private because:

- Item 13 will require discussion of the draft Work Programme before it is published, including consideration of comments thereon from councils and other stakeholders.
- Item 14 may be required if there are any confidential matters that require to be discussed outwith the public domain. The Chair will inform the meeting in public at the start of the meeting if this item is required and what it covers.

The following papers are enclosed for this meeting:

Agenda Item	Paper number
Agenda Item 4: Minutes of meeting of 9 February 2017	AC.2017.2.1
Agenda Item 5: Minutes of meeting of Financial Audit and Assurance Committee, 23 February 2017	AC.2017.2.2
Agenda Item 6: Minutes of meeting of Performance Audit Committee, 23 February 2017	AC.2017.2.3
Agenda Item 7: Minutes of Audit Scotland Board 20 January 2017	AC.2017.2.4
Agenda Item 9: Report by Secretary to the Commission	AC.2017.2.5
Agenda Item 11: Report by Director of Performance Audit and Best Value	AC.2017.2.6
Agenda Item 12: Report by Secretary to the Commission	AC.2017.2.7
Agenda Item 13: Report by Secretary to the Commission	AC.2017.2.8

MEETING: 9 MARCH 2017

MINUTES OF PREVIOUS MEETING

Minutes of the 433rd meeting of the Accounts Commission held in the offices of Audit Scotland at 102 West Port, Edinburgh, on Thursday, 9 February 2017, at 10.15am

PRESENT: Ronnie Hinds
Alan Campbell
Sheila Gunn
Sandy Cumming
Tim McKay
Sophie Flemig
Stephen Moore
Pauline Weetman
Geraldine Wooley
Christine May

IN ATTENDANCE: Paul Reilly, Secretary to the Commission
Fraser McKinlay, Controller of Audit and Director of Performance Audit and Best Value (PABV)
Elaine Boyd, Assistant Director, Audit Strategy [Item 13]
Angela Canning, Assistant Director, PABV [Item 12]
Russell Frith, Assistant Auditor General [Item 13]
Morgan Kingston, Auditor, Audit Services Group [Item 9]
Mark McCabe, Senior Manager, PABV [Item 12]
Martin McLauchlan, Senior Auditor, PABV [Item 10]
Natalie Sorbie, Senior Auditor, PABV [Item 12]
Sally Thompson, Audit Manager, PABV [Item 12]

Item No Subject

1. Apologies for absence
2. Declarations of interest
3. Decisions on taking business in private
4. Minutes of meeting of 8 December 2016
5. Minutes of meeting of Audit Scotland Board 27 October 2016
6. Audit Scotland Board Update
7. Update report by the Secretary to the Accounts Commission
8. Update report by the Controller of Audit
9. Annual Audit and Assurance Report
10. Briefing: Scottish budget
11. Local Government Benchmarking Framework: data outputs
12. Overview of Local Government in Scotland: draft report
13. Review of Quality
14. Commission business matters

1. Apologies for absence

It was noted that apologies for absence had been received from Douglas Sinclair and Graham Sharp.

2. Declarations of interest

The following declarations of interest were made:

- Sheila Gunn, in item 9, as a non-executive Director of the Wheatley Group, concerning its relationship with Glasgow City Council.
- Ronnie Hinds, in item 9, as a former Chief Executive of Fife Council, in relation to references to Dunfermline Flood Prevention Scheme, and in item 11, as a former Chair of the Local Government Benchmarking Framework Board.
- Christine May, in items 9 and 12, as Vice-Chair of Fife Cultural Trust, in relation to references to arm's length external organisations; and in item 9, as a former leader of Fife Council, in relation to references to Dunfermline Flood Prevention Scheme.
- Stephen Moore, in item 9, as a former chief officer of Fife Council, in relation to references to Dunfermline Flood Prevention Scheme and to exit packages for former officers.

3. Decisions on taking business in private

It was agreed that the following items be taken in private:

- Item 11, as it presents an update on data outputs from the Local Government Benchmarking Framework which have yet to be published in the public domain, and the Commission may wish to discuss confidential policy matters with representatives of the Framework.
- Item 12, as it proposes a draft audit report, which the Commission is to consider and consult appropriately with stakeholders if necessary before publishing.
- Item 13, as it proposes a report from the Assistant Auditor General on the quality of audit, in relation to which the Commission may wish to discuss confidential audit matters with the author.
- The Chair advised that there was no business for item 14 and thus this would not require discussion in private.

4. Minutes of meeting of 8 December 2016

The minutes of the meeting of 8 December 2016 were approved as a correct record.

5. Minutes of meeting of Audit Scotland Board 27 October 2016

The minutes of the meeting of the Audit Scotland Board of 27 October 2016 were noted.

6. Audit Scotland Board Update

The Deputy Chair provided a verbal update on recent Audit Scotland Board activity.

7. Update report by the Secretary to the Accounts Commission

The Commission considered a report by the Secretary to the Commission providing an update on significant recent activity relating to local government and issues of relevance or interest across the wider public sector.

Following discussion, the Commission agreed:

- In relation to paragraph 12, arising from a query from Stephen Moore, to note advice from the Director of PABV that he would discuss with his policy cluster teams the implications of the consultation *Empowering teachers, parents and communities to achieve excellence and equity in education: a governance review* on pupils with additional support needs.
- In relation to paragraph 48, third bullet point, to note advice from the Secretary that “gained” should read “held”.
- In relation to paragraph 59, arising from a query from Ronnie Hinds, that a watching brief be kept on the UK Parliament Communities and Local Government Committee’s inquiry into the overview and scrutiny of local government in England.

Action: Secretary

Following discussion, the Commission agreed to note the report.

8. Update report by the Controller of Audit

The Controller of Audit provided a verbal update on his recent activity including meetings and discussions with stakeholders.

Following discussion, the Commission:

- Noted advice from the Controller of Audit that the Independent report into school closures in City of Edinburgh was published on 9 February, which he will consider and update the Commission in due course
- Noted the update.

9. Review of the local government annual audit reports 2015/16

The Commission considered a report by the Controller of Audit summarising the outcome of his review of the 2015/16 annual audit reports for councils and related local authority bodies.

During discussion, the Commission agreed:

- To note advice from the Controller of Audit, arising from a query from Sophie Flemig, that he would consider the implications of the Supreme Court ruling on 8 February in favour of a woman who had been denied Local Government Pension Scheme benefits after her long-term partner had died suddenly.
- To note advice from the Controller of Audit, arising from a query from Ronnie Hinds, that his review of local government pension accounts, which is considered by the Financial Audit and Assurance Committee, includes issues around fund management fees.
- To note the outcome of the review of annual audit reports for local government bodies.

- To note the planned change in the Controller of Audit's report next year to an Annual Assurance and Risks Report (AARR), to reflect the Commission's strategy and the new approach to auditing Best Value.
- To note advice from the Controller of Audit that the Commission would have input into developing the style and content of the AARR.

10. Briefing: Scottish budget

The Commission considered a report by the Director of PABV providing a briefing on the Scottish Government's Draft Budget 2017/18, highlighting some of the key implications for local government finances.

During discussion, the Commission agreed:

- To note advice from the Director that he would be convening a meeting with relevant stakeholders, including the Scottish Parliament Information Centre and CIPFA, to discuss how local government budget statistics are presented in published material.
- To note the report.

11. Local Government Benchmarking Framework: data outputs [in private]

The Commission considered a report by the Secretary to the Commission introducing a discussion on the 2015/16 data outputs from the Local Government Benchmarking Framework (LGBF).

The Chair welcomed David Martin, Chair of the LGBF Board (and Chief Executive of Dundee City Council); Colin Mair, Chief Executive of the Improvement Service; and Emily Lynch, Programme Manager - Performance Management & Benchmarking, Improvement Service; to the meeting. David led a presentation to the Commission covering themes and messages arising from the LGBF data.

During discussion, the Commission:

- Noted advice from Colin Mair that he would share the Improvement Service's Community Planning Outcomes Profile with Commission members
- Noted advice from David Martin that the next meeting of the LGBF Board would be considering the strategic plan for the project.
- Further in this regard noted advice from the Secretary of the Commission that he would advise the Commission of the progress with the strategic plan.
- Noted advice from the Secretary that he would report to its next meeting on the LGBF annual report, which was due to be published on 17 February.

Actions: Secretary

12. Overview of Local Government in Scotland: draft report [in private]

The Commission considered a report by the Director of Performance Audit and Best Value inviting the Commission to consider the attached draft local government overview report and to agree the process for finalising the report.

Following discussion, the Commission agreed:

- To approve the draft report, subject to the report team, in conjunction with the sponsors Douglas Sinclair and Ronnie Hinds and the Secretary to the Commission, addressing points raised in discussion.
- That the report includes a separate supplement for elected members.

Actions: Director of PABV

13. Review of Quality [in private]

The Commission considered a report by the Assistant Auditor General providing a progress update on the review of audit quality arrangements across all audit work which commenced in October 2016.

Following discussion, the Commission agreed:

- To endorse the principles of the review.
- Further in this regard, to underline its view about the importance of impact of audit featuring prominently in these principles.
- To note advice from the Assistant Auditor General that he would clarify the content and timing of the Commission's input into the review.

Actions: Assistant Auditor General

14. Commission business matters

The Deputy Chair advised that there was no business for this item.

Thereafter, the meeting was closed.

MEETING: 9 MARCH 2017

**MINUTES OF MEETING OF FINANCIAL AUDIT AND ASSURANCE COMMITTEE OF
23 FEBRUARY 2017**

Minutes of meeting of the Financial Audit and Assurance Committee of the Accounts Commission held in the offices of Audit Scotland, 102 West Port, Edinburgh on Thursday, 23 February 2017, at 10am.

PRESENT: Graham Sharp (Chair)
 Tim McKay
 Pauline Weetman
 Geraldine Wooley

IN ATTENDANCE: Paul Reilly, Secretary to the Commission
 Fraser McKinlay, Controller of Audit and Director of Performance Audit
 and Best Value (PABV)
 Anne Cairns, Manager (Benefits), Audit Strategy [Item 7]
 Antony Clark, Assistant Director, PABV [Item 6]
 Gemma Diamond, Senior Manager, PABV [Item 8]
 Russell Frith, Assistant Auditor General [Item 7]
 Fiona Kordiak, Director of Audit Services [Item 4]
 Anne MacDonald, Senior Audit Manager, Audit Services [Item 4]
 Mark McCabe, Senior Manager, PABV [Item 6]
 Dave McConnell, Assistant Director, Audit Services [Item 4]
 Catherine Young, Audit Manager, PABV [Item 6]

1. Apologies for absence
2. Declarations of interest
3. Draft minutes of meeting of 24 November 2016
4. Current Issues from the local authority audits
5. Intelligence from Ombudsman (six monthly report)
6. Performance audit: emerging messages – Equal Pay
7. Review of Housing Benefit Subsidy certification issues 2015/16
8. Briefing: digital audit
9. Any other business

1. Apologies

It was noted that apologies for absence had been received from Sheila Gunn and Douglas Sinclair.

2. Declarations of interest

Ronnie Hinds declared an interest in item 6 as a former Chief Executive of Fife Council, and played no part in the consideration of the said item.

3. Minutes of meeting of 24 November 2016

The minutes of the meeting of 24 November 2016 were noted and approved as a correct record.

Arising therefrom, the Commission:

- In relation to item 3 (last bullet point), noted advice from the Secretary that:
 - The Chair had written to pension fund trustees and conveners of pension fund committees sharing the messages from the unaudited pension fund accounts and the local government financial overview, and the copies of the correspondence were available on the members' extranet portal.
 - Further in this regard, Audit Scotland would be meeting the National Pensions Advisory Board in coming weeks to discuss the matters further.
- In relation to item 4 (fourth bullet point), to note advice from the Director of Audit Services that the Controller of Audit continues to monitor the matters associated with the restructuring of City Building (Glasgow) LLP) with a view to reporting further to the Commission.
- In relation to item 5 (first bullet point), noted advice from the Secretary that the Best Value Working Group would be considering how self-evaluation features in Best Value auditing guidance and how to encourage fruitful dialogue between audit teams and elected members.
- Further in this regard, noted advice from the Director of PABV that the Best Value Working Group would continue to consider how to ensure effective assessment of leadership through the approach to auditing Best Value, and would report to the Commission as appropriate.

Action: Director of PABV

- In relation to item 5 (third bullet point), noted advice from the Chair that he would still welcome views from Committee members on how to feature more prominently in the Committee's business the practical experience of auditors.

4. Current issues from the local authority audits

The Committee considered a report by the Controller of Audit advising of emerging issues and recurring themes, as well as individual issues of interest, arising from audit work in Scottish councils.

During discussion, the Committee agreed:

- To note advice from the Assistant Auditor General that he would continue to monitor the situation with council house rent arrears arising from the

introduction of Universal Credit, with a view to reporting further to the Committee as appropriate.

- To note advice from the Controller of Audit, arising from a query from Pauline Weetman, that he expects assessment of the robustness of option appraisal to feature in annual audit work in line with the risk-based approach inherent in the new approach to auditing Best Value.
- Further in this regard, to recommend to the Commission that such a matter continue to be considered for future performance audit or related work.

Action: Secretary

- To note advice from the Controller of Audit that he continues to monitor due diligence matters around the procurement exercise in relation to the operation and management of the existing and replacement Aberdeen Exhibition and Conference Centre.
- To note advice from the Controller of Audit that he was studying the independent report into school closures in City of Edinburgh, which was published on 9 February, with a view to updating the Commission in due course.
- Further in this regard, to defer any view about the appropriateness of a statutory report from the Controller.
- Further in this regard, to note the potential link between matters raised in the report and the proposed performance audit on innovative financing.
- That the Controller of Audit provide more information on the implications of the court action taken by East Ayrshire Council in relation to the Skares open cast mine site.
- That the Controller of Audit consider the Best Value implications of recent press coverage of integration boards' decisions being taken in private.

Actions: Controller of Audit

Thereafter, the Committee noted the report.

5. Intelligence from Ombudsman (six monthly report)

The Committee considered a report by the Secretary to the Commission providing an update of intelligence emerging from the work of the Scottish Public Sector Ombudsman, Commissioner for Ethical Standards in Public Life in Scotland, Standards Commission for Scotland and Scottish Information Commissioner.

Following discussion, the Committee noted the report.

6. Performance audit: emerging messages – Equal Pay

The Committee considered a report by the Director of PABV advising of the emerging messages from the performance audit on equal pay.

Following discussion, the Committee agreed to:

- To endorse the emerging messages, subject to a small number of revisions and other points to be addressed by the audit team in conjunction with the audit sponsors.
- Note how protracted communication with councils around data gathering early in the audit process has necessitated a delay in the publication of the report as had been reported to the Commission at its meeting in August 2016.
- Further in this regard, that a draft report be taken to the meeting of the Commission in June, with a view to publishing the report in July or August 2017.

7. Review of Housing Benefit Subsidy certification issues 2015/16

The Committee considered a report by the Assistant Auditor General advising of the outcomes from a recent review of the 2015/16 auditors' Housing Benefit (HB) subsidy certification letters.

Following discussion, the Committee agreed:

- To endorse the paper.
- To note advice from the Assistant Auditor General that matters raised in the review would be further considered in the annual report to the Commission on benefits administration audit work.

8. Briefing: digital audit

The Committee considered a presentation by Gemma Diamond, Senior Manager, PABV on digital audit and digital developments in local government in Scotland.

Following the presentation, the Committee:

- Agreed that the Director consider the following as part of the project:
 - Effect on council employment.
- Endorsed the objectives, priorities and next steps of the project.
- Agreed that further updates be provided, with Commission input to the project provided, as required.

Actions: Director of PABV

The Chair thanked Gemma Diamond for her presentation.

9. Any other business

There being no further business, the meeting was closed.

MEETING: 9 MARCH 2017

MINUTES OF MEETING OF PERFORMANCE AUDIT COMMITTEE OF 23 FEBRUARY 2016

Minutes of meeting of the Performance Audit Committee of the Accounts Commission held in the offices of held in the offices of Audit Scotland, Audit Scotland, 102 West Port, Edinburgh on Thursday, 23 February 2017, at 2pm.

PRESENT: Ronnie Hinds (Chair)
Sandy Cumming
Christine May
Stephen Moore
Sophie Flemig

IN ATTENDANCE: Paul Reilly, Secretary to the Commission
Fraser McKinlay, Director Performance Audit and Best Value
Carol Calder, Senior Manager, PABV [Item 7]
Antony Clark, Assistant Director, PABV [Items 4 and 5]
Gemma Diamond, Senior Manager, PABV [Item 6]
Lorraine Gillies, Senior Manager, PABV [Item 5]
Cathy MacGregor, Audit Manager, PABV [Item 5]
Mark McCabe, Senior Manager, PABV [Item 7]
Rikki Young, Business Manager, PABV [Item 4]

<u>Item no.</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of interest
3.	Minutes of meeting of 24 November 2016
4.	Work Programme Update
5.	Performance audit: emerging messages – Self-directed support (follow-up)
6.	Briefing: digital audit
7.	Policy briefing: health, care and communities
8.	Any other business

1. Apologies for absence

It was noted that apologies for absence had been received from Douglas Sinclair.

2. Declarations of interest

Christine May declared an interest in items 4 and 7, as Vice-Chair of Fife Cultural Trust, in relation to references to arm's length external organisations.

3. Minutes of meeting of 24 November 2016

The minutes of the meeting of 24 November were noted and approved as a correct record.

4. Work Programme Update

The Committee considered a report by the Director of PABV providing an update of progress of the work programme published on behalf of the Accounts Commission and Auditor General.

Following discussion, the Committee agreed:

- That future such reports make a clearer link with the Commission's strategic priorities.

Action: Director of PABV

- To note advice from the Director of PABV that he was working with the Secretary on how the Commission's committees consider programme development activity.
- Further in this regard, that members provide the Secretary with any comments to this end.

Thereafter, the Commission noted the report.

5. Performance audit: emerging messages – Self-directed support (follow-up)

The Committee considered a report by the Director of PABV advising of the emerging messages for the performance audit *Self-directed support: follow-up*.

Following discussion, the Committee agreed:

- To endorse the emerging messages, subject to a small number of revisions and other points to be addressed by the audit team in conjunction with the audit sponsors.
- That the audit team liaise with the sponsors and the Auditor General on completion of some remaining audit fieldwork.
- That a draft audit report be brought to the Commission meeting in May 2017, prior to publication in July 2017.

Actions: Director of PABV

6. Briefing: digital audit

The Committee considered a presentation by Gemma Diamond, Senior Manager, PABV on digital audit and digital developments in local government in Scotland.

Following the presentation, the Committee:

- Noted advice from the Secretary of how the matters raised in the presentation affected the Committee's role.
- Noted that the Director consider the following as part of the project:
 - Implications for equalities and accessibility
 - Effect on council employment
 - Effect on the quality of the service experienced by the citizen, and the consistency across councils in this regard
 - Effect on service efficiency and effectiveness of better data management, such as in health and social care integration
 - How digital matters affect, and feature in, Best Value audit reports.
- Endorsed the objectives, priorities and next steps of the project.
- Agreed that further updates be provided, with Commission input to the project provided, as required.

Actions: Director of PABV

The Chair thanked Gemma Diamond for her presentation.

7. Policy briefing: Health care and communities

The Committee considered a briefing from the Director of PABV on matters associated with the Health, Care and Communities cluster. The presentation was delivered by Carol Calder and Mark McCabe.

Following discussion, the Committee:

- Noted advice from the Director that a briefing on progress with community empowerment would be made to a future meeting of the Committee.
- Agreed that the Director consider how to present information showing the relationship between resource pressures of integration boards and their performance.

Actions: Director of PABV

Thereafter, the Committee noted the briefing and the Director thanked Carol Calder and Mark McCabe for their presentation.

8. Any other business

There being no further business, the meeting was closed.

Minutes

Friday 20 January 2017, 10.00am

Audit Scotland offices, 102 West Port, Edinburgh EH3 9DN

Item 7: 02/2017

Present:

I Leitch (Chair)
C Gardner
H Logan
D Sinclair

Apologies:

Russel Griggs

In attendance:

D McGiffen, Chief Operating Officer
R Frith, Assistant Auditor General
M Walker, Assistant Director, Corporate Performance and Risk
G Diamond, Senior Manager, Performance Audit and Best Value
F McKinlay, Director of Performance Audit and Best Value
E Boyd, Assistant Director, Quality
A Cairns, Manager – Benefits, Audit Strategy
F Kordiak, Director of Audit Services Group
K Gibbins, Communications Adviser, Corporate Services
A Clark, Assistant Director, Performance Audit and Best Value
D Hanlon, Corporate Finance Manager
J Webber, Senior Executive Assistant

1. Private meeting

A private meeting was held by the Chair and Board members, prior to the start of the Board meeting. There were no issues raised in addition to those items on the agenda, which had been previously circulated.

2. Welcome and Apologies

The Chair noted that apologies had been received from Russel Griggs.

3. Declarations of Interest

Heather Logan declared her membership of the Audit and Advisory Committee of the Scottish Public Services Ombudsman (SPSO).

4. Chair's report

Ian Leitch advised that since the previous Board meeting he had held regular meetings with Caroline Gardner, Auditor General for Scotland and Diane McGiffen, Chief Operating Officer to discuss business matters of interest, the 2017/18 budget submission and the Scottish Commission for Public Audit meeting in December 2016.

The members welcomed the update.

5. Accountable Officer's report

Caroline Gardner provided a verbal update on her activity since the previous meeting. She advised that there were a number of recent and forthcoming reports to be considered by the Public Audit and Post Legislative Scrutiny Committee of the Scottish Parliament including the Section 22 report The 2015/16 audit of the Scottish Police Authority, the report on the Police Scotland i6 system and a second report on Scottish Rate Income Tax. She also advised of a response being made to the Commission for Parliamentary Reform consultation in February.

Caroline advised of her on-going range of meetings with members of the various committees of the Scottish Parliament.

The Board welcomed the update.

6. Accounts Commission Chair's report

Douglas Sinclair provided an update on the work of the Accounts Commission since the previous meeting. He advised that the Accounts Commission had published Best Value reports on East Dunbartonshire Council which highlighted gaps between ambition and capacity to deliver, and Falkirk Council which identified a funding gap and increasing demands. Douglas invited members to note the findings in the annual overview report which flagged the need for councils to continue to develop skills and capacity to drive forward improvement. He advised of the Local Government in Scotland Financial Overview 2015/16 report which had been considered by the Public Audit and Post Legislative Scrutiny Committee at its meeting on 12 January 2017 and of a recent meeting with the Scottish Government.

Douglas invited members to note the date of the next Accounts Commission Strategy Seminar on 28 and 29 March 2017.

Douglas advised members of the forthcoming retirement of two members of the Commission and of the start of the recruitment process to replace them.

The Board welcomed the update.

7. Review of minutes

Board meeting, 27 October 2016

The Board considered the note of the meeting on 27 October 2016, which had been previously circulated, and confirmed that it was an accurate record of the meeting.

Remco meeting, 15 September 2016

The Board considered the minutes of the meeting of Remco of 15 September 2016, a copy of which had been previously circulated and confirmed these were an accurate record of the meeting, subject to the correction of a typographical error.

Action: Joy Webber, Senior Executive Assistant, to make the necessary amendments and publish the minutes. January 2017

8. Review of actions tracker

The Chair invited members to note the action tracker, which had been previously circulated and welcomed any comments or updates.

Russell Frith provided a verbal update on item ASB19, advising that a copy of the Board report had been shared with Fiona Daley with a request for her views on the audit procurement process. Russell advised that Fiona's key feedback had been to suggest more detailed guidance for the tender assessment panel to help focus the number of areas for discussion at the moderation meeting and that this had been incorporated in the review report. Douglas asked whether the good practice on procurement had been shared with other audit agencies. Russell advised that the experience

had been shared with the National Audit Office, Wales Audit Office and Public Sector Audit Appointments.

9. Review of standing orders

The Chair advised members that legal advice had been received on the board quorum, substitutions and waivers and following further discussion a report would be scheduled for the Board's next meeting on 22 February 2017.

Action: Diane McGiffen, Chief Operating Officer, to schedule a report for the Board meeting in February 2017. February 2017

10. Making a Difference: Digital Audit

Gemma Diamond, Senior Manager, Performance Audit and Best Value and Fraser McKinlay, Director of Performance Audit and Best Value joined the meeting.

Martin Walker introduced the report on Digital Audit, which had been previously circulated and invited Gemma Diamond to present the current position, priorities and next steps.

Gemma Diamond presented on the role that digital plays in the delivery of public services and audit, and how it can be used to influence and improve outcomes across the public sector.

Heather Logan asked about Audit Scotland's capacity to develop digital auditing further and where investment would be prioritised. Martin advised that initial work had focussed on assessing current capacity to identify any gaps in skills.

Gemma advised of the shifting culture around new technologies and how audit was adapting to consider digital strategies when auditing public service strategies. She also highlighted the on-going role of strong leadership, accountability and governance frameworks, which remained core features of audit activity.

Douglas Sinclair advised that he would welcome the opportunity to discuss what the Accounts Commission's Best Value programme should consider and Fraser McKinlay advised there would be a report to the Accounts Commission Performance Audit Committee in February 2017.

The Board welcomed the presentation and discussion and agreed a further update would be scheduled later in the year.

Action: Diane McGiffen, Chief Operating Officer, to schedule a report for a Board meeting later in the year. February 2017

Gemma Diamond, Senior Manager, Performance Audit and Best Value and Fraser McKinlay, Director of Performance Audit and Best Value left the meeting.

11. Securing World Class Audit: Review of Quality Arrangements

Elaine Boyd, Assistant Director, Quality joined the meeting.

Russell Frith introduced the report on Review of Audit Quality, which had been previously circulated and invited Elaine Boyd to provide an update on progress.

Heather Logan queried whether the external audit firms were delivering on the added value and quality elements promised during the procurement exercise and how that would be monitored. Russell advised that Audit Strategy would monitor the delivery of added value.

Douglas Sinclair asked whether performance indicators would be developed for approval by the Auditor General for Scotland, the Accounts Commission and the Board. Russell confirmed that options would be developed for discussion and approval, including an assessment of the role that an external regulator could play in assuring quality and at what cost.

The Board welcomed the update and looked forward to receiving further reports for discussion and approval.

Action: Diane McGiffen, Chief Operating Officer, to schedule a report for the Board meeting in February 2017. February 2017

Elaine Boyd, Assistant Director, Quality left the meeting.

12. Securing World Class Audit: Fraud Arrangements

Anne Cairns, Manager – Benefits, Audit Strategy, joined the meeting.

Russell Frith introduced the report on Fraud Arrangements, which had been previously circulated. Anne Cairns, Manager – Benefits, Audit Strategy invited the Board to note audit activities undertaken in conjunction with other public sector bodies to help in the detection, prevention and investigation of fraud and irregularity in Scotland, of which NFI is a part.

The Chair queried the language on page 9 of the appendix relating to the Auditor's role and on page 16 and it was agreed to set out more clearly the need for auditors to submit information of fraud or irregularity over £5,000.

Heather Logan welcomed the informative paper and asked for clarification on Audit Scotland's role in overseeing fraud at a national level. Russell advised the Board that there was no national regulator although CIPFA play a role as part of their services to local government. He clarified that Audit Scotland's role in fraud is limited to informing bodies of their legal responsibility to report fraud, respond and make recovery.

The Board agreed that the responsibilities should be set out more clearly in the commentary and that it would be good to explore how the digital programme could assist in this work.

Action: Russell Frith, Assistant Auditor General, to make the suggested amendments to the report in terms of responsibilities of reporting fraud. February 2017

Anne Cairns, Manager – Benefits, Audit Strategy, left the meeting.

13. Making a Difference: Demonstrating Value for Money Update

Fiona Kordiak, Director of Audit Services, joined the meeting.

Fiona Kordiak, Director of Audit Services, introduced the report Demonstrating Value for Money Update, which had been previously circulated.

Fiona invited the Board to consider and comment on the report.

The Board welcomed the opportunity to review and comment on the report as drafted and agreed it should set out more clearly the benefits and value for money provided by the in-house audit teams, reflecting the positive developments over the past 18 months.

Fiona advised the Board that the report had been updated to remove some of the more detailed information in an earlier draft shared with them, but recognised the need to set out more in relation to the unique role of Audit Services.

Following discussion, the Board agreed to consider an updated version by correspondence with Heather Logan offering to lead on Board input.

Action: Fiona Kordiak, Director of Audit Services, to liaise with Heather Logan and take on board comments from members before issuing a further draft for their consideration by correspondence. February 2017

Fiona Kordiak, Director of Audit Services, left the meeting.

14. Making a Difference: Update on Parliamentary Engagement

Antony Clark, Assistant Director, Performance Audit and Best Value, and Kirsty Gibbins, Communications Adviser, Corporate Services, joined the meeting.

Antony Clark introduced the Update on Parliamentary Engagement, which had been previously circulated.

Antony presented information on engagement with the Scottish Parliament and invited the Board to note the information on awareness of Audit Scotland by MSPs and on the effectiveness of engagement to date.

Following a detailed discussion, the Board welcomed the update.

It was agreed to clarify the contractual arrangements for receiving survey feedback.

Action: Kirsty Gibbins, Communications Advisor, Corporate Services, to confirm the terms of the contract and survey arrangements. February 2017

Antony Clark, Assistant Director, Performance Audit and Best Value, and Kirsty Gibbins, Communications Adviser, Corporate Services, left the meeting.

15. Building a Better Organisation: Best Companies Survey Results

Diane McGiffen introduced the Best Companies Survey Results report, which had been previously circulated.

Diane invited the Board to note the results from the recent staff survey which confirmed Audit Scotland as a One to Watch organisation for the eighth year in succession, despite the challenges of 2016 and the degree of change and uncertainty around roles and reward as the Building a Better Organisation project progresses.

The Board noted the overall results and the forthcoming discussions scheduled with the Leadership Group and colleagues.

16. Q2 Financial Performance Report 2016/17

David Hanlon, Corporate Finance Manager, Corporate Services, joined the meeting.

David Hanlon, Corporate Finance Manager, introduced the Q2 Financial Performance Report 2016/17, a copy of which had been previously circulated.

David invited the Board to note the financial results to September 2016, which had also been considered by the Audit Committee at its meeting on 9 December 2016.

The Board welcomed the positive assurance on financial performance provided by the report.

David Hanlon, Corporate Finance Manager, Corporate Services, Corporate Services, left the meeting.

17. Q2 Corporate Performance Report 2016/17

Martin Walker, Assistant Director, Corporate Performance and Risk, introduced the Q2 Corporate Performance Report 2016/17, which had been previously circulated.

Martin Walker invited the Board to note continued strong performance over Q2 and welcomed any questions.

Douglas Sinclair queried whether the success of getting messages in the public domain in corporate objective 2.2 could be effectively measured. Martin agreed to discuss options further with the

Communications team. Douglas also asked whether there was more detail on correspondence received for the Auditor General, Audit Scotland and the Accounts Commission and any key themes arising. Martin advised the Correspondence team provide a quarterly report to Management Team and a copy of this would be shared with members for information.

Heather Logan highlighted that a number of the KPIs had been consistently reported as amber and sought assurance that the actions noted were sufficient in order to improve performance. Martin advised that for most of those KPIs the amber rating reflected revised stretch targets. He also advised that updated controls and actions and a review of the performance reporting system would help link the performance reporting more effectively to the risk register.

Douglas sought and received clarification on sickness absence levels across business groups.

The Board welcomed the report.

Action: Martin Walker, Assistant Director, Corporate Performance and Risk, to consider with the Communications Team the options to measure corporate objective 2.2. March 2017

Action: Diane McGiffen, Chief Operating Officer, to send a copy of the latest quarterly correspondence report considered by Management Team on 17 January 2017. February 2017

18. Q2 Becoming World Class Improvement Programme Report 2016/17

Martin Walker introduced the Q2 Becoming World Class Improvement Programme Report 2016/17, which had been previously circulated.

Martin invited the Board to note the level of activity and progress made to date on the programme, next steps and welcomed any comments or questions.

Heather Logan asked about involvement in the review of Best Value statutory guidance. Douglas Sinclair confirmed that the review is being conducted jointly by COSLA and the Scottish Government and that Fraser McKinlay attends as an observer. Douglas advised he would be happy to have a separate discussion with Heather to clarify this further.

Douglas Sinclair asked how “world class” was being quantified. Diane McGiffen advised of the range of ways in which world class is used to set aspirations and ambitions and of the detailed work being undertaken by Russell Frith and his team to revisit an earlier report on public audit internationally which had established previous benchmarks for world class quality, people and reporting. This would be reported to the Board later in the year.

Following discussion, the Board noted progress to date and welcomed the report.

Action: Russell Frith, Assistant Auditor General, to schedule a report to the Board on established international benchmarks for world class quality, people and reporting. February 2017

19. Audit Scotland Budget Proposal 2017/18

The Chair invited members to note the SCPA report recommending approval of Audit Scotland’s 2017/18 budget proposal, which has been previously circulated.

20. Proposed Board Meeting Dates 2017

Diane McGiffen introduced the report Proposed Board Meeting 2017, which had been previously considered and advised Joy Webber would liaise with members after the meeting to check members’ availability to confirm new dates for May and June meetings.

Douglas Sinclair requested future meetings commence at 10.15am. The members agreed to future meetings commencing at 10.15am.

Action: Joy Webber, Senior Executive Assistant, to liaise with members regarding their availability. January 2017

21. Review of Openness and Transparency

Martin Walker introduced the Review of Openness and Transparency report, which had been previously circulated.

Martin invited the Board to consider the current arrangements and the proposal to publish Committee papers as part of our commitment to increasing openness and transparency.

The Chair advised that he and Heather Logan had discussed this and that consideration of the Audit Committee papers for the next meeting would be used to inform the progress of this objective.

In addition, the Chief Operating Officer suggested that following feedback on the January Board pack and the February Audit Committee papers and discussion with the Chair of the Audit Committee, a further Board discussion could be scheduled for February. This was agreed.

Action: Diane McGiffen, Chief Operating Officer, to schedule a discussion on next steps in publishing committee papers with the Board at its meeting in February 2017. February 2017

22. Publication of reports

The Board approved all reports for publication with the following exception:

- Item 11 Review of Audit Quality Arrangements (effective conduct of business - free and frank provision of advice/ exchange of views for the purposes of deliberation/ conduct of public affairs and intention of future publication)
- Item 13 Demonstrating Value for Money (effective conduct of business - free and frank provision of advice/ exchange of views for the purposes of deliberation/ conduct of public affairs and intention of future publication)
- Item 14 Update on Parliamentary Engagement (Statutory/security/legal)

Action: Diane McGiffen, Chief Operating Officer, to arrange to publish the reports on the Audit Scotland website alongside the approved minute. February 2017

23. Any other business

There was no further business.

24. Review of meeting

The members took the opportunity to reflect on today's meeting, agreeing they had found the digital strategy and other presentations particularly informative.

25. Date of next meeting

It was noted that the next Audit Scotland Board meeting had been scheduled for 22 February 2017 in the offices of Audit Scotland, 102 West Port, Edinburgh.

MEETING: 9 MARCH 2017

REPORT BY: SECRETARY TO THE COMMISSION

UPDATE REPORT

Introduction

1. The purpose of this report is to provide a regular update to the Commission on significant recent activity relating to local government, as well as issues of relevance or interest across the wider public sector.
2. The regular Controller of Audit report to the Accounts Commission which updates the Commission on his activity complements this report. The Commission's Financial Audit and Assurance Committee (FAAC) also receives a more detailed update on issues relating to local government. This report also complements the weekly briefing provided by Audit Scotland's Communication Team made available on the Commission members' extranet portal, which provides more detailed news coverage in certain areas.
3. The information featured is also available on the Accounts Commission member portal. Hyperlinks are provided in the electronic version of this report for ease of reference.

Commission business

Publications

4. The download statistics (with the increase from last month) for the reports published by the Commission over the last 12 months (as at 20 February 2017) are shown below:

Report	Date	Downloads		Podcasts	
		Feb	Total	Feb	Total
<u>East Dunbartonshire Council: Best Value audit report</u>	15 Dec 2016	58	434	-	86
<u>Falkirk Council: Best Value audit report</u>	1 Dec 2016	73	629	-	170
<u>Local government in Scotland: Financial Overview 2015/16.</u>	29 Nov 2016	317	2148	20	20
<u>How Councils Work – Roles and working relationships in councils: are you still getting it right?</u>	8 Nov 2016	117	2141	-	-
<u>School education impact report</u>	18 Oct 2016	17	90	-	-
<u>Angus Council: Audit of Best Value</u>	4 Oct 2016	-	75	-	-
<u>Social Work in Scotland</u>	22 Sept 2016	40	545	-	-
<u>Maintaining Scotland's roads: a follow-up report</u>	4 Aug 2016	325	3641	-	271
<u>South Ayrshire Council: Audit of Best Value and Community Planning</u>	29 Jun 2016	109	2086	-	208

Report	Date	Downloads		Podcasts	
		Feb	Total	Feb	Total
<u>Accounts Commission annual report 2015/16</u>	26 May 2016	32	838	-	-
<u>Accounts Commission Engagement strategy and engagement plan 2016/17</u>	26 May 2016	31	839	-	-
<u>Accounts Commission Strategy and annual action plan 2016-21</u>	26 May 2016	-	419	-	-
<u>Accounts Commission engagement plan 2015/16: Progress report</u>	26 May 2016	30	475	-	-
<u>Accounts Commission Action plan 2015/16: Progress report</u>	26 May 2016	-	134	-	-
<u>Code of audit practice 2016</u>	26 May 2016	-	158	-	-
<u>Reshaping Care for Older People – Impact Report</u>	10 May 2016	89	1229	-	-
<u>National Scrutiny Plan</u>	31 Mar 2016	44	916	-	-
<u>Local Government Overview 2016</u>	17 Mar 2016	26	756	-	253
<u>Changing Models of Health and Social Care</u>	10 Mar 2016	222	4779	-	872
<u>Community Planning update</u>	3 Mar 2016	452	9437	-	88

Other business

5. On 16 February, Ronnie Hinds, Pauline Weetman and Tim McKay met with representatives of Falkirk Council to discuss the Commission report on the [Audit of Best Value of the Council](#) which had been published on 1 December. There were two meetings. The first was with the corporate management team (Mary Pitcaithly, Chief Executive; Stuart Ritchie, Director of Corporate & Housing Services; Rhona Geisler, Director of Development Services; Robert Naylor, Director of Children's Services; Bryan Smail, Chief Finance Officer; Rose Mary Glackin, Chief Governance Officer; Fiona Campbell, Head of Policy, Technology & Improvement; Karen Algie, Head of Human Resources & Business Transformation; and Kathy McCarroll, Head of Social Work). The second was with senior members (councillors Craig Martin (Labour), Leader of the Council; and Councillor Cecil Meiklejohn (SNP), Leader of the Opposition). The Council considered the report at its meeting on 22 February; it agreed to note the report and the council's progress against the Commission's findings.
6. On 28 February, Christine May, Sheila Gunn and Stephen Moore met with representatives of East Dunbartonshire Council to discuss the Commission report on the [Audit of Best Value of the Council](#) which had been published on 15 December. There were two meetings. The first was with senior officers (Gerry Cornes, Chief Executive; Ann Davie, Depute Chief Executive, Education, People and Business; Thomas Glen, Depute Chief Executive, Place, Neighbourhood and Assets; and Jamie Robertson, Chief Finance Officer (Strategic Lead, Finance, Audit and Performance)). The second was with senior members (councillors Rhondda Geekie (Labour), Leader of the Council; Billy Hendry (Conservative), Depute Leader of the Council; and Councillor Ian Mackay (SNP), Leader of the Opposition). The Council will be considering the report at its meeting on 16 March.
7. On 12 December, the Scottish Government launched a [consultation](#) to consider making changes to the Councillors' Code of Conduct to address a specific issue on declarations

of interest in connection with quasi-judicial or regulatory matters. The proposal is to “amend the Councillors’ Code of Conduct so that councillors who are appointed or nominated by their councils to be members of an outside body would not be prevented from taking part in their council’s discussion of a matter of a quasi-judicial or regulatory nature in which that other body had an interest solely because of their membership of that body.” The consultation seeks views on whether changes should be made and if so how these should be implemented. The consultation will close on 20 March. I propose a draft response as set out in **Appendix 1**.

8. On 10 January, the Scottish Government launched a [consultation](#) on the future of the Scottish Planning System. A number of proposals are set out with the aim of supporting sustainable economic development. Key recommendations include zoning more land for housing, removing the requirement to apply for permission for more types of development and promoting self-build. The consultation will close on 4 April. I do not intend submitting a response on behalf of the Commission, but I will keep the Commission updated with progress in the matter.

Auditor General for Scotland

9. On 14 February, the Auditor General was on BBC News at 6pm and 10pm discussing health and social care integration and Audit Scotland's work in this area as part of BBC Health Week.

Audit Scotland

10. On 9 February, Audit Scotland published some key statistics on Scotland's [NHS Workforce](#). The document, which is a new type of output for the organisation, sets out the challenges being explored in a new [two-part audit of the NHS workforce](#).

Issues affecting local government

Scottish Government

11. On 1 February, the Scottish Government confirmed the allocation of the [new £120 million Pupil Equity Funding](#). As a result, more than 2,300 schools will receive the funding. With £50 million Attainment Scotland Funding, a total of £170 million for 2017-18 will tackle the attainment gap. Allocations are based on the number of pupils from P1 to S3 who are eligible and registered for free school meals, with schools receiving around £1,200 per pupil. Local authority breakdowns and the full list of individual school allocations are available [here](#).
12. On 8 February, Deputy First Minister John Swinney launched a [new teacher recruitment campaign](#), targeting university undergraduates studying science, technology, engineering and maths (STEM) subjects as well as people currently working in STEM industries. This pilot programme will see STEM graduates combine post-graduate education with the probation year in teaching.
13. On 14 February, the [Finance Ministers of Scotland, Wales and Northern Ireland criticised the UK Government](#) for failing to provide information about the impact of Brexit on devolved budgets and the economy, following the Finance Ministers Quadrilateral meeting in Edinburgh. Finance Secretary Derek Mackay said, “While I am disappointed about this lack of progress with the UK Government, we will continue to work with the Welsh and Northern Ireland governments as it is essential for the devolved administrations to be at the heart of any decision making.”
14. On 15 February, the Scottish Government announced [£11 million of new funding for energy efficiency](#). This will comprise the second wave of Scottish Energy Efficiency Programme pilot funding. The additional support will provide help to local authorities

carrying out innovative new energy-saving schemes. The Scottish Government stated that, since 2009, it has invested over £650 million and another £0.5 billion will be expected to be invested over the next four years to address fuel poverty and improve energy efficiency across Scotland.

15. On 21 February, Finance Secretary Derek Mackay announced [a tailored package of additional business rates support](#) for more than 9,500 premises. The package is worth £44 million, which includes the 12.5% cap on any rise for almost 8,500 businesses in the hospitality sector and over 1,000 offices in Aberdeen and Aberdeenshire to deal with increases to their property values under the national revaluation of business rates. The Finance Secretary [stated](#) that: “Although councils retain all the revenue from business rates, and have the power to offer rate reductions, it has become clear that there are some sectors and regions where the increase in rateable values is out of kilter with the wider picture of the revaluation. I have listened and decided that we will act nationally to tackle the impact.”
16. On 23 February, the Scottish Government [published](#) an [analysis of the written responses to the consultation](#) on Social Security in Scotland. The human right to social security will be on the face of legislation which will be introduced to the Parliament in June. In her statement to the Parliament, Social Security Minister Jeane Freeman announced that the clear majority of respondents to the consultation supported the principles of fairness, dignity and respect being built into a new agency, which will be reflected in a charter within the Bill and that Dr Jim McCormick of the Joseph Rowntree Foundation will chair an advisory group on disability and carers’ Benefits.
17. An update on the new financial powers, including social security, will be reported to the June meeting of the Commission.
18. On 28 February, the Scottish Government published [Scottish Local Government Finance Statistics 2015-16](#). The publication provides an overview of annual financial activity of Scottish local authorities based on their final, audited accounts. It states that local authorities reported an overall revenue surplus of £0.45 billion (up from £0.35 billion for 2014-15). Spend on services increased by 0.7 per cent to £10.1 billion, with education receiving the highest spend (net expenditure of £4.7 billion, up 2.7 per cent) and social work receiving the second highest (net expenditure of £3.2 billion, up 1.9 per cent).

Scottish Parliament

General

19. On 2 February, the Scottish Parliament debated and [passed the Budget Bill at Stage One](#), after a deal between the SNP and Greens. The deal would see £160 million for local authorities, including £30 million capital, £25 million extra for Police Scotland, and a further £35 million to Scottish Enterprise. It also included the threshold for the 40 pence rate of income tax frozen at £43,000 (the threshold for this rate in the rest of the UK is to rise to £45,000).
20. On 8 February, the Scottish Parliament [voted to agree](#) that the UK Government’s European Union (Notification of Withdrawal) Bill should not proceed. Minister for UK Negotiations on Scotland’s Place in Europe Michael Russell said the Parliament’s view should now be listened to.
21. On 21 February, the Scottish Parliament, for the first time, [voted to set Scottish income tax rates and thresholds](#). This has reflected the deal between the SNP and Greens earlier in this month. The threshold for paying the 40 pence rate of income tax will stay at £43,000 in Scotland, instead of increasing to £45,000 like the rest of the UK.

22. On 23 February, the Parliament also [voted to approve the Scottish budget](#). A total of £220 million of extra funding, including £160 million for local authorities will be included as a result of the two parties deal. The budget also included the [support package on business rates increases](#) that was announced earlier this week (See paragraph 12).

Parliamentary Committees

Local Government and Communities Committee:

23. At its [meeting](#) on 1 February, the Committee took evidence on the draft Climate Change Plan from Sustainable Scotland Network, Sustaining Dunbar and RTPi Scotland and on the Scottish Social Housing Charter from the Scottish Housing Regulator and other stakeholders and the Scottish Government. The Committee agreed that the revised Scottish Social Housing Charter be approved.
24. At its [meeting](#) on 8 February, the Committee took evidence on the draft Climate Change Plan from the Scottish Federation of Housing Associations and others, considered and noted the evidence. The Committee agreed a report on the implications for Scottish local government of the UK leaving the EU and wrote a letter to the Culture, Tourism, Europe and External Relations Committee.

Public Audit and Post Legislative Scrutiny Committee:

25. At its [meeting](#) on 26 January, the Committee took evidence on the Auditor General for Scotland's report "The 2015/16 audit of the Scottish Police Authority" from Caroline Gardner, Auditor General for Scotland, Gillian Woolman, Assistant Director and Mark Roberts, Senior Manager, Audit Scotland. The Committee also agreed to note the response from the Scottish Government on the Auditor General for Scotland's report "Superfast broadband for Scotland: A progress update". The Committee agreed its approach to post-legislative scrutiny of the Criminal Justice and Licensing (Scotland) Act 2010, which will involve consideration of the provisions relating to the National Fraud Initiative.
26. At its [meeting](#) on 2 February, the Committee took evidence on the Auditor General for Scotland's reports "Audit of higher education in Scottish universities" and "Scotland's colleges 2016" from the Scottish Government. The Committee took further evidence from Caroline Gardner, Auditor General for Scotland, Antony Clark, Assistant Director, Stuart Nugent, Audit Manager and Kirsty Whyte, Audit Manager, Audit Scotland. The Committee agreed to write to the Education and Skills Committee to highlight issues arising from the reports. The Committee also agreed to close its consideration of both reports.
27. At its [meeting](#) on 9 February, the Committee took evidence on the Auditor General for Scotland's report "The 2015/16 audit of NHS Tayside: Financial sustainability" from the Scottish Government. The Committee took further evidence from Caroline Gardner, Auditor General for Scotland, Carol Calder, Senior Manager and Jillian Matthew, Audit Manager, Audit Scotland. The Committee agreed to defer the evidence session for the Auditor General for Scotland's report "Changing models of health and social care to a future meeting.
28. Following its meeting on 12 January, when the Committee took evidence from the Accounts Commission on its report "Local Government in Scotland: Financial overview 2015/16", the [follow-up information from the Commission](#), dated 14 February, has been published on the Committee's website.

Finance and Constitution Committee:

29. The Scottish Fiscal Commission (SFC), currently a non-statutory body, will become a statutory body as a Non-Ministerial Department on 1 April 2017. The Cabinet Secretary for Finance and the Constitution wrote to the Committee on 17 January 2017, setting out his nominations for the appointment of two new commissioners to the SFC. The two nominees are:
- Professor Alasdair Smith, Inquiry Chair, Competition and Markets Authority;
 - David Wilson, Executive Director, International Public Policy Institute

At its [meeting](#) on 1 February, the Committee questioned the nominees against the advertised criteria for the posts, in advance of the Parliament being invited to approve the two appointments and [recommended](#) that the Parliament approves the Cabinet Secretary's nominations for appointment to the SFC.

Culture, Tourism, European and External Relations Committee:

30. On 6 February, the Committee published its report "[EU Migration and EU Citizens' Rights](#)". The report irritated the importance of EU migration to Scotland and the contribution that EU citizens have made to Scotland. The Committee recognised that there may need to be a differentiated solution for Scotland, which should be explored by the Scottish Government and raised by it in its UK-wide discussions.

Others:

31. On 3 February, the Economy, Jobs and Fair Work Committee published its [report on the Economic Impact of Leaving the European Union](#). The Committee highlighted a number of gaps in the data available and committed to examining phase two of the enterprise and skills reviews to assess possible improvements. The Committee recommended the Scottish Government to provide proper analysis on enabling Scotland to continue doing business with the EU.
32. On 13 February, the Health and Sport Committee announced the [launch of a consultation](#) on the design and future of health and social care. It will investigate "whether or not integration authorities are doing enough to involve patients, carers, the third sector and other stakeholders". The closing date for the call for evidence is 8 March 2017. I will report to the Commission on the consultation in due course.

Current activity and news in Scottish local government

COSLA

33. On 2 February, COSLA President Councillor David O'Neill [commented](#) on the arrangement between the SNP and Greens regarding the budget, including £160 million for local authorities:

"Whilst I absolutely welcome the reduction in the cut the simple truth in that there remains nearly £200 million of a cut to local public services and this is still not a good result, better but not good. That said, what I can promise is, as always, my colleagues in local government and I will do our very best to mitigate the impact of these cuts on communities."

Solace UK

34. On 17 February, Solace UK President Jo Miller, Chief Executive of Doncaster Metropolitan Borough Council, published a [letter](#) sent to Chief Executives across the

UK, asking for enhancing diversity in the sector in response to the [recent media coverage](#) about the Northern Powerhouse conference, with lack of female presentations.

Improvement Service

35. In January, the Improvement Service (IS) published three induction notebooks for intended councillors. These books comprise the first in a series of seven induction notebooks written by the Improvement Service in consultation with councils to provide support and guidance for councillors.
 - [The first few weeks in office](#)
 - [Roles and responsibilities of the elected member at ward level](#)
 - [Roles and responsibilities of the elected member at council level](#)
36. The IS has already agreed with councils the approach and topics for its induction notebook series. A further four notebooks are currently in the final stages of publication.
37. The Commission and Audit Scotland have been in discussion with the IS around possible areas of joint work within this area. They have identified scope for a separate more focused guide on how councils are held to account, to outline the role of Accounts Commission and its scrutiny partners. This would help councillors to understand what scrutiny and inspection mean for them and their council. The guide will be published later this year, once the IS has completed its induction events following the Local Government election. The IS has also proposed that the Accounts Commission and Audit Scotland support its Masterclass series of training in the autumn. This could centre on themes from the Commission's "[How Councils Work](#)" follow-up report on roles and working relationships (published in November 2016) in areas such as scrutiny, the importance of elected member skills, and roles in outside bodies for example. Discussions to this end are ongoing.

Individual councils

38. Scottish councils are deciding whether to raise basic council tax by up to three per cent this year, after nine year of national council tax freeze. As at 1 March, all councils, except North Ayrshire and South Ayrshire councils, have decided their basic council tax rate. 22 councils voted for an increase, typically of three per cent, while eight councils agreed to maintain the current rate. **Appendix 2** provides the tax rate decided by each council.
39. On 2 February, Angus Council [appointed](#) Margo Williamson, Strategic Director of the Children and Learning Directorate, as its new chief executive. She will take up the post on 1 June, following the retirement of current chief executive Richard Stiff on 31 May.
40. On 9 February, the [independent report](#) into safety failures that led to 17 Edinburgh schools to close was published. The report concluded that "the problems they have had to face were fundamentally the result of poor quality construction and poor quality supervision of construction" rather than the method of the PFI funding model per se. The report also criticised that the council and the partnership which managed the building contracts, as well as the construction company, cannot simply delegate away from themselves the responsibility of putting in place an appropriate level of informed, independent scrutiny to ensure the safety of the public buildings they procure. The Financial Audit and Assurance Committee considered an update from the Controller of Audit at its meeting on 23 February. The Committee noted advice from the Controller that he was studying the report with a view to updating the Commission in due course.

41. Glasgow is set to become the first city in the UK to [pilot a basic universal income](#) for every citizen after councillors agreed to fund research into how the concept might work in practice. The Council's Executive Committee [approved](#) taking forward a feasibility study on the Basic Income Model on 16 February. In [Fife](#), a plan to take forward a pilot scheme is also expected to be presented to councillors later this year.
42. There has been one by-election result since my last report:
 - On 26 January, SNP candidate Fiona Campbell [held a seat](#) for the Kilmarnock East and Hurlford ward of East Ayrshire Council, following the death of SNP Councillor James Buchanan.

Scrutiny, inspection, regulatory and related bodies

Scottish Public Sector Ombudsman (SPSO)

43. The SPSO's [newsletter - February](#) outlines investigation reports, recent SPSO news and highlights emerging issues. More information on the SPSO's work, including detailed investigations and decision reports, is available on the '[Our findings](#)' webpage. More detailed intelligence from the SPSO is considered on a six-monthly basis by the FAAC, most recently on 23 February.
44. [Rosemary Agnew](#), the current Scottish Information Commissioner, will take up the post of SPSO on 1 May 2017. She was nominated by a cross-party panel of the Parliament, following an open recruitment process, and her appointment was unanimously approved by MSPs on 7 February. The current Ombudsman's eight-year term ends on 30 April 2017.

Commissioner for Ethical Standards in Public Life in Scotland

45. Since the previous meeting of the Commission, one decision on complaints relating to councillors has been published by the Commissioner. The Commissioner decided that the individual did not contravene the Councillors' Code of Conduct. The complaint was against [Councillor William Boyle](#), West Lothian Council.

Standards Commission for Scotland

46. There have been no hearings by the Standards Commission for Scotland since my last report.

UK Government

47. On 3 February, the UK Government published its [white paper](#) on the UK's exit from and new relationship with the EU. The document sets out the government position in a number of areas such as trade, immigration and devolution, based on the government's 12 principles, including "Strengthening the Union" and "Taking control of our own laws".

UK Parliament

General

48. On 8 February, MPs overwhelmingly [voted for the European Union \(Notification of Withdrawal\) Bill](#), allowing the government to officially start the process of the UK to leave the EU. The draft bill was agreed by 494 votes to 122, and moved to the House of Lords.

49. On 8 February, the [House of Lords](#) started the formal process to examine the European Union (Notification of Withdrawal) Bill. On 20 and 21 February, the members of the Lords debated the key purpose and principles of the Bill. It passed without a vote at the second reading. On 27 February and 1 March, the members examined the Bill line by line at the committee stage.

Communities and Local Government Committee

50. On 11 February, the Committee published a [report on public parks](#). The report highlighted considerable challenges for the sector, including decreased council budgets and planning policy not prioritising them enough, particularly due to pressures to increase the housing supply. The Committee has called for councils to publish strategic plans, which recognise the value of parks, such as public health, community integration and climate change mitigation.

Scottish Affairs Committee

51. The Committee is continuing its [inquiry](#) into sustainable employment in Scotland. On 1 February, the Committee took evidence from unions and from the construction and retail sectors to examine how well current employment law protected Scottish workers from unfair practices.
52. On 8 February, the Committee held a one off session on and subsequently published a report on [planned closures to Jobcentre Plus offices in Scotland](#). The aim was to examine the Department for Work and Pensions plans to close up to 8 Jobcentre Plus offices in Glasgow, and the news that this would be extended to the rest of Scotland and the UK. The Committee took evidence from Damian Hinds, Minister of State for Employment as well as Citizens Advice Bureau, Church of Scotland and the PCS Union.

Public Accounts Committee

53. On 21 February, the Committee published a [report on benefit sanctions](#). The report found that the sanctions have been imposed inconsistently by different jobcentres and providers and have increased in severity in recent years. The document has called for the Department for Work and Pensions to review the use and impacts of sanctions.

Other UK Audit Bodies

National Audit Office (NAO)

54. On 8 February, the NAO published a report, "[Health and Social Care Integration](#)", warning that "progress with integration of health and social care has, to date, been slower and less successful than envisaged and has not delivered all of the expected benefits for patients, the NHS or local authorities. As a result, the government's plan for integrated health and social care services across England by 2020 is at significant risk".
55. On 22 February, the NAO published a report, "[Capital Funding for Schools](#)". The report showed that £4.5 billion has been spent in 2015/16 to improve the estate and provide more school places. It acknowledged that the Department for Education, working with local authorities and schools is making progress in improving schools in the worst condition. It also recognised considerable challenges, [underlining](#) that it would cost at least £6.7 billion to bring the school estate up to a satisfactory standard.

Wales Audit Office (WAO)

56. On 16 February, the WAO published a [Discussion Paper: The Governance Challenges Posed by Indirectly Provided, Publicly Funded Services in Wales](#). The objective of the paper is to stimulate discussion amongst public service leaders and stakeholders about how to identify and learn from existing good practice, recognise potential problems and strengthen governance frameworks, in order to help to serve the good governance of public services in Wales.

Other general

57. On 15 February, the Office for National Statistics [published the statistics on employment](#) from October to December 2016 across the UK. The Scottish unemployment rate is 4.9 per cent (up by 0.2 percentage points from the last quarter), slightly above the UK rate of 4.8 per cent while the employment rate is 73.6 per cent (up by 0.1 percentage point from the last quarter), which is below the UK average of 74.6 per cent.
58. On 25 February, the Bank of Scotland [published](#) an annual report on the affordable Cities Review across the UK. The report found that the affordability of housing in Scotland is at its lowest level since 2009. Average house prices increased by 3% in Scottish cities (from £181,061 in 2016 to £186,002 in 2017). Stirling is the most affordable city in Scotland, and in the UK, while Edinburgh remains the least affordable city in Scotland.
59. On 28 February, Deloitte published a report [The changing state for local government](#) in Scotland. The paper argued that fundamental reform is required in the delivery of local public services and citizens should be at the centre of that agenda. Highlighting that the debate should not only focus on the number of councils, it stated that design of services should be based on a shared vision and strategy across the country and local government should be “prepared to fail fast and learn from the experience”.

Conclusion

60. The Commission is invited to:
- consider its draft response to the Scottish Government’s consultation on the Councillors’ Code of Conduct and possible amendments of provisions on conflicts of interest (paragraph 7 and Appendix 1)
 - consider and note this report.

Paul Reilly
Secretary to the Accounts Commission
1 March 2017

APPENDIX 1:

CONSULTATION: COUNCILLORS' CODE OF CONDUCT- POSSIBLE AMENDMENTS OF PROVISIONS ON CONFLICTS OF INTEREST

DRAFT COMMISSION RESPONSE

The Accounts Commission acknowledges that the detail of the Councillors Code of Conduct is largely a matter for the Scottish Government, the Commissioner for Ethical Standards in Scotland, the Standards Commission, and councils and councillors themselves.

Nevertheless, in its role in holding local government to account, the Accounts Commission has previously expressed views on issues that are of relevance to the consultation. We thus articulate them further here.

The importance of sound governance and clear roles and responsibilities for councillors is a consistent theme in our work. In our 2016 report, in our *How Councils Work* series, on *Roles and working relationships in councils* we noted that “councils and their partners must give careful consideration to the governance arrangements for partnerships, joint boards, and arm's-length organisations (ALEOs). Issues such as councillor representation, scrutiny and public accountability need to be considered at the outset”.

Similarly, in our 2010 *How Councils Work* report on ALEOs, we highlighted that “it is important that any potential conflicts are thought through at the outset, in particular to avoid any situation where conflicts become irreconcilable.” These broad principles are underpinned by the following the Public Pound Guidance developed by the Commission in conjunction with COSLA concerning councils' funding relationships with external bodies. Again, this Code touches on the importance of declarations of interest and the need for councils to ensure that members and officers are properly advised of their responsibilities. The FPP code also stresses that councils should consider very carefully the question of representation, particularly on bodies which are not subject to their control.

We have been very clear in our work that elected members need fully supported in training and guidance to help them fulfil their increasingly complex role. In the context of this consultation, this means ensuring as much clarity as possible in the requirements of the Code of Conduct.

Similarly, in our role as a source of independent assurance to the public on the performance of councils, we have held councils to account in how they fulfil their statutory duty of Best Value. A core tenet of Best Value is the council being able to engage fully with its citizens and being transparent in reporting its performance and in undertaking such engagement. The Code of Conduct is an important source of public confidence in the role and conduct of local councillors. It is crucial, therefore, that the Code is as clear and accessible as possible in its language. Any amendments to the Code must be done with the aim of maintaining public confidence in how councillors make decisions and fulfil their responsibilities.

To summarise, we encourage councils to consider governance at the outset to ensure that they put the most effective arrangements in place in compliance with existing guidelines and legislation. That said, we express no view on the particular issues regarding RTPs in relation to the Councillors Code of Conduct, and the importance of councillors being able to hold effective discussions on issues of strategic importance to their area. However we would wish to emphasise that any changes should safeguard the important principle of impartial decision taking as set out in the Councillors' Code of Conduct, particularly in matters of significant public interest. We also wish to emphasise the need for councillors to clearly understand their roles under the Code as it stands and under any proposed amendments.

We note, however, that the proposal made in the consultation concerns a dispensation over quasi-judicial and regulatory' matters in relation to RTPs, and not more widely to public bodies other than RTPs. We note that these issues have arisen specifically because of the nature of business undertaken by RTPs in relation to the wording of the Code. We would reserve our interest in any further such review and how this influences councils in conducting their business as efficiently and openly as possible.

APPENDIX 2: OVERVIEW OF COUNCIL TAX DECISIONS 2017-18

Local authority	Rate increase (%)	Decision date
Aberdeen	0%	
Aberdeenshire	2.5%	
Angus	3%	
Argyll and Bute	3%	
Borders	3%	
Clackmannanshire	3%	
Dumfries and Galloway	3%	
Dundee	2.5%	
East Ayrshire	3%	
East Dunbartonshire	3%	
East Lothian	3%	
East Renfrewshire	3%	
Edinburgh	3%	
Falkirk	3%	
Fife	3%	
Glasgow	3%	
Highland	3%	
Inverclyde	0%	
Midlothian	3%	
Moray	3%	
North Ayrshire		01 Mar
North Lanarkshire	0%	
Orkney	3%	
Perth and Kinross	2%	
Renfrewshire	0%	
Shetland	3%	
South Ayrshire		02 Mar
South Lanarkshire	0%	
Stirling	0%	
West Dunbartonshire	0%	
West Lothian	0%	
Western Isles	3%	

Source: [BBC news](#)

MEETING: 9 MARCH 2017

REPORT BY: DIRECTOR OF PERFORMANCE AUDIT AND BEST VALUE

PROGRESS IN IMPLEMENTING THE AUDITING BEST VALUE NEW APPROACH

Purpose

1. This report updates the Commission on progress with the new approach to auditing Best Value, and seeks the Commission’s endorsement of a schedule of reporting of Best Value Assurance Reports for year one and a tranche of councils for year two

Background

2. At its November 2016 meeting, the Commission considered a progress report on developing the new approach to auditing Best Value. The Commission:
 - Noted the progress made on the new approach to auditing Best Value since the previous Commission meeting in June.
 - Noted that implementation of the new approach has now begun, with Best Value Assurance Reports being presented to the Commission following the local government elections in 2017.
 - Noted advice from the Secretary that the Local Government Minister and the President of COSLA had written to councils advising of the review of Best Value statutory guidance, a copy of which was available on the members’ extranet site.
 - Agreed that a review of the first year of the new integrated approach to auditing be led by the Best Value Working Group and reported to the Commission.
3. The Commission’s Best Value Working Group, consisting the Chair and chairs of the Commission’s Financial Audit and Assurance and Performance Audit committees, received a further update in February. Key points of discussion by the working group and where appropriate seeking the endorsement of the Commission feature in these progress reports made to the Commission.

External engagement

4. The Commission has held its three engagement events with councils on its strategy and the new approach to auditing Best Value. The three meetings were held on 23 November (Glasgow – City Chambers), 2 December (Inverness – Highland Council HQ) and 5 November (Edinburgh – COSLA HQ). The events involved two presentations – one on the Commission’s strategy and expectations and the second on the new approach to auditing Best Value. All councils were represented across the three meetings, with most representatives being chief executives, senior officers or council leaders. All events saw a good level of discussion between council representatives and Commission members.
5. The Scottish Government has convened a group of local government stakeholders to update the current statutory Best Value guidance. Audit Scotland acts as an observer on the group, represented by Fraser McKinlay and Fiona Mitchell-Knight. Two meetings have been held to date, with a view to developing revised statutory guidance in summer 2017.

Development team

6. A BV development team is in place to support the implementation of the new BV audit approach across Scotland. The team reports directly to the Controller of Audit and consists of staff who have experience in Best Value work from both Audit Services Group (ASG) and Performance Audit and Best Value (PABV):
 - Fiona Mitchell-Knight, Assistant Director
 - Mark Ferris, Senior Audit Manager
 - Kathrine Sibbald, Audit Manager
 - Peter Worsdale, Audit Manager.
7. The development team works closely with the Secretary to the Accounts Commission, providing ongoing support to the BV team members through discussions in team meetings, targeted discussions with managers, maintaining the Local Government Manual – Auditing Best Value and more generally having an ‘open door’ approach to queries.
8. PABV Senior Managers have been designated as link managers to each of the ASG Assistant Directors and firm partners to coordinate BV activities and resources for all councils, working with the local audit teams.
9. The development team has also established an extranet site for sharing information and intelligence amongst auditors about the sector and individual councils. The extranet is accessible to all Audit Scotland staff and to the firms with local government appointments.

Best Value work as part of the 2016/17 annual audits

10. The Best Value development team contributed to this year’s Annual Planning Guidance for auditors, with a focus on ensuring the new BV approach and the Commission’s Strategic Audit Priorities are clearly reflected in the audit plans for all councils. A strong emphasis is placed on auditors reporting clear judgements on the pace and depth of continuous improvement in councils.
11. The first Annual Audit Reports that will reflect the new approach to auditing Best Value will be issued by auditors to the Controller of Audit and councils in September 2017.
12. Audit teams are currently determining five year BV work plans for all councils, as part of the annual planning cycle for all audits. The discussions from the shared risk assessment process are reflected in these plans also.
13. As part of the annual audit planning process, the resources to carry out the BV work planned in each council are being secured from the ASG annual audits and the PABV resources set aside for BV work, in accordance with the agreed forward work programme.

Best Value Assurance Reports programme

14. The Commission has previously endorsed the tranche of audits in year 1 of the new approach. A proposed timetable for consideration of the six Best Value Assurance Reports (BVARs) is:

Council	Accounts Commission Meeting
Inverclyde	May 2017
Renfrewshire	June 2017
East Renfrewshire	August 2017
West Lothian	November 2017
Orkney	December 2017
Clackmannanshire	January 2018

15. Scoping letters have been sent to each Chief Executive, describing at a high level the areas of work to be carried out.
16. The audit teams working on the BVAR audits have been identified and work is underway. Each team is led by the ASG Assistant Director / firm's Audit Partner who has accountability for delivery of both annual audit and the BVAR. EY are the appointed auditors at West Lothian Council, with the other five being Audit Scotland appointments.
17. The teams working on the first audits have developed tools to be used in the new approach and are providing support to other staff involved in later BVAR audits. Examples of this are the BV scoping letter, and a detailed project timeline.

The five year BVAR programme

18. The five year BVAR programme is under constant review to reflect the findings of the shared risk assessment and audit planning processes. The current proposal for the year two BVAR councils includes Glasgow, West Dunbartonshire, East Ayrshire, Fife, Dumfries and Galloway and East Lothian. These BVARs will be published during 2018. The scheduling is currently being discussed with auditors.

Annual assurance on the demonstration of BV across Scotland

19. As part of the new approach, the Controller of Audit will be presenting a new Annual Assurance and Risks Report to the Commission early in 2018. This will give a summary of the findings of the BV work carried out by auditors as part of the 2016/17 audits. It will reflect on the 6 BVARs and the Annual Audit Reports published on all councils, as well as other local government work during the year.

Quality Assurance Arrangements for BV work

20. Appointed auditors are responsible for the quality assurance of the BV audit work carried out in their councils.
21. In councils audited by Audit Scotland, all BV work is being recorded as part of the electronic working paper package (known as 'MKI') used by audit staff. This work will be covered by the Audit Scotland Quality Assurance arrangements. These arrangements are currently being reviewed and strengthened for all audits. Improvement areas identified through this process will be considered by the local auditors and the BV development team, to improve the approach in future.
22. The BV development team will provide a consistency review process for all BVARs. All draft BVARs will be revised to ensure consistency of approach. As usual, the Controller will sign off the final report before submission to the Accounts Commission.
23. Review meetings will be held with teams after each BVAR is issued to learn lessons for future BV work. The Commission's feedback will be an important part of this process,

and we will engage the Commission in a review process once we have completed the first six BVARs.

24. A quality assurance process is currently being developed to cover the work done by appointed firms, which will include assessment of the quality of all aspects of the audit work carried out including BV work. We are progressing this work with the West Lothian team.

Recommendations

25. The Commission is asked to:

- Note progress made and raise any queries they have with the BV development team members.
- Endorse the publication dates for the first tranche of BVARs
- Endorse the proposed programme of councils for year two.

Fraser McKinlay
Director of Performance Audit and Best Value
1 March 2017

MEETING: 9 MARCH 2017

REPORT BY: SECRETARY TO THE COMMISSION

LOCAL GOVERNMENT BENCHMARKING FRAMEWORK: OVERVIEW REPORT 2015/16

Purpose

1. This report advises the Commission of the publication of the Local Government Benchmarking Framework: Overview Report for the year 2015/16.

Background

2. The Commission has been monitoring in recent years the progress of the Local Government Benchmarking Framework (LGBF) project. This has reflected the Commission's aim of encouraging councils to develop their own comprehensive set of performance data and encourage its sharing and use by the public. This has allowed the Commission in turn to rationalise and minimise the amount of performance information that it prescribes for councils to report.
3. To this end, in November 2015, the Commission agreed a new statutory performance information strategy which includes a recognition of the increasing maturity of, and the Commission's ongoing support for the further development of, the LGBF. Subsequently, on 23 December 2016, the Commission published its 2016 Statutory Direction on performance information. In line with the aim of less prescription, the Direction has only two statutory performance indicators for councils to report: one in relation to corporate characteristics and service and outcome performance, and one requiring councils to report in accordance with the Benchmarking Framework.

Previous consideration

4. In maintaining its interest in the project, the Commission considers annually the project's annual report. This is discussed below.
5. At its last meeting, the Commission considered the 2015/16 data outputs from the project. Present from LGBF were David Martin, Chair of the LGBF Board (and Chief Executive of Dundee City Council); Colin Mair, Chief Executive of the Improvement Service; and Emily Lynch, Programme Manager - Performance Management and Benchmarking, Improvement Service; to the meeting. David led a presentation to the Commission covering themes and messages arising from the LGBF data. The Commission:
 - Noted advice from Colin Mair that he would share the Improvement Service's [Community Planning Outcomes Profile](#)¹ with Commission members
 - Noted advice from David Martin that the next meeting of the LGBF Board would be considering the strategic plan for the project.
 - Further in this regard noted advice from the Secretary of the Commission that he would advise the Commission of the progress with the strategic plan.

¹ An interactive tool which provides further information on outcomes, both at a local authority level, and also at a locality level.

- Noted advice from the Secretary that he would report to its next meeting on the LGBF annual report, which was due to be published on 17 February.
6. Last year, on considering the overview report at its February 2016 meeting, the Commission noted the report and agreed:
- It would be beneficial to set out how the report is being used by practitioners, council officers and by elected members.
 - The Commission continues to have an interest in how the project can reflect outcomes.
 - The Commission continues to have an interest in further development of social care measures, particularly around different client experiences, such as those with disabilities.
7. Previously, in 2015, on considering the annual report, the Commission agreed to express to the project board the Commission's support a range of areas of further development set out in the report, particularly in relation to the development of indicators in customer satisfaction and social services.

Progress of the project

8. The Commission has regularly engaged with the Board to pursue its interest and is discussed below. Notably, a meeting was held in May 2016 between the Commission Chair and Deputy Chair and LGBF Board Chair. This discussion included:
- Agreement on the desirability of consolidating and promoting the progress made so far.
 - Commitment to further developing indicators in areas including educational attainment, health and social care and economic development.
 - With particular reference to social care, we agreed that we have mutual interest in ensuring the development of appropriate measures to report the performance of integrated joint boards.
 - A strategic plan for the project, which would help to clarify for stakeholders its future direction. We agreed that such a plan needs to include clarity on the balance between the twin uses of the framework: as a tool for councils to use in benchmarking and 'drilling down' the performance of their services, and as a public-facing tool to allow high-level comparison of service performance. The Commission has of course an interest in both of these: we are keen that there is more evidence shown of such 'drilling down'; and we want to ensure that the terms of our performance information Direction, that councils make good use of the framework in their approaches to public performance reporting.
 - To help maintain momentum in the development of customer satisfaction information, such as exploring a set of common principles for councils to apply in developing their own customer satisfaction measures.
 - Noting the important influence of the project in our new approach to Best Value.
9. The Board continues to make progress in these areas. Most notably, it is currently considering a draft strategic plan for the project, and I intend updating the Commission to this end as it becomes available.

The 2015/16 report

10. On 24 February, the Improvement Service, on behalf of all 32 Scottish councils, published the Overview Report for the year 2015/16. This is the fifth annual report. It is attached in Appendix 1. The press release accompanying the publication is in Appendix 2.
11. The publication of the annual report is accompanied by the publication of the accompanying [My Local Council online tool](#) on the Improvement Service website. This helps demonstrate the LGBF Board's commitment to make benchmarking information available to all citizens and users of council services. The tool is incorporated within councils' own local approaches to public performance reporting. It contains "dashboards" for each council showing movement on indicators across the six years covered, and a comparison with the Scottish and family group average for all indicators.
12. The Framework is based on seven overall service groupings which cover the major public facing services provided by councils, and the support services necessary to do that. This includes children's services (education and child care), adult social care, environmental services, culture and leisure, housing, corporate support services and economic development.
13. The sources used to populate the measures include statistical returns to the Scottish Government, Scottish Qualifications Authority, the Scottish Housing Regulator and SEPA, among others. Where data is not currently collected/published by another body, or where the publication timeframe does not allow inclusion within the benchmarking framework, councils provide data directly to the Improvement Service. The Scottish Household Surveys and the Health and Care Experience Surveys are used to provide customer satisfaction measures.
14. The report is an overview report and does not seek to replicate the depth and detail of the benchmarking tool that is the basis for the report. It does however examine every indicator for every service within LGBF and provides analysis of the national trends and variations, both across councils and between councils. The structure of the report is in line with previous years' reports, although the range and depth of measures for education services has been significantly expanded.
15. The report highlights key issues that arise from this year's work, both from the statistical trends identified and exploration of those trends with councils. The key issues discussed in this year's report are:
 - Resilience and performance issues that are indicated by the data on expenditure and performance trends between 2010/11 and 2015/16.
 - Performance trends in education and their implications for educational reform.
 - Changes in home and residential care expenditure and provision and their implications.

Next steps

16. Audit Scotland will be considering the report in relation to its implications for the Commission's work, notably in auditing Best Value, the shared risk assessment process, and the work programme.
17. The Commission will also consider the progress of the Framework when it reviews its performance information Direction. Such a review will be considered by the Commission later in the year.

18. As part of its Engagement Plan, the Chair of the Commission meets regularly with the constituent members of the Board, namely the Improvement Service, COSLA and SOLACE. In addition, I attend meetings of the project's Board in an observer capacity. I will continue to update the Commission on developments as appropriate.

Conclusion

19. The Commission is invited to:

- a) Note the publication of the Local Government Benchmarking Framework: Overview Report for 2015/16, and the accompanying press release.
- b) Note the continuing dialogue between the Commission and the LGBF board, and the progress being made in taking forward the Commission's previously stated views on the further development of the project.
- c) Consider any views it wishes to convey to the Board in relation to this year's report.
- d) Note that Audit Scotland will be considering further the implications of the report on its work.

Paul Reilly
Secretary to the Commission
1 March 2017

APPENDIX 1: NATIONAL BENCHMARKING OVERVIEW REPORT 2015/16:

See enclosed report

COUNCILS CONTINUE TO DELIVER DESPITE FINANCIAL PRESSURES NEW REPORT SHOWS

Total current spending by Scottish councils has reduced by 11% in real terms from £17.18 billion to £15.30 billion in the last 6 years according to a new report out today (Friday).

The report also highlights that despite this 11% reduction across the period, the vast majority of productivity, output and outcome measures within Councils have improved.

The Local Government Benchmarking Framework (LGBF) report examines indicators for every major service within local government, and provides detailed analysis of the national trends, and variations, across councils and between councils. This is a Local Government led improvement approach, and is designed to provide insight to promote collaboration and learning. There is a continuous improvement programme in place to refine the measures to ensure they remain relevant and focus attention on the areas which matter most to Local Government.

The main findings from the report show that reduction in spend has been variable across service areas:

- education has been relatively protected (-4%),
- child protection has grown (+19%),
- adult social care has grown (+6%)
- waste disposal spend has grown (+11%) linked to the transition from landfill to recycling.

Other areas have had substantial cuts to spending:

- Leisure and culture services (-12%),
- Parks and open spaces (-18%),
- Roads maintenance (-21%)
- Corporate & democratic services (-14%).

Even within prioritised areas, management and administration spend have been reduced to protect frontline spending. Despite average real reductions of 11% across the period, the vast majority of productivity, output and outcome measures have improved.

Commenting on the Report, David O'Neill (COSLA President) said: "There are some real positive things in today's report – primarily that despite the financial pressures –Scotland's councils continue to cope with Austerity particularly in services that are of the utmost importance to communities. Two issues in particular are worth highlighting.

"Firstly on education, today's report clearly shows that Councils are making significant progress on improving the attainment for our most deprived pupils: a 25% improvement across the last 5 years. Any education reform should build on what is already happening on the ground and should endeavour to improve on the current upward trajectory.

"As always, councils are not complacent and continuing effort will be needed to build on the achievements of the last five years.

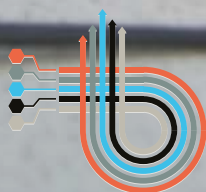
"Secondly, spending on care for older people has grown in real terms across the period since 2010/11 but not at the level necessary to keep up with demographic change.

"Despite the fact that councils have worked hard to protect the care budget, demand for care is increasing very rapidly due to our aging population. The effect is that a greater level of resource has become targeted on a smaller number of people with very high needs. The balance between people supported at home and in residential care has shifted positively, but we are now running up against serious capacity issues across many parts of Scotland.

"So, in conclusion given the financial pressures faced by Councils – today's report shows that, whatever the difficulties, Councils are continuing to improve services and support the best possible outcomes for our communities.

Local Government Benchmarking Framework

National Benchmarking Overview Report 2015/16



Local
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Preface

This is the fifth annual report for the Scottish Local Government Benchmarking Framework (LGBF). All 32 Scottish councils have worked with the Improvement Service (IS) over the last six years to develop a common approach to benchmarking, which is grounded in reporting standard information on the services councils provide to local communities across Scotland.

The core purpose of local government's efforts through this work is to support all councils to improve their services by working and learning together. By engaging in benchmarking we will learn how to keep improving the use of performance information, keep improving understanding of why councils vary in terms of what they achieve for their communities and how good service practices can be better shared across all councils. We will also continue to make this information available to all citizens and users of council services so that they in turn can hold councils to account for what is achieved on their behalf. As local government, we will use the information generated to ask questions of our services in order to make them better. We would encourage citizens and service users to do likewise and engage with us in the improvement process via this information.

To ensure comparability across councils, it has been necessary to develop standard service definitions and standard classifications for spending and performance. These are continually reviewed and improved to ensure the best possible performance information is available to communities and to councils themselves. It is important to remember that councils across Scotland do not have common service structures. Each council has the structure and service arrangements that it believes are the most appropriate and cost effective to support its local community. Equally, all councils report their performance locally within locally developed and agreed public reporting frameworks.

As part of this work councils have developed a process to drill into the information collated through the LGBF to understand, in more detail, why the variations we highlight in this report are occurring. This process has been organised around 'family groups' of councils so that we are comparing councils that are similar in terms of the type of population that they serve (e.g. relative deprivation and affluence) and the type of area in which they serve them (e.g. urban, semi-rural, rural). This allows us to identify and make improvements to the benchmarking framework itself but also to identify and share good practice between councils. There is a continuous improvement programme to refine the benchmarking framework and the current priority is on improving the outcome benchmarks for health and wellbeing of children. Stronger measures to support improvements in outcomes for older people are imperative and developments here will be informed by the evolving core suite of health and care integration measures.

Our ambition in undertaking this important work is to continue to improve the lives of citizens throughout Scotland's many diverse communities. Good public services can help contribute significantly to helping people to have better opportunities in life, and better quality of life. The cumulative impact of the whole public sector can add further value. To that effect, we also encourage other public service partners to share in and learn from our work to date. We will work with colleagues across the wider public service in the years ahead to broaden the range of indicators being deployed to support benchmarking. To achieve our ambition will require a collective public service effort but we think that effort will be more than rewarded by further improvements in services to local people across Scotland.



David O'Neill
Chairman, Improvement Service
COSLA President



Fiona Lees
Chair of SOLACE (Scotland)

Executive Summary

The benchmarking framework reports on how much councils spend on particular services, service performance and how satisfied people are with the major services provided by councils. The framework supports evidence based comparisons between similar councils so that they can work and learn together to improve their services.

Across the six-year period for which we present data, total current spending by Scottish councils has reduced by 11% in real terms from £17.18 billion to £15.30 billion. During this time, councils have achieved substantial improvements in efficiency, innovation and productivity while service output and outcomes have been maintained and improved. However there remains significant variation between councils as they pursue different policy choices in relation to where they prioritise spend.

While councils have continued to maintain and improve service outputs and outcomes across the majority of service areas in the last 12 months, there is evidence that the ongoing budget constraints are beginning to impact upon some service areas.

Education Services

1. Despite real reductions in the education budget since 2010/11, the number of pre-school and primary places in Scotland has increased by over 30,000, and measures of educational outcome continue to show positive progress, particularly for children from the most deprived areas.
2. In the past 12 months, there have been increases in real costs in pre-school, primary and secondary education, after year-on-year reductions in previous years. In pre-school, real unit costs have increased by 15.9% reflecting the additional costs associated with new entitlements introduced in the Children and Young People (Scotland) Act 2014. In both primary and secondary education, the small increase in real costs in the past 12 months (1.1% and 1.8% respectively) may reflect access to additional monies such as the Attainment Challenge fund.
3. The trend data on senior phase attainment shows a very strong improving trend. Overall attainment (average tariff score) improved by around 14% but, within that, the most deprived pupils improved the most (25.5%). The pattern in the total tariff score data is replicated in the data on 5+ passes at SCQF levels 5 and 6 (or above). Average improvement rates on these indicators between 2011/12 and 2015/16 was 15.7% and 26.9% respectively. For the most deprived quintile it was almost double that: 34.5% and 50.0%. There is however, still a very substantial “gap” between the most deprived and the average, reflecting a wide range of factors including the different choices different pupils make and the qualifications necessary to pursue them.
4. Satisfaction with schools has fallen for the third year in a row, reducing from 79% to 74% in the last 12 months, and down nine percentage points since 2010/11. The LGBF satisfaction data is drawn from the Scottish Household Survey and represents satisfaction levels for the public at large, rather than only for service users.

Adult Social Care

5. Spending on care for older people has grown in real terms across the period since 2010/11 (+6%) but not at the level necessary to keep up with demographic change (2-3% per annum). The balance of care has shifted in line with policy across the period, with a growth in home care and a relative decline in residential places. As importantly, the number of people receiving home care has decreased over time and the hours of care they receive on average has increased, i.e. in shifting the balance of care, a greater resource has become targeted on a smaller number of people with higher needs. Self-directed support has grown steadily across

the period from 1.6% to 6.7% of total spend. A comparison of the base year and 2015/16, therefore, shows real growth in budgets, and steady progress on priority objectives.

6. This picture is qualified if the more recent years, 2014/15 and 2015/16, are focused upon and the trends above are linked to wider data on the health and care system. Across the past 12 months, spending on home care grew by 3.9% but the cost per hour of care increased by 6.1% and the number of hours provided fell by 2.8%. The number of older people placed in care homes grew by 1.2% having fallen in previous years.

Culture and Leisure Services

7. Across culture and leisure services, costs per visit/attendance have significantly reduced since 2010/11. Substantial increases in visitor numbers for sports (16.8%), libraries (29.8%), and museums (36.6%) have been achieved against a backdrop of a 12% reduction in net expenditure. The growth in visitor numbers has slowed in the past 12 months. Public satisfaction rates for all culture and leisure facilities have fallen in the last 12 months.

Environmental Services

8. Whilst spending on environmental services reduced by 4% from 2010/11 to 2014/15, it has grown in the past 12 months by 3%. This is partly due to a 9% growth in waste disposal expenditure and a 5% growth in roads expenditure since 2014/15. During this time, both road conditions and recycling rates have improved. There have been significant reductions in spend in street cleansing (-25% since the base year) although the rate of reduction has slowed in the past 12 months (-2%). Street cleanliness scores have reduced slightly in the past couple of years although are still above 90%. Public satisfaction rates for refuse collection and street cleaning have fallen since 2014/15, by 2% and 1% respectively.

Corporate Services

9. In relation to overall council corporate and support costs, these continue to account for only 5% of total gross revenue spend for local government across Scotland. There has been a 16.5% real terms decrease in costs of the democratic core per 1,000 population since 2010/11, including a 2.8% reduction in the past 12 months. The cost per dwelling of collecting Council Tax also continues to reduce, falling by 30% over the same period with the rate of reduction accelerating in recent years. Meanwhile, the collection rate continues to show steady improvement from 94.7% in the base year to 95.7% in 2015/16.
10. Sickness absence days have reduced for both teaching staff and non-teaching staff in the past 12 months (2.6% and 1.5% reduction).

Housing Services

11. Councils continue to manage their stock well, with a reduction in rent lost to voids since 2010/11, and consistent and significant improvements in terms of housing standards and energy efficiency standards. However, at the same time, the growth in tenant's arrears from 5.6% to 6.2% reveals evidence of the increasing financial challenges facing both housing residents and councils alike.

Economic Development and Planning

12. While there was an increase in the percentage of unemployed people assisted into work from council funded/operated employability programmes between 2012/13 and 2014/15, this has reduced slightly in the past 12 months (from 14.14% in 2014/15 to 13.91% in 15/16). The Business Gateway start-up rate has also reduced from 19% to 16.9% in the past 12 months.

13. In planning services, between 2010/11 and 2015/16 costs fell from £5,234 per application to £4,832 per application, however they have risen slightly in the past 12 months. In parallel, the time taken to process commercial planning applications reduced by 13.6% between 2012/13 and 2014/15, although again increasing slightly in the past 12 months.

Introduction and Key Issues

This report examines every indicator for every service within LGBF and provides analysis of the national trends and variations, both across councils and between councils. The structure of the report is in line with previous years' reports, although the range and depth of measures for education services has been significantly expanded.

This introductory section has been changed for this year's report. Rather than summarising and introducing the main sections of the report that follows, the aim is to highlight "key issues" that arise from this year's work, both from the statistical trends identified and exploration of those trends with councils. The key issues discussed in this year's report are:

1. Resilience and performance issues that are indicated by the data on expenditure and performance trends between 2010/11 and 2015/16.
2. Performance trends in education and their implications for educational reform.
3. Changes in home and residential care expenditure and provision and their implications.

Resilience and Performance: 2010/11 to 2015/16

Across the period of the LGBF, total current spending by Scottish councils has reduced by 11% in real terms from £17.18 billion to £15.30 billion. Local government's relative share of the Scottish budget has fallen and the NHS share has grown. Reduction in spend has been variable across service areas: education has been relatively protected (-4%), child protection has grown (+19%), adult social care has grown (+6%) and waste disposal spend has grown (+11%), the latter linked to the transition from landfill to recycling.

Other areas have had substantial cuts to spending. Leisure and culture services (-12%), parks and open spaces (-18%), roads maintenance (-21%) and corporate and democratic services (-14%). Even within prioritised areas, management and administration spend has been reduced in order to protect frontline spending. Despite average real reductions of 11% across the period, the vast majority of productivity, output and outcome measures have improved. For example:

- Council spend on sports and leisure facilities is down (-8%), charges are up, but attendance has grown (+16.8%). For libraries, spending has been reduced (-13%) but use of libraries has grown (+29.8%). The cost to councils per attendance/use in both cases has fallen by around 30%.
- Spending on roads has fallen by 21% across the period but the percentage of roads requiring maintenance has fallen slightly for all category of roads, i.e. roads condition has been preserved.
- Spending on secondary education has fallen by 8% across the period, linked to falling pupil numbers, but attainment overall, attainment on average and attainment of the most deprived pupils have all substantially improved (see below).

This absorption of major cuts while improving performance is an impressive achievement and there is a danger it is taken for granted: an assumption that, because savings have been made without a crisis of performance, savings can be continuously required and made. In reality, the trends above required an overall reduction in the workforce of 13%¹, staff accepting year on year real reductions in wages, and substantial improvements in efficiency, productivity and innovation. If similar savings were necessary again across the next five years, severe issues of capacity, resilience and maintaining performance will need addressed.

1 Source: Local Government Employment, Scottish Government, <http://www.gov.scot/Topics/Statistics/Browse/Labour-Market/PublicSectorEmployment/LAPSE>

Table 1 – Changes in Real/Cash Expenditure since 2010/11 (£'000s)*

		Scotland Level						Change
		2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	10/11-15/16
Education	Cash	£4,014,907	£3,921,455	£3,946,388	£3,978,658	£4,002,342	£4,119,409	2.6%
	Real	£4,306,546	£4,148,678	£4,089,182	£4,055,758	£4,019,990	£4,119,409	-4.3%
Adult Social Care**	Cash	£2,551,691	£2,560,691	£2,688,155	£2,756,271	£2,817,141	£2,901,600	13.7%
	Real	£2,737,044	£2,709,067	£2,785,422	£2,809,683	£2,829,563	£2,901,600	6.0%
Culture and Leisure	Cash	£444,284	£428,394	£431,864	£437,382	£421,654	£418,025	-5.9%
	Real	£476,556	£453,217	£447,490	£445,858	£423,513	£418,025	-12.3%
Environmental	Cash	£614,060	£606,631	£602,181	£613,440	£610,956	£635,057	3.4%
	Real	£658,665	£641,781	£623,970	£625,327	£613,650	£635,057	-3.6%
Roads	Cash	£675,073	£324,455	£603,907	£582,995	£542,216	£570,733	-15.5%
	Real	£724,110	£343,255	£625,758	£594,293	£544,607	£570,733	-21.2%
Planning	Cash	£169,189	£157,059	£179,744	£132,155	£125,446	£137,882	-18.5%
	Real	£181,478	£166,159	£186,248	£134,716	£125,999	£137,882	-24.0%
Central Support Services	Cash	£783,855	£806,185	£796,541	£757,513	£769,090	£834,211	6.4%
	Real	£840,794	£852,898	£825,363	£772,192	£772,481	£834,211	-0.8%

* Table 1 includes expenditure covered by the LGBF measures. While the LGBF measures reflect the significant areas of Local Government expenditure, there are some minor areas of spend excluded, which accounts for differences with Scottish Government published expenditure data.

** Two councils are excluded from these figures due to incomplete returns in 2010/11

The Scottish Government is committed to growing the NHS budget by £500 million in real terms by 2021, fully protecting the police budget in real terms, and doubling the hours of free pre-school education and child care by 2021 at an estimated cost of £500 million. The Scottish budget is forecast to reduce across the period to 2020 by at least 3.3%, and potentially by more if devolved tax receipts grow more slowly than their UK equivalent. The implication is that other services, including those in local government, would have to reduce spend by 4% to 5% in real terms if the Scottish Government implements its priority commitments.

Within the local government settlement, education is already relatively protected and growth will be targeted particularly on areas of relatively high deprivation. Growth monies for social care are ring-fenced within the NHS budget and, given demographic pressures, spending on care for older people will need to grow. The implication is that services that took the largest reductions across the last five years will also face the largest reduction across the next. This will not only require fundamental transformational change in the organisation, design and delivery of the services, but a robust re-evaluation of policy choices and priorities over the next few years.

The forward work programme will provide a focus on non-prioritised and non-protected service areas to capture innovation in response to budget constraints, and to monitor changes in expenditure and performance over time. The growth of collaborative, joint arrangements will be monitored and the structure of LGBF itself modified over time to accommodate that.

Performance Trends in Education and Future Reform

At national and local level, education reform and improvement has high priority. Reducing inequality by reducing the “attainment gap” between deprived and non-deprived pupils has been a key goal for local councils for several years, and the “National Improvement Framework” (NIF) reflects the importance of this goal for Scotland. A review of education governance is also in progress.

Education is central to the opportunities and outcomes for children and young people, and to inclusive economic growth and development in Scotland. For this reason, an expanded suite of education measures is being developed and a range of new measures have been included this year. Further measures will be introduced as suitable data becomes available over future years to improve the scope and balance of information available on children’s services. As well as existing measures of expenditure, cost per pupil and percentage of pupils achieving five passes at SCQF level 5 or higher and level 6 or higher, the tariff score at the point of leaving school² has been added. This is a summary measure of the number, level and grade of qualifications children had achieved during the senior phase. This can be measured back to 2011/12 and provides some information on trends over time. It also allows some comparisons to be made between more and less deprived pupils.

The trend data on senior phase attainment shows a very strong improving trend using these measures. Overall attainment (average tariff score) improved by around 14% but, within that, the most deprived pupils improved the most (25.5%). The table below shows the improvement by deprivation quintile (1 = most deprived; 5 = least deprived) from 2011/12 to 2015/16.

Table 1: Average Tariff Scores by Quintile

Year	2012	2013	2014	2015	2016	% change
						2012-16
Average total tariff quintile 1	478	510	551	581	600	26%
Average total tariff quintile 2	618	644	685	716	739	20%
Average total tariff quintile 3	759	789	817	851	862	14%
Average total tariff quintile 4	909	929	962	984	997	10%
Average total tariff quintile 5	1101	1135	1149	1185	1195	9%
Average total tariff Scotland	770	798	827	860	875	13.7%

As can be seen, there appears to be a clear relationship between deprivation quintile and improvement: the more deprived, the greater the improvement. There is a strong, positive, statistically significant relationship between deprivation and improvement. This is a really important and impressive outcome. It reflects a strong emphasis on improving employability skills and wider achievement (much of which will not even be reflected in the tariff scale) of lower attaining pupils over recent years, with the introduction of Curriculum for Excellence and the Developing the Young Workforce agenda. Furthermore, it suggests the baseline for future reform should be this trend, not a single year, i.e. reform should be focused on enhancing the trend rate of improvement already established.

There is local variation around this national trend linked to two factors: the starting point for different councils in 2011/12 and the limitations of the measure itself. Those councils where children in the most deprived quintile were already achieving very highly in the base year have lower rates of improvement but also the highest tariff scores for that quintile in Scotland. Second, the measure gives a high weighting to qualifications with higher SCQF levels such as Highers, Advanced Highers and SVQs. Only SCQF learning programmes are included and so it does not include all accreditation that pupils achieve. It will not therefore reflect all learner journeys equally.

² This refers to cumulative attainment either to the point of leaving school or to the end of S6.

More importantly, the measure does not control for the year in which pupils left school and so does not distinguish the attainment of pupils who left at the end of S4 with those leaving at the end of S6. Pupils from the most deprived quintile are more likely to leave school earlier than those from the least deprived quintile, most often to pursue continuing academic education in a college environment, or through vocational qualifications and apprenticeship options. As this is a school based measure, these are not subsequently tracked or scored and so it does not reflect attainment achieved in other settings after leaving school.

The pattern in the total tariff score data is replicated in the data on “5+ passes at SCQF level 5 or higher” and “5+ passes at SCQF level 6 or higher”. Average improvement rate on these indicators between 2011/12 and 2015/16 was 15.7% and 26.9% respectively. For the most deprived quintile, it was almost double that: 34.5% and 50.0%. There is still a very substantial “gap” between the most deprived and the average. This will reflect a wide range of factors, including, as noted above, the different choices different pupils make, and the qualifications necessary to pursue them.

The trend data for senior phase attainment raised three important issues for future reform and improvement. First, future improvement programmes need to be focused on recognising, celebrating and then enhancing the **current improvement trend**. For example, total tariff score for the most deprived quintile has been improving at around 5% per annum anyway so any improvement or reform activities should commit to improving on that trend to add value.

Second, the evidence to support the idea of an “attainment gap” as a form of inequality requires further investigation. There is a risk we undermine both the value of vocational education and the importance of young people’s own views if we regard not pursuing academic qualifications through to advanced higher level as a failure and an inequality. If young people attain what they need for their own chosen path, is this usefully viewed as an inequality **or** as a choice they have made about how they fulfil their potential? Given the investment in “Developing Scotland’s Young Workforce”, in apprenticeships and in full time vocational programmes in colleges, the latter would seem the more sensible approach. On that basis, the whole system has improved markedly in terms of both attainment and positive post school destinations across the period, but there will always be an “attainment gap” if pupils make different post school choices and require different school based attainment to access them.

Finally, in that context, measures of both attainment and outcome for education are presently crude and need developed, particularly as a better basis for comparison between councils. “Total tariff score” needs controlled for the year in which young people left school so that we compare like with like. This needs linked to not just immediate post school destinations but to measures of sustained participation in education, training or employment post school. The LGBF work programme for 2017/18 will investigate opportunities to improve measurement in both respects.

The overarching conclusion is that attainment is improving on average and very rapidly so for young people in the most deprived quintile. Forward reform and improvement programmes need designed in a manner that will add value to that trend and avoid disrupting or diverting current momentum. However, some of the variation which exists reflects different priorities and performance levels within local authorities and this will be explored and examined further within family groups over the coming period.

Trends in Adult Social Care

Spending on care for older people has grown in real terms across the period since 2010/11 (+6%) but not at the level necessary to keep up with demographic change (2%-3% per annum). The balance of care has shifted in line with policy across the period, with a growth in home care and a relative decline in residential places. As importantly, the number of people receiving home care has **decreased** over time (-5.8%) and the hours of care they receive on average has increased, i.e. in shifting the balance of care, a greater resource has become targeted on a smaller number of people

with higher needs.³ Self-directed support has grown steadily across the period from 1.6% to 6.7% of total spend. A comparison of the base year and 2015/16, therefore, shows real growth in budgets, and steady progress on priority objectives.

This picture is qualified if the more recent years, 2014/15 and 2015/16, are focused on and the trends above are linked to wider data on the health and care system. Across the two most recent years, spending on home care grew by 3.9% but the cost per hour of care increased by 6.1% and the number of hours provided fell by 2.1%. The number of older people placed in care homes grew by 1.2%, having fallen in previous years.

Discussions with councils suggest a variety of reasons for this change but two are important for future challenges. First, the phasing of the “living wage” for care workers will increase the unit cost of home care and reduce the hours a given level of budget can fund. Some of this pressure has been offset by additional resources provided through funding transfers from the NHS for social care. However, with only a one year settlement agreed, the future impact of this is presently unknowable. Second, many councils are experiencing capacity constraints in their local context and hours are falling because less supply is available. Care providers have indicated that this is, in part, a function of very short term contracts (often annual) that do not provide a secure basis for growth.

This has also to be seen against related trends. Over the period, the annual rate of delayed discharges from hospital has grown by 12%⁴, and the rate of emergency admissions to hospital has grown by 8.8%⁵. Delayed discharges are directly related to inability to source and resource the appropriate package of care for a person, and growing numbers of emergency admissions may reflect the inability to provide preventative alternatives for frail and vulnerable older people.

Three issues need addressed. First, councils have given the highest priority to the care budget, at the cost of often severe cuts to other services. Adjusting for inflation, the adult care budget has grown by 6%. This has not been sufficient to keep up with demographic change and the Kings Fund estimate of 2% to 3% per annum real growth being necessary to do so may well be correct⁶. It is very hard to see how councils could achieve this as the overall budget falls by 2% to 3% in real terms per annum across the next few years.

Second, even if greater finances were available, there is a serious capacity issue in many parts of Scotland. Councils are no longer the major providers of home care in Scotland, and residential care is 94% provided by independent private or third sector providers⁷. The issue is market capacity and providing the commissioning and contractual frameworks that allow markets to grow. Short term, year-on-year contracts will not do this, but councils themselves have had exactly that for the last three years in terms of their own funding. The absence of certainty around future income streams may, therefore, be seen to be creating a market failure that is resulting in a reluctance for private and third-sector providers to invest in provision.

Finally, shifting the balance of care has involved targeting more hours of care on fewer people with high personal care requirements. The more preventative social and domestic support elements of care have declined and people are largely provided for when they already have high dependency. Free personal care entitlement drives this but loss of social support and prevention at this juncture is likely to be counter-productive in the longer term.

3 Source: Social Care Survey, Scottish Government: <http://www.gov.scot/Topics/Statistics/Browse/Health/Data/HomeCare/HSCDHomecare>

4 Source: Delayed Discharges, Information Services Division, <http://www.isdscotland.org/Health-Topics/Health-and-Social-Community-Care/Delayed-Discharges/>. Please note that this figure relates to the period June 2013-2016.

5 Source: Emergency Admissions, Information Services Division, <http://www.isdscotland.org/Health-Topics/Quality-Measurement-Framework/Emergency-Admissions/>

6 The King's Trust 2013, *Spending on Health and Social Care Over the Next 50 Years: Why Think Long Term?*, p43, available at: https://www.kingsfund.org.uk/sites/files/kf/field/field_publication_file/Spending%20on%20health%20...%2050%20years%20low%20res%20for%20web.pdf

7 Source: Care Home Census for Adults, Information Services Division, <http://www.isdscotland.org/Health-Topics/Health-and-Social-Community-Care/Publications/data-tables.asp?id=1315#1315>

The fastest growing age range in the Scottish population across the next 20 years is the 75+ range and within that the fastest growing segment is the 85+ group⁸. The health and care system is already stressed but demand is likely to double across that period. Current entitlements, funding mechanisms, and care market development strategies need urgently reviewed to address that in order to develop a system that is sustainable and affordable.

The forward work programme in LGBF will develop a wider range of measures that allow demand, spend, capacity and impact to be monitored over time. Work with Health and Care Partnerships in the forthcoming year will focus on establishing market capacity measures and measures of assessed demand.

The LGBF Approach

The core purpose of the exercise is benchmarking. That is making comparisons on spending, performance and customer satisfaction between similar councils so that all councils can identify their strengths and weaknesses and learn from those who are achieving the best performance in order to improve local service delivery throughout Scotland. All councils continue to participate in these collective efforts towards self-improvement.

Our approach means that there are three core points to bear in mind:

1. It is important when looking at councils to compare like with like.
2. The focus presented in this report is on variations in spending and performance that councils can directly control.
3. The aim is to help councils improve and become more cost effective in delivering local services and, through that, support people in improving their life outcomes.

The benchmarking framework reported here lends itself to any type of comparison councils or citizens wish to make. What it does not support is a crude “league table” assessment: it would be as misleading to assess the performance of councils with high levels of deprivation without taking account of that as it would be to explore the performance of island councils without noting they are island groups with a very distinctive population distribution.

The purpose is to create a framework that supports evidence-based comparisons and, through that, shared learning and improvement. The indicators in the LGBF are high level indicators, and are designed to focus questions on why variations in cost and performance are occurring between similar councils. They do not supply the answers. That happens as councils engage with each other to ‘drill down’ and explore why these variations are happening. That process of engagement, analysis and discussion provides the platform for learning and improvement.

Councils have begun to work together to ‘drill-down’ into the benchmarking data across a number of service areas. This process has been organised around ‘family groups’ of councils so that we are comparing councils that are similar in terms of the type of population that they serve (e.g. relative deprivation and affluence) and the type of area in which they serve them (e.g. urban, semi-rural, rural). The point of comparing like with like is that this is more likely to lead to useful learning and improvement. Examples of best practice emerging from this collaboration are being shared across all local authorities and are being used to inform local improvement activity within self-evaluation, service review, and service planning processes.

There is a continued commitment to make benchmarking information available to all citizens and users of council services. To further this end, an online benchmarking public reporting tool has been designed called ‘[My Local Council](#)’⁹ and is incorporated within councils’ own local approaches

8 Source: Population Projections, National Records of Scotland, <https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-projections/population-projections-scotland>

9 <http://www.improvementservice.org.uk/benchmarking/tool.html>

to public performance reporting. All of the information generated by the LGBF is presented in this online benchmarking tool which contains “dashboards” for each council showing movement on indicators across the six years covered, and a comparison with the Scottish and family group average for all indicators.

Those interested in further reading may wish to visit the [Community Planning Outcomes Profile](#)¹⁰, an interactive tool which provides further information on outcomes, both at a local authority level, and also at a locality level.

The LGBF Framework

The framework is based on seven overall service groupings which cover the major public facing services provided to local communities, and the support services necessary to do that. This includes children’s services (education and children and families services), adult social care, environmental services, culture and leisure, housing, corporate support services and economic development and planning.

To develop precise indicators of cost and performance for comparison between councils, these broad service categories are divided into more specific sub-categories. For example, children’s services divide into: pre-school education; primary education; secondary education; and child care and protection. For each category, standard indicators of spend and performance have been applied.

A full list of service categories and indicators is attached (see Appendix 1) and full technical specifications for all 80 indicators, including source details, are available on the Local Government Benchmarking website.

The sources used to populate the measures include statistical returns to the Scottish Government, Scottish Qualifications Authority, the Scottish Housing Regulator and SEPA, among others. Where data is not currently collected/published by another body, or where the publication timeframe does not allow inclusion within the benchmarking framework, councils provide data directly to the Improvement Service. The Scottish Household Surveys and the Health and Care Experience Surveys are used to provide customer satisfaction measures.

This framework is iterative and councils continue to collaborate to strengthen indicators and address framework gaps. We welcome public views in relation to how to further improve this benchmarking framework and particularly if there are other measures which might usefully be included.

You can provide feedback and suggestions by visiting our website. (www.improvementservice.org.uk/benchmarking).

The Purpose of this Report

This report is an overview report and does not seek to replicate the depth and detail of the ‘[My Local Council](#)’ tool¹¹. The focus is on three important areas:

1. Trends across Scotland for the key framework indicators covering the period 2010/11 to 2015/16. For consistency we report the data in financial rather than calendar years. For each unit cost indicator we have calculated the change over the period in cash and in real terms, that is taking account of the impact of inflation over time. To explore change over time we focused on the **real term change**.
2. The level of variation across councils and factors shaping these trends include physical

¹⁰ <http://www.improvementservice.org.uk/community-planning-outcomes-profile.html>

¹¹ <http://www.improvementservice.org.uk/benchmarking/tool.html>

geography, population distribution, size of council and the impact of deprivation.¹² Graphs are presented showing the level of variation across councils for each area benchmarking measure. To improve interpretation, these graphs include only the base year and the two most recent years.

3. Identification of areas where unexplained variation exists and significant improvement might be achieved by all councils getting close to the “best in class”.

Before examining each section in turn, Table 2 below presents an overview of the trends across all LGBF indicators.

¹² Correlation analysis and Mann-Whitney/Wilcoxon Two-Sample Tests were carried out to establish where statistically significant relationships exist between framework indicators and levels of deprivation, rurality, population distribution and size of council.

Table 2: Overview of Local Government Benchmarking Framework Indicators

Indicator Description	Scotland					Change*		
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	% change base* to 15-16	% change 14-15 to 15-16
Cost per primary school pupil	5,222	5,070	4,924	4,825	4,684	4,733	-9.4%	1.1%
Cost per secondary school pupil	6,888	6,688	6,659	6,659	6,618	6,737	-2.2%	1.8%
Cost per pre-school education place	3,604	3,270	3,219	3,066	3,324	3,854	6.9%	15.9%
Percentage of secondary pupils achieving 5 or more awards at level 5 or higher		51.0	53.0	55.0	57.0	59.0	8.0%	2.0%
Percentage of secondary pupils achieving 5 or more awards at level 6 or higher		26.0	27.0	29.0	31.0	33.0	7.0%	2.0%
Percentage of pupils living in the 20% most deprived areas gaining 5+ awards at level 5 or higher		29.0	32.0	34.0	37.0	39.0	10.0%	2.0%
Percentage of pupils living in the 20% most deprived areas gaining 5+ awards at level 6 or higher		10.0	11.0	14.0	14.0	15.0	5.0%	1.0%
The gross cost of "children looked after" in residential based services per child per week	3,015	3,189	3,036	3,165	3,185		5.6%	0.6%
The gross cost of "children looked after" in a community setting per child per week	220	234	259	269	280		27.3%	3.8%
Balance of care for 'looked after children': percentage of children being looked after in the community	91.0	91.2	90.9	90.6	90.1		-0.9%	-0.5%
Percentage of adults satisfied with local schools	83.0	89.9	83.0	81.0	79.0	74.0	-9.0%	-5.0%
Proportion of pupils entering positive destinations	88.9	89.9	91.4	92.3	92.9		4.0%	0.6%
Overall average total tariff		769.7	798.0	826.8	860.0	875.2	13.7%	1.8%
Average total tariff SIMD Quintile 1		478.0	510.0	551.0	581.0	600.0	25.5%	3.3%
Average total tariff SIMD Quintile 2		618.0	644.0	685.0	716.0	739.0	19.6%	3.2%
Average total tariff SIMD Quintile 3		759.0	789.0	817.0	851.0	862.0	13.6%	1.3%
Average total tariff SIMD Quintile 4		909.0	929.0	962.0	984.0	997.0	9.7%	1.3%
Average total tariff SIMD Quintile 5		1,101.0	1,135.0	1,149.0	1,185.0	1,195.0	8.5%	0.8%

Children's Services

Indicator Description	Scotland						Change*	
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	% change base* to 15-16	% change 14-15 to 15-16
Corporate Services								
Support services as a % percentage of total gross expenditure	4.9	5.2	5.1	5.1	5.1	5.4	0.6%	0.4%
Cost of democratic core per 1,000 population	35,907	33,292	32,928	32,646	30,829	29,981	-16.5%	-2.8%
The percentage of the highest paid 5% employees who are women	46.3	48.5	48.7	50.7	51.7	51.9	5.6%	0.2%
The gender pay gap						4.98		
The cost per dwelling of collecting Council Tax	14.81	13.91	13.77	12.36	11.00	10.34	-30.2%	-6.0%
(Domestic noise) average time (hours) between time of complaint and attendance on site, for those requiring attendance on site	47.8	31.6	43.2	80.7	58.9	70.3	47%	19.4%
Sickness absence days per teacher	6.6	6.2	6.6	6.1	6.3	6.1	-7.4%	-2.6%
Sickness absence days per employee (non-teacher)	10.8	10.4	10.9	10.3	10.8	10.6	-1.5%	-1.5%
Percentage of income due from Council Tax received by the end of the year	94.7	95.1	95.2	95.2	95.5	95.7	1.0%	0.2%
Percentage of invoices sampled that were paid within 30 days	89.5	90.2	90.5	91.9	92.5	92.8	3.3%	0.2%
Home care costs per hour for people aged 65 or over	21.60	20.92	21.21	20.65	20.33	21.58	-0.1%	6.1%
SDS spend on adults 18+ as a percentage of total social work spend on adults 18+	1.6	3.0	5.9	6.4	6.9	6.7	5.1%	-0.2%
Percentage of people aged 65 or over with intensive needs receiving care at home	32.2	33.0	34.1	34.3	35.3	34.8	2.5%	-0.6%
Percentage of adults receiving any care or support who rate it as excellent or good.					85.0	84.0	-1.0%	-1.0%
Percentage of adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life					84.0	81.0	-3.0%	-3.0%
Residential costs per week per resident for people aged 65 or over	416.83	421.39	384.96	368.45	374.29	368.85	-11.5%	-1.5%
Adult Social Care								

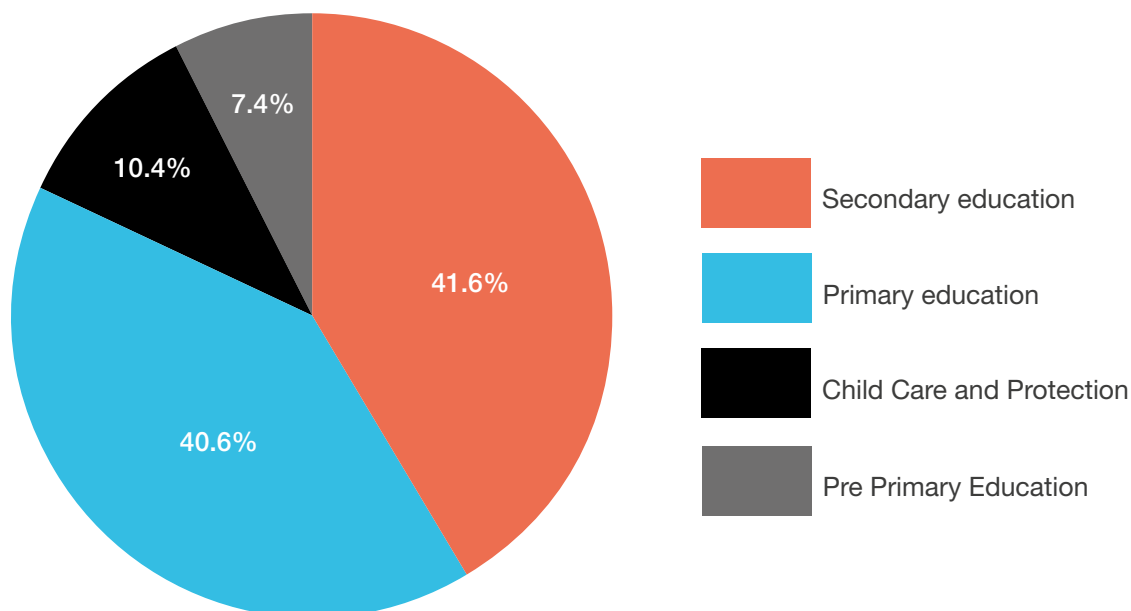
Indicator Description	Scotland						Change*	
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	% change base* to 15-16	% change 14-15 to 15-16
Culture & Leisure Services								
Cost per attendance at sports facilities	3.81	3.41	3.25	3.25	2.98	2.99	-21.4%	0.6%
Cost per library visit	3.66	3.45	3.26	2.62	2.46	2.44	-33.2%	-1.0%
Cost of museums per visit	4.52	3.69	3.73	3.43	3.24	3.07	-32.1%	-5.2%
Cost of parks and open spaces per 1,000 population	27,814	25,688	24,518	23,748	23,509	22,232	-20.1%	-5.4%
Percentage of adults satisfied with libraries	84.0		83.0	81.0	77.0	74.0	-10.0%	-3.0%
Percentage of adults satisfied with parks and open spaces	83.0		86.0	86.0	86.0	85.0	2.0%	-1.0%
Percentage of adults satisfied with museums and galleries	76.0		78.0	76.0	75.0	71.0	-5.0%	-4.0%
Percentage of adults satisfied with leisure facilities	75.0		80.0	78.0	76.0	73.0	-2.0%	-2.3%
Environmental Services								
Net cost of waste collection per premise			61.26	62.50	65.41	63.40	3.5%	-3.1%
Net cost of waste disposal per premise			95.62	93.80	91.47	97.02	1.5%	6.1%
Net cost of street cleaning per 1,000 population	21,294	20,503	18,169	16,557	15,886	15,480	-27.3%	-2.6%
Street Cleanliness score	95.40	96.14	95.80	96.09	93.90	93.40	-2.0%	-0.5%
Cost of maintenance per kilometre of roads	13,896	12,462	11,954	11,307	10,352	10,791	-22.3%	4.2%
Percentage of A class roads that should be considered for maintenance treatment	30.3	30.5	29.4	28.7	29.0	29.0	-1.3%	-0.1%
Percentage of B class roads that should be considered for maintenance treatment	35.8	36.3	35.0	35.2	36.1	34.8	-1.0%	-1.3%
Percentage of C class roads that should be considered for maintenance treatment	35.0	36.0	34.8	36.6	37.3	34.7	-0.3%	-2.6%
Percentage of U class roads that should be considered for maintenance treatment	41.9	38.3	40.1	39.4	39.3	40.1	-1.8%	0.8%
Cost of trading standards per 1,000 population			5,502	5,809	5,764	5,873	6.7%	1.9%
Cost of environmental health per 1,000 population			17,750	18,621	17,776	16,849	-5.1%	-5.2%
Percentage of total household waste arising that is recycled	38.7	41.0	41.7	42.2	42.8	44.3	5.6%	1.5%
Percentage of adults satisfied with refuse collection	81.0		83.0	83.0	84.0	82.0	1.0%	-2.0%
Percentage of adults satisfied with street cleaning	73.0		75.0	74.0	74.0	73.0	0%	-1.0%

Indicator Description	Scotland					Change*		
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	% change base* to 15-16	% change 14-15 to 15-16
Housing Services	Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year		5.6	5.9	6.2	0.7%	0.3%	
	Percentage of rent due in the year that was lost due to voids	1.3	1.3	1.2	1.1	-0.2%	-0.1%	
	Percentage of council dwellings meeting Scottish Housing Standards	53.6	66.1	76.6	83.7	90.4	92.5	38.9%
	Percentage of repairs completed within target times	93.3	93.6	93.1				-0.2%
	Average length of time taken to complete non-emergency repairs			10.2	9.9	9.4	7.7%	5.1%
Corporate Asset	Percentage of council dwellings that are energy efficient	74.9	81.2	88.8	94.0	96.5	96.2	21.3%
	Proportion of operational buildings that are suitable for their current use	73.70	74.80	75.90	78.21	79.01	79.61	5.9%
	Proportion of internal floor area of operational buildings in satisfactory condition	81.30	82.70	82.64	80.92	82.92	81.49	0.2%
Economic Development	Percentage of unemployed people assisted into work from council operated / funded employability programmes			9.56	12.48	14.14	13.91	4.3%
	Cost per planning application	5,243	5,061	6,412	4,524	4,270	4,832	-7.8%
	Average time per commercial planning application			12.96	12.88	10.95	11.19	-13.6%
	Percentage of procurement spent on local small/medium enterprises	20.9	20.5	20.3	19.6	19.6	19.7	-1.2%
No of Business Gateway start-ups per 10,000 population			19.0	18.9	16.9	16.9	-11.1%	-10.5%

Children's Services

The major elements of children's services, and the percentage of total spend on each one, are given in the table below.

Proportion of Gross Revenue Expenditure for Children's Services by Element 2015-16



Source: Council supplied expenditure figures

As can be seen, primary and secondary school provision are the major spend areas, with pre-school education and child care and protection accounting for a very much lower percentage of total spending on children. Each element is looked at in turn below.¹³

Pre-School Provision

For pre-school educational provision for children ("nursery school"), spending has been standardised as total spend per pre-school place. Over the six-year period, the Scottish average for the cost per pre-school place has increased by 6.9% - an increase in real terms of £250 per place. During this time, the total number of pre-school places provided by councils has risen by 5.7% across Scotland, providing an additional 5,212 places. There has been a 13% increase in gross expenditure.

Cost per Pre-School Place 2010/11 – 2015/16

% Change	Cash	Real
2010/11 - 2015/16	14.7	6.9
2010/11 - 2011/12	-8.0	-9.3
2011/12 - 2012/13	0.5	-1.6
2012/13 - 2013/14	-3.2	-4.7
2013/14 - 2014/15	10.0	8.4
2014/15 - 2015/16	16.4	15.9

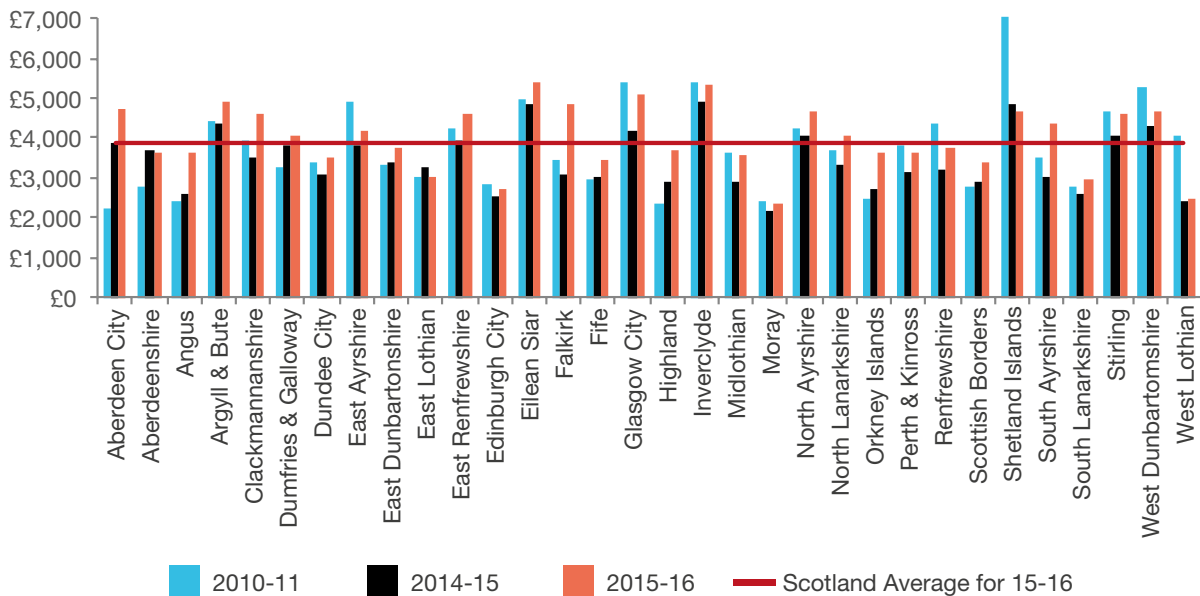
¹³ Data on Looked After Children will be published in March 2017. The Benchmarking Framework will be updated to incorporate these figures at that time

In the last 12 months, real unit costs have increased by 15.9% after falling in the previous five years. This reflects an increase in gross expenditure of 11.1% and a 4.1% reduction in the number of places provided during this period.

From August 2014, the Children and Young People (Scotland) Act 2014 required local authorities to increase the amount of early learning and childcare from 475 hours a year to 600 hours for each eligible child. The impact of the new entitlements has been to increase the unit cost per pre-school place due to the increased hours associated with each funded place. The additional staffing costs in delivering the new entitlements, and the commitment by councils to offer the extended hours in a way that allows parents some choice and flexibility over what pattern of hours they can get, will influence costs here. This potentially underestimates the movement in total spend because in some councils this will be recorded under children and families services and/or the Health and Social Care Partnership.

In 2015/16, the average cost per place was £3,854, with substantial and widening variation between councils, ranging from £2,367 to £5,409 per place.

Cost per Pre-School Registration



Source: Early Learning and Childcare Census, Scottish Government; council supplied expenditure figures

Shetland Council has shifted the balance of qualified teaching and nursery staff across the workforce, and has moved to more peripatetic delivery.

In **Moray Council**, the majority of Early Years provision is partnership based, with only 22 of the 60 early years centres operated by the Council.

In **Scottish Borders** and **South Ayrshire**, a recent fall in the birth rate has led to a reduction in the uptake of places, without corresponding decrease in funding.

Work within Family Groups has identified the following factors as important in understanding the variation between authorities in costs for pre-school provision.

Level of deprivation – there is a statistically significant relationship with deprivation, e.g. cost for the most deprived family group is £4,654 compared to £3,694 in the least deprived family group.

Workforce composition and age structure – age, experience, grade and qualification level of staff

Balance between council and partner provision – with higher levels of council provision in deprived areas (47% of provision in the most deprived areas is local authority provision compared to 27% in the least deprived areas)¹⁴

Integration of pre-school and primary school provision and rationalisation of overheads in relation to property and staffing

Demographic variation and local capacity to respond

Pre-School Performance

Currently, there are no systematic and consistent measures deployed by all 32 councils for assessing performance within the pre-school sector, or for understanding children's development as they progress through the pre-school setting.

As a priority, we are currently working to develop a wider suite of children's measures which will reflect performance and progress in this important area, and to identify potential sources of data to support this. Potential areas which merit further exploration include Care Inspectorate Quality Evaluations for Early Years services and Health Visitor assessments at 18-36 months.

Primary and Secondary School Spending

The pattern of spend on primary and secondary schooling is standardised as "total spend per pupil". In both primary and secondary education, there has been a reduction in real costs per pupil since 2010/11 (-9.4% and -2.2% respectively), although an increase in the past 12 months (1.1% and 1.8% respectively).

Cost per Primary Pupil

Since 2010/11 there has been a real terms reduction of £489 per primary pupil, representing a 9.4% reduction. This reflects a 2.9% reduction in real gross expenditure, which has occurred in parallel with a 7.1% increase in pupil numbers.

In 2015/16, the average cost per primary pupil was £4,733, a 1.1% increase from £4,684 the previous year. This reflects a 2.6% increase in gross expenditure and a 1.5% increase in pupil numbers.

¹⁴ www.careinspectorate.com/images/documents/3591/Early%20Learning%20and%20Childcare%20statistics%20report%202015.pdf

Cost per Primary Place 2010/11 – 2015/16

% Change	Cash	Real
2010/11 - 2015/16	-2.8	-9.4
2010/11 - 2011/12	-1.6	-2.9
2011/12 - 2012/13	-0.9	-2.9
2012/13 - 2013/14	-0.4	-2.0
2013/14 - 2014/15	-1.5	-2.9
2014/15 - 2015/16	1.5	1.1

Cost per Secondary Pupil

As with primary pupil costs, between 2010/11 and 2015/16 there was a real terms reduction of £152 per secondary pupil, representing a 2.2% reduction in unit costs. There has been a 6.4% reduction in pupil numbers across this period; however, the reduction in gross expenditure has been proportionately larger at 8.4%.

In 2015/16, the average cost per secondary school pupil was £6,737, which has increased from £6,618 in 2014/15, an increase of 1.8%. This reflects a 0.8% increase in expenditure, and a 1% reduction in pupil numbers.

Cost Per Secondary Pupil 2010/11 – 2015/16

% Change	Cash	Real
2010/11 - 2015/16	4.9	-2.2
2010/11 - 2011/12	-1.6	-2.9
2011/12 - 2012/13	1.7	-0.4
2012/13 - 2013/14	1.6	0.0
2013/14 - 2014/15	0.9	-0.6
2014/15 - 2015/16	2.2	1.8

Around 60% of primary and secondary school spending is teaching staff costs. Given the current agreement between the Scottish Government and local authorities that teacher numbers will be maintained in line with pupil numbers, this represents a relatively fixed cost to councils. As such, this may limit councils' efforts in seeking to generate further efficiencies in this major area of expenditure.

However, despite the fixed costs associated with teacher numbers, there is still a considerable level of variation across councils, particularly for secondary education. In primary education, costs range from £4,052 to £8,381, while in secondary the range is £5,767 to £11,669. This variation provides opportunities to explore how some services are designed and delivered in ways that appear to achieve greater efficiencies in expenditure.

Work within Family Groups has identified the following factors as important in understanding the variation between authorities

Rurality – cost data continues to show a very distinctive pattern across Scotland, with the Island councils spending significantly more than others.

Teacher demographics – the age and salary costs of the local teaching workforce

Local choices and priorities in relation to non-ring fenced elements of staffing budget such as support staff, teaching assistants, ASN staff

PPP/PFI contract costs and arrangements

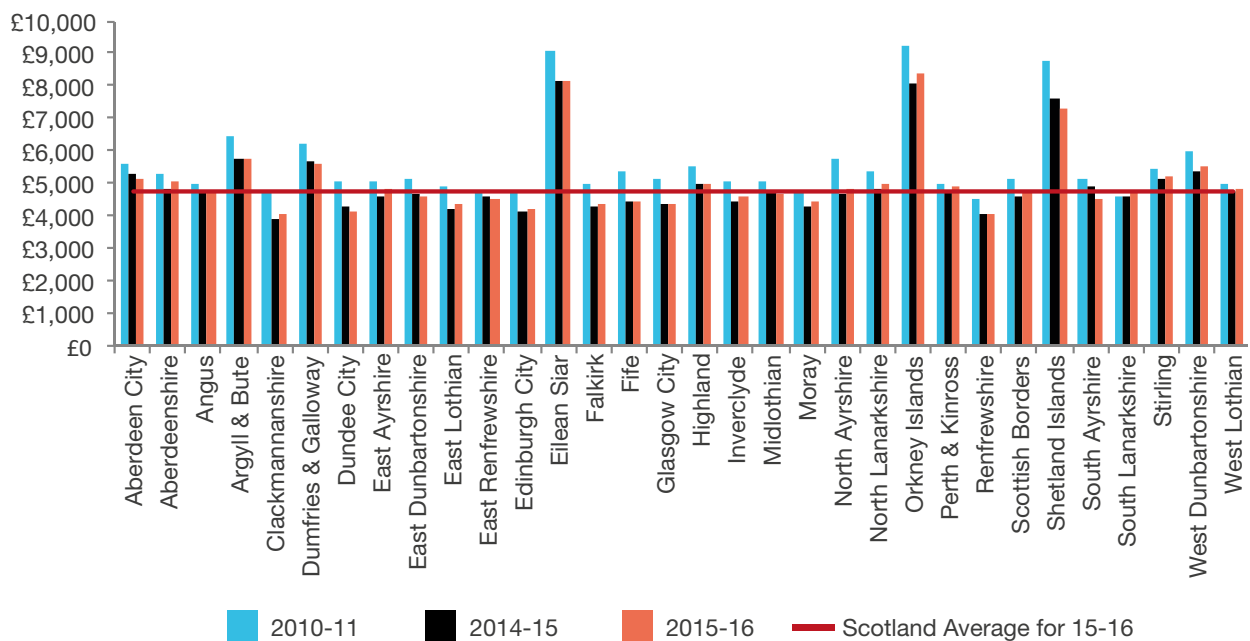
Growth of campus/hub school models

Management structure and balance of senior roles

Access to additional monies such as the Attainment Challenge Fund – targeted at pupils living in the 20% most deprived areas

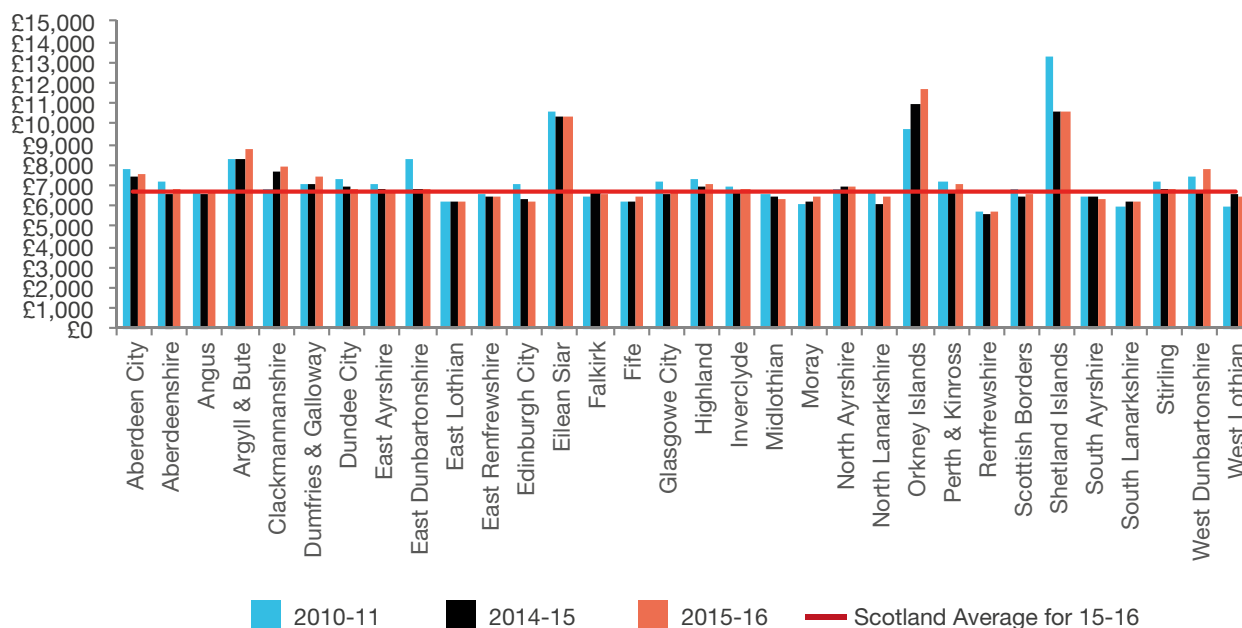
Demographic variability – depending on existing class sizes and teacher numbers locally, changes in pupil numbers will have a varying impact on expenditure patterns for councils.

Cost per Primary School Pupil



Source: Pupil Census, Scottish Government; council supplied expenditure figures

Cost per Secondary School Pupil



Source: Pupil Census, Scottish Government; council supplied expenditure figures

Primary School Performance

The National Improvement Framework has committed to introducing a consistent method for assessing children’s development throughout primary school. This development is a significant contribution and addresses an important gap in understanding the educational journey of children across all stages of the curriculum.

This year the Scottish Government published “experimental data” based on teacher professional judgments (www.gov.scot/Topics/Statistics/Browse/School-Education/ACEL). As there are still issues with consistency and reliability, this data is not yet sufficiently robust for benchmarking purposes. A new national programme of quality assurance and moderation is being put in place to provide more support and improve confidence and understanding among teachers, and, from August 2017, new nationally consistent standardised assessments will be made available for teachers to help inform their judgements.

We welcome these developments and will continue to work with Scottish Government and Education Scotland to strengthen this information to enable inclusion in the framework in future.

Secondary School Performance

The LGBF Board has expanded the performance measures to more accurately reflect the senior phase (S4-S6) landscape and, in particular, reflect wider educational achievement. The transitional suite presented here marks an important step in this development, however further measures will be introduced as suitable data becomes available over future years, to improve the scope and balance of information available on children’s services.

Performance at secondary level is currently measured by:

- Average Tariff Score (by SIMD quintile)
- Percentage of pupils gaining 5+ SCQF level 5 qualifications or higher (described as ‘5+ at Level 5’ for the purpose of this report)

- Percentage of pupils gaining 5+ SCQF level 6 qualifications or higher (described as ‘5+ at Level 6’ for the purpose of this report)

The suite of measures also includes the percentage of school leavers entering positive destinations. However, as this information is no longer published by Skills Development Scotland (SDS) in December, it was not possible to include here. Destinations data will be included when this is published in March.

The new Participation Measure was first published as experimental statistics in 2015 and provides a useful opportunity to track the progress of young people beyond the point at which they leave school. This measure reflects Opportunities for All¹⁵ and measures participation in learning (including school), training or work for all 16-19 year olds in Scotland. As this approach matures, we will work with education partners to agree how this information might be used alongside school leaver destinations in future publications.

Average Tariff

Average Tariff is an overall measure of educational attainment which offers a wider measure of achievement to consider alongside breadth and depth measures. The tariff score is a summary measure calculated from the latest and best achievement of pupils during the senior phase (S4-S6) across a range of awards included in the benchmarking tool Insight. The measure here reflects cumulative attainment either to the point of leaving or to the end of S6.

Under Curriculum for Excellence, the number of subjects typically studied by pupils varies between local authorities. This reflects differing approaches to developing employability skills and the core qualification sets needed to enable a range of post school destinations. Tariff scores strongly reflect the total number of subjects studied and a measure is needed to reflect different curriculum models better. Work is ongoing nationally to develop these better measures and they will be included in LGBF when available.

As the school leaver data is not yet available for 2015/16, the basis for the data included for these measures is different from published data available on Parentzone which is based on school leavers. To allow 2016 data to be included the Scottish Government has provided pupil’s attainment by S6, based on the S4 cohort.

Average Total Tariff by SIMD Quintile

Year	Overall Average Total Tariff	Average Total Tariff SIMD Quintile 1	Average Total Tariff SIMD Quintile 2	Average Total Tariff SIMD Quintile 3	Average Total Tariff SIMD Quintile 4	Average Total Tariff SIMD Quintile 5
2011/12	769.7	478.0	618.0	759.0	909.0	1101.0
2012/13	798.0	510.0	644.0	789.0	929.0	1135.0
2013/14	826.8	551.0	685.0	817.0	962.0	1149.0
2014/15	860.0	581.0	716.0	851.0	984.0	1185.0
2015/16	875.2	600.0	739.0	862.0	997.0	1195.0
% change	14%	26%	20%	14%	10%	9%
Range 15/16	737-1313	428-970	489-1177	668-1238	820-1331	936-1448

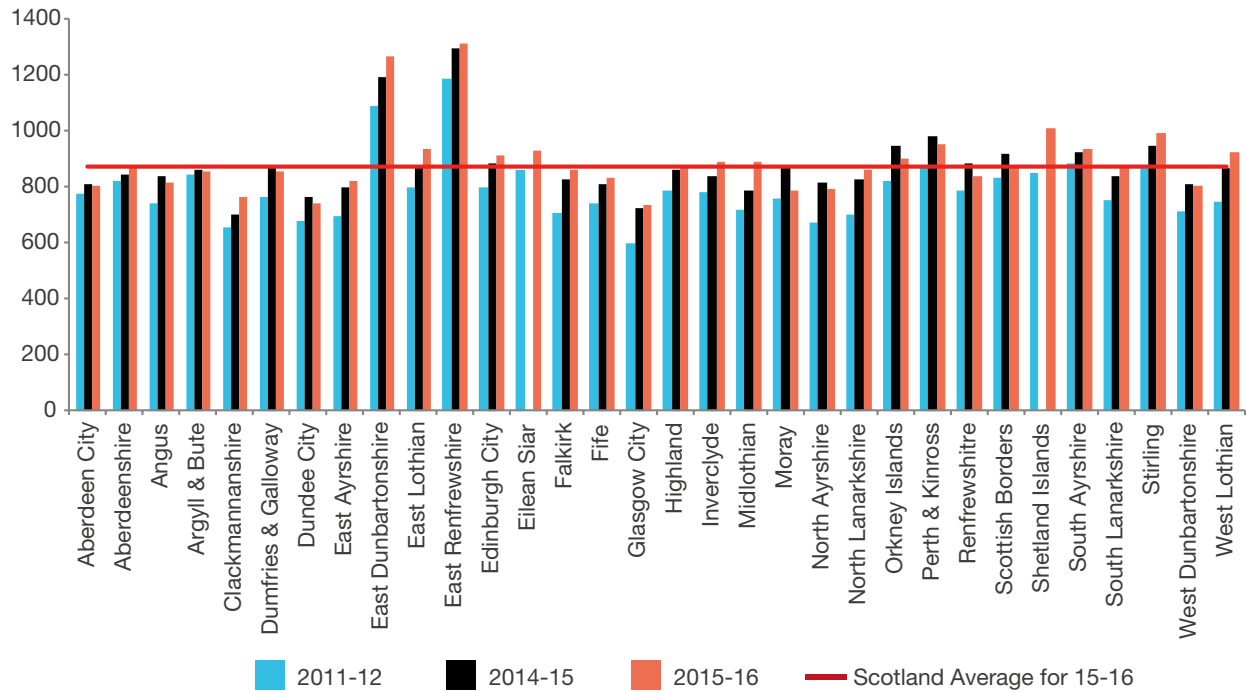
An improving trend can be seen in Average Total Tariff over the past five years, increasing by 14% from 769.7 in 2011/12 to 875.2 in 2015/16. While this improving trend is evident for all SIMD groups, pupils

¹⁵ Source: ‘Developing a ‘Participation’ Measure for Post 16 Learning, Training and Work’ 2013 Consultation, Scottish Government, www.gov.scot/Topics/Statistics/Browse/Labour-Market/scotstat/PartMeasureConsult/PartMeasCons-Report

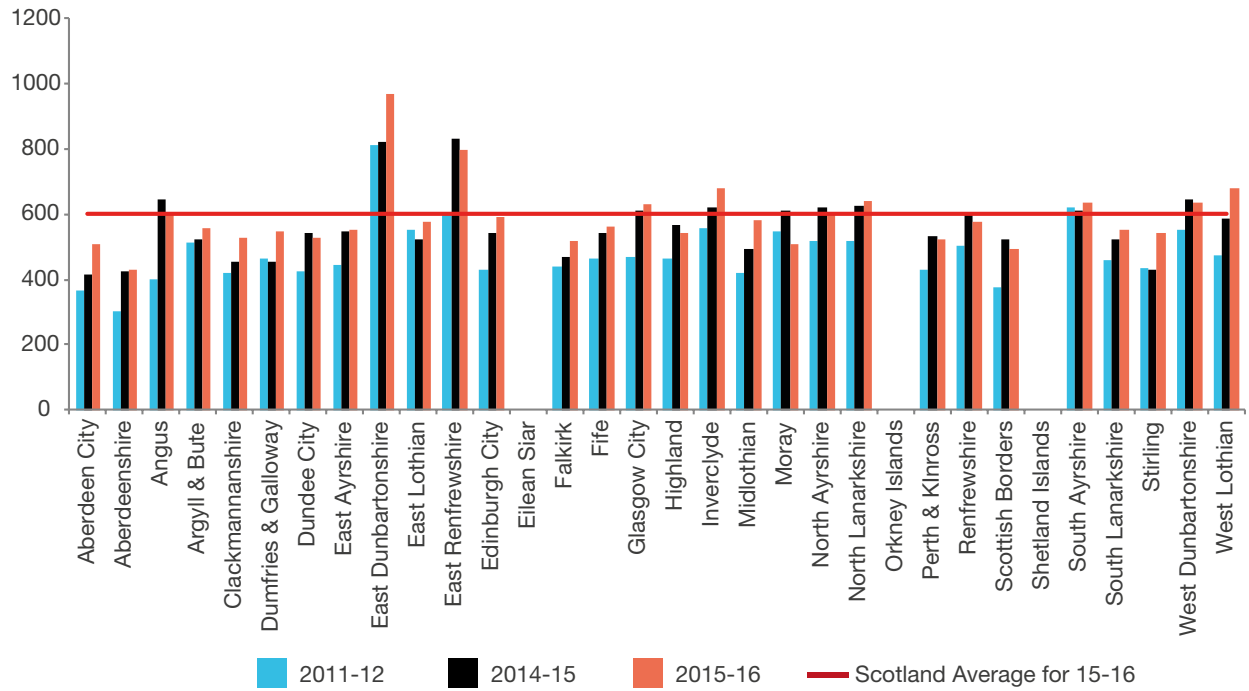
from most deprived groups have shown the largest improvement. Average tariffs have increased by 26% and 20% for the two most deprived groups compared to 9% and 10% for the least deprived groups. However, Average Total Tariff Scores remain significantly lower for those pupils from the most deprived areas. Pupils from the least deprived quintile achieved an average tariff score of 1,195 compared to 600 for pupils from the most deprived quintile.

There is a considerable level of variation between councils in relation to Overall Average Tariff (737 to 1,313) and within each quintile group. Further detail of the variation within councils is presented in the graphs below.

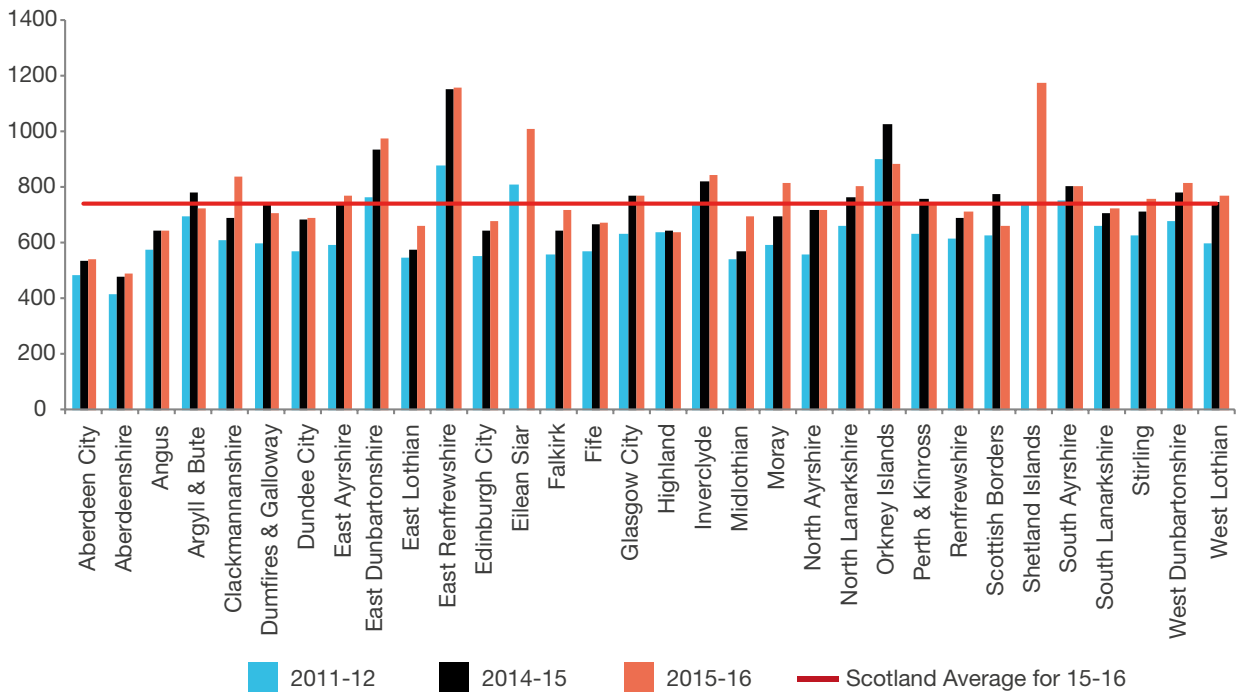
Overall Average Tariff



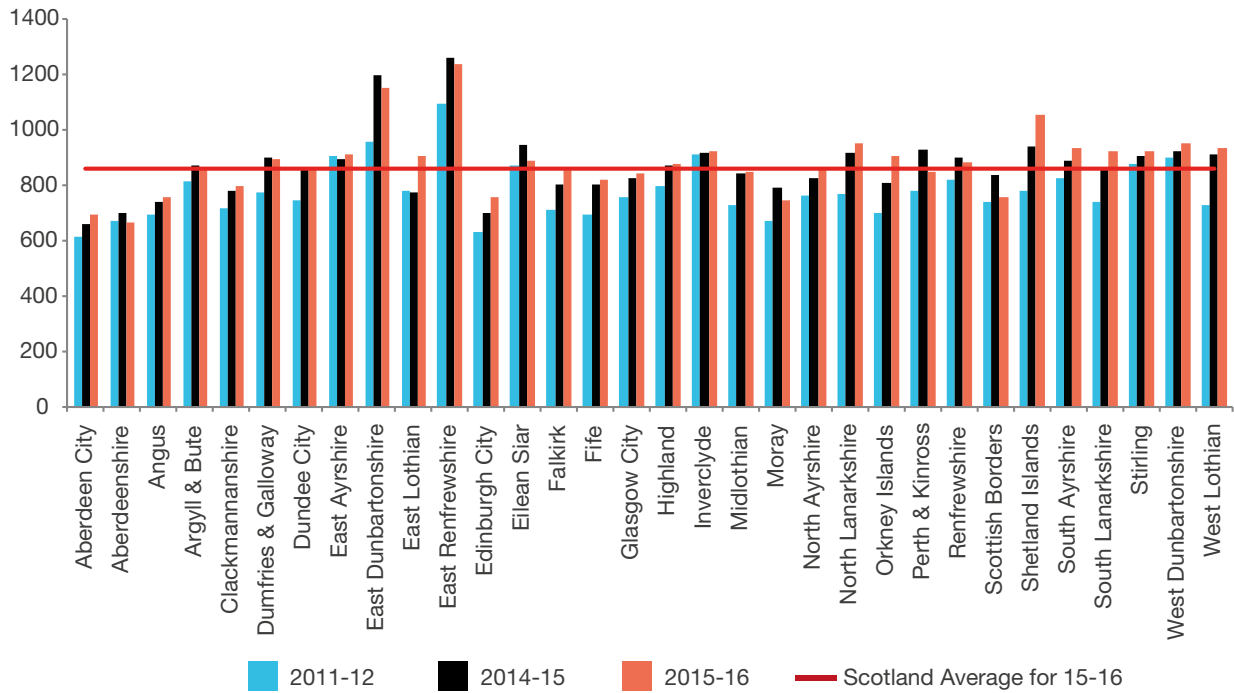
Average Total Tariff SIMD Quintile 1



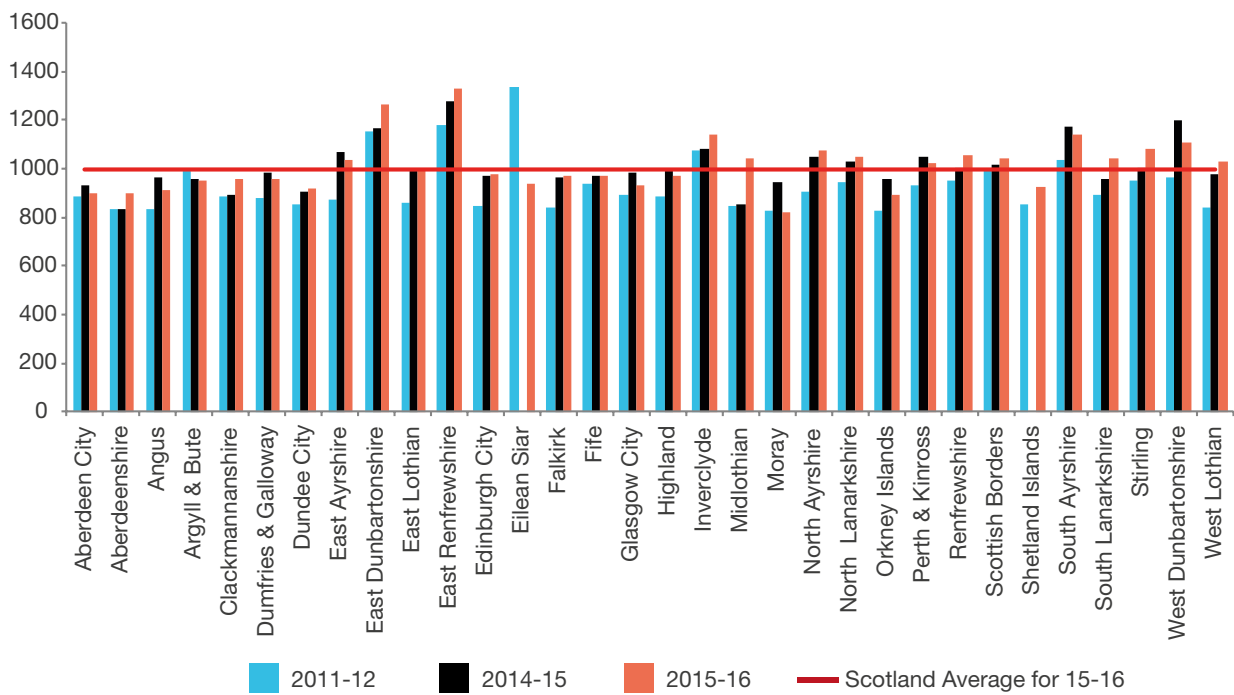
Average Total Tariff SIMD Quintile 2



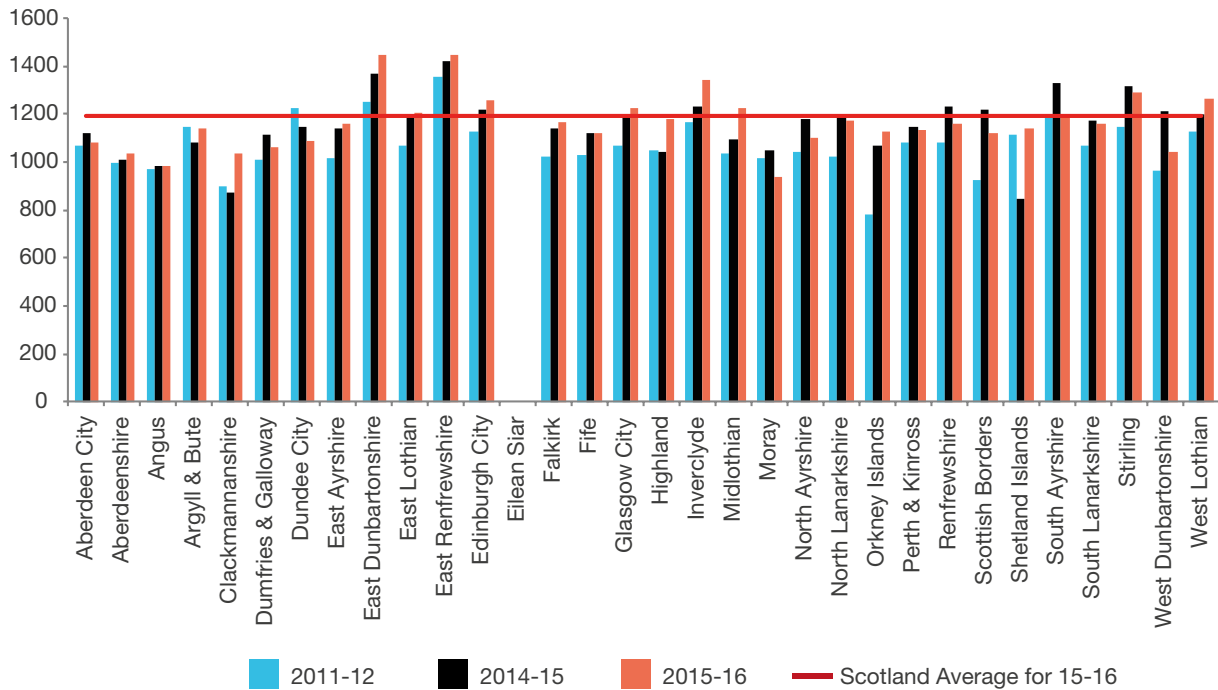
Average Total Tariff SIMD Quintile 3



Average Total Tariff SIMD Quintile 4



Average Total Tariff SIMD Quintile 5



Source: Breakdown of average total tariff by SIMD quintile provided by the Scottish Government and overall average total tariff calculated from this by the Improvement service

Note: Missing values represent councils which have no pupils in this SIMD quintile

Performance at SCQF Level 5 and Level 6 or higher

These indicators provide a breadth and depth measure of achievement for pupils at higher levels of attainment, for all pupils and for those from more deprived areas. It should be noted that 5+ awards at SCQF Level 5 and Level 6 or higher are demanding academic criteria, and on their own provide a rather narrow picture of attainment. They are concentrated heavily on high attainers – those who would typically progress to higher education - and do not adequately reflect the outcomes and life chances of all school pupils.

These measures reflect the cumulative attainment at SCQF Level 5 and Level 6 or higher either to the point of leaving or to the end of S6. However, as with Average Tariff scores, as the school leaver data is not yet available for 2015/16, the basis for the data included for these measures is different from published data available on Parentzone, which is based on school leavers. To allow 2016 data to be included, the Scottish Government has provided pupils' attainment by S6 based on the S4 cohort.

An improving trend can be seen in the SCQF level 5 and level 6 data across the years for which we have collated data. The total percentage of young people gaining 5+ awards at Level 5 and Level 6 or higher is increasing - for all pupils, and for those in the most deprived communities.

Percentage of Pupils Achieving 5 or More Awards at SCQF Level 5 and Level 6 or Higher

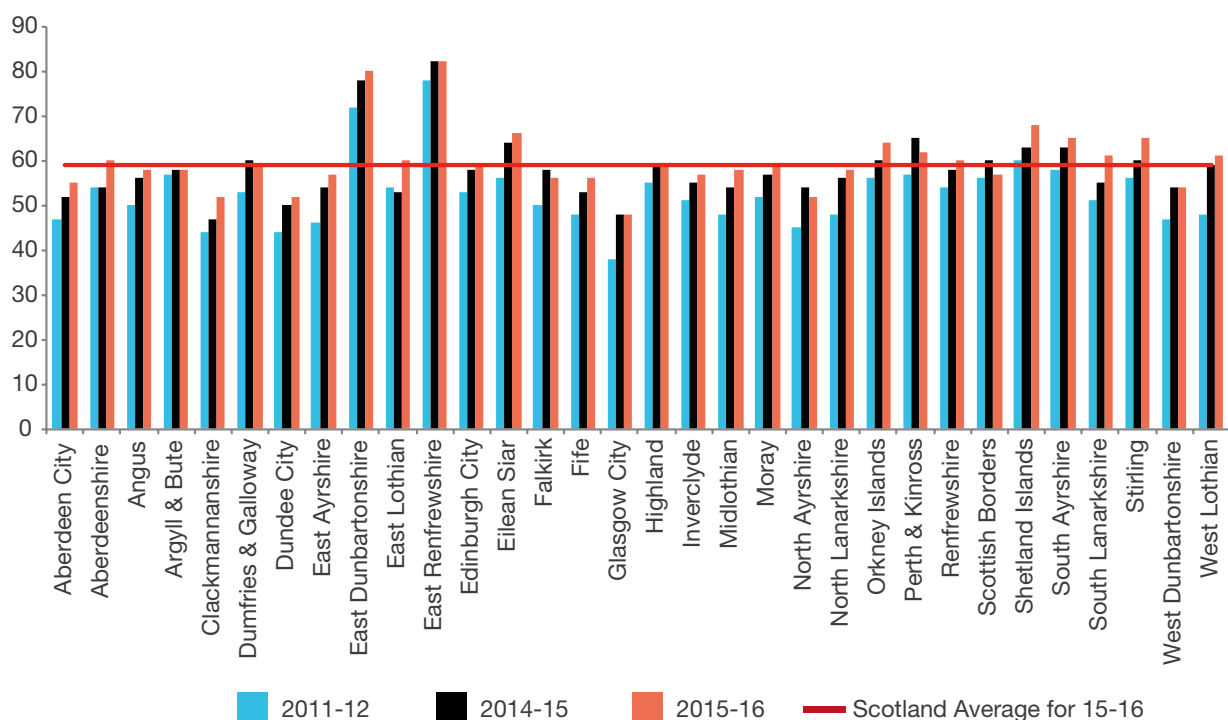
Year	% 5 or more awards at Level 5	% 5 or more awards at Level 5 in 20% most deprived communities	% 5 or more awards at Level 6	% 5 or more awards at Level 6 in 20% most deprived communities
2011/12	51.0	29.0	26.0	10.0
2012/13	53.0	32.0	27.0	11.0
2013/14	55.0	34.0	29.0	14.0
2014/15	57.0	37.0	31.0	14.0
2015/16	59.0	39.0	33.0	15.0

In 2015/16, 59% of pupils achieved five or more awards at Level 5 or higher, an increase of eight percentage points from 2011/12. Similarly, there has been a seven percentage point increase in the percentage of pupils achieving five or more awards at Level 6 or higher during this time, from 26% to 33%. Since 2011/12, all 32 councils have seen an increase in attainment at these levels, with most showing a year on year improvement.

While achievement levels remain lower for children from the most deprived areas, there has been a faster rate of improvement within these groups. The percentage of children from the most deprived communities achieving 5+ awards at Level 5 and Level 6 in 2015/16 was 39% and 15% respectively, an increase of 10 percentage points and five percentage points from 2011/12. This is an improvement rate of 34.5% and 50.0%, compared to 15.7% and 26.9% for all pupils, leading to a relative narrowing of the attainment gap.

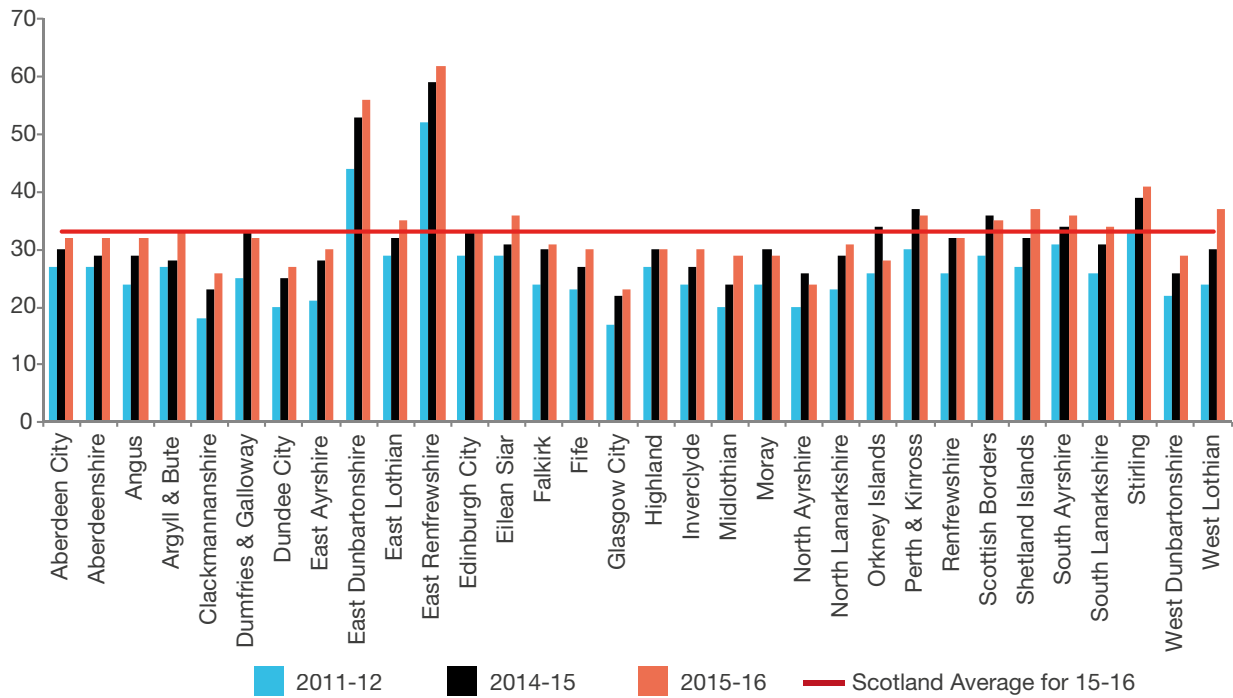
Across Scotland, substantial variations between councils can be identified at both Level 5 and Level 6, ranging from 48% to 82% and 23% to 62% respectively. While the range has narrowed for Level 5 (due to faster improvement at the lower performance end), it has widened for Level 6 (due to faster improvement at the higher performance end). Substantial variations can also be seen between councils in achievement levels for the most deprived, ranging from 19% to 56% at Level 5, and 8% to 38% at Level 6.

Percentage of Pupils Gaining 5+ Awards at Level 5 or Higher

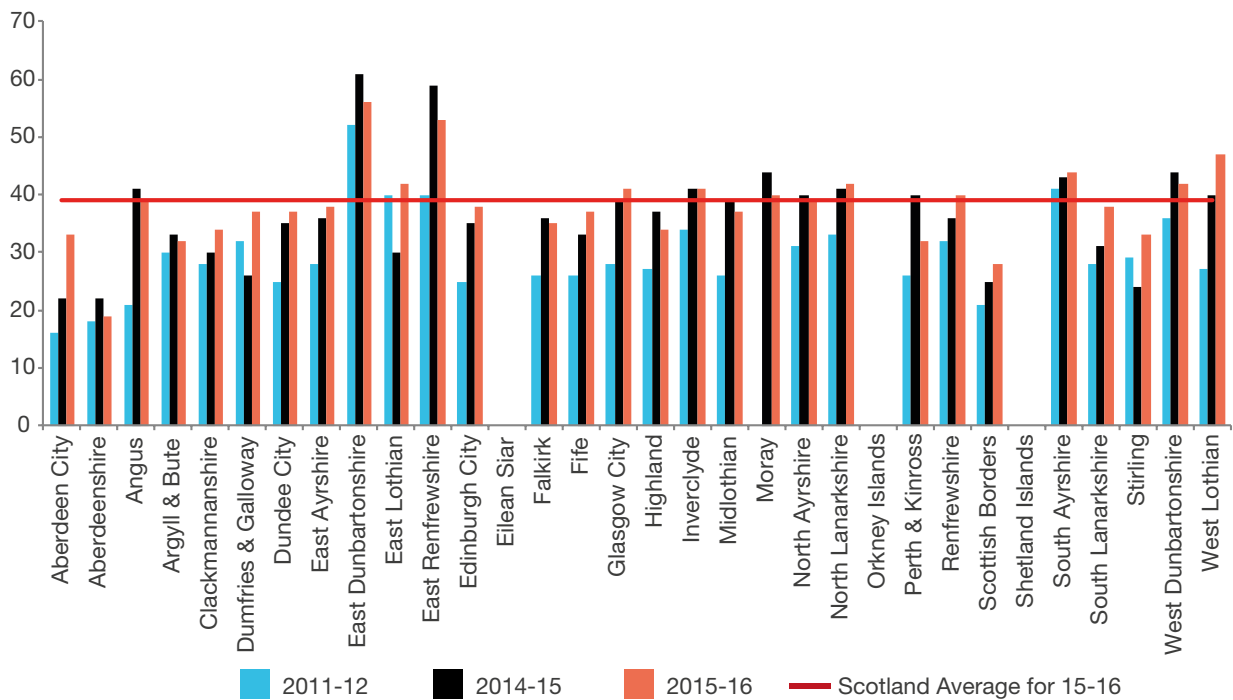


Source: Figures supplied by Scottish Government

Percentage of Pupils Gaining 5+ Awards at Level 6 or Higher



Percentage of Pupils from Deprived Areas Gaining 5+ Awards at Level 5 or Higher (SIMD)



Percentage of Pupils from Deprived Areas Gaining 5+ Awards at Level 6 or Higher (SIMD)

Work within Family Groups has identified the following factors as important in understanding the variation between authorities in senior phase attainment.

Deprivation - achievement varies systematically with the overall level of deprivation in the council area: this accounts for approximately 35% to 40% of the variation in outcome between councils. For example, if councils are grouped according to their levels of deprivation, the average at Level 5 for the most deprived council is 53% compared to 62% for the least deprived councils. However, there are some councils with very low levels of overall deprivation which are achieving exceptional results with pupils from deprived areas. There are also councils with relatively high levels of overall deprivation achieving higher than average results.

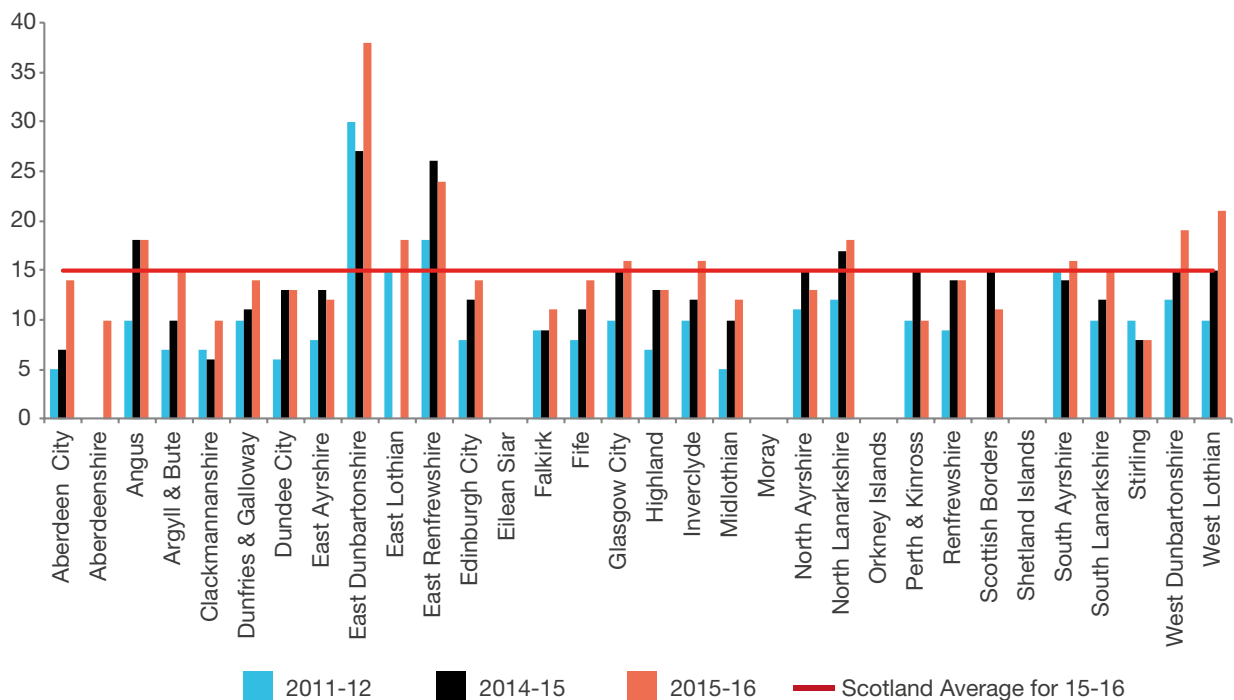
The work being driven forward with local authorities and schools under the Scottish Attainment Challenge has the potential to be instrumental here. National and local partners will work together to identify the specific work that can be implemented successfully in classrooms and which will have a significant impact on the attainment of children from deprived communities.

The local economy, size of the higher education/further education sector and types of local services supporting education are also important factors in understanding the variation.

We will continue to work with all councils, ADES and Education Scotland to better understand the existing level of variation and the factors that drive it at school and council levels.



East Renfrewshire Council focuses on strategic, operational and systematic approaches coupled with improved learning and teaching to maintain high levels of attainment. The department has a strong ethos of 'support and challenge' with an emphasis on data sharing, rigorous self-evaluation and good improvement planning, for example through shared learning (through dialogue between head teachers and the positive use of robust data) and the consistent use of challenging but achievable targets for schools.



Source: Figures supplied by Scottish Government

Note: Missing values represent councils which have no pupils in the 20% most deprived communities

Satisfaction with Schools

In terms of adults satisfied with their local schools service, this has reduced from 83% in 2010/11 to 74% in 2015/16. However, these satisfaction rates achieved by local schools remain among the highest rates achieved by local council services.

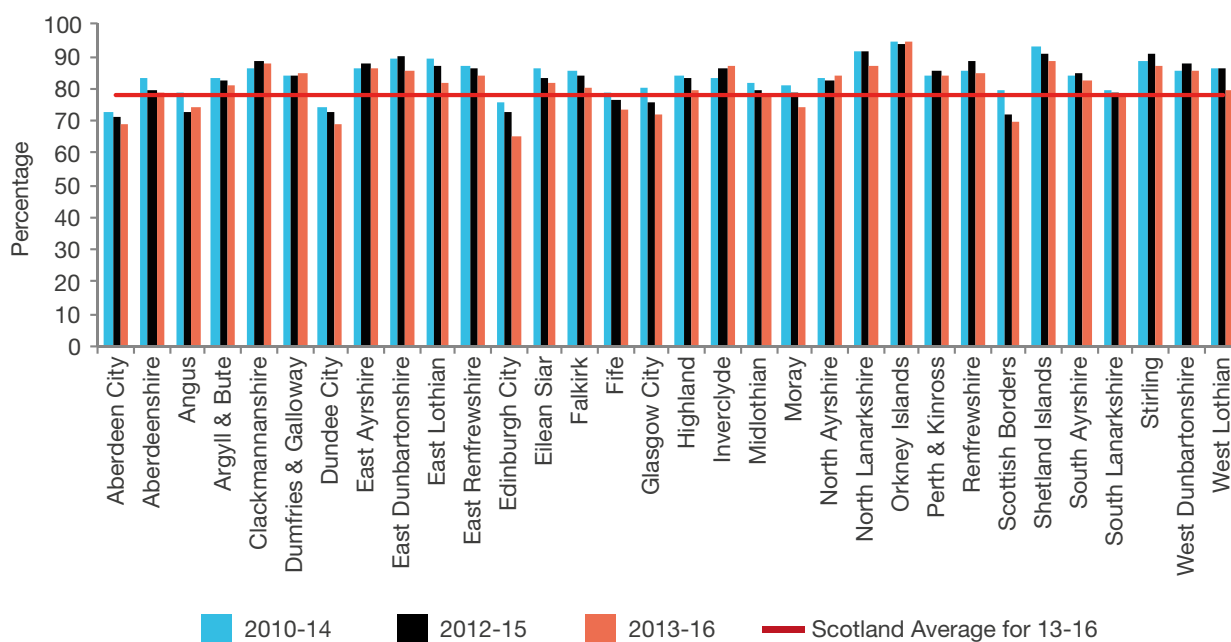
Percentage of Adults Satisfied with Local Schools

Year	% Satisfied
2010/11	83
2012/13	83
2013/14	81
2014/15	79
2015/16	74

The customer satisfaction data that is included in the LGBF is derived from the Scottish Household Survey (SHS). While this data is robust at Scotland level, it is acknowledged there are limitations at local authority level in relation to small sample sizes and low confidence levels. To boost sample sizes, three year rolled averages have been used here. This ensures the required level of precision at local levels within confidence intervals of 6%. The data used represents satisfaction for the public at large rather than for service users. Smaller sample sizes for service users mean it is not possible to present service user data at a local authority level with any level of confidence. It should be noted, however, that satisfaction rates for service users are consistently higher than those reported by the general population.

The range in satisfaction with local schools across Scotland is 65% to 95%, with larger authorities reporting significantly lower levels of satisfaction (75% compared to 88% in smaller authorities). The variation between authorities in satisfaction has widened recently due to a reduction in levels at the lower end.

Percentage of Adults Satisfied with Local Schools



Source: Scottish Household Survey, Scottish Government

Adult Social Care

The provision of services to support vulnerable adults and older people is a major priority for councils and accounts for around a quarter of total council spend. Social care services are undergoing fundamental reform as council services integrate with services from the National Health Service to create new Health and Social Care Partnerships (HSCPs). The purpose of these major changes is to strengthen the partnership working across public services to help improve outcomes for vulnerable adults and older people and also reduce the inefficiencies associated with dis-jointed systems.

To reflect this major reform, we continue to work with Social Work Scotland, Health and Social Care Chief Officers, and the new Health and Social Care Improvement body to agree benchmarking measures which will usefully support Integrated Joint Boards fulfil their new duties. This will draw upon the core suite of Health and Social Care integration measures, which is currently being reviewed and will consider measures which might usefully be included to provide a fuller picture of outcomes/user experience.

Social care is an area where councils and their partners face growing demands due to an ageing population and the increasing complexity of needs experienced by vulnerable adults. It is forecast that the percentage of the population aged 65 or over will rise from 18.1% to 21.1% by 2024¹⁶. In the face of these increasing demands, councils and their partners continue to modernise and transform social care provision to deliver better anticipatory and preventative care, provide a greater emphasis on community-based care and enable increased choice and control in the way that people receive services.

Home Care Services

Council spend on home care services has been standardised around home care costs per hour for each council. This includes expenditure across all providers. Since 2010/11 there has been a real terms reduction of 0.1% in spending per hour on home care for people over 65 across Scotland. This reflects a 7.2% increase in the number of hours delivered while gross expenditure has increased by 7.1%.

In the past 12 months, spending per hour has increased by 6.1%, which reflects a 3.9% increase in expenditure and a 2.1% reduction in hours delivered.

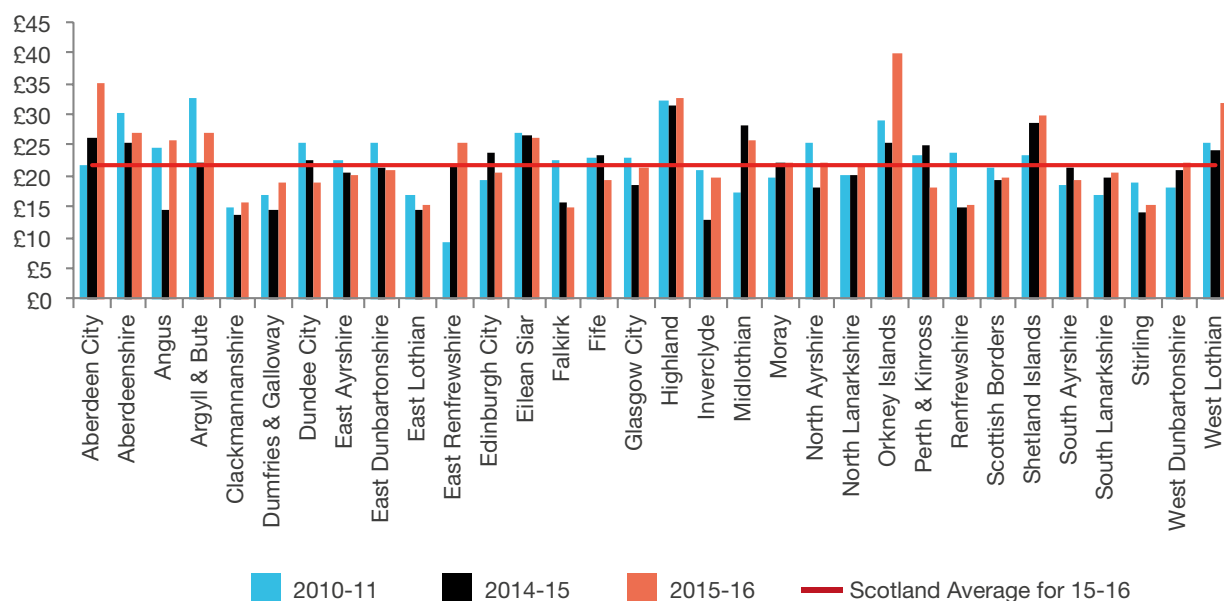
Home Care Costs per Hour for People Aged 65 or Over

% Change	Cash	Real
2010/11 - 2015/16	7.2	-0.1
2010/11 - 2011/12	-1.8	-3.2
2011/12 - 2012/13	3.5	1.4
2012/13 - 2013/14	-1.0	-2.6
2013/14 - 2014/15	-0.1	-1.5
2014/15 - 2015/16	6.6	6.1

The average spend per hour in 2015/16 was £21.58 per hour, ranging from £14.74 per hour to £40.07 per hour.

16 Source: Population Projections, National Records of Scotland, www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-projections/population-projections-scotland/2014-based

Home Care Costs per Hour for People Aged 65 or Over



Source: Social Care Survey, Scottish Government; council supplied expenditure figure

Balance of Care

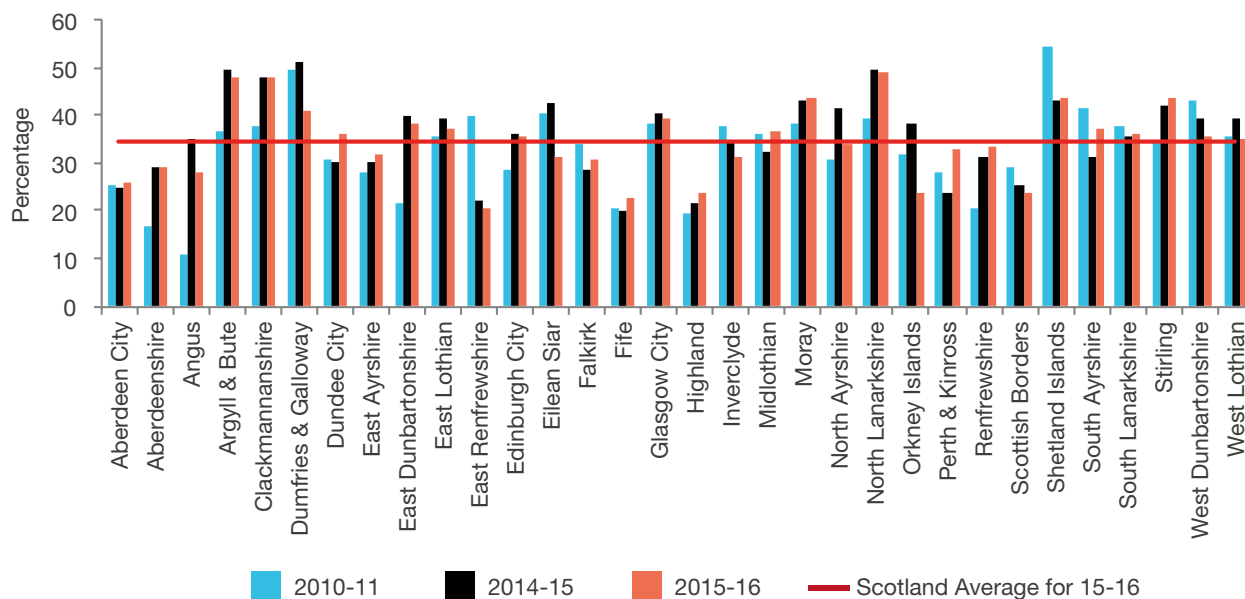
The second area of adult social care services covered in the framework is the percentage of adults over 65 with intensive care needs (who receive 10+ hours of support) who are cared for at home. This is an area of growing importance in an effort to care for more people in their own home rather than institutional setting such as hospitals. The effective design and delivery of home care services can help prevent those most at risk of unplanned hospital admissions from entering the hospital sector unnecessarily. For those who do enter hospital, it can also help prevent delayed discharges.

Percentage of people aged 65 or Over with Intensive Needs Receiving Care at Home

Year	% of over 65's with Intensive Needs Receiving Care at Home
2010/11	32.2
2011/12	33.0
2012/13	34.1
2013/14	34.3
2014/15	35.3
2015/16	34.8

Since 2010/11, the percentage of older people with intensive needs receiving care at home has increased from 32.2% to 34.8%. However, after a year-on-year growth in this balance, there has been a reduction within the past 12 months. In 2015/16, 34.8% of older people with intensive needs received care at home, which ranged from 20.4% to 48.8% across Scotland. This range has narrowed since 2010/11 due to faster growth at the lower levels.

Percentage of Adults Aged 65+ with Intensive Care Needs Cared for at Home



Source: Social Care Survey, Scottish Government

Direct Payments and Personalised Managed Budgets

From 1 April 2014, Self-directed Support introduced a new approach which gives people who require social care support more choice and control over how their support is delivered. Social work services continue to drive forward changes to ensure people's outcomes are being met, rather than a person fitting in to a service. The Self-Directed Support Act 2013 puts a duty on local authorities to be transparent about the cost of support under each of the 4 options:

- Direct payment (a cash payment)
- Personalised Managed Budget (PMB) where the budget is allocated to a provider the person chooses (sometimes called an individual service fund, where the council holds the budget but the person is in charge of how it is spent)
- The local authority arranges the support
- A mix of the above.

The indicator here refers to the percentage of total social work spend allocated via Direct Payments or Personalised Managed Budgets.¹⁷ The breakdown of spend available across the four options will become more sophisticated as the approach is fully implemented and this will be reflected in the development of this framework.

Since 2010/11, the proportion of total social work spend allocated via Direct Payments and Personalised Managed Budgets has grown from 1.6% to 6.7% (or 1.6% to 3.8% excluding Glasgow as an outlier).

In the last 12 months, the proportion of spend via Direct Payments and Personalised Managed Budgets grew from 3.2% to 3.8% (excluding outliers). Direct Payments account for approximately 80% of this spend.

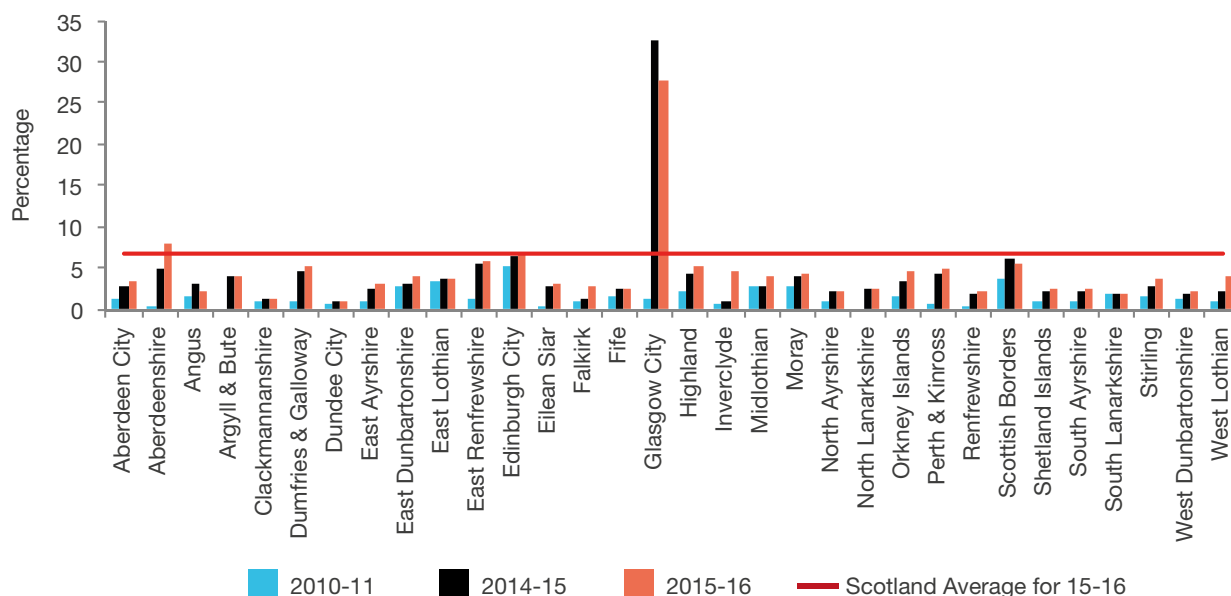
¹⁷ The PMB breakdown was included in councils return to the Improvement service for both 13/14 and 15/16, and includes only residual expenditure from the personalised budget where it is unknown what support was purchased, i.e. where the council used a third party to arrange services. It does not include where the budget has been used to purchase known services from either the authority or another provider. Analysis of the data however indicates some variation in relation to what is included currently.

Spend on Direct Payment and Personalised Managed Budgets as a Percentage of Total Social Work Spend

Year	Direct Payment & PMB Spend as a % of Total Social Work Spend
2010/11	1.6
2011/12	3.0
2012/13	5.9
2013/14	6.4
2014/15	6.9
2015/16	6.7

In 2015/16 the range in spend across councils was 0.9% to 28% (0.9% to 7.9% excluding Glasgow). Excluding Glasgow, the range has widened slightly in recent years. Rural authorities and councils with lower levels of deprivation tend to have higher levels of uptake of Direct Payments and PMB (5.0% of spend in rural councils compared to 2.6% in urban, and spend of 4.8% of spend in the least deprived Family Group compared to 2.7% in the most deprived). This finding is supported by Scottish Government examination of the uptake of Direct Payments and SIMD, which shows that, while there is no clear relationship for the 18-64 adult population, older people living in less deprived areas are more likely to choose direct payments.¹⁸

Direct Payment/PMB Spend as a Percentage of Total Social Work Spend



Source: Council supplied expenditure figures
 Note: Missing values reflect no data returned for that year

Care Homes

The final area covered by the framework relating to adult social care is the net cost of care home services. The measure has been standardised by looking at net costs per week per resident for people over the age of 65.

In 2015/16, the average cost across Scotland was £369 per week per resident, a slight reduction of 1.5% from £385 in 2014/15 and a reduction of 4.2% since 2012/13. It is important to note that the figures for 2012/13 to 2015/16 have - in agreement with the local government Directors of Finance - excluded a

¹⁸ Source: Social Care Services, Scotland, 2014, Scottish Government, www.scotland.gov.uk/Publications/2014/11/1085/6

support cost component which was included in 2010/11 and 2011/12, and therefore a direct comparison with costs from earlier years is not possible.

Care Home Costs Per Week for People Over 65

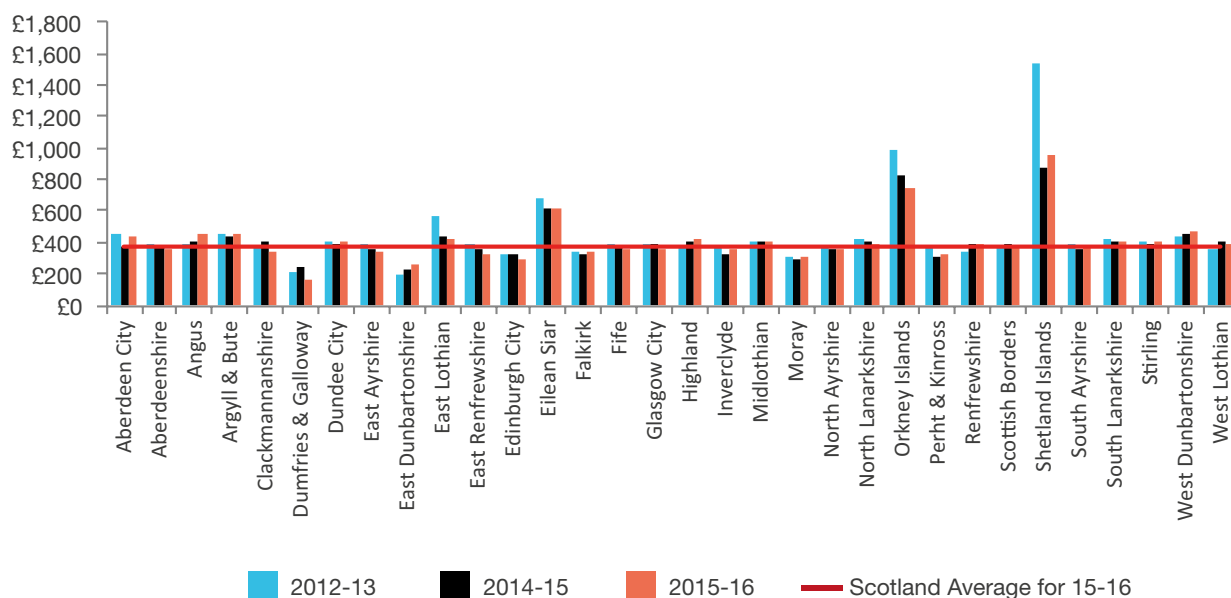
% Change	Cash	Real
2012/13 - 2015/16	-0.7	-4.2
2012/13 - 2013/14	-2.7	-4.3
2013/14 - 2014/15	3.1	1.6
2014/15 - 2015/16	-1.0	-1.5

Over the four years for which we have comparable data, reduction in unit costs has been driven by a -2% reduction in net expenditure, while the number of adults supported in residential care homes during this period has increased by 2.2%. This pattern continued in the last 12 months, with a small decrease in expenditure (-0.3%) and an increase in number of residents (1.2%).

Gross expenditure levels have remained steady over this period therefore the reduction in net expenditure indicates an increase in the income received by councils rather than a reduction in expenditure. The increase in the number of privately or self-funded clients as a proportion of all long stay residents over this period would support this trend (an increase of 3.3% between 2010/11 and 2015/16).¹⁹

There is a considerable level of variation across councils, with island councils in particular reporting significantly higher costs. When island councils are excluded, costs ranged from £171 to £466.

Older Persons (Over 65s) Residential Costs Per Week



Source: Community Care Quarterly Key Monitoring Return, Scottish Government; council supplied expenditure figures

Up to and including 2015/16, the National Care Home Contract (NCHC) for residential care for older people will, to a large extent, have standardised costs. However, it is important to note that the net cost per resident will not equate to the NCHC rate. The NCHC rate only applies to LA-funded residents who are in private and voluntary run care homes. Residential care costs however include net expenditure

¹⁹ Care Home Census 2010-2014, ISD, www.isdscotland.org/Health-Topics/Health-and-Social-Community-Care/Care-Homes/

on:

- The net cost of any LA-funded residents (this will be based on the NCHC)
- The net cost for self-funders (There are around 10,000 self-funders receiving Free Personal Care payments (around two-thirds also receive the Free Nursing Care payment))
- The net cost of running any LA care homes (this will be gross cost less charges to residents). These will not equate to the NCHC rate and not all LAs run their own care homes so this may be something to explore further when examining differences across councils.

Therefore, if we compare net expenditure with all long-stay care home residents (private/voluntary and local authority) we would expect the average rate to be lower than the NCHC rate.

Based on the above, variation in net costs between councils will be largely influenced by the balance of LA funded/self-funded residents within each area, and the scale of LA care home provision and associated running costs.

Percentage of Adults Satisfied with Social Care Services

This year, two measures from the Health and Care Experience Survey have been introduced to the benchmarking suite to reflect service user satisfaction with social care services. These measures align with the initial Core suite of HSC Integration Measures, and provide a more locally robust sample than is available from the Scottish Household Survey in relation to social care. The survey takes place every two years, and, at this time, only two years' worth of data is currently available.

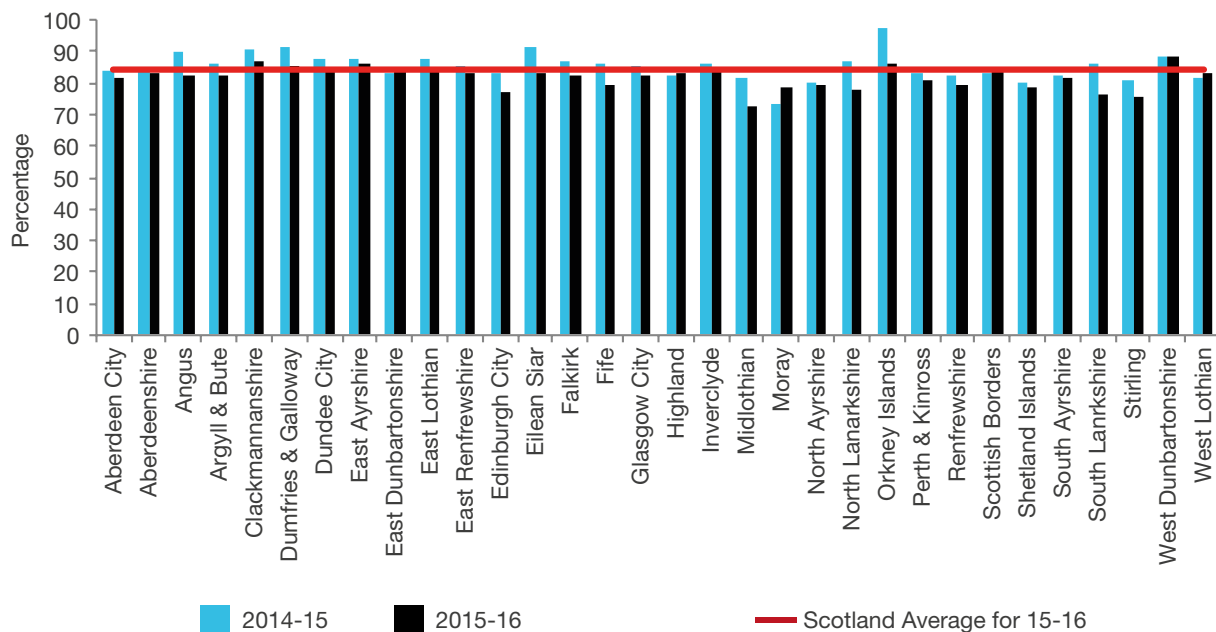
In 2015/16, the percentage of adults receiving any care or support who rate it as excellent or good was 85%, falling slightly from 84% in 2013/14. Similarly, the % of adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life was 81%, falling from 84% in 2013/14.

Percentage of Adults Satisfied with Social Care Services

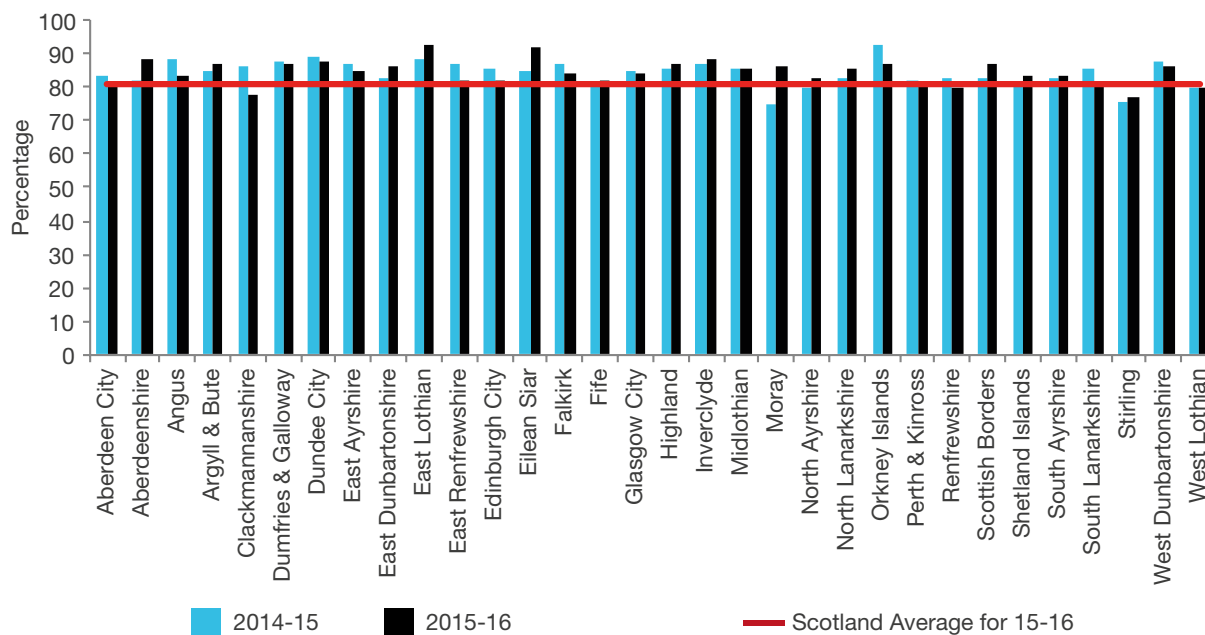
Year	% Receiving Any Care or Support who Rate it as Excellent or Good	% Supported at Home who Agree that their Services and Support had an Impact in Improving or Maintaining their Quality of Life
2013/14	85	84
2015/16	84	81

Satisfaction rates vary from 73% to 88% for those rating the care/support as excellent or good, and from 77% to 92% for those who agree their support had an impact in improving or maintaining their quality of life.

Percentage Receiving Any Care or Support Who Rate it as Excellent or Good



Percentage Who Agree That Their Services and Support had an Impact in Improving or Maintaining Their Quality of Life



Source: Scottish Care and Experience Survey, Scottish Government

Work within Family Groups has identified the following factors as important in understanding the variation between authorities

Rurality: there is a significant connection between rurality and the cost and balance of social care provision. Rural authorities have higher residential and home care costs and a lower proportion of people cared for at home. Rural areas also have higher satisfaction rates in the quality of the service and in relation to its impact on their outcomes.

Demographic variability: the number and proportion of over 75's within local populations will have a significant influence on the cost and balance of social care service provision.

Service Delivery Model, balance between LA provision and private/voluntary provision locally and variability in the resilience and capacity within local provider markets will influence both costs and balance of care

Proportion of self-funders locally and impact on residential care expenditure - variations in net expenditure between councils are systematically related to the percentage of self-funders within council areas.²⁰

Local priority given to increasing the use of bank staff rather than sessional staff, and work to improve the occupancy rate within LA provision will also be important in understanding variation

20 Free Personal and Nursing Care, Scottish Government, www.gov.scot/Topics/Statistics/Browse/Health/Data/FPNC

Culture and Leisure

Culture and leisure services play an important role in the quality of life in local communities. In addition to the social and economic benefits delivered, the impact they have on promoting better health and wellbeing of the population and in reducing demand on other core services is well documented. Culture and leisure services can also connect well with communities that more traditional and regulated services often struggle to reach. This unique relationship provides real potential to achieve impact for people in the greatest need. However, given there is little in the way of statutory protection for culture and leisure spending, culture and leisure services face a particularly challenging financial context across the coming period.

For the first time, all culture and leisure cost measures are presented as Net measures. This provides a better basis to compare like by like between councils, particularly in relation to different service delivery models, e.g. in-house/arms length provision. It also recognises the increasing need for authorities to income generate across culture and leisure services, and ensures this activity is reflected accordingly.

Sports Facilities

The data presented below illustrates the cost per attendance at sports and recreation facilities.

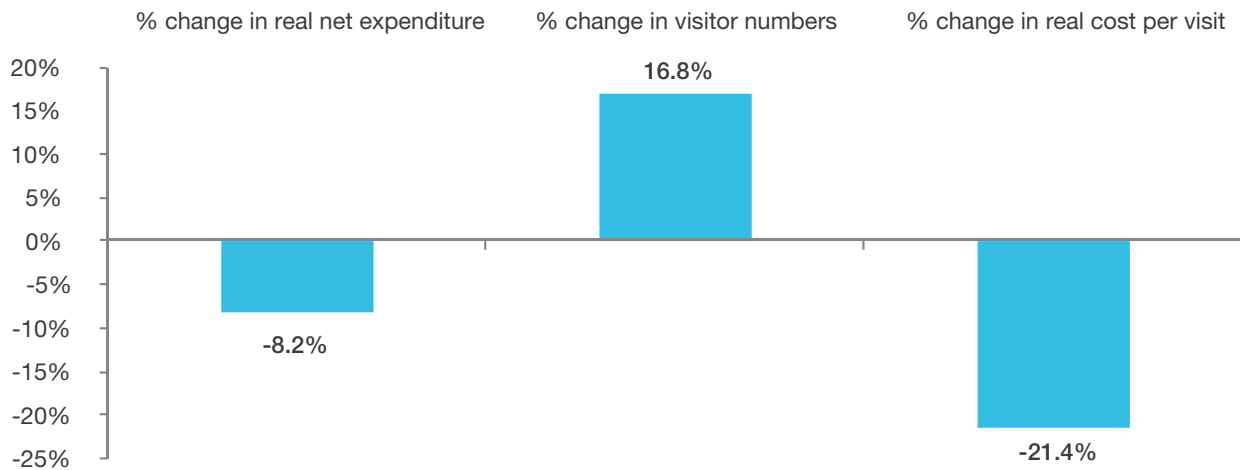
Over the six-year period from 2010/11 to 2015/16 the average unit cost has reduced from £3.81 to £2.99 in real terms. In percentage terms, this represents a 21.4% reduction. After a year-on-year unit cost reduction since 2010/11, in the past 12 months there has been a slight increase of 0.6%.

Cost Per Attendance at Sports Facilities

% Change	Cash	Real
2010/11 - 2015/16	-15.7	-21.4
2010/11 - 2011/12	-9.1	-10.4
2011/12 - 2012/13	-2.7	-4.7
2012/13 - 2013/14	1.6	0.0
2013/14 - 2014/15	-7.1	-8.5
2014/15 - 2015/16	1.1	0.6

The cost per attendance figures on their own do not give a complete picture of what has been happening in sports services over the period. Significant increases in visitor numbers have been achieved against a backdrop of reductions in real net expenditure. However, the growth in service users has slowed in recent years, growing only 0.7% in the past 12 months. Counter to previous years, there was also a slight increase in expenditure in the past 12 months of 1.3%.


Sports Facilities: Change in Total Spend, Visitor Numbers and Cost Per Visit, 2010/11 - 2015/16



Source: Council supplied expenditure and visitor figures

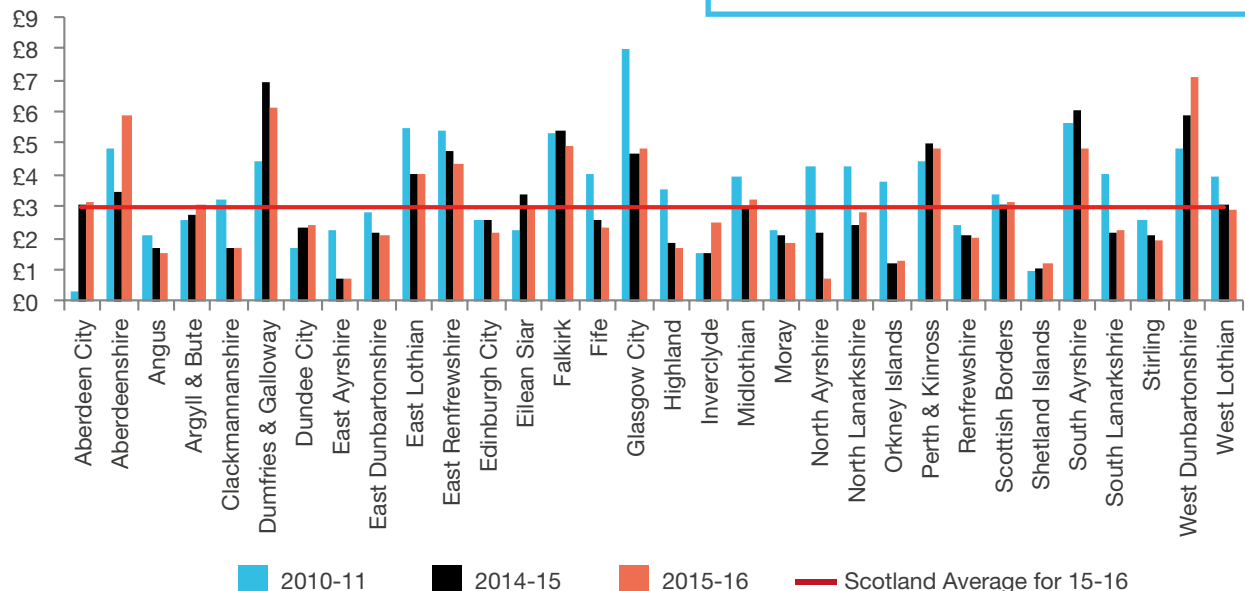
Over the six-year period, the significant increase in user numbers while the unit cost of sports attendances has fallen indicates that leisure and recreation services have managed to attract more people into using their facilities while managing significant financial pressures. A key factor here may be the significant capital investment programme in sports facilities across Scotland 10 years ago now bearing fruit. However, it may be that the additional capacity generated through this investment has now been reached, and thus the growth in user numbers is now tapering off.

However, the picture across councils with respect to the general trend is not universal. In 2015/16, costs per attendance at a sports facility ranged from £0.68 to £7.06.



East Ayrshire Council - have consistently low cost per sports attendance, and have reported a significant reduction in expenditure (80%) since 2015/16 and now have the lowest costs in their family group. The council are working to implement the Community Empowerment agenda by focusing on Community Asset Transfer. Several sporting facilities have been transferred to the community including a golf course and pitches and pavilions, delivering savings in running costs, staffing costs as well as a reduction in maintenance and repairs liability. The programme also delivers additional community benefits around health and wellbeing and community capacity building.

Cost Per Attendance at Sports Facilities



Source: Council supplied expenditure and visitor figures

Library Services

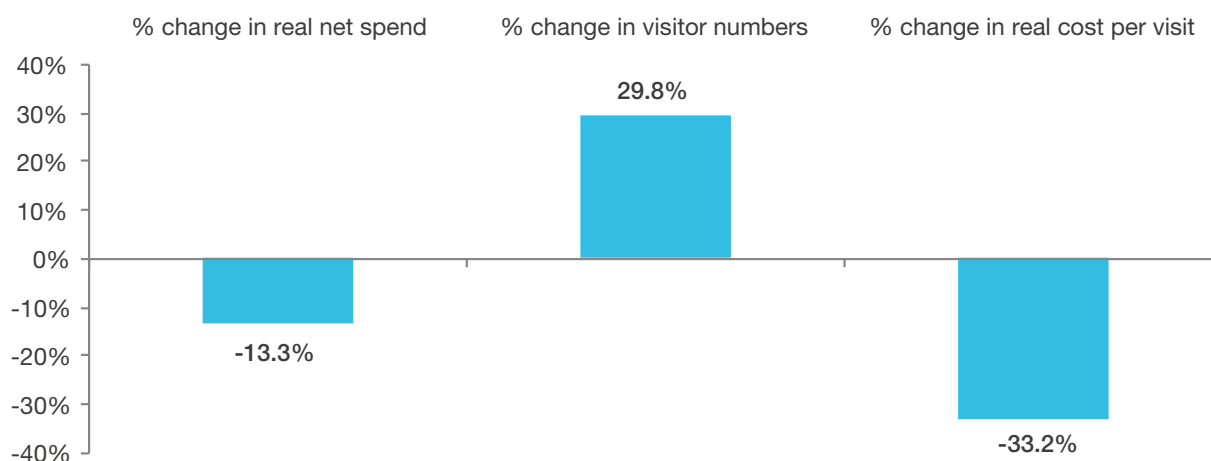
Library costs are represented as the average cost per library visit (both physical and virtual). There has been a year-on-year reduction in unit costs since 2010/11. The average cost per library visit in 2015/16 was £2.44, while in 2010/11 the cost per visit was £3.66. In real terms, this represents a reduction of 33.2% over the period. This represents significant year on year reductions of above 5%, until the past 12 months when the rate of reduction slowed to -1%.

Cost Per Library Visit

% Change	Cash	Real
2010/11 - 2015/16	-28.4	-33.2
2010/11 - 2011/12	-4.4	-5.7
2011/12 - 2012/13	-3.3	-5.3
2012/13 - 2013/14	-18.3	-19.7
2013/14 - 2014/15	-4.6	-6.0
2014/15 - 2015/16	-0.5	-1.0

As with sports services, unit cost figures on their own do not tell the full story of the last six years for library services. Over the six-year period covered by the LGBF, net spending on library services across Scotland fell by 13.3%. At the same time, visitor numbers increased across the country by 29.8%. Across this period, there has been a year on year reduction in expenditure levels, and a year on year increase in visit numbers. In the past 12 months however this rate of change has slowed, with library visitor numbers growing by only 0.9%, and expenditure remaining largely unchanged from last year (-0.03%).

Libraries: Change in Total Spend, Visitor Numbers and Cost Per Visit, 2010/11 - 2015/16



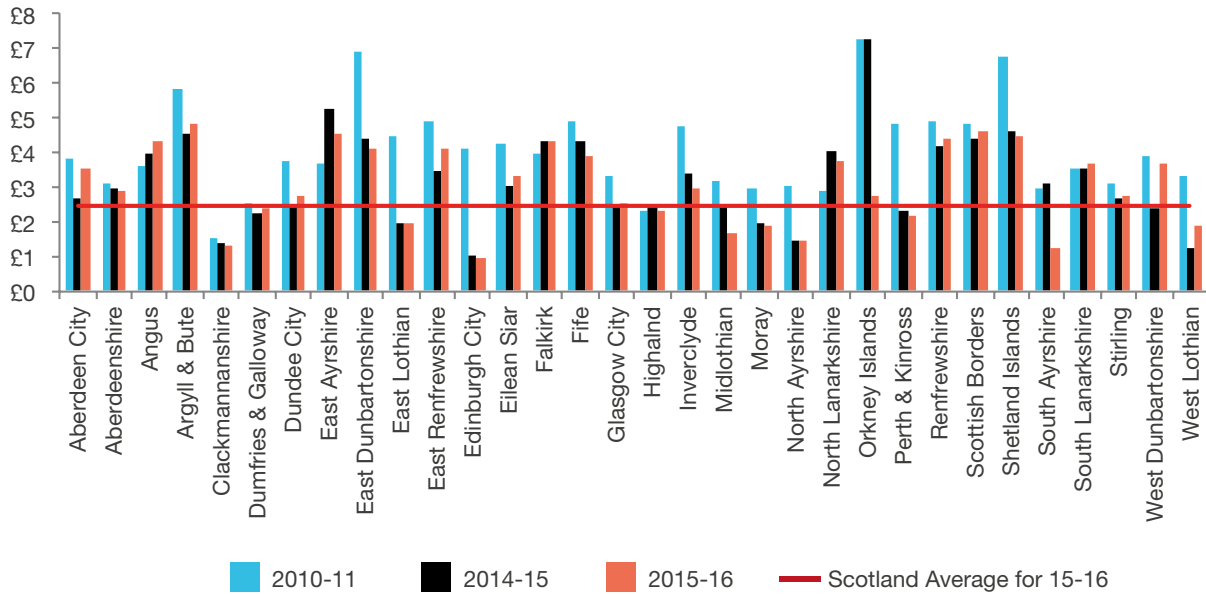
Source: Council supplied expenditure and visitor figures

Again this indicates that, against a difficult financial backdrop, council services have achieved a growth in service user volume and, as a consequence, reduced the unit cost per visit to the council by a substantial margin. This shows decisions around the rationalisation of local services have been implemented intelligently and, rather than reduce access, the sector has been successful in increasing visitor numbers over the period.

As with sports attendance, the picture across councils with respect to the general trend is not universal. In 2015/16, the range across councils in cost per visit was £0.98 to £4.85. This range has

narrowed significantly since the base year due to reductions at the higher cost end.

Cost Per Library Visit



Source: Council supplied expenditure and visitor figures

West Lothian significantly restructured the library service and introduced a greater focus on channel shift and implementing the use of technology. This has seen the introduction of self-service kiosks and an eResource providing digital resources resulting in low and reducing cost per visit and an increase in visitor numbers without closing any libraries.

North Ayrshire is undertaking significant transformation of its Library Services based on an extensive participatory budgeting programme with 13 public workshops. This includes the reduction of pay roll costs, growing digital services, and partnership working leading to low and reduced cost per visit and increased visitor numbers.

Museum Services

With respect to museum services, the pattern is similar to library and sports services in relation to falling unit costs accompanied by increasing visitor numbers. Over the six-year period, there has been a real terms reduction of 32.1% in cost per visit, from £4.52 to £3.07.

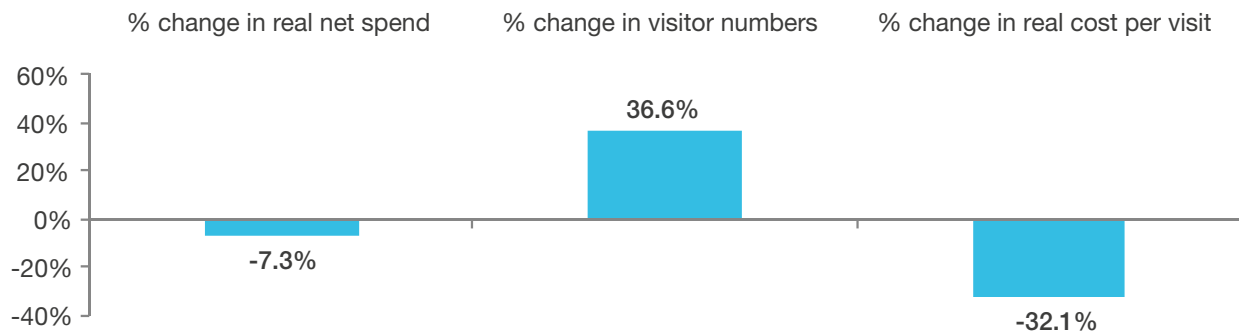
Cost Per Museums Visit

% Change	Cash	Real
2010/11 - 2015/16	-27.2	-32.1
2010/11 - 2011/12	-17.3	-18.5
2011/12 - 2012/13	3.3	1.2
2012/13 - 2013/14	-6.6	-8.1
2013/14 - 2014/15	-4.1	-5.5
2014/15 - 2015/16	-4.8	-5.2

As with other leisure and recreation services, the high level data only tells part of the story of what has been changing in museum services over the six-year period. Net spending on museum services across Scotland has fallen by 7.3% since 2010/11 but, in the same period, visitor numbers have increased by 36.6%. The combined effect of this increase in the productive use of the service has been to reduce significantly the unit cost as measured by the cost per visit indicator.

As with libraries and sports, in the past 12 months the growth in museum visitor numbers has slowed to 2.1%. During the same period, the reduction in spend has accelerated again after slowing the previous year (-3.3%).

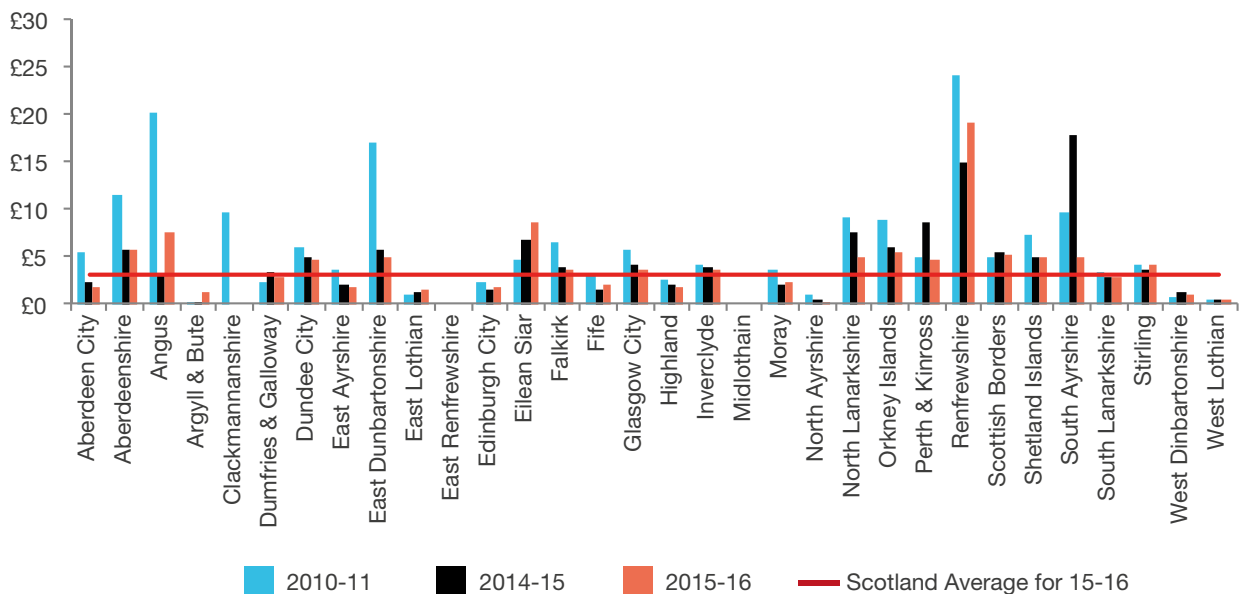
Museums: Change in Total Spend, Visitor Numbers and Cost Per Visit, 2010/11 - 2015/16



Source: Council supplied expenditure and visitor figures

There is a significant range between councils' museums costs. In 2015/16, the range in cost per visit was £0.31 to £18.95 (£0.31 to £8.47 excluding Renfrewshire as an outlier). The range has narrowed significantly across the six-year period due to reductions at the higher cost end (again excluding Renfrewshire).

Cost Per Museum Visit



Source: Council supplied expenditure and visitor figures

Note: Missing values for Clackmannanshire, East Renfrewshire and Midlothian reflect no council provided museum service

Work within Family Groups has identified the following factors as important in understanding the variation between authorities in Culture & Leisure services

Local political and strategic priority given to role of culture and leisure in supporting improvement in wider outcomes e.g. health and wellbeing, tackling inequality, economic development, community empowerment etc

Scale of provision and level of service

Digital channel shift

Service delivery model and level of in house, arms-length/trust delivery

Staffing composition, level and roles

Level of volunteering, community involvement and asset transfer

Income generation capacity

Asset management and co-location/multi-use venues

Geographical nature (e.g. in parks service, urban authorities have significantly higher costs than rural £23,236 compared to £17,252)



North Ayrshire Council focus on social return on investment, increasing digital skills for residents and community engagement via social media to plan and deliver customer driven services. This has resulted in increased museum visitor numbers while maintaining consistently low spend on museums.

Parks and Open Spaces

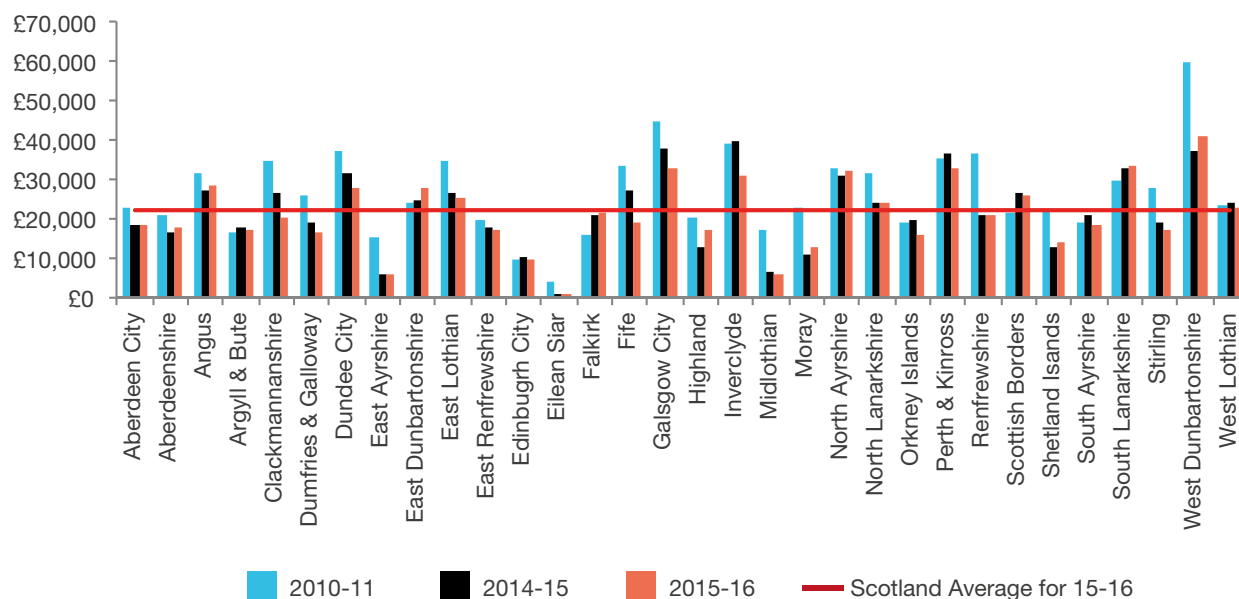
Spend on parks and open spaces is reflected as spend per 1,000 population. Over the six-year period from 2010/11 to 2015/16, this has reduced in real terms by 20.1%, from £27,814 to £22,232. There has been a year-on-year reduction across the period, with the rate of reduction accelerating in the last 12 months.

Cost of Parks and Open Spaces per 1,000 Population

% Change	Cash	Real
2010/11 - 2015/16	-14.3	-20.1
2010/11 - 2011/12	-6.4	-7.6
2011/12 - 2012/13	-2.5	-4.6
2012/13 - 2013/14	-1.5	-3.1
2013/14 - 2014/15	0.5	-1.0
2014/15 - 2015/16	-5.0	-5.4

In 2015/16 the range in costs across councils was £960 - £40,942. However, when excluding Islands councils which have significantly lower costs, the range was £5,515 - £40,942. The range across councils has narrowed since the base year due to a reduction in costs at the higher end.

Cost of Parks and Open Spaces Per 1,000 Population



Source: Mid-year population estimates, National Records Scotland (NRO); council supplied expenditure figures

Satisfaction with Culture and Leisure Services

Satisfaction levels for all areas of culture and leisure remain high at above 70%. However, all have decreased in the last 12 months.

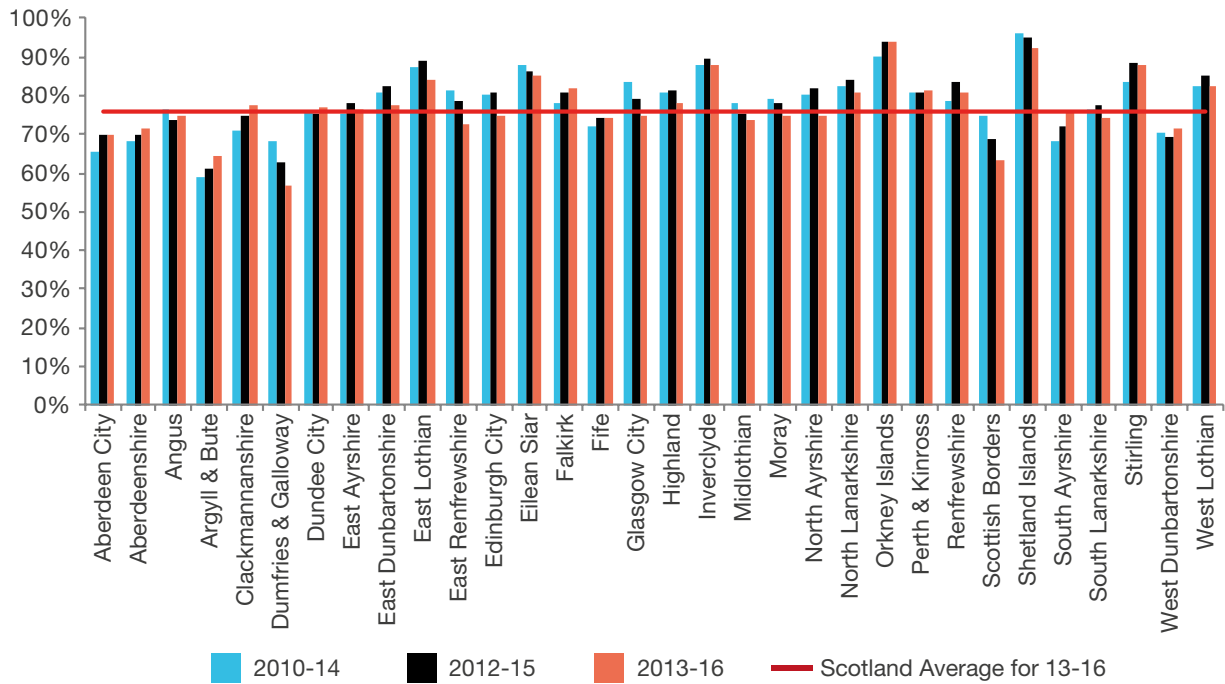
Percentage of Adults Satisfied with Culture and Leisure Services

Year	Leisure % satisfied	Libraries % satisfied	Museums % satisfied	Parks % satisfied
2010/11	75	84	76	83
2012/13	80	83	78	86
2013/14	78	81	76	86
2014/15	76	77	75	86
2015/16	73	74	71	85

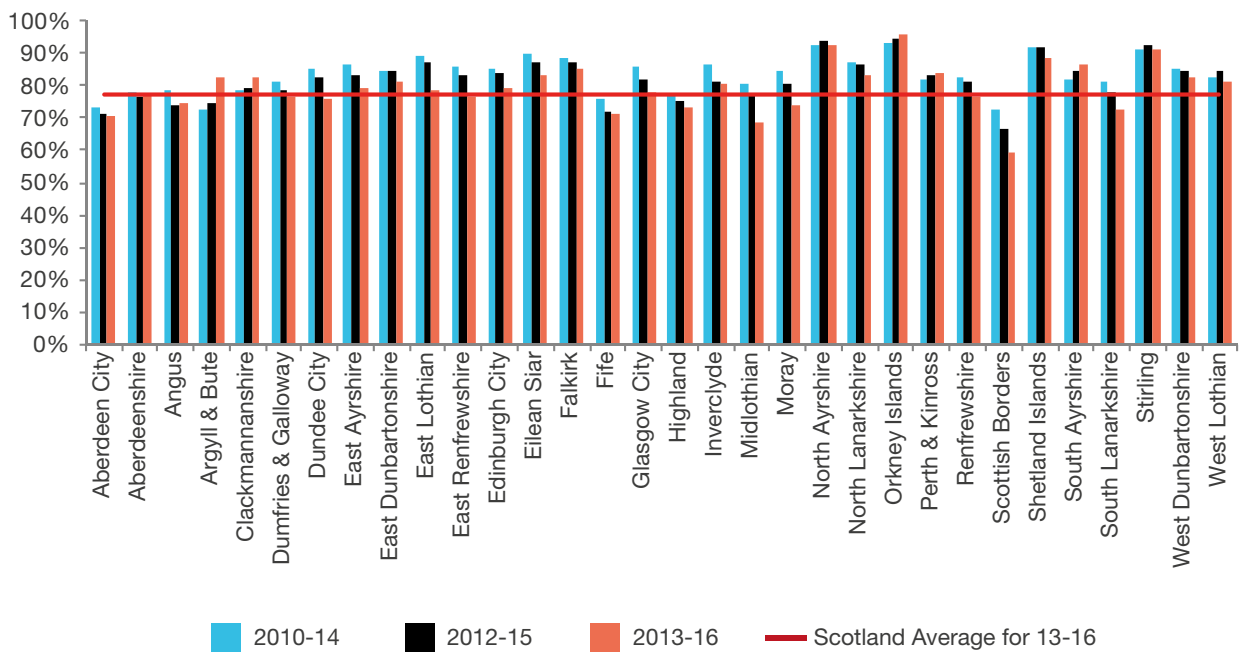
As with satisfaction with local schools, to boost sample sizes, three year rolled averages have been used to ensure the required level of precision at local levels. The data used represents satisfaction for the public at large rather than for service users. It should be noted that satisfaction rates for service users are consistently higher than those reported by the general population, but the smaller sample sizes available for service users mean it is not possible to present such data with any level of confidence.

For all culture and leisure services, satisfaction levels vary considerably across Scotland. In leisure, satisfaction rates range from 57% - 94%; In libraries, it is 59% - 96%; for museums, 46% - 94%; and, finally, for parks the range is 74% - 93%. There are no systematic effects of deprivation, sparsity or council size on satisfaction levels identified in the data analysis in relation to culture and leisure services.

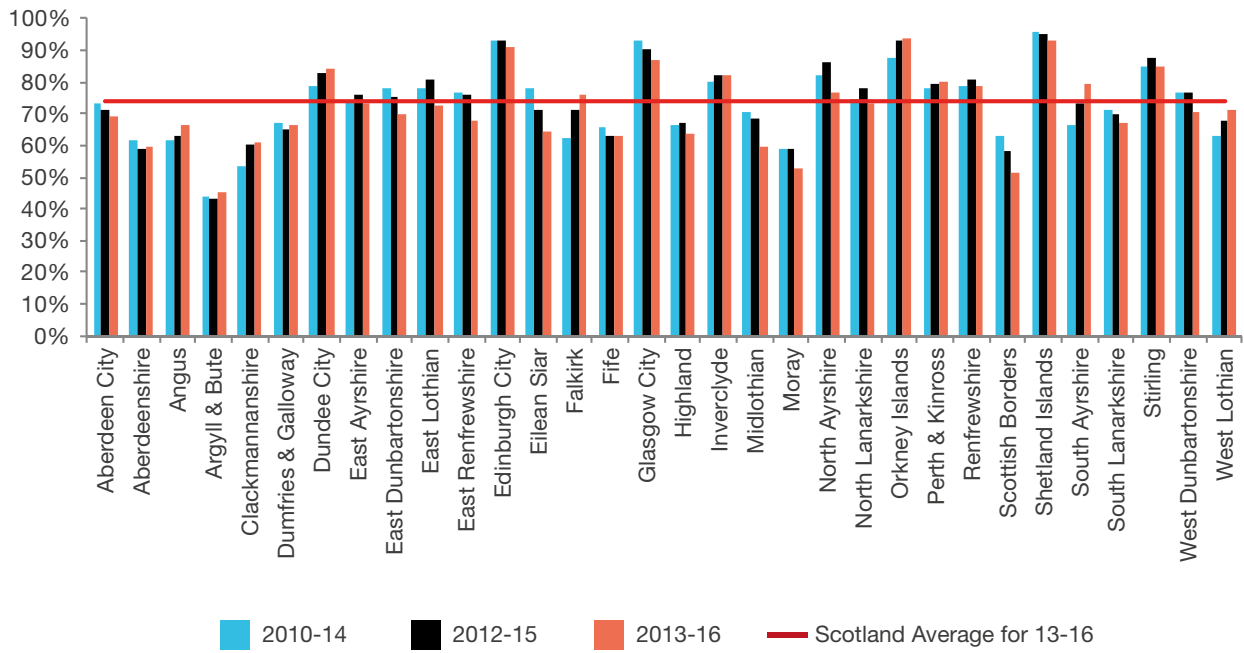
Percentage of Adults Satisfied with Leisure Facilities



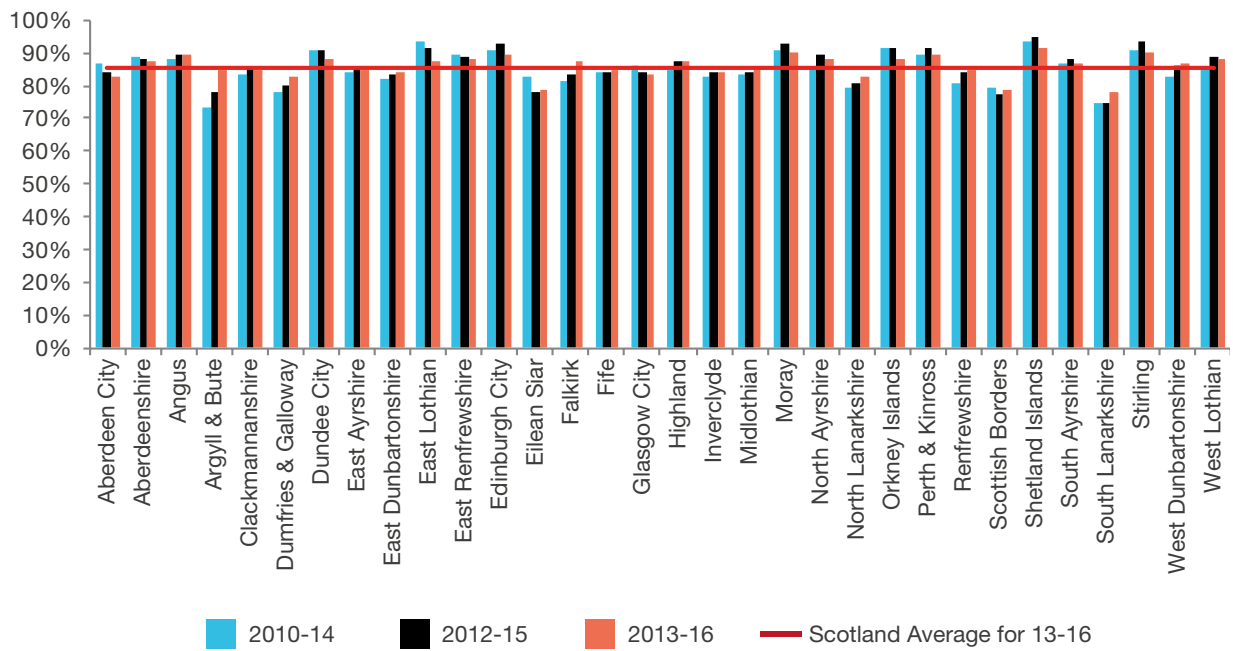
Percentage of Adults Satisfied with Libraries



Percentage of Adults Satisfied with Museums and Galleries



Percentage of Adults Satisfied with Parks and Open Spaces



Source: Scottish Household Survey, Scottish Government

Environmental Services

Environmental services is an area of significant spend for local authorities, and include waste management, street cleansing, roads services, trading standards and environmental health. These areas have seen some of the largest budget reductions since 2010/11, with roads expenditure reducing by 21% and street cleaning by 25%. Against this reduction in expenditure, councils have largely succeeded in maintaining or improving performance levels in relation to recycling, street cleanliness, roads condition and satisfaction.

Waste Management

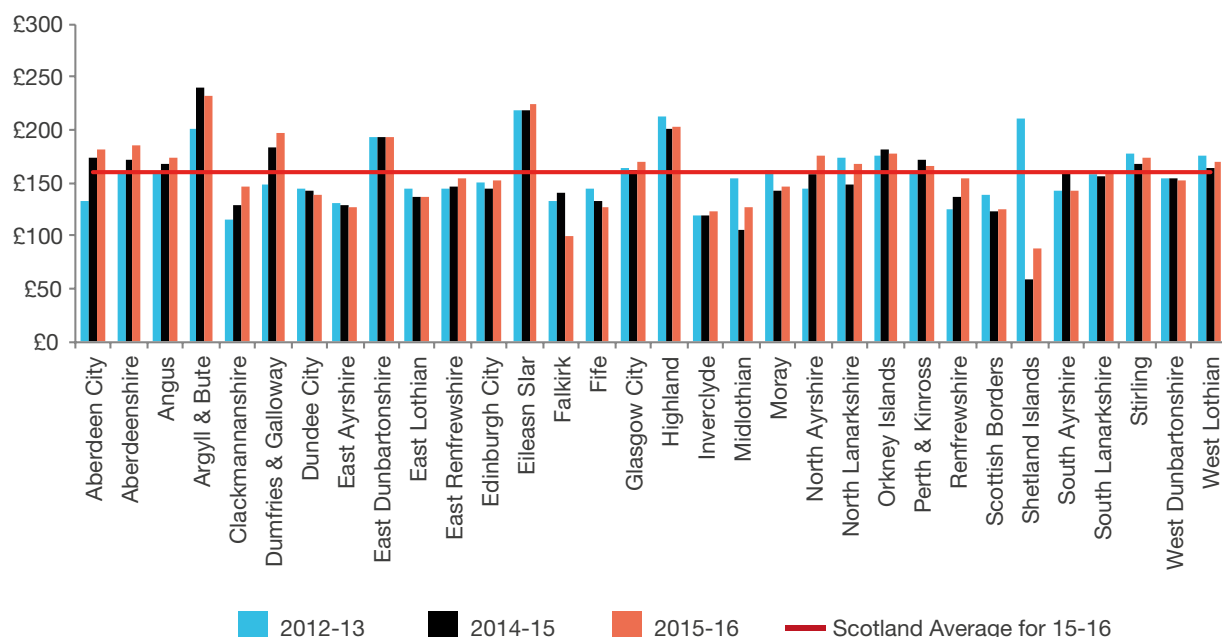
In examining the cost of waste management services across councils, we use a measure of the net cost of waste collection and disposal per premise. This move to a net measure was in recognition of the increased efforts of councils to recycle waste, which generates additional costs to the service, but also an additional revenue stream as recycled waste is sold by councils into recycling markets. We moved to this new measure in 2012/13, and therefore only four years of data are presented here.

In 2015/16, the combined net cost of waste disposal and collection is £160.43 per premise. After remaining constant over the past three years, the combined cost has increased by 2.3% in the past 12 months, from £156.88 to £160.43 per premise. An increase in disposal costs during this period (from £91.47 to £97.02) counter to the trend in previous years is driving this change. This increase cancels out a 3.1% reduction in collection costs across the same period. The range across Scotland for combined costs was £99.95 to £231.48.

Net Cost of Waste Collection and Disposal Per Premise

Year	Collection	Disposal	Total
2012/13	61.26	95.62	156.88
2013/14	62.50	93.80	156.31
2014/15	65.41	91.47	156.88
2015/16	63.40	97.02	160.43

Net Cost of Waste Collection and Disposal Per Premise



Source: Council supplied expenditure and premise figures



Fife Council reduced waste management costs through changes to the level and type of service provided (for example moving to Twin Shift Patterns and Vehicle Utilisation.) Fife also developed the resource management company Resource Efficient Solutions (REFSOL), the first council owned arm's length organisation in Scotland to deal with refuse collection and disposal, which introduces opportunities to generate income for the service.

Waste Collection

Over the four-year period from 2012/13 to 2015/16, the Scottish average cost per premise for waste collection increased from £61.26 to £63.40, representing a real terms percentage increase of 3.5%. While the number of premises increased by 2.8% during this period, the total net spend increased by 5.5%.

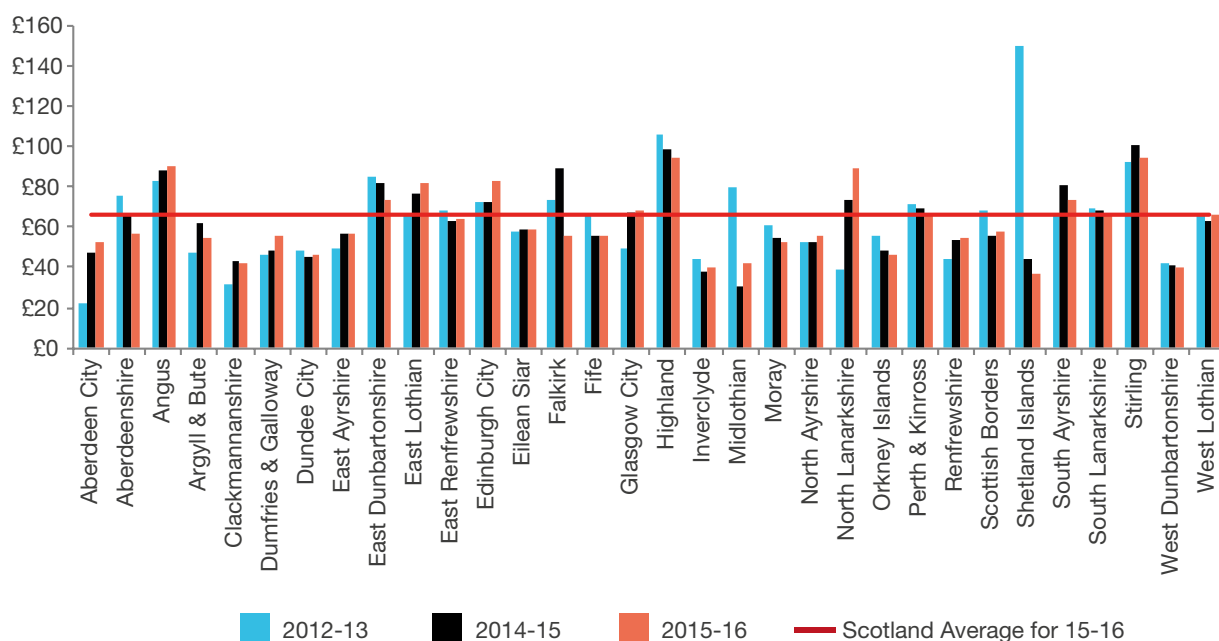
However, there has been a reduction of 3.1% in waste collection costs in the past 12 months. This reflects a reduction of 1.6% in net expenditure and an increase of 0.6% in premises served.

Net Cost of Waste Collection

% Change	Cash	Real
2012/13 - 2015/16	7.2	3.5
2012/13 - 2013/14	3.7	2.0
2013/14 - 2014/15	6.2	4.6
2014/15 - 2015/16	-2.6	-3.1

There is considerable variation between councils in waste collection, with costs in 2015/16 ranging from £36.60 to £94.40. This range has narrowed since 2012/13, reflecting an increase in costs at the lower end.

Net Cost of Waste Collection Per Premise



Source: Council supplied expenditure and premise figures



Scottish Borders Council reduced waste management collection costs by focusing on the collection of business intelligence, route optimisation, and making changes to the level of service provided (for example stopping bi-weekly garden waste collection).

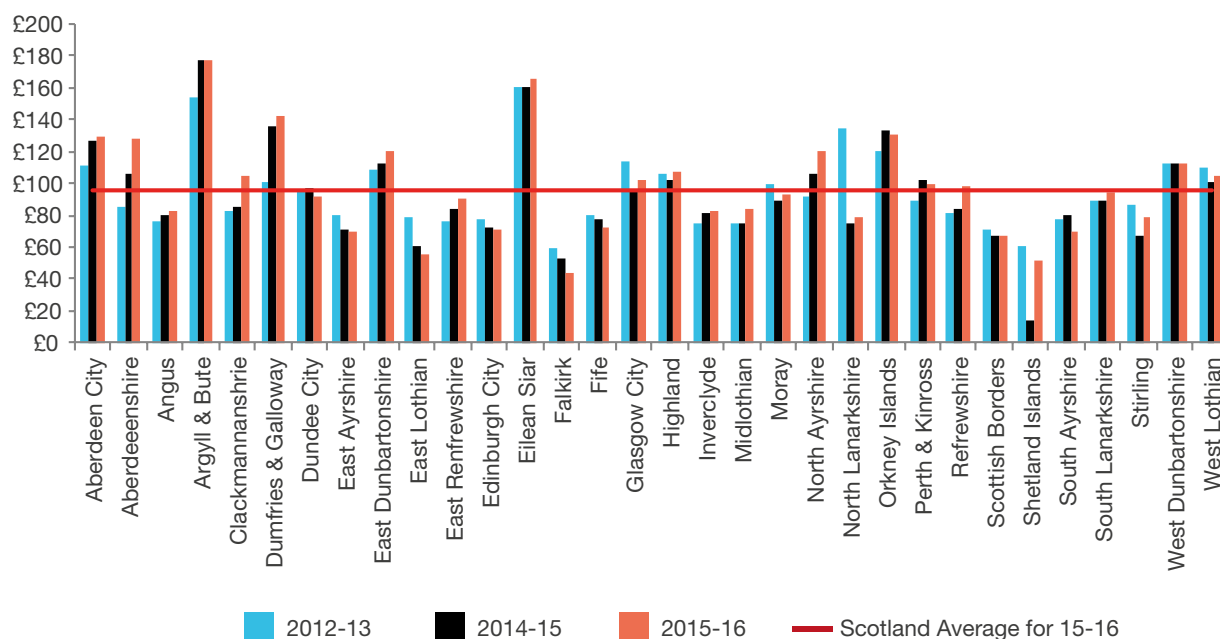
Waste disposal

Over the four-year period from 2012/13 to 2015/16 the Scottish average net cost of waste disposal has increased by 1.5%, from £95.62 to £97.02. Across this period, there has been a small increase in the number of premises served (2.8%), accompanied by a larger 3.4% increase in net expenditure. Net expenditure increased by 6.8% in the past 12 months after reducing in previous years, leading to a 6.1% increase in cost per premise between 2014/15 and 2015/16. In 2015/16, the range in disposal costs across councils was £43.90 to £176.82.

Net Cost of Waste Disposal

% Change	Cash	Real
2012/13 - 2015/16	5.1	1.5
2012/13 - 2013/14	-0.3	-1.9
2013/14 - 2014/15	-1.0	-2.5
2014/15 - 2015/16	6.5	6.1

Net Cost of Waste Disposal Per Premise



Source: Council supplied expenditure and premise figures



Falkirk Council have implemented several interlinking, innovative changes to service provision since 2013. For example they were the first local authority to move to 3 weekly and then 4 weekly collections for residual waste and then also introduced a 4 weekly brown bin collection. This has resulted in increased levels of recycling and reduced costs for disposal and collection.

Recycling

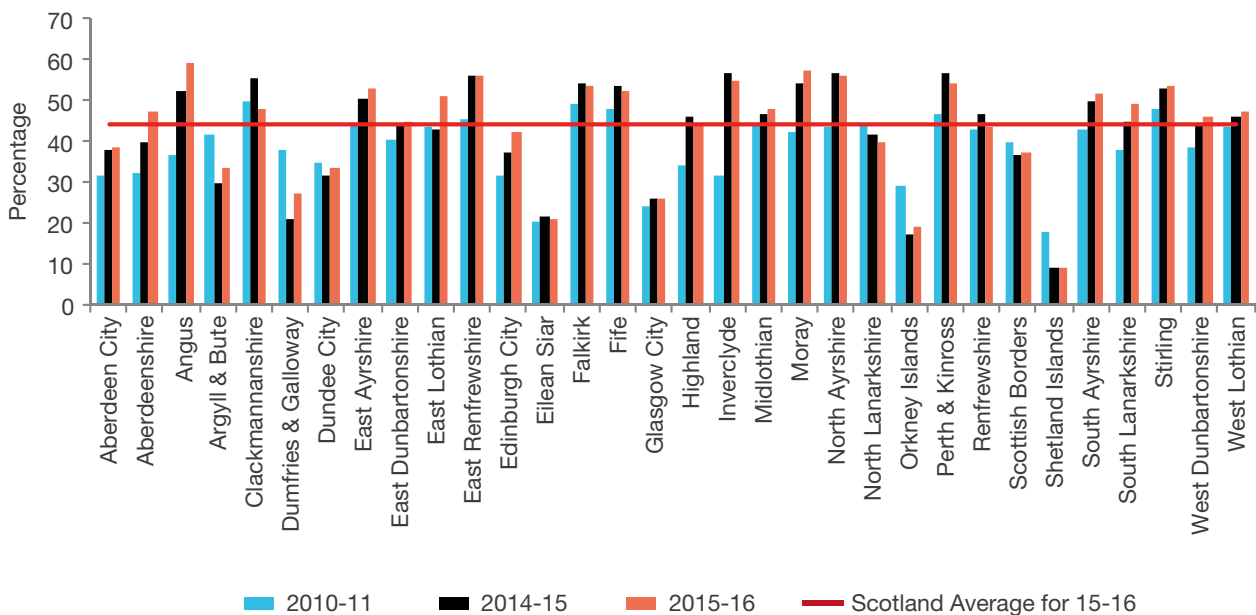
Over recent years, councils have put greater emphasis on the recycling of waste in compliance with the National Zero Waste Plan.²¹ Recycling rates continue to improve across Scotland from 41% in 2011/12 to 44.3% in 2015/16 as efforts are made to achieve Scotland's Zero Waste 60% household waste recycling target by 2020. From 2014/15, the recycling rate used a new calculation used from that in previous years and so is not directly comparable with previous years. It might also be useful to note that, for individual authorities, the new SEPA recycling definition may result in a slightly lower recycling rate than the previous definition.

Percentage of Total Household Waste that is Recycled

Year	Percentage of waste recycled
2010/11	38.7
2011/12	41.0
2012/13	41.7
2013/14	42.2
2014/15	42.8
2015/16	44.3

There is a significant and widening variation across Scotland in recycling rates, from 26.0% to 59.2%.

Percentage of Household Waste Arising that is Recycled



Source: WasteDataFlow, Scottish Environment Protection Agency (SEPA)

21 Source: Scotland's Zero Waste Plan, Scottish Government, www.scotland.gov.uk/Publications/2010/06/08092645/0

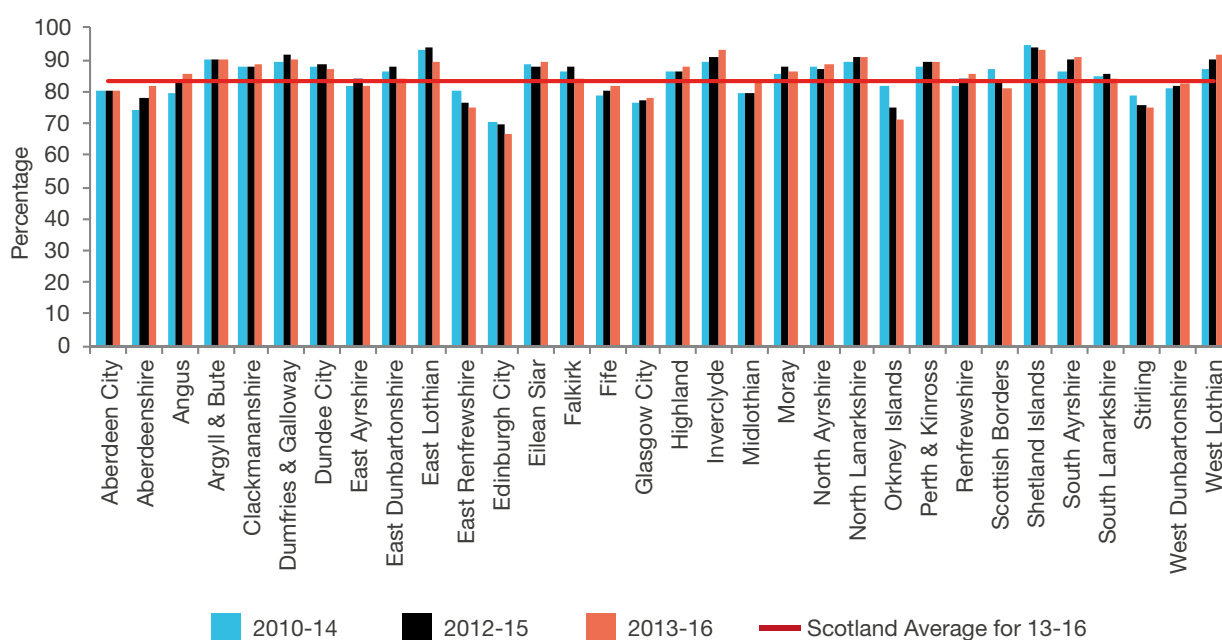
Percentage of Adults Satisfied with Waste Collection

Year	Waste Collection % Satisfied
2010/11	81
2012/13	83
2013/14	83
2014/15	84
2015/16	82

Satisfaction levels for waste collection remain extremely high at above 80%, although, as with other services, there has been a small reduction in the past 12 months from 84% to 82%. Satisfaction levels range from 67% to 93.3% across Scotland, and are not systematically related to deprivation, rurality or size of council.

As noted previously, the satisfaction data is drawn from the Scottish Household Survey (SHS) and while robust at Scotland level, there are limitations at local authority level in relation to the very small sample sizes and low confidence levels. To boost sample sizes, three year rolled averages have been used to ensure the required level of precision at local levels.

Percentage of Adults Satisfied with Refuse Collection



Street Cleaning

The cleanliness of Scotland's streets remains a priority for councils, both in terms of improving the appearance of our streetscapes but also in terms of environmental improvements impacting on the quality of people's lives.

Street cleanliness is presented using the Street Cleanliness Score, which is produced by Keep Scotland Beautiful.²² This measures the percentage of areas assessed as 'clean' rather than completely litter free sites (considered impractical in areas of high footfall) and allows authorities to tackle litter problem areas to achieve better results.

²² Source: Keep Scotland Beautiful, www.keepsotlandbeautiful.org

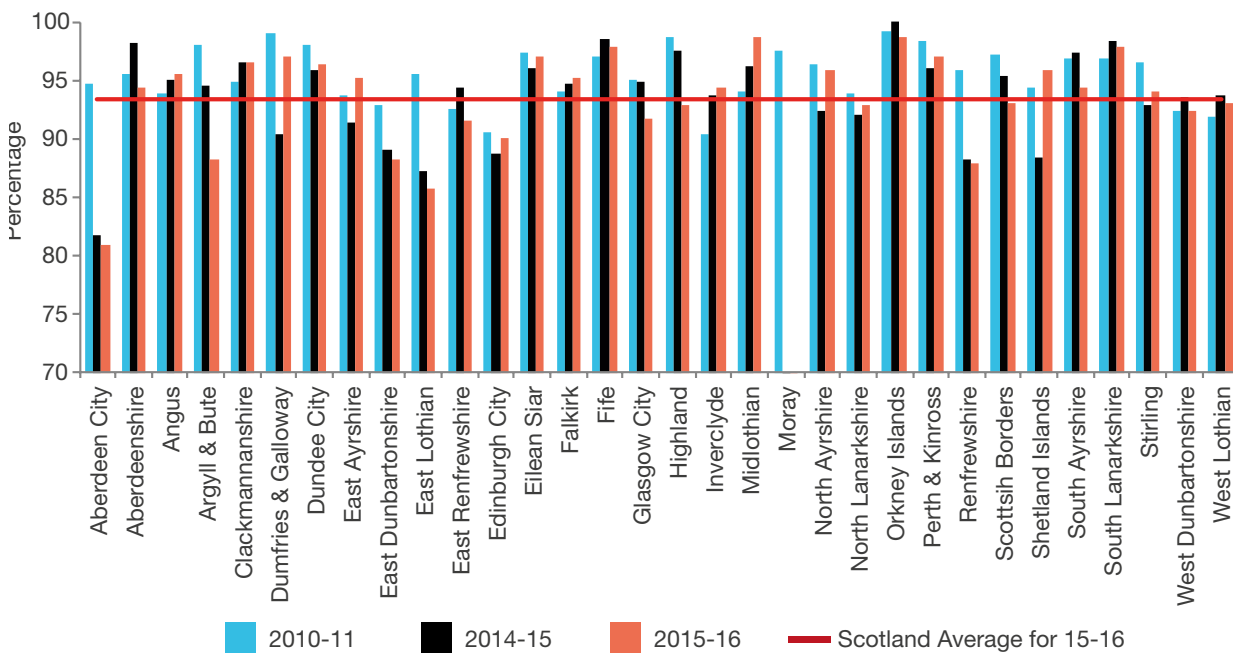
The Scottish average for the Cleanliness Score has remained above 90% since the base year, but has reduced by 2.7 percentage points from 96.1% to 93.4% in the last two years.

Percentage of Clean Streets

Year	% Clean Streets
2010/11	95.4
2011/12	96.1
2012/13	95.8
2013/14	96.1
2014/15	93.9
2015/16	93.4

The range in scores across councils has widened since the base year, mainly due to reductions in the minimum value. In 15/16, cleanliness scores ranged from 81.0% to 98.7%.


Street Cleanliness Score



Source: Local Environmental Audit and Management System (LEAMS), Keep Scotland Beautiful
 Note: Missing values reflect no data returned for that year



Midlothian have undertaken a more targeted approach targeting hotspot areas and increasing mechanisation, both of which have reduced cost and increased cleanliness.



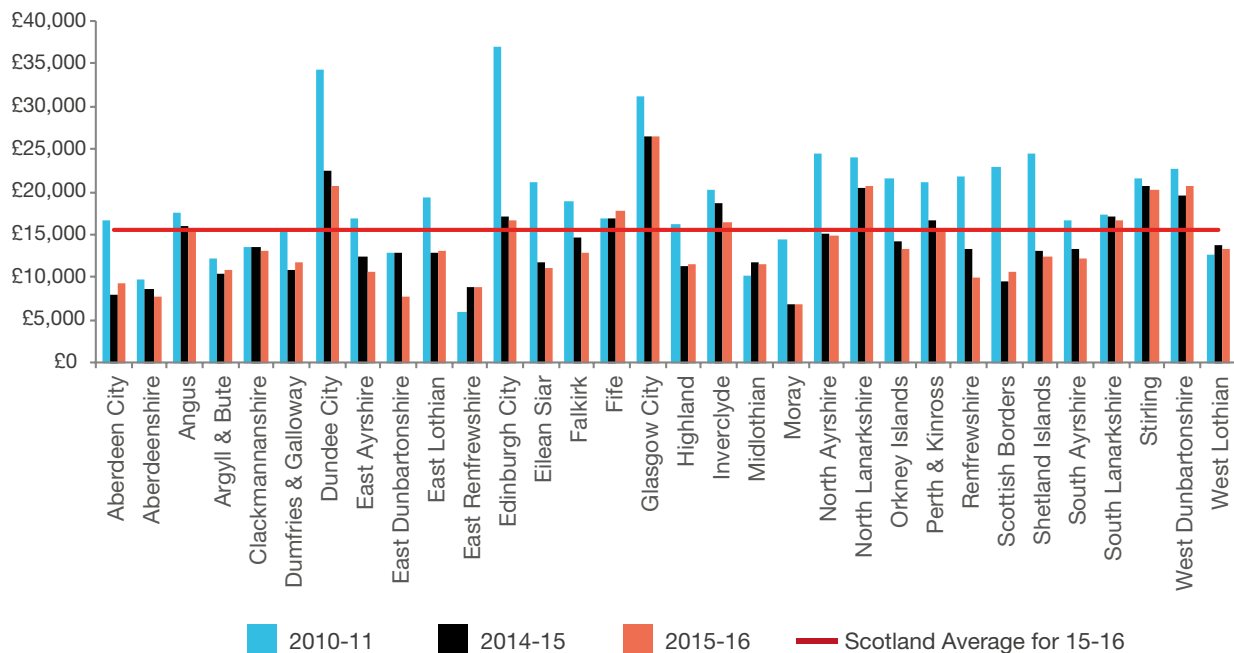
Edinburgh Council implemented a preventative approach through the 'Our Edinburgh' initiative, which aims to address anti-social behaviour such as littering, fly-tipping and dumped trade waste to clean up the streets and educate residents about waste disposal. The first phase resulted in a 52% increase in the amount of litter collected from bins and there has been a reduction in costs from 2010/11-15/16.

Over the same six-year period, the Scottish average for Net Cost of Street Cleaning has reduced by 27.3%, from £21,294 to £15,480. This rate of reduction reflects a year-on-year reduction in costs although this has slowed in the last 12 months.

Net Cost of Street Cleaning per 1,000 Population

% Change	Cash	Real
2010/11 - 2015/16	-22.0	-27.3
2010/11 - 2011/12	-2.4	-3.7
2011/12 - 2012/13	-9.5	-11.4
2012/13 - 2013/14	-7.4	-8.9
2013/14 - 2014/15	-2.6	-4.0
2014/15 - 2015/16	-2.1	-2.6

Cost of Street Cleaning Per 1,000 Population



Source: Mid-year population estimates, National Records Scotland (NRO); council supplied expenditure figures

The range across councils varies significantly (from £6,879 to £26,460, with the Scottish average at £15,480). This range has narrowed significantly over this period due to reductions at the higher cost end.

Percentage of Adults Satisfied with Street Cleaning

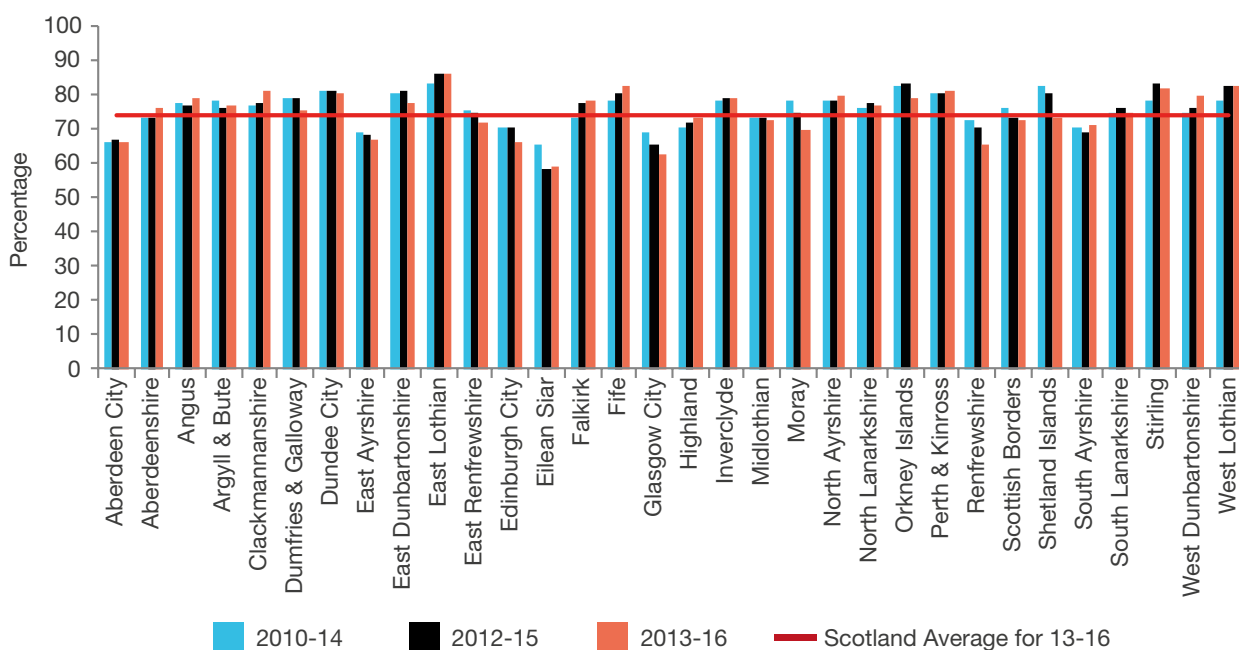
Satisfaction levels for street cleaning remain high at above 70%, however rates have reduced slightly since 2012/13, from 75% to 73%. It is encouraging to note that the substantial efficiencies that have been introduced in delivering this service do not appear to have had a significantly detrimental impact on public satisfaction. Looking at both the street cleanliness score and satisfaction levels, this indicates great care has been taken to protect key areas of public concern even in the context of reducing budgets.

Percentage of Adults Satisfied with Street Cleaning

Year	Street Cleaning % satisfied
2010/11	73
2012/13	75
2013/14	74
2014/15	74
2015/16	73

As noted previously, the satisfaction data is drawn from the Scottish Household Survey (SHS) and while robust at Scotland level, there are limitations at local authority level in relation to the small sample sizes and low confidence levels. To boost sample sizes, three year rolled averages have been used to ensure the required level of precision at local levels. Using this methodology, satisfaction levels range from 58.7% to 85.7% across Scotland. The variation is not systematically related to deprivation, rurality or size of council.

Percentage of Adults Satisfied with Street Cleaning



Source: Scottish Household Survey, Scottish Government

Roads Maintenance

Roads maintenance costs are represented in this framework using a cost of roads maintenance per kilometre measure. This measure includes both revenue and capital expenditure. The condition of the roads network is represented by the percentage of roads in various classes which require maintenance treatment.

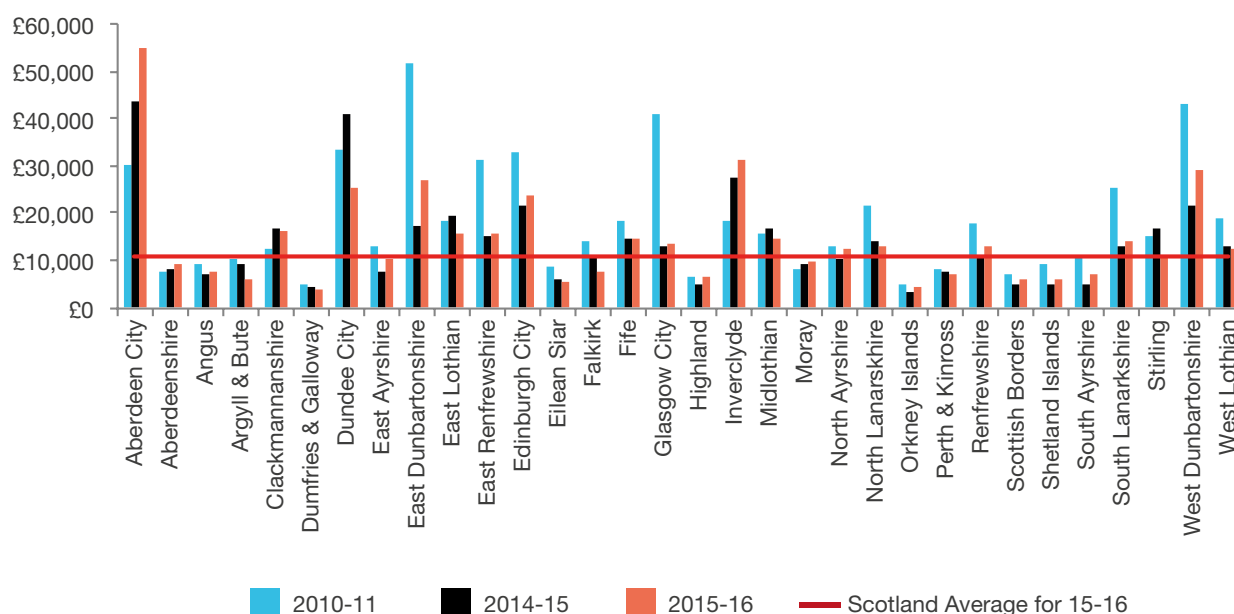
For the six years for which we have data, the Scottish average cost per kilometre fell by 15.5% from £14,652 to £12,384. Although there has been an overall reduction across the period, expenditure patterns have not followed a consistent downward pattern across the period. Fluctuations in winter maintenance expenditure associated with severity of winters may be an important factor here.

Cost of Maintenance Per Kilometre of Road

% Change	Cash	Real
2010/11 - 2015/16	-16.7	-15.5
2010/11 - 2011/12	-9.1	-9.9
2011/12 - 2012/13	-2.1	17.9
2012/13 - 2013/14	-3.9	-9.7
2013/14 - 2014/15	-7.1	-14.1
2014/15 - 2015/16	4.7	2.5

There exists significant variation in the range of maintenance costs across councils, although this has narrowed since the base year. In 2015/16 costs ranged from £3,997 to £31,164 across councils (excluding Aberdeen which is an outlier at £55,152).

Cost of Maintenance Per Kilometre of Road



Source: Society of Chief Officers of Transportation in Scotland (SCOTS) / Association for Public Service Excellence (APSE) returns; council supplied expenditure figures

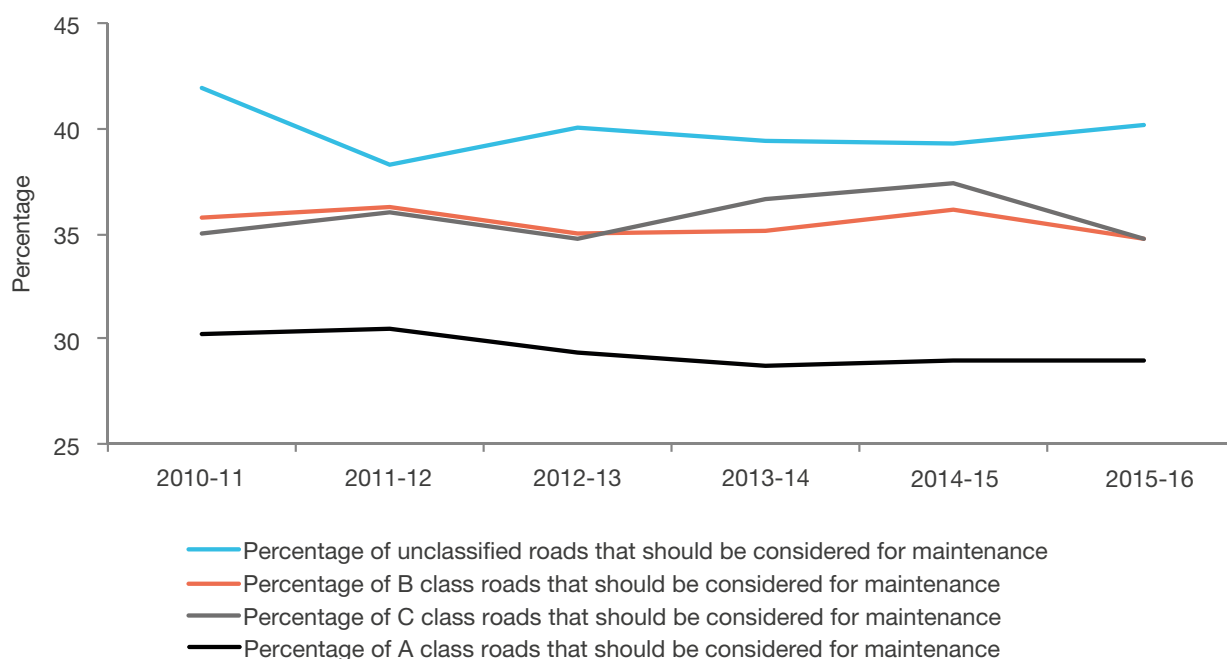
In terms of the condition of the road network, over the six-year period covered by this report, the overall condition of all class of roads has improved. Despite the significant reductions on spending therefore, the condition of key parts of the roads networks has improved.

Over the past 12 months, there has been an improvement across B class and C class roads, the condition of A class roads has remained constant, with only Unclassified roads deteriorating during this period.

Percentage of A, B, C class and Unclassified roads that should be considered for maintenance

Year	% A class roads to be maintained	% B class roads to be maintained	% C class roads to be maintained	% unclassified class roads to be maintained
2009/11	30.3	35.8	35.0	41.9
2010/12	30.5	36.3	36.0	38.3
2011/13	29.4	35.0	34.8	40.1
2012/14	28.7	35.2	36.6	39.4
2013/15	29.0	36.1	37.3	39.3
2014/16	29.0	34.8	34.7	40.1

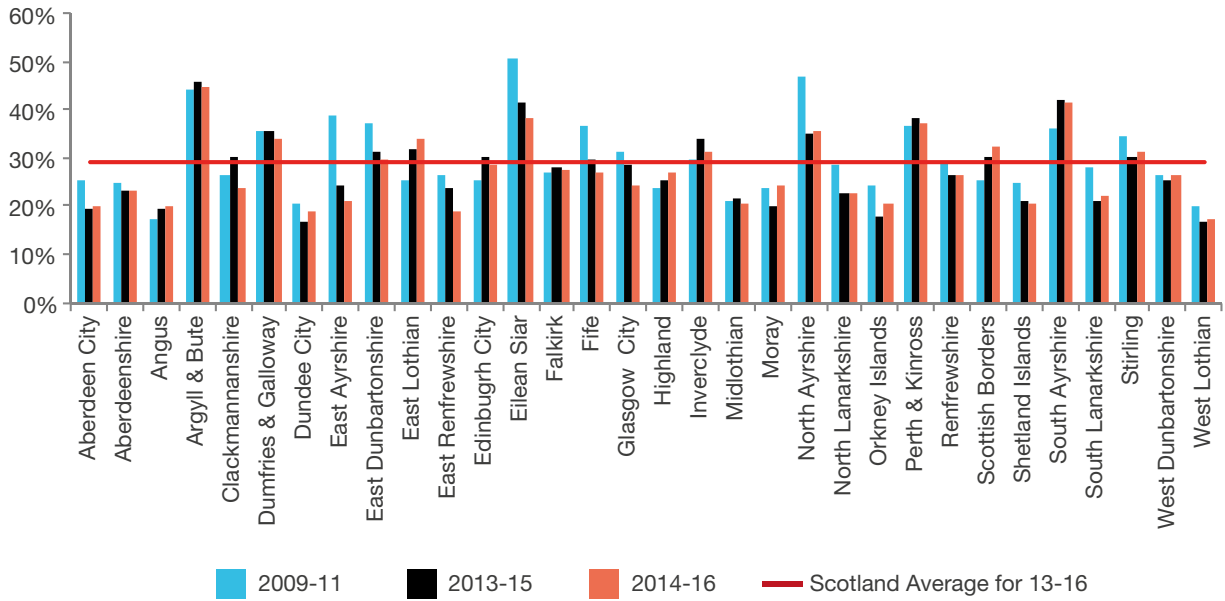
Percentage of A, B, C, Unclassified Roads Which Should Be Considered for Maintenance Treatment



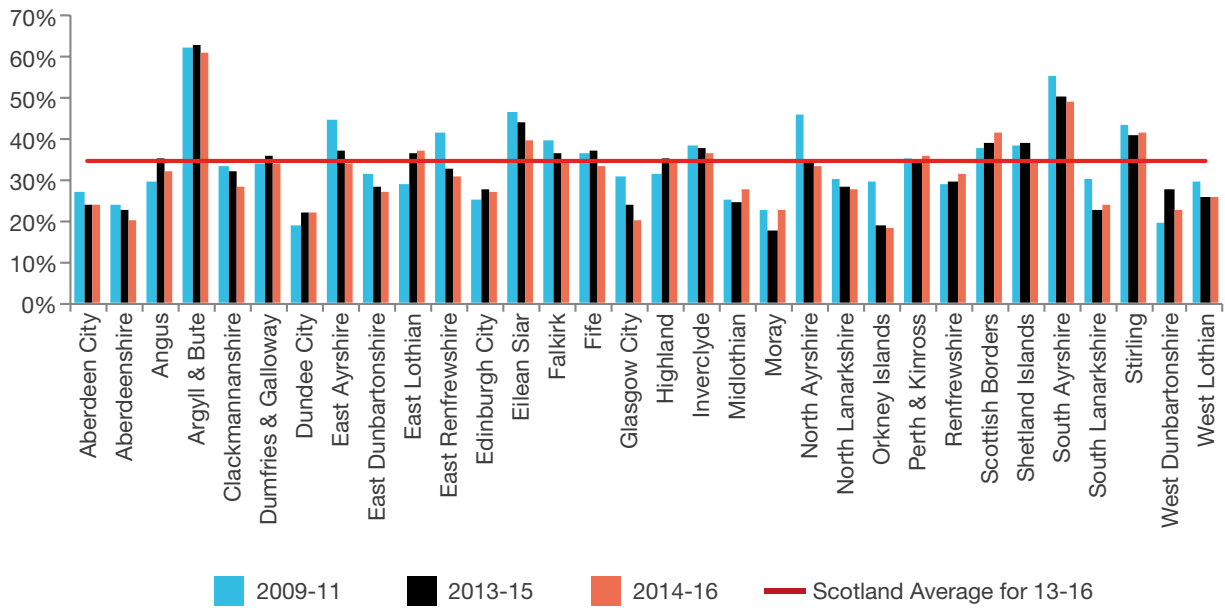
Source: Roads Asset Management Database, Society of Chief Officers of Transportation in Scotland (SCOTS)

The variation in condition varies significantly across Scotland for all classes of road, however this has narrowed since the base year. In 2015/16, the range for A class roads is 17% to 45%; B class roads is 18.4% to 61.0%; C Class roads is 15% to 58%; and for Unclassified Roads the range is 24% to 59%.

Percentage of A Class Roads Requiring Maintenance

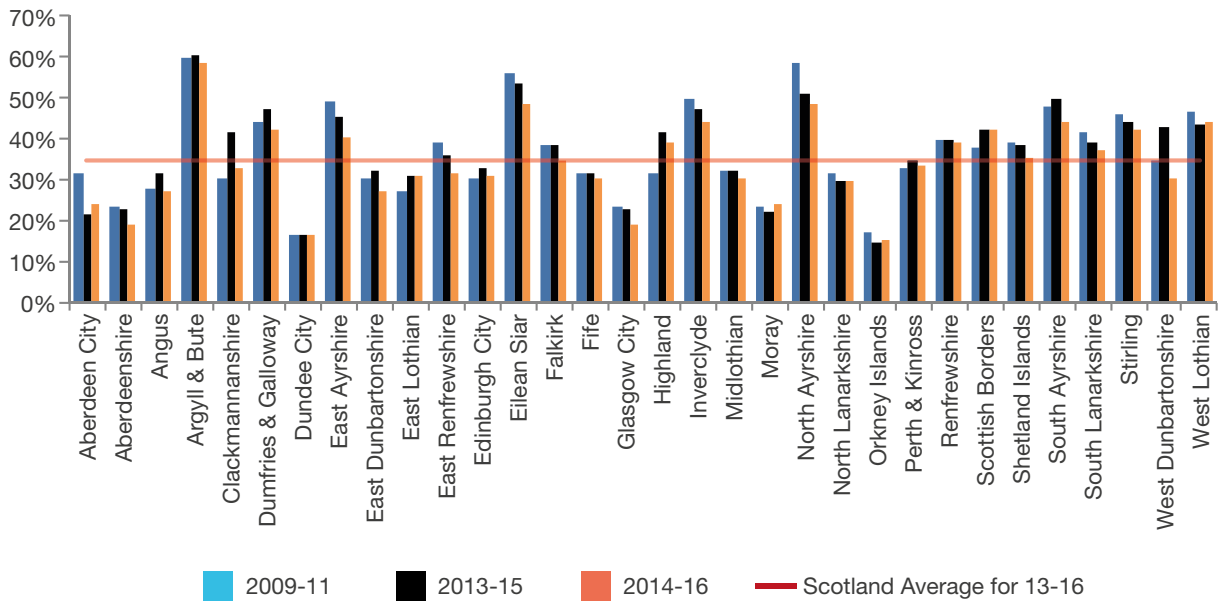


Percentage of B Class Roads Requiring Maintenance

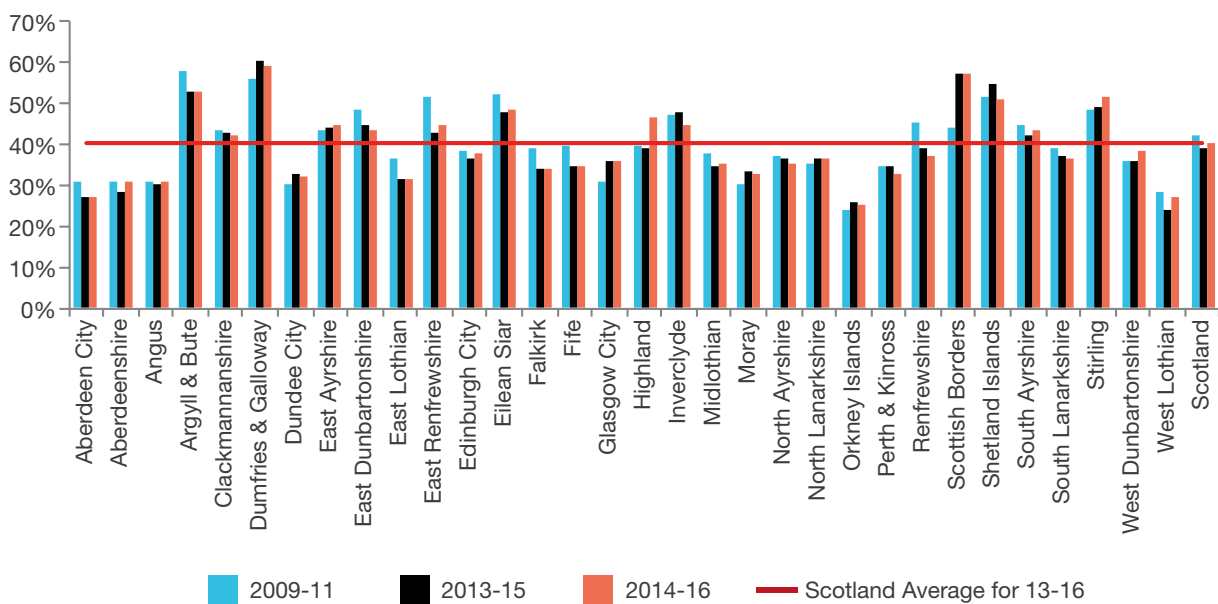


Source: Roads Asset Management Database, Society of Chief Officers of Transportation in Scotland (SCOTS)

Percentage of C Class Roads Requiring Maintenance



Percentage of Unclassified Roads Requiring Maintenance



Environmental Health and Trading Standards

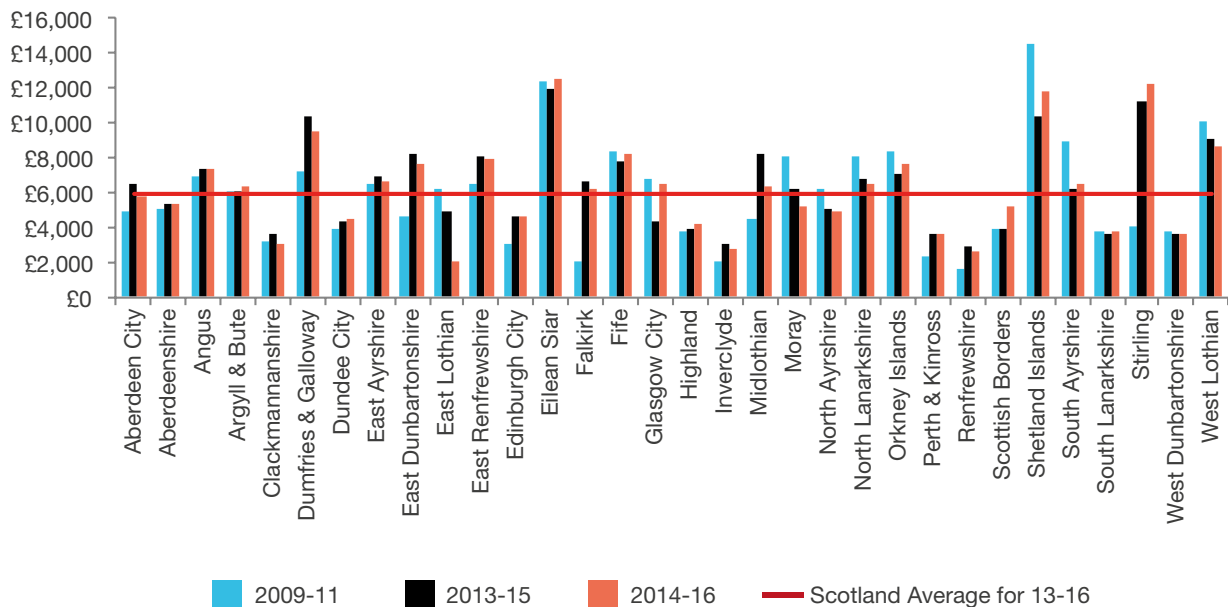
Since 2010/11, environmental health & trading standards costs have reduced by 12.8% from £26,064 to £22,723, with most of this reduction taking place between 2010/11 and 2011/12. In 2012/13, the framework split these measures to enable a better understanding of the trends in each of these services.

Since 2012/13, there has been a 6.7% increase in the cost of trading standards services per 1,000 population, from £5,502 to £5,873. In 2015/16, costs ranged from £1,999 to £12,523. Across this same period, there was a 5.1% reduction in the cost of environmental health services per 1,000 population, from £17,750 to £16,849, with costs ranging from £7,402 to £27,845 in 2015/16. The geographical nature of the council has a systematic impact on the cost of environmental health, with higher costs for rural councils (£18,914) than urban (£16,988) or semi-rural (£13,792). Rural authorities also tend to have higher trading standards costs (£6,364) compared to £5,726 in urban authorities, although this difference is not statistically significant.

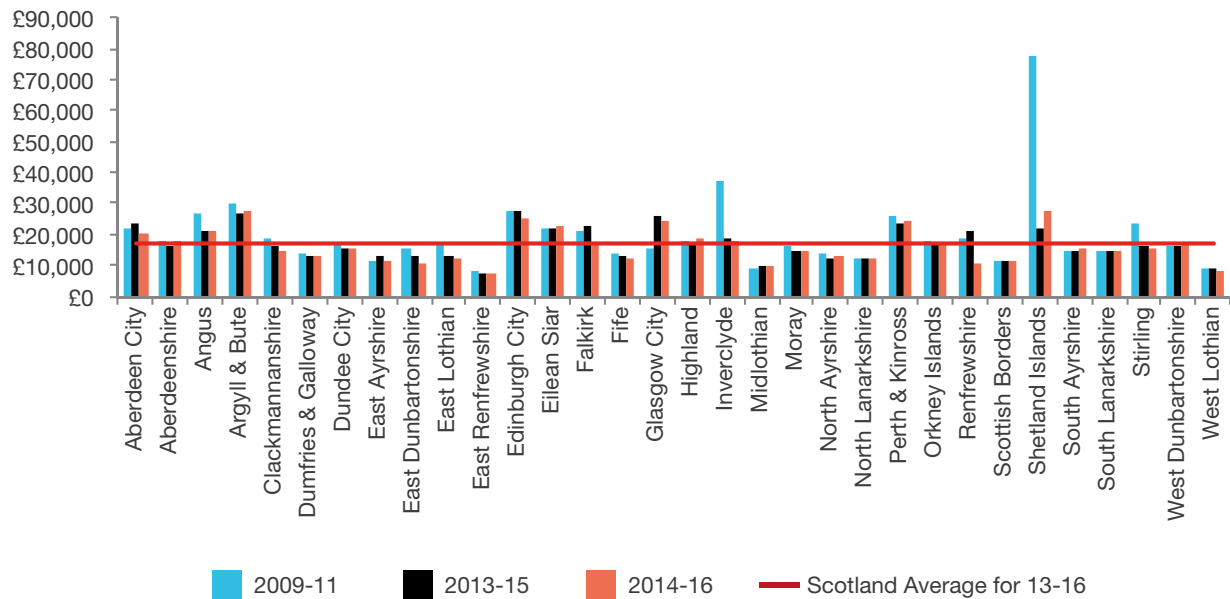
Cost of Trading Standards and Environmental Health Per 1,000 population

% Change	Trading Standards		Environmental Health	
	Cash	Real	Cash	Real
2012/13 - 2015/16	10.6	6.7	-1.6	-5.1
2012/13 - 2013/14	7.3	5.6	6.6	4.9
2013/14 - 2014/15	0.7	-0.8	-3.1	-4.5
2014/15 - 2015/16	2.3	1.9	-4.8	-5.2

Cost of Trading Standards Per 1,000 Population



Cost of Environmental Health Per 1,000 Population



Work within Family Groups has identified the following factors as important in understanding the variation between authorities in Environmental Services

Local political/strategic priority given to the role of environmental services in supporting improvements in wider outcomes and tackling inequalities

Workforce composition and demographic profile

Working practices, e.g. shift patterns

Service integration (e.g. Waste Management, Roads, Street Cleaning, Parks Services)

Collection programmes, frequencies and type/model of service (e.g. co-mingled)

Asset management approaches – e.g. super depots and leased vehicles

Stage in Investment cycle

Whether councils have landfills in their authority area which will require investment up to and beyond their closure dates over the next 5 years.

Contract and procurement costs

Access to external funding streams

Rural/urban nature of authorities has an important and significant influence on the cost of Environmental services

Corporate Services

Support Services

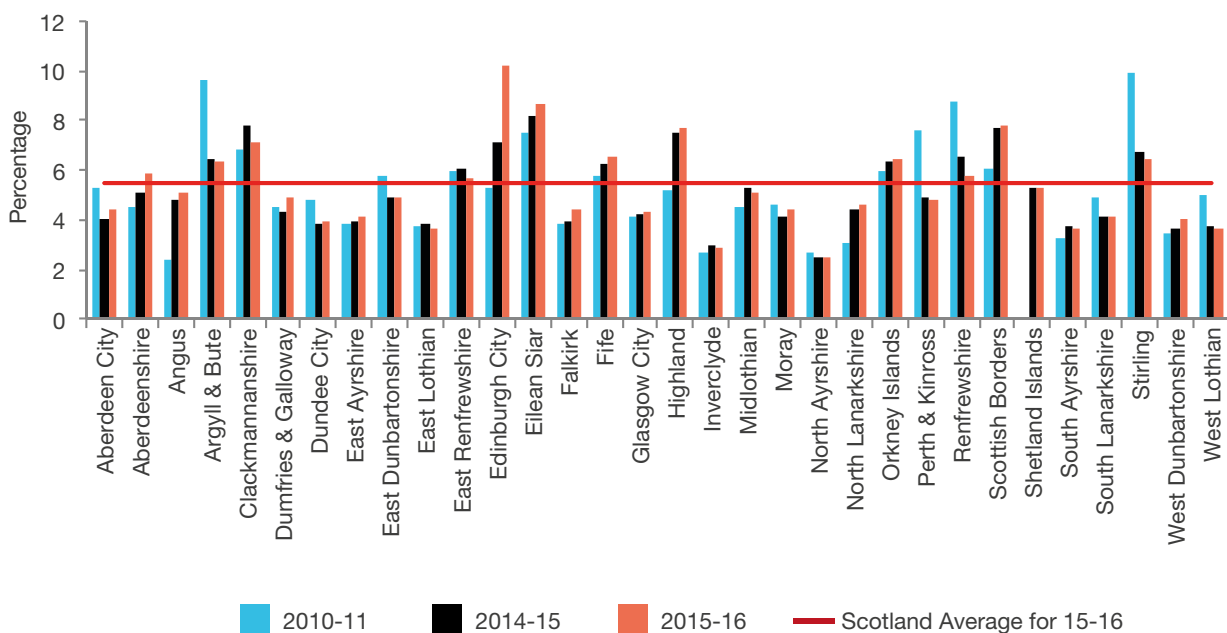
Corporate support services within councils cover a wide range of functions including finance, human resources, corporate management, payroll, legal services and a number of other corporate functions.

In 2015/16 the Scottish average among councils for the cost of support services as a percentage of the total revenue budget of a council was 5.4%. an increase from 4.9% in 2010/11. Spend on support services has reduced by 0.8% during this 6-year period, however there has been a proportionately larger reduction in the total revenue budget of councils which has reduced by 11%.

In the last 12 months however, expenditure on support services has increased by 8%. Significant digital investment and increasing centralisation of support services may be important factors contributing to this trend. However, it is also possible an element of this increase is due to improved reporting following refined guidance from the Scottish Government in their financial return.

In 2015/16 the range across councils is from 2.5% to 10.2%, with clear differences between urban, rural and semi-rural councils. In general terms support services represent a higher percentage of the total gross expenditure in rural authorities than urban and semi-rural councils; the rates were 6.3% on average for rural councils and 4.3% and 4.4% for urban and semi-rural councils respectively.

Support Services as a Percentage of Total Gross Expenditure



Source: Council supplied expenditure figures

Note: Missing values reflect no data returned for that year

Democratic Core

The democratic core service of local authorities covers all the services including committees that are necessary to support the council in discharging its democratic functions on behalf of the community.

In 2015/16, the Scottish average for the cost of the democratic core per 1,000 of population was £29,981. Over the six-year period 2010/11 to 2015/16 the cost reduced by 16.5% in real terms.

Cost of Democratic Core Per 1,000 Population

Work within Family Groups has identified the following factors as important in understanding the variation between authorities in Support Services

Workforce composition and structure – workforce exit; staff terms & conditions; role redefinition

Asset Management and rationalisation

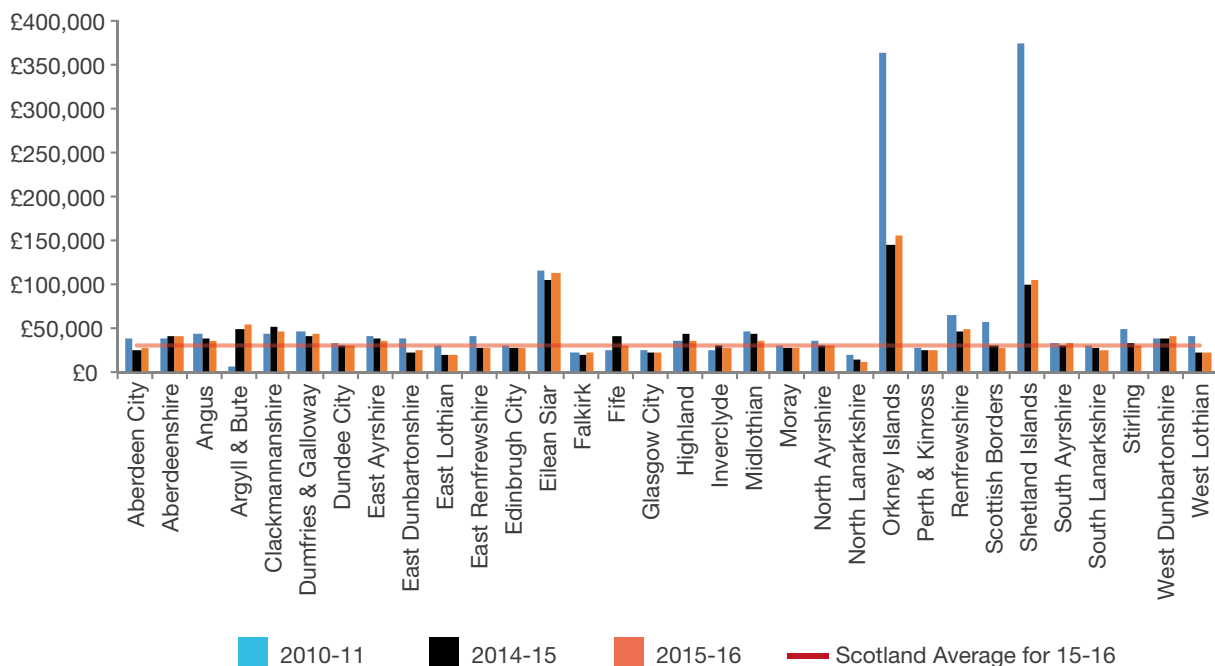
Service redesign – service integration; centralisation; self-service;

Digital Strategy

% Change	Cash	Real
2010/11 - 2015/16	-10.4	-16.5
2010/11 - 2011/12	-6.0	-7.3
2011/12 - 2012/13	1.0	-1.1
2012/13 - 2013/14	0.8	-0.9
2013/14 - 2014/15	-4.2	-5.6
2014/15 - 2015/16	-2.3	-2.8

In 2015/16, there remains significantly large variation across councils although this has narrowed since the base year. Excluding the islands which are significant outliers, costs range from £12,490 to £53,148, This range widens to £12,490 to £152,699 including islands. Rural councils have significantly higher costs than urban/semi-rural equivalents (£42,493 for rural councils on average compared to £26,503 and £29,296 for urban/semi-rural respectively). These figures indicate the higher costs rural and island councils face associated with the distances elected members have to travel to attend meetings plus accommodation and other expenses incurred as a consequence of this.

Cost of Democratic Core Per 1,000 Population



Source: Mid year population estimates, National Records Scotland: Council expenditure figures

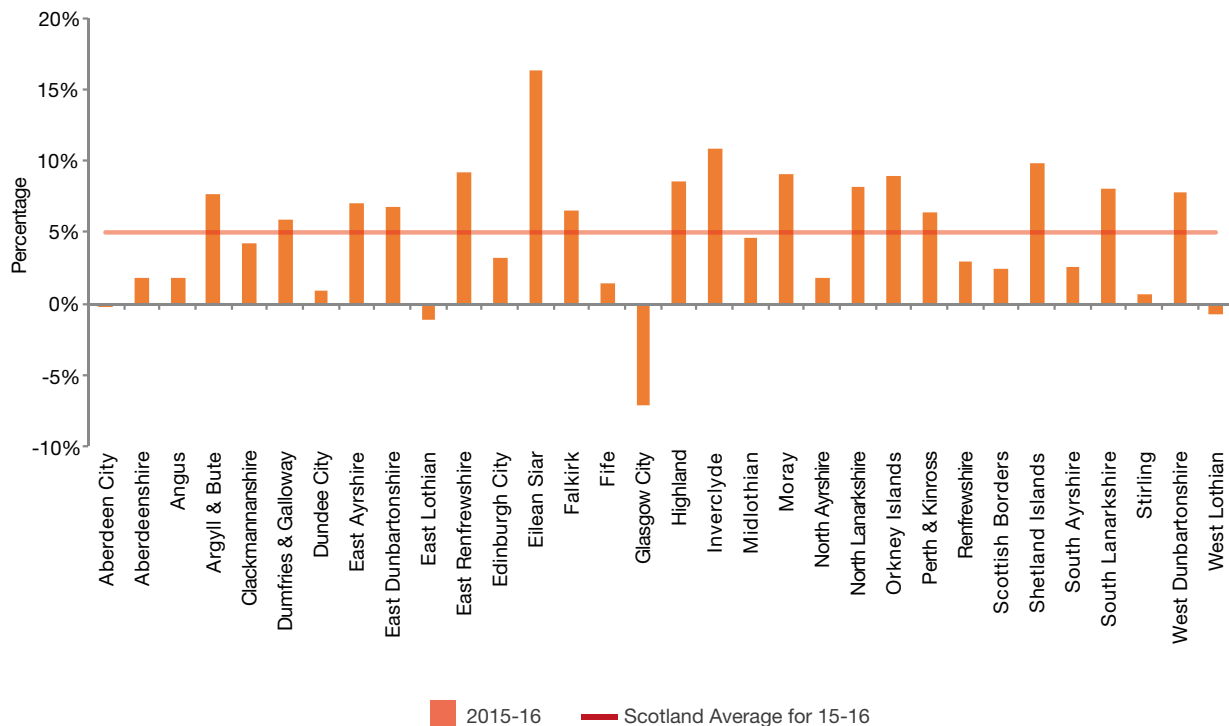
Gender Equality

The percentage of women in the top 5% of earners in councils is a significant measure of the attempts by councils to ensure equal opportunity between genders. From 2010/11 to 2015/16 this has increased from 46.3% to 51.7%. The range across councils is from 23% to 61%.

While this is an important measure reflecting the progress which has been made in relation to gender equality in senior positions, there is a need to capture the progress being made across the wider workforce. As such, we have been working with councils and other partners to include a measure on the Gender Pay Gap which is introduced here for the first time. The Gender Pay Gap represents the difference between men’s and women’s earnings and is a key measure under the Public Sector Equality Duty. This measure takes the average hourly rate of pay (excluding overtime) for female employees and divides this by average hourly rate for male employees (also excluding overtime). Both part-time and full-time employees are included. As this is the first year of inclusion, this measure will be subject to review and on-going development across the coming period.

In 2015/16, the Gender Pay Gap was 4.98%, ranging from -7.0% to 16.4%. Those staff employed via arms-length organisations are not included within the calculation, which will influence the variability observed and may be important in understanding the figures observed for Glasgow.

Gender Pay Gap

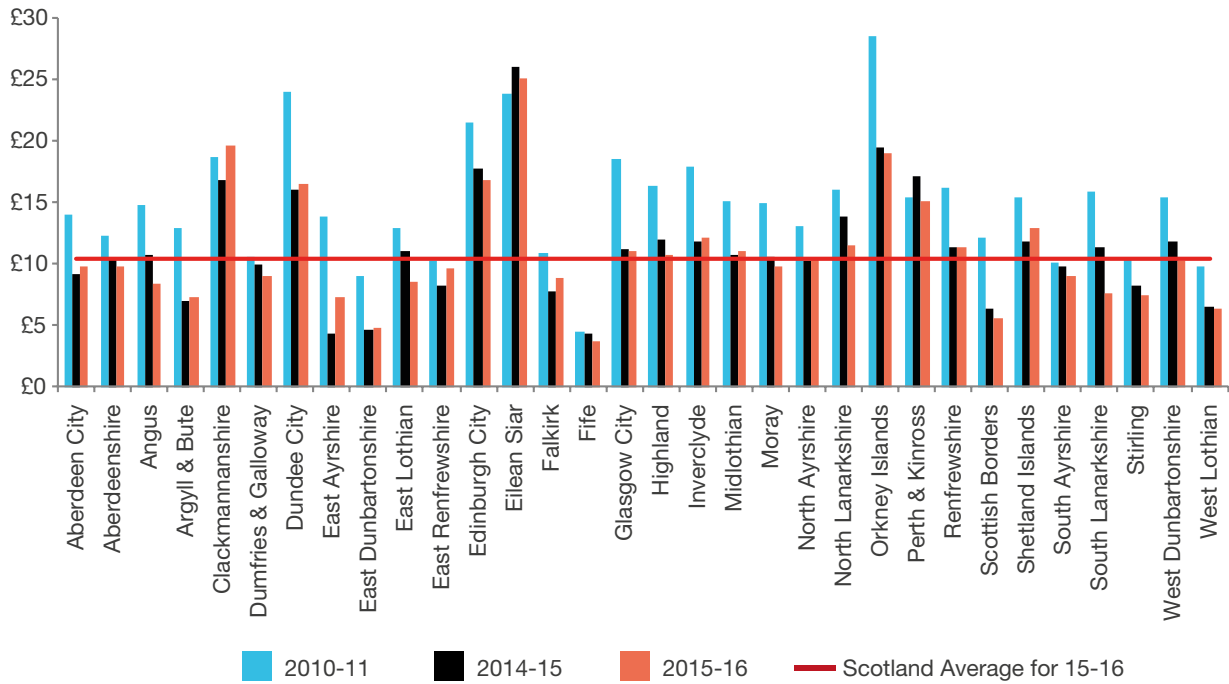


Council Tax

The cost of collecting Council Tax is measured on a per property basis to standardise the measure across councils. Over the six-year period from 2010/11 to 2015/16, this has reduced by 30.2%, from £14.81 to £10.34. There has been a year-on-year reduction in costs, which has accelerated in recent years.

The range however varies significantly from £3.65 to £24.98, with medium-sized councils reporting the lowest costs. A key factor driving the reduction in costs is the continued digital transformation and shift to embrace new technology and automation.

Cost of Collecting Council Tax (£)



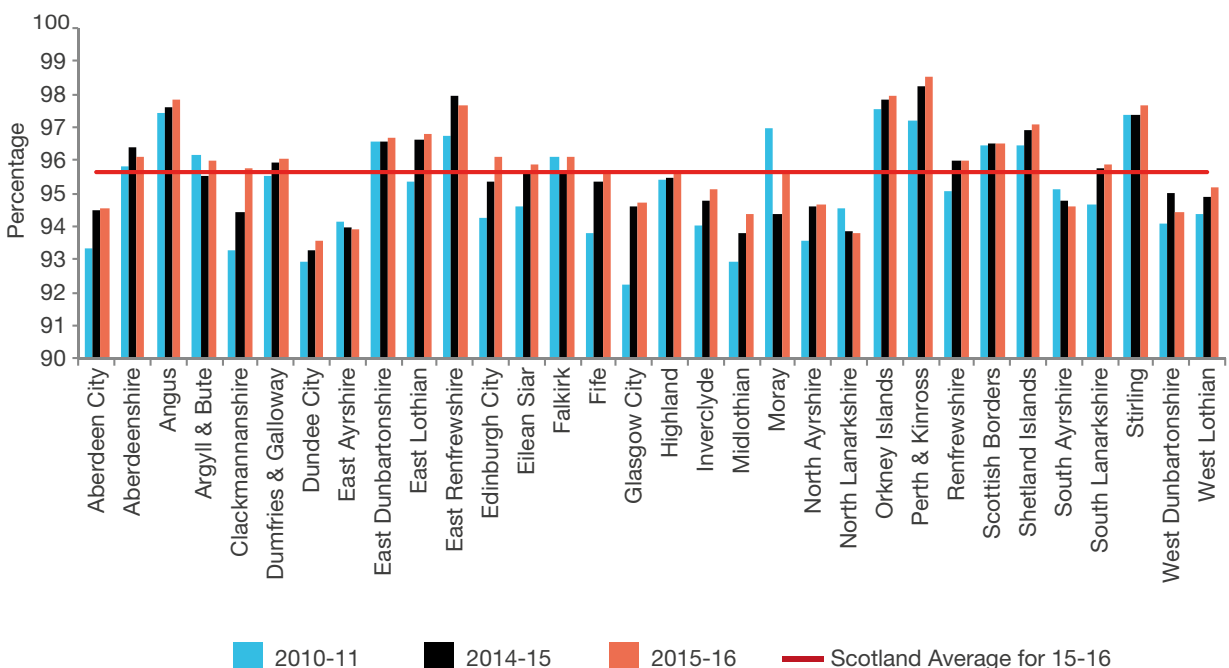
Source: Council supplied figures

At the same time as the reduction in unit costs, the overall rate of in-year collection for Council Tax has remained high and shown steady improvement from 94.7% in 2010/11 to 95.7% in 2015/16. This has been achieved despite the challenges created by a difficult economic climate and significant welfare reform.

The range across councils is 93.6% to 98.5% with a significant pattern in relation to rurality and level of deprivation. The roll-out of Universal Credit is likely to further exacerbate this over the coming period.

Fife Council has low and reducing collection costs along with high collection rates. The council has focused on channel shift by investing in digital methods to reduce the number of council tax reminders issued, administration costs and incoming calls.

Percentage of Income Due from Council Tax Received by the End of the Year





performance.

Eilean Siar Council traditionally had higher costs for Council Tax collection with a lower collection rate. Benchmarking was undertaken with all other councils to ascertain the timescales they used for council tax debt recovery and identify options for change to increase council tax collection. Following this research, the service's recovery timetables were amended resulting in an increase in recovery



East Ayrshire Council expanded council tax payment options and used a targeted approach, including cold calling, to improve contact with hard to reach customers and reduce administration costs. The Council has significantly reduced the cost of collecting council tax (47% reduction to below the Scotland and family group average), without having a detrimental impact.

Work within Family Groups has identified the following factors as important in understanding the variation between authorities in Council Tax performance

Channel Shift to greater automation and self-service (both customer facing and back office)

Structural variations in relation to council owned or transferred housing stock and the impact of discount/exemption/CTR take-up on collection

Procedural variations such as:

- *Local set ups – Revenues and Benefits, shared service etc*
- *Impact of annual/regular billing regimes on subsequent collection and recover*
- *Types/variety of accessible payment options, particularly the level of Direct Debit payment*
- *Follow-up and recovery timetables*
- *Payment arrangement guidelines*
- *Impact of 'water only' debt and success of DWP collections (including Water Direct)*
- *Working with others – RSL's, Educational Establishments, Advice Sector*

Recovery and Enforcement approaches, e.g.

- *Corporate debt strategies (refunds/offsets etc)*
- *In-house recovery activity*
- *Pre and post warrant intervention*
- *Use of available diligence and enforcement actions*
- *Relations with/management of third party collectors (Sheriff Officers etc.)*

Asset Management and rationalisation in relation to office premises

Rurality - rural councils have higher collection rates (96.1% compared to 94.7% for urban and 95.6% for semi-rural authorities)


Deprivation - the least deprived councils have higher collection rates (96.9% in the family group with lowest levels of deprivation compared to 94.6% family group with the highest levels in the most deprived councils). The collection rates vary by council tax banding, with lower collection rates achieved for properties in the lowest value council tax bandings (A-D). Therefore, councils with a lower proportion of properties in the lowest value council tax banding (A-D) have on average a higher collection rate (96.7%) than councils with a higher proportion of properties in the lowest value council tax banding (95.1%). This trend is consistent across all years²³

²³ Source: Local Government Finance Statistics, Scottish Government, <http://www.gov.scot/Topics/Statistics/Browse/Local-Government-Finance/PubScottishLGFStats>

Sickness Absence Rates

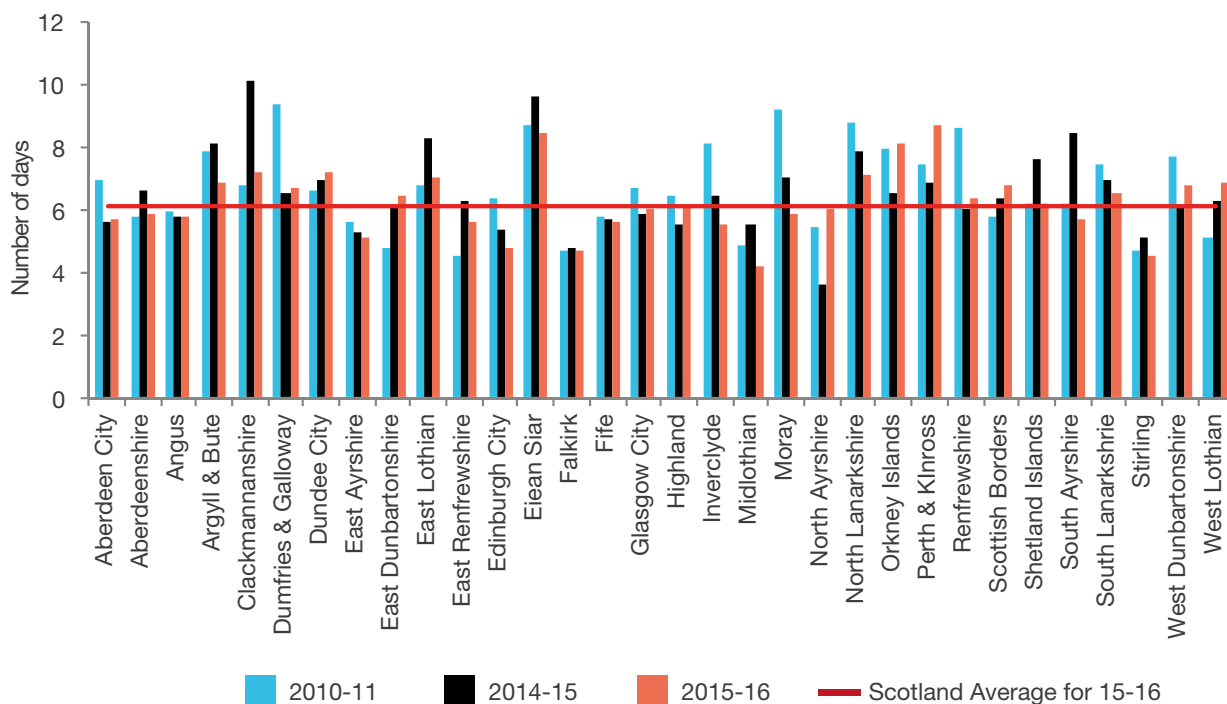

The management of sickness absence is a major priority for councils in their efforts to manage their costs. There has been a small reduction in sickness absence days per employee both for teaching and non-teaching staff since the base year. Sickness absence days for non-teaching staff has reduced from 10.8 days to 10.6 days, while for teaching staff this has reduced from 6.6 days to 6.1 days. Although this has fluctuated over the period, there has been a reduction for both groups in the past 12 months.

For teaching staff, the number of absence days ranges from 4.16 to 8.68, with rural authorities reporting significantly higher levels, and smaller authorities reporting significantly lower levels. For non-teaching staff, the number of days range from 8.76 to 14.76 with variation not related to the urban/rural nature of a council or its size.



North Lanarkshire conducted a review of all long term absence cases and were successful in getting a number of cases back to work with an overall reduction in absence levels. Absence rates have reduced over the past 4 years by 10.5%.

Number of Sickness Absence Days Per Teacher

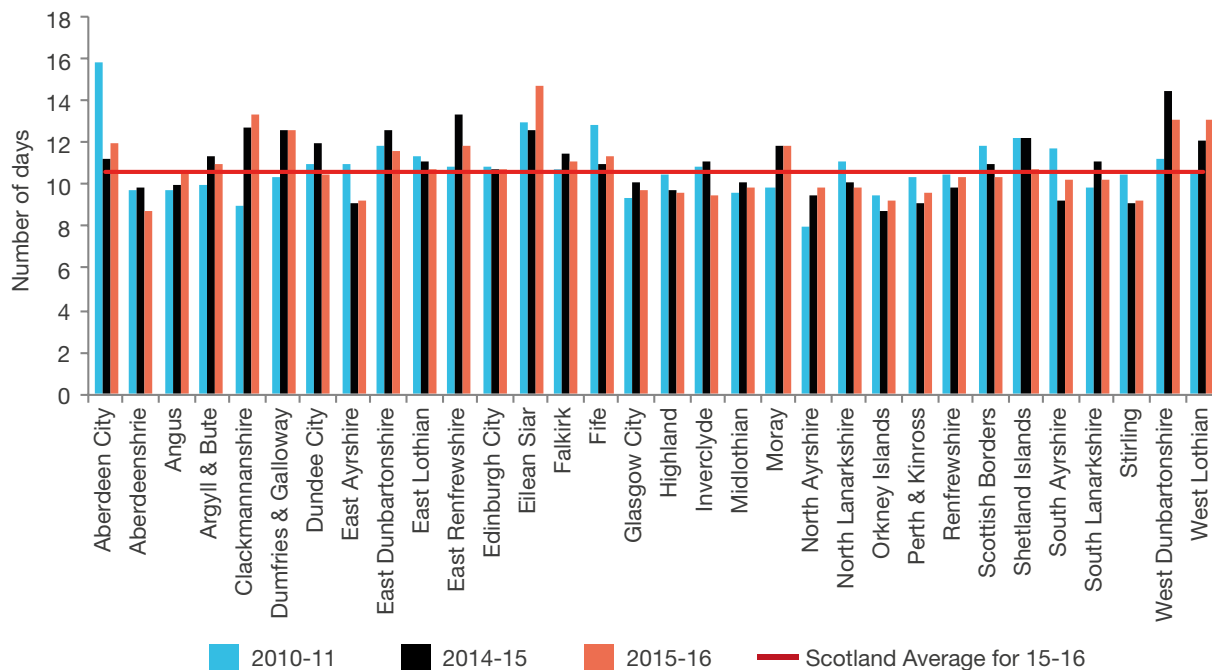



South Ayrshire Council have improved all staff attendance through a review of absence management arrangements and an improved monitoring and reporting regime, which is aimed at supporting staff and their overall welfare to ensure attendance at work and facilitate early return to work if sickness absence does occur.



Shetland Council introduced a greater focus on case management of sickness absence that includes the organisations most senior management and have seen a reduction in staff absence.

Number of Sickness Absence Days Per Employee (Non-Teacher)



Source: Council Supplied Figures



Aberdeenshire Council reduced both staff and teacher absence through enhanced practical attendance management policy training and the provision of guidance to managers which focuses on the proactive management of attendance and the follow through of the attendance management processes. Further targeted support was provided by HR to line managers in areas with high absence levels and the provision of Wellbeing Initiatives has also been made available.

Work within Family Groups has identified the following factors as important in understanding the variation between authorities in sickness absence levels

Workforce composition and age profile

Priority given to performance management and business intelligence to support early intervention

Strategic priority given to health and wellbeing initiatives

Level of staff engagement and involvement

Differences in absence management policy and procedures, including the point at which disciplinary intervention is triggered

Level of flexible working practices

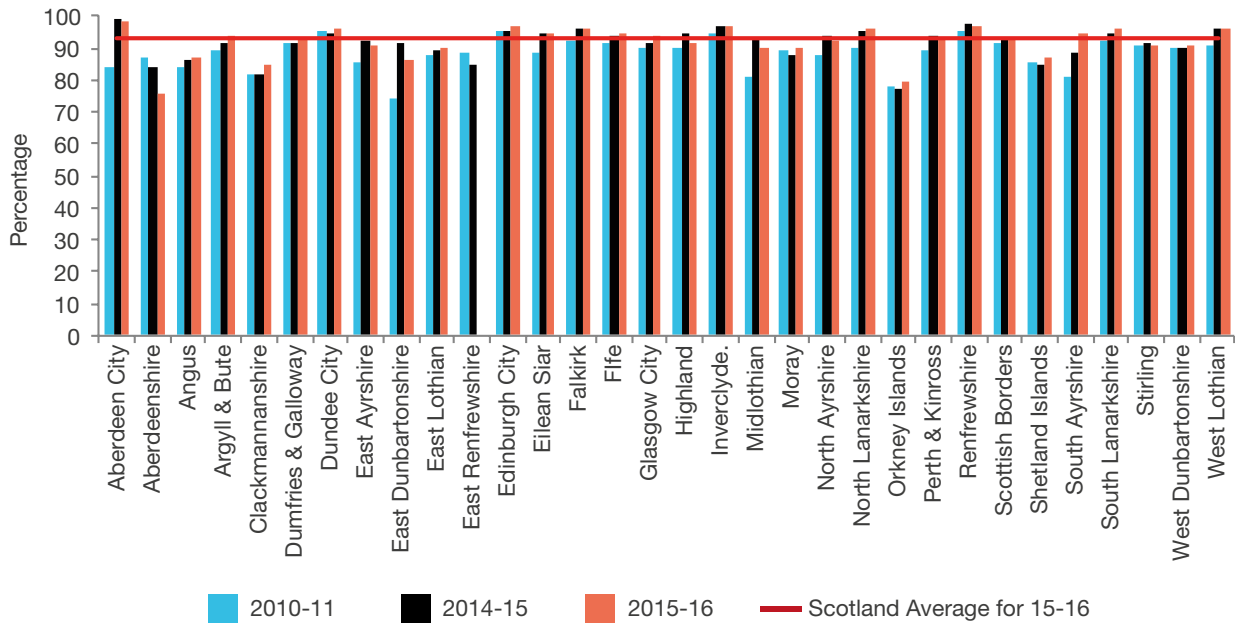
Level and type of occupational health and counselling

Level of resource dedicated to maximising attendance and managing absence

Invoices Paid

Councils are major purchasers of goods and services both within their local economies and across the Scottish economy as a whole. The percentage of invoices paid within 30 days has steadily increased from 89.5% to 92.8% over the six-year period. In 2015/16 the range across councils was 75.9% to 98.0%.

Percentage of Invoices Sampled that were Paid Within 30 Days



Source: Council Supplied Figures

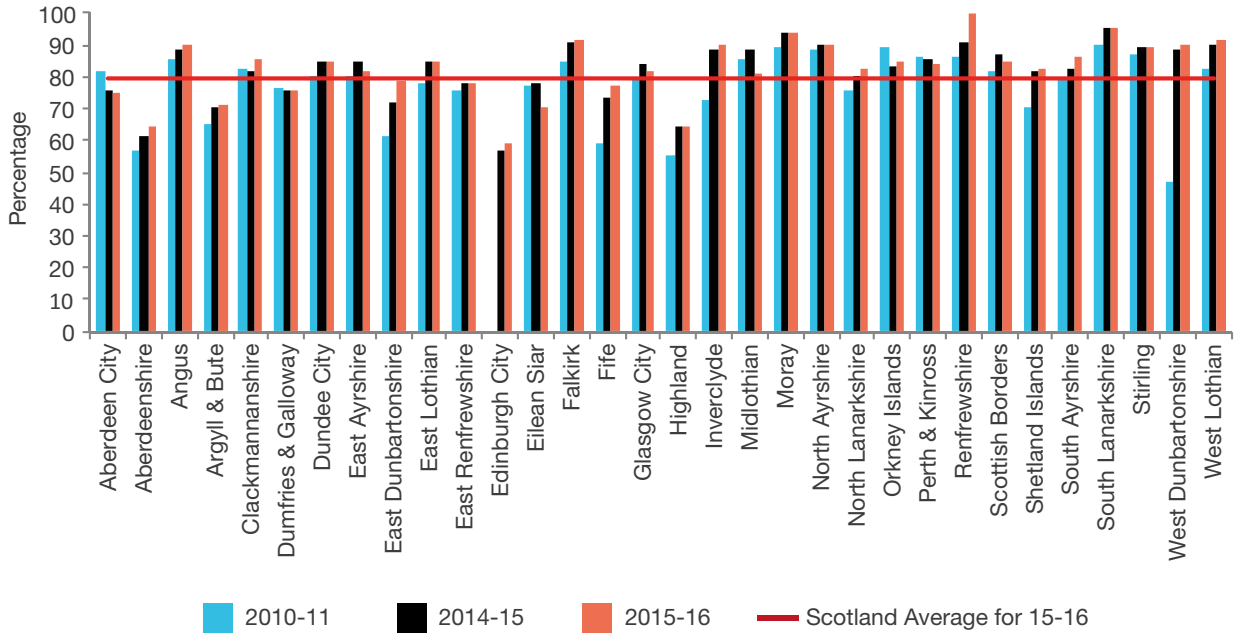


Aberdeen City Council focused on digital channel shift, completed a workflow project for invoice processing and introduced more online services including e-invoicing, resulting in an improvement in the percentage of invoices being paid within target.

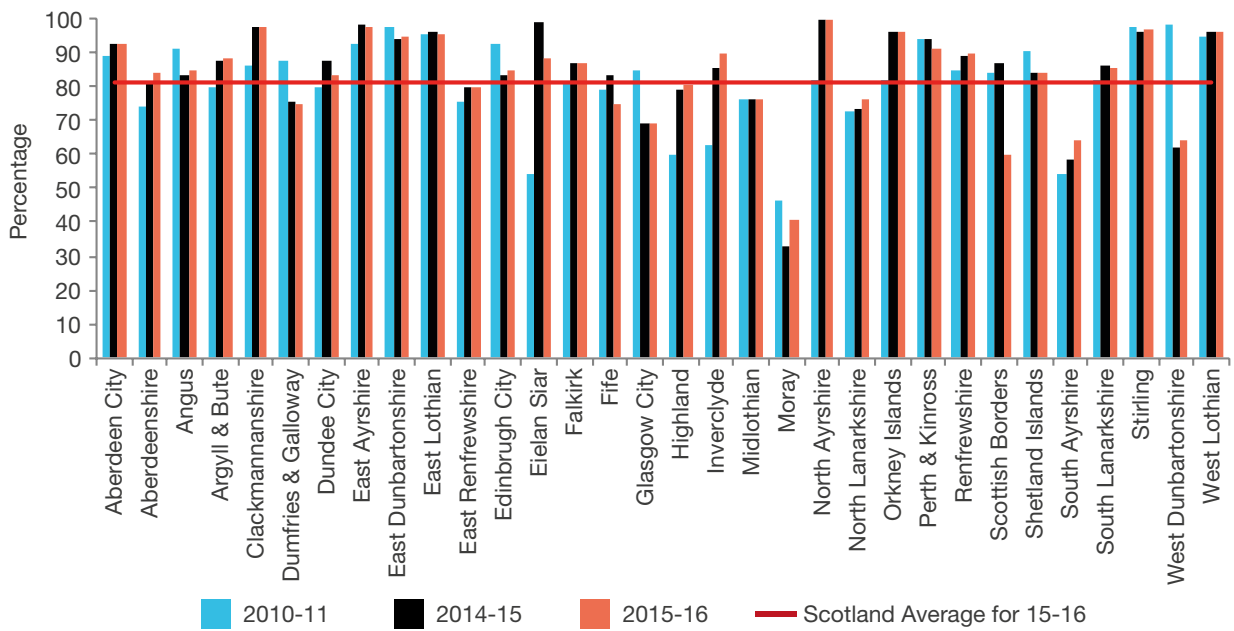
Corporate Assets

There has been consistent improvement in the condition of councils' corporate assets over the period. The percentage of operational buildings that are suitable for their current use has improved from 73.7% to 79.6%. The proportion of internal floor area of operational buildings in satisfactory condition has improved since the base year and has remained consistently high at above 80%. There has been some fluctuation over the period, with a slight deterioration in the last 12 months from 82.9% to 81.5%. There is significant variation across councils in both measures, ranging from 59% to 100% for buildings suitable for use, and 41% to 99% for condition of floor area. Rural councils have significantly lower levels of buildings suitable for their current use, although there is no similar relationship in terms of the condition of internal floor area.

Proportion of Operational Buildings that are Suitable for their Current Use



Proportion of Internal Floor Area of Operational Buildings in a Satisfactory Condition



Source: Council supplied figures

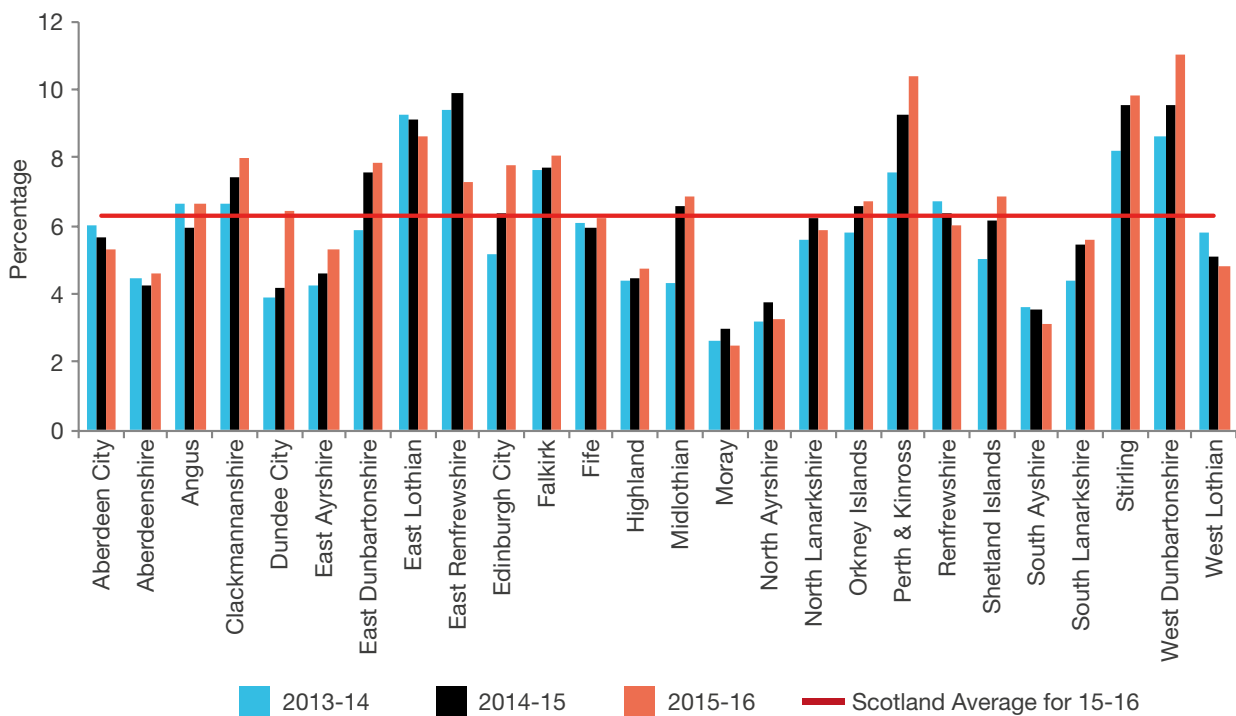
Housing

The housing information within the benchmarking framework covers housing management, housing conditions and energy efficiency. Only those councils who have responsibility for the provision of housing services are included here.

The average Scottish tenants' arrears as a percentage of net rent due has increased year-on-year from 5.6% in 2013/14 to 6.2% in 2015/16. As with Council Tax payments, evidence is emerging that the roll-out of Universal Credit is a significant detrimental factor. In 2013/14, the definition and methodology for this measure changed, therefore it is not possible to provide a direct comparison with previous years

In 2015/16, the percentage of arrears range from 2.4% to 11.0% across councils however analysis indicates variation is not systematically related to levels of deprivation, rurality or size of authority area.

Gross Rent Arrears as a Percentage of Rent Due



Source: Annual Return on the Charter (ARC), Scottish Housing Regulator (SHR)

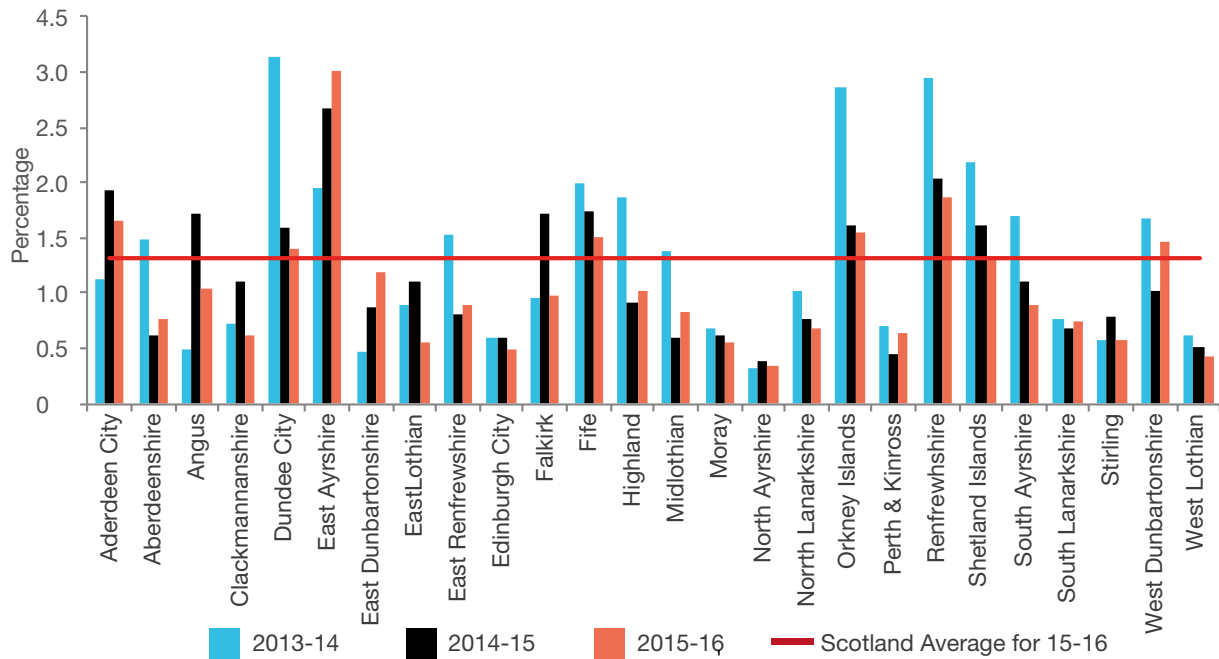
Note: Missing values represent the six councils who do not provide housing services following transfer to Registered Social Landlords



East Lothian - East Lothian Council Revenues Team established several actions to address the issue of housing rent arrears recognising levels were higher than in other similar councils. Benchmarking exercises were undertaken by the council's Revenues Team via the Scottish Rent Forum, through the use of a Housing Quality Network Health Check and the reporting of benchmarking data regarding rent arrears to the council's Policy & Performance Review Committee which helped to raise the profile of the issue within East Lothian. This has resulted in a reduction in arrears year on year since 2013/14.

Meanwhile, the rent lost due to voids has reduced from 1.3% to 1.1% since 2010/11. Again, figures vary across authorities, from 0.3% to 3.0%, however the level of variation has reduced since the base year. Neither the urban/rural nature of the council nor the size have a systematic impact here. Overall, these figures suggest the councils continue to manage their stock well in the face of mounting pressures.

Rent Lost Due to Voids



Source: Annual Return on the Charter (ARC), Scottish Housing Regulator (SHR)

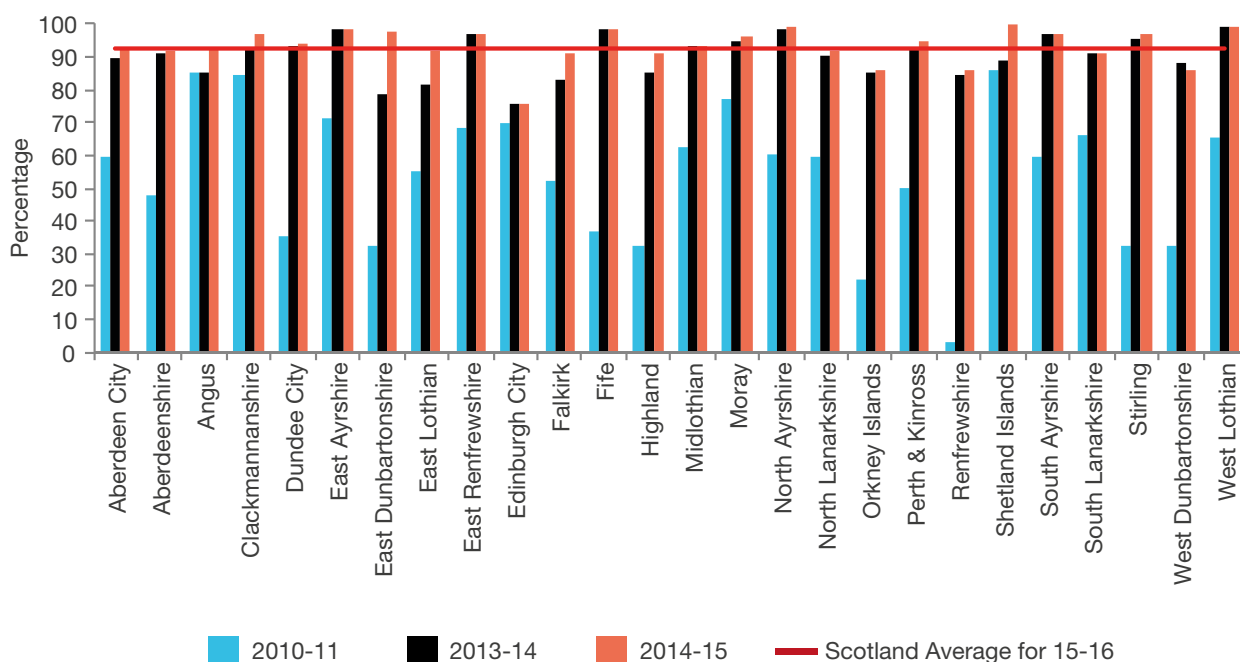
In terms of housing quality, there have been significant improvements over the past six years in terms of dwellings meeting Scottish Housing Quality Standards (SHQS) and energy efficiency standards²⁴. In 2015/16, 92.5% of council dwellings met the SHQS, an increase of 39 percentage points from 2010/11. The range across councils varies significantly from 75.7% to 99.9%, although this range has narrowed since 2010/11.

Year	% council dwellings meeting SHQS	Percentage of council dwellings that are energy efficient
2010/11	53.6	74.9
2011/12	66.1	81.2
2012/13	76.6	88.8
2013/14	83.7	94.0
2014/15	90.4	96.5
2015/16	92.5	96.2

In 2015/16, 96.2% of council dwellings were energy efficient, an increase from 74.9% in 2010/11. Councils range from 82.0% to 100% with rural councils on average reporting lower levels of energy efficiency.

²⁴ % of properties at or above the appropriate NHER (National Home Energy Rating) or SAP (Standard Assessment Procedure) ratings

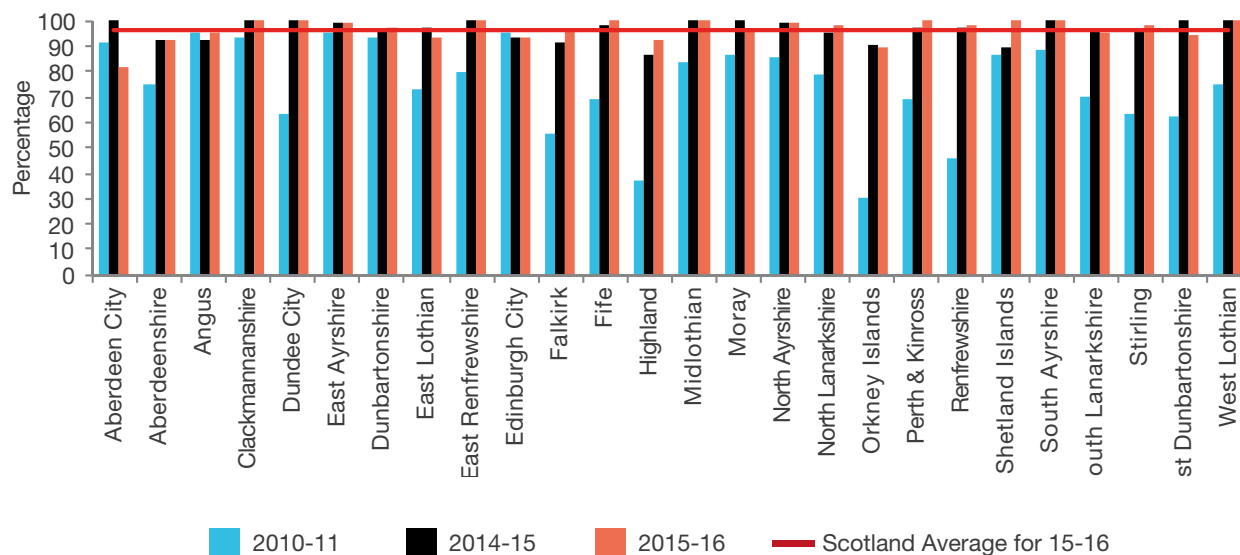
Percentage of Dwellings Meeting SHQS



Source: Annual Return on the Charter (ARC), Scottish Housing Regulator (SHR)

Note: Missing values represent the six councils who do not provide housing services

Percentage of Council Dwellings that are Energy Efficient



Source: Annual Return on the Charter (ARC), Scottish Housing Regulator (SHR)

It is important to note that the sources used within this publication are not based on the Scottish Government data sources (Housing Revenue Account statistics and Scottish Housing Condition Survey) rather they are based on data collected by the Scottish Housing Regulator. There will be differences between the two sets of data. For example, the data published here reports only on council provision rather than provision by all registered social landlords. Additionally, there are differences in the SHQS methodology between SHR and SHCS

Economic Development and Planning

Investing in economic development and employment opportunities results not just in a positive economic outcome, but can typically also lead to improvements across a wider range of social outcomes and reductions in demand for public services. The LGBF framework includes a suite of measures to reflect council performance across this strategically important area.

Employment

The first measure is the ‘percentage of total unemployed people in an area assisted into work from council funded/operated employability programmes’. Most councils participate in employment-related support – either via direct provision and/or via funding delivery by third parties. Employability support is often delivered in partnership and this measure seeks to capture data on employability services where the council has either directly delivered and/or funded the intervention. The measure is an indication of the proportion of unemployed people in a council area that are participating in employability responses led or supported by the council, and in this sense assesses the reach and penetration of the intervention. Currently this measure utilises part of the data submitted by councils as part of their annual [Scottish Local Authorities Economic Development group \(SLAED\) return](#).

In 2015/16, the Scotland average for the percentage of unemployed people assisted into work from council funded/operated employability programmes was 13.9% of total unemployed. This reflects an increase from 9.6% in 2012/13, however a small reduction from 2014/15.

This reduction may reflect a number of factors: the continuing focus on getting more long-term workless people into work and the welfare changes that require these cohorts to undertake job search activities; the reduction in national funding for wage subsidy schemes; and improvements in the labour market that have removed some of the easier to assist persons from worklessness and left a residual group of harder to assist clients who take longer to progress into work.

There is a considerable range across councils, from 1.1% to 31.6%, with lower rates for the least deprived councils (7.4%) compared to the most deprived (16.1%).

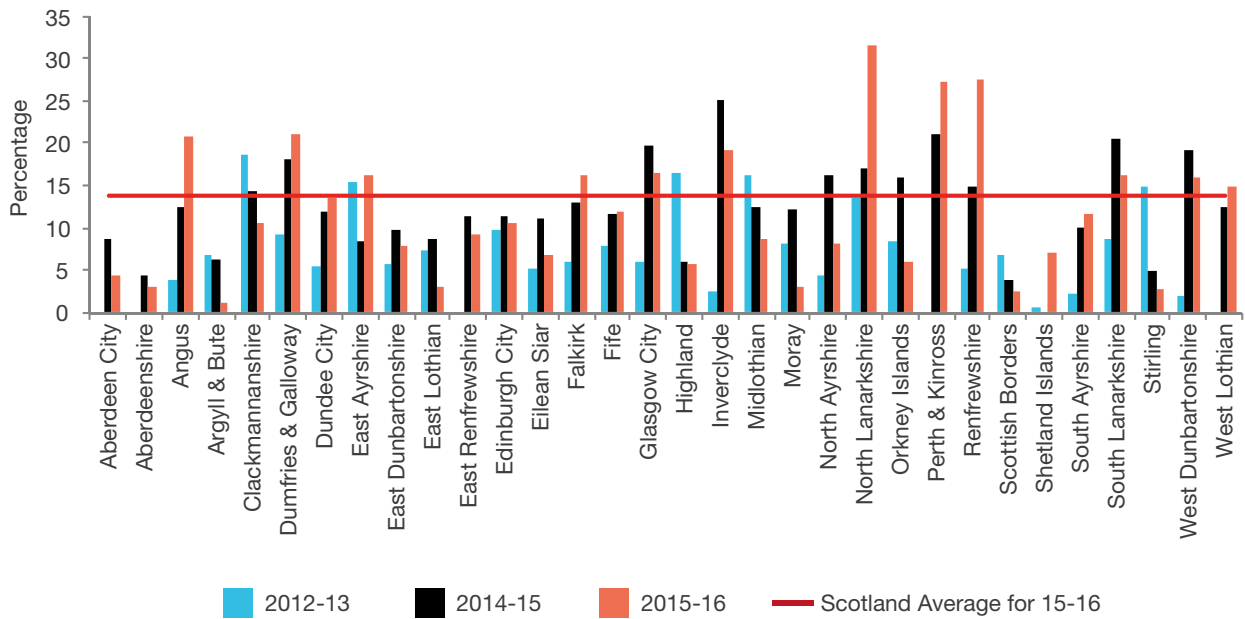
Number of Unemployed People Assisted into Work from Council Operated/Funded Employability Programmes, as a Percentage of Total Unemployed in the Council Area

Year	% Unemployed People Assisted into Work from Council Operated/Funded Employability Programmes
2012/13	9.6
2013/14	12.5
2014/15	14.1
2015/16	13.9



Renfrewshire has high and increasing levels of people back into work through council funded schemes. It has focused on reducing youth unemployment through a commitment between the council and business community to increase youth employment levels/reduce youth unemployment, and grow the local economy. The Council has supported companies to grow, develop and create jobs; get local companies to recruit from Renfrewshire's unemployed; and better prepare young people for the world of work through asking employers to deliver / support employability programmes.

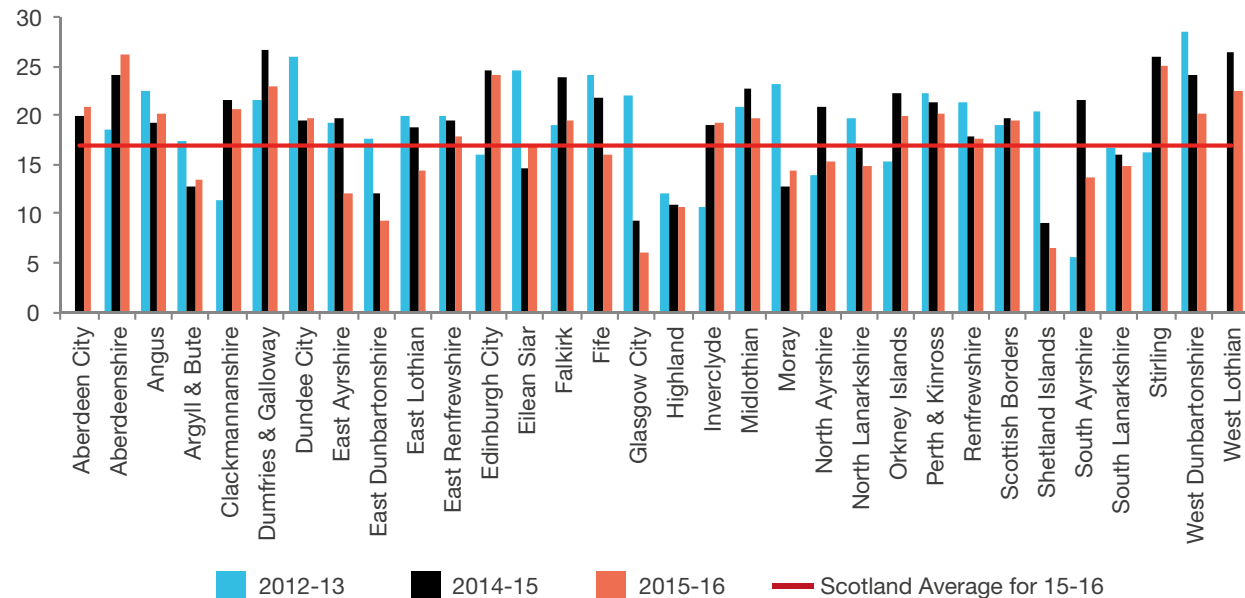
Percentage of Unemployed People Assisted into Work from Council Operated/Funded Employability Programmes



Business Support

As the ‘employability’ measure, on its own, does not fully monitor the performance by councils in delivering economic development, a measure reflecting the significant investment in business development and support (e.g. Business Gateway) has been introduced. The number of Business Gateway start-ups per 10,000 population has reduced since 2013/14 from 19% to 16.9% in 2015/16. The graph below shows the significant variation which exists across councils, ranging from 6.17% to 26.15%. There is no systematic relationship with start-up rates and rurality, deprivation or size of council. This may reflect a strategic decision by some Business Gateway areas to focus a higher proportion of resources on supporting growth service companies as opposed to business start-ups. In areas where start-up numbers are good this may have greater job creating potential.

Business Gateway Start-Ups Per 10,000 Population



Source: Business Gateway National Unit, COSLA; Mid-year population estimates, NRO

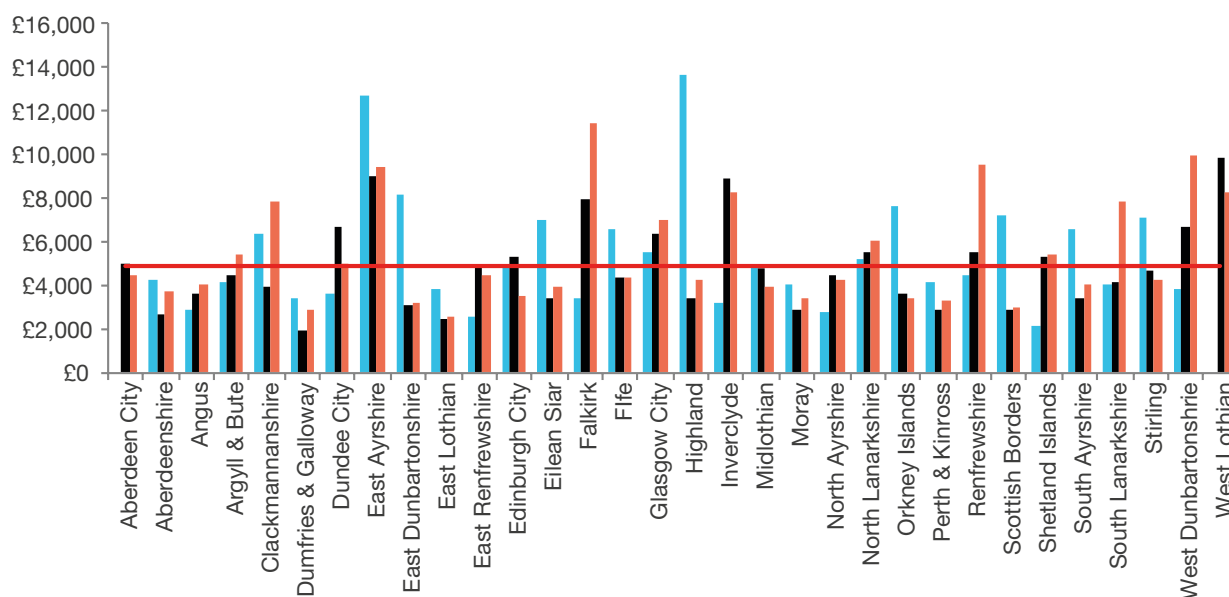
Cost of Planning Per Application

% Change	Cash	Real
2010/11 - 2015/16	-0.1	-7.8
2010/11 - 2011/12	-2.1	-3.5
2011/12 - 2012/13	29.4	26.7
2012/13 - 2013/14	-28.3	-29.4
2013/14 - 2014/15	-4.2	-5.6
2014/15 - 2015/16	13.7	13.2

The cost of planning per application has fallen from £5,243 in 2010/11 to £4,832 in 2015/16, a real terms reduction of 7.8%. Costs increased by 13.2% in the past 12 months. This increase perhaps reflects an increase in generated income across this period which is not reflected up in this gross measure.

There is a significant variation in planning costs across Scotland, ranging from £2,504 to £11,422. There is a significant relationship with deprivation levels and planning costs, with higher costs reported by those authorities with higher levels of deprivation. The average planning costs for councils with the highest levels of deprivation is £7,432, compared to £3,527 for authorities with the lowest deprivation levels. While not significant, urban authorities also tend to spend more than rural and semi-rural authorities – although this is likely to be a corollary of the deprivation effect.

Cost Per Planning Application

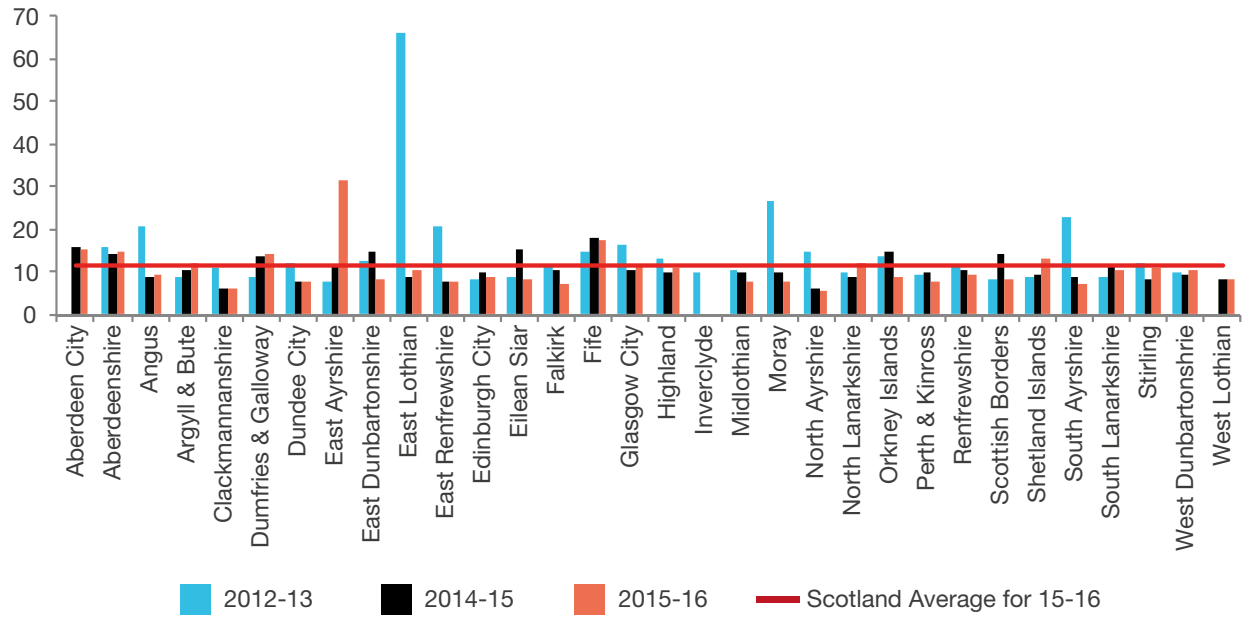


Source: Planning Authority Performance Statistics, Scottish Government; Council provided expenditure figures

There has been a reduction in the average time per commercial planning application since 2012/13. In 2015/16 the average time taken was 11.2 days, compared to 13 days in 2012/13.

There is significant variation between authorities however, ranging from 5.31 days to 31.63 days, although this narrows to 5.31 to 15.31 when outliers are removed. There are no statistically significant relationships with deprivation, rurality or size of council.

Average Time Per Commercial Planning Application



Source: Planning Authority Performance Statistics, Scottish Government

Conclusion and Next Steps

The core purpose of the LGBF is to support councils to deliver better outcomes for communities. The framework offers greater insight into their own performance and a strengthened evidence base to support councils to drive improvement, support performance management, promote collaboration and learning, and strengthen public accountability.

This last year has seen councils across Scotland improve the quality and performance of key services while continuing to manage pressures to reduce costs. This report highlights the significant variation in both cost and performance which exists between councils. It is these variations which provide the opportunities for learning. They provide 'can openers' which support collaboration and sharing between councils to better understand the factors underpinning the differences and the approaches which may be delivering the desired benefits.

There is a continuous improvement programme to refine the benchmarking framework to ensure the measures included remain relevant and focus attention on the areas which matter most to local government. We will work with all councils and relevant partners to prioritise the following actions to strengthen the LGBF across the next period:

- I. Develop a wider suite of children's and young people's measures which reflect a more holistic picture of children's services and which will help inform and support improvements in the educational outcomes and life chances of all children and young people. Representing the first stage of this development, additional education measures have been included this year. Further measures will be introduced over future years to improve the scope and balance of information available on children's services.
- II. Strengthen the link with outcomes to support the wider Community Planning reform agenda, while still ensuring councils have access to the operational information necessary to demonstrate accountability in how resources are used within services.
- III. Provide a focus on non-prioritised and non-protected service areas to capture innovation in response to budget constraints, and to monitor changes in expenditure and performance over time. The growth of collaborative, joint arrangements will be monitored and the structure of LGBF itself modified over time to accommodate that.
- IV. Develop a wider range of measures that allow demand, spend, capacity and impact across the social care system to be monitored over time. We will work with Health and Social Care Partnerships in the period ahead to establish market capacity measures and measures of assessed demand.

The collective efforts of all 32 councils in Scotland have been important in taking this benchmarking project to its current stage of development and their on-going support will be critical to its further success.

Appendix 1 Full List of Indicators and Service Categories

	Data	Indicator Description
Children's Services	CHN1	Cost per primary school pupil
	CHN2	Cost per secondary school pupil
	CHN3	Cost per pre-school education registration
	CHN4	Percentage of pupils gaining 5+ awards at Level 5 or higher
	CHN5	Percentage of pupils gaining 5+ awards at Level 6 or higher
	CHN6	Percentage of pupils from deprived areas gaining 5+ awards at Level 5 or higher (SIMD)
	CHN7	Percentage of pupils from deprived areas gaining 5+ awards at Level 6 or higher (SIMD)
	CHN8a	The gross cost of "children looked after" in residential based services per child per week
	CHN8b	The gross cost of "children looked after" in a community setting per child per week
	CHN9	Balance of care for looked after children: % of children being looked after in the community
	CHN10	Percentage of adults satisfied with local schools
	CHN11	Proportion of pupils entering positive destinations
	CHN12a	Overall average total tariff
	CHN12b	Average total tariff SIMD quintile 1
	CHN12c	Average total tariff SIMD quintile 2
	CHN12d	Average total tariff SIMD quintile 3
CHN12e	Average total tariff SIMD quintile 4	
CHN12f	Average total tariff SIMD quintile 5	
Corporate Services	CORP 1	Support services as a percentage of total gross expenditure
	CORP 2	Cost of democratic core per 1,000 population
	CORP 3b	The percentage of the highest paid 5% of employees who are women
	CORP 3c	The gender pay gap
	CORP 4	The cost per dwelling of collecting council tax
	CORP 5b2	Average time (hours) between time of domestic noise complaint and attendance on site
	CORP 6a	Sickness absence days per teacher
	CORP 6b	Sickness absence days per employee (non-teacher)
CORP 7	Percentage of income due from council tax received by the end of the year	
CORP 8	Percentage of invoices sampled that were paid within 30 days	

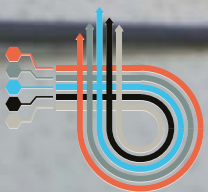
	Data	Indicator Description
Adult Social Care	SW1	Older persons (over 65) home care costs per hour
	SW2	SDS spend on adults 18+ as a percentage of total social work spend on adults 18+
	SW3	Percentage of people 65+ with intensive needs receiving care at home
	SW4a	Percentage of adults receiving any care or support who rate it as excellent or good.
	SW4b	Percentage of adults supported at home who agree that their services and support had an impact in improving or maintaining their quality of life
	SW5	Older persons (over 65's) residential care costs per week per resident
Culture & Leisure Services	C&L1	Net cost per attendance at sports facilities
	C&L2	Net cost per library visit
	C&L3	Net cost of museums per visit
	C&L4	Net cost of parks and open spaces per 1,000 population
	C&L5a	Percentage of adults satisfied with libraries
	C&L5b	Percentage of adults satisfied with parks and open spaces
	C&L5c	Percentage of adults satisfied with museums and galleries
	C&L5d	Percentage of adults satisfied with leisure facilities
Environmental Services	ENV1a	Net cost per waste collection per premises
	ENV2a	Net cost per waste disposal per premises
	ENV3a	Net cost of street cleaning per 1,000 population
	ENV3c	Cleanliness score (% acceptable)
	ENV4a	Cost of maintenance per kilometre of roads
	ENV4b	Percentage of A class roads that should be considered for maintenance treatment
	ENV4c	Percentage of B class roads that should be considered for maintenance treatment
	ENV4d	Percentage of C class roads that should be considered for maintenance treatment
	ENV4e	Percentage of Unclassified roads that should be considered for maintenance treatment
	ENV5a	Cost of trading standards per 1,000 population
	ENV5b	Cost of environmental health per 1,000 population
	ENV6	The percentage of total household waste arising that is recycled
	ENV7a	Percentage of adults satisfied with refuse collection
	ENV7b	Percentage of adults satisfied with street cleaning
Housing Services	HSN1b	Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year
	HSN2	Percentage of rent due in the year that was lost due to voids
	HSN3	Percentage of dwellings meeting SHQS
	HSN4b	Average time taken to complete non-emergency repairs
	HSN5	Percentage of council dwellings that are energy efficient
Corporate Asset	CORP-ASSET1	Proportion of operational buildings that are suitable for their current use
	CORP-ASSET2	Proportion of internal floor area of operational buildings in satisfactory condition

	Data	Indicator Description
Economic Development	ECON1	Percentage of unemployed people assisted into work from council funded/operated employability programmes
	ECON2	Cost per planning application
	ECON3	Average time per commercial planning application
	ECON4	Percentage of procurement spent on local small/medium enterprises
	ECON5	No of business gateway start-ups per 10,000 population

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